

Position Paper

Woerden, 7th April 2020

Coronavirus outbreak – immediate support is essential to avoid collapse. Live communication and event industries are crucial for the recovery of the European economy.

We would like to draw your attention to the impact of the coronavirus pandemic on the European **live communication and event industry**. It is tremendously relevant that the **European Union bodies remain loyal** to this foremost industries to tackle the outbreak that we are facing due to the Covid19 crisis. Live communication and events **were the first industry to be genuinely affected**. This industry is characterized by a wide scope of a massive business turnover; involving conventions, congresses/conferences, celebrations, exhibitions, presentations, introductions, incentives, educational & cultural events, campaigns, among other activities. Whether it is concerning B2B (clients & relations focussed), B2E (internal & employees focussed) or B2C (consumers & fans focussed); **the situation developed at fast pace until an abrupt halt**.

There has been national level measures taken by most of the local governments, acknowledged in a recent inventory. However, **we strongly claim for the support of all EU institutions to be in harmony approach all over Europe** to mitigate the disastrous impact, to avoid massive job losses and companies going bankrupt. **This industry is in urgent need of help**.

LiveCom Alliance nominated itself to **squeal its member voices**, to secure the vital role of the live communication and event industry in the **social and economic recovery of Europe**. Therefore, an illustration of its importance shows that nine countries, associations represent 700 national member agencies, with an economic impact of **€8,2b** sector turnover and 55.000 employee workforce. **And definitely we are not alone**, together with UFI, the Global Association of the Exhibition Industry and the International Congress and Convention Association - ICCA, **numbers can be oversized** out of **€80bn** sector turnover and 550K employees.

Huge economic impact on losses due to cancelled/postponed events

Attention! Historically accurate, the outbreak of the coronavirus has unprecedentedly caused the downsizing situation of reduction of events **never before registered**. Inherently all events worldwide **are in cessation since the start of the lockdown** forced by its crisis. Taking into consideration the rush of event's cancellation, additionally the events that were forced to be rescheduled later this year **companies are by this time in a disfavor** of severe difficulties for the reason of a total grounded. This keeps creating huge domino effects for many industries, **impacting severely the whole ecosystem**.

We evoke your alertness to the **economic damage in Europe** caused by events not taking place as planned for 2020. An idea to break it down easily and connect it to the Livecom Alliance recently publication **European Industry Survey** (by RIFEL), presented the generation of business as of 8.2 billion and 55k employees. In total only **before Spring**, numbers are fruitfully as high as 37 billion euros, added to the impressive 278,000 **jobs that are about to be lost in Europe**.

The first to be affected, the last to be recovered

Our principal concern is regarded to the fact that the short term cancellations or postponements had a **straightaway impact** in the event's economy ecosystem. **The first point to note has to pay attention to** the delay of scheduled business and revenues. This poses directly an existential risk especially for small and medium sized companies (e.g. agencies, caterers, venues, technical suppliers along with other stakeholders in the chain, **including a considerable amount of self-employed people**).

Moreover, as already mentioned, **we strengthen that our sector was the first to be affected without hesitation**. Comparing and contrasting to the recover speed of the gastronomic sector, for example, the live communication and events industry **takes considerable outstanding amount of time to reestablish** and get the engine running and warm again, from the moment we are allowed to do business. Therefore, we can be considered as one of the last industries to get recovered once its **complexity takes into consideration the average timelines** of at least 8 weeks, more likely quite a few months, from demand to execution. We believe that **with the reinforcement of the European Union bodies**, in many instances SMEs are considered as of **the backbone of the European economy**, and need to be treated with high relevance by the government and institutions of the Member States. We welcome the initiatives already announced by the EU and many Member States' governments, **equally we appreciate the allocate funds to shore up** the live communication and events industry **more than most**.

Measures to mitigate the losses are urgently needed

Following the European Union's institutions decisions of many of the support measures requested earlier, swift and active support of a **coordinated approach in all Member States** to offer the same set of emergency remedies to affected companies that are without any question indispensable. In particular, **immediate liquidity – not only as loans but more important as instant subsidies** – is required to avoid masses of companies going bankrupt.

Live Communication and Event industry reinforces the claim to the European Union on presenting specific instruments to act precisely against the concrete economic crisis, with the urgent need of:

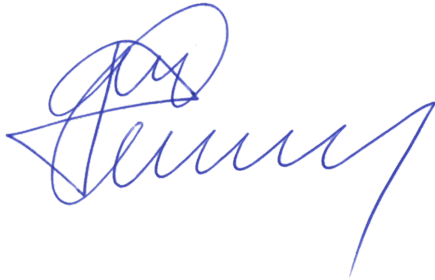
- **Subsidies and credits** for the critical transition phase to be provided immediately and without bureaucracy on the local level to all companies sizes, including micro companies and the self-employed;
- Dedicated programmes offering **compensation to event organisers** and related services using the new flexibility of the state aid rules during the crisis situation;
- **Deferral of taxes and of social contributions and other payments due** for affected companies until the situation changes;
- **Comprehensive protection from banks** for all companies, self-employed entrepreneurs and freelancers in our sector;
- **Flexibility in employment** rules and conditions and support to salary payments to allow keeping employees on board during the crisis and avoid major job losses.

Live communication and events bring people (back) together; the spinning wheel for social and economic recovery

Our industry fulfills an imperative role in recovery phase; **bringing people (back) together**, (re)building communities, creating engagement. Events and live communication are cement for our society and therefore **vital for the path to growth, socially and economically**. We identified emotionalization and digitalization as the **dominant trending topics**. Incorporating both trends simultaneously is challenging thus far rewarding. Yet, we point out sustainability as an overarching future trend that **radiates** into all activities within the mission of bringing people (back) together, because this is not only about business impact, our society recovers faster when **people are brought together** and through **lively experiences** very well driven by the creative industry totally aligned to our added values.

The European Institute for live communication, LiveCom Alliance, addresses you for the support to coordinate each implementation of powerful measures for our sector without any further delay across the whole EU throughout the member states.

We would be grateful to have the opportunity to discuss the required measures further with you, if you would find that of assistance. We would also be happy to provide you with any supplementary information you may require. Kindly mind to be in direct contact with any of the undersigned.



Jan Kalbfleisch

Chairman of the Board at LiveCom Alliance
Managing Director at FAMAB (DE) -
Association for Integrated Brand Experience



Maarten Schram

Founder & Managing Director at LiveCom
Alliance
Managing Director at IDEA (NL) -
The Independent Dutch Event Association

Tel: +31 623758896

E-mail: maarten@livecomalliance.eu



Ivo Franschitz

Member of the Board & Treasurer at LiveCom Alliance
Member of the Board at EMBA -
Event Marketing Board Austria
Founder/Owner at ENITED Business Events GmbH



Frank Marreau

Member of the Board at LiveCom Alliance
Member of the Board at Expo Event (CH)
Managing Director at Expomobilia

Background information - about LiveCom Alliance

LiveCom Alliance is the independent European institute for live communication. We believe that live encounters do build a stronger future in all societies and industries, especially in this digital day and age. LiveCom Alliance unites national boards of associations, each representing local member agencies and companies in the live communication and event domain. Goal of the Alliance is to unite, learn and inspire. Currently serving 9 national organizations (Belgium, Germany, France, Italy, Spain, Portugal, Switzerland, Austria and The Netherlands) and affecting 700 leading agencies and companies around Europe.

