



Michele Perini

**MILANO. A LETTER OF INTENT TO ACQUIRE 75% OF THE CIPA GROUP**

# Fiera Milano Goes International

*In 2009 it organize 12 shows in China and four in India in cooperation with the Hannover Fair*

by **Lorenzo Paparo**

ta. L'investimento che Fiera Milano ha fatto in Cina e India, e a breve in Brasile, è dunque un investimento su se stessa e sul suo futuro. E non sarà l'ultimo".

## Una solida base operativa in Asia

Questa acquisizione andrà a integrare un'offerta espositiva estera che nel 2009 ha visto le due società in joint venture già operative organizzare 12 manifestazioni in Cina e 4 in India, per un totale di oltre 170mila m<sup>2</sup> espositivi, con un margine operativo lordo pari a oltre 3 milioni e 700mila euro.

"Abbiamo fatto notevoli passi avanti nell'internazionalizzazione – sottolinea Enrico Pazzali, amministratore delegato di Fiera Milano – e in Asia disponiamo ora di una solida base operativa che oltre ad agevolare l'accesso delle aziende italiane ai mercati locali, consente agli operatori di quei Paesi di meglio conoscere gli eventi che organizziamo a Milano. In Brasile oltre a supportare il Grupo Cipa nell'organizzazione di mostre, potremo esportare le nostre iniziative fieristiche nei comparti dell'alimentare, dell'ospitalità alberghiera e dei prodotti di design per la casa". ■

**T**rade fairs make virtues of necessities and look beyond national borders. The days of secure and more-or-less protected markets are now a distant memory, overtaken by the new rules of free trade and globalization.

Thus, where the conditions are opportunistic, as in the large emerging economies, trade fairs are going to where the demand is instead of waiting, as in the past, for foreigners to come to them. This dynamic is part of an epoch-making, irreversible change that is modifying how trade fairs organize themselves, with marketing taking center stage.

## Fiera Milano lands in Brazil

This is why Fiera Milano is stepping up its move into the field of internationalization. Following the creation, with the Hannover Fair, of two trade-fair companies (in China and in India) which have proven to be an optimal investment and a positive contribution to its accounts, Fiera Milano is now ready to launch itself in Brazil. On July 30th it signed a letter of intent to acquire 75% of the Cipa Group, a well-known Brazilian trade-fair operator, for 16.1 million euros, 9 of which correspond to the signing of a contract for the purchase and sale of stock with the remaining 7.1 millions to be paid over three years, contingent upon the attaining

of the Gross Operating Margin objectives for 2011, 2012 and 2013.

Grupo Cipa has a portfolio of 14 shows, equivalent to 100,000 gross m<sup>2</sup> of exhibitions, mainly in São Paulo. It boasts of excellent positioning, especially in the safety & security and technology sectors.

"Internalization in the trade fair industry is no longer a choice but a necessity," says Michele Perini, Fiera Milano President. "Every exhibition space has to measure up to ever-fiercer global competition, which requires operating procedures and organizational choices appropriate to the new context. Among other things, this means looking for demand where it is developing and offering the greatest possibilities for growth. The investment of Fiera Milano in China and India, and soon in Brazil, is therefore an investment in itself and its future. And we still have several dossiers open."

## A solid operating base in Asia

This acquisition will serve to supplement a foreign exhibition offering which in 2009 saw the two joint-venture companies organize 12 shows in China and four in India for a over 170,000 m<sup>2</sup> of exhibitions with a gross operating margin of over three million and 700,000 euros.

"We have taken significant steps forward in the field of internalization," underscores Enrico Pazzali, Fiera Milano Managing Director, with satisfaction, "and we now have available a solid operating base in Asia which, above and beyond facilitating access for Italian companies to local markets, allows industry workers in those countries to better know the events we organize in Milan. In Brazil, besides supporting the organization of shows for our new partner the Cipa Group, we will be able to export our trade-fair initiatives in the sectors of food, hotels & hospitality and design products for the home." ■

