The Japanese Exhibition Industry
Impact of the Great East Japan Earthquake and
Current Status of Recovery

At 78th UFI Congress, Asia/Pacific Chapter meeting

November 10, 2011 Valencia, Spain

Yoshichika Terasawa
Executive Managing Director, Makuhari Messe, Inc
Internationalization Committee, Japan Exhibition Association
Board member, AFECA
Profile of Makuhari Messe Inc, at Tokyo Bay
1. Industry Outlook before March 11, 2011
   1) Number of Exhibitions
   2) Exhibition Hall Scale of Japan
2. The Damage in the Exhibition Industry
   1) Immediate Damage
   2) Subsequent Challenge
   3) Assistance to the industry
3. The Recovery
4. The Present Challenge
5. Information on the radio activity
6. Information about Japan after the earthquake
7. Good News: Japan Next
8. Personal Prediction for 2011
Profile of Makuhari Messe Inc, at Tokyo Bay

Established: 1986  Started operation: 1989
Paid Capital: 4 Billion yen
57.5% shared by 3 public organizations (Chiba Prefecture 25%, Chiba City 12.5%, DBJ 20 %)
42.5% shared by 18 private organizations & 79 companies
Facility: Ground area of 210,000 m²
International Exhibition Hall: 72,000 m² (owned by Chiba Prefecture)
International Conference Hall: 22 Rooms (owned by Makuhari Messe)
Event Hall: 15,182 m² (owned by Makuhari Messe) Capacity: 9,000 Visitors
Parking: 6000 Vehicles (owned by Chiba Prefecture)
Number of Events organized: 691 (2011)  Number of Visitors: 5,317,000 (2011)
The neighboring:
6 Hotels: 2,227 rooms  Shops & Restaurants, Tokyo Disney Land and Tokyo Disney SEA
QVC Marine Field (Baseball park), Japanese garden

Transportation: Good access to Narita International Airport (30 minutes by limousine bus),
Haneda International Airport (35 minutes), and Tokyo Station (23 minutes by special express and
30 minutes by rapid express)
1. Industry Outlook before March 11, 2011
1) Number of Exhibitions

Trend of the Japanese Exhibition

(TRADE FAIRS IN JAPAN) (classified by industrial sector)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive</td>
<td>9</td>
<td>11</td>
<td>10</td>
<td>8</td>
<td>10</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>14</td>
<td>16</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Agriculture, Forestry &amp; Fishery</td>
<td>3</td>
<td>10</td>
<td>6</td>
<td>8</td>
<td>10</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>14</td>
<td>15</td>
<td>15</td>
<td>17</td>
</tr>
<tr>
<td>Processing</td>
<td>21</td>
<td>24</td>
<td>27</td>
<td>28</td>
<td>30</td>
<td>30</td>
<td>33</td>
<td>26</td>
<td>27</td>
<td>26</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Mining &amp; Energy Industry</td>
<td>19</td>
<td>28</td>
<td>26</td>
<td>24</td>
<td>23</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>26</td>
<td>26</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>Leather</td>
<td>16</td>
<td>13</td>
<td>9</td>
<td>10</td>
<td>8</td>
<td>11</td>
<td>10</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Paper, Printing &amp; Packaging</td>
<td>10</td>
<td>10</td>
<td>11</td>
<td>9</td>
<td>9</td>
<td>16</td>
<td>14</td>
<td>15</td>
<td>15</td>
<td>17</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>Materials</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Paper, Printing &amp; Packaging</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Plastics</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Metals &amp; Metal Products</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Electric &amp; Electronic Equipment</td>
<td>29</td>
<td>27</td>
<td>26</td>
<td>24</td>
<td>27</td>
<td>24</td>
<td>24</td>
<td>21</td>
<td>21</td>
<td>21</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Industry</td>
<td>39</td>
<td>36</td>
<td>35</td>
<td>38</td>
<td>46</td>
<td>47</td>
<td>47</td>
<td>41</td>
<td>41</td>
<td>51</td>
<td>51</td>
<td>48</td>
</tr>
<tr>
<td>Business &amp; Office Equipment</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Precision &amp; Optical Equipment</td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>13</td>
<td>12</td>
<td>12</td>
<td>11</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Measuring &amp; Testing Equipment</td>
<td>9</td>
<td>14</td>
<td>14</td>
<td>13</td>
<td>12</td>
<td>10</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>12</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Machine Tools &amp; Metalworking</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>7</td>
<td>6</td>
<td>7</td>
<td>4</td>
<td>5</td>
<td>8</td>
<td>9</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Woodworking, Machinery &amp; Tools</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Other Machines &amp; Equipment</td>
<td>22</td>
<td>29</td>
<td>30</td>
<td>27</td>
<td>27</td>
<td>24</td>
<td>22</td>
<td>21</td>
<td>23</td>
<td>21</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>Automobiles &amp; Motorcycles</td>
<td>18</td>
<td>19</td>
<td>22</td>
<td>24</td>
<td>26</td>
<td>26</td>
<td>22</td>
<td>21</td>
<td>19</td>
<td>20</td>
<td>17</td>
<td>14</td>
</tr>
<tr>
<td>Railways</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Vessels &amp; Oceanic</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Aviation &amp; Aerospace</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Transportation &amp; Logistics</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Engineering</td>
<td>7</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>9</td>
<td>9</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Housing &amp; Real Estate</td>
<td>8</td>
<td>9</td>
<td>7</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>5</td>
<td>8</td>
<td>5</td>
<td>7</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Environmental Preservation</td>
<td>14</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>16</td>
<td>14</td>
<td>13</td>
<td>14</td>
<td>17</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td>R &amp; D, New Technologies</td>
<td>8</td>
<td>10</td>
<td>7</td>
<td>8</td>
<td>11</td>
<td>13</td>
<td>13</td>
<td>11</td>
<td>11</td>
<td>6</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Education &amp; Books</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Healthcare &amp; Nursing</td>
<td>26</td>
<td>21</td>
<td>26</td>
<td>26</td>
<td>32</td>
<td>24</td>
<td>22</td>
<td>16</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>22</td>
</tr>
<tr>
<td>Beauty &amp; Cosmetics</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Sports, Leisure &amp; Hobby</td>
<td>18</td>
<td>17</td>
<td>14</td>
<td>13</td>
<td>12</td>
<td>12</td>
<td>11</td>
<td>17</td>
<td>19</td>
<td>20</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>&amp; Crafts, Antiques</td>
<td>15</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>15</td>
<td>13</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Design</td>
<td>14</td>
<td>13</td>
<td>11</td>
<td>10</td>
<td>11</td>
<td>11</td>
<td>12</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Jewelry &amp; Accessories</td>
<td>6</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Articles for Babies/Children</td>
<td>7</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Media, Audio Visual &amp; Music</td>
<td>2</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Marketing, Banking, Finance &amp; Safety &amp; Security</td>
<td>10</td>
<td>10</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Others</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Total Number of Trade Fairs</td>
<td>385</td>
<td>416</td>
<td>395</td>
<td>386</td>
<td>408</td>
<td>394</td>
<td>372</td>
<td>347</td>
<td>371</td>
<td>390</td>
<td>383</td>
<td></td>
</tr>
</tbody>
</table>

Source: JETRO
1. Industry Outlook before March 11, 2011

1) Number of Exhibitions

Trend of the Japanese Exhibition (2)

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Exhibitions</th>
<th>No. of Exhibitors</th>
<th>No. of Booths</th>
<th>No. of Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>574</td>
<td>72,127</td>
<td>141,536</td>
<td>22,555,050</td>
</tr>
<tr>
<td>2004</td>
<td>512 ↓</td>
<td>70,124 ↓</td>
<td>146,339 ↑</td>
<td>14,500,000 ↓</td>
</tr>
<tr>
<td>2005</td>
<td>528 ↑</td>
<td>85,655 ↑</td>
<td>168,662 ↑</td>
<td>19,549,807 ↑</td>
</tr>
<tr>
<td>2006</td>
<td>692 ↑</td>
<td>96,808 ↑</td>
<td>185,710 ↑</td>
<td>17,925,791 ↓</td>
</tr>
<tr>
<td>2007</td>
<td>721 ↑</td>
<td>117,713 ↑</td>
<td>205,950 ↑</td>
<td>20,971,485 ↑</td>
</tr>
<tr>
<td>2008</td>
<td>621 ↓</td>
<td>102,974 ↓</td>
<td>174,762 ↓</td>
<td>15,774,915 ↓</td>
</tr>
<tr>
<td>2009</td>
<td>603 ↓</td>
<td>102,227 ↓</td>
<td>155,897 ↓</td>
<td>17,261,110 ↑</td>
</tr>
<tr>
<td>2010</td>
<td>611 ↑</td>
<td>108,403 ↑</td>
<td>138,422 ↓</td>
<td>15,038,370 ↓</td>
</tr>
</tbody>
</table>

Source: P.O.P Co., Ltd. (Japan)

500 exhibitions are confirmed to be organized for 2011. Number of exhibitions: based on exhibitions which are recruiting exhibitors with participation fee. Private show is not included.
Exhibition Hall Scale: Total exhibition space (indoor): 563,380 m²
The figure represents the size of 68 members of All Japan Exhibition Hall Council.
2. The Damage in the Exhibition Industry

1) Immediate Damage
2. The Damage in the Exhibition Industry

1) Immediate Damage

<Damage of Venues>

• Most venues in the affected area including Tokyo Bay area have experienced the Facility damage more or less and profit loss.

• Most venues of exhibition and convention centers provided a space of shelter to the evacuated people on March 11, 2011 and continued its function for some period.

Survey results conducted by All Japan Exhibition Hall Council (as of March 23, 2011)
Number of Exhibitions cancelled: 251 (incl. small ones)
Number of Exhibitions postponed: 152 (incl. small ones)
Total amount of damage/loss of the venues caused by the earthquake: 35.75 Million US $ (1 US $ ÷ ¥77)
2. The Damage in the Exhibition Industry

1) Immediate Damage

<Yume Messe Miyagi, Sendai> Exhibition space: 7500 m²

On March 11, the earthquake and tsunami struck the venue and there was a serious damage on the 2 floors and exterior structure. Nobody was dead and hurt. Now the venue is closed.
2. The Damage in the Exhibition Industry

2) Subsequent challenges:

- The industry was required to reduce the electricity consumption by 15% maximum to cope with the decrease of power supply arising from the off operation of nuclear plant up to early September.

3) Assistance to the industry

- The Government provided a Special Loan Scheme to support companies affected by the earthquake.

- The local government, owners of the most venues, has set a supplementary budget to reconstruct the damaged facilities.
3. The Recovery

The industry is recovering in the venues and organizers.

- The most damaged venues have completed the restoration and reconstruction already.
  - Yume Messe Miyagi, Sendai: will be open on September, 2012
  - Makuhari Messe: completed by early May and the rest by mid of June.

- Every major exhibitions such as FOODEX, JIMTOF, CEATEC, SEMICON, Tokyo Game Show, Tokyo Motor Show, IPF (International Plastic Fair) are organized continuously with almost same scale of previous one.
  - Re: Tokyo Game Show (Sep 2011) made a record in number of visitors.
  - International Robot Exhibition 2011 (Nov) expanded around 200 booths over the previous one (2009).
  - Measurement and Control Show 2011 (Nov) expanded booth by more than 20%.
4. The Present Challenge

1) Decreased foreign visitors to Japan owing to the concern of the nuclear disaster followed by the earthquake and tsunami. The situation is improving but the organizers still has the difficulty in securing the foreign exhibitors and visitors.

2) Historical high price of Japanese yen

3) Euro crisis and recession of US Economy
5. Information on the radioactivity

Distance between Tokyo and Fukushima Nuclear Power Plant

Tokyo – Fukushima Dai-ichi NPS: 230 km
Paris – Brussels: 266 km

Earthquakes:
- M - 9.0 quake (March 11)
- M - 7 class: 5 times
- M - 6 class: 71 times
- M - 5 class: 380 times

(As of May 16th)

Source: Ministry of Economy, Trade and Industry (METI)
5. Information on the radio activity

Atmospheric Readings

**Fukushima** 62km

Normal range
Max: 0.045
Min: 0.037

0.94-0.98
(As of October 6th)

**Sendai** 95km

Normal range
Max: 0.8513
Min: 0.0176

0.056-0.067
(As of October 6th)

**Iwaki** 43km

Normal range
Max: 0.06
Min: 0.05

0.16-0.19
(As of October 6th)

Source: MEXT, Fukushima Prefectural Government
5. Information on the Radioactivity

Green box indicates normal range of radioactivity

Radiological Monitoring data in the Major Cities

Date of measurement: Oct. 6th, 2011

Source: MEXT, JNTO
Referring Website of Radiological data in the major cities


  #:Measuring not by US Government but by a private person

- Hong Kong: [http://www.hko.gov.hk/radiation/ermp/rmn/applet/map/rmn_hourly_e.htm](http://www.hko.gov.hk/radiation/ermp/rmn/applet/map/rmn_hourly_e.htm)

- Berlin: [http://odlinfo.bfs.de/](http://odlinfo.bfs.de/)


Source: Japan National Tourism Organization (JNTO)
6. Information about Japan after the earthquake

JETRO
http://www.jetro.go.jp

Prime Minister's Official Residence
http://www.kantei.go.jp/foreign/index-e.html

Public Relations Office, Cabinet Office
http://www.gov-online.go.jp/eng/index.html

Ministry of Economy, Trade and Industry (METI)

Ministry of Foreign Affairs of Japan
http://www.mofa.go.jp/index.html

Japan Tourism Agency
7. Good News: Japan Next

Tourism Agency, UNWTO, Ministry of Foreign Affairs organized the Special Symposium on Oct. 5 in Sendai in order to revitalize affected regional economy and tourism potential after March 11.

The Government has launched a special event called "Creative Tokyo" to make Tokyo Creative Hub in Asia and organized Cool Japan promotion events in Singapore with the private sectors in October.

The Government is working on New Direction to increase the competitiveness in the MICE sectors including the exhibitions with the private sectors.

Japan MICE/Tourism Summit is organized on Dec. 9 in Tokyo by inviting global mice/tourism players and medias.

Visitors returned to Tokyo Disney Resort: Tokyo Disney Resort reported a record number of visitors per month in August in spite of 17.1% decrease during the first half of 2011 over the same period of 2010.

Japanese car domestic production made a growth (1.8%) in August over the same period of last year first time in the past 11 months.
7. Good News: Japan Next

- Supply chain of parts and production base has almost recovered than the world expected. But the serious flooding in Thailand affects the smooth recovering of production of Japanese companies.

Present status and prospects for restoration of production bases in the affected areas

- 93% of 91 production bases directly affected by the disaster have already finished restoration.
- 80% of 91 production bases have recovered output of production bases to pre-disaster, or exceeded former levels.
- More than 70% of production bases at which output is less than pre-disaster levels will have recovered their output by the end of 2011.

![Graph showing output of production bases in the affected areas and expected timing of output production recovery.](chart.png)
7. Good News: Japan Next

- Tokyo Sky Tree Tower
  634m Height. Open May 2012. One of the world’s tallest.
8. Personal Prediction for 2011

- No considerable decrease in number of exhibitions and maintain almost same or little bit scale down of the regular year.

- But see a decreased number of foreign exhibitors and visitors.

- More and more industry related companies intensify interests in Asia and getting more involved in the business with the Asian partners.
Thank you very much.
ありがとうございました。
謝謝
감사합니다
Terima kasih.
ขอบคุณ มาก ครับ/ค่ะ

for further information
Y.Terasawa y-trsw@m-messe.co.jp