

# ON WITH THE SHOW: PICO BENEFITS FROM GLOBAL NETWORK

## EXECUTIVE Q&A

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**Our biggest long-term risk is uncertainty and lack of clarity on government policy**

SILCHAI KIATPAPAN  
CEO, Pico (Thailand) Plc

*Pico (Thailand) Plc (PICO) is a member of the worldwide network of Pico Far East Holding Limited, a world leader in the trade show and exhibition industry with 35 branches in 23 countries. CEO Silchai Kiattapan discusses the company's strategy and outlook.*

### What is Pico's business model?

Starting 30 years ago, our group's assets and capabilities grew from pure window display contract work to becoming a trade exhibition contractor. We have grown and developed our products and services to match customers' needs and to attract new business opportunities. We have furthered our growth in services to become specialised in face-to-face communication and have expanded our network both horizontally and vertically within the industry. Today our principal businesses are in Mice (meeting, incentive, convention and exhibition) management and services, event marketing and branding, trade exhibitions and knowledge communication including digital content

and media.

### What types of customers does Pico target?

We service both the private and public sectors. Private-sector clients, which account for 60-70%, are mainly from the automotive, telecommunication, finance and energy industries and are leaders within their respective industries. We also service clients within the food, apparel and jewellery industries. For the public sector, we serve mainly the government agencies that are responsible for conducting events to publicise the workings of government programmes and policies to increase public awareness, or to support industries aimed at sustaining economic growth. These include the ministries of Culture, Information and Communication Technology, Science and Technology, Education, and the Department of Export Promotion.

### What differentiates Pico from its competitors?

Our core difference is professionalism. Our clients are large corporations and thus we focus on delivering solutions to them in a reliable, professional and, importantly, punctual manner. As evidence of this, in May 2012, Pico Group won the Event Marketing Agency of the Year, Gold Award, from *Marketing* magazine. Our clients have entrusted us with assisting them in their businesses, which is why we have longstanding clients and we expect that our strengths will result in our client portfolio continuing to grow.

### How is Thailand positioned for event management versus the region?

This has to deal with government policies. If you look at Frankfurt, Hanover, China, Hong Kong and Singapore, then you will see that their governments support trade exhibitions because they understand the importance of trade exhibitions to the local businesses and economic growth of their countries. Thailand is still young in terms of its policies for trade exhibitions and we do hope that it will only mature over time as policies to promote the event sector are essential for the growth of local businesses.

### Is there potential for growth in this industry in Thailand?

There is a lot of growth potential in this industry because it is still a young and small market compared to global peers and when measured relative to

the size of the economy. The size and attendance figures of trade exhibitions are a leading indicator of how an economy is performing because of the eight-month preparation period required to stage a major event.

### Pico's first-quarter 2012 earnings and revenue were very strong. What is the reason for this and what can investors expect going forward?

Our strategy is clear and we have been working according to our plan. We try to push our strength which is the face-to-face communication platform. We also expect this trend to continue as long as people still need to communicate and sell their products. Even though there is online shopping, it will only replace retail marketing but business-to-business selling still needs to be face-to-face.

### What are the biggest risks facing your business?

Our biggest long-term risk is uncertainty and lack of clarity on government policy. If there is a change of government, the policy will also change. The medium-term risk will be economic risk, such as Europe's debt crisis, and the short-term risk is local politics.

### What impact will the Asean Economic Community have on your business?

We foresee no impact from the AEC as our practice is wider than just Asean. We are international company and we have more than 30 branch networks worldwide in major cities in Asia, Europe, America and the Middle East. We share our synergy and knowledge together as a group.

### Where do you expect to see Pico in five years from now?

We can only improve from where we are today. As the Thai government has no clear policy for our industry we do not yet have a compass to guide us; therefore we can rely only upon ourselves. By doing this and sticking to our philosophy of a creating shared value in our society, we are confident of Pico continuing to improve its servicing of clients.

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