



Subject: Approval for Out-of-Country Event Attendance – Hannover Messe 2025

Report Number: EDM 25-004

Department: Economic Development Department

Submitted by: Cephas Panschow, Development Commissioner

Meeting Type: Council Meeting

Meeting Date: Monday, February 24, 2025

RECOMMENDATION

- A. THAT report EDM 25-004 Approval for Out-of-Country Event Attendance – Hannover Messe 2025 be received; and,

- B. THAT the Development Commissioner be authorized to travel to Hannover Messe 2025 as part of the Town’s membership in the Southwestern Ontario Marketing Alliance in support of the Town’s Foreign Direct Investment goals and with a shift in focus to Europe due to current economic conditions and threats; and,

- C. THAT the 2025 Economic Development & Marketing Budget be revised as follows:
 - a. Re-instatement of \$4,950 in Meeting Expenses for travel and related costs;

 - b. Re-instatement of offsetting revenue of \$3,500 (draft budget amount was \$2,500), reflecting a higher number of Per Diem amounts (7 days); and,

 - c. Reduction of \$1,450 in Membership Expenses reflecting the actual 2025 SOMA Membership fees;

For a net budget impact of \$0.

BACKGROUND

The Town’s updated Personnel Policy requires Council approval for attendance at events outside of Canada. The Development Commissioner is seeking approval to attend the Hannover Messe industrial trade show to support the Town’s investment attraction efforts in partnership with the Southwestern Ontario Marketing Alliance.

Council approved the following resolution at their September 9, 2024 meeting:

THAT report EDM 24-032 titled “Out-of-Country Event Report – Hannover Messe” be received as information.

Report EDM 24-032 provided a comprehensive update regarding the Development Commissioner’s attendance at Hannover Messe 2024 on behalf of the Town of Tillsonburg and the Southwestern Ontario Marketing Alliance.

Attendance at Hannover Messe 2025 was removed from the Economic Development & Marketing budget as part of cost-cutting measures. However, the Development Commissioner believes that these costs can be offset by SOMA’s Per Diem rebate for international travel and other budget reductions. Hence, for this reason, as well as the below reasons, the Development Commissioner is seeking approval to travel to Hannover Messe 2025:

- Supports the Town’s Investment Attraction efforts including, potentially, the sale of industrial land in Phase 2 of the Van Norman Innovation Park;
- Supports local industry through the participation of at least one local company;
- Supports diversification away from the US, particularly considering the potential for trade disruption/tariffs; and,
- Support the Town’s partner, the Southwestern Ontario Marketing Alliance, and Invest Canada as part of its first ever “Partner Country” designation.

DISCUSSION

In efforts to achieve Council’s target for the 2025 budget, travel costs and offsetting revenues were removed from the Economic Development & Marketing budget with an overall reduction in the Meeting Expenses budget from previous years (Reduced to \$11,000 from \$14,000 in 2024). The costs and revenues included in the draft budget did not reflect updated figures for revenues as well as SOMA Membership fees.

The Development Commissioner believes that this trip can be added back into the 2025 budget for no net change. Hence, the Development Commissioner is seeking approval to add this item back into the final 2025 Budget and Business Plan in order to attend the Hannover Messe industrial trade show to support the Town’s investment attraction efforts in partnership with the Southwestern Ontario Marketing Alliance’s and Invest Canada, who is partnering with Hannover as the “Partner Country” for the 2025 event.

In terms of the Town's attendance at International Trade Shows, the annual Budget and Business Plan typically includes attendance to at least one International Trade Show or Event in support of the Town's investment attraction goals and in partnership with SOMA.

With the proposed removal of Hannover Messe from the 2025 Budget and Business Plan, the Economic Development & Marketing department would not be participating in any international Trade Shows or Events in 2025. This is problematic as, with an economic slowdown potentially coming, increased risk of tariffs, etc, now is not the time to cut all advertising/marketing. Now is the time when we need to increase our efforts, particularly when we are targeting significant revenue generation over the next few years.

As a refresher, Hannover Messe is the world's leading (and largest) Industrial Trade Show with more than 4,000 companies in the Advanced Manufacturing, Mechanical Engineering, Electrical Engineering and Digital Industries as well as the Energy Sector. The Town of Tillsonburg's participation would be through the Southwestern Ontario Marketing Alliance. SOMA and their partners retain a lead generation consultation who sets up pre-booked meetings with companies attending the trade show. The consultant typically schedules up 30 to 50 meetings during the trade show (up to 10 meetings per day), which are then attended by participating members.

The Hannover Messe is of strategic interest to the Town and SOMA due to its high concentration of Advanced Manufacturing and related firms, the opportunities offered by the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), which offers Canadian businesses preferential access to growth opportunities in the European Union and similarly for European companies to access and invest in Canada.

Participation in Hannover Messe 2025 is in support of Canada being the Partner Country for 2025, which includes over 200 Canadian companies and some area companies attending, including J/E Bearing, who have committed based on, in part, my attendance. Further, some accommodation arrangements have been pre-booked due to scarce availability and these are non-refundable.

Finally, part of our partnership to SOMA is to travel on behalf of the organization as the Member Directors are the staff that support SOMA's annual foreign direct investment program. Hence, supporting participation in Hannover Messe 2025 will allow the Town to maintain its relationship with that organization.

Hence, the Development Commissioner is respectfully requesting that Council support the Development Commissioner’s attendance at Hannover Messe 2025.

CONSULTATION

The Development Commissioner has confirmed that attending Hannover Messe 2025 for a period of seven days would result in higher Per Diem rebates from the Southwestern Ontario Marketing Alliance (increased amount of \$3,500).

FINANCIAL IMPACT/FUNDING SOURCE

The draft 2025 Economic Development & Marketing budget proposed an increase of \$2,000 in Meeting Expenses resulting in an increase from \$14,000 to \$16,000 for Meeting and Travel expense.

The proposed removal of \$4,950 in costs and offsetting revenues of \$2,500 in estimated Per Diem amounts resulted in a net reduction to the draft budget of \$2,450.

With a higher Per Diem amount of \$3,500 (for 7 days) and additional reduction of \$1,450 in the budgeted SOMA Membership fee, the net Financial Impact to the draft 2025 Budget is \$0, as follows:

Trip costs (Budgeted)	\$4,950
Rebate (Per Diem)	\$3,500
Reduction in SOMA Membership Fee	\$1,450
NET BUDGET IMPACT	\$0

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

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Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Through community and regional partnerships, Tillsonburg will attract and retain a diverse range of businesses, creating employment opportunities for residents and a balanced tax base

Strategic Direction – Instill an “open for business” culture across the corporation that prioritizes economic development and business attraction

Priority Project – *On-going Projects* - Increase diversity in manufacturing and other key sectors