



Press

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Final Report Toy & Hobby China Baby & Stroller China Poly World Trade Center Expo Guangzhou, China, 8 – 10 April 2017

Expanded Toy & Hobby China and Baby & Stroller China attracts 11% more visitors

International Zone effectively helps overseas suppliers tap into the China market

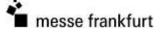
Buyers satisfied with the diversity of exhibitors and products

The 2017 editions of Toy & Hobby China and Baby & Stroller China once again proved themselves to be one of the leading trade fairs of their kind in China, with an expanded scale and significant increase in visitors. In response to the positive prospects of the toy and baby product markets in China, the two concurrent fairs expanded their exhibition space by 8% to 81,200 sqm, covering seven halls this year. With one more hall than 2016, the shows accommodated 1,068 exhibitors from 11 countries and regions (2016: 1,006) including China, Germany, Hong Kong, Korea, Mexico, the Netherlands, Spain, Switzerland, Taiwan, Thailand and the US. The three-day shows attracted 53,856 visitors, an 11% increase compared to 2016 (48,521). The number of overseas visitors also rose by 21% to 2,838. Both figures recorded continuous growth for the third year.

Commenting on the strong increase in the visitor figure, Ms Wendy Wen, Senior General Manager of Messe Frankfurt (HK) Ltd said: "We feel the large growth in the visitor figure this year is the effect of the potential people see in the Chinese market, given the change to the two-child policy. A number of buyers at the fairs were new to the industry, and were looking to take advantage of the future potential that this change will bring, both in the baby product and toy markets in the years to come. What is also pleasing for us as organisers, is the fact that Chinese buyers are still showing strong interest in overseas products, and we expect this to continue as disposable incomes continue to increase in China."

International Zone effectively helps overseas suppliers tap into the China market

Messe Frankfurt (HK) Ltd 35/F, China Resources Building 26 Harbour Road Wanchai, Hong Kong



First introduced in the 2016 edition, the International Zone was strongly

praised once again by both exhibitors and visitors for enhancing the show's diversity and providing more overseas products of high quality. This year, exhibitors from Hong Kong, Korea, Mexico, the Netherlands, Spain, Switzerland, Taiwan, Thailand and the US exhibited in this highlighted zone. As a newcomer to the show, Globos Payaso from Mexico looked forward to opening up the China market and appreciated the effectiveness of the fairs. "China could become our biggest market. The fairs have helped increase our market share in China. It's been really helpful as a lot of people have been coming to our booths, so it's the perfect platform to access the Chinese market," said Asia-Oceania Sales Manager, Mr José María López.

Thai Centri (1995) Co Ltd from Thailand, which also came for the first time, found they were competitive in the China market. Ms Kitti Charoenpornpanichkul, Deputy Managing Director commented: "We've been able to meet quality buyers at these fairs. Many buyers are keen to buy products from Thailand, so being an overseas brand here is good." Making their debut at the fairs, the Netherlands exhibitor, B-E Essential B.V., shared the same view. "As a foreign brand, we see a high potential in China because customers are looking for better brands, especially the ones from abroad. The fairs are beneficial to my company and very successful because we met so many potential clients," said Representative, Ms Annemarie Van Beek.

The International Zone has served as such an effective gateway for overseas suppliers to tap into the China market that some international brands decided to come back after their participation last year. GreenLight LLC is one of those companies which benefited from the fairs as well as the dedicated zone. "Last year a lot of the visitors were checking us out, and now they're coming back and this is turning into business," Mr Tim Bradley, Director of International Sales said. "One buyer has already started pre-sales online after coming to our booth yesterday and checking if we could produce the amount he wanted!" Swiss brand, MJ Steps also realised the advantages of being in the International Zone. Mr Michael Gelpke, Partner said: "Buyers clearly had the intention of coming here to look for overseas products. More and more buyers are coming to our booth this edition." Gelpke continued that he also sees tremendous potential in China given that consumers are more willing to pay for imported brands now.

Animation and Character Licensing product sector growing with big potential

As the animation and character licensing product sector is gaining momentum in the China market, the fairs' enlarged Animation and Character Licensing Zone acts as a stepping stone for both domestic and overseas licensors to capture the opportunities. Guangzhou Dali Animation Corp. Ltd which produces two popular animation brands was at the fairs to look for a range of cooperation. "With the show's reputation, we are able to reach a large number of industry players. It is a professional trade show which helps us to develop sales and promotion channels as well as to showcase new products," Director of the IP Business Department, Ms Zhu Ling said, continuing that she sees

Toy & Hobby China Baby & Stroller China Guangzhou, China, 8 – 10 April 2017

Page 2

much room for development of the sector as licensing is still a relatively new industry in China.

The show was also an ideal occasion for overseas licensors to meet with local manufacturers and get to know more about the domestic market. "Most manufacturers here are not currently importing overseas, so these fairs are a very good opportunity to meet with those who are interested to develop connections with the overseas market," said Mr Kevin Chan, Licensing Manager of ENS Global Marketing Ltd. This Hong Kong licensor also attended the fairs to promote their B.Duck brand in China. Mr Chan explained: "There aren't many licensing events in Southern China, so these fairs offer an extra opportunity for us to get in touch with some potential and valuable customers."

One of the leading fairs in China for domestic exhibitors

As Toy & Hobby China and Baby & Stroller China are the most established and reputed trade shows in China, a number of Chinese toys and baby products suppliers have been exhibiting at the fairs for many years. Zhejiang Muwan Toys Co. Ltd is a well-known, veteran exhibitor. Its Chairman, Mr Ben Ho values the shows: "These fairs have become the irreplaceable occasion where brands gather in the first half of the year. We can meet a lot of dealers and channel agents around China here. Every year we bring our new product collections to present to our customers."

Apart from brand promotion and product demonstrations, the shows also facilitate companies' growth in generating more business. Beiens (Shenzhen) Technology Co. Ltd which was originally an online brand found the fairs beneficial in extending their sales channels. "We are amazed by the visitor flow this year as there are more agents coming to our booth compared to last year," said Distribution Manager, Ms Wu Zong Qin. She agrees that their company can benefit from the exposure at the fairs. "We observed that most of the agents coming to the fairs are looking for products designated for 0 - 1 year olds. With reference to our sales and market data, we started to put more emphasis on the infant product sector."

Buyers satisfied with the diversity of exhibitors and products

The wide range of products on offer is one of the reasons that sets the fairs apart from others. Products from toys, animation licensing & licensed products and hobby models to pre-school items & equipment, strollers, ride-ons and baby products are available ensuring the sourcing needs of buyers are satisfied. "I have never seen such a wide variety of choice at a fair as I've seen here. I've got some good ideas of products that our clients will like," said Mr Ekaphong Jitpattanarat, Business Development Manager of Phrong Intertrade Co Ltd from Thailand.

Buyers were also amazed by the innovative products and new exhibitors they encountered. "There's a lot of original products here and the R&D is impressive. The price of the new things here is also reasonable," said Ms Kok Yin Wah, Representative of HTV Entertainment Ltd from Malaysia.

Toy & Hobby China Baby & Stroller China Guangzhou, China, 8 – 10 April 2017 Japanese buyer, Mr Naoto Sakakibara from Rocket Models LLC was also intrigued by the new products here. "Every year I can find something new which I can't find at other trade fairs in the region."

Apart from finding their target products, buyers were happy to get in touch with manufacturers directly instead of trading companies. "This year, we have found a few potential suppliers which have unique products. The good thing about these fairs is that most of the exhibitors have their own factories so I can get better prices and ideas from them," said Mr DJ Ramchand, Representative of ISLANDKIDZ from Mauritius.

Being one of the main annual events for the industry, the fairs successfully attracted a large number of domestic buyers from all parts of China. "I like these fairs because there are many product options in just one place. Most of the product categories are covered. I can also find some new products which reflect the market trends," said Mr Xie from Hua Hui Toys Ltd, China.

Business matching meetings further helped buyers to meet their interested suppliers. Greek buyer Mr Panos Patsalos found the meetings useful in getting the products he needed. "I've been able to find several potential Chinese suppliers to work with. I've achieved what I came here for and I'll come back next year," he said.

Prospects for Chinese toy and baby products markets remain bright

The general consensus at the fairs was the future of the Chinese toy and baby products markets remains bright, with both overseas and domestic suppliers optimistic of the year ahead. Specialising in balloon products, Mr López from Globos Payaso is confident in developing their business in China. "China is a big market that we have never really explored nor developed too much. The balloon business is growing in China." Mr Bradley of GreenLight LLC noticed the growing interest in foreign products in China. "We see a lot of potential in the Chinese market. Chinese consumers are more aware of Western and American culture, so this is something we want to take advantage of here."

Domestic suppliers also see opportunities in the market. "We believe that the toy and baby product markets will continue to grow because of the two-child policy and changing consumer behaviour. Nowadays parents that are born in the 1990s are more willing to spend on their children as long as the products are of high quality," said Ms Wu of Beiens (Shenzhen) Technology Co Ltd. Mr Lin from ShanTou LianHuan Toys & Crafts Co. Ltd agrees that the policy is going to bring about a positive impact. "The two-child policy is beneficial to us as it increases the number of children in the long run. Plus the living standards in China have risen so people have more purchasing power. The demand for toys will keep growing."

Toy & Hobby China and Baby & Stroller China are organised by Guangdong Toy Association, Guangzhou Li Tong Messe Frankfurt Co Ltd and Messe Frankfurt (HK) Ltd. The next fairs will take place from 8 – Toy & Hobby China Baby & Stroller China Guangzhou, China, 8 – 10 April 2017

10 April 2018.

For more information, please visit <u>www.chinatoyfair.com</u> or <u>www.chinababyfair.com</u>.

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Note to editors: a selection of photos from the fairs can be found here: <u>http://www.hk.messefrankfurt.com/hongkong/en/media/consumer-goods/toyfair_gz/media.html</u> & <u>http://www.hk.messefrankfurt.com/hongkong/en/media/consumer-goods/baby_product/media.html</u>.

Background information on Messe Frankfurt

Messe Frankfurt is the world's largest trade fair, congress and event organiser with its own exhibition grounds. With some 2,400 employees at 30 locations, the company generates annual sales of over €640 million. Thanks to its far-reaching ties with the relevant sectors and to its international sales network, the Group looks after the business interests of its customers effectively. A comprehensive range of services – both onsite and online – ensures that customers worldwide enjoy consistently high quality and flexibility when planning, organising and running their events. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services.

With its headquarters in Frankfurt am Main, the company is owned by the City of Frankfurt (60 percent) and the State of Hesse (40 percent).

For more information, please visit our website at: www.messefrankfurt.com