

ANNUAL REPORT 2010



EuroFM
EUROPEAN FACILITY
MANAGEMENT
NETWORK





Dear Members, Associates and Affiliates,

In 2012 it will be 25 years since facility management set foot in Europe. Driven by the integration of people, place and process; facilities management developed from a single service orientation to an integrated business services model delivering a new world of work in the built environment.

As with most new professions we also have experienced the ups and downs over the years but as we mature we are experiencing a new era of opportunity. Being a European association growth is always strongly influenced by national sentiments and the focal points of European politicians and policy makers.

As a result, our association has followed the usual growth path. It started with professionals who had a vision and who were passionate about developing and promoting facility management across Europe; and today EuroFM counts 92 members organizations from 27 countries.

This **Annual Report 2010** is a summary of our main activities in 2010, the year in which EuroFM implemented a new logo and website. It also provides a quick financial scan and overview.

As your elected EuroFM Board we are looking forward facilitating your world of work.

Wayne Tantrum (Chairman),

Fred Kloet (Vice-Chair),

Chris Kenneally (Secretary & Treasurer),

Antje Junghans (Chair RNG),

Klaus Homann (Chair ENG),

David Martinez (Chair PNG),

Jos Barnhoorn (Chair CANG).

Naarden (NL), February 9, 2011

Annual Report 2010

1. Promoting FM across Europe.
2. Adding value to our members.
3. Delivering financial stability.
4. Dissemination of knowledge and information.
5. To facilitate networking opportunities to share best practice.

November 2009 the board of EuroFM for the first time ever organized a 'hand-over' meeting to facilitate the exchange of information from outgoing to incoming members. It was the outgoing chairman Albert Pilger that clearly asked the new board for 'Action!' We are proud to say we have done just exactly that.

It all began with a good analysis of the status the association was in and developing a work plan and action plan to determine the focal points. We summarized our constitutional objectives into five clear focal points mentioned above reflecting these objectives.

It was clear we had to take care of subjects that had been on the associations agenda for too long and needed delivering in order to create new momentum. We have delivered the following during 2010:

- The implementation of a new website that allows :
 - Network Groups to develop, manage and promote their own web pages and projects.
 - Members to publish their news themselves directly on the EuroFM site.
 - Online publication of the Education Guide and Research Guide.
 - Strengthening the collaboration with our members and publication partners.
 - To do online research, disseminate knowledge and be the central source of information.
- The modernisation of the association logo reflecting our historical background and EU focus.
- Improving communication with existing members and increasing efforts to gain new members.
- An affiliation agreement with Global FM with the objective to create a global facility management governance structure that matches the existing global economic governance structure.
- A well attended 550 people annual conference in Madrid (hosted by IFMA Spain, LaSalle, SEFM and APFM) allowing us to thank IFMA for its long term partnership by sharing the financial revenue.
- The start of the 'EuroFM Market Data' and 'European Competency Model' projects that will facilitate the association in becoming the central source of information.
- Numerous back-office improvements such as improving the management of the secretariat, the use of Huddle, developing marketing material and a sponsor package.
- A decision to promote all credentials offered by all our members.
- An increase in Corporate Associates and Affiliations.
- Contracting professionals for delivering our annual conference (IBC Informa) and selling ad space on our website and in our European FMInsight newsletter (Redactive).

Throughout 2010 the association has increased its internal **communications** and external network.

We discussed potential long term strategies for EuroFM with various associations including IFMA, the FIEC (construction), the CIB (global built environment research), the WBCSD (World Business Council Sustainable Development). We also talked to organisations that could be interested in partnering with EuroFM as **affiliations** or members where this is possible. This led us to signing two agreements.

We have looked for both horizontal **connections** (in the building lifecycle) as well as vertical connections (within FM). Horizontally for example we connected to PuRE-Net (public sector real estate), the European Commission and the European Parliament, CoreNet Global (real estate), etc. Vertically we connected with FENI (cleaning), EBSRT (EC roundtable), EAPM (people management) euESCO (energy) and EPCAS (catering). The network developed and information collected has been used to develop the 2011-2013 strategy that will be presented later in this document.

In 2010 there were successful **EuroFM Meetings** in Groningen (hosted by Hanze University Groningen) and Lisbon (hosted by APFM) with the following activities:

LISBOA

EuroFM | MEMBERS MEETING | 23-25 SEP 2010

APFM | 4th ANNUAL CONFERENCE | 24 SEP 2010



- In Groningen we remembered former board member Hans Braat who passed away. We expressed our gratitude for his work by granting him a posthumous "Honourable Membership" of our association. At the same meeting we also launched the next phase of the RNG 'FM Futures' project, and progressed with the RNG projects 'Added Value of FM' and 'Workplace Management'.
- At the annual conference in Madrid the association granted former chair professor Keith Alexander an Honourable Membership. Jose Luis Garcia Cuartero, Laslo Kuczogi and Thomas Wehrmuller ended their term on the eFMI Editorial Board and Richard Byatt started chairing the Editorial Board.
- In Lisbon we signed the agreement with DFM to host our annual conference in Copenhagen in 2012 and the agreement with Indian IFMI for a collaboration focused on education. At the General Members Meeting (#62!) the new website and logo were officially implemented. Also the final preparations for the presentation of EuroFM and the European FM sector at the European Parliament were made. We presented the 'EuroFM EU2020 Agenda' to some MEP's and other invited stakeholders.

The Corporate Associates Network Group organised a **Roundtable** in London in April. The association invited the European leadership from the largest FM service providers to discuss the EuroFM Work Plan 2010. The outcome of this meeting was a common understanding about the issues that needed more investments from both the market as well as EuroFM:

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| ➤ Understanding the EN15221 standards. | ➤ Managing labour laws. |
| ➤ Growing the size of the market. | ➤ Cost of doing business across borders. |
| ➤ Assuring equality and diversity. | ➤ Lobbying of EU policy. |

Other subjects identified at this roundtable as of relevance to the European FM developments include:

- The wish for more consistency in public outsourcing directives and labour harmonisation.
- The challenge to manage cross boarder law, language, culture and market structure.
- FM as the new driving force behind energy efficient buildings and sustainability in general.
- Euro FM's investments in approaching and influencing European politicians and policy.
- Euro FM's thin organisation, the leadership it requires and board vacancies coming up.
- The influences of LEED/BREEAM (and similar models) on FM practices.

Based on the work delivered in 2010 EuroFM has manoeuvred itself in a position from where it can set the next step in becoming the representative sector in Europe for workspace facilities and services. This is being reflected in the increased attention we received from the industry and lifecycle partners.

At the end of 2010 we said good bye to Dr. Margaret-Mary Nelson (Chair of the Research Network Group, Bolton University) and Mr. Gordon McMillan (Chair of Corporate Associates, GlaxoSmithKline). We would like to show our sincere appreciation to these volunteers for the dedication and hard work they have shown to our association and the actions they have helped us achieve. We wish the new chairs, Prof. Dr.- Ing. Architektin Antje Junghans (Research Network Group) and Mr. Jos Barnhoorn (Corporate Associates) every success in their new positions.

This Annual Report 2010 is the first document to demonstrate our accountability to all of our members. 2010 has been exciting for the board and all members involved in our activities. We wish to thank all our members, associates, sponsors, partners and affiliates and wish them every success with the advancement of the facility management profession in 2011.

(The financial statements regarding 2010 can be found in the enclosures.)

Financial Statements

Naarden (NL), February 11, 2011

Financial report 2010

The total revenue for 2010 is foreseen at €128k, a 5% increase on 2009. This is made up of membership-fees, sponsorship and bank interest.

Income from sponsorship saw a 70% increase in comparison to 2009, however it did not meet the forecasted realisation which is a direct result of the impact of the global recession on our member organisations.

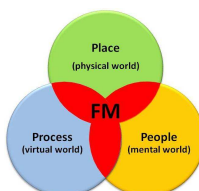
Total costs rose by 31% over 2009 as a result of three contributory factors:

- A €10k increase in travelling costs, this investment was required to grow membership;
- A €14k increase in the annual conference costs;
- A €15k investment into the new website development and associated marketing materials.

Bad debts increased by €12k, with 50% of this total borne by two members who have not yet paid for data reports that will be collectable in early 2011. These factors contributed to an operating loss 10% higher than the €13.5k annual plan, resulting in an overall operating loss in 2010 of €15k.

Forecast 2011

The core focus in 2011 will be to increase the contribution from membership by 13% and from project activities by 100%, thus enabling the investment in the vision to be realised. We recognise that during 2010 a lot of the leadership time was focussed on the rebranding of EuroFM. With the tools now in place to deliver for our membership, we will promote our industry directly and indirectly to increase revenue streams.



About EuroFM

The EuroFM Network association represents:

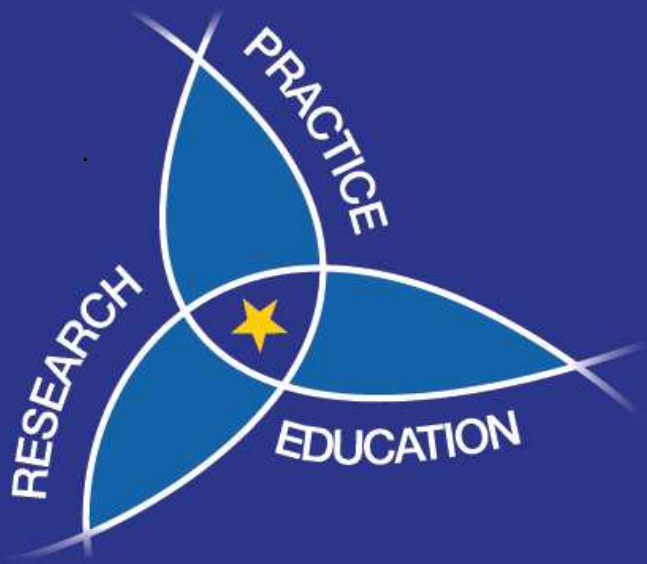
- 23 National Associations representing 22.000 members.
- 29 Publication Partners representing 65.000 readers.
- The European Workspace Facilities and Services sector.
- 5% of European GDP, approx. € 640 billion revenue and 40 million FTE.
- 16 Service Providers with € 110 billion turnover and 1.300.000 employees.
- Universities and Educational Institutes representing approx. 14.000 FM students.

See www.eurofm.org for further information.

About FM

Facility Management is the integration of processes within an organisation to maintain and develop the agreed services which support and improve the effectiveness of its primary activities. The scope of FM consists of 'Space & Infrastructure' (planning, design, workplace, construction, lease, occupancy, maintenance, furniture, cleaning, etc.) and 'People & Organisation' (catering, ICT, HRM, HS&S, accounting, marketing, hospitality, etc.).

This document has been developed by the executive committee and approved by the board on 09/02/2011.



EuroFM

EUROPEAN FACILITY
MANAGEMENT
NETWORK

REPRESENTING WORKSPACE FACILITIES & SERVICES



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NEW LOGO, NEW WEBSITE, NEW BENEFITS