PRESS RELEASE

Study confirms congress and conference market is good for Nuremberg’s economy

- Tax revenues already around 6 million euros
- Nuremberg needs more congress facilities in the 500 to 1,000 persons range
- Stepping up congress marketing

Congresses are a key economic factor for Nuremberg. This is the result of the study on the “Congress and Event Market in Nuremberg” conducted by the noted Europäisches Institut für TagungsWirtschaft (EITW – European Institute for the Congress Industry) on behalf of the City of Nuremberg and the CCN CongressCenter Nuremberg. The study examined the competitiveness and economic power of the congress and conference market and its future prospects.

"Gross revenues of 480 million euros and tax revenues of some 6 million euros emphasize that we must remain active in Nuremberg. The gap determined by the study in the segment of conferences for 500 to 1,000 persons creates a new challenge for us," said Dr. Roland Fleck, Deputy Mayor for Economic Affairs, summarizing the major results of the study.

The congress and conference market has also developed into an independent and firmly established branch of the economy in Nuremberg. For example, the CCN CongressCenter Nuremberg doubled its revenues from 5.4 million euros in 2004 to 11 million euros in 2010 and has developed into a real attraction for large congresses. “The CongressCenter Nuremberg has acquired a top position in Germany in the past years – especially for large congresses. It is now a matter of placing this success on a broader basis perceptible for the whole of Nuremberg," says CCN Manager Friedhelm Lenz, who together with Dr. Fleck is one of the creators of the Congress Initiative Nuremberg.

Impressive economic factor
The author of the study, Prof. Dr. Michael-Thaddäus Schreiber, Holder of the Chair of Tourism and Service Economy at the Harz University of Applied Sciences in Wernigerode and Managing Director of EITW,
presents some impressive facts and figures. For example, around 26,000 events took place in Nuremberg in 2009 and were attended by approx. 1.3 million congress and conference visitors. The visitors at these events provided total gross revenues of some 480 million euros, of which 296 million euros remained in Nuremberg.

The largest share of this spending flows into the hotel and catering trade, followed by transport costs. The retail trade is involved with gross revenues of some 46 million euros. The annual tax revenues for the City of Nuremberg from the congress and conference market alone amount to almost 6 million euros. In absolute terms, this means 10,580 persons could earn a living from this congress market, based on the average income in Nuremberg. Prof. Dr. Michael-Thaddäus Schreiber: “Nuremberg is already one of today’s top 3 event destinations in Germany. The ranking provided by the interviewees, half of whom are existing customers, was ‘Berlin – Nuremberg – Munich’, and Nuremberg has Champions League potential.”

“The results of the study are a clear vote for the Nuremberg congress location! The strengthening of the congress segments and the utilization of the facilities created in the past years were and are a key module for the future economic security of the city and region of Nuremberg,” says Roland Fleck, Deputy Mayor for Economic Affairs.

**Challenge for the location: expansion of facilities**

The economic power of the congress and event segment in Nuremberg is nowhere near fully exploited, according to Prof. Schreiber. The market study clearly shows that the facilities in Nuremberg do not offer an optimum hall and room concept for events in the range of 500 to 1,000 attendees. The market share of these events in Nuremberg is accordingly about 25 per cent less than the German average. Schreiber: “This gap means that the organizers interviewed lose an estimated 330 events with 110,000 attendees. Every second inquiry in Nuremberg is turned down – the organizers state capacity reasons for most of the rejections. One essential prospect module is therefore the creation of new facilities in the medium size segment. The addition of more hotel facilities should also be reviewed at the same time.”
“Although small and medium-sized congresses certainly also took place in CCN in earlier years, the constant growth of the international trade fairs and the CCN’s knock-on effect on large events left less and less space available in the full calendar of events of NürnbergMesse and CCN,” says CCN Manager Lenz.

It is a question of where small and medium-size congresses and conferences, whose positive economic impact on hotels, catering and the retail trade are described in the study, are to take place. As Lenz explains, “These events are an incubator from which larger congresses or even exhibitions can develop.” In Dr. Fleck’s opinion, the newly renovated Meistersingerhalle alone certainly cannot absorb the demand due to its many cultural events. A short-term solution is not in sight. “This gap in our range is a challenge. It is a mission for the economic policy experts and the Congress Initiative Nuremberg to promote this issue. We do not have a ready-made solution to offer at the moment, but the study has created a basis for further talks and decisions on which we can build. And where a demand exists, a corresponding supply will be created sooner or later,” says a convinced Fleck.

**Optimization of congress marketing**

The study also recommends setting up a central Convention Office and improving congress marketing. Fleck: “We are therefore striving to continue the development of the Congress Initiative and step up our congress marketing. An initial step has been taken with the appointment of a Convention Sales Manager at the Convention and Tourist Center with effect from 1 April 2011.”

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