

News Release



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PLANS FOR LONDON'S NEW INTERNATIONAL EXHIBITION CENTRE ADVANCE

LIECL selected as PREFERRED DEVELOPER for Royal Docks

London International Exhibition Centre Ltd (LIECL), established specifically to develop a new exhibition centre for South East England, has been selected by the London Docklands Development Corporation (LDDC) as the **PREFERRED DEVELOPER** in the next stage of delivering a major new international exhibition centre for London in the Royal Docks.

LIECL has been offered exclusive negotiating rights for the proposed development of an exhibition centre and associated facilities on an 85 acre site on the north side of the Royal Victoria Dock. The project is being brought forward by the LDDC under the Government's Private Finance Initiative and it is intended that the Corporation would invest its land and associated infrastructure in return for participation in the completed scheme. At a cost of around £100 million, the first phase would see the construction of 47,000 square metres (500,000 square feet) of exhibition hall space together with 21,000 square metres (225,000 square feet) of ancillary accommodation and 5,300 parking spaces. The scheme has considerable potential to expand in further phases to at least 100,000 square metres (1 million square feet) and to include two hotels, a trade mart and a conference centre.

Subject to detailed planning consent and further negotiations between LDDC and the developer, construction could start early in 1996 with the first phase opening in 1998, following the completion of the Jubilee line extension.

A recent study carried out for the LDDC by Touche Ross, considered by many to be the most comprehensive ever undertaken on the UK exhibition industry, concluded that demand exists for a new exhibition centre with hall space of up to 60,000 square metres with potential for further expansion in the future. It also identified that the proposed location on the north side of the Royal Victoria Dock is the only suitable site available in the Capital.

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Only six miles from the Bank of England, the proposed site enjoys excellent road, rail and air links, including direct access to the new four lane highway connecting Westminster and the City with the motorway network. The site is served by three Docklands Light Railway stations which provide a direct link to Bank Underground station (17 minutes) and an interchange with the Jubilee Line extension now under construction. When open in 1998, this will give the new centre rapid access to London Bridge (15 minutes), Waterloo (20 minutes) and the West End (circa 25 minutes). London City Airport, just five minutes away, offers flights to a growing number of British and European cities.

Michael Pickard, LDDC Chairman, said: "This is important news for London which has fewer exhibition facilities in comparison with other European capitals. These proposals are the only real opportunity for London to acquire the major new international exhibition centre it needs.

"It is also good news for London Docklands and the Thames Gateway region. The scheme offers significant economic benefits for east London. It would potentially create over 12,000 jobs and the local economy will receive a substantial boost. The exhibition centre will also increase demand for other development elsewhere in the Royal Docks area and beyond."

The proposal for a new London exhibition centre is strongly supported by exhibition organisers. Brian Rusbridge, Director of the Association of Exhibition Organisers (AEO), commented: "The AEO regards this project as an exciting opportunity to develop an exhibition venue in London Docklands which will be seen as one of the major showcases for Britain to take the exhibition industry into the 21st century."

For further information and visuals, contact:

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NOTE TO EDITORS

1. An aerial photograph (colour transparency) of the site of the proposed exhibition centre is available from the LDDC Press Office.

Also available are:

- * artist's drawing of developed Royal Docks site
- * map showing development location and transport links
- * bar chart comparing UK exhibition provision with other European countries
- * table showing the capacity of the proposed Royal Docks Exhibition Centre compared with other UK centres.

2. Copies of *The Royal Victoria Dock Proposed Exhibition Centre Demand/Specification Study* by Touche Ross and *The Royal Victoria Dock Exhibition Centre Transport Study* by JMP Consultants Ltd are available from the LDDC Press Office.

3. LIECL was established specifically to develop a new international exhibition centre for South East England. Corporate shareholders include Sir Robert McAlpine (Trade Investment) Limited, Trafalgar House Corporate Development Limited, Try Group Plc and Expovvenue Limited, established by the Association of Exhibition Organisers. The Chief Executive of LIECL is Mr Iain Shearer and the non-executive Chairman is The Rt Hon Tom King CH MP.

LIECL can be contacted through Tavistock Communications Limited
on Tel: 071-600 2288

Further visuals of the scheme are available from Tavistock Communications Limited.

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ROYAL VICTORIA DOCK EXHIBITION CENTRE

FACT SHEET

1. THE PROJECT

- 1.1 The London Docklands Development Corporation (LDDC) has selected London International Exhibition Centre Ltd (LIECL) as the preferred developer for a major new exhibition centre on the north side of Royal Victoria Dock.
- 1.2 LIECL propose the construction of an exhibition centre and associated facilities in phases commencing with a first phase of 47,000 square metres of exhibition hall space, potentially extending to in excess of 100,000 square metres in further phases. The scheme will also include:
- * 5,300 car parking spaces
 - * Two hotels
 - * A trade mart
 - * A conference centre
- 1.3 The LDDC owns the freehold of the 85 acre site and would invest its land and associated infrastructure in the project in return for an equity share.
- 1.4 Subject to detailed planning consent and further negotiations between the LDDC and the developer, construction of the first phase is programmed to start in early 1996. The first exhibitions could be held in 1998.
- 1.5 London International Exhibition Centre Ltd (LIECL) is a company set up specifically to develop a new exhibition centre for London. Major shareholders are Sir Robert McAlpine and Sons, Trafalgar House Developments, Try Construction and Expoveneue, a group of UK exhibition industry companies. LIECL is led by Iain Shearer as Chief Executive and the Rt. Hon. Tom King CH MP as non-executive Chairman.

The Development Team

Lead Architect:	Moxley Jenner Together with: Arup Associates & Moxley Frankl
Structural Engineer:	Buro Happold
Contractor:	Sir Robert McAlpine/Try Construction/ Trafalgar House Developments
End User/Operator:	New company to be established.

2. WHY DOES LONDON NEED A NEW EXHIBITION CENTRE

2.1 LDDC contacted all major exhibition organisers who generally agreed that London, the UK capital, needs a major new state of the art exhibition centre, and that they would use it. The organisers require the new centre to be well located within London's transport network, and that sufficient parking be available. The Association of Exhibition Organisers, which represents a cross section of major organisers, strongly supports the project.

2.2 Statistically, the long term trend shows increasing demand for exhibition space in the UK. Companies are continuing to spend an increasing percentage of their marketing budget on exhibitions, rather than on advertising or other forms of marketing.

Interest from European companies wishing to exhibit in the UK is also on the increase.

2.3 Existing facilities in London are inadequate and would not be able to cope with this increasing demand for better and larger exhibition space in the capital. Many shows are being forced to relocate in Birmingham, against the wishes of exhibitors. There is a danger that London would become a less attractive commercial location if exhibition facilities within the Capital are sub-standard in comparison with other European cities. France, Italy and Germany currently have far superior facilities.

2.4 All of this was supported by a comprehensive study carried out by Touche Ross for the LDDC.

3. DEMAND vs SUPPLY - THE RESEARCH

3.1 The LDDC appointed Touche Ross to carry out the most comprehensive study of the UK exhibition industry ever undertaken. The study was carried out between October 1993 and March 1994 and concluded that:

- * demand exists in London for a modern exhibition centre of 60,000 sq metres gross lettable capacity
- * the Royal Docks is the only suitable site.

3.2 * The Touche Ross study found that **the UK has 13.7% of the demand for exhibition space in Europe, but only 4.4% of the supply.** For example, France meets 16.5% of total European supply, Italy 17.5% and Germany 38.8%.

- * The imbalance between supply and demand exists at all levels but is less amongst the larger (over 100,000 sq metres) and smaller (less than 20,000 sq metres) exhibition centre.

<u>UK Exhibition Centres</u>	<u>Gross Lettable Capacity</u>
NEC, Birmingham	157,000 sq metres
Royal Docks Exhibition Centre (once complete)	47-100,000 sq metres
Earls Court Exhibition Centre, London	60,000 sq metres
Olympia Conference & Exhibition Centre, London	41,200 sq metres
Scottish Exhibition & Conference Centre, Glasgow	19,000 sq metres
Wembley Exhibition & Conference Centre	17,000 sq metres
G-Mex, Manchester	13,000 sq metres
Harrogate	12,000 sq metres
Brighton (Metropole Hotel)	12,000 sq metres

Largest European Centres

Hanover	480,030 sq metres
Frankfurt	273,757 sq metres
Cologne	260,000 sq metres
Milan	250,000 sq metres
Paris-Versailles	222,000 sq metres
Bologna	200,000 sq metres
Dusseldorf	198,400 sq metres
Leipzig	195,000 sq metres
Basel	172,000 sq metres
Valencia	172,000 sq metres
Paris - Nord	164,000 sq metres
NEC	157,000 sq metres

- * There is a shortage of supply of exhibition centres in the UK which can satisfy the demand for exhibitions of more than 50,000 sq metres. The report concludes that after a period of recession **the exhibition industry will return to the growth rate of the early to mid 1980s and by the late 1990s there will be an undersupply of exhibition space in the UK.**
- * Changes in the exhibition industry require a new type of centre designed for flexible use and integrated with conference and seminar facilities.

4. TRANSPORT CONNECTIONS

- * The Exhibition Centre site at Royal Victoria Dock is excellently served by **new four lane highways**, linking the City with the motorway network. It has capacity for extensive car parking and access for heavy goods vehicles.

- * **Three Docklands Light Railway (DLR) stations and one British Rail station are located on the northern site boundary.** The DLR links with the Jubilee Line extension at Canning Town, which connects with London Bridge and Waterloo main line stations and every other London Underground line.

- * London City Airport is located just five minutes away from the site by car or public transport, with flights serving a growing number of British and European cities.

- * **Journey times** (from Exhibition Centre site, excluding waiting/changing times)
 - **Rail: BANK tube station (DLR direct service) - 17 minutes**
GREEN PARK: (DLR/JLE) - 25 minutes

 - **Road: M25/M11 junction: 25 minutes**
M25/A13(M) junction : 20 minutes
M25/A2 junction: 25 minutes

Transport Capacity

DLR has both the capacity and the flexibility to serve the Exhibition Centre.

Normal services are based on a **4 minute frequency** which enables **6,000 passengers per hour** to be carried on the Bank to Beckton route in each direction (up to 500 passengers per train).

Special services can be provided on a **2 minute frequency** which would increase capacity on the Prince Regent to Canning Town route to **12,000 passengers per hour** in either direction.

DLR is also able to introduce skip-stopping for **express services** leaving special events. For example, a service from Prince Regent, calling at Custom House, and Canning Town and then on to Bank.

The Jubilee Line Extension will have a capacity of about **24,000 passengers per hour** in either direction.

5. SUPPORT

- 5.1 In May 1993, prior to seeking tenders for the project, LDDC undertook an intense consultation exercise with major UK exhibition organisers, culminating in a meeting at which most exhibition organisers, along with the Association of Exhibition Organisers, publicly expressed their support for the project.
- 5.2 The LDDC has consulted widely on the project which was also included as one of the Government's Private Finance Initiative schemes. It has the support of the local authority, London Borough of Newham, local businesses, local politicians, the Association of Exhibition Organisers, the British Regeneration Association, London City Airport and East London Partnership.

6. ECONOMIC IMPACT

The development of an exhibition centre will bring benefits in terms of employment and financial income to the region and the local area, along with demand for supporting and complementary development.

In 1993 KPMG Peat Marwick carried out an economic impact study of Earls Court Olympia which concluded that the exhibition centre generates 16,900 jobs in London, 1400 of which are located within the two London boroughs in which the centres are situated. (Kensington and Chelsea and Hammersmith and Fulham).

Touche Ross are to carry out further research to establish how many jobs would be created by the new centre. Initial work suggests that in excess of 12,000 jobs would be created.