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Anticipating 2009/2010 – it's not all bad!

IAPCO members enjoyed yet another bumper year of growth in 2008 according to the results of the latest IAPCO annual activity survey, the third in the series.

The business generated by IAPCO members during 2008 was immense, representing a 26% increase over 2007 and a combined increase of 44% over 2006. IAPCO members continue to dominate the meetings market.

Between the 95 members from 35 countries, 5170 meetings were organised during 2008, compared to just less than 4000 in 2007. These meetings attracted a staggering 1,968,518 delegates (compared to 2007's 1,798,000) and 425,078 m2 exhibition, which represented a lower figure compared to 2007 (492,000m2). The greatest increase was in the number of corporate meetings managed. The number of staff engaged by IAPCO members rose from just under 3000 (2007) to 3732 directly comparable to the business increase of 26%. The size of the managed budgets rose from 900m euros to 1.273m euros (based on an average delegate fee of €500), whilst the economic impact, based on an average of €1620 per delegate spend, rose dramatically to a staggering 3.18 billion euros. IAPCO managed business cannot be underestimated.

But the issue is not how good 2008 was but how will the business stand up in 2009 and 2010? Using the same formula as for 2007, members forecast a drop of about 20% in 2009. This drop is as a result of the direct impact from the economic downturn. But for 2010, the figures look to return to a growth pattern.

A survey during Q1 of 2009 on how members were viewing and reviewing their business was undertaken. Whilst around 50% were restricting travel and making savings in the workplace in anticipation of a downturn, no members planned to restrict either education or marketing. The most greatly felt change was the postponement of decisions, delays in signing contracts and a general reluctance by clients to commit to anything before they had to; 65% of members were already seeing a drop in sponsorship and exhibition support.

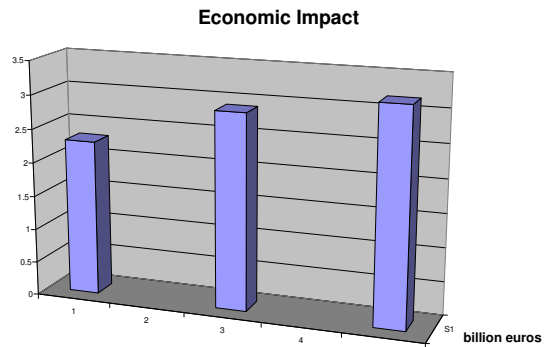
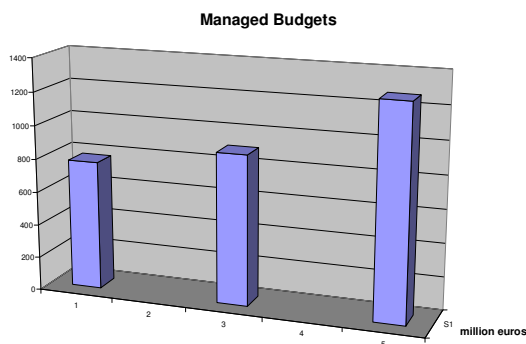
With regard to turnover:

- 28% anticipated no change;
 - 24% a 0-5% decrease;
 - 21% a 5-10% decrease and
 - 21% more than 10%
- 3% anticipated an increase of 10-15%.

What can be read from these figures? The strategic value of meetings is very evident, but there will be a shift in emphasis. Already corporate meetings are playing, and will continue to play, a strong role in the recovery of the market; they represent a potential power to recover from the crisis. Corporations at times such as these need to strengthen their brands and motivate their workforce. Meetings and events, an essential element in the business marketing mix, are important drivers for the economy bringing together people, enhancing innovation, stimulating creativity and providing the platform for the exchange of ideas and imagination. Such communication moves business, creates competition, drives new products and enhances the services provided.

IAPCO members continue to forge ahead, working hard on providing their clients with a positive approach, strong quality and an experienced professionalism in order to provide the best return from investment in economically stringent times. In such times of uncertainty, it is the quality and experience that will win the day. IAPCO members therefore are in an excellent position to continue to dominate the market and contribute to local economies.

		2006	2007	2008
Managed budgets	Note B	775m€	900m€	1273m €
Economic impact	Note C	2.3b€	2.9b€	3.18b €



Note B

based on an average delegate fee of €550
based on an average exhibition rental fee of €500

Note C

based on an average delegate spend of €1620

The method used by the survey was the same as last year: number of national and international meetings managed, and with or without an exhibition; a meeting as such must have at least 300 participants and a participant is classified as anyone who passes through the registration process. 98% of members answered the survey.

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