



Dr. Mike Bradley (inset) presents the gear market report at the Solutions Center during Gear Expo 2009 (courtesy of AGMA).

Gear Expo 2009

ECONOMY FRONT AND CENTER IN INDIANAPOLIS

Is economic relief on the way? This was the general consensus coming out of Indianapolis after Gear Expo 2009 closed its doors in September. Though the numbers were slightly down—2,539 exhibitors and attendees compared to 2,992 in 2007—it appeared to be steady as she goes at the gear industry's biennial main event, good news considering the state of the gear industry since Gear Expo 2007 in Detroit.

Exhibitors and attendees had mixed opinions regarding the venue change, extended show hours and quality of leads generated in Indianapolis.

"The expo was a bit slow, but overall worth exhibiting," says Ian Shearing, vice president of sales at Mitsubishi Heavy Industries America, Inc. "The AGMA needs to get

more exhibitors excited about displaying better products and booths for future shows. Like most marketing efforts, you only get out of it what you are prepared to put into it."

"With the economy as it is, there was a level of apprehension coming into this show due to the uncertainty of customer commitment and attendance," says John Terranova, vice president of sales-Americas at Gleason. "However, the resultant customer turnout was positive and was one indicator that there is a turn being made in the economy, and more specifically for our gear manufacturing community."

"Gear Expo does not have the results of IMTS or EMO as measured by new leads, new applications and new programs that may lead to a machine sale," says Bill Miller, vice presi-

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Companies like Mitsubishi Heavy Industries, Inc. discussed the latest technological developments and advancements in gear machinery (courtesy of AGMA).

dent of sales at Kapp Technologies. “The value of Gear Expo was the efficiency of meeting the 40 to 50 customer contacts (representing 20 to 25 companies). Our show expenditure is roughly comparable to the alternate cost of key customer site visits. Even with a large staff, it is impossible to give each visitor the appropriate attention.”

At the Kapp booth, visitors were treated to live video feeds from its facility in Boulder. These educational sessions were a welcome change of pace for attendees and a popular talking point at Gear Expo.

“The best testimony of our ‘lesson program live from Boulder’ concept was an early visitor who commented that he comes to Gear Expo for education and that sales rhetoric or show model girls don’t do him any good,” Miller says. “Observers noted that the live aspect held visitor’s attention much better than professional videos. Several other exhibitors expressed interest in the concept.”

Forest City Gear CEO Fred Young caught up with customers, suppliers and colleagues at Gear Expo, and he emphasized the importance of getting out and talking to people at these events.

“We use Gear Expo as a vehicle to gain more exposure

to our company,” Young says. “I prefer Gear Expo to getting lost at a larger show like IMTS; for me it’s perfect because of the gear equipment and technology that’s available to see. It was a great opportunity to say hello to friends and peers in the industry.”

Conversations at the show ranged from new technologies to alternative energy opportunities with plenty of small talk regarding the economy.

“It was basically the conversations you would expect in these tough economic times,” Shearing says. “However, we did get some feeling of upcoming optimism. Naturally, everyone was hoping for a quick economic recovery rather than a protracted one. In addition, there was quite a bit of talk about diversification into different industry sectors.”

“Things seem to be business as usual for us,” says Dan Kondritz, national sales manager for KISSsoft. “Gear Expo did not reflect any signs of impending doom. For us, it was a great turnout. We were extremely busy the first two days with qualified prospects.”

Dr. Stefan Beermann at KISSsoft added, “It was more or less the same as it was in the past, which is already notable. Gear Expo is small and dedicated, which is why it is so



Though attendance was down slightly from previous shows, Gear Expo 2009 was considered a success due to the customer contacts and potential leads generated in the exhibit hall (courtesy of AGMA).

unique.”

AGMA’s economic consultant, Dr. Mike Bradley, returned to Gear Expo with his keynote presentation on the gear market forecast. Bradley suggested that the general manufacturing sector had probably hit bottom and that the gear market was likely close to bottoming out. He concluded that there appeared to be a light at the end of the tunnel and the turning point, specifically for the gear industry, could occur in 2010, led by investments and exports.

“The financial crisis and resulting panic of early 2009 was NOT raised as a topic. Instead most visitors reported a slight boost in demand and were relatively hopeful of a slow but continued recovery,” Kapp’s Miller says. “Increased activity levels of the last few months were reflected in the discussions and follow-up provided during the show.”

AGMA president Joe Franklin agreed that many manufacturers echoed Bradley’s report with positive activity occurring this summer as well as preparations to ramp up production in 2010.

With lower attendance numbers than past shows, Franklin was still pleased with the quality of Gear Expo visitors. According to Franklin, many of the same companies that

came through Gear Expo in 2007 were on hand in 2009.

“All the major players showed up in Indianapolis. GM, Chrysler, Ford, Caterpillar, John Deere and Magna were all present. The state of the economy didn’t matter. They came to see what new technologies and products the gear industry has to offer,” Franklin says.

And the move from Detroit to Indianapolis was welcome by many in the gear industry.

“Nice city, good venue and a pleasant show,” says Michael McKernin, sales manager at Circle Gear. “I enjoy this show because it focuses on what I’ve spent my entire career working towards. It’s a great opportunity to meet other professionals in our industry.”

“The Indianapolis venue was a refreshing change of location for Gear Expo,” says Scott Yoders, vice president of sales at Liebherr Gear Technology, Inc. “Judging from the various gear companies that visited the Sigma Pool booth, Indy is truly a central hub for gear manufacturing in North America.”

“We were blessed with good weather, and exhibitors and attendees enjoyed walking around the city of Indianapolis.”

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Franklin says. “Everything is in close proximity, which makes it that much nicer.”

“Many visitors commented that Indy was more attractive than Detroit as a venue. It was significantly more accessible for a larger number of attendees with travel restrictions that limited the length of stays to day trips or a single night,” Miller says.

“We enjoyed the venue,” Shearing says. “But in terms of sheer number of attendees, Detroit is hard to beat.”

Franklin adds that the AGMA has not ruled out a return to Detroit in the future. “The city has some work to do politically, obviously, but we’ve always been very pleased with the reception and support coming out of Detroit.”

In preparing for the 2011 installment in Indianapolis, Franklin will soon sit down with trade show analysts to discuss changes and improvements that need to be made to future shows.

“Parking was a bit of a problem, specifically signage throughout Indianapolis. It made it difficult for visitors driving into the city to navigate and find the appropriate parking lots,” Franklin says.

Many exhibitors questioned show hours and felt they could be reduced depending on the amount of foot traffic. The attendance definitely seemed to drop toward the end of the show.

“The heavy traffic was Tuesday afternoon and Wednesday. Tuesday morning was slow and Thursday was very slow,” Miller says.

“I am not sure of a plausible solution,” adds Terranova at Gleason, “but the mid to late afternoon times were very low for customer attendance.”

While 61 percent of Gear Expo attendees visited the heat treat show, Franklin believes this number would have increased significantly if the Heat Treating Society

Conference and Exposition stayed open the final day of Gear Expo. “This is something we’re going to discuss in the future,” Franklin says.

Franklin is pleased to report that 80 percent of the exhibition space for Gear Expo 2011 was booked before the show ended, proving that many in the industry are expecting good things to come to the gear market in the near future. He’s not concerned with comments that the show is too small or doesn’t bring in enough new business.

“Gear Expo is an ‘industry-centric’ event where the gear community comes together to encourage one another,” Franklin says. “There’s tremendous support across the board in this industry.”

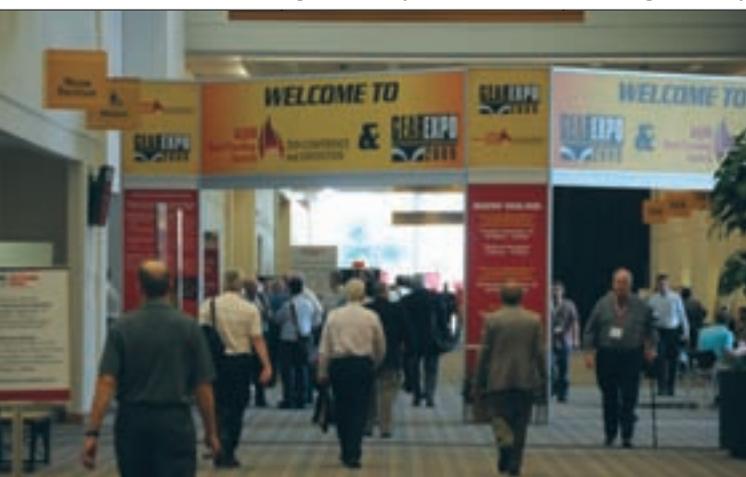
“Those that came to the show last minute and made a half-hearted effort will not think they got the most bang for their buck, so to speak,” Forest City Gear’s Young says. “The key to these events is the preparation you put into it prior to the show.”

While the market waits to swing in a more positive direction, the feeling throughout Gear Expo was a comeback of sorts is on the way in 2010.

“We’ve seen some areas that are a little spunkier than others right now,” Young says. “When the dam bursts, it’s going to be difficult to satisfy all the immediate needs with the right personnel and the right equipment. The gear industry needs to be prepared.”

The emotion and enthusiasm from both exhibitors and attendees is why Franklin is not worried about the current economic state of the industry.

“Given the sign of the times, the booths were a little smaller this year and the crowds weren’t as large, but many exhibitors were still able to attract plenty of potential clients, and that’s a very good sign of things to come,” Franklin says.



Gear Expo 2009 shared floor space with the ASM Heat Treating Society Conference and Exposition and will do so once again for the 2011 event (courtesy of AGMA).



Many exhibitors commented that Gear Expo 2009 was successful thanks to the foot traffic in the first two days of the show (courtesy of AGMA).