



Spain

Summary Report: BIEMH 2006 - International Machine Tool Biennial

Compiled by:

Swiss Business Hub Spain

Madrid, March 2006

1. GENERAL OVERVIEW

Trade show

BIEMH 2006 – Spanish Machine Tool Biennial

Venue

BEC – Bilbao Exhibition Centre, Bilbao

Date

March 6-11, 2006

Organiser

Bilbao Exhibition Centre
Aptdo. 468
48080 Bilbao
Tel: +34 94 428 54 00
Fax: +34 94 442 42 22
e-mail: bec@bilbaoexhibitioncentre.com
Web: www.bilbaoexhibitoncentre.com

Managing Director: Mr. Angel Pereda

Periodicity

Biennial



Date of next trade show

2008

Type of trade show

Trade visitors

Trade show focus

Manufacturing machinery and technology

Sectors

The trade fair was specialised in the following areas and accordingly divided:

- Machine tools
- Other machines
- Tooling
- Parts, components and accessories
- Manufacturing and process automation
- Metrology and Quality Control
- Services

Exhibitors

Total number of exhibitors: 1,752 companies (direct exhibitors + represented companies)

Total number of direct exhibitors: 757 stands

Variation in the number of exhibitors: - 8%

Foreign exhibitors

Total number of foreign companies: 729 companies (53% of total)

30 Countries: Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czech Rep., Denmark, Egypt, Finland, France, Germany, India, Ireland, Israel, Italy, Japan, Korea, Netherlands, Norway, Poland, Portugal, Slovakia, Sweden, Switzerland, Taiwan, Turkey, United Kingdom, United States

More than 50 Swiss companies were present at the exhibition, mostly through their Spanish distributors.

National pavilions

None

Visitors

Total: 49,509 (+0.7%)

International visitors: 3,400 (+13%)

2. ASSESSMENT OF TRADE SHOW / RESULTS

General impression on trade show and scope

The BIEMH 2006 has taken place in the new Bilbao Exhibition Centre (BEC), taking up Pavilions 1 to 6, using up all the available exhibiting space of the new BEC (55,000 sqm).

More than **49,500 visitors** have attended the Exhibition, **barely the same number as in the 2004 edition (+0.7%)**.

Regarding **exhibitors**, this edition has **reached 1,752 participating companies (a sharp 8.0% decline)**, with 757 direct exhibitors representing those companies.



This trade fair is the **key event for the machine tool industrial sector in Spain** and will probably remain so for a long time. Trade fairs are not enjoying a great moment given the current economic environment, but most companies agree that key events at national and international level will continue to attract exhibitors and visitors. Companies will carefully direct the use of their (human and financial) resources at those first-class shows and avoid “experiments” with secondary non-consolidated events. **BIEMH is one of those key events and any foreign company involved in this industry wishing to start doing business in Spain should consider visiting or exhibiting.**

Market trends

Discussions with leading Spanish distributors and Swiss companies confirm that generally speaking **Europe’s industrial sector is undergoing a difficult situation**. This situation also **affects the Spanish market** and most companies agree that **sales growth has slowed down in the last 2 to 3 years**.

Despite that, **when compared with other European markets, the Spanish industrial market is showing greater dynamism**. Of course, the good times when this market yielded double-digit sales growth figures are gone, **but it still manages to grow at a time when other European markets are clearly shrinking**. Most Swiss companies consider that the Spanish market is providing shelter and is now one of the key growth markets for them. This moderately positive outlook is helped by the fact that these companies have managed to serve the needs of the very few dynamic industrial areas generating growth.

The general industrial environment is declining in Spain as it is all over Europe. But there are some **industrial areas that are growing fast and that require top quality machinery and customised high-tech turn-key projects**, a field in which Swiss companies are highly competitive. When asked about the industrial areas in which their Spanish customers were active, Swiss companies recurrently mentioned **aeronautics and energy**. The traditional areas, like for instance automotive, are still there but are not driving forces any longer.

Exhibitor's Profile

Presence of both **Spanish (44%) and international exhibitors (56%)**. Main exhibiting foreign countries are: Germany (233 companies), Italy (176), Japan (55) and Switzerland (51).

It is a very international trade fair due to the fact that **a great number of European and Japanese companies do their follow-up with their (normally well-established) business contacts in Spain during the trade fair**, covering one of the leading European markets for this industry.

The Basque Country is one of the main machine tool manufacturing regions in Europe. Both OEMs (Original Equipment Manufacturers) and components suppliers have typically established their own branch in Spain or enjoy a good relationship with solid distributors. Therefore, **the show is very well considered by companies despite the fact that "they see the same faces every edition"**, a sign of a mature well-established market.

There were no international pavilions, only information stands from regional institutions and Chambers of Commerce: Portugal, Bulgaria, Argentina, Slovakia and the Czech Republic.

It is worth mentioning that **not a single Chinese company** (Taiwan was represented by 21 companies) **was exhibiting at the show**.

Visitor's Profile

This is a **very professional show** and it is **completely focused on the local (Spanish) market**. Despite that, there are some international visitors, especially from **Portugal** (the fair is therefore an "Iberian" show) and also from France due to proximity reasons.

Some 3,500 foreign visitors attended this 2006 edition, less than 10% of total visitors. The trade fair organiser, together with ICEX (Spanish Foreign Trade Promotion Institute), have made a great **effort to boost the presence of international buyers and journalists**. Delegations including more than 450 visitors from 34 countries (Venezuela, Chile, Brazil, Argentina, Poland, Lithuania, Croatia, USA, Canada, Germany, Czech Rep., Israel, Portugal, etc.) were invited to the trade fair.

Turnout can be described as **average to low**, especially during the first part of the trade fair. The usual **disappointment** was expressed by companies used to exhibiting in trade fairs since they find it hard to establish new contacts.

New companies tend to express more extreme views: "any contacts made are highly valued" or "the trade fair sales leads will not return even 10% of the investment made". In all, **BIEMH will not nowadays do magic to a company's sales figures but it still is a good starting point and a necessary investment in the long-term**.

Swiss companies and distributors of Swiss products: highly competitive in a “shelter” market

Swiss machine tools and industrial equipment are generally regarded as **top quality products** and they enjoy a privileged position in the Spanish market. According to distributors, **customers are not normally attracted by low prices** or special deals. Quality and reliability are regarded as the top priorities for purchasers of any industrial equipment. Despite that, the **current market situation deters companies from investing in expensive equipment**. This fact does not however generate business for cheaper lower quality competitors since companies simply prefer to wait.

Swiss companies not only enjoy a great quality reputation, they also profit from their **niche products**, sometimes offering unique solutions not subject to direct competition. As previously explained, **Swiss companies are basically happy with the Spanish market**, since it is keeping up while other European markets are clearly declining.

Regarding their relationship with Swiss manufacturers, a vast majority of the **Spanish distributors** contacted during the trade fair **showed a high level of satisfaction**. They agree that the quality of the products is matched by the quality of the staff working in their Swiss counterparts.

As for **Swiss companies** there are mixed opinions. Most of the companies enjoy a long and solid relationship with their distributors, but there are some others that only started working with their current distributor 2 to 3 years ago and are therefore consolidating their relationship. For some of these Swiss companies, the relationship has not always been successful leading to a new search for the right distribution partner. This fact points to the importance of **conducting a proper search and partner selection process**. Finding the right distributor is a key issue and most Swiss companies agreed that **this market “is worth it” and needs to be catered directly**. Many “newcomers” were surprised of the very few businessmen able to speak English but that is only a reflection of the fact that **the Spanish market has its own idiosyncrasy, and only by acting locally can a foreign company succeed**.

Swiss Presence: companies exhibiting or represented at the trade fair

Company	Pavilion	Stand
AFAG AG	6	G 62
AGIE CHARMILLES S.A.	1	H 40 I 39
ALESA A.G.	4	C 29
APPLITEC	4	B 22
ATS AUTOMATIC TAPING SYSTEMS	4	J 61
BAITELLA	2	G 49
BIMU	2	B 46
BLASER SWISSLUBE AG	4	I 39 J 40
BORER CHEMIE AG	6	A 15
CEMECANIC S.A.	5	E 50
CONTRINEX	6	I 19
DC SWISS S.A.	4	I 56
DIAMETAL S.A.	4	D 45 E 46
DIAVITE	2	C 57 D 58
DIXI	4	C 09
EAO	6	D 41 E 42

Company	Pavilion	Stand
EICHENBERGER GEWINDE AG	4	G 57
EMISSA	4	G 55 H 56
EWAG AG Schleifmaschinen	1	G 44 H 43
EXTRAMENT INTERNATIONAL	4	F 27
FRAISA S.A.	4	D 45 E 46
GOTEC	6	G 62
GÜDEL AG	6	D 79
HEINZ KAISER A.G.	4	D 45 E 46
IBAG SWITZERLAND AG	1	E 01
IMBERDOF	2	H 05
JORNS	5	G 37
KAEFER	4	D 45 E 46
KOENIG	2	B 57 C 58
KOMAX SYSTEM AG	6	G 57 H 58
KUMMER-FRERES	3	E 58
L. KELLENBERGER & Co. AG	1	G 44 H 43
LEICA GEOSYSTEMS AG	2	F 43 G 44
LESTOPREX	2	A 53 B 54
LNS S.A.	2	B 57 C 58
MC-MULTICONTACT	6	F 37 G 38
MIKRON SA AGNO	1	C 02
OTTO SUHNER AG	1	A 68
P.C.M.	2	B 46
PIFFNER	2	G23 H24
PIBOMULTI S.A.	4	G 55 H 56
PROFILTEC AG	1	D 06 E 05
RE-AL	4	D 45 E 46
REGO-FIX A.G.	4	D 45 E 46
ROHBI	5	D 74
ROLLVIS S.A.	4	G 57
ROTOR GMBH	4	I 56
SCHAUBLIN	2	H 40
SCHNEEBERGER MASCHINEN AG	1	E 58 F 57
SCHNYDER S.A.	4	D 30
SERVAX / LANDERT MOTOREN AG	6	G 46
SPHINX	4	B 22
STARRAG HECKERT	2	G 23 H 24
STIERLI BIEGER	1	B 17
STREULI	4	J 47
STUDER	1	B 20 C 19
SU-MATIC	1	C 06
SYLLAC	2	H 49
TDM	2	H 29
TELSONIC AG	6	A 15
TESA S.A.	2	I 51
TORMEC AG	5	F 11
TORNOS S.A.	2	D 05
TRIMOS	2	H 49
U METALURGIQUES VALLORBE	4	D 44
VISCHER & BOLLI AG	4	E 21
WALTER DUNNER	2	B 46
WILLEMIN-MACODEL	2	H 40
WMH TOOL-JET	2	G 39

(In bold, Swiss companies exhibiting directly or through their Spanish subsidiary)

General economic situation of the exhibiting sector in the host country

Machine tool production in Spain reached EUR 821.60 million in 2004. This means a 0.15% increase on 2003 figures. 51% of total production is exported with EU-25 countries' consumption reaching above 60% of Spanish production.

The Spanish machine tool industry is the 3rd biggest producer in the EU and the 9th biggest machine tool manufacturer in the world (2.25% of world machine tool production in 2004). Spain is the 10th biggest exporter of machine tools in the world, with total exports reaching EUR 417.60 million (9.40% down from 2003). 75% of total production originates from the Basque Country and it is therefore, a highly clustered industry.

Total sales of machine tools in Spain reached €831.60 million in 2004. This represents a 6.40% increase on 2003 figures (EUR 781.72 million). Growth is mainly driven by higher consumption of locally manufactured machine tools. Consumption of machine tools manufactured in Spain reached EUR 403.90 million, a 12.3% increase on 2003. Imported machine tools' market share came down to 51.40% in 2004, compared with 54.00% in 2003. Imports of machine tools reached EUR 427.63 million in 2004, a 1.30% increase on 2003.

For more information on related trade fairs, please check our reports, available online at the following links:

[BIEMH 2004 Report](#)

[MAQUITEC 2005 Report](#)

Date: June 15, 2006
Author: Mariano Tapias-Aparicio
Author's address: Swiss Business Hub Spain
Centro Suizo de Negocios en España
Embajada de Suiza
Calle Nuñez de Balboa, 35 a - 7º
E-28001 Madrid
Tel. ++34 91 432 04 66
Fax. ++34 91 432 04 67
Website: sbhspain@mad.rep.admin.ch