
THE PUBLIC/PRIVATE RESPONSE TO SUDDEN DISEASE OUTBREAK

Convening key stakeholders in the United States and Canada to re-examine the outbreak of SARS in Toronto as a basis for strategic planning by both government agencies and the corporate sector to more effectively meet the challenges of future incidents worldwide

FINAL REPORT

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ALFRED P. SLOAN FOUNDATION

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The CDC Foundation was awarded \$45,000 to facilitate a meeting and follow-up of key legal and business experts in Canada and the United States to set the agenda for a comprehensive examination of the lessons learned from the outbreak of SARS in Toronto in 2003.

This meeting was convened March 2 and 3, 2005 in Toronto and included business and governmental leaders from both sides of the border.

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MEETING AGENDA

8:30 AM – 10:15 AM Opening Session

- Overview and Purpose (Gene Matthews & Steve Gravely)
- Self introductions to include a brief synopsis of each organizations role or interest in the SARS events of 2003.
- Overview of the SARS Epidemic in Toronto: short presentation by health officials
- The SARS experience from the viewpoint of government & business

10:15 AM – 10:30 AM BREAK

10:30 AM – 12:00 PM Roundtable Discussion

- Moderated discussion involving all participants on the management of SARS and the phases of economic recovery that followed.

12:00 PM – 1:00 PM LUNCH

1:00 PM – 3:00 PM Afternoon Session

- Perspective from US Business
- Moderated discussion of lessons learned from SARS
- What do I know now that makes me better prepared?
- What are key messages to other communities?
- How can those messages be delivered?
- What resources exist or need to exist?

3:00 PM – 3:30 PM Closing Session

- Next Steps
- Follow Up

3:30 PM Adjourn

LESSONS LEARNED BY THE TORONTO BUSINESS COMMUNITY

Early in 2005 the CDC Foundation sought out a cross section of two dozen key leaders to participate in an informal workshop, composed of representatives from the Canadian businesses seriously impacted by the SARS emergency, Canadian government officials, and experienced business leaders from the U.S. To encourage candor, it was agreed that the workshop would not be recorded, and reports from the meeting would not be directly attributed to any individual participant(s).

The CDC Foundation found that both Canadian and U.S. business representatives were keenly interested in participating in this unprecedented workshop in order to improve their own knowledge of the lessons that could help speed economic recovery from public health emergency situations.

A surprising amount of material and insight was generated during the one-day working session. At the end of the meeting, it was the consensus of the participants that they would be best served if the numerous good ideas and lessons could be concisely summarized in order to stimulate further discussion and communication among the organizations. Follow-up and discussion among the workshop participants continues at this time.

This summary provides (A) a brief background of the 2003 SARS epidemic in Toronto, (B) a description of the economic recovery plan that was developed in response, and (C) five sets of lessons learned from the experience of the SARS economic recovery.

A. BACKGROUND OF THE SARS EPIDEMIC IN TORONTO--2003

Key Public Health Aspects of the Toronto SARS Emergency

- The SARS epidemic in Toronto lasted for approximately 14 weeks (March-June 2003)
- SARS was introduced to Toronto by a traveler from SE Asia, where the epidemic had been spreading for 3 months previously.
- The Toronto epidemic was almost brought under control after 7 weeks (Phase I). Unfortunately, another person without symptoms, who was an undetectable SARS “superspreader,” apparently visited a Toronto hospital and triggered a second round of SARS, which lasted an additional 7 weeks.
- Even though there was no SARS vaccine or rapid diagnostic test, the SARS epidemic was successfully brought under control in Toronto through a combination of “old fashioned” public health control measures, including:
 - Public information about personal hygiene
 - Use of masks, gloves, gowns, and similar airborne infectious disease control measures
 - Strict isolation of diagnosed SARS patients
 - Quarantine measures for as many as 30,000 persons thought to have been exposed to SARS
 - Closure of certain facilities where SARS transmission was occurring

- International travel advisories issued by WHO and CDC
- 375 suspect or probable cases of SARS were ultimately identified in Ontario.
- 44 deaths in Ontario were attributed to SARS

Key Economic Aspects of the Toronto SARS Emergency

- 12,000 lost jobs
- Nine city-wide conventions cancelled in the summer of 2003
- A cost of over \$1 billion to that Toronto economy in 2003 alone
- It has taken two years for many of Toronto's economic indicators to return to their pre-2003 levels.

Early in the Toronto epidemic, leaders in the private sector began to focus on the need for developing a contingency plan for Toronto's economic recovery. Leadership emerged from such impacted service sectors as tourism, transportation, communication, entertainment, and food service, as well as the supporting government offices of tourism and economic development. Eventually the "leadership matrix" grew to encompass such organizations as:

- Greater Toronto Hotel Association
- Ontario Restaurant Hotel & Motel Association
- Metro Toronto Convention Centre
- Local 75 Hotel Employees & Restaurant Employees
- Toronto Board of Trade
- Air Canada
- Ontario Tourism Marketing Partnership Corp
- Ontario Ministry of Tourism and Recreation
- City of Toronto
- Canadian Tourism Commission
- Tourism Toronto

B. THE ECONOMIC RECOVERY OF TORONTO FOLLOWING SARS

The "Tipping Point" for SARS Leadership in Toronto

The cancellation in April 2003 of a large conference scheduled for later that summer by the American Psychiatric Association was the start of a cascade of major conference cancellations during the economically-important Toronto summer convention season. These conference cancellations were broad and direct evidence of the significant economic impact that SARS would have on the area.

Beginning on that day, the perception of the center of leadership in Toronto shifted. The fundamental context of SARS changed from being seen mainly as a health problem for government officials to solve; instead SARS was thereafter viewed also as an economic problem for the business leadership to solve.

Development of a Three Phase SARS Economic Recovery Plan for Toronto

The economic recovery plan that rapidly evolved in Toronto consisted of three phases. It is impressive to note that this three-part recovery plan, described below, was already being constructed even while the early stages of the SARS epidemic were still spreading throughout Toronto.

Phase 1: Grassroots Engagement and Assurance.

The essential first step identified by Toronto leaders was to “get the people of Toronto feeling positive about themselves again.” Focus groups and research helped prepare strategies that would encourage residents and businesses to resume normal social and commercial activities once the “all clear” was determined. Elements included:

- Developing networks and partnerships for the recovery
- Assurance advertising
- Corporate outreach
- Convention damage control
- Planning for the eventual “All Clear” announcement events

Phase 2: “Rally Toronto” Events & Festival Support

Also, while the SARS epidemic was still ongoing, a second set of plans were formulated for specific events and attractions to stimulate the eventual economic recovery:

- Discount packages for restaurants, hotels, shopping, travel, attractions, etc.
- Joint retail packaging across business sectors
- Common advertising themes and branding elements for the recovery
- Strategies targeting three overlapping audiences: (a) the greater Toronto community; (b) the residents of Canada; and (c) international visitors and business partners

Phase 3: Marketplace Outreach

Once health officials determined that the SARS “all clear” could be announced, then an aggressive economic outreach campaign was launched in late July 2003, including:

- Recovery advertising
- Celebrity events (including the Rolling Stones Concert)
- Media tour
- Joint marketing agreements with trade partners
- Convention development activities

During the subsequent two years, there has been no reappearance of any significant SARS outbreak worldwide; normal economic activity has gradually returned to Toronto; and the

business / government leadership matrix has generally returned to the separated status before SARS arrived in Toronto.

C. FIVE SETS OF LESSONS LEARNED

Clearly there are lessons learned from the Toronto SARS economic recovery that are readily understandable and transferable to other economic recovery situations that may arise.

The two-dozen most valuable insights may be grouped into five sets pertaining to (1) Leadership, (2) Communications, (3) Business-to-Government, (4) Business-to-Business, and (5) Business-to-Employee.

1. LEADERSHIP LESSONS

“Fear is Worse than the Disease, and Fear Drives Fear”: A helpful workshop insight was that the real enemy during the SARS emergency in Toronto was “fear of the unknown.” It was this fear that encouraged stigmatization of businesses, ethnic groups, and geographic locations where SARS appeared. The best remedy for fear of the unknown is timely, accurate, and practical information provided in a coordinated fashion by both the government and private sector leadership.

Plan for Increased Business Leadership: Obviously, Toronto shows that the patterns of business/government leadership are significantly altered during a public health emergency due to the economic consequences of the events. The business community became directly involved in the resolution of the public health situation. This leadership shift can be planned for in advance by communities developing stronger connections between the business leaders and government public health officials.

Early Leadership Self-Selection: There was a self-selected group of leaders in Toronto that stepped forward to handle the economic recovery planning. It is interesting to note that the theater community provided some of the first organization efforts (similar to the early role of the theater community in New York City following the events of September 11, 2001.)

An Emergency Unfolds in Stages—Prepare with Long Range Leadership: The period immediately after an emergency frequently becomes an opportunity to examine and, potentially, to change law and policy. Government and business should be prepared with analysis and recommendations before such windows of opportunity arise in order to quickly shape the best possible policies to meet short and long term public health and economic concerns. It may be too late to evaluate policy alternatives in the midst of an emergency.

Two Motivations for Business Preparedness: Corporate Responsibility and the Competitive Edge: The workshop pointed out that there were two distinct motivations for a company’s early participation in broader preparation efforts in order to anticipate the next public health emergency. First, businesses in a community have a sense of “corporate responsibility” to provide leadership when needed to encourage the economic stability of the community, as well as employee well-being. Secondly, the significant changes to a business model that can be caused by a public health emergency encourage companies to consider the “competitive edge” to be

gained or lost during and following such events. Strategies relating both to promoting a “corporate responsibility” ethic and to protecting the “competitive edge” inevitably encourage management toward building bridges with the public health community.

Leadership from the Top: While current business models emphasize a “flatter” table of organization, the workshop consensus was that business preparedness strategies are best initiated by top management, who bear overall corporate responsibility for protecting both the organization’s reputation and competitive edge in an emergency.

2. COMMUNICATIONS LESSONS

Leveraging Government Credibility and Business Credibility: In handling the public health aspects of a crisis, Toronto operated on the principle that the public health leaders in the government sector have the best credibility in articulating the health control measures. In handling the economic strategy of developing and implementing a business recovery plan, the leaders from the business community had the best credibility. Learning to apply this shared principle is important.

Business planned the economic recovery in advance, but the actual launch date was linked to the health officials: The business community used the lead time during the health control phase to plan the economic recovery; however the sequencing of the launch of the recovery plan was carefully tied to the government health offices signaling the “all clear.”

The “Dissonance” of Public Officials: Early in the Toronto SARS outbreak there were moments of factual dissonance among public health and other government officials at the city, provincial, national, and international levels (including WHO Geneva and CDC in the United States.) Such governmental dissonance obviously makes it difficult for private leadership to develop and maintain clear messaging and planning efforts for an economic recovery.

Anticipate the “Fog of War”: Workshop participants agreed that the stages of the SARS emergency now seem reasonably clear in hindsight, but the “fog of war” makes it much more difficult to understand the situation and assess progress in real time. The principles of flexibility and contingency-planning help in developing an economic recovery strategy during the same period in which the health situation remained murky.

Use the “Echo Technique”: When business communicated about the health aspects of a crisis to its employees, partners, customers, or the public, it improved credibility for business messages to “echo” rapidly the latest public health messaging of the government health officials.

“At Some Point the Media Story Changes”: In addition to the leadership “tipping point” described above (when business leaders engaged in the developing the economic recovery plan), there was, in addition, a media “tipping point” that occurred in the manner in which the local electronic media presented the SARS story. Shortly after the SARS epidemic crested, communication officials describe a point at which the local television coverage changed from daily reports of the number of newly identified SARS cases; instead the broadcast media started reporting the number of former SARS patients discharged from hospitals. This change in the tonality of local media reporting was a significant development in community perception.

Because of the breadth of the business / government's ongoing SARS communications strategies, it was not possible to pinpoint any single factor that triggered this important change in tone.

3. NETWORKING LESSONS: BUSINESS-TO-GOVERNMENT

Advantage of Early Bridge-Building: Obviously, when the leadership “tipping point” takes place and the leadership of the business community needs to engage in developing an economic recovery plan, it is much better to have business-government relationships built in advance. Conversely, when the government public health sector and the business sectors are not familiar with each other in advance, then opportunities can be inadvertently missed and unnecessary confusion can take place. While the specific aspects of a future public health emergency may be unpredictable, the benefits of having comfortable working relationships between the business and government sectors are invaluable, and such relationships must be developed during “normal” times

Business Model of Rotating Fresh Personnel into the Crisis: The Toronto business community instinctively knew the importance of rotating fresh personnel into the crisis management team on a regular interval. This technique had a significant advantage over the traditional public health / medical practice of the same personnel staying “on duty or on call” for the duration of the event.

Use of “Dark” Web Sites: Both government and business communication experts recommended expanding the use of limited-access or “dark” web sites to facilitate alternatives for sensitive communications in certain situations. Such limited-access web sites already exist for public health and security officials. Such sites can also be useful for business-to-business and business-to-employee communications in an emergency.

“Do Your Post Mortem While the Fire Is Still Smoldering”: After an extended public health emergency like SARS in Toronto, significant psychological burn out and organizational fatigue accrue over time. When the emergency ends, there is a natural tendency on the part of both business and government to “stand down,” recuperate, and then return to a “normal” pace of activity. It is important for both the public and private sectors to maintain sufficient focus to capture quickly the “lessons learned” while memories are still fresh and the unique personal networks that developed during the emergency are still active.

4. NETWORKING LESSONS: BUSINESS-TO-BUSINESS

Diverse Businesses Draw Closer Together: Clearly the economic aspects of SARS on such related sectors as tourism, transportation, entertainment, and retail sales caused individual businesses to draw closer together as they battled the common financial enemy. Businesses developed common policies on sick leave, closures, and identification of essential personnel.

Pooling of Financial and Personnel Resources: Stakeholders in the banking, financial, and communications sectors also pooled financial and personnel resources to develop desperately-needed recovery assistance to keep commercial activity functioning.

Cooperation of Traditional Competitors: It is extremely important to note that, during a short interval of time, traditional competitors in Canada engaged in joint activities to promote the common SARS economic recovery efforts. For example, during phases two and three of the economic recovery, an airline posted on its website the promotional fares and discount packages of the bus and rail companies in the region.

Traditionally, airlines, buses, and passenger trains all compete freely for the same customers; however, during the SARS emergency, the more important need to prime the region's economic engine took priority, for a temporary period, over the traditional market forces of individual competition. It is somewhat difficult to plan ahead for such cooperative moments in which normal market competition is suspended by abnormal events. On the other hand, when looking back with the advantage of hindsight to the need for such altered cooperative behavior following events like SARS or September 11, 2001, it seems perfectly logical that such cooperation among competitors would take place during the economic emergency.

5. NETWORKING LESSONS: BUSINESS-TO-EMPLOYEES

Employees Are Listening to Their Employer: In an emergency, employees demonstrate an increased tendency to gravitate toward the familiar communications channels set up by their own employer, more so than during normal times. Similarly, employers increased the depth of their communications to their own employees on a wide sector of issues including:

- confirming location and status of employees and their families
- indicating when and if to report to work
- encouraging proper personal protection and risk reduction messages
- describing how to clean work areas and equipment
- handling rumor control and stigmatizing incidents

Concern About Lost Wages: Analysis shows that “concern about lost wages” was the single factor that caused the most hesitation when people were asked by health officials to quarantine themselves. At such moments, employers must be prepared to send clear signals to workers early in an emergency so that sick leave policies are coordinated with the messages from health authorities.

“Grace Periods” for Financial Obligations during an Emergency: A related, and very sensitive, policy issue involves whether, and how, for businesses to extend (and ask for) grace periods for financial obligations impacted by the emergency. On the one hand, individuals and businesses encounter temporary cash flow interruptions due to the economic aspects of the emergency. Yet the concept of any “grace period” also risks the opportunity for abuse by avoiding valid obligations. In Toronto it appears that such matters relating to financial obligations during the SARS emergency were, in general, handled informally on a case-by-case basis.

Encourage Volunteer Programs: The workshop discussed the benefit of volunteer programs. When businesses were temporarily closed in New York City after 9/11/01, employees benefited from being encouraged by employers to volunteer to help in community emergency. Such

efforts were thought to be both good for the psychological well-being of employees, as well as good for the public image of the employer.

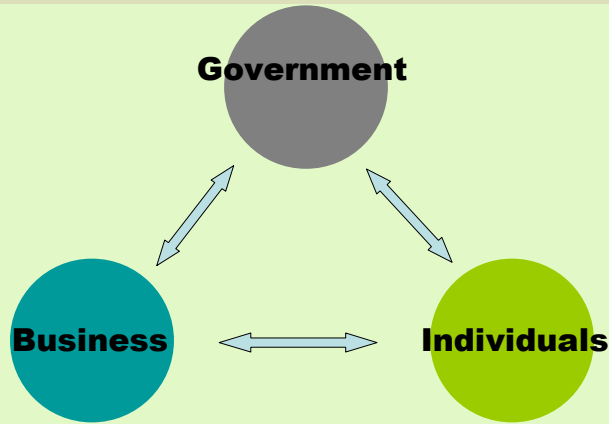
CONCLUSIONS

Business Leaders Need to Reach Out to Public Health Officials: Public health officials in the U.S. are still amazed at the resourcefulness, energy, and persistence demonstrated by the Canadian leaders in controlling the SARS outbreak of 2003 and responding to the economic challenges. In view of the ongoing presence of new emerging infections, as well as continuing threats of terrorism, it is important that business leaders initiate contacts and develop relationships with health officials in their community during “normal” time, rather than waiting for an emergency to create the introductions.

Public Health Must Be Responsive to Business Invitations: Clearly, parallel efforts must be taken to develop within the public health community a higher level of sensitivity and perspective regarding the impact of public health emergency decision-making on the business community. Personal networking is imperative before the next emergency happens. Moreover, pre-event dialogues and bridge-building efforts can assist public health in reengaging local community leaders in important public health activities.

In an Emergency, Government, Business, and Individuals Behave Differently: Finally, Toronto provides a stunning example of the manner in which the three sectors of a community of government, business, and individuals draw closer together when faced with an emergency. The attached figure represents this behavioral change. In “normal” times, these three segments maintain distance between each other because of differing goals, agendas, and strategies. When an emergency happens and they face a common threat, these “normal” relationships are altered, and these three sectors draw closer toward each other. Individuals are more likely to obey the government’s quarantine orders; employees look to their employer for reliable information; and business leaders engage with the government to develop economic recovery plans. It is vital that we anticipate this social phenomenon that causes persons and institutions to behave differently during the emergency. In fact, our safety requires that we begin to plan for it, now.

The Green Zone: Normal Times

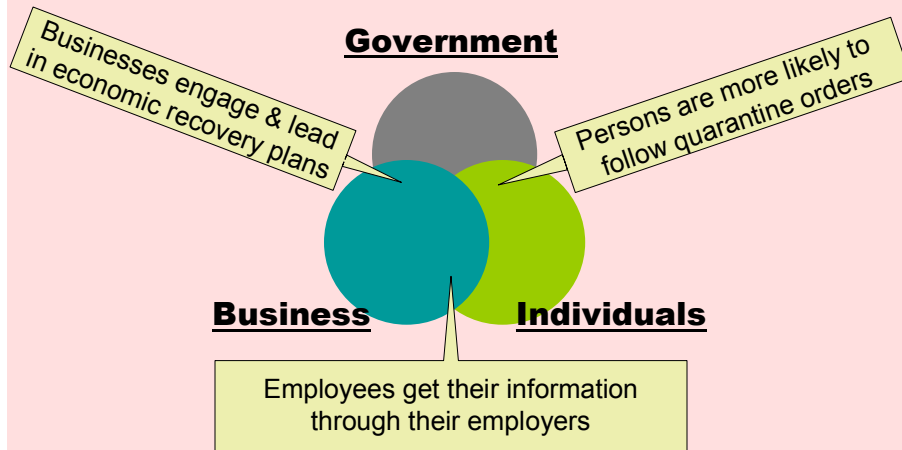


Normally, there is distance between these entities because of different goals, agendas, & strategies

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The RED ZONE: An Emergency



Relationships are altered during an emergency—we need to plan for it...now.

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