



**Presentation to the Standing Committee on
Finance and Economic Affairs for the
Small and Medium Enterprises sector**

Study of the recommendations relating to
the Economic and Fiscal Update Act, 2020
and the impacts of the COVID-19 crisis on
certain sectors of the economy.

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Ontario Government help needed for the Ottawa Wedding Industry

1) Change restrictions for indoor events from 50 people to 50% capacity for venues.

- This will completely change the cancellations and postponements of weddings, and help the industry get started again.
- While ensuring safety regulations are met and room to provide social distancing
- Average size venue in Ottawa capacity: 200-250 people

2) Continue the CEWS program @ 85% top up through the rest of 2021

- ☐ Allow seasonal businesses to be eligible through the non-wedding months

3) Continue CERB program to allow for recovery

4) Rent relief program continuation

5) Government grants

6) Recognize our industry as a separate industry sector because of our special needs

7) Establish more flexible loan repayment beyond 2 years

8) Engage in discussions with us about developing guidelines on our industry barriers

- ☐ Dancing and what venues can do to allow this to happen safely
- ☐ Guests not having to sit for 8 hour event, offering standing social group tables



Ottawa Wedding Venues

Wedding venues are the first stop when are couples deciding about moving forward with weddings during the pandemic, due to the restrictions imposed by the government. For 2020, most have postponed or cancelled their weddings, which has impacted our entire industry. Here is what we are hearing from these small-business wedding venue owners:

Loss of 2020 business: 90-100%

Top challenges: No income, mounting operational bills, small weddings not wanted by most couples, hosting small weddings not profitable, seasonal business with winter months coming, going bankrupt if restrictions don't change.

Restrictions are most impactful: Capacity at 50 people, no dancing, guests seated for 8 hours.

If you could ask the government for help what would it be: Allow for 50% capacity and work with venues to hear their suggestions on dancing and allowing guests to stand both within social bubbles while socially distanced.

**please see testimonials from local Ottawa wedding venue owners at end of presentation*

Ottawa Wedding Industry

Weddings are an essential celebratory event in peoples' lives that brings family friends together.

- Average wedding size is 120 people with a budget of \$30,000.
- Ottawa hosts over 6500 weddings per year generating \$325M
- Ontario has 65,000 weddings per year for a \$3.2B revenue.
- The industry is largely composed of local small businesses who are more vulnerable to large shifts in the economy.
- Until the pandemic hit, this industry was thriving.



Ottawa wedding-related small business owners

85% of weddings happen from May through October.

- Most have lost 75-95% of their total booked revenue for 2020.
- All are working tirelessly to cooperate with couples to offer a variety of options and to accommodate their changes.
- Very few small weddings are happening this year due to social gathering restrictions.
- Everyday, these small businesses are dealing with continuous cancellations.
 - not just for 2020 but for 2021 and 2022 due to the pandemic and restrictions.
- Meanwhile ongoing operational costs continue to accumulate.
- Off-season is looming near with income to make it through.
- Return to profitability will take 5-10 years. Variation due to vendor/business types.
- The year 2021 will see a decrease in revenue, where postponed couples have booked up most of the season.



If restrictions continue through 2020 and into 2021, many will file for bankruptcy. Immediate changes are needed.

Stonefields – wedding venue example



Small-business: growth 20% YOY since inception 2010. Weddings get booked 1-2 years in advance. Host large weddings, built framework with pricing and guest minimums to cover heavy overhead costs.

- 111 booked weddings
 - expected revenue of \$2.7M, and operational expenses + COGS of \$2.5M.
- Since pandemic hit:
 - 21 cancellations, 78 postponements, 17 small weddings.
 - Hosting these few small weddings at a loss.
 - Ongoing cancellations 2020, 2021, 2022
 - Refunds issued \$150K past 5 months
 - Revenue YTD: \$17K vs. \$832K this time last year
 - Operational expenses YTD: \$496K, expected to finish 2020 @ \$1.2-\$1.5M in the hole from ops.
 - Fixed operational costs: business loans, equipment leases, property taxes, insurance, book-keeping, legal and accounting fees, marketing, advertising, property and building maintenance and repairs, bank and credit card fees, propane, hydro, internet, office and cell phones, supplies and more...



Stonefields appreciates our government help



- The CEWS program that covers the 9 of 34 staff we have brought back
 - but only at a rate we can afford through September @ top-up of 85%.
- \$40K automatic loan.
- Low-interest business continuity loan from BDC we secured in April to help with operational expenses for 6 months.
 - We are getting to the end of these funds
- We are running out of time.



Photos of Stonefields event spaces

Plenty of room to socially distance guests with 50% capacity = 110 guests, during:

- Ceremony (indoors at the Ceremony House or outdoors in front of the farmhouse)
- Cocktail hour (outside on the covered verandah and patio)
- Dinner and reception (in the Loft)

Like all other wedding venues, we have all the measures in place relating to the Ministry of Health's guidance, Ministry of Labour's Workplace Safety Plans and all of the government-related laws, restrictions and protocols including elimination, engineering and administrative controls. Allowing an increased capacity, poses no extra risk to our guests or staff given all of the measures we have put in place to ensure the safety of everyone involved.



STONEFIELDS ESTATE

- 1 STONEFIELDS LOFT
- 2 CEREMONY HOUSE
- 3 STONEFIELDS INN
- 4 FARMHOUSE CEREMONY SITE
- 5 COCKTAIL HOUR BAR
- 6 VERANDAH & PATIO
- 7 BADCHILD PUB
- 8 HAWKINS SETTLER'S CABIN
- 9 GUEST & VENDOR PARKING



The Loft: outdoor cocktail hour space and indoor dinner and reception building.







Ottawa Gatineau Wedding Industry Association

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Wedding Venues – Top Challenges

“Trying to continue with no cash flow, especially as we head into the winter months which are usually slow. Also no guarantee of what next year will bring with a full year booked up....No one that moved from 2020 will want to move yet again after 2021 if things don't change.”

“The fear now that 2021 will not be back to normal. We can survive 2020, but no way for 2021.”

“Unable to open and compete with Quebec venues who are allowed 250 guests”

“Surviving... but mainly no income for 2020 and not knowing what's going to happen in 2021 leaves me unsure about future bookings as I can not guarantee a “normal” wedding.”

“working with our current couples to provide them with a smaller wedding at a price they can live with....maintaining the extensive property and gardens with little staff and still host weddings now.”

“No income after 5 months, lost 95% of booked revenue 2020, starting 2021 in the hole of \$1.5M, couples upset about cancellations with initial deposit not being refunded, couples threatening to sue, ruin us on social media or shame us into offering deeper discounts for tiny wedding this year, 2021 couples already asking what will happen for their wedding in 2021 and knowing we won't make it if things remain the same. We are now at the point of giving our shirts to our couples for the few tiny 2020 weddings happening, just so they don't cancel and sue us. “

Wedding Venues - Restrictions

Which restrictions are most impactful to your business and if you could ask for leniency, which ones would they be?

- ☐ “We can't operate events that make it profitable with such small event minimums. Not being able to dance is also a huge game changer for most couples. and sitting in social circles is not even practical, lots of guests only know the couple and have no one else in the same circle.”
- ☐ “Indoors with only 50ppl, no dancing (why not in bubbles, maybe @ 1.5 meters distanced), and need stand-up mingling during cocktail hour with food and beverage.”
- ☐ “No dancing is certainly a factor to our clients. Guests being seated for the entire event indoors is not favourable.”
- ☐ “the dancing restrictions, the indoor 50 people limitation.”
- ☐ “50 guests is not only not favourable for couples but it is a death sentence to wedding venues, seated for 8 hours in social bubbles, some guests don't know anyone but the couple which means they sit alone, dancing needs to be clarified. Some are saying you can as long as socially distanced.”
- ☐ “The indoor occupancy.”

Wedding Venues - 2021

How are you anticipating dealing with 2021 couples should we still be in the same stage of the pandemic next year?

- ☐ "his hasn't been a thought yet, cause I don't think we will have a wedding industry if it happens again without financial aid."
- ☐ "We are starting to get concerns from 2021 couples now because of the recent news reports, which will also affect new the new bookings we were expecting. We will survive to spring although tough, but another situation of postponements will be the end. Covid couples will never go for it and more lawsuits will follow."
- ☐ "Our economy, life savings and businesses are being destroyed. Unless restrictions change, there will be no wedding industry by 2021".
- ☐ "I guess postponing again if the need be. I can not afford to refund all my clients and I am certain they can not afford to pay for two weddings. I am very certain I can not afford two years with no income."
- ☐ "We are already facing this challenge as our 2021 couples have started to reach out to us about what is happening. We have reached out to our May and June 2021 couples whose payments are coming due, and adjusted their invoices down to 50 people, expecting them to make their payments. We are also asking them to tell us if they are considering cancelling, and if they are, to cancel before their next payment is due, so we can rebook the date now."
- ☐ "We won't make it. Couples already asking. If all restrictions are still in place we will have to close our doors. Though we may have to before then based on the financial crisis we are in now. Couples will cancel, more lawsuits coming, tiny wedding packages are not even worth us hosting events."
- ☐ "If things don't change for 2021, couldn't the government subsidize the purchase or rental of big white tents to give us all the opportunity to host outdoors since most of us have the space to do but no money?"