

CES growth 'great' for LV (CEA)

By Kevin Rademacher / Staff Writer

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In 1978 the Consumer Electronics Show abandoned frigid Chicago in favor of Las Vegas for its January convention.

The show, produced by the Consumer Electronics Association, attracted 42,676 attendees and pumped \$14.6 million into the local economy. It marked the first major business gathering to set up shop in Las Vegas.

Rossi Ralenkotter, now president of the Las Vegas Convention and Visitors Authority, was an authority staff member back in 1978, and he recalled that first Las Vegas CES while speaking Tuesday to the association's Industry Forum gathered at the Four Seasons hotel.

Ralenkotter also pointed with glee to the more than 140,000 attendees who gathered for CES this year, injecting \$207.3 million in nongaming economic impact into the local economy.

"What (CES) has done for us is amazing," he said.

Gary Shapiro, CEA president, was equally complimentary of the show's relationship with Las Vegas.

"We've grown tremendously together," he said, presenting an award to Ralenkotter that noted his efforts to help CES succeed. Shapiro pointed to the LVCVA's assistance in attracting international attendees to the conferences, particularly efforts in Germany and China.

Ralenkotter noted that with the room inventory set to grow dramatically by the end of the decade, shows such as CES will be critical in absorbing the inventory. With projects such as South Coast, the Palazzo next to the Venetian and Wynn Resorts Encore, he said the current inventory of about 133,000 rooms is expected to reach 155,000 by 2009.

Given the task of filling so many additional hotel rooms, the decision to pursue CES in the 1970s looks even better.

"It's been a great partnership," said Ralenkotter. "We've been able to be a part of the tremendous growth in that industry. ... As their show has grown, Las Vegas has grown."

The next CES, scheduled for Jan. 5-8, has already seen 1.6 million square feet of exhibit space reserved. That's up from the record-setting mark of just over 1.5 million square feet of space leased for the 2005 show, said Karen Chupka, vice president of events and conferences for CEA. To accommodate the increase, CES has spilled over from the Las Vegas Convention Center into the Sands Expo Center, where CES will house its emerging technologies exhibits, including such things as robotics.

"The show is doing very well," Chupka said.

Recent CEA research indicates that there's little reason to think that the industry will slow down anytime soon.

Driven by consumers' appetite for MP3 music players, digital cameras and hundreds of other electronics gadgets, CEA analysts expect electronics spending to increase by 9 percent. Overall household holiday spending -- including gifts, food, travel, decorations and other expenses -- is expected to jump from \$1,254 last year to \$1,430 this year.

Since 2000, total factory sales of consumer electronics have jumped from \$96 billion to \$158 billion.