

Exhibition Leaders Review Global State of the Industry

Paris/Zagreb, October 29, 2009 - Eighteen exhibition industry leaders gathered in Zagreb (Croatia) on October 28, for the third "UFI CEO Think Tank". UFI, the Global Association of the Exhibition Industry, includes the world's leading show organisers and exhibition centres in 83 nations. The participating Think Tank CEOs represent UFI "Group" members who are each organisers of exhibitions or managers of venues in multiple nations. The fourteen organisations participating at this exceptional "Think Tank" session represent an annual turnover of over 4billion euros and organize over 1500 exhibitions.

The Think Tank group reviewed the challenges exhibition industry faces today at a global level in the current economic environment, and addressed measures they have initiated in response to the challenges confronting the industry. Jochen Witt, Think Tank moderator and CEO of JWC, pointed out that, "despite a sense that the current economic squeeze has forced the exhibition industry to tighten its operating structure, the group acknowledged that this has pushed them to re-examine their business models, streamline their management structure and rationalize their event portfolios." Developing creative business models to meet the new demands of exhibitors and visitors has also had the unexpected advantage of creating new levels of loyalty among these target audiences. While overall exhibition business profits have decreased in 2009, the industry's cost-cutting measures allowed the industry to hold stable most exhibitor costs. Nick Forster, Global Commercial Director of Reed Exhibitions, provided a concise assessment shared by most Think Tank participants, saying "recession gives you a chance to examine what's sustainable."

A rapid review of 2009 results for these CEOs indicates that there are several variables influencing overall industry results. Geographically, the weakest industry results are to be seen in Europe, North America, Japan, India, and Russia. However, surprisingly strong results, were noted in China, Brazil and Turkey. In almost all cases, organisers reported that their "leading trade fairs" were able to remain stable or even exceed expectations despite their geographical location. Trade fair success also tracked closely to overall industry patterns with negative results noted in sectors including automobile manufacturing and real estate or positive results in the gas and energy sectors.

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Exhibition Leaders Review Global State of the Industry (continued)

Among the measures taken by these Think Tank leaders were targeted cost-cutting, headcount reductions and negotiation of more flexible labour agreements. Though new-build programmes seem generally to be put on hold, the industry is clearly planning ahead as it continues to invest in staff training and the installation of new IT and data management systems aimed at improving CRM and providing exhibitors with solid ROI and lead generation data. Eric Everard, Executive Chairman of the Artexis Group, stated, "this is a time to reduce levels of risk and exposure. But it's also a time to seek new business opportunities through joint ventures and new cooperative relationships."

While remaining conservative about the timeframe for an economic turnaround, the group expressed overall agreement that while divesting loss leaders was imperative, interesting opportunities do exist today for targeted acquisitions and new revenue streams. John Shaw, UFI President, summarized the UFI CEO Think Tank group's overall conclusion, saying "The economy may turn around in 2010, or perhaps in 2011. But in any case the exhibition industry is moving ahead in anticipation of the needs of our exhibitors and visitors. As a motor for commercial opportunities, the global exhibition industry will continue to play a key role in support of economic development in the future."

UFI is the association of the world's leading tradeshow organisers and exhibition centre operators, as well as the major national and international exhibition associations, and selected partners of the exhibition industry. UFI's main goal is to represent, promote and support its members and the exhibition industry worldwide.

By promoting the unique characteristics of trade fairs, UFI:

- Provides an efficient networking platform where professionals of the exhibition industry can exchange ideas and experiences;
- Promotes trade fairs and exhibitions globally as a unique marketing and communications tool;
- Provides its members with valuable studies and research regarding all aspects of the exhibition industry;
- Offers educational opportunities and a variety of professional seminars; and
- Deals with issues of common interest to its members through regular meetings of its regional chapters and thematic working groups.

UFI represents 535 member organisations in 83 countries around the world. 844 of its members' exhibitions have earned the UFI Approved Event quality label.

UFI members are currently responsible for more than:

- 4,500 exhibitions, most of them being international;
- 50 million square metres of space rented annually;
- 1 million exhibitors each year;
- 150 million visitors annually.
- 12 million square metres gross rentable exhibition space.

For further information please go to UFI's website at www.ufi.org or contact:

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