## CRAIN'S DETROIT BUSINESS

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## Interest in corporate events perks up with relaxed regulations

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- · Some large events that attract thousands still on books for early 2021
- · Interest rising in return of bigger events after recent executive order
- · Venues explore executive order's impact on consumer shows

The events outlook for Southeast Michigan brightened a little last week, following the governor's move to relax restrictions on the number of people who can gather at indoor venues. Calls for corporate meetings and social events began trickling in to TCF Center in Detroit and Suburban Collection Showplace in Novi after restrictions shifted to allow up to 500 people at indoor events where there is adequate space for social distancing.

The leaders of TCF and Suburban Collection Showplace, the region's two largest exhibition centers, believed the increased limit would also enable large events on their books — which typically draw thousands of attendees — to move forward if held in separated rooms and exhibit halls of their massive convention centers.

But Gov. Gretchen Whitmer's press secretary Tiffany Brown late last week clarified that Executive Order 183, made Sept. 25, limits the number of people at any indoor gathering or event to 500 total.

"The fact that an indoor space can accommodate more than 500 people while maintaining under 20 people/1,000 square foot doesn't change that limit," Brown said in an email.

Top executives at Suburban Collection Showplace and TCF Center said Friday they planned to look further into the limits.

"We are still investigating the state of Michigan's directive and we will follow the letter of the law, whatever it is at that time," said General Manager Claude Molinari.

"TCF has several large events still on the books, but they won't move forward unless the restrictions are further relaxed."

Blair Bowman, owner of the Suburban Collection Showplace in Novi, said he also planned to seek additional clarity on the limitations imposed in the executive order. "I'm still very enthusiastic about this," he said.

A few events have been holding on to see if restrictions would be lifted, Bowman said. "Come the first of the year, we are looking at (bringing back) our traditional lineup of consumer shows," in compliance with the executive order, he said.

## **New limits**

Whitmer's <u>Executive Order 183</u> doubled the number of people allowed at indoor events to 20 per 1,000 square feet and raised the ceiling on the number of people allowed at indoor events to 500, beginning Oct. 9. Masks are required at those meetings. Planners for corporate meetings and social events began calling as soon as the order passed, inquiring about booking events that typically draw 200-500 people, said Claude Molinari, general manager of TCF Center in Detroit.

"I didn't expect (the new relaxed restriction) this soon. It was a pleasant surprise. ... There's been nothing in the pipeline for months and months."

Mass cancellations of events this year due to the pandemic have added up to a loss of \$9.6 million in meeting and convention business and \$2.4 million in parking revenue, Patrick Bero, CEO and CFO for TCF Center's operator, the Detroit Regional Convention Facility Authority, said on Sept. 25.

To help TCF weather the losses, the <u>state allocated \$36 million in additional support for the</u> <u>Detroit events center</u> over six fiscal years.

In any given month, TCF needs to be doing about 20 events to break even, Molinari said. The corporate meetings and social events wouldn't be enough to sustain the center, "but while we're in this event recession, we're able to get a few things in here so we're still working toward having events and putting our people to work."

"We were budgeting with the idea we aren't going to have any events until April 1. ... We're treating it like anything we get is going to be gravy, and I'm hoping to get a lot of gravy," he said.

Suburban Collection Showplace and its affiliate Novi Diamond Banquet & Conference Center also began getting calls from excited brides and corporate meeting planners after the executive order was issued, owner Bowman said.

A number of events are now scheduled through the end of the year, including some weddings and an award ceremony for the Building Industry Association of Southeast Michigan, he said.

Those calls were welcomed but aren't enough to sustain exhibit halls on their own, leaders said. TCF and Suburban Collection Showplace have been cautiously optimistic they will be able to hold the larger events still on their books for early next year.

The Ultimate Fishing Show and Novi Home Show are on the schedule for January at Suburban Collection Showplace. Bowman said plans were also in the works to hold the Southeast Michigan Auto Show, produced by the venue, in January.

The NCAA Division I Men's Basketball Championships is still scheduled, for now, to take place in March at Little Caesar's Arena.

The Detroit Boat Show is still on TCF Center's calendar for January, along with the Michigan Democratic Party 2021 State Convention in February and Autorama and the SAE World Congress in March.

"The Boat Show and Autorama have strong wishes to move forward if allowed to do so," Molinari said.

TCF believes it can safely host up to 500 people each in different parts of its venue, including its ballroom and its open exhibit halls, he said.

Similarly, last week Bowman and his team were developing plans to accommodate large consumer shows while adhering to the prescribed limit of 20 people per every 1,000 square feet. Those plans included putting up walls to divide up the Novi convention center, he said.

This past January, its inaugural year, the regional Southeast Michigan Auto Show drew 30,000 people. It took place in 120,000 square feet, Bowman said.

"This year we are dedicating 320,000 square feet that will be divided by full, enclosure walls into four separate zones."

The venue will be working on ticketing and division within the distinct, separated auto show zones to make sure there are no more than 500 attendees in any one area at a time, he said.

"If we can effectively and safely manage 500 people in defined zones and areas over the course of the entire weekend ... we'll be able to accommodate a meaningful amount of attendance." Some business-to-business and trade shows and conferences set for Suburban Collection Showplace shifted their events to later in 2021 or early 2022, Bowman said. But the vast majority of the consumer events have stayed on the books.

"Everybody is excited, given the governor's executive order, to get back in business," Bowman said.

The Detroit Metro Convention & Visitors Center, which works to bring events to the region as a whole, including citywide events that typically attract tens of thousands of people, has 73 events on its books at local venues for 2021. Though that number is far below the 252 events it booked in 2019, it's an encouraging start, President and CEO Larry Alexander said.

"I would say this is a good indication that people are starting to meet again," Alexander said.