

Press release

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Messe Frankfurt reaffirms its commitment to China as it reflects on over 35 years of partnership-led expansion

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With trade fair activity resuming at a steady pace and China's manufacturing PMI recently recording its biggest improvement in over a decade¹, global exhibition organiser Messe Frankfurt has earmarked 2023 as the year to consolidate and build upon the leading position it has established in China over the last 36 years. It's a period of unrivalled expansion in the company's almost 800 year history, with China now representing the single biggest overseas market for the company, and an important part of its worldwide network of sales offices and subsidiaries. Following decades of successes and challenges, including the recent disruption caused by the pandemic, the company remains one of the most substantial international trade fair organisers in the country with more than 40 events – a portfolio built on relationships that will continue to strengthen in the years ahead.

As it looks to the future, Messe Frankfurt is increasingly drawing on lessons from the past. Reliable partnerships and joint ventures have proven to be one of the key elements to its success in China since the launch of Interstoff Asia in Hong Kong in 1987, the company's first trade fair outside of Germany. In 1994, the Hong Kong office was established and later became the headquarters for Asia – the launching pad for what has grown into a network of eight further subsidiaries and branch offices in Greater China today.

“While this network of offices is important, without partners who bring local know-how, as well as our strong connections with Chinese authorities and industry associations, we would not be in the position we are today. Local partnerships are crucial,” explains Mr Wolfgang Marzin, President and Chief Executive Officer, Messe Frankfurt Group. Held in 1995 jointly with The Sub-Council of Textile Industry, the China Council for Promotional Trade (CCPIT-Tex), Intertextile Beijing (now Intertextile Shanghai Apparel Fabrics) was Messe Frankfurt's first trade fair in mainland China, marking the start of many long and successful joint venture relationships with

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Chinese partners that continue today.

As of 2023, Messe Frankfurt (HK) Ltd and CCPIT-TEX now organise nine events each year, covering a wide range of textile-related segments: from apparel fabrics, home textiles, and technical textiles, to nonwovens, and fibres & yarns. This includes Intertextile Shanghai Apparel Fabrics, one of the biggest trade fairs for the sector in the world, attracting some 4,000 exhibitors and 90,000 visitors to Spring and Autumn editions each year. The collaboration also extends not only to China, but also to Heimtextil in Frankfurt, as well as to 'Texworld', 'Apparel Sourcing', and 'Home Textiles Sourcing' in Paris and New York. CCPIT-TEX is actively involved in attracting Chinese suppliers to these international events and the relationship is continuing to deepen.

Globally recognised trade fair brands: from Germany to China

Messe Frankfurt's growth in China also stems from flagship events that have been extended from Frankfurt and tailored to the local market. These flagship trade fair brands are well presented in multiple industry sectors, including: Building Technologies, Consumer Goods, Electronics & Automation Technologies, Event & Entertainment Technologies, Environmental Technologies, Food Technologies, Manufacturing Technologies & Components, Mobility & Logistics, and Textile Care.

A prime example is ISH China, which first took place in 1996 in Beijing. Since then it has grown into one of the best-known exhibition platforms under Messe Frankfurt's ISH brand, bringing together the world's leading players in the HVAC and plumbing industry. In 2011, ISH China merged with one of the biggest local HVAC fairs, CIHE, and was renamed ISH China & CIHE. Later in September 2012, a Shanghai edition was introduced to meet heating market demand in Eastern and Central China. In May this year, the Beijing fair is expected to welcome over 1,300 exhibitors across 106,800 sqm of exhibition space.

With a growing number of trade fairs in mainland China, the company opened its Shanghai office in March 2002. In the same year, Music China made its debut in Shanghai and is now one of the largest musical instrument events in the world.

Recently celebrating its 20th anniversary, the Shanghai office, with some 120 staff, has played a crucial role in organising some of Messe Frankfurt's biggest flagship brand fairs in China. Automechanika and Texcare are two examples of world leading events with offshoots in major markets around the world. In 1998, both brands started their journey in Asia, and after two decades of development, Automechanika's footprint now extends across developed and emerging markets in Asia, including Kuala Lumpur, Ho Chi Minh City and Shanghai – the industry's most influential automotive event. The upcoming Shanghai edition in November 2023 is expected to fill 280,000 sqm of exhibition across 12 halls.

Strategically positioned subsidiaries and joint ventures

To accommodate its growing number of joint-ventures and business

partnerships, today, the company operates eight offices across Greater China in Hong Kong, Shanghai, Beijing, Guangzhou, Shenzhen and Taipei. From just six employees at its opening, today a team of some 500 experienced staff and management represent Messe Frankfurt across the entirety of Greater China.

In some of China's key business regions, reliable joint-ventures have been essential to guiding growth. In 2005, a joint company was established with Guangzhou Guangya Exhibition Co Ltd, forming Guangzhou Guangya Messe Frankfurt – organiser of the biggest lighting fair in Asia and the second largest in the world, attracting 128,202 visitors from 58 countries and regions and 1,200 exhibitors last year.

Almost a decade later in 2014, another strategic alliance, Guangzhou Li Tong Messe Frankfurt Co Ltd, was formed with the Guangdong Toy Association (GDTA). The company is now the organiser of Toy & Edu, Baby & Stroller and Licensing China – among the most influential trade fairs for these industries in southern China, expected to draw some 1,400 combined exhibitors later this year.

In addition to its various joint ventures, Messe Frankfurt has strategically aligned its expansion with government policy. In 2020, Messe Frankfurt Shenzhen Co Ltd made a change to its operating structure to help clients embrace new business opportunities brought forward by the Greater Bay Area initiative, a government backed economic hub consisting of nine cities. Benefiting from unique geographical and policy advantages, the area is one of the country's wealthiest urban clusters with a high level of per capita spending.

Messe Frankfurt now organises eight trade fairs in Shenzhen that cover the e-commerce, consumer, textile and additive & metallurgy sectors:

- China (Shenzhen) Cross Border E-commerce Fair
- Toy & Edu China
- Baby & Stroller China
- Licensing China
- Intertextile Shenzhen Apparel Fabrics
- Yarn Expo Shenzhen
- Formnext + PM South China

“The growth of our trade fair portfolio and network in China over the past 30 plus years has been pleasing to see,” says Mr Marzin. “We've weathered both good and challenging times, from SARS in 2003 to the 2008 financial crises and recently Covid-19. At each hurdle we've drawn new lessons and adapted to each and every situation along the way. Of course, our partners and Messe Frankfurt's team in Greater China have played an important role in the process as well, and for this we truly appreciate their support. China is without a doubt our biggest market outside of Germany, and with the country's post-covid rebound underway, we are looking forward to many more decades of success to come.”

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Background information on Messe Frankfurt

The Messe Frankfurt Group is one of the world's leading trade fair, congress and event organisers with their own exhibition grounds. With a workforce of some 2,200* people at its headquarters in Frankfurt am Main and in 28 subsidiaries, it organises events around the world. Group sales in financial year 2022 were around €450 million*. We serve our customers' business interests efficiently within the framework of our Fairs & Events, Locations and Services business fields. One of Messe Frankfurt's key strengths is its powerful and closely knit global sales network, which covers around 180 countries in all regions of the world. Our 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. We are using our digital expertise to develop new business models. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. Sustainability is a central pillar of our corporate strategy. Here, we strike a healthy balance between ecological and economic interests, social responsibility and diversity. For more information, please visit our website at: www.messefrankfurt.com/sustainability. 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

* Preliminary figures for 2022