

## AIPC MEMBERS SPEAK REGIONAL CENTRES CAN COMPETE EFFECTIVELY



SPAIN HOLDS AN ENVIABLE POSITION IN THE INTERNATIONAL CONVENTION AND EXHIBITION BUSINESS AS THE NUMBER THREE DESTINATION WORLD WIDE IN TERMS OF NUMBERS OF EVENTS. MADRID AND BARCELONA ARE IN THE TOP TEN CATEGORY AND CONTRIBUTE SIGNIFICANTLY TO THIS OVERALL STATUS. BUT HOW CAN MEDIUM SIZED CITIES AND CONGRESS CENTRES CONTRIBUTE TO SPAIN'S POSITION? OUR EXPERIENCES AT THE A CORUÑA CENTRE PROVIDE SOME ANSWERS.

TEXT ENRIQUE PENA GONZALEZ - DIRECTOR OF PALEXCO PALACIO DE EXPOSICIONES Y CONGRESOS A CORUÑA

From its inception in 1989, the A Coruña centre combined business and cultural activities. With an increase in activity in both sectors, we looked at the possibility of opening a second congress centre, thus separating the uses and activities of each building. As a result, in 2005 PALEXCO was born.

The second centre was designed and built with all the experience gained in fifteen years managing the first one. From the start, we focused our commercial strategy mainly at the domestic market with a maximum of 2,000 delegates. Not being subsidised by any public entity, we realised that we could not enter into a suicidal struggle with the larger centres, but competed at a slow but sure pace until the centre became known and appreciated. At that stage we began a gradual expansion - from local and provincial events to regional, national and finally even international events.

PALEXCO competes with clear goals of economic profitability just like any other private company. We do not take on any centre management project which does not complement other types of business linked to the Congress Centre itself (car park, hotel, casino, shopping centres) since although we could obtain a significant cash flow from other activities it would be practically impossible to pay off the high construction costs of the building.

In the broader market, we have learnt the enormous importance of the destination compared to a certain ignorance of the centre. The city, its services, its communications, the landscape and cuisine are some of the decisive aspects when an event goes to one



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city or another. There is a clear emotional component beyond a cold calculating decision; I think part of our success lies in knowing how to play this factor correctly.

There is a certain routine with the larger destinations, where meetings are more impersonal and more diffuse, providing a lower possibility of personal contact. A Coruña breathes design and avant-garde, pleasantness and closeness. This kind of city blends very well with a good congress centre: PALEXCO, a modern, versatile and very functional centre, lying in the nerve centre of the city, at walking distance from almost everything.

In addition to marketing internationally, we work very hard in the local market: the university, companies and hospitals are our closest sources of income. We realized years ago that a large part of the business is in our

own city - it is just a question of working it.

Our experience shows that medium sized centres and cities can, in fact, compete effectively, by exploiting our particular strengths - and this has been demonstrated by the fact that over the years we have frequently been offered the opportunity to invest in and operate other congress centre projects both in Spain in abroad!

*PALEXCO Palacio de Exposiciones y Congresos A Coruna is a long standing member of the International Association of Congress Centres (AIPC) and the host of AIPC's Annual Conference, 4-9 July, 2009*

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