

Exhibit City News

Riding shotgun: Official service contractor lets show management take the reins

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Show organizers spoke and a general contractor listened. More flexibility? Lower drayage costs?

Sounds great!



Bonnie Aaron (left) and B.J. Enright.

The founders of Marietta, Ga.-based TradeshowLogistics (www.tradeshowlogistics.com) set off on a mission to build a different type of partnership with their clients. The company opened a new stream of revenue by providing planning and management services and allowing show organizers to decide on profit margins from general contractor staples. Started right after Sept. 11 and run by two women with the tradeshow industry in their genes, TradeshowLogistics helps shows get onto the Fastest 50 list.

There were a couple of things we saw going on that precipitated the idea of creating a company,” said B.J. Enright, the company’s president and one of its founders. “Material handling costs continue to rise and have risen in the past to the point where the amount being charged doesn’t equal the perceived value of the service.

It’s no secret that general contractors use material handling fees to cover the cost of other services, including account management. It’s also well known that drayage is a sore subject with exhibitors, who feel overcharged and continue to look for ways to cut back on this expense by using lighter materials. When creating its business model, TradeshowLogistics held a focus group with show organizers and confirmed the assumption that it’s too difficult to maintain profit margin based on drayage.

“This got me thinking about the value a general contractor brings,” Enright said. “It’s really more strategic level thinking, planning and knowledge of the account. But general contractors usually aren’t paid for that. In the construction industry, the contractor doesn’t own the nails and plywood. What if instead of making our money on material handling we started a management team?”

That was the first step toward creating a model based on putting show management “in the driver’s seat.” In a departure from the norm, the exhibitor revenue in this case belongs

to the show organizer, who can adjust prices based on current needs at the event. The organizer and contractor can then work together to find the best solutions.

According to Enright, when AFCOM, one of her company's clients, found itself struggling for business, material handling costs were reduced by 35 percent using the new approach, "giving every bit back to the exhibitor." The show has subsequently been on the TSW Fastest 50 list two years in a row for its Data Center World conference.



The American Academy of Pediatrics is one of Tradeshow Logistics clients.

In its new consulting role, the general contractor becomes the "hub" for all exhibitor needs. That requires a smooth system to take care of exhibitors and channel all information back to the show management.

To meet that need, TradeshowLogistics implemented Openbook – an online manual that allows exhibitors to book services directly with subcontractors. Sponsorship? Lunch tickets? Such requests are processed online, with credit card payments going directly to vendors in real time.

"We have visibility of everything exhibitors order, and our exhibitor care department handles all their calls and lower-end e-mails that used to go to show organizer," Enright said.

But the major advantage doesn't lie in simply freeing up the show managers – it's in providing them with information they would normally have no way to gather. According to Bonnie Aaron, TradeshowLogistics' CEO, many clients used to have little insight into the general contractors' side of the show.

"For example, they had no idea how many pounds of freight went through or when exhibitors were typically placing their orders," she said. "This information should belong to them. Once they have a better understanding, it lets them make much better decisions."

Aaron is very much at home developing the company's strategic vision. With over 40 years of tradeshow industry experience, she began her career with Andrews Bartlett Exposition Services, which was started by her father, and then moved on to executive positions at GES after the buyout. As a vice president of customer service for GES, she was instrumental in developing several online services and ordering systems. After her promotion to executive vice president of continuous quality, Aaron spearheaded the quality program and initiated a quality training program for all executives and employees, both full time and union.

Enright also followed in parental footsteps. After holding several executive and sales positions with Aaron Group and Andrews Bartlett, she became a regional vice president for GES and, among other things, developed a national plan to institutionalize account management best practices throughout the company. Now, as president of TradeshowLogistics, she leads all of the organization's operations.

“All of us have been a family business our entire lives,” Enright said. “I thought my wedding would be an ESCA convention.”

Even with such strong family backup and deep knowledge of tradeshow, starting a company after 9/11 was a major risk. As the industry was taking a hit, Aaron, Enright and Jack Kreger, former CFO of Andrews Bartlett, decided to leave their secure jobs at GES to once again own their own company. They have never looked back.

“My husband thought it was absolutely insane to be leaving a fabulous job after 9/11,” Enright said. “Ironically, we found people were more willing to change and to try new things in difficult economic times. People started to look for alternatives. In a way, that worked well for us because our model allows our clients the flexibility to manage their shows in both good and bad times.”

She added, “We all believe in what we’re doing. For the strength of the industry, the general contractor and the show organizers need to partner like they’ve never done before. It’s a change of the relationship.”