

The principality of Monaco is small enough to fit inside London's Hyde Park, but it has transformed itself into one of Europe's most sought-after conference destinations. Christian Sylt finds out how

FEW COUNTRIES are steeped in as much mystique as Monaco, from the glitz and glamour of the annual Grand Prix to the fountains and balustrades of Casino Square. Ever since Europe's first casino opened there in 1863 the principality has nurtured its reputation as a playground for the rich and famous. But in the past decade it has faced its greatest challenge as low-cost travel opened up competitor destinations and European resorts have been gifted with gambling deregulation. Business travel has been its weapon in meeting this challenge.

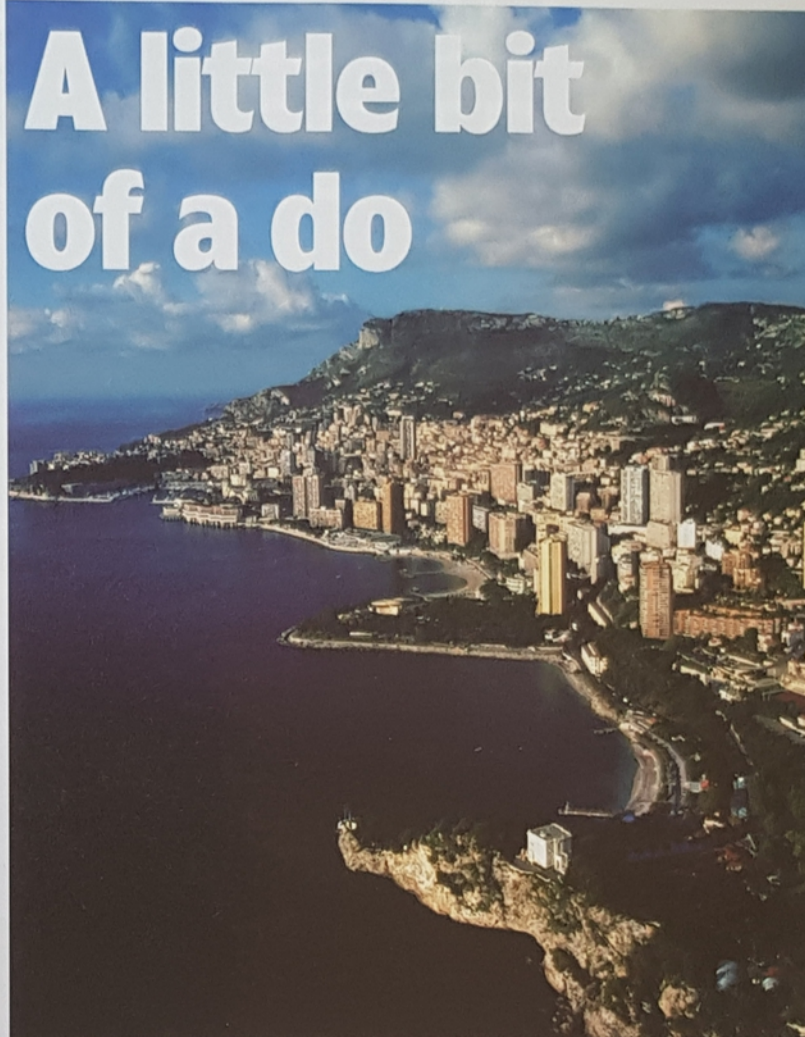
In a competition to find the ideal location to mix business and pleasure, Monaco would be vying for top honours. But until only five years ago it didn't have the facilities to meet the demand. Unlike its Riviera rivals of Nice and Cannes, Monaco didn't have conference facilities to host groups of more than 1,500 people.

Lack of land is so acute in Monaco that its railway station was relocated underground to permit construction of 150,000m² of buildings. Reclaiming land offered a solution and now around 30% of the state sits on space which used to belong to the Mediterranean.

A result of Monaco's reclamation projects is the Grimaldi Forum, a conference centre named after the ruling family. It has the look of a recently landed spaceship and is the largest conference space in Monaco. Although it incorporates six exhibition areas, 11 committee rooms and three auditoriums, including an opera house with a 1,000m² stage, the majority of the building is underground so it doesn't obstruct the prized sea views from the apartments behind.

"The advantage of the Grimaldi Forum is that it is a modular venue and you can stage any kind of event there," says Hervé Zorogniotti, the Forum's communications director. But despite this, Monaco's geography greatly affects the events it can attract.

The tiny principality has a total of just 2,649 hotel



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rooms and Zorogniotti says: "It's very difficult to be in competition with great business tourism cities like London, Paris or Barcelona since in Monaco we don't have the hotel capacity." This led the Forum to pursue events in "niche economic sectors".

The biggest events hosted at the Forum are all in the luxury sector. Every October it hosts Luxe Pack, an exhibition dedicated to luxury goods packaging, which Zorogniotti says attracts more than 5,500 delegates over three days. This is followed up with luxury car shows, luxury travel shows, as well as events focused on high-cost services such as anti-ageing products. In total the Forum hosts around 100 professional events each year as well as 30 cultural events, three exhibitions, and shows such as the Bolshoi ballet. It gives the venue a turnover of €13m which Zorogniotti says has been roughly static for the past two years.

"The main market for the business tourism in the Grimaldi Forum is the UK," says Zorogniotti. A key reason for this is the development of the low cost flight

companies between the UK and Nice airport.

Thanks to the reputation of his well-heeled casino customers, Monaco's late Prince Rainier developed a luxury tourism industry and laid the foundations of an offshore banking business with laws guaranteeing anonymity. It turned the principality into a powerhouse for financial services and made it incredibly secure. Crime is almost non-existent.

"The benefit of Monaco is safety. In the current business environment safety is a major point," says Antonio Ducceschi, director of sales and marketing for Monaco's Méri-dien Beach Plaza hotel. He adds that in stark contrast to larger cities, everything in the country is within walking distance.

A quarter of Monaco's €9.2bn GDP is brought in by tourism. This business is dominated by Monaco's biggest company, the Société des Bains de Mer (SBM).

Founded over 150 years ago, SBM is 69% owned by the state with the remainder quoted on the Paris bourse and 5.4% in the hands of the Johnson family, best known for its Fidelity investment funds. In short, SBM is the leisure business in the principality.

SBM has a monopoly concession to run Monaco's four historic casinos until 2027 and also owns an 18-hole golf course, opera house, tennis club, five luxury hotels, 23 restaurants and several nightclubs. For conference hosts, it makes the ideal one-stop-shop.

"You need a venue, we offer you a country," says Axel Hoppenot, SBM's senior vice-president of sales and marketing. Because SBM owns many of Monaco's historic monuments, it can, for example, arrange for a client's banner to be hung from them. "Basically we can organise Monte Carlo like a set for a movie," he says.

Hoppenot says SBM's core targets for corporate business are sectors which best fit with Monaco's image such as the car industry, pharmaceuticals, finance, luxury and high-tech.

Simon Berger, director of IM2 Events, which organises the annual Motorsport Business Forum held in the Grimaldi Forum, says: "Monaco is a fantastic destination to hold a conference. But the subject of the conference has to be relevant to the region."

The venue's flexibility is ideal. "We have a lot of logistics to deal with," says Berger. "Also, the speakers will be giving presentations using all manner of media



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from powerpoints to video clips. The Grimaldi Forum is specifically set up to handle these requirements."

Around 75% of Monaco's hotel beds are four star or four star deluxe, so the Grimaldi Forum, SBM and all the other hotels in the principality have created a standard package for business travellers. This is known as monacomee+ings and is available to groups using the Grimaldi Forum and guaranteeing at least 1,200 rooms booked over a two-night stay.

The package offers single rates covering several classes of hotels, as well as services such as discount vouchers for VIP vehicles, spas and restaurants, event coverage on a Monegasque television channel and creation and dissemination of a press release.

The core countries targeted are France, which comprises around 24% of SBM's guests, as well as Britain and Italy, which each comprise around 14%.

In October 2005, SBM opened its first new hotel in 75 years. The €200m 334-room Monte Carlo Bay hotel is an Art Deco structure on 10 acres of reclaimed land and dripping with glitzy touches. It has space for 360 people in 13 meeting rooms with touch-screen technology and sweeping sea views.

The hotel has a business-leisure split of 60-40. General manager Sergio Mangini says: "The hotel has been built to cater for what we call leisure meetings. It's a very pleasant way of doing business." The facility to quickly move from meeting rooms to leisure facilities saves time and can be a welcome change of pace.

Attached to the neighbouring Beach Plaza is a dedicated four-floor 3,000m² conference centre containing 12 meeting rooms accommodating up to 500 people. But Ducceschi says the big USP for groups is that the hotel is the only one in Monaco with its own private beach. "Conferences held between May and September use the beach for functions," he says.

The allure of group bookings means even Monaco's most hip hotel, Columbus, has got in on the act.

Columbus is the baby of Scottish hotelier Ken McCulloch and F1 driver David Coulthard. Objets d'art adorn the rooms of the stylish hotel. Its conference facilities are equally swish. "We are the only hotel in Monaco which has an auditorium where you sit in big leather chairs," says general manager Fredrik Aspegren. "I think one of the key factors of our success here is that we are extremely discreet."

However, with its auditorium only having 90 seats, Columbus had to add to its appeal.

"We can tailor-make anything," says Aspegren, citing meeting breakout sessions of Thai chi, golf putting in the hotel and a meeting for an F1 sponsor during the Grand Prix which involved waiters dressed as pitstop mechanics complete with helmets and full overalls.

Competition is growing in the region. "Today the competition is overall around all the Mediterranean area," says Zorgniotti. "Cannes, for example, is quite similar in terms of target image to Monaco but we see for example Malta and Greece. All these destinations have the same environment, Mediterranean feel, palm-lined streets and the sun." For the Grimaldi Forum to compete "we need to find business outside and in every kind of economic sector because it's impossible to live only with this luxury image". ■

Riviera rivals: top venues by city in 2005

Nice Acropolis

169 events organised
€11.65m turnover
599,872 delegates and visitors

Cannes Palais des Festivals

54 events organised
€33.99m turnover
293,000 delegates and visitors

Monte Carlo Grimaldi Forum

100 events organised
€13m turnover
300,000 delegates and visitors