

Get your motor running...

In his regular *Expansion Therapy* series, Mayfield Media Strategies' **Steve Monnington** talks to managing director of Single Market Events **Tim Etchells**, about the renaissance of the British International Motor Show.

The British International Motor Show is probably the best-known exhibition in the UK. After a poor 2004 edition, most people believed they had seen the last of a declining British institution. The announcement that a joint venture between Single Market Events and London Event Co was to run the 2006 edition at Excel raised a few eyebrows. Were two small organisers really brave enough to take on such a giant? The rest, as they say, is history.

Single Market Events was founded in 1989 by Tim Etchells with a team of three people. Over the last 17 years they have created a range of trade and consumer events for niche markets, ranging from The TV Show to the Bar Show, BBC Good Food Show and the management of London Fashion Week. The journey has seen the

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company running events in the UK and Australia with as many as 50 employees in the late 90s.

Its typical approach is to launch an event, develop it for three years and then sell it. Etchells estimates Single Market Events has made more

than £10 million through the sale of events but has also lost in excess of £3 million on various projects, most notably the *Cosmopolitan* Show which was an extension of the women's magazine brand. Cash from disposals is re-invested into new events and so the portfolio moves on.

Virtually all of Single Market Events' new shows come from internally generated ideas, but the British International Motor Show, by far its largest and most daring event to date, was the result of a tender for the licence. “Most people think that the Society of Motor Manufacturers and Traders contacted organisers for the tender process but, in fact, it was the venues which were invited to create ideas for a show to be held in July 2006,” explains Etchells.

Two other venue/organiser partnerships pitched for the event. Earls Court partnered with Clarion Events and the NEC linked up with Haymarket. At the time, Rob Mackenzie was Excel's development director and also MD of its then internal organising company, London Event Co. The company, which became an autonomous business in early 2005, didn't have the same infrastructure and resources as its competitors in the tender process and needed to work with a more established organiser. As Mackenzie was also a non-executive director of Single Market Events, the choice was obvious and International Motor Industry Events IMIE, a joint venture between the two companies, was born.

Etchells didn't think twice about going for the opportunity. “My immediate reaction was one of great excitement,” he recalls. “This was the big one, the show that everybody knows. Then, when we realised that the pitch to the SMMT was for real, it became a bit scary. It became even scarier when lots of people told me they thought



The British International Motor Show: 'This was the big one, the show that everybody knows,' says Etchells

the show was beyond repair."

Each of the three teams made two pitches to a committee consisting of 30 car manufacturers. Although the venues were an important part of this process, the final pitch focused on the organisers' plans for the content of the show. Following all the presentations, each member of the committee voted for one of four options: one of the three venues/organisers or for no show at all.

"In fact 'no show' came third which was a bit of a surprise," recalls Etchells. "A number of manufacturers, most notably VW, Audi, Porsche and Ferrari, had made their decision after the 2004 show and although we didn't realise it at the time, nothing was going to make them change their minds."

What did Etchells think was the main factor that swung the votes? "One of the biggest issues for the vehicle manufacturers at previous shows was the increasing cost to the exhibitor. Our proposal was that they adapt a stand regulation system similar to the Geneva Motor Show which restricted the stand height on all parts of the stand except for the perimeter. This would have the effect of reducing construction and build up time, thus reducing overall costs and also created a cleaner looking event. I also think that having Rob and myself as the principals who ran the project on a day to day basis really helped."

He says the other main area of innovation was to focus the whole event on creating a fantastic visitor experience rather than relying on the stands alone to pull in visitors. "Excel's location was a real advantage for this and enabled us to run an 'on water' programme over both weekends which was a performance by 20 water ski and jet ski professionals from Florida and to hold the Dock Rock series of concerts. We had other more traditional features too, a motor theatre and taster test drive circuit. We also took the show outside of the halls, holding The Hundred Year Car Parade which took over the



IMIE was born when Single Market Events' Tim Etchells joined forces with London Event Co's Rob Mackenzie

streets from Marble Arch to Trafalgar Square and was seen by about 100,000 people."

Having won the tender, Etchells and Mackenzie decided to set up an office completely separate from Single Market Events both in terms of staffing and location. "Given that we had to demonstrate to exhibitors that Excel wasn't difficult to get to, our offices in Richmond weren't an option," explains Etchells. "If Ford rang us to ask for an on-site meeting in an hour, we couldn't explain to them that it would take us more than two hours to get there. We also wanted our office to be independent of Excel, so we chose Waterloo."

Staffing was the next issue. Obviously the team had to know about the motor industry but Etchells was clear that fresh ideas and thought processes that challenged perceived wisdom were essential. Experience came in the form of Tim Maunder from the SMMT who joined as

operations director. "Tim was key because he had all the history and great industry contacts. He also knew where things had gone wrong in the previous shows." Giles Brown came from Haymarket as sales director. "If Haymarket had won the pitch, Giles was the man who would have run the project," he explains, "so when they didn't win, I thought I should invite him to join us."

The senior team was completed with Kirsty Adams (ex-Haymarket and London Event Co) who headed up marketing, and Single Market Events' Mark Wilderspin, Etchells' right hand man for his overall business. Very few of the rest of team, which eventually grew to some 25 people, had exhibition experience, something that other innovative organisers such as Media 10, which launched Grand Designs, and Brand Events have also found to be an advantage when wanting to create fresh ideas.

So to the challenges. What were the main obstacles that Etchells and Mackenzie faced in getting the show off the ground? "There were numerous problems, mostly large ones," says Etchells. "The most difficult was trading relationships with major manufacturers. IMIE had no trading or credit history and nothing in its balance sheet. Because of this, most manufacturers were reluctant to part with their money upfront. It was a real chicken and egg situation. They were worried that they may not get their money back if the event didn't go ahead, but the pressure on cash flow as a result of this put the event in danger. Constant reassurance and hand-holding ultimately made manufacturers more comfortable, and cash started to come in."

Advice Centre

Based on his experiences of re-launching the British International Motor Show, Etchells concludes by offering some advice to other organisers faced with re-vitalising a failing major event:

Find a JV partner

Don't try it on your own. Having a partner doesn't just spread the financial risk, it helps to share the experiences, good and bad.

Always think about your reputation

A high profile failure won't just be financial, your credibility and track record could get blown to pieces too.

Be totally honest with the team

Start your review meetings with a crisis list. It means that nothing is ever swept under the carpet.

Every problem can be solved

Give the problems to the people you've employed who are new to the industry and who don't have any pre-conceptions.

Never take no for an answer

We initially received the standard rejection from Downing Street and ended up with a reception for all of the senior people in the motor industry.

Fact file

Company name: Single Market Events and International Motor Industry Events

Years in business: SME, 17 years, IMIE, two years

Number of employees: 37 in total

Type of business: Niche trade and consumer exhibitions plus the British International Motor Show

Main show: British International Motor Show

Growth strategy: The creation, development and ultimate sale of shows to fund the next ideas

Main challenge: Re-launch of the British International Motor Show

The relationship with Excel wasn't straightforward as Etchells explains. "Even though the SMMT had originally approached the venues, Excel's only financial involvement was through the venue hire. Given the involvement of Rob Mackenzie and London Event Co, this could have been a cosy relationship. However we were treated like any other organiser and so we had the normal tough negotiation which was probably made tougher by Excel's expectations from such a high profile event."

The biggest challenge of all was to ensure that the 2006 event wouldn't be like 2004. The manufacturers had heard all the promises before and the team had to work with the constant undercurrent of people questioning whether the event was viable.

If Etchells and Mackenzie were nervous before they won the tender, this was nothing compared

to how they felt in the days running up to the show. "Pre-booked ticket sales were lower than we had hoped and we knew that Excel had never delivered a substantial walk-up audience," Etchells remembers. "I realised that if we got this wrong it could potentially damage my 17-year old business but, more importantly, my reputation wouldn't be in great shape. The major organisers are pretty bomb-proof in terms of reputation, but I couldn't imagine myself touting for new business as the guy who destroyed the Motor Show."

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How did Etchells feel on the opening day? "The hour before the show opened was definitely the worst time for me. When Ford is spending £10 million on your event, you do feel a sense of responsibility. IMIE was over £1 million down before we opened the doors so I was rather hoping that some paying customers would turn up."

Etchells needn't have worried. A total of 80,000 gross square metres of space, indoors and outside, more than 350 exhibitors, 411,070 visitors (which will be ABC audited for the first time), up 24 per cent from 2004. A reception with Prime Minister Tony Blair at 10 Downing Street for the CEOs of the motor manufacturers. A series of rock concerts, Dock Rock, which delivered tens

Key milestones

1989: Company founded

1991: Simon Kimble joins (now of Clarion Events)

1992: Sold TV Show and proved that created events had a capital value

1994: Nearly sold the business to IIR but they pulled out

1995: Mark Wilderspin joins

2005 February: Won tender for Motor Show

2005: Launch of IMIE joint venture between Single Market Events and London Event Co

2006 July: Motor Show takes place

of thousands of additional visitors. Massive and extremely positive media coverage.

So, a success as far as Etchells is concerned? "Absolutely," he says. "There are two statistics from the show that I really love and which sum up our achievement. A total of 81 per cent of the visitors had never been to any of the previous motor shows, that's over 300,000 converts through our marketing efforts. The other is that on the second Friday, day 10, we had 50,000 people, more than any of the weekend days. That shows how effective positive word of mouth was."

Looking back, what would Etchells have done differently? "Given that this was a first time event for us, I don't think we would fundamentally change anything we did. Perhaps we should have accepted earlier in the cycle that the vehicle manufacturers who voted for no show at all weren't going to come in, rather than hoping they would change their minds. We could have re-configured the space we had reserved for them rather than having to put in costly features such as the super car paddock.

"Dock Rock was a financial step too far and suffered from a lack of major bands because of the large number of competitive summer concerts, but I would still do it again. We delivered 40,000 additional people to the show after five o'clock and this alleviated the worry that the show would start to wind down in the early evening."

And what happens next? "We have had five debrief meetings and we are now talking to the vehicle manufacturers about 2008 and we will make a final presentation of our plans in December. The indications for 2008 are good," says Etchells.

If you have an innovative growth story to tell and would like to feature in Expansion Therapy, contact Steve Monnington by e-mail stevemonnington@mayfieldmedia.co.uk



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