



The hidden costs of cancelling NAB

NAB tried as hard as possible to hold a physical show this year. From moving the date to the autumn to engaging with the industry to try and ensure a safe show, they did everything they could to go ahead. The fact that they felt they couldn't in the end was largely down to the spread of the delta variant, which was something no-one could have predicted when the original autumn show plan was hatched. Add in low vaccine uptake in the US and the continued problems with international travel, and the decision to cancel was understandable.

The timing was awkward, however. And we thought in this blog post we'd look at some of the consequences of the cancellation and some of the costs that different parts of the industry have had to bear as a result.

The announcement came on 15 September, 24 days before the show was due to start. While the show dates were 9-13 October, the first day of the build was scheduled to be 4 October. Regulations at the time stipulated that any contractors from the UK or Europe that planned to work at the show had to self-isolate in a US 'green' country for 14 days prior to heading to the contiguous 50 States. Effectively that meant St Lucia, Antigua, or a similar country.

Working backwards from 4 October, that meant some had to be travelling out around 18 September. Which as I'm sure you will have guessed, means that plenty of people had already booked and paid for these trips when the show suddenly got cancelled. Insurance being what it is regarding the pandemic, in a lot of cases those costs have been borne by the contractors themselves.

Contractors that were committed to being on-site at NAB were suddenly without this work and of course had not booked work in whilst they would have been in Las Vegas. Some found alternative gigs, many didn't. So, they faced a double whammy; the work they did have was cancelled, and they had nothing booked for October. As a result, a lot of people had very little work, especially at the start of the month.

We were busy ourselves, though not necessarily in a good way. Unsurprisingly, the lead time for freight is even longer than for people. Freight from the UK and Europe was sent as early as mid July through till mid September — and all of this freight was en-route or had already arrived in Las Vegas when the cancellation came.

As the freight company of choice for many exhibitors heading out to NAB, we found ourselves in the position of having to still send staff to Las Vegas in order to make sure freight was received, stored, and, in quite a few cases, then urgently rerouted back to the UK for the upcoming IBC. The infrastructure is under a fair amount of pressure out there too, which hasn't helped, and the costs of shipping are rising as a result.

We've met these costs ourselves. It's not fair to pass them on to clients and there are a lot of people out of pocket at many different points in the industry. For design companies and stand contractors, the way that contracts are normally constructed means that the majority of their revenue from any given show occurs when the stand is installed and the show goes ahead. Cancellation means a large part of their revenue is lost. And the same is true, of course, for exhibitors. Shows are expensive to exhibit at, but everyone does it because the revenue they get from the uptick in sales they get as a result makes sure they mostly pay for themselves. The companies looking ruefully at the financial burden of a cancelled NAB are therefore hit twice: they not only spent money to exhibit at a show that was cancelled, they won't recoup anything from it either.

Considering this was the second NAB in a row where the show was pulled at short notice, from individual contractors to the global vendors the cumulative effect across the industry is enormous.

Let's hope then that everyone supports IBC, the show takes place successfully, and we can all start a full return next year to getting back to doing what we love. And that includes making plans for NAB 2022. Scheduled to take place from April 23 2022, that means we'll be hitting the ground running right after the Christmas break — and we suggest our clients do too.

You know what they say, third time lucky...