

Independent organiser

Emap, CMP, Reed, DMG et al hit the headlines on a regular basis, but what about the independent organisers that aren't so high profile but, nonetheless, turn out important shows for their sector? In our regular series profiling these perfectly formed operators, we talk to Helen Thewlis, managing director of Trident Exhibitions.

Trident Exhibitions was formed in 1969 as a small independent company. In the 1970s Trident sold, at different times, three exhibitions to what was to become Reed Exhibition Companies and in 1983 became a wholly owned subsidiary of Reed. In 1989 the founder reacquired the company assets from Reed and continued independently under the name Trident Exhibitions Limited.

What is the concept behind your company?

To target niche markets, such as, the manufacturing industry. During my time at the company we have watched the bigger players in exhibitions switch their focus from manufacturing to consumer events. But while the manufacturing pie in the UK was shrinking, our slice was getting bigger.

What drives you to launch the shows you do?

Our customers, exhibitors and visitors alike, need to feel that being part of our shows is being part of a successful relationship, one that produces results and meets all expectations.

How did you get into this industry?

I joined in 1991, initially on a temporary basis and never left! I run the company with the full support of my father; as chairman.

What are the advantages of being a small company?

A small company can react quickly to changing market trends. Customers phoning in can talk to the person who matters and get the answers they need swiftly and without complications.

A small team such as ours can listen to exhibitors and visitors and implement changes

more rapidly than some of our large counterparts simply by virtue of scale.

What challenges have you faced?

On behalf of the company, I sold our national manufacturing shows at the NEC and acquired a series of consumer events, the Stitch and Creative Crafts Shows. The prolonged negotiations and legal haggling involved in bringing this to a conclusion were both exhausting and exhilarating.

How does your company compete with the big players?

We don't. There are areas where we are already the 'big player'. There will be others. It is our events that are key. If our shows are successful then our exhibitions are the events of choice. Then we are the 'big player' in that area. This is what we constantly work for. Exhibitions can never remain the same; they must develop and evolve.

What is the key to success in this industry?

Staying close to the markets we serve through constant dialogue with our exhibitors, visitors and monitoring market trends.

How do you ensure people come to your shows, having a smaller marketing budget than bigger companies?

I dispute that we necessarily spend less on marketing an event than companies bigger than us. The key is to have a clear message that reaches your target audience.

Are your shows profitable?

Yes. Having said that, we are prepared to finance losses in building a new event. We are very profitable with a strong balance sheet.

The M&A Files

Steve Monnington of Mayfield Media Strategies presents a step by step guide to selling your business

Part Four: Preparing the Information Memorandum

The Information Memorandum is as important to the sale process as your



marketing materials are to the success of the event you are selling. However the IM must be factual and succinct as potential purchasers are turned off by marketing language and don't like the feeling that they are being "pitched to".

The main purpose of the IM is to provide enough information for purchasers to make a realistic offer and it should provide the history of the event, a snapshot of the current situation and a vision of the future. It should incorporate three years historic financial information, the current year's budget or forecast and a forecast for the following year together with the assumptions behind the forecast growth.

You should avoid the temptation to produce an "acquisition forecast". This is a tactic that is well known to potential purchasers and manifests itself as a forecast for dramatic growth for no discernable reason after many years of flat revenue and profits.

The other purpose of the IM is to protect the seller from the purchaser re-negotiating the price once they carry out their due diligence exercise and find problems that they weren't aware of. It is important to use the IM to highlight an issue to the purchaser.

Many sellers are wary of providing too much information to purchasers who are existing or potential competitors and it is important to strike the right balance. The IM for a single show should be no more than seven or eight pages incorporating event focus, financials, association support, key agreements, up to date sales graph, competitive analysis and prospects for future growth.

Next month: Valuation and Price Negotiation.