



Communiqué

ASSOCIATION INTERNATIONALE DES PALAIS DE CONGRÈS
INTERNATIONAL ASSOCIATION OF CONGRESS CENTRES
INTERNATIONALER VERBAND DER KONGRESSZENTREN

■ President's Message:

New Offerings; New Opportunities



AIPC President Edgar Hirt

One of the things we've always tried to do on the AIPC Board was to come up with new program offerings that really respond to AIPC member needs. From member surveys to Annual Conference sessions to ongoing discussions about important industry issues, we were looking for program activities that would help address some of what you thought were the greatest needs facing centres today.

Two things we heard regularly were the need for specialized training for centre managers and for quality standards that truly responded to the unique requirements of congress centre management. After a lot of planning, development and testing, AIPC programs to address both these needs are now underway. The initial reviews have been very positive – now all they need for complete success is your participation! The AIPC Academy will take place next February in Brussels, and will incorporate all the input received from last year's participants along with extensive content surveys which will "fine tune" the various subjects covered in the Academy. More than ever, this comprehensive program covering all key centre management topics is a valuable means of quickly orienting new management staff on all the factors

that make our business unique along with the skills they will find necessary in order to operate successfully in a congress centre context.

We believe it will quickly become the "Industry Standard" for this kind of training and a lasting legacy for AIPC members; in particular, it can assist in dealing with a shrinking labour situation where many new recruits to centres are arriving with professional qualifications but without any real understanding of the industry. Registration is limited and bookings are already being made, so you should start thinking now about which of your staff could best benefit from this exciting and productive program.

On the quality standards side, you will see from an article in this issue that the pilot project for the AIPC Quality Standards Certification process has been completed, and as reported on at the Annual Conference, participants found not only that the audit process was clear and readily accomplished by a well organized centre but also that the process was an excellent team building exercise for staff. With the pilot now complete, we will shortly be announcing how all members can apply for this certification and how we intend to promote the certification as a quality "brand" in the industry.

Both these initiatives are in direct response to what members have indicated as among their top priorities – but both need good participation to reach their full potential. I'd urge you to consider your involvement in both – not just as participants, but also as contributors. We need member's feedback as much as we need participation – and that feedback will help us to improve these and other offerings to everyone's benefit!

Member's Speak Out: Results of the Industry Outlook Survey

The Industry Outlook Survey was the first in what we hope to be a series of similar surveys that "take the pulse" of the industry and track changing attitudes and expectations of AIPC members. Specifically, the survey was intended to get a sense of industry confidence, identify common issues and establish a baseline for future surveys. In addition, it was to help provide a reference and comparison of how AIPC members see the future relative to those in other related sectors. As seems to be always these days, the credibility of the survey was supported significantly by the high rate of member participation (some two thirds of members responded).

Key elements of the survey included;

- The vast majority of members (86%) saw their business increase over the past year, with only 14% seeing a decrease.
- At the same time, 55% stated that they were even more confident in their business prospects for 2007 as opposed to only 5% who indicated they were less confident and 40% who expected business to remain the same. Those who indicated greater confidence based this on an improving economy, increased bookings and the prospect of more short term business. Those who had less confidence referenced either local political or logistical reasons unrelated to the overall industry or not being sure they could exceed what were already high levels of performance for 2006. (continued on page 5)

MEET OUR NEW MEMBERS:

AIPC continues to grow, with new members adding to the global complement of industry representation. Here are two recent additions to the Association:

Bournemouth International Centre



The Bournemouth International Centre is one of the UK's premier Venues for Conferences, Exhibitions, Concerts, Events and Banqueting. Centrally situated on England's sunny south coast, and overlooking 7 miles of golden 'Blue-Flag' quality beaches, the BIC boasts 4 interlinked auditoria, capable of hosting events from 100 to 10,000 people. Opened in 1984, and with the benefit of a £22million expansion and development program completed in October 2005, the BIC, with its more traditional sister venue - the 1920's style Pavilion Theatre and Ballroom - now plays host to a wide range of Association and Corporate Conferences, International Music and Comedy Artists and Regional Consumer and Trade Exhibitions. Winner of the Bournemouth Tourism 2006 award for "Outstanding Customer Service", the BIC provides the ideal solution for the most discerning Event Planner.

Says Peter Gunn, Managing Director, "I am delighted that the Bournemouth International Centre has been accepted into the



Peter Gunn



world wide family of prestigious Conference Centres which is the AIPC. Following the reopening of the BIC in 2005, we have seen a significant growth in demand for our new facilities. The timing is therefore ideal to work more closely with national and international colleagues, learn from industry best practice and provide our team of dedicated staff the opportunity to benefit from high quality training and marketing program. I am sure the AIPC will be the right vehicle to further these common aims and we are all looking forward to working with our fellow members during the coming years."

Riojaforum, Palacio de Congresos y Auditorio de La Rioja



Riojaforum opened its doors to its first meeting in May 2004, and since then it has become the undisputed reference point for the meeting market in La Rioja.

It was designed to respond to a need to provide La Rioja with a congress venue through which to project a contemporary image both at national and international levels as well as with a first-class Auditorium, a privileged stage for all types of cultural events, and both these needs have been achieved.

In its role as a congress centre, Riojaforum differentiates itself from other venues for being very functional and versatile. It has an exhibition area of over 5,300 square metres, including the auditorium with total of 1,223 seats and the Chamber Hall with 418 seats. Both spaces are equipped with the latest audiovisual technology and large, fully-equipped stage. In addition, Riojaforum offers 9 other meeting rooms of various sizes with capacities from 20 to 350 people. The centre also has a top class restaurant that can cater for up to 1200 people in a single area.

Mariano Esteban, Director of Tourist Resources in La Rioja which manages Riojaforum, says "Riojaforum works towards a number



Mariano Esteban



of objectives, including generating the highest occupancy possible by accommodating many economy sectors and reaching a high level of customer satisfaction. All services are controlled to a high level of detail so that we can guarantee their quality, as we see excellence in customer service and high quality standards as the way to ensure long term high occupancy".

To keep in touch with AIPC, visit www.aipc.org

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AIPC Corporate Partners:



Interview With a Corporate Partner: Bedouk Meetings and Events Media

How does the future look to a prominent industry media organization? Communiqué interviews Benoit Rosenthal, General Manager of Bedouk Meetings & Events Media to find out;

Communiqué: What products does Bedouk Meetings & Events Media now offer?



Benoit Rosenthal

BR: As a prominent actor of the meetings industry, Bedouk Meetings & Events Media distinguishes itself by offering an array of indispensable multimedia tools to events organisers, including

- *The Bedouk Guide*, with an International readership of 34 000, which offers very comprehensive information on different venues and suppliers in over 57 countries.

- The French directories "*Guide des lieux de congrès et séminaires and Guide des agences et prestataires*" which offer 25,000 French meeting planners unique tools to organize their national events.

- *Meet In*, a monthly magazine filled with useful information and strategies for meeting professionals

- Bedouk MC&IT Trade show, the annual gathering for the Meeting Industry allowing International and national destination to reach French Meeting, Congress and Incentive buyers, and

- www.bedouk.com, www.bedouk.fr, www.salon.bedouk.com, a web interface for both the International and French Guides and the Trade show.

Communiqué: What makes Bedouk unique in the market?

BR: We set ourselves apart by the complementary nature of our products, which allows us to be a key player in the Meeting Industry, offering our partners a variety of targeted media solutions, with an audited circulation since 2004 for all printed media tools, and audited Bedouk MC&IT visitors since 2007. In addition, we offer meetings organiser's unique business tools that help them improve their effectiveness in responding to their growing needs and market trends.

(continued from page 1)

Member's Speak Out: Results of the Industry Outlook Survey

- The type of business that respondents expected to drive the increase was heavily corporate, followed by conventions. There was less expectation of increased business in the areas of trade exhibitions, consumer events or entertainment / sports events.

For the sake of clarity, the major challenges anticipated over the coming three years were divided into those relating to the owner's perspective, the market perspective and an internal / operating perspective.

- From an owner perspective, the primary challenges members anticipated, in order of importance, were changing revenue expectations (29%), management reviews (25%), financing reviews (also 25%) and governance reviews (21%). Additional challenges identified in this area included skills and labour shortages, the impact of emerging competition, the need for some form of certification and political changes.

- From a market perspective, top challenges were identified as competition from other centres (22%), pressure on rental rates(20%), client reluctance to pay for extra services (16%), environmental concerns (15%), greater influence by intermediaries (also 15%) and reduced event attendance (12%).

- Key internal or operating challenges were seen as increased operating costs (35%), labour shortages (26%), increasing government regulation (22%) and labour disruptions (18%).

- The best opportunities for revenue growth were reported as being largely in the traditional areas of event services at 27%, space at 26% and food and beverage, also at 26%. Other potential revenue opportunities were seen as the packaging of products and services, re-thinking or renegotiating government subsidies, attaching hotels or developing event partnerships.

- In terms of how centres intend to respond to these challenges, again the more traditional responses seemed to take precedence, with new sales and marketing initiatives and

enhanced service leading at 37% and 25% respectively followed by staff training at 14% and facility upgrades at 12%.

In summary, the survey painted an overall picture of good business and high levels of confidence driven largely by external factors such as the overall economy. The driving forces for revenue growth are the traditional revenue sources, with little evident interest in seeking out new revenue areas as was the case in more challenging times. Similarly, the anticipated response to challenges is largely based on enhancing traditional arras such as sales and marketing or service.

However, it also suggests that with business at a high point in the cycle, both owner expectations and new investment in competing facilities will also be increasing. This will ultimately lead to greater competition and pressure on revenues, which means it may be a good time for centres to anticipate an eventual downturn, and to start looking at such measures as market and revenue diversification to deal with this eventuality.

Graz 2007: Setting a New Standard

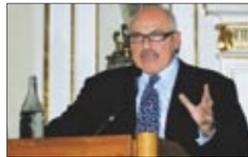
Only a little over six weeks and 70 delegate survey respondents away from our Annual Conference in Graz and already there are strong indications that this year's event will be rated one of the best ever! Here are some of the ingredients that drove this success;



Keynotes Add New Dimension to Industry Discussions

While everyone understands and appreciates the role that colleague interaction plays in creating a successful Annual Conference, it's also important to take advantage of this opportunity to get a good look at sectors outside our immediate environment that nevertheless shape and influence what we do. This was very much the case with the keynote speakers at this year's conference.

The first of these was Simon Anholt, a global authority on brand marketing and creator of the "Nation Branding" concept. In Anholt's view, countries and cities around the world have "brands" in the same way as products and these brands more often reflect what such a city or country actually does rather than what they say they do. With a panel of 25,000 respondents that he regularly polls to get a sense of how city and country images are positioned, he is able to provide advice on how a given part of the world is impacted by its brand perception and what can be done to influence this.



In the course of a 45 minute presentation followed by an hour long "clinic" on responding to specific brand issues raised by delegates, Anhold brought home a number of factors that were seen as directly relevant to the AIPC audience. For one thing, he reinforced the notion that a country, like a centre, needs a "business branding" to complement whatever leisure brand they may have. For another, he demonstrated how a brand can have a very tangible, measurable value in hard economic terms. Finally, he noted that the perception of quality can and does override many obstacles that can otherwise dissuade customers – an issue that relates directly to the current

concern about facility standards. According to Anholt, creating a positive reputation is an investment that will pay off in the event that problems arise – given that people are more likely to respond in a positive way if they already believe in the integrity of the brand.

The second keynote was Stephen Powell, Senior VP for Intercontinental Hotels, and his topic was the state of the international hotels industry and the factors that will likely impact congress centres the most in the coming years. Powell presented extensive trend data to demonstrate that the industry is likely reaching a peak in earnings and occupancy that will ultimately decline as the cycle continues. However, there has been a great deal of ownership consolidation, with the major flags in the operating rather than ownership business and ownership concentrating into a smaller number of hands worldwide. At the same time, hotel properties are changing hands at higher prices, which will create higher revenue expectations than ever before.

Under these conditions, says Powell, maximizing revenues will be the focus and convention business will only be a priority when it can compete on rates with other users. At the same time, hotels will increasingly be looking to package their own meeting space with accommodation and other services in order to extract maximum benefits from a piece of business.

Powell also indicated that the emergence of new hotel product in many emerging markets will challenge the current hierarchy. This includes cities like Abu Dhabi and Dubai which are building many new high-end hotels as well as those like India where rapid development is creating an explosion in new hotel development. These will add significantly to global competition – a factor that is likely to impact existing congress centres as well.

Two keynotes; two very different perspectives. For AIPC members, it was a window into different worlds which still have a great impact on our own future.

Environment Panel Touches Nerve

One of the most timely sessions at this year's Annual Conference was a panel that explored the various dimensions of the sudden resurgence of interest in environmental and sustainability issues. Three panellists with three different perspectives prompted a lively discussion that extended into questions posed to another panel comprised of key client group representatives later in the conference.

Panellist and AIPC VP Geoff Donaghy noted that this whole issue had been given new life and profile by recent high profile reports referencing the extent of concerns about global warming. In addition, he noted that there are now new "metrics" that exist to actually measure impacts (the "carbon footprint") and potentially assess compensation in the form of carbon offsets or credits which are now offered by various organizations around the world. Donaghy noted the implications this may have for both facilities and the industry overall, given that travel is at the heart of the international meetings industry.

P-Michel Bouchard of the Quebec City Convention Centre addressed the whole area of how attention to environmental issues can actually create marketing opportunities as well as responsibilities. Noting that his centre had long made a feature of developing environmentally responsible programs and practices, he stated that they are now regularly finding that clients include environmental practices as one of the factors they want to



address in making a venue decision. In fact, he felt he could see a time when centres may be audited to ensure they are meeting their environmental obligations and that the results of such an audit would play an important role in market decisions.

Jacque Rogers of Arena and Convention Centre Liverpool illustrated the opportunities that new construction afforded a centre through the ability to incorporate more sustainable features into both the construction process and the resulting facility. She noted that this applied not only to the design, but also to the selection of contractors and suppliers as the way in which construction took place also had a huge impact on the overall sustainability issue, particularly on a sensitive site.

The conclusion from most of the audience was that in the face of a rapidly changing situation, centres had little choice but to develop a strong environmental policy and incorporate that into their marketing programs, and that they would be aided in that task by seeing how other centres had risen to the challenge.

Clients Share Expectations and Concerns

Three representatives of key client groups participated in an Annual Conference presentation designed to provide delegates with a better picture of their needs, expectations and business issues in order to enable them to be more responsive to the requirements of those clients. They dealt with such questions as: how do you make your decision as to where you will locate an event; how can we best communicate with you; what features of congress centres (technology, spaces, services) do you think will gain importance for you in the future and; what's going on in your sector right now that we should be aware of in order to make us more helpful to you?

The responses to these questions varied according to the specific circumstances of each client but the common thread was a need for extensive communications, advance identification and resolution of any issues or misunderstandings, and overall, a good sense of respect and acceptance of the respective roles and responsibilities that each group has to address.

Our thanks again to Paul Wilson, Director, FDI World Dental Events, who represented the association sector; Luca Favetta, Director, Global Events for SAP SA, who represented the corporate sector and Joseph Rath, President, Mesago Messe Frankfurt, who spoke for the exhibition area, for taking the time out of their own busy schedules to share their perspectives with us.

AIPC Academy Gears Up for Phase Two

Once again, AIPC members are reminded of an exclusives member benefit available through participation in the AIPC Academy, which will run at La Dolce la Hulpe in Brussels from Sunday February 3 through Friday February 8. Registrations are already coming in, and with enrolment limited now is the time to plan for participation.



This year's Academy will be extended by an additional day in order to allow time for more in-depth coverage of subject matter as well as a more extensive opportunity for student projects and interaction. This change was the result of overwhelming response from last year's participants who wanted as much content as possible in the key topic areas.

The Academy has been designed as a comprehensive industry professional education

program designed to respond to member's needs to be able to upgrade the breadth of their staff's industry knowledge in a range of subject areas specific to congress centre management.

It is intended primarily to accomplish two things: first, to provide a broad overview of the Meetings industry and the management, operation and marketing of congress centres for staff who are new to the industry and second, to provide a skills and knowledge upgrade for staff who are moving from a specific operational area into a broader management role. A further important benefit is the opportunity for students to interact with a truly international group of industry representatives, and to build industry networks that will benefit them throughout their careers.

The cost for the full five day program will be € 2.495 for early registration until November 30 and € 2.695 from December 1 onwards, including all instruction, course materials, accommodation and meal arrangements.

The Dolce La Hulpe is a purpose built training centre located 15 miles Southeast of Brussels that has recently been converted into a highly attractive hotel and conference complex, and this location offers all the required facilities along with a "five star" learning environment for students.

Academy Scholarship to be an AIPC Legacy

An added dimension to this year's Academy program is a decision by the AIPC Board of Directors to award a scholarship for the Academy to a deserving staff member from an AIPC member centre. The scholarship will be made on the basis of criteria now in development which will assess not only the qualifications of the candidate but their ability to make a positive contribution to the session. Eligibility and application information will be distributed to members in the next few weeks.



Mark Your Calendar!

Dates for AIPC's 50th Annual Conference in Singapore have now been set for June 28 – July 2, 2008. More details in the next issues of Communiqué!

Innovation Award Proved a Fountain of Ideas!

In its inaugural year, the AIPC Innovation Award has attracted a wide variety of management, operating and marketing innovations that were featured at the conference with the final winners announced at the Gala. Submissions from some 16 centres from all over the world were received and assessed by the Awards Panel who rated each one according to the criteria set out in the application. The panel, who included AIPC Academy faculty, previous AIPC Apex Award winners and an external business consultant, completed an exhaustive analysis in arriving at their conclusions.

Amongst the projects that came forward were:

- New approaches to centre governance and funding
- New revenue sources and product offering
- Improved ways of communicating with clients
- Innovative programs to engage the local community
- Programs to address environmental quality issues, and
- Programs that have increased operating efficiency

All entries were presented to conference delegates through a "poster session" which allowed delegates to view each project and interact with representatives of the submitting centre. The range of activities that emerged was a good indicator of the scope of innovative thinking happening in AIPC member centres around the world.

In the end, judging produced three finalists who were so close as to all deserve top recognition. As a result, three awards were made from the wide range of projects submitted for consideration:



Barry Smith
Metro Toronto
Convention Centre

The first was to the Metro Toronto Convention Centre in recognizing the importance of green issues to congress centres through their "Zero Waste" program



José Miguel Moreno
CCIB Centre Convencions
Internacional Barcelona

The second was to the CCIB Centre Convencions Internacional Barcelona for their new program for the management of technology, and



Brian Baum
Washington State Convention
& Trade Center, Seattle

The third was to the Washington State Convention and Trade Centre for the development of a food and beverage program that combined service, marketing and community relations.



Innovation Award poster session provided an opportunity for delegates to get all the details on the submissions.

In making the awards, AIPC President Barbara Maple said "Given the overall quality of submissions, every participant was a winner in that they have helped advance both our overall industry as well as their own operations".