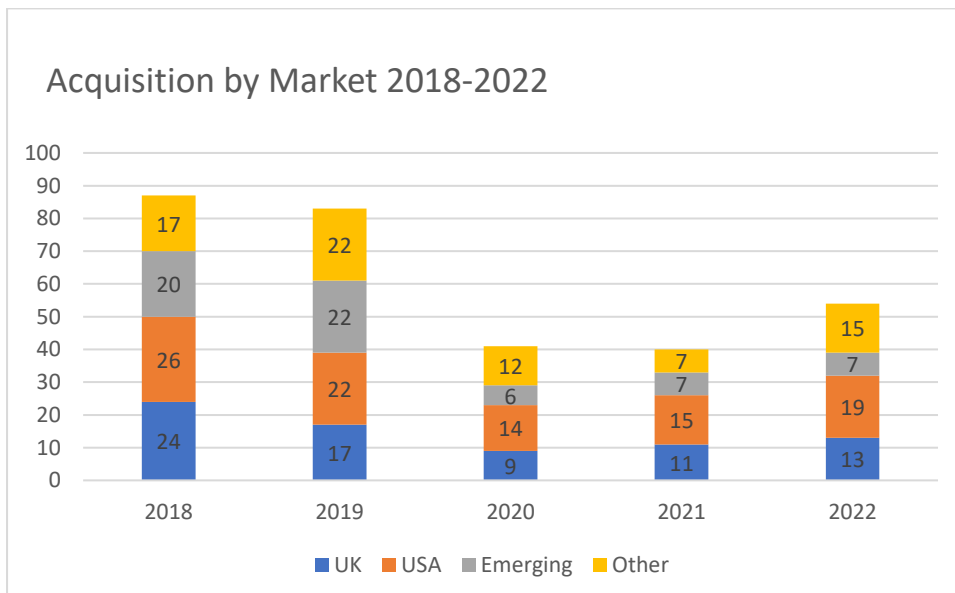


Steve Monnington of Mayfield Merger Strategies reviews the deals of 2022 for Exhibition News

In the normal pre-pandemic years of 2018 and 2019 there were over 80 reported exhibition transactions with over 50 buyers. As I reported at the end of 2020 and 2021, COVID resulted in about 50% of the normal M&A activity. 2022, with 54 transactions from 36 different buyers, represented the first post COVID year but activity was still well below historic levels. This was due to a combination of almost no deals in China and low activity across South East Asia and the need for potential sellers to get back to at least 2019 levels of profitability before going to market.



The US and UK continue to lead the way with 32 of the 54 transactions.



One notable feature of 2022 was the lack of M&A activity from many of the larger organisers – Informa, Reed, Clarion, dmg, Tarsus and Hyve managed just 5 transactions between them. Instead, it was left to Marketplace Events (5), Arc Group (4), IEG - Italian Exhibition Group (4) and Nineteen

Group (3) to drive transaction activity. Three of these buyers (IEG being the exception) are Private Equity owned and Arc and Nineteen are both in their first PE investment cycle.

Arc Group

In May 2021, Simon Foster announced that he had secured financial backing from EagleTree Capital for his new global events business, **Arc Group**. The four transactions in 2022 – part of Incisive Media, Bridge2Food, HighQuest and LRP Media - brings the total number of acquisitions to 6. The 2022 acquisitions are all businesses with strong management teams which represent focused communities to who information and connections can be delivered through a variety of channels. HighQuest and LRP cements the group's activity in the US.

Nineteen Group

Phoenix Equity's investment in **Nineteen Group** dates back to November 2018 and their M&A activity has been both steady and conservative, sticking to traditional UK tradeshows in their core sectors. Their 3 deals in 2022 – Hennik Group (Digital Manufacturing Week and Smart Factory Expo) Lyrical Communications (InstallerSHOW) and the Drives and Controls Show were all focused on the manufacturing sector and have become part of Nineteen's Manufacturing Expo.

Nineteen Group have grown quickly under Phoenix but they probably need to step outside their core sectors and also take advantage of acquisitions outside the UK if they are to maintain their growth before Phoenix exits the investment and sells on to another PE firm.

Other notable highlights in 2022

- The acquisition of **Euromoney Institutional Investor** by Private Equity Investors **Astorg** and **Epiris** for £1.66bn. Astorg is to take control of the Fastmarkets division, which provides price data, news and market analysis for markets including agriculture, energy, and metals and mining. The remainder of the business – mainly the asset management and financial and professional services divisions – will be under the control of Epiris.
- The acquisition of **Industry Dive** by **Informa** for \$389m adding Industry Dive's audience development expertise, B2B digital marketing capabilities and 27 specialist business publications to Informa's existing portfolio of specialist B2B brands,
- The return to the exhibition sector of Stephen Brooks with the formation of **Market Dynamic Media (MDM)** a private PE fund financed by his own holding company with Clarion's Simon Kimble as Chairman. Their first acquisition was **DCD International** – organiser of Data Centre Dynamics.
- The continuing disposal of historic assets by **Hyve** with their Ukraine and Turkey businesses sold as well as their 50% share of Debindo in Indonesia.

And now to 2023 which has started strongly

2023 has started well for **CloserStill Media** with the announcement of 2 acquisitions. The first is a majority stake in **Open Room Events**, a business founded in 2004 by Fiona Horan and Emma Faure both Blenheim Exhibitions UK alumni from the 1990's who will continue with the business. Open Room delivers one to one events around the world linking C-level end-users with suppliers in the dental, pharmacy, eye care and retail sectors. The three healthcare sectors mirror a core part of CloserStill's portfolio and allows them to deepen contacts in those sectors around the world. The retail sector, which focuses on service stations under the ReFuel Forum brand brings a new sector to

CloserStill. The interest in the 1-2-1 format follows their acquisition of the Influence Group (invite-only forums, 1-2-1 meetings and virtual roundtables) in 2021.

The second acquisition is also a majority stake, this time in **CommerceNext** a U.S organiser of Ecommerce conferences and events including The Ecommerce Growth Show, as well as webinars, executives dinners, curated networking events and industry research. CommerceNext was founded in 2017 by Scott Silverman, Veronika Sonsev and Allan Dick who will all continue with the business. CloserStill's involvement in the e-commerce sector with the acquisition of eCommerce Expo in 2017 which, along with Technology for Marketing, was considered non-core by UBM's UK division. The eCommerce Expo was originally launched by Justin Opie and Graeme Howe who partnered with CloserStill to develop the business which has subsequently seen the Ecommerce portfolio expand into Spain and Singapore.

William Reed made two acquisitions in 2022 (London Coffee Festival and Rethink) and have now acquired **Retail Week and World Retail Congress** from Ascential to add to their retail and manufacturing portfolio which includes The Grocer, Convenience Store, Forecourt Trader, British Baker and Food Manufacture. This is an interesting albeit small non-core divestment by Ascential which raises questions as to whether Money 2020 might be sold next.

US-based exhibition organiser **Emerald** has made its first foray into consumer shows (now a formal part of their strategy) with the acquisition of **Lodestone Events**, producers of the Overland Expo series of vehicle-based, adventure travel consumer shows. Emerald already has a position in outdoor recreation through their Outdoor Retailer wholesale trade show and have launched the Outdoor Adventure X show, a new consumer lifestyle event for the outdoor recreation enthusiast which has been developed in conjunction with Lodestone and will now be overseen by them.

Another victim of the pandemic was the **National Association of Television Programming Executives** (NATPE) which filed for Chapter 11 bankruptcy towards the end of 2022. **Brunico Communications** of Canada, organiser the Realscreen Summit, Kidscreen Summit and Banff World Media Festival, has acquired the assets of four international TV content markets and events (NATPE Global, NATPE Budapest, NATPE Streaming+ and the Brandon Tartikoff Legacy Awards). The business cost them just under \$1.2m, \$150k in cash and the taking on of \$1.05m in outstanding liabilities. It is understood that both RX France and Questex also bid for the business.

News of further consolidation in the event association world and the chance to use a whole series of acronyms. Following the **Professional Convention Management Association** (PCMA) takeover of the Corporate Event Marketing Association (CEMA) in 2020, they have now taken over the **Event Marketing Association** (EMA) based in the UK. The PCMA has also acquired the **Event Leadership Institute** (ELI) and announced a strategic alliance with the USA-based trade body the **National Coalition of Black Meeting Professionals** (NCBMP).