



WATSON™

Family Enterprise in the time of COVID

stevensE3, Exhibits, Environments, Events, leans on its 90-year history and dedicated staff to look at the future with optimism

With the global trade show and exhibition market projected to reach \$50B by 2025, stevensE3 has a thriving business designing and building innovative exhibits and experiential marketing campaigns for some of the world's leading brands, in over 14 countries.

With locations in London, Ontario, Canada and in Las Vegas, Nevada, USA, this fourth-generation, family enterprise is heavily invested in permanent installations at museums, visitor centers, mall pop-ups, and trade show exhibits. Last year the organization decided to expand their business to strengthen their exhibit side, so they purchased an exhibit company in Toronto, Ontario, Canada and stevensE3 faced the future with excitement.

Then the Covid-19 pandemic hit. Trade shows and exhibitions for 2020 were shuttered, with the strong possibility of cancellations for further years to come. Business came to an abrupt and unexpected halt.

Cam Stevens, the third-generation president of stevensE3, needed to find a path forward. Cam has worked in the business for over 30 years and the organization has been part of the fabric of his family for four generations. Cam is the sole owner of the business and has a son and a daughter working alongside him. Before Covid-19, the company had 37 employees across three locations; they have since downsized to 10 staff and are accessing the wage subsidy to offset payroll costs. Once that subsidy ends, keeping the business going at its current size won't be sustainable unless revenue sources can be found. Business was down 72% for the first quarter of this year and a staggering 88% for the month of May this year..

Any president would be very concerned at this stage and doubly so when business and family are intertwined over generations. So it was a surprise to see Cam's response to the inaugural FEX/WATSON Pulse Survey. Cam told us that although his company is in crisis mode, his optimism is at an 8 out of 10.

What drives Cam's positivity is two-fold – good cash reserves and a strong belief that stevensE3 can weather the storm as it has weathered challenges in its past. Further, Cam has come to believe, now more than ever, that time spent face-to-face is the most effective way to nurture business relationships and Zoom won't replace that in the long term. He's confident that when the time comes that we can all safely attend events, stevensE3 be fully back in business.



When Covid-19 disease gained pandemic status, the business was initially shut down for three months, with the expectation that they would be doing exhibits again before the end of 2020. However, once it became apparent that we will be living with Covid-19 restrictions for longer, Cam faced difficult decisions. The first and the most difficult, since it impacted people, was to shut down the business they had acquired in Toronto and move everything to London, saving a substantial sum of money each month.

Then stevensE3 looked forward and sought opportunity amidst this change, using the capabilities the business has in a different way. They started to build solutions to help companies with their physical distancing requirements such as manufacturing Plexiglas sneeze guard partitions and designing and printing decals.

StevensE3 has smart and committed employees. The team has been sitting down together to brainstorm new lines of business. Coming off five years of very hard work, team members have been taking a well-earned break based on the many extended hours worked in the past. Also, Cam recognizes the need for everyone to recharge. There has been a careful balance around not pushing people too hard yet recognizing this downturn will last another year or more, so strategic planning will be in the agenda in a more formal way soon. Cam wants the team to consider everything from a more significant pivot to hibernation of parts of the business to other creative approaches. For example, the company has a full cabinet shop and veteran craftspeople with decades of experience in engineering, carpentry, millwork, tension fabric, and custom metals, so one possibility is partnering with cabinet shops to provide extra capacity. This is just one idea, but it shows how there is potential to use their capabilities differently and that contributes to Cam's optimism.

StevensE3 doesn't have an Advisory Board, but the company does have a C-level CFO who acts as Cam's sounding board. They meet weekly to keep a close eye on cash flow and discuss strategies and trends. Cam has also reached out to his Personal Advisory Group, which has been a source of commiseration and support.

On the family front, things have remained strong. In fact, the Covid-19 pandemic has brought the family closer together. Cam believes that people rally around a family business and that being family-owned has been a real benefit. The staff who are still working are 20+ year employees with a strong sense of community, who are highly committed to doing what's necessary to help the business. Everyone recognizes these aren't good times, but they're all in it together and there's a strong sense of loyalty and commitment.

The company has a 90-year history of continuity and it has weathered previous storms such as the Great Depression, which spurred the company to introduce screen printing and then expand into exhibits a few years later. During this time, the company didn't layoff or downsize staff and instead they introduced what is now known as job sharing. Cam is confident that this latest crisis will also generate new product offerings, deepen and diversify their customer base, and make the company stronger. What comes through in conversation is that the owner and employees of stevensE3 are highly interdependent; there's a strong emotional attachment. Cam obviously values and cares about his employees and involves them in decisions, and he believes this will enable them to respond successfully to the challenges that Covid-19 pandemic has presented.

There have been many articles written about family businesses having a sense of the long game, and this is certainly evident with stevensE3 and Cam's focus on resilience more than company performance.

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