

Industry view



This column is contributed by the International Association of Congress Centres (AIPC). AIPC is an international association of more than 160 of the world's leading convention and exhibition centres. It is based in Brussels. www.aipc.org

David and Goliath

Smaller centres and cities can win. PALEXCO Palacio de Exposiciones y Congresos A Coruña director, Enrique Gonzalez, shows how



Spain holds an enviable position in the international convention and exhibition business as the number three destination worldwide in terms of number of events. Madrid and Barcelona are in the top 10 category, and contribute significantly to this overall status.

But how can medium-sized cities and congress centres contribute to Spain's position, particularly when it means competing against the huge centres with all their technical, human and economic means? Our experiences at the A Coruña centre may provide some answers.

From its inception in 1989, the A Coruña centre combined business and cultural activities. With an extraordinary increase in activity in both sectors, we looked at the possibility of opening a second congress centre, thus separating the utilisation and activities of each building.

As a result, in 2005, PALEXCO was born (the name comes from the Spanish initials for congress and exhibition centre).

The second centre was designed and built using all the experience gained through 15 years of managing the first one.

From the start, we focused our commercial strategy mainly at the domestic market with a maximum of 2,000 delegates. Without subsidies from any public entity, we realised we could not enter into a suicidal struggle with the larger centres – congress centres that are often backed by powerful convention bureaus and service networks that support large-scale meetings – 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 re-

gional, national and 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 (car park, hotel, casino, shopping centres).

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

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 functional centre, lying in the nerve centre of the city, with extraordinary views of the sea and within easy walking distance from any hotel. However, in addition to marketing internationally, we work hard in the local market: the university, companies and hospitals are our closest sources of income.

We realised years ago that a large part of the business is in our own city – it is just a question of utilising it.

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