

CES cancels 2021 in-person Las Vegas show, moves online

By Bailey Schulz and Richard N. Velotta Las Vegas Review-Journal
July 28, 2020 - 7:52 am

Any hope for tens of thousands of heads in beds in Las Vegas resorts for CES 2021 have officially been laid to rest.

CES, the massive technology show that kicks off [Las Vegas conventions](#) every year, will have an exclusively digital format in 2021, the sponsoring Consumer Technology Association announced Tuesday.

The announcement deals a major blow to Las Vegas' already gloomy economic outlook.

CES 2019 had an economic impact of around \$283 million based on 175,000 attendees, according to the latest data from the Las Vegas Convention and Visitors Authority.

With the largest annual Las Vegas show canceling its in-person meeting, industry watchers expect to see more convention cancellations emerge.

"Meeting and conventions aren't returning as quickly as we had hoped," said Brendan Bussmann, director of government affairs for Global Market Advisors

LLC. “Until (convention) business can come back to Vegas, Vegas is going to continue to suffer.”

‘Undoubtedly a setback’

CES’s cancellation is “undoubtedly a setback” that will hurt Southern Nevada’s economy in terms of jobs, wages, salaries and business receipts, according to Jeremy Aguero, principal for Applied Analysis.

“But, in today’s environment, no one can reasonably suggest it is unexpected,” he said. “Everyone is putting health and safety first, as they should.”

Gary Shapiro, president and CEO of CTA, said the in-person convention was canceled because “it’s just not possible to safely convene tens of thousands of people in Las Vegas in early January 2021” amid the pandemic.

CES draws more than 170,000 people to Las Vegas and meets in several venues, including the city’s three largest convention centers.

Scheduled to begin Jan. 6, the event was expected to include the debut of the Las Vegas Convention Center’s new \$980.3 million West Hall expansion and The Boring Company’s \$52.5 million underground transit system developed by entrepreneur Elon Musk.

A spokesperson for the Boring Company did not respond to a request for comment. It’s unclear now when the new expansion or the people mover will first be used.

‘Fingers and toes crossed’

Gov. Steve Sisolak spokeswoman Meghin Delaney said the governor understands the decision CES organizers had to make, and looks forward to welcoming back the convention in 2022.

“Just as the Governor has taken aggressive steps to help protect the health and safety of Nevadans from this virus, he respects the decision of CES to protect the health and safety of their employees, attendees and exhibitors in this global pandemic,” she said.

City of Las Vegas Mayor Carolyn Goodman said the decision to pull the plug on the event will have an “enormous” negative impact on Las Vegas, but remains hopeful that the trade show will return in 2022.

“I had my fingers and toes crossed that they would sustain and come here in January, as they have for the past several decades,” she said. “The impact is going to be great, hardest of course on our hotels and our small businesses. ... There’s no other state in the country that relies so heavily on the tourism and conventions business. But, as we have in the past, we survive hardships and we grow and get stronger.”

Goodman, also a LVCVA board member, expects the city will “hear soon” from smaller meetings, before gradually ramping up toward large conventions as the country gets access to a vaccine and health and safety regulations dissipate.

LVCVA President and CEO Steve Hill said he was disappointed in the decision but understood the reasoning of the change.

“While it’s disappointing we won’t be welcoming CES as the first show inside our West Hall expansion, we certainly respect their decision in light of the impact the virus has caused throughout the world,” Hill said in a statement issued Tuesday morning.

Ripple effects to come

At least one other convention — SupplySide West 2020 — announced a decision to cancel a Las Vegas convention on Tuesday. The convention was supposed to bring roughly 16,000 attendees to Las Vegas in October, according to data from the LVCVA.

SupplySide Vice President Jon Benninger did not comment on whether CES’s decision played a role in the decision, but said the event was dropped “following many conversations with our industry partners and customers during the past few months, and with their health & safety and that of our colleagues as our top priority.”

He added that the convention is set to return to Las Vegas in 2021.

Many expect other events to follow suit.

“I suspect that we will see other conventions scheduled during the same timeframe (as CES) taking pause to reevaluate their 2020/2021 programming,” said Josh Swissman, founding partner of The Strategy Organization in Las Vegas.

There were at least 18 conventions with at least 10,000 visitors scheduled to take place in Las Vegas between August and the end of the year, according to

data from the LVCVA. Of those, nine are still planning to hold events in 2020, and nine have been postponed to 2021 or canceled.

Monica Buchholz, a spokeswoman for the auto trade show AAPEX, said organizers plan to proceed with the event as scheduled in November with an updated health and safety plan.

And ASD Market Week 2021, owned by parent company Emerald, is still scheduled to kick off at the Las Vegas Convention Center in late February with heightened health and safety protocols.

“Though this time has been hugely disruptive, both research and conversations with our customers and communities have reinforced the desire and necessity to return to face-to-face events as soon as practical,” said Brian Field, Emerald’s Interim President and CEO.

The industry’s recovery

Aguero expects Las Vegas’ convention industry’s recovery will take anywhere between 18 and 36 months, but the timing will rely heavily on the development of a vaccine.

“Reports indicate a vaccine could be anywhere from 6 months to 18 months away,” he said. “That will be a key turning point for our economy and that of the nation.”

But the pandemic’s effects on Las Vegas’ convention industry could be long-lasting, according to John Restrepo of RCG Economics.

He expects many conventions and tradeshow will shift to a digital platform, at least partially.

“As the technology improves and convention and tradeshow attendants get younger, meaning they’re very comfortable doing business remotely, we expect the industry to fundamentally change,” he said. “Anyone who thinks Las Vegas will return to a pre-COVID convention and trade industry is not being realistic.”

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