

Canceled Cycling Events — Why Can't I Get My Money Back?

As the coronavirus has swept across the country, it has shut down virtually all collective gatherings of people. This includes a lot of mass participation sporting events, like bicycling rides and gran fondos, as well as 10K road running races, marathons and the like. Several well-known off-road and gravel events have announced cancellations or postponements in just the last few days.

While no one is surprised that some of these events are having to reschedule, some cycling enthusiasts and recreational riders seem to be surprised, or even angry, that their registration fees are not always refunded. A lot of cyclists are asking, "why can't I get my money back?" The Outer Line reached out to several event organizers to answer to this question, and provide some perspective on the situation.

First, we need to remember that event organizers have been hit just as hard by COVID-19 as the rest of American businesses. Some organizers have been working for close to a year to put on a major event, only to be forcibly shut down by stay-at-home orders issued at the last minute. Most organizers of near-term events are now juggling tentative scheduling for later in the year, or are simply cancelling and focusing on next year's event. But it's hard to plan or confirm anything since no one really knows how long the general lockdown will continue.

For those events on the cusp of the national lockdown, during late February and early March, it was a difficult decision. Cancel at the last minute, and they were going to have a lot of unhappy customers – folks who had already paid for flights and hotels, or who were maybe already on site. Go ahead with the event, and they risked criticism for putting the public health at risk, and drawing medical support staff away from other more critical responsibilities.

As the impacts of the virus escalated and the full impact was more widely understood by mid-March, some events did go ahead but were criticized after the fact. Other organizers decided to play it safer and began cancelling or postponing; the Tour of the Gila was cancelled on March 12, and Redlands Classic, in April, was cancelled two days later. USA Cycling extended its suspension of sanctioned events a few days after that.

Races that are now a couple of months out are struggling with what to do, carefully monitoring the day-to-day public health developments. Rob Laybourn is the organizer of the Washington, D.C.-area Armed Forces Cycling Classic, and head of the industry's trade association, the National Association of Professional Race Directors (NAPRD). His event is scheduled for May 30-31, and he is waiting until the end of April to make a final decision. "If we decide at that point that it's a no-go for our dates, then we will cancel the event and start focusing on 2021. Postponing only extends the uncertainty, increases our financial liability, and creates a potential conflict with other previously scheduled events."

"If I am able to hold my event, and the local/state/federal jurisdictions allow me to proceed — and I can do so with 100 percent confidence that it will be safe to all participants/spectators — then I would assume that USAC would rescind or amend their suspension of permits. [And] my permit is already in place," said Laybourn.

Chris Aronhalt, President of sports logistics and management company Medalist, says that all of his clients are focused on the same thing – doing what is best from a health perspective. "But each event is different, in terms of event objectives, funding streams, and now even geographic location in terms of the pandemic." He says that most spring and early summer events are already being postponed or cancelled, while later summer events remain in a day-to-day decision mode, hopeful of seeing some light at the end of the tunnel.

Second, if you read the fine print, many events have a stated "no refund" policy. The basic reason for this

is to cover fixed or committed expenses. “We begin incurring costs as soon as we decide to put on our events,” says Chandler Smith, co-organizer of the Roll Massif group, which puts on several large cycling events in Colorado. “These expenses include things like permits and fees, staff salaries, event registration hosting, credit card processing, merchandise, signage, and advertising and promotional expenses.”

Epic Rides’ President Todd Sadow points out that he employs nine full-time staff, 16 year-round independent contractors, and 35 seasonal staff. “The funds that we receive through our various revenue streams, registration included, go toward year-round administration and production efforts.” Many events also make significant contributions to support local charities, payments which they may have already made or committed to.

The key point, particularly for larger events, is that participant fees essentially cover a whole year’s worth of work. It’s a pretty safe bet that event promoters are not simply trying to profit at the expense of their customers said one organizer, “Believe me, we didn’t get into this business for the money!”

Third, the last thing event organizers want to do is aggravate their customers, or drive away possible future participants. So most are trying to present their customers with a range of options going forward – either applying the full registration cost towards the same race in 2021, or allowing full credit for the participant to apply towards other events. Some are attempting to organize virtual events as replacements – an option in these unprecedented circumstances that is unique to cycling.

Others are going further. [Epic Rides has pledged](#) that “if your registration fee is a make or break portion of your budget this year, please contact us... and we will do our best to make a partial refund.” And some events actually are refunding the registration fees. Tom Schuler, the founder of June’s Tour of America’s Dairyland, said, “For smaller and more local events, where the staff are mostly volunteers, the expenses don’t really start to add up until about 60 days out. If those sorts of events are cancelled well in advance, it’s possible for organizers to just return the money.” He cites the Quad Cities Kwik Star Criterium, of which he is race director, as one example.

Some people have asked, “don’t events carry insurance to protect against this sort of thing?” And the answer is yes, many events do carry business interruption or event cancellation insurance. However, almost all such policies contain a force majeure, or “acts of God” exclusion, which exempt highly unlikely or unforeseeable disruptions – like the current pandemic. Plaintiff-side insurance attorneys confirm that few policy-holders – across any sector of the economy – can expect to collect business interruption coverage as a result of the virus.

And remember: it’s not just cycling events that are facing these difficult questions. All other mass participation events, like running and triathlon, are in a similar situation. All professional sports are wrestling with what to do about tickets that were already purchased for games scheduled in the future. Most have not yet offered any kind of refund policy, opting to roll over those monies to cover future tickets, even though no one knows if or when future games might be played.

And it’s the same elsewhere. Most major airlines are following a similar policy — allowing credit on cancelled flights, or flights not taken during the height of the crisis, to be applied towards future travel. Ditto for concerts, Caribbean cruises, Broadway plays and so on — right down the line.

Cycling promoters are doing their best to react and pivot during these difficult times, and taking things one day at a time, in order to preserve their events and build for the future. Says Epic Rides’ Sadow, “One thing I have learned during the last month is that what we don’t know is much greater than what we do know, and that the only real strategy we can have is patience and caution.” But, on a hopeful note, Medalist’s Aronhalt adds “I am convinced that these types of sporting events are going to be more important than ever. They represent community, hope and social interaction, and their economic impact is

vital to small business. They will play a role in our society's return to prosperity." If the broader cycling community can be supportive and help event promoters stay in business through this devastating period, then maybe at least we'll be able to enjoy the event again in 2021.

And finally, we all need to keep things in perspective – how important, really, are our race fees, when thousands and thousands of people are dying?

By Steve Maxwell, April 14th, 2020