

# [EXHIBITING USA vs EUROPE]



# GENERAL

## [EXHIBITING USA vs EUROPE]

### ORIGIN

 Each industry has its own association that organises annual trade shows, to promote that industry.

Now there are over 80,000 trade associations in USA.

 Stem from mediaeval exhibitions in the market squares and bazaars where tradesmen would travel to meet with the makers of eg cloth, dye, and silverware.

### PURPOSE

 More promoting and meeting then selling.

Meetings are quick typically involving the exchange of contact & company info.

 More sales oriented.

Meetings are more often sales meetings and take generally more time.

### OPENING HOURS

 Short opening hours: eg. 10:00 am - 4:00 pm.

 Longer opening hours as it is more about closing deals. Eg. 10.00 - 18.00 hrs.  
> Facility is with more seating and hospitality such as food and beverages.

### OWNERSHIP

 66 % of shows owned by trade associations. Eg. national restaurant association  
They use that profit to fund their association.

 Very diversified ownership: can be venue, can be other private owners. [eg. Easyfairs]  
Are normally not owned by associations.


### GENERAL CONTRACTORS

 2 make up 75 % of market. [GES and Freeman]

 Globalization has only started. [GL events, ...]

### DISTANCES

 Distances are so large, that you need partners all around USA.

 Standbuilder does most himself, as vast majority of shows in Europe are to be found in a radius of 500 miles.  
[London, Paris, Frankfurt, Hannover, Milano, Barcelona...]  
For shows further away local labor can be used in combination with own supervisor.

### DRAYAGE

 Average drayage cost \$85<sup>00</sup> per hundred pounds.  
Explained separately on p 8.

 No drayage here.

### UNIONS

 Explained separately on p 10-11.



 No unions involved here.  
Every one can build as long as they do follow the [ever increasingly strict] rules.




# GENERAL

## [EXHIBITING USA vs EUROPE]

### STAND BUILDERS

-  Depending on where, it is usually done by Union Labor or Exhibit House | Standbuilder.  
> a combination of different materials and systems are used.
-  Mostly the standbuilder himself.  
> uses only wood [traditional] or only 1. system or combination of the former.

### NAMES

-  Exhibits, Booths  
Shows [Trade shows, Public shows], Trade fairs  
Exhibit house
-  Stands  
Exhibitions  
Stand builder, I & D [Install and dismantling] company



### DIMENSIONS

-  Feet and inches
-  Meters



### PANELS

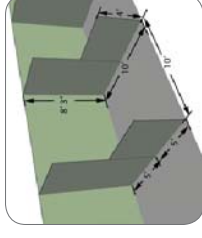
-  Standard 8 ft long = 244 cm  
Hence standard beMatrix® height here is 2418 mm: 39 holes.
-  Panels here are per half a meter. [2; 2.5; 3; 4 m]  
Hence standard beMatrix® height here is 2480 mm: 40 holes.

### SPACES

-  More standard surfaces  
"Standard customization"  
Per 10 ft : 10 X 10 ft, 20 X 20 ft, 10 X 20 ft, 10 X 30ft ...
-  Generals | Shell scheme  
Custom stands: sizes are very variable

### TYPES

-  > Inline exhibit space [1 side open]  
> Corner exhibit space [2 sides open]  
> Peninsula exhibit space [3 sides open]  
> Island exhibit space [4 sides open]
-  > Row stand [1 side open]  
> Corner stand [2 sides open]  
> Head stand [3 sides open]  
> Island stand [4 sides open]



# STEPS

## [EXHIBITING USA vs EUROPE]

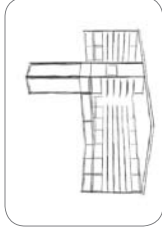
### STEP 1

#### [DESIGN]

Design needs more extensive setup instructions, because it is usually built by 3<sup>rd</sup> party.



Design by standbuilder or external design | marketing company.



### STEP 2

#### [PREBUILD]

Distances make prebuilding and signing off by customer necessary: consequences are too big if something goes wrong.



Prebuilding is not often done.

#### [SET UP INSTRUCTIONS]

Set up manual is needed as exhibit house is mostly not the builder.



Not needed as the stand builder mostly builds himself.

#### [PACKAGING]

Goods must be well-packed in crates.



Lighter packaging as transport is done by standbuilder from door-to-showfloor.



### STEP 3

#### [TRANSPORT or LOGISTICS]

Logistics done by external freight company.  
 > or to central warehouse of the venue or the general contractor  
 > or directly to show depending on time frame



Transport done by standbuilder directly onto the show



# STEPS

## [EXHIBITING USA vs EUROPE]

### STEP 4

#### [DRAYAGE]

Before any material enters the show site, a charge called DRAYAGE is levied for handling and storage based on the weight of the material. A light weight system like beMatrix® is cost effective here.

Charges per 100 lbs vary [45 kg] across the USA, based on local conditions, like prevailing union wages, move in - move out times and exhibit facility access. From \$70 as high as \$200.

Drayage is based on a contract between the Show Mgmt and the General Show Contractor [GSC]

All free extras the Show Management has negotiated, have to be passed on in the drayage.

#### DRAYAGE IS LEVIED FOR :

- Moving goods from loadingdock to your booth.
- Removing empty crates before the show, storing them during the show and returning them after show.
- Moving your repacked goods to the Loading Dock after the show and loading them onto your transportation truck | carrier.
- Carpeting the aisles, all directional signage in the halls, entrance exhibits and registration booth plus whatever free services the show owner negotiates.

No drayage here.



### STEP 5

#### [BUILD-UP]

Managed | supervised by exhibitor or standbuilder.

Actual labor is hired from general contractor or independent contractor with union staff in those states requiring it.

**A.** Material is unpacked and assembled as per the SUD [setup drawings]

**B.** Depending on state you build in, union workers do the build-up: they charge per man-hour and min 4 hours.

> Hourly rates can vary from \$70 to \$185 straight time.

Overtime X 1.5 or double time [holidays]

Done by stand-builder.



## UNION

### [EXHIBITING USA vs EUROPE]

#### WHY UNIONS?

- Initially to be able to move freight by truck and through docks in large cities like Chicago, teamsters [truck drivers] needed to be employed [which is where the term drayage came from].
- Other unions like the projectionists and stage hands were already available and experienced in moving "productions" [cultural] in and out of venues.
- General show contractors could not afford to have a huge labor force on their payroll all year round.
- Unions organized this temporary need for skilled labor.

#### WHY SO EXPENSIVE?

- Union towns have a large pool of professionals virtually on standby, a reserve force of labor.
- Sometimes the guys don't work much for weeks and when they do work it might only be 8 hours on an install and 4 hours on a dismantle.
- They need to be paid well enough to be able to afford their living expenses between jobs.
- Other reason: insurance is very expensive for this kind of labor.

#### HOURLY RATE EXAMPLE

- Take home pay → \$35.00
- Income tax → \$5.00
- Union benefits → \$20.00
- Worker's comp, state and federal taxes and fees → \$20.00
- Employer's margin and overhead → \$20.00
- Exhibit house or reseller mark up → \$30.00

**Total cost to the exhibitor → \$130.00**

## UNIONS USA

### [EXHIBITING USA vs EUROPE]

#### TO BE MEMBER OF A UNION IS NOT A CONDITION FOR EMPLOYMENT.

There are less unions in right to work states, however some of these states have Union Cities.



#### RIGHT TO WORK STATES

- Alabama
- Arizona
- Arkansas
- Florida
- Georgia
- Idaho
- Indiana
- Iowa
- Kansas
- Louisiana
- Michigan
- Mississippi
- Nebraska
- Nevada
- North Carolina
- North Dakota
- Oklahoma
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Virginia
- Wyoming

#### UNION PAIN LEVEL

[1 = LOW COST → 10 = HIGH COST]

- Atlanta = 1
- Louisville = 1
- Dallas = 3
- Orlando = 5
- New Orleans = 5
- Houston = 7
- D.C. = 8
- Vegas = 8
- Chicago = 8
- Anaheim = 8
- Boston = 9
- San Francisco = 9
- New York = 10

# TOTAL DIFFERENCE IN COST TO END CUSTOMER [A STAND EXAMPLE]

## HIGHLIGHTED FEATURES

- 20x20 Interactive Island Booth
- 16' Tower with Large Billboard Graphic Opportunity
- Eight 32" Interactive Work Stations
- Two 50" LCDs
- Reception Counter with storage
- Walk in storage/server room



# [EXHIBITING USA vs EUROPE]

NET END CUSTOMER PRICE	RENTAL USA	RENTAL EUROPE	DIFFERENCE
<b>STRUCTURE &amp; COMPONENTS</b> beMatrix components (white panels), connectors and covers.	\$14,225	€ 7,400	48%
<b>A/V</b> Eight 32" monitors, two 50" monitors, mounting brackets, hardware, Lighting	\$7,967	€ 3,400	80%
<b>FLOORING</b> 400 sq feet of carpet and padding installed	\$2,000	€ 840	83%
<b>GRAPHICS PACKAGE</b> 6 X Full size 2418, 8 X half size 1984, 1 counter panel, 8 curved graphics	\$6,864	€ 3,500	51%
<b>FURNITURE</b> One reception counter with storage	\$500	€ 440	-13%
<b>I&amp;D</b> I&D with supervision, Straight time.	\$7,077	€ 3,000	82%
<b>SHIPPING AND CRATING</b> To and from venue in Vegas or Atlanta	\$2,750	€ 800	165%
<b>DRAYAGE</b>	\$2,225	€ 0	1000%
	<b>\$43,608</b>	<b>€ 19,380</b>	<b>73.3%</b>
	<b>€ 33,578</b>	<b>\$25,194</b>	

# FIGURES USA

## [EXHIBITING USA vs EUROPE]

### OUT OF 250 LARGEST SHOWS IN USA. RANKING IN NET SQUARE FOOTAGE [2011]

- Vegas → 60 shows → 32%
- Chicago → 22 shows → 10%
- Orlando → 25 shows → 9%
- New York → 18 shows → x%
- Atlanta → 11 shows → x%
- New Orleans → 10 shows → x%
- Louisville → 8 shows → x%
- San Francisco, Boston and Anaheim → 7 shows → x%
- Dallas and Washington D.C. → 6 shows → x%

### OUT OF 250 LARGEST SHOWS IN USA, RANKING TO NUMBER OF SHOWS [2011]

- Vegas → 55 shows → 24%
- Orlando → 26 shows → 10%
- Chicago → 21 shows → 8%

### BUSIEST TRADE SHOW MONTH IN USA [FROM 250 LARGEST SHOWS IN 2011]

- January → 32 shows
- February & March → 28 shows
- October → 25 shows
- June → 22 shows
- December → 3 shows

### LARGE VENUES

- Hannover fairground 496,000 m<sup>2</sup> | 5,340,000 sq ft
- Fira de Barcelona 365,000 m<sup>2</sup> | 3,930,000 sq ft
- Fiera di Milano 345,000 m<sup>2</sup> | 3,710,000 sq ft
- Canton Fair Complex in Guangzhou 338,000 m<sup>2</sup> | 3,638,000 sq ft
- Frankfurt Trade Fair 321,000 m<sup>2</sup> | 3,460,000 sq ft
- Las Vegas Convention center 297,000 m<sup>2</sup> | 3,200,000 sq ft
- Koelnmesse, Cologne 284,000 m<sup>2</sup> | 3,060,000 sq ft
- McCormick Place, Chicago 248,000 m<sup>2</sup> | 2,670,000 sq ft
- Shanghai expo center 200,000 m<sup>2</sup> | 2,153,000 sq ft