

## History

### The Development of CeBIT (Hannover Germany)



CeBIT is the world's largest trade fair showcasing digital IT and telecommunications solutions for home and work environments. The key target groups are users from industry, the wholesale/retail sector, skilled trades, banks, the services sector, government agencies, science and all users passionate about technology. CeBIT offers an international platform for comparing notes on current industry trends, networking, and product presentations. Deutsche Messe AG has organized CeBIT in Hannover each spring since 1986.

Throughout the past 20 years, thousands of suppliers and users from all over the world have come together every year in the early spring at CeBIT in Hannover, Germany. Looking back, the birth of CeBIT on 12 March 1986 was the outcome of a long and complicated decision-making process. The computer industry had become a key feature of the HANNOVER FAIR and had contributed to its unique status as the world's biggest trade show for capital goods. However, the computer exhibitors were having to contend with an increasing number of non-specialists at their stands.

### Growth from 1950 to 1984

By the late 1950s the "office equipment industry" (as it was then called) already ranked as the third largest exhibitor group at the HANNOVER FAIR. The Fair reflected the "electronics boom" in the 1960s and provided the launching pad for numerous technological highlights. In 1965, for example, Heinz Nixdorf (who was later to become one of Germany's best known entrepreneurs) presented his legendary 820 universal computer.

In 1970 Deutsche Messe AG underscored the importance of office equipment at the HANNOVER FAIR when it opened the new Hall 1 adjacent to the northern entrance of the exhibition site. This massive building complex consisted of three levels: an underground garage with parking space for 2,000 exhibitors, a ground-floor exhibition hall covering a total area of 70,300 square meters, and a roof level with 750 prefabricated business suites. In 1984 Hall 1 found its way into the Guinness Book of Records as the "world's largest single-storey exhibition hall".

### Finding a name

The inauguration of the new hall coincided with the search for a new name for this exhibit category. One suggestion was "CeBOT" – from the German acronym for "Centrum für Büro und Organisationstechnik" "Literally Center for Office and Organization". Ultimately, however, the Exhibitors' Advisory Committee decided in favour of "CeBIT" from "Centrum für Büro und Informationstechnik" (Center for Office and Information Technology). The second syllable's apparent allusion to "BIT" (as the smallest unit information processed by Computers) was not at all intended, but ultimately turned out to be a very fortunate coincidence, especially in view of the upwind experienced by electronic data processing in the Seventies, and even more so in the Eighties, when the ranks of the HANNOVER FAIR's exhibitors swelled with huge numbers of PC manufactures.

Nevertheless, in 1970 no one could have foreseen the extent to which the data processing market would divide into more and more segments and grow at a breathtaking rate. The gigantic capacities in Hall 1 were soon exhausted. At the end of the 1970s Deutsche Messe AG decided to allocate Halls 2 and 18 to CeBIT. At the beginning of the 1980s CeBIT expanded once again – this time into Hall 3. However, this was just a drop in the ocean. More and more data processing and software companies – not to mention the growing group of PC manufacturers – wanted to use CeBIT as a presentation platform. The original "Center for Office and Information Technology" had now become the "World Center for Office, Information and Communications Technology".

## CeBIT as a separate event in its own right

Nevertheless, numerous potential exhibitors were still excluded from CeBIT for the simple reason that Deutsche Messe AG was unable to offer them stand space. In 1980 the product category “information and communications technology” at the HANNOVER FAIR was outranked only by electrical engineering in terms of the number of exhibitors. In spite of the allocation of additional halls it was not possible to reduce the long waiting lists. Likewise it was impossible to meet the demand for additional stand space on the part of established exhibitors. A split between CeBIT and the HANNOVER FAIR appeared inevitable.



In November 1984 Deutsche Messe AG finally announced that, with effect from 1986, the trade show HANNOVER FAIR CeBIT would take place as a separate event in March, followed one month later by HANNOVER FAIR Industry. This was not an easy decision. It was preceded by months of discussion with the chief executives of the major exhibiting companies and their industrial associations. The debate centered on the way the market was likely to develop and the potential risks involved. The most important question was: “What happens if we do nothing?”

## Controversial discussion of the split

In 1985 the last “amalgamated” HANNOVER FAIR underlined the urgent necessity of regrouping CeBIT as a separate entity. Compared with 1970 the number of IT exhibitors had increased two-fold to 1,300 – and a further 870 companies were on the waiting list. The rented stand space had grown two and a half times to 130,600 square meters, while the number of visitors had risen almost fivefold – to 293,000. With almost 7,000 exhibitors and over 800,000 visitors, the 1985 HANNOVER FAIR had reached its absolute capacity limits.

The decision to create a separate trade show for exhibitors of office, information and communications technology was far from being an uncontroversial one. At the 1985 HANNOVER FAIR the separation of CeBIT was the number-one topic of discussion. The pros and cons were still being hotly debated in the immediate run-up to the CeBIT premiere in 1986. The advocates of the split pointed to the extended exhibition space and improved infrastructure. The opponents argued that an independent CeBIT devoid of an industrial background would lose some of its appeal.

## The debut of CeBIT in 1986

Exhibitors, visitors and Deutsche Messe AG thus looked forward to the CeBIT premiere with a mixture of suspense and trepidation. The moment of truth came on 12 March 1986, when 2,142 exhibitors presented their products, systems and services on a net display area in excess of 200,000 square meters. In 1986 the display category “Telecommunications” was included in the CeBIT line-up for the first time – with a “modest” 190 exhibitors.

With 334,400 visitors the first independent CeBIT got off to a very good start. Nevertheless, the debate about the split continued for a number of years. After all, it was the most momentous decision ever taken by Deutsche Messe AG and one of the biggest operations ever carried out in the international trade fair industry. CeBIT soon carved out a stronger and stronger position in the trade fair market, due in no small part to continuous refinements to the concept by Deutsche Messe AG. The major display categories became ever more clearly defined, and exhibitors took advantage of the increased space capacity to present their products at larger stands and in more than one hall.

## **The CeBIT success story**

CeBIT rapidly developed into the largest and most important IT event of the year. The number of exhibitors and visitors increased continuously despite freak weather conditions on two occasions. Two days before CeBIT '87 opened its gates, a sudden blizzard swept over the city of Hannover, leaving one meter of snow in its wake. The show nonetheless got off to a punctual start thanks to the tireless efforts of countless helpers. "SnowBIT", as the fair came to be called, attracted 406,474 visitors.

By the beginning of the 1990s CeBIT had achieved the ultimate international breakthrough. Although the IT industry was weathering a heavy recession and several established universal suppliers were forced to carry out far-reaching internal restructuring measures, this did not have a negative impact on CeBIT attendance figures. Data processing strategies such as client-server computing, outsourcing and data warehousing came to the fore. Thousands of visitors flocked to Hannover to find out about the latest developments in these areas, as well as in the field of network computing, multimedia and the Internet.

Now completely devoted to CeBIT, the Hannover Exhibition Center was still becoming more and more cramped, even though Deutsche Messe AG had begun to replace some old exhibition halls with new buildings. The waiting list of companies wanting to take part in CeBIT continued to grow longer, and the halls were full to overflowing. As a setting conducive to in-depth discussion among IT professionals, the show was becoming less and less effective. With over 6,111 exhibitors and more than 755,000 visitors (including over 100,000 from abroad) CeBIT '95 seamed its reputation as a "mega-event". But in view of its growing appeal to the interested public, as well, CeBIT ran the risk of losing its professional character. By 1995 the number of attending non-professionals had risen to 218,000 – 29 percent of total attendance.

## **The "reprofessionalization" of CeBIT**

If CeBIT was to retain its business character it would have to be "reprofessionalized" and attendance by non-professionals reduced. As a first move, admission prices were raised significantly. Secondly, the duration of CeBIT was reduced to seven days in line with exhibitor wishes. In addition, Deutsche Messe AG announced the creation of a new show targeted at distributors, SOHO (small office, home office) customers and private users of PCs, multimedia and the Internet. Called "CeBIT HOME, the World of Home and Consumer Electronics", this offshoot was scheduled to take place every two years as of August, 1996.

The premiere of CeBIT HOME in 1996 attracted 632 exhibitors, who occupied 52,248 square meters of display space. 215,000 visitors attended the event. In 1998, CeBIT HOME brought together 586 exhibitors on a display area of 48,370 square meters. Visitor attendance stood at 175,000. CeBIT HOME 2000 was scheduled to take place in Leipzig in order to make way for the World Exposition EXPO 2000 in Hannover. However, the event was ultimately not staged due to a lack of sufficient exhibitor response.

CeBIT attendance by non-professionals has declined steadily since 1996, today amounting to just under 12 percent. Accordingly, industry professionals account for over 88 percent of the show's visitors.

For many years now, CeBIT has been the unrivalled international showcase for IT, telecommunications, software and services. With 6,146 exhibitors occupying a total rented space of about 308,000 square meters, CeBIT 2005 once again underscored its standing as the largest trade show of any kind, anywhere in the world. CeBIT can also lay claim to attracting more exhibitors from abroad than any other trade show for the ICT industry namely about 3,300 exhibitors from 68 different countries.

## **CeBIT abroad**

The success of CeBIT in Hannover has prompted Deutsche Messe AG to market the CeBIT concept outside Germany using the slogan "CeBIT Worldwide Events". On the basis of custom-made trade fair concepts and trade fair know-how "made in Hannover", Deutsche Messe AG helps clients engaged in international activities to gain a foothold on selected foreign markets which boast obvious business potential. Following a thorough analysis of the market, the CeBIT concept was realized via the establishment of new trade shows as well as by taking over or participating in existing events. Whereas CeBIT in Hannover attracts top-level management from all over the world, trade shows abroad can also reach additional interesting target groups, such as middle management. In 1999 the decision was taken to create international offshoots of CeBIT, but with the proviso that only one such event be staged on any given continent. Of strategic benefit in this connection is the vast 15-year experience and know-how gathered by Deutsche Messe AG in the realization of trade shows abroad.

CeBIT Events now also take place in Istanbul, Turkey (CeBIT Bilisim Eurasia plus CeBIT Broadcast Cable and Satellite) and in Sydney, Australia (CeBIT Australia).