

Harry the hirer
81-95 Burnley Street
Richmond, Victoria, 3121

Gab Robinson
ceo
gabr@harrythehirer.com.au
03 9429 8688
0425781107

Impact of Covid on the Events Sector and Harry the hirer

Overview

Due to the outbreak of Covid19 and ensuing government restrictions on public gatherings, Victoria's major events and exhibitions came to a complete halt from March 2020 to December 2020. During the period of Jan 2021 to March 2021, two outdoor events occurred, Australian Open Tennis and Melbourne Food and Wine Festival. Therefore, in the last 14 months the Victorian event and exhibition industry has staged 2 events when normally thousands would have occurred.

The industry shutdown between April 2020 and June 2020 resulted in a loss of 98% of revenue for Harry the hirer. A further loss of 75-80% of revenue for FY2021 is forecast. We expect the event and exhibition industry to kickstart again in Spring of 2021 and throughout FY2022. It is important to note that 90% of our revenues in FY2021 will be derived from non-traditional revenue streams as we have been forced to change our business as we innovate to survive.

Given the 12 month industry shutdown as well as the reduced revenue to September 2021, we do not have the necessary funds to sustain our business. We do however expect the event and exhibition industries to restart in Spring of this year allowing us to start trading again and return to a positive position able to meet our commitments.

On this basis, we request targeted support over the period of April to September 2021 to assist our business remain solvent and able to meet the needs of the Victorian event and exhibition industry in the latter half of 2021 and onwards.

Major events are a centerpiece to Victoria and Harry the hirer is pivotal to the success of these major events

As Victoria recovers from the impact of Covid, the event industry will play an important role in rebuilding public confidence.

Victoria's culture, psyche and economy benefit greatly from its world renowned

Head Office

81-95 Burnley Street
Richmond VIC 3121

📞 03 9429 8688
📠 03 9429 6842

Sydney

Unit 12/1 Hale Steet
Botany NSW 2019

📞 02 9666 8699
📠 02 9666 1988

Online

harrythehirer.com.au
@harrythehirer

ABN: 78 004 959 362



major events.

Victoria's reputation and profile as the event capital of the world defines Victoria and its people.

Major events and exhibitions support hundreds of thousands of jobs directly and also in other industries including hospitality, tourism and accommodation.

The supply chain of key hirers provide the equipment, services and intellectual property to facilitate major events including: Australian Formula 1 Grand Prix, Australia Moto Grand Prix, VRC's Spring Racing Carnival, MRC's Caulfield Cup Carnival, Australian Open Tennis, AFL Grand Final Corporate Villages, Presidents Cup Golf Tournament and thousands of Victoria's best business events, conferences and exhibitions.

It is vital that targeted support is provided to the supply chain so that it can remain solvent, until such time as the industry begins trading again.

Harry the hirer needs financial relief so we are ready and able to partner with Victorian events upon their return

If Harry's, and the chain of key suppliers, are unable to survive the next 6 months (April – September 2021) this will leave an irreparable hole in the supply of infrastructure, service and knowledge to the Victorian event and exhibition industry.

Harry's unique stock, intellectual property and purpose built management systems underpin Melbourne's status as the event capital of the world.

Unique Stock

- World best and designed for Victoria's specific event requirements
- Structural integrity to meet Victoria's strict building codes
- Volume of stock to facilitate Victoria's event calendar
- Compliance and safety

Unique Intellectual Property

- Experience delivering Victoria's overlapping calendar of major events
- Operational delivery systems
- Innovation
- Event and exhibition design capabilities
- Ongoing investment in product to support Victoria's event and exhibition industry

No other hiring business in Australia has the stock, people or IP to facilitate Victoria's complex, large-scale, sophisticated and concentrated calendar of major events.

Head Office

81-95 Burnley Street
Richmond VIC 3121

📞 03 9429 8688
📠 03 9429 6842

Sydney

Unit 12/1 Hale Steet
Botany NSW 2019

📞 02 9666 8699
📠 02 9666 1988

Online

harrythehirer.com.au
@harrythehirer

ABN: 78 004 959 362



Loss of Jobs and Intellectual Property

Prior to Covid, Harry the hirer had a workforce of 1200 people consisting of 750 full-timers and 450 casuals, required for peak periods.

As a result of Covid and the complete shutdown of our industry, our business had to immediately reduce its workforce to 54 people, which made our business operations unsustainable.

From October 2020 onwards we scaled our business back to approximately 175 people in preparedness to deliver the major events and exhibitions that were scheduled for Jan-March of 2021. However, due to further lockdowns throughout Australia in December and February, all apart from two of these events and exhibitions were cancelled. The cost to our business through increased salaries and overheads, with lack of expected revenue, further damaged our financial position.

175 people currently employed in our business are working full time on heavily reduced salaries in order to assist the business to survive until the industry rebounds in September 2021. We expect a large proportion of our remaining people, with their unique talent and IP, will be forced to leave our business to seek full paying work in other more buoyant industries.

Without our key people, our business is not sustainable and the Victorian major event and exhibition industry, in which Harry's play such a pivotal role, will experience long-term damage.

Targeted Support is required to help sustain Victoria's event and exhibition industry over the next 6 months (April-September 2021)

As a result of Covid, the view of the industry is that traditional revenues will not return with momentum until September 2021 – that equates to 18 months of industry shutdown.

Accordingly, Harry's has gone from a business with significant annual turnover to zero traditional event and exhibition revenue. Overall revenue for FY2021 is forecast at 20-25% of normal level and will be generated through non-traditional revenue streams.

As a Victorian business of more than 40 years, Harry the hirer has always paid without fail its taxes, rates, rents and other statutory charges.

We ask that the State Government provide targeted funding to businesses in our sector who continue to experience 70% or more loss of revenue. This support is not open-ended and requested for a critical 6 month timeline between April and

September 2021 until traditional work is likely to return in Spring. Proposed support can take the form of financial grants based on, for example, (i) a one off payment of 8% of annual, pre-covid gross turnover and/or (ii) wage subsidisation of \$1000 per week per fulltime employee.

Should targeted support not be forthcoming, and given that the Victorian event and exhibition industry is still in shutdown, businesses will not be able to stay solvent. As a result, stock will be liquidated and unique talent and IP lost to other industries resulting in the supply chain that underpins Victoria's world renowned event and exhibition industry dissolving.

Industry video created and released by Harry the hirer in October 2020 providing a snapshot of industry conditions:

<https://www.youtube.com/watch?v=XIeWg7N52FI>

Confidential financial information demonstrating (i) loss of gross revenue and (ii) impact on salaries, wages and workforce size can be provided upon request.

Head Office

81-95 Burnley Street
Richmond VIC 3121

📞 03 9429 8688
📠 03 9429 6842

Sydney

Unit 12/1 Hale Steet
Botany NSW 2019

📞 02 9666 8699
📠 02 9666 1988

Online

harrythehirer.com.au
@harrythehirer

ABN: 78 004 959 362

