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Convention Center Leaders Still Waiting on Guidelines from the Governor

Recent Guidelines for Gatherings of up to 200 People Fail to Address Competitive Disadvantage with Other States. Key Industry That Generates \$4.1 Billion in Revenue/Month in California Lagging Behind Other States

Sacramento – News that indoor events of up to 200 people can resume under limited conditions did not placate convention leaders and labor groups who remain disappointed that Governor Newsom still has not issued statewide guidelines for trade shows and conventions in California.

"We're still waiting," said Barb Newton, President & CEO, California Travel Association. "The guidelines issued today don't help convention centers at all and continue to send a signal to other states that California is closed for this business indefinitely.

"Every other state has issued guidelines for trade shows and conventions but California. We are losing business every day to Arizona, Texas, Florida and other states that are all hosting large events safely. It's very frustrating that we have no guidelines, but other large indoor spaces like malls and retailers are open for business and operating safely with approved modifications."

Concluded Newton, "We can't even confirm we'll be able to hold events later this year or in 2022. Every month that goes by is billions in lost revenue and jobs. Governor Newsom needs to take action now to reopen this sector and get our hundreds of thousands of employees back to work."

In early March, 134 travel and tourism groups and labor officials sent a <u>letter</u> to Governor Newsom urging him to issue guidelines to end the uncertainty causing clients to cancel large events planned in late 2021 and even in 2022.

They called on Governor Newsom to focus his attention immediately on this sector of the economy which accounted for \$66.1 billion in direct spending and 457,000 jobs in 2019. For every month California delays opening for large events like trade shows and conventions, the

state is losing \$4.1 billion in economic activity. This data comes from two studies from Oxford Economics released in October 2020.

News that California is opening up, more vaccine is available and vaccine ages are being lowered is setting expectations among groups looking to book here that large gatherings will resume at some point. But without guidelines from Governor Newsom, potential clients looking to book events in California see lack of guidelines as a signal that California still could be closed indefinitely.

"The Ontario Convention Center was going to host the Home School Convention, but the group just cancelled their annual conference. This booking would have brought \$2.1 million in economic impact to the region and employed at least 205 workers in the Ontario area, but instead the convention is looking to Arizona or Nevada," said Michael Krouse, President & CEO, Greater Ontario Convention & Visitors Bureau. "Our events bring revenue and jobs to both the state and local government. Literally millions of Californians are depending on this sector. We need guidelines now."

"We just lost a national youth volleyball tournament that would have generated \$9.3 million for the community, bringing 12,000 parents and kids to Long Beach this summer," said Steve Goodling, President & CEO, Long Beach Area Convention and Visitors Bureau. "That's just from one event. It's a shame that we're losing out on that economic activity."

The California travel industry finalized a plan in June 2020 which outlined how California could safely hold meetings. The plan adhered to standards established by the Centers for Disease Control and Prevention (CDC) and the California Department of Public Health (CDPH) and included best practice recommendations for sanitation, staff training, physical distancing, and communication.

Still the Administration has yet to adopt it or release guidelines of its own.

"Business meetings and events create hundreds of thousands of jobs," said Tommy Faavae, IBEW Local 11. "The direct jobs are in hotels and convention centers, but thousands more come from those who do set up, sound systems, construction, and other ancillary work. Last year was devastating for everyone who worked in this sector of the economy. The governor can help make sure 2021 and beyond will bring back this industry to where it was prior to the pandemic."