

WERD/PIARC/FEHRL

Proposal for

Project GENESYS

- launching an annual European Road Research Conference



European Road Research Conference

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1. INTRODUCTION

In Europe, road transport for both passengers and freight continues to grow, and this trend is likely to continue despite the possible intervention of other factors that may work in the direction of limiting road traffic. Pressure on an already congested European road system is thus likely to increase, leading to a range of new technical, administrative and financial problems.

In such circumstances, it is necessary to ensure that effective and efficient research is carried out into all aspects of road transport. The results of such research must then be widely disseminated and implemented, if road transport is not to suffer a decline in efficiency and performance that may threaten continued economic growth, competitiveness and mobility in European countries.

In the road transport sector, a complex mix of scientific and engineering disciplines will need to be brought together to foresee and provide solutions for future problems arising in road transport. These will range from, for example, driver behaviour and telematics through pavement and structure engineering and asset management, to transport economics, road financing and intermodal issues. The development of knowledge in each of these and intervening areas is proceeding at a rapid pace, and this stimulates the need for an effective means of exchange of this information between administrators, engineers and researchers working in the road sector.

At present, however, European research in the roads sector is organised in a fragmented way, although useful communication links exist between the various organisations involved. What will be required for the future is a better-integrated road research structure that is able to respond quickly and effectively to tomorrow's challenges. Furthermore, because the principal methods of information dissemination are conferences, reports and published papers, the fragmented organisation of the road sector results in a similarly fragmented approach to information dissemination. For the future, Europe will need a more rationalised and efficient approach to the dissemination and exchange of research results and best practice.

The concept of establishing an annual European Road Research Conference (ERRC) has been presented to WERD and FEHRL on several occasions following the eventual refusal of the Commission and later, ECMT, to support earlier proposals for a transport research conference and related activities.

It is proposed that ERRC will deal with technical and policy matters related to roads, road transport and the relation between this mode and other modes of transport and the society at large. At meetings in October 2002, WERD and FEHRL, supported by PIARC, agreed to proceed with the concept, and to develop a business plan with a view to running the first conference in 2004.

The purpose of the present proposal, therefore, is to describe the three-year project (GENESIS) whose objective is to prepare the launching of an annual

European Road Research Conference bringing together the many and varied actors in the road research and transport sector, in such a way as to promote integration of the sector and the dissemination and exchange of knowledge and experience. This will benefit all stakeholders in road transport. Such a conference will have similarities to the TRB annual meeting adopted in the USA, but will need to be specifically designed for European needs. In particular, it is expected that with the involvement of the private sector, the conference will eventually become self-financing.

The remainder of this document describes the principal features of the project and its business plan. Organisational and funding arrangements are described, as well as the route to implementation of the project.

2. OBJECTIVES OF PROJECT GENESIS

Project GENESIS is a three-year (2 years and 9 months) project covering the start-up period of an annual European Road Research Conference, which should become self-supporting at the end of the project.

Given the stated requirement for a better-integrated approach to European road transport research, and the dissemination and implementation of its results, Project GENESIS has the following objectives:

1. To establish a European Road Transport Research Conference (ERRC), with the aim of providing a better-integrated approach to the exchange, dissemination and implementation of road transport research knowledge as well as best practice.
2. To assess the need for the setting-up of a European Road Research Forum.
3. To propose the means by which the conference should eventually become self-financing.

The first objective stems from the need to provide a vehicle for the dissemination and exchange of research information and best practice. In this context, the Transportation Research Board (TRB) of the USA provides inspiration for the proposed ERRC. The annual TRB meeting (a Conference in all but name) draws support from most transport professionals inside the USA and many from outside, and provides opportunities for workshops, seminars and committee meetings to discuss the results. ERRC should use this example as a useful model for the European Conference.

The second objective will be an evaluation of the required organisation and funding of ERRC. This may lead to the creation of a specific, legal association of interested organisations if this appears to be necessary, to consolidate the future of the conference. This evaluation will take place between the first and second conferences.

The third objective provides for the continuity of the conference. In order to maximise the benefits, it will be necessary to ensure that it can be supported over a long period of time. The project will therefore examine a number of ways in which this can be done, and recommend best options for financing the Conference, and any other activities that may be undertaken.

2.1 Mission and objectives of project GENESIS

The mission of GENESIS is to stimulate European knowledge transfer on road transport research in order to develop and support road transport policies and best practices.

This mission will be translated into practical measures, the most important of which will be the setting-up of the European Road Research Conference. The following sections describe these practical measures and *inter alia*, the broad content of the proposed Conferences.

2.2 Activities to be undertaken in project GENESIS:

- establishing an annual European Road Research Conference (ERRC), the first of which should take place in June 2004, and the second in June 2005.
- evaluate the organisation and funding in order to assure the continuity of ERRC and if appropriate propose setting up a legal entity with appropriate Articles of Association.

2.2.1 Establishing the European Road Research Conference (ERRC)

The objectives of ERRC can and should be more detailed, and should indicate the **professional areas** to be covered and the **type of activities** to be undertaken. Both of these issues will develop naturally over time. In the lifetime of the present three-year project, however, the shorter-term objectives should include:

professional areas to be considered:

- planning, construction, maintenance and operation of road transport facilities
- understanding, supporting and managing road transport
- the economics, financing and administration of road transport systems
- the interaction between road transport and other modes of transport
- the interaction between road transport and society at large

type of activities to be considered

- an annual conference comprising paper sessions, workshops and an exhibition.

Establishing an annual conference to meet these objectives will be the largest activity of project GENESIS. The conference should deal with all topical issues of the road research sector, in the professional areas noted above. The topics

to be covered may vary from year to year, and this will be a decision of the Conference Organising Committee in consultation with the Conference Programming Committee.

It is expected that the conference will cover 3 full days (Tuesday - Thursday) keeping Monday and Friday open for workshops, the latter to be determined by the organisations involved. The annual conference will take place during the second week of June, to avoid clashes with TRB and PIARC congresses and to be distant from major holidays such as Easter and summer. The conference will build upon the experiences of the successful European Road Research Conferences already held in 1997 and 1999. ERRC will use English as the conference language.

It is important that the conference be seen as *the* principal European annual road transport research conference, to be supported by specialised workshops or conferences (e.g. Eurobitume workshops) and national/regional conferences being carried out in the domestic language. The latter may make use of presenters and presentations from the main ERRC. This is in line with the TRB annual meeting being supplemented by special seminars.

ERRC should draw upon the experience and participation of European organisations involved with road research and dissemination such as FERSI, ECTRI, EAPA, UITP, and ERTICO.

2.2.2 Evaluation of ERRC and possible creation of an overseeing Association

During project GENESIS, it is proposed to evaluate the outcome of the conference, its organisation and the funding situation. This should take place after the first Conference, and, at the latest, at the time of the second Conference. Only in this way will it be possible to preserve continuity (in Committee membership, chairmanship etc) for future Conferences. The need to set up a legal entity with appropriate Articles of Association will also be examined and the means by which the conference should eventually become self-financing will be proposed.

The evaluation may suggest new activities that should be undertaken in order to assure continuity and improve knowledge transfer. Such activities could include the creation of a platform for the dissemination of research results and existing knowledge, perhaps in the form of technical notes, policy papers, formal presentations, etc.

Future activities could also include methods to aggregate and disseminate the road transport research needs of members to minimise duplicated work and maximise the efficient use of resources. The development and operation of a Knowledge Centre of professional road transport research projects, an information service on developments in road transport policies/issues, and

activities of interest to members could also be developed. In the longer term this may eventually lead to ERRC becoming a transport research conference to include all modes of transport.

3. ORGANISATION

It will be essential to create an appropriate and effective project organisation in order to deliver the outputs on time and within budget. The initiators of the project, namely WERD, PIARC and FEHRL will clearly need to play a strong and active role in the setting-up and management of the conference, at least in the early stages.

3.1 Project partners

The partners participating in Project GENESIS are expected to be as follows:

- WERD: Significant management role; essential funding role during the first 3 years; provide non-financial support for continuity beyond project completion.
- PIARC: Significant management role; provide experience in Conference and Association activities; provide non-financial support for continuity beyond project completion.
- FEHRL: Provide day-to-day project management and secretariat; provide content of conference; provide additional non-financial support and continuity beyond project completion.

3.2 Management structure

Figure 1 shows the proposed management structure for the GENESIS project.

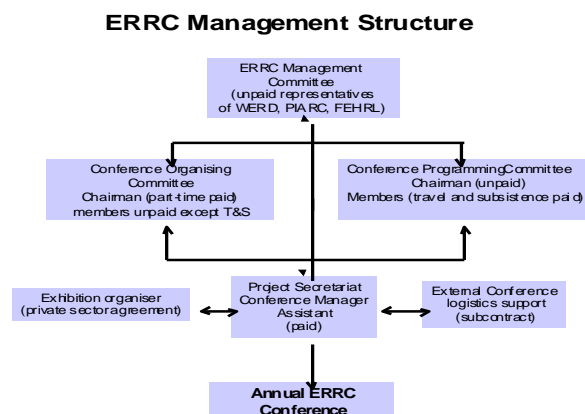


Figure 1: Management structure of project GENESIS

The GENESIS **Management Committee** will comprise representatives (2 from WERD, 2 from FEHRL, 1 from PIARC) of the initiating organisations. The Committee will be responsible for the overall management of the project, the necessary policy decisions, and the financing, budgeting and other resourcing of the project.

The **Conference Organising Committee** (COC) will be responsible for the organisation and delivery of the annual ERRC. The Chairman of this Committee will be appointed from among the project partners, and will be reimbursed from project funding for the time he or she spends on this activity (anticipated as 50 days per annum). Members of the Conference Organising Committee, who are likely to come from a wider range of organisations, will be reimbursed for their travel and subsistence to attend meetings. The Conference Organising Committee will be extensively supported by the Project Manager, who will ensure access to Conference support facilities of the right technical and administrative quality.

The management structure also includes a **Conference Programming Committee** (CPC) who will be responsible for the detailed scientific and technical content of the Conferences, call for papers and selection of papers. In the first instance, it may be that the Conference Organising Committee can undertake the activities provided by the Programming Committee, but this remains to be determined in consultation with the Organising Committee Chairman. Basically the CPC will be reimbursed in the same way as the COC,

Day to day management of the project will be carried out by the **Project Secretariat**, comprising an experienced **Project manager**, and an appropriately qualified **Assistant**. The Management Committee will be responsible for selecting members of the Secretariat to be employed by FEHRL. The function of the Project Secretariat is to ensure the smooth and efficient delivery of the project objectives by providing high quality service to the Management and Conference Committees.

The GENESIS Project secretariat will be established at the FEHRL office. In this way mutual support and inspiration can be achieved, and synergies exploited

4. RESOURCES FOR PROJECT GENESIS

4.1 General

Resources for the project will comprise staff, Committee chairmen and Committee members, project facilities and the necessary finances to cover expenditure. Discussions between FEHRL and the private sector (Route One Communications) indicate their willingness to participate in financing the project, in return for exhibition opportunities associated with the proposed Conference. It

is expected, therefore, that the project will be financed as a PPP (public-private partnership).

In such a partnership, WERD will provide 100% of the financial means to initiate and complete the project. The private sector (through Route One Communications) will provide funding approximately matching that provided by WERD in return for an exhibition opportunity, and this income will be committed to a fund set aside for funding Conferences beyond the project.

FEHRL will provide project staff (1 professional and 1 assistant), and, through the Belgian Road Research Centre, will also provide project facilities (office and necessary equipment). WERD, PIARC and FEHRL will provide members and/or chairmen for the Conference Committees. The costs of these, as well as the costs of Conference logistics, etc., will be met from project financing.

4.2 Detail costs of Project GENESIS

Project expenditure will cover:

• Project staff of 2 persons (project manager 200 working days/year for 2 3/4 years at 500 € per day and assistant working 100 days/year for three years at 300 € per day) amounting in total to:	365.000 €
• 1 chairman (COC) at the rate of 500 €/day for 50 days/year for 3 years, totalling:	75.000 €
• 1 chairman (CPC) at the rate of 500 €/day for 50 days/year for 2 years, totalling	50.000€
• Office facilities (room rent, office furniture and equipment, paper, copying, posting, telephone, etc) for 3 years:	100.000 €
• Travel & subsistence for secretariat and committee members:	100.000 €
• Conference logistics (sub-contract)	750.000 €
• Contingencies	60.000 €
Total for 3 years	1,500,000 €

4.3 Funding of the project

It is proposed that WERD will meet the above costs of Project GENESIS, covering the start-up costs over the 3 years (2 Conferences).

As WERD has no legal standing, it is proposed that those members of WERD who agree to fund Project GENESIS should sign a Memorandum of Understanding covering their participation, how the funding is raised, etc. The Memorandum should also describe the FEHRL role in the project, and the expected deliverables. FEHRL, as the principal contractor, should then also be invited to sign the Memorandum.

The funding described will cover all necessary expenses in running the first and second ERRC. The matter of income generated from these conferences is dealt with in the next section.

4.4 Income and expenditure

Once ERRC is running, *income* will be generated by registration fees for ERRC and by support from the private sector in exchange for exhibition opportunities. Beyond project GENESIS, ERRC will continue to have *expenditure* 1) to maintain a secretariat, 2) to run the Conference and 3) to undertake other activities that may be decided upon by the Management Committee, or the Association, should it be formed.

The role of the private sector, both during Project GENESIS and beyond, will be to financially support/sponsor the Conference. In return for their sponsoring of the conference the private companies who will have made commitments to Route One Communications, will be allowed to mount an exhibition organised in conjunction with the Conference. Route One Communications will be in charge of organising the exhibition. An agreement between the Project and Route One Communications will be developed at the very beginning of the project, and this will need to be approved by the GENESIS Management Committee in order to secure continuing private sector funding.

During project GENESIS, income from WERD will be used to fund and manage the project. Income from Route One Communications will be paid into a separate fund set up by FEHRL. This fund will also receive income from the registration fees derived from the first two Conferences. The fund will be used to fund at least the first Conference beyond project GENESIS, and will receive recurring income from the private sector and registration fees.

5. IMPLEMENTATION

5.1 Timing

The time frame for the Project GENESIS will be approximately three years, 1/4/2003 - 31/12/2005. All of the activities involved in establishing a new European-wide conference of the required magnitude and quality have been carefully studied. From previous work by FEHRL, and the recommendations of the earlier ETRF Organising Committee, it was found that app. 1.5 years of preparation was necessary for the planning of the first conference. It is anticipated that one year will be sufficient to plan for the later annual conferences. This implies that Project GENESIS will need to set up a Conference Organising Committee very early in 2003. Once the first ERRC has been held, the planning of the second will begin. Thus, the early planning of the third Conference will take place in the final year of the project.

If the first Conference is indeed to go ahead in 2004, then the proposed starting date for the project must be strictly adhered to.

5.2 Logistics

It is proposed that once WERD, FEHRL and PIARC have given their agreement in principle, FEHRL begins the process of setting-up the project. During this period, the funding mechanisms will need to be established by WERD and the necessary agreements signed. To achieve this, it is further proposed that the Management Committee is set up as soon as the agreement to go ahead is reached.

5.3 Venue

Several cities in Europe have been suggested as the venue for ERRC. This will be one of the first decisions to be taken by the Management Committee, in order to secure conference venue and accommodation etc. As with the TRB meeting in the USA it is firmly suggested that the venue for the conference be maintained over many years to ease planning and encourage attendance.

6. EVALUATION AND REPORTING ON THE PROJECT

At the time of the second ERRC, an evaluation will be carried out by the Management Committee. The Project manager, the Chairman of the Organising Committee, and the Chairman of the Programme Committee will provide reports describing the project process, achievements, guidelines for the future and a financial account of the project. The Project manager should also present a budget for the next conference and possible other activities on the basis of guidance from the Management Committee.

ANNEX 1

WORK PLAN FOR PROJECT GENESIS 2003-2005

1. INTRODUCTION

The project will consist of the following principal activities, namely

- establishment of the Management Committee, the Organising Committee and the Project Secretariat (April 2003)
- planning, running and reporting of the first conference in 2004 (April 2003 - September 2004)
- developing commitment contracts between the WERD organisations financing the project and FEHRL undertaking the project secretariat, and with the private sector for their intention to organise an exhibition in connection with the conferences (April 2003 - June 2003)
- planning, running and reporting of the second conference in 2005 (June 2004 - September 2005)
- evaluating the need/desirability to form an association to run the conferences and possible other activities beyond 2005 (October 2004 - December 2004)
- planning of the third conference in 2006 (June 2005 - December 2005)
- hand over of finances to post-Genesis organisers
- reporting on outcome of project GENESIS (October - November 2005)

In addition to the above the project manager is expected to deliver a written status report to WERD (incl. PIARC) and FEHRL at their respective spring and autumn meetings in each year of the project.

2 ESTABLISHMENT OF ORGANISATION

In order to be able to run the first ERRC in the second week of June 2004 it is imperative that the Management Committee, the Organising Committee and the Project Secretariat be established no later than April 2003. This will require that sufficient number of WERD organisations will commit themselves to provide the money needed for the project and that FEHRL will be able to set up the secretariat.

The Management Committee will have the following duties:

- to appoint the Conference Organising Committee (COC)
- to approve the Conference Programming Committee (CPC) suggested by the COC
- to approve draft contracts
- to approve policies that may be developed during the project

- to approve the detailed budget
- to follow-up on the project activities (time and progress)
- to receive status reports
- to approve accounts for each calendar year of the project (first year only 9 months)
- to support and advise the project manager when needed.

The Conference Organising Committee will have the following duties:

- to organise the annual conferences 2004 and 2005 and plan for 2006 (the final part of the 3rd conference to be organised outside the project)
- to assist in detailing the contract with a conference organiser
- to set-up a marketing plan for the conferences
- to market the conference
- to assist in identifying and approve suitable patrons for the conferences
- to assist in generating interest in the project at national levels (governments, industry, academic circles and the road sector in general)
- and - since preparation time is very short for the first conference - to be responsible also for the scientific contents of the first conference

Thus the Conference Organising Committee will *for the first conference* have the additional duties

- to find suitable people to advise on conference themes
- to develop detailed scientific content of the conference
- to develop call for papers and workshops followed later by selection of papers and workshops
- to report on outcome of the first conference including recommendation for future conferences based on experience from the conference.

The Conference Programming Committee - to be appointed during Spring 2004 - will have for subsequent conferences the responsibilities mentioned above for the task related to the first conference.

The Project Secretariat - to be established by FEHRL - will have the following duties:

- to service the Management Committee and the Conference Organising and Programming Committees
- to support and to carry out decisions by the above committees
- to be responsible for budgets and accounts related to the project
- to be responsible for all contractual matters
- to provide status reports to WERD (incl. PIARC) and FEHRL Board meetings
- to ensure proper administration of correspondence, papers, equipment and other assets of the project
- to ensure good co-operation with BRRC (Belgian Road Research Centre, providing location of project secretariat).

2. DETAILS OF THE FIRST CONFERENCE 2004

2.1 General outline

It is anticipated that the conference itself will take place during the week from June 14 to June 18 i.e. Monday through Friday.

Monday and Friday are set aside for workshops on special issues to be suggested by the road transport sector as response to *call for papers and workshops*.

Tuesday - Thursday will be the actual conference days, with papers to be presented within a number of themes and selected in response to a *call for papers and workshops* or by special invitation.

For the first conference the Conference Organising Committee will be responsible for selecting themes, possible sub-themes, papers and workshops, while these activities will be undertaken by the Conference Programming Committee from and including the second conference.

During the week an exhibition will take place covering 3 types of presenters:

- private sector companies
- WERD, PIARC, FEHRL and the European Commission
- others as agreed between the Project and Route One Communication

The exhibition is administered by Route One Communication who will invite such private sector companies to exhibit which have an interest in the road transport sector and are willing to pay for exhibiting. Route One will allow WERD, PIARC and FEHRL to exhibit - free of charge - products (basically reports and posters) that relate to their activities.

2.2 Time schedule for first conference June 2004

1. Start of Conference Organising Committee	April 2003
2. Choice of themes and possible sub-themes	April 2003
3. Develop marketing policy	April 2003
4. Develop marketing database	May 2003
5. Decide on venue	May 2003
6. Develop instructions for authors	May 2003
7. Develop Call for papers and workshops	May 2003
8. Contract with Conference and Logistics organiser	May 2003
9. Send out Call for papers and workshops	June 2003
10. Provisional Programme developed	Sep. 2003
11. Provisional Programme published	Oct. 2003
12. Deadline for receipt of abstracts and workshop proposal	Nov. 2003

13. Abstracts accepted/rejected	Dec. 2003
14. Workshops accepted/rejected	Dec. 2003
15. Conference booking opened	Jan. 2004
16. Full papers received from authors	Feb. 2004
17. Conference programme decided	Mar. 2004
18. Final programme published	Mar. 2004
19. Details of running the conference to be decided	May 2004
20. Conference held	June 2004
21. Proceedings (CD-ROM) finalised	Aug. 2004
22. Evaluation and reporting	July - September 2004

Close to the conference time the speakers, session chairmen and workshop organisers will be informed of procedures during the conference and special briefings of these groups will take place during the conference.

It should be noted that preparation for the second conference in 2005 will be initiated before the first conference is actually held.

2.3 Conference and logistics support

While FEHRL will provide secretarial support during the entire project, it is intended to hire a conference and logistics organising company to help organise the administration of a call for papers and their evaluation, all practical arrangements of the conferences and managing booking of participants including collecting fees from participants. The extent to which such organiser should also undertake hotel reservations is to be determined by the Managing Committee on recommendation by the Conference Organising Committee.

2.4 Patrons of the conference

It is considered advantageous to have a group of people who could lend their name to the promotion of ERRC as a high quality initiative. Thus the idea of patrons of ERRC has emerged. The number of patrons should be limited and the individuals should have a high and relevant profile, meaning that they should be actively linked to transport and/or road transport research and have received high responsibility in their field. The patrons could come from

- governments (public sector politician/administrators)
- academia (leading academic)
- industry (leading industrialist)
- communication world (leading transport journalist/editor)

The duties of the patrons would be to promote and give guidance to ERRC. They would work with the chairman of the Management and Organising Committees. Patrons may also be responsible for selecting the European researcher of the year based on the papers. The posts would be honorary, but out of pocket expenses would be offered. The time of service might be fixed at 3 years with rotating replacement.

3. OTHER ACTIVITIES

The activities of the project will also include planning, running and evaluating the 2nd conference (2005) and planning of the 3rd conference (2006). The final planning and execution related to the 3rd conference will take place beyond the project period, which finishes at the end of 2005.

Furthermore the project includes a special evaluation to determine how to proceed beyond the project. Should a more formal legal entity be established, for example, which may include more than WERD, PIARC and FEHRL and should such a legal entity undertake activities in addition to an annual conference? Or is the set-up of the present project indeed a way forward beyond the project period, but without payment from WERD? If a legal entity is to be set up this will require some time and energy from the Management Committee and the Project Manager.

ANNEX 2

BUSINESS PLAN FOR PROJECT GENESYS 2003-2005

1. INTRODUCTION AND STRATEGY

It is intended that the ERRC Conferences are maintained and developed beyond the duration of the GENESIS project, the latter being the initiation phase, lasting for a period of 3 years, and covering 2 Conferences. This 3 year initiative will require the commitment of resources over the shorter term, with further investments necessary in the longer term to realise the benefits to stakeholders in the European road transport sector, and ultimately, to European citizens. As has been previously stated, it is proposed that the initiation phase (GENESIS) is financed by WERD (and PIARC through in-kind assistance), together with contributions from the private sector as recompense for the organisation of an exhibition in conjunction with the ERRC events.

Later, the development of ERRC, and any other activities that might arise, will depend on income generated from registration fees, and from the continuing contributions of the private sector. What is required at this stage, therefore, is a plan for dealing with the income and expenditures of project GENESIS to provide capacity for:

- ❑ The continuation and development of ERRC Conferences
- ❑ Other possible future activities that may be decided on by the Management Committee, or any Association or Forum that is formed.

This section describes the proposed business plan, and addresses in particular, the following aspects:

- ❑ The forecast income to the project, with pessimistic, likely and optimistic scenarios
- ❑ A scheme for the transfer of project income to a holding fund for future use

2. FORECAST INCOME TO THE GENESYS PROJECT

Project income will arise from the contributions of WERD members to the project start-up, from the contributions of the private sector in years 2 and 3 of the project, and from Conference registration fees likewise in years 2 and 3. Possible additional income may arise from the formation of a European Road Research Forum or Association, which could attract subscription fees in years 3 and beyond the project.

It is thus possible to make forecasts of income to project GENESIS based on pessimistic, likely and optimistic forecasts of attendance at the Conference, and the Conference registration fee(s). In order to produce a more cautious business plan, potential income from other sources will be ignored.

2.1 Conference income.

Income from the Conferences is predicted as follows. The numbers attending the Conference in each of three years have been predicted, using three scenarios representing optimistic to pessimistic attendances. The registration fee has been forecast on the basis of a wish by the project consortium (WERD, PIARC and FEHRL) to attract a wide audience to the Conference, as well as an attempt to recover in full the logistics costs of the Conferences within the GENESIS project, when aggregated.

This leads to the following projections:

	1st Conference 2004	2nd Conference 2005	3rd Conference 2006 after GENESIS	Total projected income during GENESIS
<i>Option 1: (pessimistic)</i>				
Attendance	800	1000	1250	
Registration fee	650	650	650	1.17 M€
<i>Option 2: (likely)</i>				
Attendance	1000	1250	1700	
Registration fee	600	600	700	1.35 M€
<i>Option 3: (optimistic)</i>				
Attendance	1200	1500	2000	
Registration fee	550	600	650	1.56 M€

It is immediately clear that the forecast income is highly dependent on the assumptions made. The relationship between the Registration fee and the numbers attending is important, but uncertain.

For this reason, the remainder of this plan assumes that income from Conference fees will be closer to the pessimistic forecast (and may, indeed, be lower) than to other scenarios.

2.2 Additional income to project GENESIS

As stated previously, income from the private sector, in return for exhibition opportunities, will become available during the GENESIS project. However, this income will not be available as a resource to the project. Instead, it will be paid into a holding fund, together with income from Conference registration fees, to be used as described later.

It is estimated that the private sector income that will be available will be of the order of:

Conference 1 (2004)	300000€
Conference 2 (2005)	400000€

Beyond project Genesis, it is anticipated that exhibition income will continue to be available at, or about this level (exhibition opportunities will be limited by the available space at the Conference venue; few venues exist with unlimited exhibition space).

2.3 Forecast expenses of GENESIS project

The outline expenses of the project have already been given in section 4.2 of the proposal. They are as follows:

Project expenditure will cover:

• project staffing	365.000 €
• Chairmen's fees	125.000 €
• office facilities	100.000 €
• travel & subsistence costs	100.000 €
• Conference logistics (sub-contract for 2 Conferences)	750.000 €
• Contingencies	60.000 €
Total for 3 years	1,500,000 €

The rate of spend of these funds is estimated on the basis of uniform annual expenditure on staff, office, and other costs, with the sub-contracted costs for Conference logistics falling mainly in years 2 and 3 of the project. It is anticipated, however, that there will need to be some forward expenditure, perhaps of the order of 10% of the sub-contract, which will be necessary to secure booking of Conference facilities, etc.

On this basis, the rate of expenditure is likely to be as follows.

Year	Expenditure
2003	350.000€
2004	550.000€
2005	600.000€
Total	1.500.000€

2.4 Recurring costs beyond project GENESIS

On the basis of current estimates for the ERRC Conferences to be held in 2004, and 2005, the costs of future Conferences are likely to be:

2006 660000 Euro (approximately)
2007 700000 Euro (approximately)

It is expected that the costs of these Conferences will be covered by registration fee, but working capital will be necessary for expenditure undertaken in the 2 year period leading up to each of these Conferences. It is proposed, therefore, that the income generated during project GENESIS, from both Conference registration fees and private sector exhibitors is used for this purpose.

3. INVESTMENT PLAN

As described in the main proposal, WERD has been invited to contribute to the start-up funding necessary i.e. to fund project GENESYS. Beyond the project, it is planned that the ERRC Conferences become self-supporting,

In the course of project GENESIS, further income will be generated from conference registration fees and the exhibition opportunities that will be provided. It is proposed that this income is set aside, by placing it in a Holding Fund, to be used for financing the Conferences that will be arranged after project GENESIS. This proposal raises several issues, the first of which is the matter of forecasting the size of the Holding Fund at various stages. The table below summarises the income and expenditure of the project, and two Conferences beyond that, and thereby estimates the size of the Holding Fund at various stages.

Project GENESIS				
		Year 1 (2003)	Year 2 (2004)	Year 3 (2005)
Expenditure		0.35 M€	0.55 M€	0,60 M€
Income	Conference fees		0.52 M€	0.65 M€
	Exhibitors		0.30 M€	0.40 M€
	WERD	0.50 M€	0.50 M€	0.50 M€
Holding Fund		0.15 M€	0.92 M€	1.87 M€

		Transfer to Holding Fund Manager¹	Year 4 (2006)	Year 5 (2007)
Expenditure			0.66 M€	0.70 M€
Income	Conference fees		0.81 M€	0.95 M€
	Exhibitors		0.40 M€	0.40 M€
	WERD		-----	-----
Holding Fund		1.87 M€ ²	2.42 M€	3.07 M€

NOTES:

1. The Holding Fund Manager has yet to be decided, but an initial proposal is suggested below.
2. This sum is notional. In fact, some funding will already have been necessary for the Conference to be held in Year 4.

3. Management of Holding Fund

Once established, the Holding Fund will become the capital reserve from which Conferences beyond the GENESIS project will be funded. It is clear that such a fund will need to be set up legally, and professionally administered.

At present, of the organisations participating in project GENESIS, only PIARC and FEHRL are legally constituted. Because FEHRL is legally registered in Belgium, and the ERRC secretariat is to be set up alongside the FEHRL office, it is proposed that FEHRL is appointed as the Holding Fund Manager. Such an appointment should take place on the basis of a legal agreement between WERD on one hand, and FEHRL on the other, which describes the rights, responsibilities and obligations of each party, and the management principles for the fund.

The fund itself will need to be set up in the 2nd year of GENESIS, in order to ensure that funds are made available for the 3rd Conference in the series, i.e. the first to take place after the project.

For these reasons, it is proposed that one of the first activities of the GENESIS project should be the setting-up of an agreement between WERD, PIARC and FEHRL on management of the Holding Fund.

5. Marketing

It is expected that the ERRC event will become the foremost road-related Conference in Europe. However, this will only come about if there is an appropriately effective and widespread marketing process that is addressed to the correct audience. This latter will be all stakeholders in the road transport sector, although the nature of the Conference will be such that the focus will change from year to year, and the marketing arrangements will therefore need to be suitably flexible.

A detailed marketing plan should and will be the responsibility of the Management Committee. At this early stage, however, it is possible to define the areas to be covered by the plan. These are:

- Building contacts database
- Deciding on and generating marketing tools (brochures, preprints, articles in journals, etc)
- Liaison with Programming/Organising Committees
- Collection of feedback
- Mailing and other arrangements
- Market research on Conference themes
- Post-Conference publications

It is proposed that the Management Committee give very early attention to the way in which these matters should be dealt with. It would be possible, for example, to let a sub-contract to specialists who would carry out the role, or to recruit appropriate specialists to the organising team. A third, and perhaps preferable option, would be to make suitable arrangements with the private sector exhibitors, who will no doubt be conducting their own marketing exercise. This option would need to be carefully done, but could produce significant advantages.

6. Risks

The model applied for GENESIS implies very small risks, if any. All expenditures for the project including the two conferences are covered by the WERD contribution. On top of that, income from the private sector will be a

further asset. Even calling off the conference at a late stage i.e. half a year before the conference should be held, will not bring the project into deficit.

6. Implementation

The Business Plan set out in this Annex will form the basis of the overall agreement between WERD, PIARC and FEHRL for the setting-up and management of the GENESIS project. It is proposed that there is an urgent need to proceed with a European Road Research Conference in 2004, and that if this need is to be met, then an agreement on GENESIS needs to be reached very early in 2003. Only in this way will it be possible to make the necessary reservations of venue and contracts with Conference organisers.