



IFES · Berliner Strasse 26 · 33378 Rheda-Wiedenbrück Germany

Associated  
Member of



Press Release 9th of January 2004

## **Economic comparison of the most important trade fair countries**

Since the 1st of January 2003 the headquarters of IFES –International Federation of Exhibition Services has been based in Germany; to be more precise in Rheda-Wiedenbrück. This has created closer international and national organisational contacts. The IFES motto Sharing Knowledge forms the foundation of our daily activities.

One good reason to take a closer look at the economic development of trade fairs on a global basis.

The trade fair economies of Europe and the USA have witnessed reductions in business activity, the ongoing effects of the 11<sup>th</sup> September as well as recession in many countries has led to a wide scale scaling down of the trade fair market. At most trade shows an increase in exhibitors, visitors and space rented was not achieved in 2002. The following figures and information give a general overview in selected countries. Detailed comparisons between each individual country are however limited as the information was gathered using widely varying methods.

### **Belgium**

448 trade fairs opened their doors to visitors in Belgium in 2002 with a total exhibition space of 2,8 Million m<sup>2</sup>. This equates to an average of 6,250 m<sup>2</sup> of exhibition space rented, and leads to the conclusion that many smaller trade fairs as well as regional and consumer shows took place in Belgium during this time period. The most important trade fair city is the capital of Belgium; Brussels. Brussels has five trade fair sites; Brussels expo, Charleroi Expo, Les Pyramides, Palais des Congres and Kart Expo. Around 170 Belgian exhibition building companies achieved a total turnover of 175 Million Euros during the economic year, although a relatively large portion of this was achieved through projects for clients completed in the neighbouring countries Germany and France. Following the heavy reduction of economic growth in 2001 down to 1%, 2002 followed the downward trend despite mid year hopes of a speedy recovery with an increase in growth of just 0,7%. The reason for this: A reduction in the growth of exports from +12,1% in 2000 to 0,6% in 2001 and finally -1% in 2002; the traditional positive effects of foreign trade to GDP are now by only 0,1%.

The economic situation in Belgium mirrors that of the rest of Europe: Low levels of growth in the gross domestic product, low inflation, significant levels of unemployment and the compliance with the Maastricht agreement being the main characteristics.

### **France**

The 175 French trade fairs and exhibitions of 2002 were remarkably stable in terms of visitor numbers. The standard trade shows had 2.7% more visitors and 0,9% more exhibitors. The rented floor space dropped however by 2,2%. Specialist shows for business and end clients recorded 2,5% more visitors, 1,6% more space rented but a drop of 1,5% in exhibitors. With these shows a total floor space of nearly 4,0 million m<sup>2</sup> was used.

IFES International Federation of Exhibition Services  
legal site: Brussels, Belgium, ident no. 16348/89  
management office: Berliner Strasse 26  
33378 Rheda-Wiedenbrück  
Germany

phone +49 (0) 5242-94 54 90  
fax +49 (0) 5242-94 54 99  
eMail: info@ifesnet.com  
internet: www.ifesnet.com

Volksbank eG, Gütersloh  
bank code 478 601 25  
no. 43 47 68 18 01  
BIC SWIFT-code: GENODEM1GTL  
IBAN: DE52 4786 0125 4347 6818 01

Paris is still the trade show capital for nearly all-international shows. Porte de Versailles with 200,000 m<sup>2</sup> and Paris Nord Villepinte with 190,000 m<sup>2</sup> of show floor space are the most important trade show locations here. The economic growth of France over the last four years with an average of 3% can be seen as positive in relation to other countries in Europe. However the economic growth figures fell below zero in the last quarter of 2001. The total growth in 2002 averaged nearly 1%. Thanks to a decade and a half of stability oriented monetary policy inflation continued to fall and stayed in 2002 by 1,8% relatively low. The awaited French growth in GDP for 2003 is around 0,8%. and Inflation 1,1%. The accumulated state debt of 3,4% will therefore not fulfil the requirements of the Maastricht treaty.

### Germany

The 250 members of FAMAB achieved a total turnover of 1,548 Billion Euro in 2002, this equates to an increase of 3,5% when compared to 2001. In 2001 a turnover of 1,496 Billion Euros was achieved, however the number of members increased in this period 3,3% from 242 to 250 companies. The actual average growth therefore corrected was around 0%. For 2003 the forecasts are not much better: the increase in member turnover of 2,6% to 1,588 Billion Euro results from the growth of the association membership. The average turnover of member companies in the years 2001, 2002, and 2003 was 6,2 Million Euro Annually.

FAMAB members were responsible for 51,903 exhibition stands with a total of 5.295.30 m<sup>2</sup> in 2002. In addition to this in 11.318 presentations outside of the traditional trade fair locations accounted for 617.979 m<sup>2</sup> of extra space created in 2002. In this area in 2003 a large growth of 37% was expected to 848.000 m<sup>2</sup> whereas an expected growth of less than 100.000 m<sup>2</sup> in created space was predicted for traditional trade show stands worldwide in the same period. For the members of FAMAB this means an increased tendency away from presentations at fair grounds towards the provision of complete three dimensional presentation concepts, for example road shows or point of sale events.

By all companies the question of international business increased in importance. In 2001 the percentage of business completed abroad was still 10,9%, for 2003 12,7% is expected, this means in terms of cash that the members of FAMAB receive in total 202 Million Euros in turnover from foreign business or per member earnings of 787,803 Euros earned outside of the German borders. Even more noticeable is the tendency towards servicing international or foreign clients on a domestic basis. The growth in this area was 9,4% in 2001, 14,4% in 2002 and 15,3% was expected in 2003. This perceptual increase of 5% is much higher than the forecast figures published by AUMA, where an increase of foreign exhibitors of 2,2% was expected for 2002.

The present economic situation also brings with it chances: The reduction of communication and marketing budgets coupled with improved efficiency requirements has lead the members of FAMAB to the provision of sound consultation, strategic concepts as well as clarity in the analysing of extra services and offers for the client. The positioning of each company within the market has concentrated on the increased efficiency in the following three areas: Strategic consultancy work should be increased, the development of international business should be continued and the diversification of business parallel to traditional exhibition building increased

### Great Britain

Annually more than 1000 trade shows and 11 million visitors, with around 10% being from outside the UK. Relatively high numbers of foreign visitors have leading international shows such as the Farnborough Air Show, London Fashion Week or the Printing show IPEX in Birmingham.

Exhibition space in Great Britain has grown around 25% since 1999. In comparison to many other European countries most of the show organisers do not own the exhibition halls themselves. These are

IFES International Federation of Exhibition Services  
legal site: Brussels, Belgium, ident no. 16348/89  
management office: Berliner Strasse 26  
33378 Rheda-Wiedenbrück  
Germany

phone +49 (0) 5242-94 54 90  
fax +49 (0) 5242-94 54 99  
eMail: info@ifesnet.com  
internet: www.ifesnet.com

Volksbank eG, Gütersloh  
bank code 478 601 25  
no. 43 47 68 18 01  
BIC SWIFT-code: GENODEM1GTL  
IBAN: DE52 4786 0125 4347 6818 01

mostly owned by the local government Exhibitions in the UK are organised by more than 400 private companies, many of these are also active outside of the UK especially in Asia.

The British economy was in a cooling down phase through to the end of 2002. Forecasted for 2003 was an economic growth of 2,5%. In December 2001 5,1% of the population were without work. Inflation was forecasted at 2,3% for 2003. The areas of business growth in the UK mirror the rest of the global economy. The following sectors will also experience growth in 2003: Financial services, pharmaceuticals and biotechnology. In general the economic situation in the UK compares positively to many other European countries.

### **Italy**

Around 1,200 Trade shows and exhibitions take place in Italy yearly. From these 150 shows are international and 400 are characterised as being national. The 650 remaining shows are of purely regional importance. These trade shows have in total a floor space usage of 8 Million m<sup>2</sup> with around half of this being for the 150 trade shows with an International basis.

The economic development of Italy can be seen as similar to other industrialised nations following the events of the 11<sup>th</sup> September that slowed an already weakening economy further. According to economic indications in spring economic activities towards the end of 2002 had improved, towards the middle of the year however the positive effects were neutralised by the poor start and a growth of 1,3% according to the government (2001: 1,8%). From 2003 an annual rate of economic growth of 3,0% is forecasted. Many Italian research institutes and independent experts are however much more conservative on their forecasts for growth.

### **The Netherlands**

In 2002 a total of 509 trade shows took place in Holland with around 85,000 exhibitors and 8,7 million visitors. These shows used a total of 3,4 million m<sup>2</sup> of floor space. This equates to an average trade show volume of 6.680 m<sup>2</sup>, 166 exhibitors and 17.000 visitors. In comparison here the 145 nationwide trade shows that AUMA included in the 2002 evaluation; In Germany an average of 45.826 m<sup>2</sup>, 1143 Exhibitors and 63.600 visitors.

The most important trade show locations are Amsterdam and Utrecht with a total of 217.000 m<sup>2</sup> of show floor space.

There are approximately 230 Exhibition building companies based in Holland with 2000 people employed and a total turnover of 350 Million Euros. After many years of a comparatively high economic growth (1999: plus 4,4%; 2000: plus 3,5%) the effects of a weak global economy have also put the brakes on the Dutch economical situation. 2002 saw almost economical stagnation (a plus of just 0,3%; compared to 1,3% growth in 2001) with inflation staying at the same high rate (2002 plus 3,5%); after many years of almost full employment, a rapid growth of unemployment (in the first quarter of 2003: 377,000 or 5,1% of the workforce, an increase of 95,000 relative to the previous year) with a continuing upwards trend coupled to a large budget surplus in the second half of the 1990's and a budget deficit in 2002 of 1,1%

### **Austria**

47 Trade shows were organised in 2001 in Salzburg, Wels, Graz, Innsbruck, Klagenfurt, Oberwart, Ried and Vienna. These shows were checked by the FKM in Austria. Although there are no leading international shows organised in Austria, there are many significant shows and conferences of national and local importance. The most important trade show location is Salzburg followed by Vienna.

IFES International Federation of Exhibition Services  
legal site: Brussels, Belgium, ident no. 16348/89  
management office: Berliner Strasse 26  
33378 Rheda-Wiedenbrück  
Germany

phone +49 (0) 5242-94 54 90  
fax +49 (0) 5242-94 54 99  
eMail: info@ifesnet.com  
internet: www.ifesnet.com

Volksbank eG, Gütersloh  
bank code 478 601 25  
no. 43 47 68 18 01  
BIC SWIFT-code: GENODEM1GTL  
IBAN: DE52 4786 0125 4347 6818 01

Exhibition builders based in Austria achieve a total turnover of 210 million Euros. The economical situation in Austria is similar to the rest of Europe. A 2% growth of GDP has been forecast for 2003, coupled with an inflation rate of 1,8%

### **Spain**

The largest trade show facilities in Spain are investing heavily in the expansion of capacity. Bilbao exhibition centre with 118,000 m2 of show floor space, and near to both airport and downtown will open it's gates in 2004. Barcelona plans to expand their facilities from 150.000 to 240.000 m2. This project has a planned completion by 2007. From 2004 the EIBTM one of the leading shows for Incentives and business travel will have it's home, and for the following five years. This show was previously based in Geneva.

From 2002 on the IFEMA site in Madrid two new halls have opened providing an increase in show floor area in the capital city of 50,000 m2 to 150,000 m2 in total.

The popularity of Spain for Exhibitors and visitors has many reasons, from the modern infrastructure of the new facilities, excellent tourist facilities, and last but not least the good weather.

There are around 200 Exhibition building companies based in Spain. These companies have a total annual turnover of 360 Million Euros and provide work for 2500

Despite the general economic situation in the EU Spain managed to achieve slightly above average growth in 2002. All areas of the national economy have since achieved similarity with the European neighbours even if there is still a demand in research and development. In general the excellent growth rates of the past have as feared reduced as the industry and economy of Spain has been affected by the worldwide economical crisis combined with a reduction in export activities. For 2003 a growth in GDP of 2,1% and an inflation rate of 2,1% have been forecasted.

### **Switzerland**

With a total rented trade show space of 637,000 m2, 15,800 exhibitors represented their products and services to 1,7 Million visitors spread over 42 shows in Switzerland in 2001.

The most important trade show locations in Switzerland are Basel and Zurich who merged in 2001 and the Palexpo in Geneva.

Over the last few months with the background of increased global economic risks combined with a turbulent financial market have confirmed the signs that the turnaround in the Swiss economy may take longer than expected. Economic growth will stay weak for the next few months, before widespread improvements towards the end of 2003. Due to the good position of the Swiss economy the improvement process should show results quickly.

An increase of 1,3% in GDP is to be expected in 2003. With the general improvement of the global economy 2004 should provide for even better improvements (GDP +2,3%).

### **USA**

Since the beginning of 2001 after decades of growth the US economy ground to a halt. For 2002 all three indications in the trade show economy where for a reduction in activity. An overview of all American trade shows confirms that visitor numbers fell 2,2%, the number of exhibitors fell 1,8%, and 5,3% less show floor was rented. In total over 5000 trade shows were organised in the USA in 2002.



The total trade show space available in the USA and Canada has continued to raise despite the economic figures, from 6.085.139 m2 in 2000 to 6.726.170 m2 in 2002, an increase of 5% per year. Chicago's McCormick Place remains with 204.386 m2 of show floor the largest facility in the US. Las Vegas is still however number one ranked trade show facility with the largest number of shows, (two facilities: 184.389 m2 and 104.571 m2) in 2002 163 trade shows.

In the USA there are 767 exhibition building companies employing a total of 29,146 staff. The turnover generated by exhibition building is around 2.998,27 Million Euros. Therefore an average Exhibition company has 38 staff and achieves a turnover of 3,9 Million Euro, a per head turnover of 102.870 Euro.

An increase in unemployment (5,8% after 4,8% in 2001), losses on the stock market, and an over optimistic growth forecast combined with disappointment in economic trends led the president to react by proposing further drastic tax reductions amounting to 726 Billions over 10 years. The proposal was not popular with congress. The US economy closed 2002 with a deficit of 3,3%

*Sources: AIMFE, AUMA, EDPA, ESAH, Expobel, FFME, IMA, IXPOS*

More information and IFES member associations see [www.ifesnet.com](http://www.ifesnet.com)

Rheda-Wiedenbrueck, 30<sup>th</sup> of November 2003

IFES management office

IFES International Federation of Exhibition Services  
legal site: Brussels, Belgium, ident no. 16348/89  
management office: Berliner Strasse 26  
33378 Rheda-Wiedenbrück  
Germany

phone +49 (0) 5242-94 54 90  
fax +49 (0) 5242-94 54 99  
eMail: [info@ifesnet.com](mailto:info@ifesnet.com)  
internet: [www.ifesnet.com](http://www.ifesnet.com)

Volksbank eG, Gütersloh  
bank code 478 601 25  
no. 43 47 68 18 01  
BIC SWIFT-code: GENODEM1GTL  
IBAN: DE52 4786 0125 4347 6818 01