

Black weekend for the European exhibition industry

The weekend of 29 February / 01 March 2020 will probably go down in the history books as the "black weekend" in the European exhibition industry. It is the weekend when it became clear that more than 3 million square meters of exhibition space rented for March/April 2020 have fallen victim to the CoVid-19 virus. For comparison: This is almost half of the rented exhibition space in the FRG in one year.

614 trade fairs are to be held in Europe in March and April 2020, ranging from small regional consumer events to world-leading trade fairs, such as Light + Building, Salone de Mobile and the Geneva Motor Show. Usually nothing comes of this due to the conditions imposed by local authorities on trade show organizers following recommendations from the WHO, RKI etc. However, these shows were so costly or simply not feasible enough, that the organizers decided to cancel the trade shows or at least postpone them for a few months - actual implementation of which is still uncertain. In addition, some exhibitors had already cancelled their participation in the trade fairs because of risk assessments and the duty of care towards their employees.

So far so good. Trade fairs are the most important source of new business for SMEs in the b2b sector. If this were not the case, there would have been no Hannover Messe for a long time, which celebrated its 70th birthday in 2018. These SMEs would be deprived of their "shop window" and thus of the potential to generate new business. In addition, a trade show that was cancelled 14 days before its official start generates costs for exhibitors that correspond to about 2/3 of the total costs of participation that would be incurred if the trade show were held, and unfortunately there is just no income to offset these costs.

A considerable part of these costs are incurred by trade show service providers, i.e. exhibition stand construction companies, forwarding agents, caterers, furniture rental companies, ... and these companies are now struggling with their clients for a fair distribution of the costs, but they will never be paid for the full service as every single project is being cancelled somewhere between conception and trade show construction. This is frustrating for both sides, at least to the same extent, but for most exhibition stand construction companies it simply threatens their existence.

Just take the sample invoice:

3 million square meters of exhibition space, stand construction costs averaging EUR 250 per square meter, leads to a EUR 750 million decline in turnover for the stand construction service providers of EUR 750 million for a period of two months: If we now assume that 1,500 trade fair construction companies in Europe are affected by these trade fair cancellations, we are talking about average sales losses of half a million EUR, which are average values. We are aware of single company cases where sales of 3.5 to 4 million euros are in jeopardy or lost. In a polypolistic market, where there are numerous companies with sales of between three and 10 million EUR p.a., sales declines amounting to 25% of their annual turnover cannot be tolerated and will have to lead to a reduction in staff, otherwise the company cannot survive. Insolvency is often the only way out, i.e. the destruction of livelihoods. Here, unbureaucratic support from the EU as well as from the member states is urgently required. We have already addressed corresponding demands to the responsible authorities.

At this point we should quote UFI President Mary Larkin: „The exhibitions and events industry exists to provide platforms for people and industries to meet, to trade, and to collaborate. These gatherings are especially important in times of disruption. It is our obligation to maintain opportunities for people to meet wherever possible. Small and medium businesses in all industries in-particular depend on exhibitions. And, like all types of events, they support the economy worldwide. We, as representatives of the exhibitions industry, are committed to providing these much-needed meeting places around the world, wherever we can do so.“



What is IFES

IFES stands for the International Federation of Exhibition and Event Services. It is the international federation of national associations and individual companies active in the design, conception, production and services used at exhibitions, tradeshow and events.

IFES provides a platform of global collaboration achieved through networking and sharing knowledge.

Founded in 1984 – on the initiative of national associations in Belgium, Denmark, France, Germany, Italy, Netherlands, UK and US – IFES celebrated its 35th birthday in 2019. The Association is registered in Brussels according to Belgian law.

The "global collaboration network": That is how we have chosen to explain what IFES is in three words. But to understand what IFES is, you have to go into deeper detail. IFES represents more than 270 Companies from around the globe. Each of these companies has signed the IFES Code of Conduct – a kind of constitution which rules the collaboration within the whole network. So, if an IFES partner serves the customer of another member, both, the customer and member know that they will be treated in a professional manner from a company upholding the highest of quality standards. This is a value-added member benefit that is hard to put a price on.

To enhance the number of partnerships within the IFES family, the association is offering several opportunities to "get to know one another." The most prominent is the IFES World Summit, which takes place every year in June. "The Summit of Inspiration" was the theme for 2019 when IFES met in the Greek capital Athens. "Winds of Change" will be the motto for the upcoming Summit which will take place 24 - 26 June in Amsterdam.

The big Second is the IFES Global Village premiered at EuroShop in Düsseldorf 2017 and continued at ExhibitorLive in Las Vegas and is now back in Düsseldorf again.

Two educational programs offered by IFES – Masterclass and Certified Expert – ensure we have well-educated, global-thinking employees serving our industry. Both programs run at the end of the year.

"Support and be supported" as well as "sharing knowledge" – that are the general ideas of the federation..

Contact details:

IFES AISBL, Rue de l'Amazone 2, B 1050 Brussels; www.ifesnet.org

For further inquiries please contact:

Mrs Uta Goretzky, uta@ifesnet.org, Mob.: +49 151 4016 2220