Trade shows seem to be a leading indicator to the economy and both are improving.

**Trade Show Executive’s 2006 FORECAST**

**JACK M. BUTTINE**

President, Buttine Exhibition Insurance

**PERPECTIVE:**
Insurance provider

**OBSERVATIONS:**
- Insurance companies evaluate trade shows on attendance and gross revenue. Buttine says both are increasing for his clients, and that growth is expected to continue. Other observations:
  - Interest in insurance has increased. “Shows are more at risk than organizers realized,” says Buttine. Organizers of smaller shows, developing shows or just a few shows are considering insurance for the first time.
  - The hurricanes, particularly Katrina, have driven this demand. The industry saw that storm damage can extend beyond hurricane season, endangering shows throughout the year. New Orleans cancelled events through April.
  - This knowledge will be reflected in related insurance charges. Shows taking place during hurricane season in storm-prone areas will see their cancellation insurance loads increase; events in these same areas outside of hurricane seasons are likely to see rates rise slightly, with new loads or surcharges added to their basic rates.
  - This time, the insurance industry will be able to absorb the cost of the 2005 hurricane season, according to Buttine. “Unlike 9/11, the industry had been doing well on investments prior to tragic events, so it has the financial stability to absorb these damages,” says Buttine.
  - As a result, other rates are expected to remain flat or decrease. For instance, companies will ban together and form risk-purchasing groups, such as those available through the International Association for Exhibition Management (IAEM), to save money on general liability.

**PROGNOSIS:**
Expects 4% to 7% overall industry growth.

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