

### **Introduction**

Apart from the default site (Delft), two potential conference sites were proposed before the 2016 summer PC meeting: Reykjavik (Iceland) and Rome (Italy). Right before the PC meeting, the Rome bid was withdrawn: the venue was too expensive and the Italian team preferred to withdraw and submit a better bid for 2020. Although the Italian site is therefore not a real option for 2018, it is included in the tab of the accompanying spreadsheet in which the two remaining options are compared from the society point of view. The two real options are Reykjavik (Iceland) and the Delft default site (NL).

### **Option 1: Reykjavik (Iceland)**

The “Iceland” bid comes from a team of System Dynamicists from the University of Iceland, namely Professor **Harald** Sverdrup (Professor of Industrial Engineering, SDS member, and Balaton Group member), dr. **Anna** Hulda Ólafsdóttir (Assistant Professor at the University of Iceland, SDS member), and Professor Kristín **Vala** Ragnarsdóttir (Professor of Sustainability Science, SDS member, and Balaton Group member). Harald and Anna have recently started a Icelandic System Dynamics Centre and are teaching System Dynamics at the University of Iceland of as a part of the regular curriculum for engineering students. The conference will be hosted at the University of Iceland (large auditoriums + many smaller seminar rooms). The Icelandic team is willing to organize side events too.

The Iceland conference would be held from 5-9 August 2018: July is the touristic top season in Iceland (more expensive rooms).

Personally, I fully support the Icelandic bid. The team consists of established System Dynamicists who are well rooted locally in Iceland. Moreover, from experience I know that Iceland provides good conference facilities and is a beautiful country. In July 2006, I attended the 21<sup>st</sup> EURO conference in Reykjavik (at the University of Iceland) and travelled around the island for weeks (recommended!).

### **Option 2: Delft (the Netherlands)**

The Delft bid is the same bid as before, the default site bid from Delft University of Technology (Els van Daalen, Erik Pruyt, and Jill Slinger). Note that the default site can be called upon if there is no acceptable alternative. Note, however, that organizing a third consecutive conference in Delft (2014, 2016 and 2016) may result in declining attendance. This effect was already noticeable in 2016: quite some prominent System Dynamicists who attended in 2014, skipped the 2016 Delft conference. Hence, the Delft team fully supports any alternative bid that is good enough.

### **Site Comparison**

Three scenarios are calculated in the accompanying XLSX spreadsheet: a minimum attendance scenario, an expected attendance scenario, and a maximum attendance scenario. The minimum attendance scenario is the same for all sites: 380 paying participants paying \$500 registration fee. The expected and maximum scenarios are the same for Reykjavik and Rome (450 and 500 paying participants), but are lower for Delft (420 and 460 paying participants). The \$500 is based on the “Conf Costs” tab.

Based on an assumed \$500 registration fee, the “Society” tab shows that the Iceland bid outperforms the Delft and Rome bids for the expected and maximum attendance scenarios. The expected bottom line for the SDS (on top of the estimated head office costs) would amount to \$34k (compared to \$32k for Delft and \$23k for Rome) and the maximum scenario bottom line for the SDS (on top of the estimated head office costs) would amount to \$44k (compared to \$40k for Delft and \$32k for Rome). Only in case of the low attendance scenario would Delft outperform the other two options (\$24k for Iceland versus \$13k for Delft and -\$7k for Rome). This overall result has to do with the assumptions about attendance and costs (we happen to have relatively high fixed cost and therefore a high break-even point, with the lowest costs in Delft). Overall, the Icelandic bid is slightly more expensive than the Delft bid given the fact that the venue needs to be paid for (€7500), which, in the case of Delft, is covered by sponsorship by Delft University of Technology (€25000), and coffee breaks are likely to be slightly more expensive in Iceland. Note the Delft lunches are not included in the costs and registration fee in this calculation. Conclusion: if we make the conference a success in terms of participants, then Iceland is the best option for the society as well as for the local organizers.

The second tab compares the total expenses for participants of the Iceland and Delft bids (Rome is left out, since it is not a real option for 2018), including travel costs, conference registration, and costs for stay and food, for participants flying in from Amsterdam, London, Boston, San Francisco, Johannesburg and Seoul. Prices for flights were obtained in March 2017 for the corresponding period in 2017 (5-11 August 2017 – versus 4-9 August 2018). Flights would be slightly more expensive for participants except for participants from the USA and Seoul. Hotels and food are also likely to be slightly more expensive in Reykjavik than in Delft. Note, however, that there are many hostels and airBnB facilities in Reykjavik, which may enable participants to pay significantly less than calculated in the accompanying sheet.

However, total conference related expenses would - even with higher hotel and food prices - remain within about +10% for participants from the USA and Korea. For Europeans and others, overall costs for attending the conference might be up by some 20-25%. Given the fact that conference attendance is mostly paid for or sponsored by employers or is tax deductible, surplus amounts of about \$550 per person should be manageable if the location is attractive enough. I believe this is true for Iceland. Moreover, budget travellers should be able, if planning ahead, to reduce their costs by the same amount. Overall it could therefore be concluded that although for most non-USA participants, attending the conference would be more expensive, it would not be excessive.

Detailed calculations regarding travel and stay expenses can be found in the “Travel” and “Stay” tabs.

### **Recommendation**

Based on the above and the accompanying sheet, I would like to recommend the PC to take the formal decision to award the 2018 ISDC to Iceland.