

EUROPEAN
EXHIBITION
INDUSTRY
ALLIANCE

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POSITION PAPER

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EXHIBITIONS AND LIVE EVENTS ARE THE FAST TRACK TO ECONOMIC RECOVERY

Economic support for exhibitions and events needed Practical proposals for secure reopening

Our sector's systemic relevance for vertical industries and economic recovery

The trade fairs and exhibitions industry together with the wider community of live events (MICE) were the first ones affected by cancellations and total shut down. Our industry is supporting the response to the current health emergency by making available our infrastructures to host emergency hospitals, testing facilities, logistics centres, healthcare workers or homeless people while providers contribute to numerous initiatives with their diverse capabilities. However, we cannot afford to be the last ones to take up business again. Already now, we see devastating effects. EU and national economic support measures delivered short term relief – but not to all companies in our industry. We witness the first bankruptcies among our members.

The exhibition and live communication sector serves vertical industries – we have customers from all sectors – and is ready to play its important role in the recovery of the economy. We offer platforms for businesses and people to connect, trade, discover and learn, to benchmark and become more innovative and competitive. Our sector is a large, complex and well-balanced ecosystem of different disciplines and providers covering exhibition and event venues, organisers, agencies, freight forwarding, stand-construction, lighting, catering, cleaning, digital solutions providers, security and many more. Most of these are SMEs. We serve for example sectorial associations, corporate and institutional clients with different formats like B2B, B2C or B2E (business to employees).

124,9 bn € socio-economic impact losses - planning horizon needed

Most urgently, in order to preserve this ecosystem of exhibitions, congresses and events and to be ready for a restart, we need a planning horizon. It goes without saying the health and safety of the population and our customers is always the utmost priority.

The lead time in our sector is mostly 6 months or longer, depending on the type of trade fair or event. Currently, all across Europe, large events are not permitted until

July/August in some cases, in most cases until the end of August. This applies to the general category of large events. All events that were planned until that date are cancelled or rescheduled. This means that revenue loss in our industry was around 33% in Q1, is 100% in Q2. The economic support measures will not carry most of the players of the exhibitions and events industry further than the summer. If we cannot open as of September, most of the SMEs will not survive. Over 1.2 million jobs are at risk through the whole value chain (including indirectly supported employments).

Quality criteria before quantity limits - B2B and certain B2C categories can start first in a secured way

The exhibitions and events we organise are mainly focussed on businesses and their clients and cannot be put on a level with mass public gatherings like large popular festivals, rock concerts, or sports matches focussing on leisure, gastronomy and conviviality where being close to each other is part of the experience. Our events take place in large, secured and adaptable spaces and the attendees can be guided and protected comprehensively. Trade fairs and live events should therefore be rather compared to large stores, which can already welcome their customers in some countries again under clear regulations.

It is important to align the exit measures and lifting of travel restrictions with the permissions to hold exhibitions and events. The possibility to travel nationally, within Europe and internationally shall be reflected in offering exhibitions and events step-by-step for that respective scope of clients. Smaller regional and national exhibitions and events could start first. Attracting attendees and restoring customer confidence will also contribute substantially to the recovery of all travel and tourism related businesses like hotels, restaurants, taxis etc. A common understanding of our sector and coordinated approach across Europe is needed.

Health and Safety measures for a secure business environment

Our industry is working on comprehensive concepts to implement exhibitions and events under the most sophisticated and intelligent health and safety measures proportionate to the respective situation. We will submit these proposals and procedures to the respective authorities in due course. These concepts will respect the regulations imposed by public authorities and may include managing the number of delegates for the respective space and perhaps time slots over several days, adapting size, space outline including stand architecture or conference space setup, entrances and exits and guiding movement of delegates, hygienic measures like face masks, disinfection, temperature taking; further, pre-registration, health authentication, digital tools to track movement in real time and contacts in case of a COVID-19 case and cashless payment systems. Again, we underline the fact that we stage another category of events and subsequently offer a totally different setting than any large public event, such as for example the Munich Beer Festival.

Economic measures to support exit and recovery

Among the instant measures made available are credits and tax deferrals to help out with liquidity. These were welcome, however, given the rough idea of starting activity again after the summer only, they are not sufficient. Many companies will not survive until then – 6 months with 100% revenue loss. This is true for companies in our sector as well as on the vertical sectors' side – our customers – and for the travel and tourism related service providers. More and longer support is vital, in the form of direct subsidies, for example connected to the number of fix employees, and long term state guaranteed 0% loans. Direct payments could compensate the losses for

marketing and already incurred costs for the cancelled or postponed exhibitions and events, for both players in our sector and the exhibiting companies. Businesses in our sector could be offered reduced wage taxes for employees or any other relief to be able to pay decent salaries to qualified staff while still recovering. Dedicated support for training and skills enhancement during the time of standstill would be beneficial – to keep staff on board, to increase the output quality and future-proof our sector in general.

In the medium term and with the aim of allowing companies to participate in the marketplaces or knowledge transfer events we see a huge need for measures on all sides. Tax deductibility for exhibitions and business event participation where not implemented yet and VAT reduction for exhibition and event related services and products would incentivise companies to travel, exhibit and participate again. Funding hosted buyers' programmes, matchmaking and investments into digital offers to complement the events will help to kick-start business sales and the overall economic recovery. More ideas to stimulate travel and attendance of events include marketing campaigns promoting exhibitions and the MICE sector, linked to destination marketing; refocussing existing EU support structures for SMEs like the Enterprise Europe Network on more exhibition and event actions; specific funding for young, innovative companies and R&D to be presented at trade fairs and congresses.

Special risk: Europe's exhibition industry is the global leader

The European exhibition industry is the global leader in terms of exhibition venue capacity, quality and turnover. It represents **nearly half of the global market share** of the exhibition industry and it hosts the majority of all leading international B2B and B2C trade fairs. European trade fairs attract businesses from within the EU and all around the world. They provide a maximum number of business opportunities in one place and in a sustainable way, enabling EU companies to avoid travelling outside the EU to meet potential business partners and customers. Many of the exhibitions cancelled were the large leading international ones, which has a particularly great effect on the exhibition companies and the related sectors: international exhibitors and visitors contribute a comparatively large part to the economic impact.

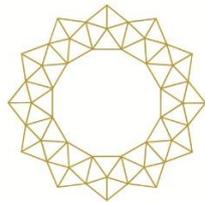
At the same time, European exhibition organisers stage trade fairs worldwide. This supports the internationalisation of European businesses into global growth markets. Consequently, part of the losses in Asia and the Americas also impact the European players. The 10 companies with the highest turnover worldwide are European and also a high degree of the smaller, specialised providers operates internationally. Due to the asymmetric progression of the pandemic, players in other regions of the world may benefit the occasion to increase their market share while Europe is still in shutdown. And we will face the "competition" of massive state support to attracting large events to these regions, away from Europe

Vital role of trade fairs and live events in the recovery

The above facts underline the critical importance and systemic relevance of exhibitions and live events. They will play a vital role for economic recovery by providing a fast-track for companies to the market and will trigger a multiplying effect for other industries. The exhibition and events industry is determined to continue serving the communities and industries in the best possible way. But we rely on the efforts from policymakers to ensure that our companies will be able to fulfil that role in the future. If we cannot maintain the European ecosystem of all players that together create the best marketplaces for many industries, the most important events and the

major occasions for people to meet in a healthy and safe environment, we will not be there to boost the recovery of economy in general.

The European Exhibition Industry Alliance together with all undersigned associations address you for support and call upon all EU Institutions to ensure the coordinated implementation of powerful measures for our sector without any further delay across the whole EU by the Member States.



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Background Information

About EEIA

The European Exhibition Industry Alliance represents nearly 400 European exhibition organisers and venue operators in Brussels to the European institutions and stakeholders. These trade fairs and exhibition players are organised in UFI, the Global Association of the Exhibition Industry and the European Major Exhibition Centres Association EMECA. For more information please visit:

www.exhibition-alliance.eu www.ufi.org www.emeca.eu

About EMECA

The European Major Exhibition Centres Association EMECA unites 24 large and leading exhibition venues in Europe. These venues are an important economic factor. EMECA venues host and organise over 1.800 trade fairs a year globally, out of which more than 1.500 in Europe on a gross rented space of more than 38 mio sqm. They welcome more than 360.000 exhibitors and over 37,7 mio visitors in Europe.

www.emeca.eu

About UFI

UFI is the global trade association of the world's 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 the business interests of its members and the exhibition industry. UFI directly represents more than 50,000 exhibition industry employees globally, and also works closely with its 60 national and regional association members. More than 800 member organisations in 89 countries around the world are presently signed up as members. Around 1,000 international trade fairs proudly bear the UFI approved label, a quality guarantee for visitors and exhibitors alike. UFI members continue to provide the international business community with a unique marketing media aimed at developing outstanding face-to-face business opportunities.

www.ufi.org

About EVVC

The European Association of Event Centres represents about 750 event centres of all kinds and sizes in Germany and Europe. Event organisers and supply companies supplement the association's broad range, thus making the EVVC the most versatile communications network within the sector.

www.evvc.org

About IELA

The International Exhibition Logistics Association is the global industry network enhancing the professionalism of the transportation logistics and freight handling segments of the exhibition & event industry. IELA works with venue owners, organisers and national associations educating, training and sharing expertise for safe and secure operations around the world. The quality brand IELA is currently represented by 173 members and 31 affiliates in 56 countries.

www.iela.org

About IFES

IFES stands for the International Federation of Exhibition and Event Services. It is the international federation of national associations and companies active in the fields of design, conception, production and services for exhibitions, trade fairs and events. IFES offers a platform for international cooperation, which is achieved through networking and knowledge exchange. Founded in 1984 - IFES represents more than 280 companies from all over the globe. Each of these companies has signed the IFES Code of Conduct - a kind of constitution which secures the quality and professionalism of each member. The industry as a whole represents annual sales of EUR 9.3bn within Europe. And with all suppliers, such as assembly companies, freelancers, technical service providers, this EUR 9.3 bn represents almost 250,000 jobs.

www.ifesnet.com

About LiveCom Alliance

LiveCom Alliance is the independent European institute for live communication. We believe that live encounters do build a stronger future in all societies and industries, especially in this digital day and age. LiveCom Alliance unites national boards of associations, each representing local member agencies and companies in the live communication and event domain. Goal of the Alliance is to unite, learn and inspire. Currently serving 9 national organizations (Belgium, Germany, France, Italy, Spain, Portugal, Switzerland, Austria and The Netherlands) and affecting 700 leading agencies and companies around Europe.

www.livecomalliance.eu

We look forward to receiving any queries and your positive reply.
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