

Press release

May 2019

CAPAS 2019 responds to local demand and addresses challenges in the market

Ken Chung
Tel +852 2230 9225
Ken.chung@hongkong.
messefrankfurt.com
www.messefrankfurt.com.hk
www.capas-chengdu.com

CAPAS_PR3_ENG

The sixth edition of the Chengdu International Trade Fair for Automotive Parts and Aftermarket Services (CAPAS) is set to open on 23 to 25 May 2019 at the Chengdu Century City New International Exhibition & Convention Center in China. This year, professional buyers can explore a diverse range of products and services, as well as the latest industry trends from 600 exhibitors throughout the 45,000 sqm show floor. The highly anticipated Tyre sector will also debut during the three-day show.

Encouraging reports reveal that the automotive industry in Southwest China remains on track for another strong year of development. Figures show that the 2018 sales in Sichuan's automotive retail sector recorded an impressive growth of 3.2 percent, while car ownership in both Chengdu and Chongqing also exceeded 3 million units¹. While these areas of the industry performed highest in the country, the market in China is currently seeing a slower rate of progression. This is having a knock-on effect in other interrelated sectors such as the aftermarket. As a result, manufacturers are looking for breakthroughs to help drive business.

With this in mind, it is clear that many parts of the industry are continuing to evolve in efforts to keep up with new types of demand. For instance, more internet applications have altered the landscape of the traditional supply chain, creating new challenges and opportunities for both upstream and downstream segments of the market. CAPAS looks to shed light on this, as well as address problems caused by a small skilled labour pool and conservative management schemes.

Ms Fiona Chiew, Deputy General Manager, Messe Frankfurt (HK) Ltd, commented: "The rapid growth of the automotive market in Southwest China, and the constant desire to offer the latest products and services, have in itself, created a few challenges for businesses too. Once again, the sixth edition of CAPAS will offer a professional and market-oriented platform; it will amplify many of the high quality products that the region is currently producing for the aftermarket. Additionally, the dedicated

¹ "National Economic and Social Development of Sichuan Province in 2018", Sichuan Provincial Bureau of Statistics, 7 March 2019, <http://m-es.se/Yb3s>

"Chongqing Automobile Distribution Industry Report 2017 – 2018", Chongqing Automobile Business Association, May 2018

(Retrieved 15 October 2019)

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

fringe programme will encourage even more knowledge exchange. The events are set to cover workshop management and technical training that will enhance a business's overall operational efficiency.”

Seven themed zones offer comprehensive coverage of the supply chain

This year, many first time and returning exhibitors will take centre stage at one of Southwest China's most influential automotive trade fairs. These companies will display their leading and most innovative products across several new and improved zones.

Hengst Filtration System (Kunshan) Co Ltd is just one of the renowned auto parts manufacturers exhibiting at the fair. The company's Sales Director IAM, Mr Mei Chun Ming, explained: “We are a leading manufacturer specialising in high quality oil, fuel, air, and cabin air filters. Our ‘Filter Master Tool Set’ from the Hengst system's ‘Diagnosis + Service’, offer comprehensive solutions for our customers. The products we produce are geared toward distributors and repair and maintenance workshop providers. We believe that participating at CAPAS will help us expand our business into the Southwest China market more. The show will allow us to build up a broader network of local quick-fix parts distributors, chain stores and individual workshops around the region.”

Elsewhere, Guangdong Junlu Technology Co Ltd, the safety and autonomous driving solutions provider is bringing their flagship products to the show. This will include the intelligent assisted-driving system for public transportation that can accurately calculate braking distances of the car in front, millimetre-wave radar probe to determine road conditions and roadblocks, as well as smart security solutions for commercial and dangerous goods vehicles that can flag potential risks in critical situations.

The show will introduce Wuxi i-Reach Technology Co Ltd to its list of high quality companies in the Tyre sector. Wuxi I-Reach Technology Co Ltd will highlight their Sealant Tyre and related technologies. Through a variety of product demonstrations, interactive presentations and games, the company explains how their Sealant Tyres can enhance road safety by preventing tyre damage, especially when driving over sharp debris at high speeds.

With more and more digital advancements filtering into the automotive industry, companies based along distribution channels are now able to access information quicker and more efficiently. Auto repair workshops are just one of the sectors that have already benefited from these developments. As such, CAPAS aims to reinforce this by introducing the **Repair, Supply Chain & Chain Stores zone**. The area will bring together exhibitors who are currently utilising new business models in the ever-changing aftermarket. It will gather renowned companies such as Auto Parts Cloud, Casstime, Jufeng, Mancando, Yunnan Express and Zhongtu. The zone will become an integrated area for repair workshop owners to source technologies for supply chain management, e-commerce services and data management solutions.

For example, Casstime Technology Co Ltd will present their two core products including Cassmall and their data-driven workshop management system. Mr Jiang Yongxing, Chief Executive Officer, said: "This year, we decided to join the fair as we see great potential in the Southwest market. Through the show, we wish to build a strong network of auto parts suppliers and auto repair companies in the region."

Concurrent events highlight the region's trending topics

As a response to the unique market needs in Southwest China, CAPAS has devised a tailor-made fringe programme. This year, the events will delve into the promising local aftermarket, the new energy vehicle sector, as well as offer business matching to build upon the region's automotive manufacturing hub.

For example, **The Southwest Automotive Aftermarket Summit 2019** has already become one of the most highly anticipated events at this year's show. Speakers at the conference are set to discuss the transforming aftermarket and its future, as well as the associated opportunities and operational challenges that come with it. It will cover topics related to new policies, workshop operations, financial management and aftermarket strategies in the region.

The Importance of Precision Operations and Systematic Marketing – An Analysis of Profitmaking Models for Car Beauty Shops seminar will also highlight the changing landscape for repair workshops as the industry moves towards a more customer-oriented era. Providers will learn about customer service and transparency, as well as revenue management strategies to help identify the right target customer through more systematic and strategic sales planning. Attendees can come away with a greater understanding of consumer conversion rates and customer loyalty.

Based on last year's positive feedback regarding the discussion on new energy buses, the **Made in Chengdu Supply and Demand Business Matching Conference for New Energy Vehicle Products** is ready to return. The event will offer insight into the latest advancements for new energy passenger cars, vehicles for logistic use and sanitation vehicles. The matchmaking event prepares to gather buyers from the public transportation sector, as well as logistics companies, government procurement departments and airport groups from various provinces and cities across the country. A number of notable charging facilities operators and suppliers such as Accton, ChuanDian New Energy, SGCC, StarCharge, TGOOD, Winsky, YaLi Electric and Zhongjiao Xinda Qianhe New Energy will also attend the event.

Another fringe programme highlight is the **Automotive Industry Projects Presentation**. Once again, the event will convene auto leaders from major automotive manufacturing cities such as Deyang, Guang'an, Guangyuan, Leshan, Luzhou, Mianyang, Nanchong, Neijiang, Suining, Yibin and Ziyang. The event will offer tools and strategies to allow these cities to become more visible in the market and help attract investment from foreign companies, as well as other provinces in China for auto

parts, new energy and various types of auto manufacturing projects.

CAPAS is jointly organised by CCPIT-Auto, Messe Frankfurt (Shanghai) Co Ltd and CCPIT-Sichuan. For more information about the show, please visit www.capas-chengdu.com or email auto@hongkong.messefrankfurt.com.

- End -

Background information on the China Council for the Promotion of International Trade, Automotive Sub-Council (CCPIT-Auto)

The China Council for the Promotion of International Trade, Automotive Sub-Council (CCPIT-Auto) promotes foreign trade and economic cooperation, technical exchange and introduction of advanced technologies for China's auto industry by following the China Council for the Promotion of International Trade and China Chamber of International Commerce charter. It acts as a bridge for Chinese auto industry enterprises to build cooperation and exchange opportunities across the world. In addition, the committee organises three world leading and highly regarded international automotive exhibitions in Beijing, Shanghai and Guangzhou.

Background information on Messe Frankfurt

Messe Frankfurt is the world's largest trade fair, congress and event organiser with its own exhibition grounds. With more than 2,500* employees at 30 locations, the company generates annual sales of around €715* 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

*preliminary figures 2018

Background information on the China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan)

The China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan) aims to promote foreign trade cooperation and communication, under the guidance of the Sichuan Provincial Party Committee and the Provincial People's Government, and in accordance with the guidelines of national economic policy and principles. Its main duties are to encourage foreign trade and investment, enhance economic and technological exchange and cooperation, and to foster local enterprises to participate in the economic globalisation. CCPIT-Sichuan also organises a number of international exhibitions including the Western China International Fair.