Call for businesses to help hospitality workers as bars count £700 million cost of office Christmas party cancellations

- Proportion of office Christmas parties hosted in pubs, bars and restaurants has collapsed by 73% compared to 2019
- The Drinks Trust and Campari UK call on companies that can afford it to donate to Shaken Not Broken hospitality worker relief fund
- TV Dragon Sarah Willingham has already pledged support to the campaign

London, 25 November: A collapse in Christmas party bookings as Covid-19 forces companies to cancel or cut back celebrations will cost the country's hospitality industry an estimated £717 million, new research reveals – dealing another blow to the beleaguered bar trade and the millions of people it employs.¹

In response to the findings, Campari UK is calling on businesses that may no longer be putting money behind the bar this Christmas to instead put it behind the bar staff – donating a suggested 5% from their unused party budget to hospitality worker relief fund Shaken Not Broken.

Already, companies including Wavemaker UK, The Craft Gin Club, Spinach Branding, Revolution Bars Group, HT Drinks and entrepreneur, investor and TV Dragon Sarah Willingham have donated to the cause.

The research commissioned for the campaign finds a dramatic 73% drop in the proportion of businesses planning to hold parties in hospitality venues, from seven in ten in 2019 (71%) to just two in ten this year (19%).

Two fifths of British businesses (38%) have completely cancelled or postponed any celebration this year, with 18% downgrading to a virtual event and a further 8% still yet to decide.

With companies ordinarily spending an average of £49.80 per employee on end-of-year celebrations, the ultimate impact on bar staff income and emotional and mental wellbeing could be disastrous.

Recent data from pub and restaurant trade bodies has in fact warned of 750,000 fewer people in jobs in the sector by February 2021 as 72% of employers expect to operate at a loss and be forced out of business.²

Such has been the impact of Covid-19 on frontline bar workers' livelihoods – and lives – throughout the pandemic that Shaken Not Broken was established in April 2020 to offer much-needed help.

Founded with an initial £100,000 donation from Campari UK, which has also given on-going support as the crisis has continued, the fund is administered by hospitality charity The Drinks Trust, with donations facilitated by TiPJAR.

A £500 contribution from an unused Christmas party budget would give two struggling hospitality workers financial assistance, mental health and wellbeing support, or an education and training grant to help increase their employment opportunities.

The campaign research also underlines the impact Covid-19 is already having on hospitality staff and the businesses they would serve, even before Christmas party season would ordinarily be underway.

One in four cancellations (23%) are due to the intended venue being closed due to Covid-19 restrictions, with six per cent because the venue has already gone bust. One in five businesses (12%) also report that their office local, so often a key part of company morale and culture, has been forced to closed down permanently because of the pandemic.

Brad Madigan, Managing Director of Campari UK, said: "The unavoidable cancellation of a large number of work Christmas celebrations will place even more financial pressure on the hospitality industry, already struggling under the weight of reduced footfall, curfews and widespread lockdowns. Many hospitality venues have cut staff numbers, reduced staff hours considerably or, even worse, not reopened at all since March – placing hundreds of thousands of staff on furlough or directly into unemployment.

"That's why we're calling on the UK business community to donate a small part of what they've saved from cancelling this year's Christmas celebration events to the Shaken Not Broken Fund. We know times are extremely challenging for many, but any donation, however large or small, will make a genuine difference to people's lives. It really is time to support those in the hospitality industry who would normally be serving us at this time of year."

Sarah Willingham said: "If your business can't put some money behind the bar this Christmas, please put it behind the bar staff instead.

"Even in normal years, the hospitality sector relies on a bumper December to balance its books and pay employees. And 2020 has been anything but normal. As a result, the people who often play such a key, unrecognised role in company culture and staff morale, are counting the cost more than almost any other workers. Donating unused Christmas party budget means that the friendly faces on the other side of the bar will be more likely to still be there to welcome us back when normality returns."

Ross Carter, CEO of The Drinks Trust, said: "We are incredibly thankful to Campari UK for running this fantastic initiative aimed at raising valuable donations for The Drinks Trust and thank you also to all the companies that have already signed up to donate a proportion of their staff party spend for 2020.

"This year has been devastating for the hospitality and drinks industry, and the Trust's work has been essential in alleviating some of the hardship faced by so many in our industry. Through the Shaken Not Broken Fund, The Drinks Trust managed to reach out to 540 colleagues facing severe hardship, providing them with much-needed support, but far too many are still struggling to make ends meet.

"The impact these funds will have on the lives of our colleagues and friends in the drinks industry is significant, and we would encourage others to follow Campari UK's lead by donating part of their Christmas party budget towards the Shaken Not Broken Fund and The Drinks Trust's work."

Companies can pledge their donation via the <u>Drinks Trust website</u> using Paypal and the reference SHAKEN, or by contacting <u>marketing@drinkstrust.org.uk</u> to request an invoice.

With England set to return to a series of tiered restrictions, all of which include specific measures for hospitality venues, the research highlights how negotiating these has led to cancellations. More than a

third (37%) are due to the difficulty of maintaining social distancing in venues, with a similar proportion (35%) because of the Rule of Six. A fifth of companies (20%) have also cancelled because of the number of staff working from home.

However, 38% of businesses also cited understandable concerns around staff wellbeing. And, as a reminder that the economic impact of Covid-19 isn't confined solely to hospitality workers, one in seven businesses (13%) have been forced to cancel their usual end-of-year celebration because of their own financial situation.

ENDS

For more information please contact camparitrade@3monkeyszeno.com.

Notes to Editor:

Research was carried out online by Opinium in November 2020 among senior decision makers in 250 businesses with more than 50 employees.

- 1. There are 27.7 million people employed in the UK (ONS, January 2020). In 2019, 71% of businesses held a Christmas party for staff in a pub, bar, restaurant or other hospitality venue. The average spend per head was £49.80. The total estimated spend on employees in hospitality venues was therefore $(27,700,000 \times .71 \times 49.8) = £979,416,600$.
- In 2020, 19% of businesses are planning on hosting a Christmas party for staff in a hospitality venue. The total estimated spend on employees in hospitality venues is therefore (27,700,000 x .19 x 49.8) = £262,097,400.

The year-on-year shortfall is therefore (979,416,600 - 262,097,400) = £717,319,200.

2. Research conducted by the British Beer & Pub Association, the British Institute of Innkeeping and UKHospitality, published 18 November 2020

More information about how to apply for funds can be found on The Drinks Trust website at this link.

Instagram: @CampariGroupUK

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About Campari UK

Campari UK is Campari Group's subsidiary in the UK market, headquartered in London. A multicultural and dynamic team, Campari UK comprises of more than 60 'Camparistas' from over 10 different nationalities.

At the heart of Campari UK are three main portfolio offerings. The first is the Aperitivo Champions portfolio, led by the iconic Italian brands Aperol and Campari. The second is the Urban Disruptors portfolio, featuring distinctive brands like Wray & Nephew Rum, BULLDOG Gin and Magnum Tonic Wine. Finally there is the Prestige Challengers portfolio, including exquisite brands such as Appleton Estate Jamaica Rum, Wild Turkey Bourbon and Grand Marnier.

In total, the company is proud to offer an unrivalled portfolio of more than 40 distinctive and desirable premium spirit brands.

Visit <u>www.campariuk.com</u> to find out more about the company and range of brands or follow Campari UK on Instagram or Twitter at @CampariGroupUK.

About Campari Group

Campari Group is a major player in the global spirits industry, with a portfolio of over 50 premium and super premium brands, spreading across Global, Regional and Local priorities. Global Priorities, the Group's key focus, include Aperol, Appleton Estate, Campari, <u>SKYY</u>, Wild Turkey and Grand Marnier. The Group was founded in 1860 and today is the sixth-largest player worldwide in the premium spirits industry. It has a global distribution reach, trading in over 190 nations around the world with leading positions in Europe and the Americas. The Group's growth strategy aims to combine organic growth through strong brand building and external growth via selective acquisitions of brands and businesses.

Headquartered in Milan, Italy, Campari Group owns 21 plants worldwide and has its own distribution network in 21 countries. The Group employs approximately 4,000 people. The shares of the parent company Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM) have been listed on the Italian Stock Exchange since 2001. For more information: www.camparigroup.com/en

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ABOUT THE DRINKS TRUST

The Drinks Trust is the drinks industry community organisation. Since 1886, The Drinks Trust (formerly The Benevolent) has provided care and support to the people who form the UK drinks industry workforce, both past and present. The Drinks Trust is run by drinks industry professionals, funded by drinks industry partners and supported by thousands of drinks industry fundraisers, volunteers and contributors.

ABOUT TIPIAR

TiPJAR is a peer to peer tip ecosystem on a mission to change the world of tipping forever by putting the power into the hands of the workers. The platform allows for tipped workers to receive and manage tips, both directly and transparently. At the same time TiPJAR works to help businesses and managers with the current pain points of handling card payment tips. Built by hospitality workers for hospitality workers. Join the tipping revolution at wearetipjar.com.