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SUMMIT MEETING
Entrepreneur Roland Berger and Prince Luitpold of Bavaria discuss the aristocracy in times of democracy

A MATTER OF VALUES
Messe München head Klaus Dittrich on his company’s role

A THIRSTY WORLD
Water is becoming more scarce. A look at the future of this precious commodity
Switch it on and you’ll be amazed! The Artemide Decomposé Tavolo creates a fascinating play of light and dark. Its rings fragment the light to create magical shadows on your wall. This is Italian innovation at its very best.

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There aren’t many chemical formulas that are immediately recognizable—but everyone knows H2O. Because it’s the source of all life: water.

Every day, in every region, we use too much water. Sometimes, we don’t really think about how precious it is. The cover story in our new Messe München Magazine gives an insight into the huge challenges that the world faces with regard to water, including drought, flooding, pollution, and water quality. But the future holds some exciting prospects.

Our magazine also highlights how and why we talk about values here at Messe München. Our interview with Prince Luitpold of Bavaria and Roland Berger looks at this topic by considering the obligations placed on businessmen and the aristocracy.

Another very successful year of exhibitions is drawing to a close, and we’d like to thank you for your confidence in us.

If you’re short of time during the hectic run-up to the holidays, just keep hold of our magazine so that you can read it at your leisure over the festive period. During the coming months, our social media channels will be providing background information and more details about the topics covered in this issue.

The future holds some exciting prospects.

KLAUS DITTRICH
Chairman of the Management Board of Messe München
I

the Earth were a bank account, the account holders would already be heavily overdrawn. To put it more accurately, their overdraft would have started mounting up on August 2 this year, Earth Overshoot Day 2017. Every year, the nonprofit organization Global Footprint Network calculates when the Earth’s sustainably usable resources will come to an end. This is the point at which people have used more credit in the form of food and raw materials than nature provides for them each year. There is some dispute about the methods used to calculate the global average value, but not about the change in the start date for the overdraft. In 1987, Earth Overshoot Day occurred in October, whereas 20 years ago, it fell at the end of September. Never before has it been as early as it was in 2017. The conclusion of observers is that the world population currently needs 1.7 planet Earths to avoid falling into the environmental debt trap.

The strategy is known as dynamic pricing and allows online retailers to exploit market potential more effectively. This often puts bricks-and-mortar stores at a disadvantage because they cannot alter their prices at the click of a mouse. “The introduction of electronic shelf labels means that this situation will very soon become a reality,” says Florian Stahl, professor of retail management at the Ludwig Maximilian University of Munich. “In future, I assume retailers will use facial recognition systems at the entrances to their stores to identify who is coming in. The retailers will be able to draw conclusions about customers’ income from their age and clothing style, which will allow them to change the prices on their digital displays. The process will be fully automated and controlled by intelligent algorithms. In technical terms, this is already possible today.”

A WOODEN CHURCH FOR HOLZKIRCHEN

Building from wood is modern, and not just for traditional alpine chalets or rustic living rooms with fireplaces. Ever since the leading Italian architect and designer Matteo Thun earned widespread acclaim with his minimalist designs in wood, this ancient material has been undergoing an unprecedented revival. A building that is unique in Central Europe is currently being constructed in Holzkirchen near Munich: a church made almost entirely from wood. This was the requirement imposed by the archbishopric when it commissioned the construction of a new church of St. Joseph in 2013 to replace the old one that was in danger of collapse. “More and more architects and developers are recognizing the benefits of wood,” says Bavaria’s forestry minister Helmut Brunner. “The proportion of new houses built from wood in Bavaria in the past 20 years has more than doubled, from nine to 20 percent.” Building a wooden church in a place whose name means ‘wooden churches’ therefore seems fitting. The church was designed by Munich architect Eberhard Wimmer. Two squat, truncated cones that are 66 feet high and almost 92 feet wide form the worship area. “The cone shape emerged almost of its own accord from the liturgical functions, the congregation gathered in a circle around the altar, and the light coming from above. The cone is an archetypical architectural form similar to a tent that remains modern and fresh,” explains Wimmer. In total, nearly 2,370 cubic feet of wood were used to construct the energy-efficient church, mainly spruce from Central European forests, together with beech, oak, and larch for the shingles on the roofs of the cones. The investment amounted to almost 11 million euros. Construction work should be finished by late fall and the church will be consecrated on March 18, 2018, one day before the feast day of St. Joseph, the patron saint of the old and the new church.

ENERGY BALANCE

100 terawatt hours of electricity per year were used on German roads.

B

ether you like them or not, they’re here to stay. The use of chatbots, computer programs that can conduct conversations, is becoming more widespread across the world. The US market research organization Gartner has predicted that by 2020, 85 percent of interactions between customers and companies will take place via these bots. The average citizen may spend more time talking to machines than to his or her significant other. Customer service managers are very happy about this, because they hope that it will reduce the workload of their employees and free them up to handle more complex inquiries. But what do the customers themselves have to say to this? A survey carried out by the German Federal Association for Digital Technology, also known as Bitkom, shows that only one in four German citizens can currently conceive of using chatbots. This may be the result of past disappointments. For example, anyone who asked Siri, Apple’s voice-activated assistant, about the origins of its name in the past will have received the answer: “Siri has many subtle, metaphorical, and frankly contradictory meanings, none of which I am at liberty to discuss.” Well, that’s that, then.
A THIRSTY WORLD

Wasted, polluted, and underpriced: Water is becoming increasingly scarce throughout the world. Experts are already warning of life-threatening shortages, but innovative processes could help to improve matters

California in May 2013. The worst drought for 1,200 years has hit the Golden State. The once mighty Colorado River, which Las Vegas, Los Angeles, and San Diego rely on for their water supplies, has dried up before reaching the Gulf of Mexico. The state government orders drastic measures. Not until April 2017 does Governor Jerry Brown declare the end of the state of emergency. Immediately afterwards, he warns that the next drought could soon follow. Hundreds of millions of trees die during the five-year period.

China in April 2014. After three decades of unrestrained growth, the Middle Kingdom is suffering from acute water shortages. Xinhua, the country's official press agency, is forced to admit for the first time that 60 percent of China's groundwater is so heavily polluted that it is no longer suitable for use as drinking water. China once had more than 50,000 rivers, but half of these have disappeared, sucked dry by the unquenchable thirst for water of an unprecedented wave of industrialization that has transformed the country into an economic superpower in record time.

Italy in August 2017. The government in Rome declares a state of emergency in the provinces of Parma, Piacenza, Latium, and Umbria. Even the south of Tuscany has barely seen a drop of rain since March; in parts of Campania, it’s been 18 months. The situation is so serious that in many places, all non-essential household water use is banned between 8 a.m. and 9 p.m. Even dishwashers should be used only when full to the brim, according to emergency regulations in the provinces and municipalities.

This may sound like the start of a Hollywood disaster movie, but it is far from exaggerated scaremongering. Water, the basis of all life and, according to the latest scientific findings, older than the solar system itself, is in increasingly short supply: in Africa, as you might expect, but also in countries such as the United States and China, and even in some European nations. Experts at the World Resources Institute estimate the risk of water shortages throughout the world by the year 2025.

By Stefan Schmorte

Find more on this topic in the full-length multimedia report at www.messe-muenchen.de/magazine/water
surfer Ross Clarke Jones.

of his main rivals, big wave high. The picture shows one wave ever surfed – 79 feet Garrett McNamara broke the

This is where the American bon, Nazaré is a small town as it is home to some of the in the world meet up here

Every year, the best surfers that is making big waves. THE PERFECT WAVE

lies Blue Lake, the clearest

world. Surrounded by dark the surface gleams with

green beech forests and rugged mountain peaks,

In the New Zealand Alps

262 feet, it is as clear as

the very purest distilled

superlative.

Bulls Press

Photo: Bulls Press

Children die because they do not have access to clean water or basic sanitation," says Peter Neher, President of the German Caritas Association.

And it seems as if the situation is likely to get worse. Take Lima, the capital of Peru. With ten million inhabitants, it is the driest megalopolis in the world. Thousands of people flock there every day from the surrounding mountain districts and provinces in the hope of a better life. But, on average, only a fifth of a gallon of rain per square foot falls there every year. By comparison, in Munich the figure is around 25 gallons per square foot.

Four-fifths of Lima’s wastewater flows untreated into the Pacific and the country’s rivers. One million settlers in the rapidly growing outer fringes have no access to a mains water supply or a sewage system. The people in these areas are supplied with water by the aguateros, or water tanker drivers.

A

According to forecasts produced by the Organisation for Economic Co-operation and Development (OECD), by 2030, almost 50 percent of the world’s population will live in areas with high water stress. These are regions that use more water than is available to them. "When I took up my position more than ten years ago," says Angel Garcia, Secretary-General of the OECD, "no one realized why I felt compelled to talk about water. Now everyone understands.

Experts believe the problem is now so serious that in the medium term, it could even overshadow CO2 issues. It is no surprise, therefore, that there is growing public interest in technologies for reducing resource use, protecting water supplies, and treating water. The main showcase for innovations of this kind is IFAT, the world’s leading trade fair for water, sewage, waste, and raw materials management. "Our partner exhibitions in China, India, Turkey, and South Africa have turned IFAT into a worldwide event," says Stefan Rummel, Managing Director of Messe München.

"The availability of clean water is not a problem for individual countries; it is a global challenge."

Although the United Nations General Assembly recognized in resolution 64/292 in July 2010 that access to water is a human right, seven years later, this is still more of a dream than a reality in many parts of the world. According to Caritas, a confederation of Roman Catholic relief, development, and social service organizations, 768 million people currently obtain their water supplies from contaminated sources. "Every day, 3,600 children die because they do not have access to clean water or basic sanitation," says Peter Neher, President of the German Caritas Association.

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comparison, Germany is in a much more comfortable position. According to statistics from the country’s Federal Environment Agency (UBA), only 6.6 quintillion gallons of fresh water from the total 30 quintillion gallons supplied by nature each year are used by agriculture, industry, and households. Private consumption is also at a record low level of 32 gallons per person per day, as a result of water-saving faucets, showers, and domestic appliances. But that’s not even half the truth.

"Our actual daily water consumption per capita is around 1,400 gallons, which is a much higher figure," says Martin Geiger, head of the sustainability department at the German Investment and Development Corporation (DEG). The company is part of the KfW Banking Group and finances the investments made by private companies in developing and emerging economies.

We need these 1,400 gallons each per day to manufacture all the goods that we consume on a daily basis, from cups of coffee to microchips in smartphones. Calculations by the Water Footprint Network organization show that producing a cotton T-shirt requires almost 660 gallons of water, a pound of beef more than 1,847 gallons, and four bars of chocolate weighing a total of one pound around 2,860 gallons. “It’s this virtual water footprint that makes Germany one of the largest water importers in the world,” says Geiger.

The Aral Sea in Uzbekistan is drying up. Only 50 years ago, it was the world’s fourth-largest lake, with an area of around 26,000 square miles, but now many of the ships that used to travel across it have been stranded. Our lifestyles have had a much greater impact on the shrinkage of the Aral Sea than we would like to believe. "Some of the cotton used to produce the jeans we wear, which are made in China and Bangladesh, comes from this region," explains Geiger. "This is just one example of how the global trade in water-intensive crops is forcing precious water to flow in the wrong direction from the water-poor to the water-rich regions. DEG carries out very careful checks of every investment it finances using a water-risk filter developed in collaboration with the conservation organization WWF to determine whether water-related risks have been considered to an adequate extent and to identify how water management can be improved."

German companies are managing the problem relatively well within their own manufacturing plants, both at home and abroad. It is hard to find a DAX-listed company that does not focus on the subject of water in its corporate social responsibility (CSR) strategy. For example, the total worldwide water
and seasonal challenge. We need to save water, a whole, water management is always a local every problem.

exhibitors present their most innovative world's largest shop window for the industry, contaminated, and is underpriced. At IFAT, the ready available, even though in many places, water in future."

for us to compare our different production of the situation, which will make it possible tion there in real time," says Bergmann.

ton of products within ten years), the com-

"The key consideration for us is not CO2 emissions, which benefit the climate as

"Since the government in Beijing has

water management and water treatment considerable demand for resource-efficient

overcome the water crisis. We saw con-

and visitors are looking for solutions to

The technology for doing this is al-

"I don’t think it’s a good strategy to react

of fresh water per metric

will soon be opening a new smart factory

in the consumption of fresh water per metric

tended the trade fair from a small circle of

The next IFAT takes place in Munich

Over recent years, Messe München

the aim of preserving and improving the

thoughts about using a traditional process engineering

The same applies to the event in

International responsibilities taken on by Messe München in Shanghai. "Our trade fairs are essential for international companies

in water-sensitive urban development by

earlier, 147 exhibitors from nine countries

14.8 percent in 2016 to 87 trillion gallons.

consumption of the Bayer Group fell by

in 2016, and is underpriced. At IFAT, the

A total of 8,7 quintillion gallons of precious tap water is wasted every year due to leaks. This is enough to supply New York City for 20 years. In Ger-

Algorithmic text from IFAT 2018, "AQUA MINIMALE". Illustrations created by Charles Gravette.
One of these exhibitors at Huber is a company from Barsinghausen in northern Germany, which has gained worldwide attention. With more than 9,000 systems installed worldwide, Huber is one of the world’s leading suppliers of water, wastewater, and sludge treatment systems. At the company’s headquarters, around 1,000 employees develop customized products and system solutions for the industry and the public sector.

Lake Constance in terms of about 500 times the size of a reservoir in the world, bigger or the largest freshwater lake in Europe, with a surface area of almost 585 square kilometers. At 5,387 feet, Lake Baikal in the world’s deepest lake, with a maximum depth of 1,642 meters. It supplies the water for the city of Ulan Bator, the capital of Mongolia. The Niagara Falls are made up of two waterfalls on the Niagara River, the largest of which is 168 meters wide and 59 meters high. The Ganges River is one of the most important rivers in the world, with a total length of 1,530 miles. At one of the world’s most polluted rivers, the Ganges flows into the river, making it one of the most polluted water courses in the world. The Indian government has launched its Namami Gange program to make the Ganges river clean.

Huber is one of the world’s leading companies in wastewater treatment, with a turnover of around 2.5 billion euros a year in the world water market. The company’s vision as stated in its annual report is “Inventing and managing a smart and resource-efficient world.” This is a trend that Dortmund-based company Wilo, a world leader in pump manufacturing, has been following closely. The company’s building services, water management, and industry business units had a combined turnover of 1.3 billion euros in 2016. Adjusted for currency effects, this represents an increase of almost four percent over the previous year. Wilo’s CEO Oliver Hermes has even greater ambitions. By 2020, he aims to increase the turnover of the company’s 5,000 employee worldwide to more than two billion euros. This will largely be due to the rapidly growing demand from the Asian Pacific region, particularly China, where the main driver of the company’s growth in the past five years has been. Instead of increasing the density of its cities by building new sewage treatment works and expanding existing facilities, the Chinese state is investing into building new sewage treatment works and expanding existing facilities. The Chinese state is investing.

To solve the world’s water problems, we estimate that there is a need for investment of between 400 and 500 billion euros a year in the world water market.
Although there is no shortage of water in Germany, supplying the population with water is not without its problems. Levels of nitrates in German groundwater are said to be too high, which is why the EU started proceedings against the Federal Republic in the European Court of Justice last November.

According to EU directive 91/676/EEC, member states are obliged to protect water against pollution. One liter of groundwater must not contain more than 50 mg of nitrates. However, this limit has been exceeded in many areas, largely because Germany is not only a leading industrial nation, but also the third-largest exporter of agricultural products in the world after the US and the Netherlands.

German farms are home to around 200 million cattle, sheep, and poultry. As well as eggs, milk, and meat, they produce large quantities of slurry. This is a valuable fertilizer with a high nitrogen, phosphorus, and potassium content. Unfortunately, the quantities of these substances are higher than the crops in the fields need to grow or are able to absorb, resulting in residues that seep into the soil and pollute the groundwater.

The latest report on nitrates from the German Federal Ministries for the Environment and for Food and Agriculture shows that 50 percent of the measurement sites have an increased concentration and almost one-third are above the permitted threshold. “Excessive use of fertilizers has been putting our drinking water at risk for years,” says Gerald Linke, President of the German Technical and Scientific Association for Gas and Water (DVGW). “We need to take action urgently to provide adequate protection for our most important food resource.”

German citizens need not worry that drinking tap water will harm their health. In Germany, water quality is very carefully monitored. However, the work that water companies have to do to provide clean drinking water is increasing year on year. For example, Gelsenwasser, one of Germany’s major water companies, used only 136 tons of activated carbon to purify groundwater in 2015. By 2016, the figure had increased to 567 tons. The costs of the treatment process are causing growing problems for all water companies.

A recent study by the German Federal Environmental Agency (UBA) estimates the cost of cleaning groundwater that has been polluted by nitrates to be between 580 and 767 million euros per year. Anyone who lives in the German state of Lower Saxony in the area between Meppen and Odenburg known as the “pig belt,” which has a relatively small human population but is home to at least eight million pigs, will already be seeing the effects on their water bills. In other areas, too, water prices could soon rise significantly. The UBA believes that the increase could amount to as much as 45 percent or 76 cents per cubic meter (= 264 gallons), unless the agricultural industry makes a significant change.

“Our subsidy program pays around 0.9 cents to the cost of a cubic meter (= 264 gallons) of drinking water,” says Helge-Uwe Braun, head of technology at SWM. “That’s not much. Sooner or later, the alternative would be water treatment, which would be much more costly. We believe that a forward-looking water protection policy makes more sense and is more cost-effective than an expensive water treatment process.”

The diagram shows that 50 percent of the measurement sites have an increased concentration and almost one-third are above the permitted threshold. “Excessive use of fertilizers has been putting our drinking water at risk for years,” says Gerald Linke, President of the German Technical and Scientific Association for Gas and Water (DVGW). “We need to take action urgently to provide adequate protection for our most important food resource.”

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The quality of drinking water in Munich is among the highest in Germany, while the prices paid by consumers are comparatively low.

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Cool water is an elixir of life. How-ever, according to forecasts by the OECD, demand for water will increase dramati-cally over the next few years, by as much as 50 percent by 2050. We need to use this scarce resource as wisely as possible if we still want to be splashing in the world’s fountains tomorrow.

The joy of water

THE JOY OF WATER

Several years ago, the former CEO of Nestlé, Peter Brabec-Leutmaher, warned that “If something costs nothing, then it is worth nothing. Because the cost of water is far too low, we are wasting it.” This applies not only to the Gulf States but also to countries such as the United Kingdom and the United States, where very few households have domestic water meters. Consumers do not pay for the water they consume, but instead are charged a flat-rate amount, which is often only a negligible sum.

Another problem is caused by the dilap-idated piping systems in which precious water seeps out before it even reaches consumers. While in Germany only around seven percent of drinking water is lost as a result of leaks in the mains system, in Spain, France, and Italy the figure is between 20 and 30 percent. In many developing countries, over 60 percent of water is wasted.

This is an area in which the Swiss company Georg Fischer AG (GF) and its piping systems division is involved. Its appli-cation-based complete solutions, consisting of pipes, fittings, valves, and measurement and monitoring systems, allow the company not only to renovate old piping systems, for example, in the Polish city of Lublin, but also to connect regions to the mains network where piped water had previously been un-available. One example is Sri Lanka, where a large-scale infrastructure project lasting until 2025 will provide almost 650,000 people with a drinking water supply for the first time. During the initial phase of the project, 20,000 people in the town of Ampara, some 225 miles east of Colombo, have already been connected and a total of 775 miles of pipes have been laid.

GF almost exclusively uses pipes made of plastic. Unlike metal pipes, they do not become corroded, are therefore less prone to leaks, and have a long service life of up to 100 years. Their lighter weight is also a benefit—one of the reasons why GF has been contracted to install the water piping system in the world’s tallest residential building, the World One Tower in the Indian megacity of Mumbai. “We have supplied all the piping sys-tems for the fresh water and the wastewater in World One,” says Shashank Sawant, Head of Building Technology in the sales office of GF Piping Systems in Mumbai. “Our inno-ative jointing method allows the pipes to be installed very quickly and also keeps leaks to an absolute minimum.”

If leaks are avoided, water could also help to solve water problems in many other parts of the world.

According to World Bank estimates, 8.7 quintillion gallons of precious drinking water are lost every year through leakage alone in cities across the world. That is enough to sup-ply the needs of New York City for 20 years.
A RIGHT ROYAL CONVERSATION

M I | There’s this wonderful movie scene with Leonardo DiCaprio. He is standing on the bow of the Titanic and thinking about his destination, New York. He yells out over the ocean waves: “I’m the king of the world!”

BERGER | That rarely happens to me. If it does, it’s when I’m traveling, such as on the Great Wall of China. That was a really special experience for me, especially as I was in the relatively privileged position of not having to share the moment with lots of tourists. Or when the mayor of Pudong was showing me around the Shanghai Tower, which at the time was the tallest skyscraper in the world. When you’re up in the clouds looking down at the city from above, it’s very exhilarating.

MM | And what about you, Prince Luitpold? With your background, you must feel a little bit like a king every day?

PRINCE LUITPOLD | Not at all. How does a king feel, anyway? I think people have the wrong idea about this. We should actually think of most kings as being tormented. They were constantly surrounded by their court, which meant they had hardly any personal space. It was perhaps a bit different for Ludwig II. He managed to free himself from all that, but he paid the price because it meant that people no longer understood him. Any king who stayed close to his people must have had a rather difficult life.

BERGER | I agree. This situation is not dissimilar to that of many CEOs today. They are surrounded by people round the clock, have a packed schedule seven days a week, and are basically on 24-hour standby. This kind of straightjacket means they have very little room to maneuver.

MM | All the same, Prince Luitpold, what was it like growing up as the great-grandson of Ludwig III, Bavaria’s last reigning monarch? Did you have to help out at Leutstetten Castle? Set the table and so on?

PRINCE LUITPOLD | When I was a child in Leutstetten Castle, so when Crown Prince Rupprecht was still alive, there was a court
When I was a child, the Gestapo would come to our house every six weeks. You never forget something like that, your parents being scared.

ROLAND BERGER

I started your first business when you were a student: a laundry, which you sold for 600,000 Deutschmarks once you graduated. So, from shirt-washer to practically a millionaire. Can anyone still do that these days?

BERGER: Maybe not just anyone, but certainly anyone who really wants to. In today's digital world, there are even more possibilities than there were then. There are a number of opportunities for entrepreneurs, more than ever before. Incidentally, my mother underestimated the debt I incurred for the laundry. If the business hadn't worked out, our family would have gone broke.

BERGER: In what way?

PRINCE LUITPOLD: Having a name like mine causes a few problems. It's not always easy. When I was at the elementary school in Kaltenberg, which was the most modern in Bavaria at the time, we had a visit from the Minister for Education. We were all introduced to him individually. He asked me my name, so I said: Luitpold. And when he asked me again, I repeated Luitpold. To which he said: "Stupid boy, he doesn't even know his last name." But what was I supposed to say? Prince of Bavaria? Last names can be a bit of a problem in families like mine.

PRINCE LUITPOLD: In family, we were told: Always treat people politely and decently, and never be arrogant. We never had the feeling that we were something special. We believe our role is to serve the people, not the other way around.

MM: The principle of noblesse oblige. Is that just an empty phrase these days?

PRINCE LUITPOLD: No, it's more than just an empty phrase. And I also believe that true nobility differs from adopted nobility. From people who conduct themselves badly. Nobility defines a tradition, a commitment as it were, and also a strong emotional bond with a country or region. The main thing is to have a certain amount of humility.

MM: It's not just nobility that brings certain obligations, but also entrepreneurship. In what way?

BERGER: It is the job of an entrepreneur to offer good products or services on the best possible terms and to run a profitable company. Entrepreneurs generate wealth for society by creating jobs. They have to ensure their investors are adequately remunerated, otherwise they won't find any more. They also have to abide by our value system: they must always act with decency and integrity, and be loyal to their employees, business partners, and stakeholders.

MM: This image has been tarnished over recent years thanks to the financial crisis, the dud scandals, and so on. What's going on at the top of the pile?

PRINCE LUITPOLD: These scandals are deplorable, but they are not representative of our economy as a whole. By establishing a social market economy in Germany, we have laid down the marker for the world, and there is still no English translation. It is a uniquely German achievement. Responsibility for other people is implicit in the idea of a social market economy. It is a key element of German business, and particularly our family businesses.
Beer is my core business. We produce in 15 different countries.

PRINCE LUITPOLD

They account for 75 percent of the jobs in our country and don't tend to think in terms of shareholder value and short-term profit. If this kind of company gets into trouble and asks the bank for a loan, the company CEO puts his own house up as security. It would be a shame if such small and medium-sized enterprises were to fall into the hands of hedge fund managers because of some ill-thought-out inheritance tax on company assets. Different rules would then come into play very quickly, to the detriment of all employees.

BERGER | The whole diesel affair was really stupid, no two ways about it. The idea that you could get away with defrauding the American state was just idiotic. And let's not forget that the diesel scandal was caused by a company that is more than 20 percent owned by the state of Lower Saxony. I'm not trying to apportion blame, but the greatest threat to integrity and risk of descent into corruption always seems to come from organisations that operate on the borderline between state benefaction and private efficiency.

MM | Prince Luitpold, the Nymphenburg Porcelain Manufactory makes you something of a representative of the old economy ...

BERGER | The very old economy.

PRINCE LUITPOLD | Indeed. We still produce our porcelain the same way as in 1747, which, together with the one in Mannheim, accounts for just over one percent. It is our industrial policy that has made us successful. Systematic investment in research, development, and education. In Munich, for example, we now have a biotech industry sector which, together with the one in Mannheim, is one of the biggest around. I don't believe that people are all of drinking beer at six o'clock.

MM | These days, who wants to buy a porcelain plate that takes 250 hours to make and costs 2,000 euros or more?

PRINCE LUITPOLD | Well, first of all, beer is actually my core business. We now produce under license in 15 different countries, including Indonesia and Mongolia. But to answer your question: We have 70 employees in Nymphenburg, including craftsmen who had to undergo ten years of training to really produce our porcelain the same way as in 1747, the year the manufactory was founded.

MM | Have you bought any pieces, Mr. Berger?

BERGER | We've had Nymphenburg porcelain at home for years now.

PRINCE LUITPOLD | But you definitely need more.

BERGER | For sure, but as an art collector, I prefer to buy a Damien Hirst to hang on the wall.

MM | Let's talk about Bavaria. Chancellor Angela Merkel once said in Munich: "I always like to come to Bavaria because by six o'clock in the evening you've been sitting comfortably with a beer for some time yet you still manage to be the state with the best economic performance. I don't know how you do it." Do you have an answer, gentlemen?

BERGER | I think Chancellor Merkel didn't mean her comments to be taken literally. But the reality is completely different. Agriculture, which still accounted for 25 percent of our gross domestic product in 1950, now accounts for just over one percent. It is our industrial policy that has made us successful. Systematic investment in research, development, and education. In Munich, for example, we now have a biotech industry sector which, together with the one in Mannheim, is one of the biggest around. I don't believe that people are all of drinking beer at six o'clock.

MM | I'm sure Chancellor Merkel didn't mean her comments to be taken literally. But she was referring to a certain sense of comfort and wellbeing.

PRINCE LUITPOLD | That's certainly the case here in Bavaria, because people have a strong sense of connection with the region and feel a real sense of wellbeing. Our great good fortune is that we grew up after the Second World War.

BERGER | Yes, we've now had over 70 years of peace and freedom. I'm very grateful for that, especially as I can still remember things were very different. When I was a child, the Gestapo would come to our house every six weeks. My father was arrested sometimes several times. You never forget something like that, your parents being scared. This is also one of the reasons why my foundation awards a prize for human dignity every year. It goes to people who work for freedom, tolerance, and human rights around the world.

MM | Prince Luitpold, the Nazi era was also a very dark chapter for your family ... PRINCE LUITPOLD | ... Members of my family were arrested one by one, whenever they managed to find them. Especially after the Staufenburg assassination attempt, because Crown Prince Rupprecht had been in contact with the Staufenburg family from early just before that. Word of the meeting somehow got out. Duke Albrecht and his children were arrested in Budapest. They caught my mother when she was at Lake Garda, suffering from typhoid fever. And then at some point they all ended up together in a concentration camp. They wanted to celebrate Christmas anyway, so they made things themselves. Duke Franz of Bavaria puts out a nativity scene in Nymphenburg Castle during the festive season, and this still reminds us of this time. The cardboard box in which we keeps the crib bears the words: ‘Oranienburg concentration camp, Christmas 1944, made by Mama. Duke Albrecht could never enjoy eating fried food after his time in the concentration camp, because they burned the corpses of the prisoners nearby. It put him off for life. Unfortunately, humans also have the capacity for evil.

MM | Prince Luitpold, when you look at neighbouring European countries where royal families still enjoy authority and rank, such as Belgium, Denmark, and Spain, do you sometimes feel a sense of yearning? After all, your family ruled the state of Bavaria for almost 740 years.

PRINCE LUITPOLD | 738 years, to be precise. That's a record in Europe. But no, we are doing very well with our Federal Republic of Germany. However, one can ask oneself whether, in principle, a democracy in the shape of a monarchy or a republic offers the best state system. If you look at a monarchy from the point of view of the separation of powers—a system in which the head of state remains outside party control, then this can also be good for a democracy.

BERGER | Which, of course, depends very much on the reputation of the royal family concerned. When things were very different. When I was a child, the Nazis took 250 hours to make and the bank for a loan, the company CEO puts his own house up as security. It would be a shame if these small and medium-sized enterprises were to fall into the hands of hedge fund managers because of some ill-thought-out inheritance tax on company assets. Different rules would then come into play very quickly, to the detriment of all employees.

PRINCE LUITPOLD | And at no cost. The television rights to broadcast royal events generate more money than it costs the state to maintain the royal family. The Windsors practically work for free.

MM | In your own family, Ludwig II was the real rock star among the Wittelsbachers.

MM | The age of the fairy-tale king is long gone. Yet most little girls still dream of being a princess. Why is that?

BERGER | Maybe it's the kind of art and culture that has been associated with kings for centuries. Girls are attracted to that kind of pomp and pageantry. Fairy tales also have an effect—the story of Cinderella and the glass slipper. Girls have a vivid imagination.

MM | Prince Luitpold, will you tell us what your wife said when you asked her to marry you?

PRINCE LUITPOLD | Well, what else could she have said? ‘Yes, of course!'
If you had asked a selection of small book-sellers a few years ago about the prospects for their stores, you would have got the same panicky responses. “Online retailing is destroying our business.” “Amazon and other big online stores are killing us.” “Our city centers are deserted.”

Now, most experts believe the situation is much more complex, including that of bookstores. After years of apparently unstoppable growth, online retail gradually seems to be reaching saturation point. The latest statistics from the German Retail Federation (HDE) show that Internet stores are responsible for 9.2 percent of the country’s total retail sales of 485 billion euros. In the non-food segments, the proportion is slightly higher at 13.7 percent, but the big boom seems to have come to an end. In 2016, bricks-and-mortar retailing saw an increase in earnings of two percent over the previous year. This is not what a doomsday scenario looks like.

Does this mean that the stores in our shopping malls no longer need to worry about Amazon and other online retailers? Will we be buying most things in town rather than on the Web in future? Yes and no. “Ultimately,” says HDE managing director Stefan Genth, “the most successful retailers will be those that can best combine their online and offline sales platforms.”

Most companies now understand that customers are not interested in the sales channel itself. “Customers want both,” says Michael Gerling, managing director of the EHI Retail Institute in Cologne. “They like strolling around the stores in town as well as buying something quickly on the Web.”

Multichanneling is the name of this new survival strategy: selling via all channels, from the store around the corner to the World Wide Web. German bookellers such as Hugendubel and Thalia have been marketing their products on the Internet as well as in their stores for a long time. Moving in the other direction seems to be equally easy. The best example of this is the recent acquisition by Amazon, the world’s largest online retailer, of the US organic supermarket chain Whole Foods with its 460 stores. At 13.7 billion dollars, this is by far the largest takeover in the history of the online giant.

For a long time, online stores and bricks-and-mortar retailers were bitter enemies. But that era is over. Now, each side is learning from the other—with both reaping the benefits.
Amazon CEO Jeff Bezos has not yet revealed any details of the objectives behind the acquisition. Perhaps he needs the chain of organic stores for his online food business Amazon Fresh. It is also conceivable that he hopes customers’ trust in Whole Foods as far as sustainability is concerned will rub off on its new parent company. Wherever the reason, it is a good example of an exclusively online retailer leaving behind its roots and suddenly moving offline.

Hawesko, Germany’s largest premium wine and champagne merchant, based in Hamburg, is taking a similar approach. Some time ago, it opened a cool wine store and wine bar in the heart of Hamburg’s St. Pauli district. The product range is taken largely, but not exclusively, from the company’s online catalog. “We want to show that Hawesko is a cutting-edge retailer and popular with young wine drinkers,” explains Nikolaus von Hauwig, a member of the Hawesko management board. For him, this obviously includes not only a Web presence, but also bricks-and-mortar premises.

Both the online and offline worlds have their own specific advantages. Accordingly to a consumer survey carried out by the German E-Commerce Trade Association in collaboration with credit assessment firm Crediteform Boniversum, online retailing does particularly well when bricks-and-mortar stores are closed. For example, in the textile segment, Web retailers earn almost 90 percent of their revenue on Saturdays and Sundays after their offline competitors have shut their doors.

For example, in the textile segment, Web retailers earn almost 90 percent of their revenue on Saturdays and Sundays after their offline competitors have shut their doors. By contrast, main street stores benefit from a quite different type of immediacy. Customers like to touch and feel many products before they buy, in particular, those made from natural materials such as wood, leather, or wool. Despite the progress made in the field of virtual reality, online retailers have not yet found a solution that can meet customers’ needs in this respect. A pair of new leather shoes can only be experienced in full at a real store.

The lesson to be learned from this is relatively simple. Companies that can offer their customers both things—shopping at all times of the day and night and the emotional experience—will be in a good position to maximize their future sales.

The Berlin-based e-commerce giant Zalando aims to go one step further. “We want to be the Spotify of the fashion world,” says head of German operations Moritz Hau. His plan is to develop an operating system for fashion retailing. For example, he believes that someone who wants to buy a red cashmere sweater in size 40 does not care which retailer or which online warehouse supplies the knitwear. The only important thing for the customer is to receive the sweater as quickly as possible without a time-consuming search in shopping malls or on the Web.

This is precisely where Zalando comes in. With its platform strategy, it will be the ideal partner for everyone, from acquiring customers and retail marketing through to dispatching the goods, if necessary, by courier from the store directly to the customer’s front door and, of course, packaged in the familiar orange boxes. The basic idea behind this ambitious plan is to integrate the bricks-and-mortar retailers into the business model instead of competing with them.

In our modern economy, it is more important than ever for retailers to move away from the old approach to sales based on one specific channel. Customers have never been as well-informed as they are today. It has never been easier to gain and lose a buyer in just a few seconds. The most successful sales strategy of the future will no longer be based on the opposition between online and offline. Instead, it will focus on what has always been the most important factor for both sides: commerce.
»WE HAVE A VERY SPECIAL RESPONSIBILITY«

BY STEFAN SCHMORTE | PHOTOS: ROBERT BREMBECK

Messe München CEO Klaus Dittrich talks about the importance of values, the contribution made by the company to Munich as a business location, and the moral of the honorable salesman

M | Klaus Dittrich, companies must make a profit. Why is it important for them to have other values as well?

KLAUS DITTRICH | It goes without saying that businesses must be profitable, but at some point, it is important for them to take stock and ask themselves what they stand for. Values are a formal framework for the company’s activities and help it to distinguish right from wrong. For this reason, we have not imposed our values from above. Instead, we have worked together with all our employees to formulate them. You cannot simply specify some values; they need to make their way into the hearts of the employees.

M | Trust, team spirit, dedication, responsibility, and innovation: These are the values that Messe München has given itself. Which of these is most important to you personally?

DITTRICH | Definitely responsibility. Some of our customers invest millions of euros in staging an exhibition for four, five, or six days. We need to take responsibility on behalf of our customers, but, of course, also on behalf of our shareholders, our employees, and society as a whole.

M | Other companies have very similar values, such as integrity or reliability. What is special about these values if everyone is saying the same thing?

DITTRICH | Messe München isn’t just any company. It is owned by the Free State of Bavaria, the City of Munich, and the local chambers of trade and commerce. In a certain sense, it belongs to the citizens of Munich. I think our ownership structure gives us a very special responsibility. In addition, our sustainable business model helps us on the international stage. During the acquisition process for trade fairs in other countries, we have found on several occasions that our competitors, some of which are listed on the stock exchange, have put much larger amounts of money on the table. But when customers opt for our offer, it is because they see us as a highly reliable and trustworthy partner. This shows that our values have a genuine financial impact.

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M | Making Munich more attractive as a business location and contributing to public well-being are the two challenges that the company has set itself, in addition to the values we already discussed. How would you sum up what has been achieved so far?

DITTRICH | We commissioned the Leibniz Institute for Economic Research to identify the effects that the activities of Messe München have had. The hotel and catering sectors, taxi drivers, and retailers in the area all benefit from trade fairs and congresses. This amounts to around 2.6 billion euros per year, and in the years when we hold Bauma, the construction trade fair, it can be as much as 3.6 billion. This means that every euro we earn can bring an additional ten euros into the region. As a result, Messe München with its 750 employees makes a significant contribution to the local economy.

M | What about the company’s own figures?

DITTRICH | In 2016, our revenue exceeded the 400-million-euro mark for the first time, reaching 428 million euros. It was a record year. This means that we have been in the black for seven consecutive years and haven’t had to rely on financial support from our shareholders. As part of our Strategy 2021, we aim to achieve an average annual turnover of 420 million euros over the next five years, both in Munich and on the international stage, which is where we currently believe there is the greatest potential for growth.
A company’s failure to live up to the values it has set for itself can lead to huge financial damage.

The Value Pioneer

Klaus Dittrich was born in 1955 and has been chairman of the board of Messe München GmbH since January 2010. He has a degree in German studies and political science, and before joining Messe München, he had a seat on Munich’s City Council and was a member of the Bavarian senate. He is married, has two adult children, and in his spare time enjoys hiking in the mountains and motorbiking.

That sounds like the old saying, “We learn from our mistakes.” By Christian Brunschede

Stefanie Mändlein has been the project manager for Inhorgenta since 2015. She orchestrated the event’s turnaround, restoring the jewelry trade fair to its former glory and lending it new glamour.

Glittering

Platinum, gold, and diamonds. When the jewelry, precious stone, and watch industries present their latest treasures at Inhorgenta, the halls of the Messe München exhibition center fill with glitz and glamour. However, the event itself, Germany’s main meeting place for these industries, had lost some of its importance over recent years.

Exhibitor numbers fell by over 20 percent between 2013 and 2016. Long-term customers such as Fossil suddenly decided not to attend and visitors also increasingly stayed away. It was almost as if the world of pearls and precious stones had become less fashionable.

Until Stefanie Mändlein took over the project management, “Caustic consumer spending,” falling revenues in China and the competition of e-commerce put the industry under a considerable amount of pressure,” she says. “Against this background, many of our customers had second thoughts about attending.”

“A trade fair won’t be successful unless you conduct intensive discussions with customers and partners, take their wishes and needs into account and realize these with your own ideas,” says Mändlein.

Mändlein did both of these things. She introduced new hall concepts, improved the presentation options, and made the accompanying events more attractive, all of which laid the foundations for the turnaround. She was convinced from the start that the trade fair itself had by no means outlived its usefulness. “Particularly at a time when..

We are overwhelmed with information and offers, Inhorgenta is the ideal communication platform,” she says. “The majority of business is still done through personal contacts. People want to get to know one another.”

Inhorgenta is now the perfect place to do this. As the revamped shows, top international models like Nadja Auermann present couture jewelry embellished with diamonds and other precious stones from companies such as Escada. The jury for the newly-established Inhorgenta Awards, which go to the best of the best in six categories, is made up of prominent figures from the fashion world, for example, designer Michael Michalsky. At the Inhorgenta Forum, industry experts provide their audience with food for thought: In February, former Google manager Jeremy Tai Abbett gave a presentation on the shop of the future. The Inhorgenta Transfatory series of fairs in Hamburg, Düsseldorf or Frankfurt have also proved their worth as discussion platforms for the industry.

“These innovations have significantly increased our media presence and given the trade fair greater emotional appeal,” says Mändlein. This is what motivated her to launch another event, known as Fusion: a jewelry and watch show deliberately aimed at a small group of around 60 premium exhibitors that will take place for the first time in fall 2018 in Berlin. The aim is to make this event the permanent second high point of the year.

“We feel very positive about how things are going,” says Mändlein, and she knows she has the figures to back her up. In 2017, Inhorgenta saw a significant increase in both exhibitor and visitor numbers. And one old friend returned: the watch and jewelry supplier Fossil.

Back to the Future

The next Inhorgenta takes place from February 16 to 18, 2018. By the end of July, the number of exhibitors registered for the event was already ten percent higher than in 2017.

(by Christian Brunschede)

Photo: Regina Recht

Stefanie Mändlein orchestrated Inhorgenta’s turnaround as project manager for Messe München.

Messe München Magazine
THE WONDERS OF TECHNOLOGY

BY FLORIAN SEVERIN

AUTOMATICA, ELECTRONICA, AND PRODUCTRONICA ARE THREE OF THE MOST IMPORTANT TRADE FAIRS IN THE FIELD OF TECHNOLOGY AND ALL THREE ARE STAGED BY Messe München. Exibition organizer Falk Senger describes the advances made in the technology industry.

The technology was breathtaking, the best that engineers had ever developed. When 39-year-old Neil Armstrong stepped onto the surface of the moon on July 21, 1969, the first person ever to do so, NASA’s control center team celebrated the success of their Apollo Guidance Computer (AGC), the world’s first electronic brain with an integrated circuit. The computer could run up to seven processes simultaneously, which were weighted according to their priority. This was a milestone in the field of electronics and the moon landing would have been impossible without it.

And today? Every calculator used by six-year-old school kids has more computing power than the AGC, on board Apollo 11. An iPhone 6 could simulate 120 million moon landings—simultaneously, of course. And its weight is only a fraction of the 71 pounds that the machine used by the astronauts measured.

“It’s fascinating, isn’t it?” This is a sentence that Falk Senger often uses when he talks about the rapid advances in modern technology. He is Managing Director in charge of Messe München’s technology trade fairs, including Automatica, Electronica, and Productronica. Through his regular contact with the companies that exhibit at these shows, he has learned a lot about the latest technological developments. And yet he is still amazed when he attends each trade fair at how the technology industry is constantly revolutionizing business and society in such short periods of time.

“I find it very interesting, for instance, that 88 percent of the innovations in cars are now driven by microelectronics and software. I don’t think many people are aware of that,” he says. “In the past, cars consisted largely of mechanical components like pistons, con rods, and crankshafts. Now, it is increasingly the microprocessors, sensors, and artificial intelligence systems that are leading to more fuel-efficient engines, improved safety, and smarter driver assistance systems. And in the future, they will enable autonomous driving. It’s fascinating, isn’t it?”

Another key aspect of Senger’s trade fairs is the constantly growing efficiency and personalization of production processes. Increasingly, intelligent networked machines are revolutionizing our factories. They have more compact circuits that can perform more complex computing tasks and ultimately will be able to take on more of the work currently done by people. “Already, we are letting machines do some of the thinking for us,” says Senger.

It is obvious that difficult computing tasks of this kind require not only more compact but also more complex microprocessors, but how far can we go? Gordon Moore, co-founder of the chip manufacturer Intel, formulated a law in 1965 which states that the complexity of integrated circuits will regularly double while their manufacturing costs fall by half. However, in 2007, he declared that this process was coming to an end. He forecast that the trend would be over in ten to 15 years at the latest.

As the advances in computing power already reaching their limits? Will be focusing on maintaining the status quo in the near future, instead of pushing ahead with further developments? Falk Senger doesn’t believe that Moore’s Law will become obsolete any time soon. “The efficiency and performance of microprocessors are still improving in giant leaps. I see this every year at our trade fairs,” he says.

However, Senger is more cautious about the subject of miniaturization. “There may be physical limits to the developments in this area until new research allows for the next technological step forward,” Industry 4.0, the Fourth Industrial Revolution, and the Internet of Things would have been mere experimental ideas if the exhibitors at Automatica, Electronica, and Productronica had not continued to develop the technologies behind them and to present their products to an industry audience.

“The solutions that exhibitors put on show at our trade fairs cover all areas of society,” says Senger. “Digitization is coming, whether we want it or not, and it will dramatically transform our lives over the next few years.” It will also bring changes for Messe München. In five years’ time, the company aims to earn five percent of its revenue from digital business models. This is an ambitious goal, but the management board is convinced that it is achievable.

Every day, Senger also has personal experience of the advances made in digitization, for example, when he gets into his car on his way to work. “I find it fascinating that I know which route to the office is least likely to be congested as soon as I switch on the engine.” You could say that it’s almost as fascinating as a flight to the moon used to be.

TECH TIMES THREE

AUTOMATICA is the leading trade fair for intelligent automation and robotics. In 2016, it had 43,000 visitors and 833 exhibitors from 47 countries. The next Automatica takes place from June 19 to 22, 2018.

ELECTRONICA is the leading trade fair for electronic components, systems, and applications. In 2016, it had 73,451 visitors and 2,913 exhibitors from 50 countries. The next Electronica takes place from November 13 to 10, 2018.

PRODUCTRONICA is the world’s leading trade fair for the entire value chain of electronics development and production. In 2015, it had 37,191 visitors and 1,161 exhibitors from 40 countries. The next Productronica takes place from November 12 to 15, 2019.

THE MICROCHIP MANAGER

Falk Senger, born in 1969, has been Managing Director of the international technology trade fairs at Messe München since 2015. Before that, he was head of the internal services business from 2010 onward, which includes the central purchasing, finance, legal, and domestic shareholding departments. After completing high school in Caracas and studying law in Munich and Passau, he spent 14 years in different roles within the Bavarian state government.
Initially, it was just a spontaneous idea. When CEO Klaus Dittrich and five members of his management team from Messe München went on a reconnaissance trip to Silicon Valley in October 2016, one of the managers offered to set up a blog about their journey, provided each of them wrote at least one post during their stay in the United States. Now, those involved in "Valley69" have grounds for celebrating the success of their idea, because they have won the 2017 German award for online communication in the "Best Blog" category, in the face of stiff competition. "The blog allowed us to take colleagues and customers with us on our trip," says Holger Feist, Chief Strategy Officer at Messe München. "Ultimately, the success of the blog was due to the fact that we wrote honest reports about our experiences at Google, LinkedIn, and Salesforce."

**AWARD-WINNING BLOG**

**AMONG THE TOP TEN IN THE WORLD**

Messe München remains one of the top trade fair organizers in the world. The company has consolidated its leading position as a result of its record turnover of 428 million euros in 2016. A recent survey carried out by the Association of the German Trade Fair Industry (AUMA) shows that Messe München is the trade fair organizer with the sixth-highest turnover worldwide and that it is in third place, after Frankfurt and Düsseldorf, in the German rankings. "We should be very proud of our success," says Klaus Dittrich, Chairman and CEO. He believes that three key factors have helped the company to achieve this success:

- A judicious internationalization strategy that involves developing the company’s activities in the world’s main growth regions.
- Of course, we won’t rest on our laurels," says Dittrich, "because the competition on the international stage and the digitization process involve both opportunities and risks." But he believes that the opportunities for Messe München clearly outweigh any dangers: "We are in an excellent position and we are determined to make the most of these challenges in order to strengthen our international standing even further."

**GLOBALIZATION MADE IN MUNICH**

With over 50 of its own trade fairs revolving around capital goods, consumer products, and new technologies, Messe München is one of the world’s leading trade fair organizers. With a network of affiliated companies in Europe, Asia, Africa, and South America as well as some 70 foreign agencies in more than 100 countries, Messe München is represented around the globe.

**4,000 TREES TO HELP FIGHT CLIMATE CHANGE**

A major reforestation project organized in Turkey by IFAT Eurasia and its exhibitors is helping to protect the environment. Since February, they have been sponsoring the new IFAT Eurasia Memorial Forest, which consists of 4,000 trees planted on an 11-acre site in the province of Balikesir: a visible symbol of the fight against climate change. The project is supported by the Turkish Foundation for Combating Soil Erosion, for Reforestation, and the Protection of Natural Habitats (TEMA), the largest Turkish environmental NGO. This reinforces Messe München’s goal not only of setting up an important environmental platform in the region in the form of IFAT Eurasia, but also of making its own contribution to a greener future.

**MEETING IN TURKEY**

On February 18, 2017, IFAT Eurasia came to an end in Istanbul with new record figures. A total of 230 companies from 18 countries exhibited their products and services at the trade fair, and more than 11,300 visitors from 66 countries attended.

**IN VINO VERITAS**

Münich, which is known as 'Italy’s northernmost city,' has now moved a little closer to its southern neighbors. For the first time, Munich’s Drinktec, the world’s leading trade fair for the beverage and liquid food industry, organized a joint event in mid-September with Simex from Milan, Italy. Messe München's top exhibition for winemaking and bottling machinery. Every four years, the new partners will hold an exhibition together in Munich. "Almost half of the exhibitors at Drinktec offer solutions for the wine industry and this will give them access to more potential customers," says Reinhard Pfeiffer, Deputy CEO of Messe München. "In addition, the international nature of Drinktec will benefit the exhibitors at Simex."

**GERMAN-ITALIAN FRIENDSHIP**

The next Drinktec will take place in September 2021 and will once again include Simex, which in future will alternate between Munich and Milan every two years.
Real estate is still booming. This was also illustrated by the large number of visitors and exhibitors who flocked to Expo Real. From October 4 to 6, the B2B trade fair for real estate and investment turned the spotlight on the latest market trends and looked ahead to the future.

The conference program focused on topics related to trends and innovations.

MOVERS AND SHAKERS

The Real Estate Innovation Network provides technology start-ups and established companies with a platform to debate digital trends and developments in the real estate sector.

AWARDWINNER

The Logix Award 2017 went to ECE Projektmanagement GmbH & Co. KG for its work on the STILL logistics center in Hamburg. Right: Klaus Dittrich at the Logix Awards 2017.

The Real Estate Innovation Network provides technology start-ups and established companies with a platform to debate digital trends and developments in the real estate sector.

Left: Nobel Prize winner Joseph Stiglitz.

SUMMIT MEETING

Bavaria’s State Secretary of Economic Affairs Franz Josef Pschierer (top right) celebrated the SIMEI@drinktec partnership by inviting selected guests to a reception at the Munich Residence.

The guests included (from left to right): Anna Abbona, Ernesto Abbona (President of the Italian Wine Federation), Dr. Bernhard Widmann (Director of Straubing Technology and Support Center) and Messe München Managing Director Dr. Reinhard Pfeiffer.

Photo top left: Stephan Hilbrandt, winner of the Championship of Beer Sommeliers.

“FRAUEN VERBINDEN”

WOMEN’S NETWORK

All good things come in threes: On September 20, the high-level Women’s Network met for the third time at Messe München to enjoy breakfast at the Oktoberfest. A total of 150 top names from the worlds of science, media, business, politics, and culture came together in the Käfer Wiesn-Schänke.

INNOVATION JOURNEY

Bits & Pretzels, a festival for start-ups, provided an opportunity for an exclusive group of executives from DAX-listed and mid-tier companies to head out on an exciting adventure—the Innovation Journey. The aim of the mobile think tank was to learn more about the ideas of tomorrow. From September 24 to 26, a series of lectures, workshops, and site visits led the participants to several locations in Munich, including start-ups and development laboratories.

A JOURNEY INTO THE FUTURE

The brainchild of the ‘Frauen Verbinden’ network and Plan W, the Innovation Journey took guests to visit start-ups at the ‘UnternehmerLUM Maker-Space’ in Munich (above). Bavaria’s State Minister of Economic Affairs Ilse Aigner (center) at Bits & Pretzels.

WOMEN TAKE THE LEAD

Margrith Dittrich (left), Monika Dach (right), and Clarissa Käfer (center) invited guests to a Bavarian breakfast at the Oktoberfest.
Messe München is represented in the world’s most important growth markets. Alongside Munich, this includes China, India, Turkey, Brazil, Africa, Russia, Iran, and Vietnam. The Messe München portfolio includes more than 50 of its own events, with 21 held at its premises in Munich and 35 abroad. Here are the trade fairs that will take place worldwide in the first half of 2018.
OUT IN THE COUNTRY
If you want to take a trip with scenic views and fresh country air, you don’t have to venture far from Munich. Just outside the city is Aying, an idyllic, quintessentially Bavarian village. After taking a walk through its picturesque streets or playing a game of skittles at the historic bowling alley, pay a visit to the Brauereigasthof Aying, a brewery and inn that has belonged to the same family for seven generations. The private brewery sources all its ingredients from the local area and has been brewing in accordance with the German beer purity law for over 130 years. You can also take a guided tour of the brewery or brew your own personal beer with the help of the beer sommelier.

BRAUEREIGASTHOF HOTEL AYING
ZORNEDINGER STRASSE 2, 85653 AYING

ART CAN DO MORE
“Here I am Man, I dare it to be.” Anyone interested in Faust will want to take a look at Gasteig’s upcoming program of events. Why? Because from February 23 to July 28, 2018, Germany’s largest cultural center will be holding a wide selection of theater performances, concerts, exhibitions, and much more centering on the literary figure Faust. During this time, Gasteig will take center stage in the city-wide Faust! festival, where Goethe’s drama can be experienced with all the senses. Numerous projects and events endeavor to come to terms with this literary work while proposing creative variations, making this celebrated work accessible in new ways. Festival partners are not only from the cultural scene, but also come from Munich’s restaurant, retail, and hotel industries.

FOLKLORE 2.0
Fashion never stands still and the same is true of historic Bavarian dress. That’s why Münchner Manufaktur specializes in traditional clothing with a modern touch. In their stylish store, Birgit and Maximilian Oberbigler sell contemporary Tracht for men and women that the company makes itself. There are no kitsch or clichés here: The dirndl skirts, jackets, and frock coats are designed for everyday wear. The current collection includes a loden women’s coat with a relaxed cut that reveals its traditional, rustic charm only on closer inspection.

MÜNCHNER MANUFAKTUR – FEINE TRADITION
INNERE WIENER STRASSE 54, 81667 MUNICH

KUNSTHALLE DER HYPO-KULTURSTIFTUNG
THEATINERSTRASSE 8, 80333 MUNICH

INSIDER TIPS: MUNICH FOR CONNOISSEURS
Insider tips can often transform a purchase or meal into a special occasion. These five suggestions will ensure you are well equipped for your next stay in Munich, ready to see the city with new eyes.

BY KATARINA BARIC AND FLORIAN SEVERIN

KUNSTHALLE DER HYPO-KULTURSTIFTUNG
THEATINERSTRASSE 8, 80333 MUNICH
WINE TASTING

A place with surprises, even for wine connoisseurs. The extensive and constantly changing selection of wines at the Grapes wine bar in the Cortina Hotel comes with a catchy slogan: Wine must be fun. This is why you will find products from young winemakers, unconventional grape varieties, and some genuine rarities. But it’s not only wine experts who will feel at home at Grapes. Newcomers to wine and occasional drinkers will also be made to feel welcome by expert sommeliers Stefan Grabler and Markus Hirschler. On the first Friday of each month, the two men hold their Big Bottle Battle, much to the entertainment of guests. Each sommelier brings a rare magnum and allows the guests to taste the wine, who then vote to choose the winner.

GRAPES CORTINA HOTEL
LEDERERSTRASSE 8, 80331 MUNICH

CLEANSING AND CONTEMPLATION

Relax in the waters of the Mizu Onsen spa at the Hotel Bachmair Weissach, which combines Japanese-style hot springs with cold water from Lake Tegernsee. Moving between the different temperatures can improve your physical health, but it will also benefit your soul. The extremes of temperature (from 36 degrees to nearly 108 degrees Fahrenheit) stimulate an intense self-awareness, encouraging reflection. Guests can also practice deep breathing, something that is often forgotten in our busy lives. The Mizu Onsen spa has special retreat rooms for this purpose, which are perfectly silent except for the gentle murmur of your own breath. The hotel rooms and the spa can be booked separately, but there is also a range of different packages that deliver a complete experience, including an overnight stay, spa treatments, and other activities.

HOTEL BACHMAIR WEISSACH
WIESSEER STRASSE 1, 83700 WEISSACH

MORE SPACE FOR YOUR IDEAS

The BMW Group Event Forum is the first-choice venue for event hosts with high expectations. With BMW Welt, the BMW Museum, and the new BMW Group Classic spaces in close proximity, we are able to offer you an exclusive and generously proportioned event architecture together with the accompanying infrastructure needed for hosting high-calibre events. Top-class catering provided by Küffer (for BMW Welt) and Koch & Kompanie (for the BMW Museum and BMW Group Classic) ensures your guests enjoy the very finest in culinary delights too. No matter whether it’s an awards ceremony in the adaptable BMW Welt auditorium, a fashion show in the BMW Museum or an exclusive reception in the historical industrial building that is home to BMW Group Classic, we organise truly unique experiences with individual service in accordance with your exact requirements.

Find out more by going to bmw-welt.com, contact us directly by email at eventforum@bmw.com or by phone at +49 (0)91 38 25 72 82.
LOCAL STYLE

FORERUNNER
The Munich label VOR sets new quality standards with sneakers that are handmade in Germany. The design of the A-1 sneakers is so sleek that they can even be worn with a suit. 338 euros, available from Oberpollinger or at vor.shoes.

THE ART OF BREWING
NOAM lager is a sign of good taste: light, dry, and with the looks to appeal to modern aesthetes. It is brewed in accordance with the Bavarian beer purity law. 21 euros for three bottles, available from Feinkost Käfer and at noam.beer.

MANN’S MANUSCRIPT
Clever thoughts need good paper. Thomas Mann chose stationery made by Franz Anton Prantl, which is still available to style-conscious writers today. 19.90 euros for 50 sheets, available from Ludwig Beck.

LOST AND FOUND
The keeper from Munich company Gigaset can be attached to your key ring or to other valuable items and allows you to find them using an app and Bluetooth. 49 euros for three, in specialist stores and at gigaset.de.

HIGH-TECH

A SOUVENIR

MUNICH LOVE

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