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Media Statement

Art Deco Trust restructures in the wake of Covid-19 impacts

Covid-19's dramatic impact on international visitors to Hawke's Bay has hit home, with the Art Deco Trust today advising employees, members and volunteers of proposed restructure plans designed to scale back its tour and retail operations and put the Trust on a sustainable footing for the long term.

The Trust is responsible for Napier's iconic summer and winter Art Deco Festivals attracting thousands of visitors to the city each year and runs guided walks and tours of Napier's Art Deco CBD, vintage car tours and the Art Deco retail shop on the corner of Tennyson and Herschell Streets. The Trust also has an important role in preserving and protecting Napier's Art Deco buildings.

Chairman Michael Fowler says the impact of the pandemic on the tourism elements of the Trust's activities has been swift and dramatic.

"With New Zealand's borders closed to international visitors and domestic travel curtailed for the foreseeable future, our retail and tour operations have been hit hard and the Board has agreed a restructure is the only option to ensure we remain viable," he says.

"Cruise ships bring 100,000 visitors to Hawke's Bay every summer, a huge number of whom experience our walking tours, the retail store and our vintage car tours while they're in town.

These people, along with independent international tourists to Napier and people visiting family and friends in the Bay underpin the Trust's profitability. With a drop in this trade, the retail store is simply not financially sustainable and there will be significantly lower demand for our walking and vintage car tours.

The Board agrees that if we are to ensure the future of the Art Deco Festivals and our heritage preservation activities, change is needed. That means proposing closing the retail store and scaling back our tours until the tourists return."

Michael Fowler says the Board had to be pragmatic and they were very mindful of the impact on the dedicated employees and volunteers affected. It is anticipated about seven of the current 11 paid roles with the Trust may be impacted. The Trust enjoys the support of a strong network of volunteers who guide the walking and vintage car tours.

“This has been an incredibly tough decision for us to make. The government’s wage subsidy has given us the breathing space to decide what makes sense for the future of our activities, based on the regional economic impact analysis available and conversations with key industry players. We know how dedicated our employees and volunteers are to preserving our Art Deco heritage and sharing it with locals and visitors alike. However, we need to face reality. It will be a long time before we can expect the kind of visitor numbers required to sustain the retail store and we must scale back our tour operations to match significantly reduced demand.

Meanwhile, we need to do everything we can to protect our summer and winter Art Deco festivals, and to sustain the incredibly important work we do in preserving Napier’s Art Deco buildings.

Around 97% of our 40,000 annual festival goers are Kiwis, so with international travel off the cards for the time being, we hope to see a surge in interest in the upcoming 2021 summer festival. This will bring much-needed revenue to the Trust, local tourism and accommodation operators and to Hawke’s Bay.”

Michael Fowler says in the meantime the July winter Art Deco festival will not go ahead, for obvious reasons.

“It’s such an important mid-winter event in the Hawke’s Bay calendar. But with Level 2 restrictions in place for a while, sadly we have no choice,” he says.

“Hawke’s Bay’s Art Deco heritage is unique in the world. It is our sincere hope that in the not-too-distant future international visitors will come back to experience it.

In the meantime we hope the people of Napier will grab the opportunity to get acquainted with an aspect of their city they may not have paid much attention to in the past and we hope Kiwis in greater numbers will come and experience next summer’s Art Deco Festival.”

The final number of employees impacted will not be confirmed for at least a week, until consultation has concluded.

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