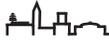




*Spatial Opportunities of Exhibition Centers: Explaining Path-Dependencies in
Amsterdam, Frankfurt, Munich and Milan*

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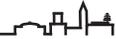
Summary

Trade fairs have a long history in Western Europe and can be traced back to medieval markets, international exhibitions and post-World War Two reconstruction schemes. Since the 1980s, this particular economic sector underwent some drastic changes that brought significant functional and physical modifications to the exhibition centers of many Western European metropolises. Functionally, focus has shifted from exchange and display to interaction as the dominant activity at trade fairs. Moreover, trade fairs have rapidly internationalized and specialized.

These developments have resulted in the construction of many new exhibition centers and the extension and renovation of others. Since 1980, fourteen new exhibition centers with over 100.000 square meter of covered exhibition space have been constructed in Western Europe. Between 2006 and 2011, one million square meter of exhibition space was added to the European stock. These projects are conceived to cater for new demand coming out of changing functionalities and simultaneously part of fierce competitive efforts over the attraction of the most appealing and profitable events.

These recent dynamics coincide with general transformation processes in which European cities have found themselves for over twenty years now. The traditional hierarchical pattern of center and periphery along which urban regions were formed has been giving way to more networked urban constellations. Especially international and metropolitan-scale functions are for the first time in the history of urban Europe decentralizing on a large scale. This is radically shifting the historical center-periphery divide. Peripheral locations around airports, nodes of public transportation and highway interchanges are attractive locations for the kind of specialized activities that traditionally were located at central urban locations.

Across Europe, new exhibition center developments show remarkable differences in spatial location. Whereas exhibition centers were traditionally sited at central locations within metropolitan regions, a large part of the new generation of venues is located outside of the continuous urban fabric in what can be called 'suburban' or 'peripheral' locations. By now, eighteen out of the thirty-four largest exhibition centers in Western Europe can be found at such peripheral locations. On the other hand are many historic and centrally located facilities extended and updated. Herewith, exhibition center development is part of and embedded in a broader discussion on the changing periphery in the 21st century metropolis. The question where to locate new



exhibition centers –in the historical center or in the former periphery- has herewith become a very pressing and important question.

This thesis has tried to explain for this divergent pattern. It analyses the drivers behind different investment decisions from the perspective of the exhibition center. The research departed from the assumption that the nature of development of exhibition centers is determined by the specific convergence of structural conditions and the actual opportunities of the specific context in which the decision is taken.

For these location-dilemmas, an explanation is sought in an institutional approach to path-dependency. Starting from the opportunity-structure of specific exhibition centers, an analysis is made of the path dependencies that over time developed and the extent to which these dependencies were changed to allow for new economic and institutional trajectories. In order to grasp the tensions between conserving structures and opportunities for change, a new analytical model has been developed on the basis of path-dependency literature. Rather than the general and stretched notion of path dependency, however, its central concepts of increasing returns, lock-in and critical junctures were used to provide better analytical value. Moreover, because processes of urban development are typically multi-dimensional, it is argued that those analytical concepts should be applied within different dimensions. This will allow the research to not only explain through historically developed structures but also to explain on the basis of emerging opportunity structures within and between different domains. Four dimensions were deemed of crucial importance for the development of trade fairs: their function; physical form; spatial embeddedness and; institutional setting.

Traditionally, exhibition center development has been characterized by increasing returns in which all four dimensions aligned harmoniously to cater for the physical growth of exhibition centers to facilitate larger, mainly national, events. Changes in the sector, however, placed new exigencies on trade fairs which were felt in all four dimensions. By the 1980s, new strategies had to be found to cater for the internationalization and specialization of trade fairs.

The initial response of exhibition centers was to continue along the traditional path of development: enlargement of the facility. Soon, however, they faced problems that can be characterized as spatial lock-in. All four case studies, although to various degrees, encountered problems with a lack of space for extension and three out of four were confronted with neighborhood complaints over congestion and nuisances and attempts to halt extensions. Hence, it were foremost the spatial and institutional domains that were blocking new development.

Faced with this lock-in, exhibition centers were forced to reconsider their strategies. In conceiving these, they had to navigate between what was best for their business and what was actually feasible. Whereas it was often history that structured path dependencies, it were changes in context that provided temporary opportunities or critical junctures, to break out of these structures.



In Frankfurt this change was spatial and came at an early point when lock-in was not yet clearly manifested. The chance to buy parts of the underused railway yards just south of the fairground provided an unique opportunity to not only enlarge its premises but also renew outdated facilities. This case also shows that an opportunity alone is not enough for a critical juncture to take shape. In its efforts, the fair was strongly backed by the city of Frankfurt that has traditionally showed great interest and care for a fair within its city center. If these historical ties would not have been present, then the railway sites would most likely have been sold for private development of offices and housing.

The case of Munich also shows the importance of a good relationship between city and fair. Moreover, in comparison with Frankfurt, it shows that there are different kinds of spatial opportunities that can lead to different geographical outcomes. Here, the spatial opportunity manifested itself not adjacent to the fair but on a site at the border of the city where the city's airport was relocated from in the early 1980s. Because the Munich exhibition center had been in desperate need for extension but without the opportunity to do so for over a decade, the trade fair seized this opportunity and proposed a move towards the former airport. Because the city administration was, however, not convinced of the economic necessity and financial feasibility of such a move, it would again take fifteen years before the new trade fair was indeed opened.

Also the story of the relocation of the Milan exhibition center is one of stalemates. Already in the 1980s, the fair realized that its premises were very suitable for hosting large consumer fairs but not for large-scale international trade fairs. Even with a possible site for extension northwest of the venue, however, local opposition and fear for congestion in this area of Milan blocked modernization of the exhibition complex. The situation of lock-in deteriorated until 1994 when the situation was no longer sustainable. A solution was found in the short term extension of the complex and the mid-term redevelopment of the older parts of the trade fair into an office and residential area in return for a new and larger complex in the northeastern periphery of Milan.

Although the short-term extension was soon realized, the relocation was again stalled. This time, the opportunity to change this situation came from the institutional domain when competences over the exhibition sector were shifted from national to regional government. This provided an impetus to regional ambitions with the Milan trade fair and new actions to realize the new fair complex. These included the transformation of the Milan trade fair to a private, stock-exchange listed company. This provided the opportunity to finally conceive and finalize the relocation of the Milan trade fair.

Also in Amsterdam, the initial response to a changing market was to look for ways to continue old strategies. As this turned out unfeasible due to a lack of space for extension and neighborhood opposition, they shifted from a focus on quantity to the quality of the venue. In this strategy, the location in between and close to both the airport and the city center was crucial. Therefore, the fair rejected the suggestion of the municipality to move to a different location.



Within each of the four cases, the particular advantages and disadvantages of peripheral and central locations were assessed by the respective exhibition centers. For central locations, there was a fine balance between positive and negative externalities to their immediate surroundings. Moreover, there was the problem of integrating extensions in dense urban environments. At peripheral sites, ample land was available, accessibility could be provided for and nuisance could be limited. An appealing local and urban context, however, was missing at most of these locations. Moreover, construction of a new facility required exhibition centers to muster large sums of money all at once, an endeavor that they could not face without the help of government.

As such the relocation of many exhibition centers to the urban periphery is not the result of intrinsic advantages of the periphery over the city center but rather the cumulative result of many complex local trade-offs. Often, emerging opportunities were what tipped the balance into one or the other direction. Although this meant in many cases that structures had to be changed and bargaining had to take place, all facilities tried to find an optimal equilibrium between what was best for their business and what was feasible. Thereby, strategies to adapt spatially and physically to new exigencies were to a large extent pragmatic.