



President's report: ICSC adjusted to the changing economy

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As the 2009 Great Recession took a bite out of the global shopping center industry, ICSC adjusted its programs and services to meet the rapidly changing priorities of its members. For many, the most visible change was an overhaul of ICSC's marquee RECon event in Las Vegas, Nev. However, every one of ICSC's 300 conferences and deal-making events were recalibrated to run with lower attendance and more focus on business survival versus business growth.

Year-over-year total program attendance, a key revenue source for ICSC, was down 35% from 2008's record level to 94,366. The number of programs held worldwide dropped by a modest 4% to 300, but masked an important churning of meetings. Very few of the 2008 programs were repeated in 2009, and the 30 new programs that were created last year were developed to address a specific market need or concern.

The association's membership saw its first year-over-year decline since 1992 with average monthly membership dropping 20% to 56,000. Much of the overall decline came from fewer affiliate members from each of the corporate members, a trend consistent with the significant layoffs of employees in the shopping center industry. Corporate memberships, as measured by the number of official ICSC members, fell by 16% on a monthly average basis from 2008 to 2009. Geographically, ICSC's membership trends tended to reflect regional strengths and weaknesses. The biggest declines were in the U.S. and much of Western Europe while the more robust economies of Brazil, Canada, Eastern Europe and Asia had smaller declines in membership or even modest increases, as was the case in the Caribbean and Latin America where membership was up 20% on a year-to-year basis.

Policymakers worldwide eyed the shopping center industry hungrily for its dual ability to raise fiscal revenues, through taxes and fees, and generate jobs. Against this backdrop, combatting the temptation to overtax the industry and defeating and forestalling punitive legislation at federal and local levels in the U.S. was a key component of ICSC global public policy initiatives. ICSC also took on a lead advisory role with Washington, D.C. decision makers on restoring capital flows to the shopping center industry by providing testimony, research, white papers and model legislation through its Capital Markets Task Force. In Europe, our European Public Affairs Committee Sustainability Working Group elevated ICSC's leadership role through its work with officials of the European Commission and the European Parliament in drafting best-practice guidelines for energy efficiency and sustainability.

ICSC provides knowledge to its members and the public at large through its research and publications activities. In 2009, five new professional books were published, including Sustainable Retail Development: New Success Strategies by J. Yudelson, a product of ICSC's Research Scholar program launched in 2007.

Shopping center news coverage was increased for ICSC's worldwide members with the addition of

Middle East Brief, India Brief and Mexico Brief. Both ICSC magazines, Value Retail News and Shopping Centers Today expanded their international editorial coverage and the latter increased its visibility as a business publication with trial distribution in airline business lounges.

The ICSC Research Group was uncanny in its accuracy in forecasts for the industrial and the economy in 2009, accurately projecting the 2009 recovery as well as the year-end rebound in retail sales. The Group also completed the rollout of ICSC's electronic library, providing unlimited access for members and researchers to an unparalleled array of publications and data impacting the global shopping center industry.

Knowledge, education, advocacy and business connections are the foundation of ICSC's mission. In spite of the challenging times, ICSC not only remained true to its mission, but did so in a fiscally prudent manner, operating with a balanced budget and no curtailment of service to its worldwide membership base. Credit for this confirmed success clearly goes to the spirit and dedication of ICSC's worldwide volunteer leadership, and the unmatched devotion of the association's chairmen during the last year, Mary Lou Fiala and her successor, L. Peter Sharpe. As ICSC's president and staff chief, I congratulate these leaders and thank ICSC's members for their support of the industry and its association.

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