

di m²) salirà fino a 2,1 milioni nel 2009 grazie alle mostre triennali, per poi posizionarsi al di sopra di 1,9 milioni nel biennio successivo.

Per i ricavi consolidati il Piano indica 335 milioni per l'esercizio in corso, e una crescita in quelli successivi fino a 486 milioni nel 2011, con un incremento medio di oltre il 10%.

Il margine operativo lordo (MOL) dovrebbe nettamente migliorare a partire dal 2008, esercizio per il quale il MOL atteso è di circa 31 milioni, assestandosi nei tre anni successivi al di sopra dei 50 milioni.

Miglioramento atteso anche per l'EBIT, che dal 2009 dovrebbe posizionarsi largamente sopra i 34 milioni di euro.



ITALY. FIERA MILANO PRESENTS THE INDUSTRIAL PLAN FOR 2007-2011

Fiera Milano's new challenges

After the turning point represented by the new Rho district, Fiera Milano presents a demanding development project aimed at consolidating its leadership and economic-management equilibriums

by **Alberto Guizzardi**

The 2007-2011 Industrial plan, which was announced in February and made public one month later, rewrites Fiera Milano's mission, emphasising its job of delivering specialist services linked to fairs and congresses that generate client-value. It also adopts actions aimed at the development and the internationalization of its events portfolio and includes changes to the seasonal aspect of trade fair activity, increasing and stabilising profits and margins, that now are subject to big fluctuations from one year to the other.

"Over recent years", explains Claudio Artusi, managing director, "we have had to concentrate time and energy on hardware, on the setting up and start up of

the Rho complex. Now, we won that battle, and we can concentrate on software, on optimizing the company's profitability and improving its potential".

The strategic goals

This will lead onto identification of some strategic goals, including internationalisation, further strengthening of the congresses-events sector and technical publications, rendering management costs efficient. The answer to all this is a programme that details actions and expected results.

Work in the pipeline includes acquisition of trade fairs, especially abroad, redefinition of the current fair portfolio, also through selling off of non-strategic brands and growth of the group in technical publications.

120 million euros will be invested to support these initiatives during 2007-2008. Around 80% will be spent during the current year. When completely up and running, in 2009, return is forecast at 12%.

Improvements in profits and margins are also expected to follow on from intensification of in-house organisation of events.

Improving space management

As far as management costs are concerned, the idea is to concentrate the activity of fieramilanocity in pavilions 5 and 6 and to give up the others, after the organisers who currently work there have been duly informed. At the same time, an additional 40 thousand gross m² space will be built in Rho, on the current open-air area.

"What we want", says Artusi, "is to rationalise the use of space and as a result reduce costs, without undermining Fiera Milano's potential. In fact, we now have two premises of which the Rho one, although already large, must be further expanded to enable us to better meet requests by international trade fair giants. While the other city-based one is larger than needed for housing small or medium exhibitions. We must therefore redistribute our weight".

The new organisational model

The plan also entails implementation of a more efficient organisational model, which will be able to influence the work of both the group and the individual companies. The identified areas are: powering up of human capital; operational synergies, with centralisation of orientation decision-making,

government and control of the group under the group leader, leaving business to be managed by the subsidiaries; reduction of the number of subsidiary companies to give more effective governance.

Forecasts for future years

This structured strategy should bring meaningful benefits even in the short term. The net surface that Fiera Milano counts on selling in 2007 and 2008 (a little more than 1.8 million square metres) will be increased to 2.1 million in 2009 thanks to the triennial exhibitions, then reaching over 1.9 million in the following two-years.



Claudio Artusi

The Plan forecasts consolidated income of 335 million for the year in hand and growth in following years up to 486 million in 2011, with an average increase of more than 10%.

The gross operating margin (GOM) should improve visibly as of 2008, for which the expected GOM is about 31 million, settling in the following three years at over 50 million.

Improvement is expected also for EBIT, which from 2009 on should exceed 34 million euros.

