

# Is Gear Expo Worth It?

## Readers Respond

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Letters to the Editor, *Gear Technology*  
P.O. Box 1426, 1425 Lunt Ave.  
Elk Grove Village, IL 60007 USA or  
E-mail [publisher@geartechnology.com](mailto:publisher@geartechnology.com)

### Michael:

Thank you for one of the more honest appraisals I've read from any magazine publisher in a long time.

The questions you've raised regarding the viability of the Gear Expo are dead on. The industry needs to take a hard look at whether it can continue to support a single-product trade show in a market-driven economy that forces consolidation at all levels. At this point I believe that the costs outweigh the benefits.

Philadelphia Gear Corp. is 115 years old. We are a founding member of AGMA. We are bullish about the gear industry, the competitiveness of U.S. manufacturing and the overall short-term economic outlook. But the reality is that I will only spend marketing dollars to put us in front of my end-user customers providing solutions—not where machine sellers are exhibiting. This sometimes means more regional shows—more direct sales and other media vehicles.

If we want to buy equipment, we have established used equipment networks, and the Internet lets us all access the very few remaining high quality gear machine makers left in the world. Other industries may not yet have this problem, but the gear industry is smaller than it once was both in real terms and relative to other industries. I agree with you that we would more likely go to EMO to see new equipment because we could also see other machine tools that might be of interest. Take into account that many of the Gear Expo no-shows will never care about making gears for the automotive industry and it's probably time to start thinking about consolidating with another related trade show.

Regarding AGMA, I believe that there are still very real benefits from collaborating on industry technical and international standards.

Bottom line. In the 1980s we probably all attended at least one meeting where you 'crammed' one day's worth of work into four days at some resort. Those days are gone. Time is precious. It's not an owner's club any longer. Regardless of your size, it's tougher, more global and more relentless, and each company has to be thinking hard what its strategy is all about and how its limited resources are spent.

**Carl D. Rapp, President and CEO**  
**Philadelphia Gear Corp.**

### Dear Michael:

The management at Chicago Gear agrees with your recent Publisher's Page.

For years many of us at Chicago Gear have felt AGMA is on auto-pilot. So much of AGMA's effort is put toward a revenue generating agenda, so little toward helping members be better manufacturers, helping them sell gears and thus becoming a better gear company.

I feel that AGMA can become a strong tool for U.S. manufacturers. It could help companies be more aware of new markets, hot markets and ways to manufacture products more efficiently.

Instead, it seems a disproportionate amount of their efforts are put toward the engineering and design side. Not to say that the standards are not important—we use AGMA standards on a regular basis.

But once AGMA starts to work with member companies as a force to retain existing markets and find new, we believe their membership will grow. It's like we get the same old product each and every year.

It would be easy for us to demand change. How about changing the way we think? I believe that AGMA should consider its members its customers. Believe me, we work every day to do all we can to make our customers happy.

Thank you very much for your article. We appreciate your thoughts.

### Sincerely,

**Wayne Wellman, CEO, and Frank Romans, President**  
**Chicago Gear-D.O. James Corp.**

### Michael:

I take exception to your November/December Publisher's Page editorial. Like a lot of polls, it always depends on how the question is framed. I, too, polled quite a few exhibitors—those with 10 x 10 foot booths all the way up to the biggest exhibitors of the show. I must say that their experience mirrored that of ours: It was an "excellent experience."

There are a variety of ways to qualify a show. Counting heads is one, but it alone may not tell the whole story. We at Reishauer look at it differently, and the question that begs to be asked is, what would we have missed had we not exhibited? That's an easy one to answer. I kept hearing the same theme from all of the exhibitors I spoke with: "It's the quality of the visitor," not the quantity. As everyone knows, only a small number of those involved in the manufacturing process do the actual buying. If you have the right people, it's not rocket science—they come to buy!

As far as I'm concerned, if asked what the cost to attend Gear Expo was, my answer would be ....Priceless!

I'm sure there will be a few who said they had a poor show experience. To those I would say that the success of a show largely depends on the level of effort you put into it.

**Dennis Richmond, Vice President**  
**Reishauer Corporation**

*(Editor's Note: Dennis Richmond will take over as chairman of AGMA's trade show advisory council in March.)*

Dear Mr. Goldstein,

I agree whole-heartedly with your comments made in the November/December issue of *Gear Technology* regarding Gear Expo. A couple of years ago, I provided comments to AGMA regarding the show, the future of this type of exposition, and suggestions regarding how it might be made more beneficial to attendees as well as exhibitors.

Fairfield Manufacturing participates in a number of trade related shows annually, both domestic and global. We have seen the OEM visitor/customer participation for trade shows in general decrease with the added forms of communications (web sites, e-mail campaigns, and related electronic media). The technical trade show community has gone through somewhat of a consolidation and merging process where component trade organizations have merged or co-located with larger shows that feature OEM exhibitors.

Examples are CONEXPO, BAUMA, Intermat and others, where organizations such as the National Fluid Power Association (NFPA), have co-located within the shows and broadened the visitor base dramatically.

I have felt that strong consideration should be given by AGMA to co-locate within another larger show forum, (perhaps the Manufacturing Show in Chicago or other). It is very apparent that AGMA is not large enough to garner the broader and larger scale of attendees required to warrant its own exposition. Fairfield attended the 2005 show purely to show support for AGMA and received little otherwise from the show. I hope to see us wise up and make the necessary changes to provide the membership with a more meaningful exposition and presence.

**John W. Strickland, Director, Marketing & Product Development  
Fairfield Manufacturing Co., Inc.**

Dear Michael:

Yes, Michael, Gear Expo is worth it! Your "Publisher's Page" editorial in the November/December 2005 issue of *Gear Technology* asked for comments. On behalf of AGMA's Board of Directors, I am happy to send the Board's comments in this open letter to you and to *Gear Technology*.

Over the last two months, along with a number of the AGMA board members, I have been able to review carefully the results from the 2005 event as well as earlier shows. Gear Expo is an important event to AGMA and to the gear manufacturing industry in North America and the world. As with all major activities of the association, the board does not wait until the moment of the event to take stock and recommend action. Over the last two years, the board and staff have analyzed Gear Expo and have restructured it in a number of ways that played a part in 2005's success.

Attendance: Our objective was to attract to the show qualified decision makers and advisors who could make buying decisions for their companies. The numbers can be sliced and diced, or they can be compared to straw men to imply that what didn't happen was more important than what did. But, in the end, every exhibitor knows that sales on the floor, inquiries after the show and continued future business—even a year or two after the exhibit—are the real measures of the effectiveness and success of Gear Expo. From unsolicited comments to the formal survey of exhibitors conducted following the show, an unprecedented number of exhibitors met or exceeded their objectives.



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One last word on attendance: The number of companies and employees working in this industry has been declining for years. As Dr. Michael Bradley, AGMA's economic counsel, detailed in his presentation in the Solutions Center, employment in the U.S. gear industry has declined since the 2001 and 2003 shows so that today, the industry employs approximately 12,400 people, of whom, about 9,000 are production workers—employees who have relatively little say in major purchasing decisions.

Registered visitors and registered exhibitors, that is the show attendance, numbered over 2,600, interestingly close to the number of non-production workers in the industry.

Solutions Center: The Solutions Center was a first-time endeavor, added because of research on visitor opinions conducted after the 2003 show. The Solutions Center was a definite success. Our objective in establishing the Solutions Center inside the exhibition hall during exhibit hours was to add an additional educational activity that would benefit visitors and exhibitors "during exhibit hours." With over 300 total attendees and each session averaging 14 attendees, we met that objective.

Of course, the exhibitor/presenters experienced varying levels of interest, as one would expect. The good news is that every session, except one, attracted between 7 and 60 attendees; the average was 14.5 and the median was 11.

Education: As was clearly detailed in the research results, visitors wanted more educational programming at the show. We worked with several allied industry associations to provide increased access to technical information for the attendees. Moreover, we positioned the AGMA's Fall Technical Meeting to coincide with the show.

Networking: I cannot overstate the importance of networking to the value of Gear Expo. Indeed, on your Publisher's Page in the issue of *Gear Technology* immediately following the 2003 Gear Expo, you wrote, "For four days, Gear Expo provided access to the greatest collection of knowledge and experience regarding the manufacture and processing of gears anywhere on the planet." That was also true for the 2005 Gear Expo.

With the shrinking size of the domestic gear industry and the changing dynamics of the global economy, networking is even more compelling as a means of keeping up with one's peers, customers and competitors.

Michael, it is always tempting and dangerous to look to one indicator as the measure of success of a complex event. Exhibitors and attendees participate in Gear Expo for a variety of reasons and objectives. Fortunately, AGMA's board of directors is a diverse group of members whose products, business models and locations reflect the range of members in the association and the industry. We know there is work to be done on Gear Expo, but we also know that the 2005 show was successful for AGMA and for the industry we represent.

I look forward to seeing you at the 2007 Gear Expo!

Sincerely,  
Leslie Hennessy, AGMA Chairman

#### Dear Michael:

In the last two months since the AGMA held its bi-annual gear manufacturing trade show in Detroit, Michigan, discussions have occurred regarding the value of this show. I would like to express my opinion on this show and equally importantly my view of the changing manufacturing and marketing environment in North America.

First, manufacturing in North America has changed and will continue to change. At one time, the single most important customer group for our business was the electric power tool industry. A majority of these manufacturers of drills, saws, etc. are just completing their move to China or other countries with low operating costs. This is just one example of how the manufacturing of products has permanently changed. I am sure that others have their own experience, perhaps in the automotive sector. These changes have required our company to refocus on how, where and what we market and have resulted in our becoming a "lean" marketing organization. The old standard paradigm of marketing does not work anymore and I challenge every organization to adapt to a new marketing design.

Second, all trade shows have changed. The AGMA Gear Expo peaked in 1997 with 4,148 registrations and at the 2005 show there were 2,644 registered attendees. This is a decline of over 1/3, but it is exactly the same as is being experienced by other manufacturing trade shows. One criticism constantly being raised is the counting of exhibitors as part of the attendance numbers. Peter Eelman, Vice President of AMT recently stated that "Virtually all shows count total registrations. That means visitors and exhibitor personnel." This counting technique is common for all shows.

On a positive note, we had the most successful AGMA Gear Expo show in the twenty-year history of our company. Not only did we sell machines directly off the show floor, but we booked orders for other equipment during the show. This buying has continued after the show. How did we do it? We prepared before the show with a mailing of nearly 5,000 premium full color brochures that showed what we would be displaying. We arrived with proper planning and objectives. We brought "iron" to the show, and a lot of it, for the customers to "kick-the-tires." We received many comments that our booth was continuously busy with customers. Would you spend your company money without seeing some smoke and chips? I wouldn't.

The AGMA trade show also gives positive support to our industry in many other ways. Quoting Michael Goldstein of *Gear Technology*, "...Gear Expo provides the greatest collection of gear knowledge, experience and expertise anywhere in the world." This is perhaps the greatest opportunity for "gear" networking and the chance to meet the people of our industry. Gear Expo is truly the ultimate gear education experience! Another very important aspect of this show is that it contributes financially to the AGMA, and in turn, this allows the AGMA to directly support our gear manufacturing industry with a variety of activities.

No, the AGMA Gear Expo isn't perfect, but you can count on my support, participation and positive contribution to improve this show for the future. Come meet us and see our equipment at the Koepfer America booth, AGMA Gear Expo 2007 in Detroit, Michigan.

Dennis Gimpert, president, Koepfer America L.L.C.

(Editor's Note: Dennis Gimpert is also chairman of AGMA's Business Development Executive Committee, which oversees Gear Expo.)