

Pandemic Risk Coverage for Event Cancellation

Associations support all industries and professions through economy-building events, such as conventions, business meetings and entertainment.

Associations live at the intersection of public service and the U.S. economy. They are the **primary source of post-college education and training programs**. They create product service standards for everything from children's toys to building construction.

Events, such as conferences and meetings, provide the means for associations to promote their stakeholders, lead communities and support America's economy. Associations, event venues, hospitality providers and the **millions of companies and employees** they support **need pandemic coverage for event cancellation to protect jobs** and our community's far-reaching economic impact.

Events Support Jobs

- **15.7 million Americans** work in the hospitality sector.¹
- ASAE's five-day Annual Meeting injects an average of **\$16 million into local economies**.
- In 2018, ASAE's Annual Meeting in Chicago, IL provided for **\$150 million in downstream economic impact** after one year.²
- 15 percent of associations host **more than 50 events each year**.³

Why Events are Critically Important

- Events **generate funds needed to pay staff**, support essential services and pursue missions.
- Events facilitate **innovation, training, education, and knowledge-sharing**.
- Events provide for regional, state and federal **tax revenues**.
- Events provide **massive local economic impact** (e.g., hotel stays, venue contracts, dining, etc.).

Why Pandemic Risk Coverage is Needed

- A pandemic risk coverage program will **help reestablish market stability** and predictability.
- Insurance markets provide infrastructure to enable **quick resolution and minimize fraud**.
- **Organizations need time** - typically 12-24 months or more - to plan for major events.

Events and the Hospitality Sector are Hard-Hit

- Throughout the pandemic, **seven out of 10 jobs lost** have been in hospitality.⁴
- 52 percent of associations **laid off and/or furloughed staff** due to losses from cancelled events.
- 60% reported needing reserves to help cover losses due to cancelled events.
- 13% reported **insufficient reserves** to cover losses due to cancelled events.
- Among 230 survey respondents, **550 events were cancelled in 2021**, losing **\$165 million**.⁵

¹ [Bureau of Labor Statistics](#).

² Choose Chicago (Chicago, Illinois Convention & Visitors Bureau) Economic Reporting.

³ ASAE Research Foundation Financial Impact Study. December 2020.

⁴ [U.S. Travel Association](#).

⁵ ASAE Research Foundation Financial Impact Studies. December 2020 & December 2021.