



MEDIA RELEASE

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Coronavirus outbreak – Impact on the European exhibition industry and economy in general

Remedies to ease the emergency and allow recovery

Number of exhibitions cancelled or postponed in Europe: over 220

The outbreak of the coronavirus has created a complex situation and impacted the exhibition industry heavily. Over 500 trade fairs and exhibitions have already been cancelled or postponed globally. Initially, the main consequences were felt directly in Asia, but now more than 220 trade fairs in Europe have been cancelled or postponed. This creates huge domino effects for many industries. Both sides, companies that are involved in staging exhibitions and the companies that exhibit or source on trade fairs are already massively suffering under the current wave of postponements and cancellations.

Business generated by companies that exhibit in Europe: 39 billion euros per quarter

Companies that exhibit at trade fairs show new products and generate business. In Europe, the sales generated by exhibiting companies amount to 39 billion euros per quarter. Globally, total sales are estimated to be 114 billion euros per quarter.

Positive economic impact in Europe: 23.1 billion euros per quarter

In Europe, the exhibition industry itself generates 23.1 billion euros and 206,081 FTE jobs on average each quarter of the year, for example in stand construction, transport and tourism-related industries. Globally, the exhibition sector generates a total economic output of 68.8 billion euros per quarter, translating into more than 810,537 FTE jobs.

Current economic losses in Europe: 5,8 billion euros

The economic damage in Europe caused by exhibitions not taking place as planned due to measures and restrictions to contain the spread of the coronavirus is already as high as 5.8 billion euros. 51,400 jobs could be lost in Europe following the show cancellations so far only. The global economic damage is estimated to be of 14.4 billion euros of total output loss. For Asia/Pacific, the impact is reaching more than 8.4 billion euros for the current quarter.

Many exhibitions in Europe may be rescheduled and take place later during the year, however the loss of turnover now puts many companies into severe difficulties.

Europe's losses are relatively higher than the ones in Asia

The European exhibition industry is the global leader in terms of exhibitions 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, enabling EU companies to avoid travelling outside the EU to meet potential business partners and customers. Companies encounter a global offer of goods and services in one single international event on their doorstep.

The damage caused may be much higher than quoted above. Figures are based on average impact of exhibitions only, per quarter. They do not take into account the additional economic impact generated by the exhibition venues. Additionally, 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 bring European exhibition quality outside Europe by organising trade fairs worldwide. This supports the internationalisation of businesses into global growth markets. Consequently, part of the losses in Asia also impact the European players.

Emergency for exhibition industry sector, particularly for SMEs

Short term cancellations or postponements of exhibitions have an immediate impact, because they delay scheduled business and revenues. This poses an existential risk especially for small and medium sized service enterprises, both exhibition players and customers (exhibitors and visitors of trade fairs). SMEs are the backbone of the European economy and need to be treated with high relevance by government and institutions of the Member States.

Concrete measures to bridge the gap are urgently needed

We ask the European Union's institutions to swiftly and actively support a coordinated approach in all Member States to offer the same set of emergency remedies to affected companies:

- **Liquidity and working capital** for the critical transition phase to be provided without bureaucracy by all banks on the local level
- **Guarantees** for these bank loans by the Central Banks or other suitable institutions in the respective Member States and support of these measures by the European Central Bank to the National Central Banks and by the European Investment Bank
- Working capital through **state aid** rules during the crisis situation (de-minimis regulation or rescue and restructuring schemes)
- **Deferral of taxes and of social contributions** for affected companies until the situation changes
- **Flexibility in employment** rules and conditions and possibly support to salary payments to allow keeping employees on board during the crisis and avoid major job losses
- **Provide means** for such credits by directing **remaining EU funds** to the SMEs and sectors most in need or via a dedicated **EU emergency fund**.

Reflection of business in the EU - Member States response mechanisms

Additionally, in order to adequately take into account the needs of businesses, the **Commissioner for the Internal Market**, Thierry Breton, shall complete the European coronavirus response team.

Role of Trade fairs in the recovery and the future success of the economy

The numbers underline the critical importance that exhibitions play in any economic recovery. The exhibition industry is determined to continue serving the communities and industries in the best possible way and enable people to meet face-to-face. But we rely on the joint efforts from policymakers and global leaders to ensure that the companies that organise these events and create these market places and meeting places will be able to fulfil that role in the future. Losing qualified employees or even entire companies now would make it impossible to take up the activity again quickly to implement the trade fairs at a later date this year and would have very negative impact on the quality level required to support the recovery of economy in general.

The European exhibition industry calls upon the institutions on all levels to adopt a coordinated approach and to ensure the implementation of the few but powerful measures described without any delay across the whole EU.

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

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