

A digital boost for local industry

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1.7

million registered traders offer goods on the Online Textile City

The Online Textile City, an online textile-trading platform located at www.qtc.cn, has been an enormous boon for the textile industry of Shaoxing county, Zhejiang province since it was formally introduced last year, local officials said.

The only online business-to-business platform for textile products in China has reported more than 1 billion yuan (\$159.5 million) worth of sales revenue to date.

The number of traders registered on the system has grown to 1.7 million, and its base of frequent customers includes more than 58,000 companies. The average number of daily visitors surpassed 2 million.

By combining traditional transaction models with e-commerce, the system will help boost the global trade of locally produced textile products and promote the upgrading of local industry, industry experts say.

"E-commerce has become a must for companies seeking better development in the future. We are confident that the online system will help us achieve bigger success. Our company has reported 100 million yuan worth of sales revenue from online trading to date this year, and we expect to have 200 million yuan for the whole year," said Wang Sanwu, general manager of Kewang Textile Co.

Kewang has hired 10 employees to focus on its online business.

To ensure all information provided online is correct and genuine, the system operators carefully verify what they receive from traders. Operators require all companies that wish to participate in the sys-

tem to provide all certificates and licenses.

In addition, companies plan to implement a point system that allows customers to rate traders' credibility. Companies will not be allowed to open businesses online if the points fall below the lowest requirements.

The operators believe the platform will create an environment of transparency and fairness that will benefit buyers and suppliers alike.

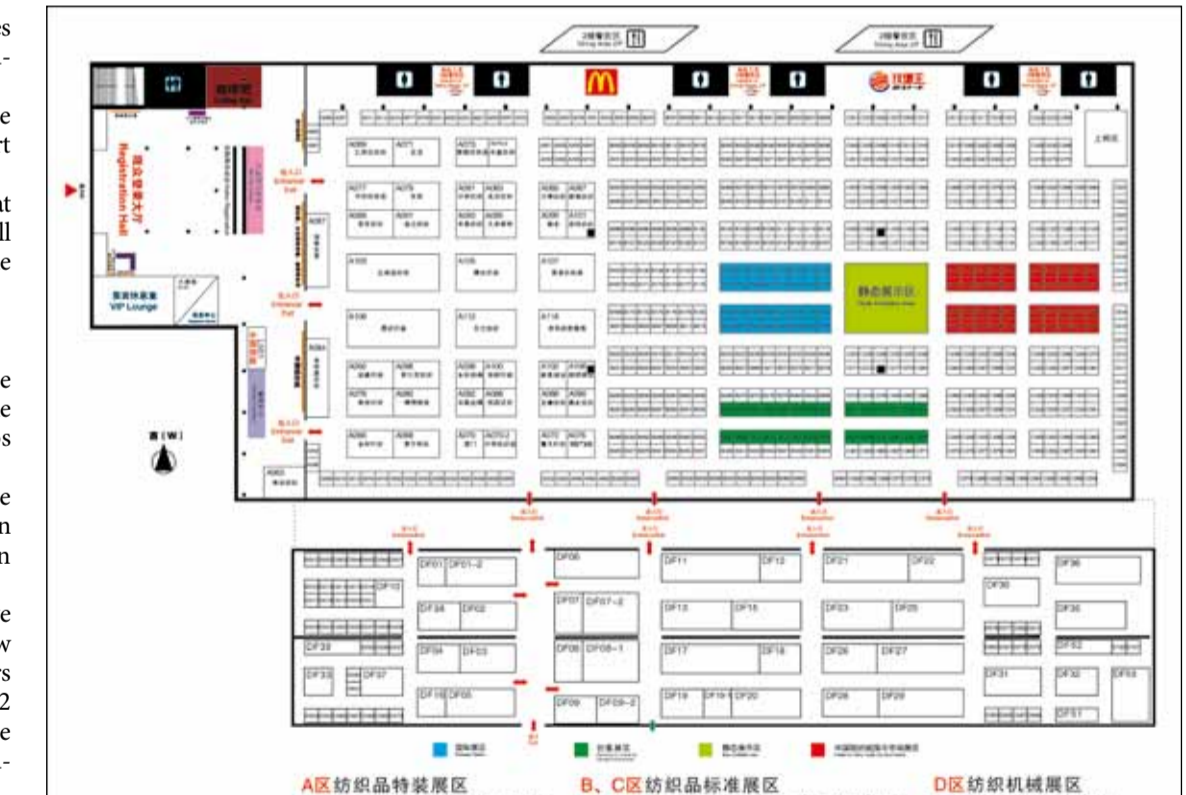
To make the experience more convenient for buyers, the online textile city is closely cooperating with banks and other financial institutions to facilitate payment and settlement. In April, the online transaction function was formally introduced.

The system can also be accessed through mobile phones.

Operators have already forged partnerships with globally renowned IT companies, including Microsoft and Google, to provide stronger technical support.



China Textile City, where the expo will take place, has a favorable location. It is 15 kilometers from downtown Shaoxing and 25 km from neighboring Hangzhou's Xiaoshan International Airport. Its advanced expressway network gives it easy access to other nearby metropolises, such as Shanghai and Ningbo.



Map of the exhibition area.



Though only a township, Keqiao looks like a bustling city.



PHOTOS PROVIDED TO CHINA DAILY

Government officials, corporate executives and representatives of trade associations at the opening of the Keqiao International Textile Expo last year.

Keqiao hosts international expo

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Buyers and suppliers from 41 countries and regions will gather at the 2012 China Keqiao International Textiles, Fabrics and Accessories Autumn Exhibition, which will run from Oct 26 to Oct 29.

Hosted by Keqiao township in Zhejiang province, the expo is sponsored by the government of Shaoxing county, where Keqiao is located. Items that will be on display include fabrics, home textiles, yarn, accessories and textile raw materials.

Exhibition participants will show their products in more than 1,300 booths across the 31,000-square-meter exhibition center in Keqiao. The exhibition center will be divided into four main areas, including sections for textile products and textile manufacturing machines.

In addition to the expo in Keqiao, there will be other related exhibitions, which are to be held in various venues in Shaoxing, including China Textile City, the Home Textile Market and the Scarf Trading Market.

According to the organizing committee, companies from such countries and regions as Italy, South Korea, Germany, Japan and Mexico have booked more than 100 booths to present their latest achievements in 2012.

The Keqiao International Textile Autumn Expo, one of the largest textile industry events in China, has become an important showcase that helps local companies find business opportunities in the international market.

Official figures show that 567 companies have booked a record 1,300 booths for this year's expo.

Major events to be held during the expo include the Award Ceremony of 2012 China International Fashion Creative Design and the Fair of 2012 China International Fabrics Design.

The expo's organizers have made a commitment to providing detail-oriented services to participants and visitors.

To give participants a better experience, the organizing committee has invited famous firms to design the interior and exterior of the exhibition center.

In addition, companies are

CHINA KEQIAO INTERNATIONAL TEXTILE EXPO 2012 (AUTUMN)

EVENTS	TIME	VENUE
Opening ceremony	9:30 am, Oct 26	South Plaza, China Textile City International Convention & Exhibition Center
The release of new products and technology of the 2012 National Textile & Fabrics Museum	10:30 am - 4 pm, Oct 26	Yuewang Hall, 3rd floor, Tianma Narada Grand Hotel
2012 China International Non-woven Conference	1:30 pm - 6 pm, Oct 26	Keyan Hall, Shaoxing Mirror Lake Hotel
The Award Ceremony of 2012 China International Fabrics Design	3 pm - 4:25 pm, Oct 26	Jiangnan Pearl Grand Theater, Heroicness Intercontinental Hotel
2012 China • Keqiao Textile Index Forum	9:30 am - 11:30 am, Oct 27	Mirror Lake Hall, 2nd floor, Administration Center of Shaoxing County
Face-to-face negotiations between overseas buyers and domestic enterprises	9:30 am - noon, Oct 27	Meeting Room NO.1& NO.2, China Textile City International Convention & Exhibition Center
The Award Ceremony of 2012 China International Fashion Creative Design	3:30 pm - 5 pm, Oct 27	Jiangnan Pearl Grand Theater, Heroicness Intercontinental Hotel
Fair of 2012 China International Fabrics Design	Oct 26 - 29	China Textile City International Convention & Exhibition Center
Online expo	Oct 26 - 29	China Textile City International Convention & Exhibition Center
On-the-spot services	Oct 26 - 29	China Textile City International Convention & Exhibition Center

required to design their booths according to the standards set by the organizers, so the exhibition area will look clean and tidy.

Organizers are also strictly reviewing the designs of the individual pavilions to ensure they can meet safety standards.

There will be shuttle bus services running between the hotels and the expo venues. Participants will be transported to the expo center in the most efficient and effective manner possible.

For foreign companies that may require translation services and other value-added services, the organizers are well prepared.

Translation, financial and intellectual property protection services will be provided on site. There will be areas with Wi-Fi access as well as a news center for media. There will also be tea and coffee bars to serve visitors at the venue.

To ensure a good turnout to the expo, organizers have sent promotional teams to many exhibitions and trading events, where they distributed more than 100,000 brochures and other materials.

Organizers also established close relations with chambers of commerce and industrial associations at home and abroad to broaden the client base.

As of today, more than 150,000 exhibition-related mobile messag-

es have been delivered to potential international participants. In addition, more than 400,000 emails were sent to ensure participants are well informed before attending the expo.

History of the expo
When the first expo was held in 1999, it was known as the China Textile City Textile Expo.

In 2006, it was renamed the China (Shaoxing) Textile Expo and was identified as a key exhibition in China supported by the Ministry of Commerce.

In 2008, the event was officially promoted to a State-level textile exhibition.

In 2009, a team of delegates from the International Textile Manufacturers Federation first visited the Keqiao textile expo, greatly raising its international profile.

In 2011, the expo took place in the China Textile City International Convention and Exhibition Center in Keqiao. It covered an exhibition area of 31,000 sq m, with 1,295 booths for 532 exhibitors.

The number of registered professional purchasers exceeded 28,000, of which nearly 5,800 were overseas buyers from more than 90 countries and regions, such as the United States, Italy, France, Germany, Spain, Japan and South Korea. Trade volume of the 2011 expo surpassed 5.4 billion yuan.

China Textile City defies economic slowdown with record sales in 2012

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Despite the current global economic slowdown, the sales revenue of Keqiao's China Textile City hit a record high of more than 40 billion yuan (\$6.4 billion) in the first half of this year.

The industry as a whole in China is facing multiple challenges from declining global demand and the increasing cost of labor and raw materials.

Figures from the China National Textile and Apparel Council show that in the first eight months of 2012, a total of \$137.4 billion worth of textiles and garments were exported, a decline of 0.1 percent over the same period last year. Export volumes decreased for three consecutive months from June to August.

In this context, the authorities of Keqiao, a township of Shaoxing county, Zhejiang province, have been making every effort to boost the local textile industry.

Hosting the Keqiao international textile expo is a central part of this strategy. Companies said the twice-a-year event provides the chance for them to listen to clients and then adjust strategies.

"By participating in the Keqiao expo we can compare our products with others to evaluate how we performed in the past year," said Pan Yongxing, CEO of Golden Time Knitting Group. "It also offers a good chance for us to listen to our clients."

Pan's company began participating in the Keqiao expo in 1999.

"We hope during the coming autumn expo, people can better understand our innovation capability and be informed about our products," said Wu Rongguo, CEO of Huiweishi Textile Co Ltd.

At the same time, the authorities have opened new markets to provide more business opportunities.

In addition to government efforts, local companies have developed a range

of approaches to maintain growth in the face of declining demand.

Some companies are going into new business sectors, while others have improved product quality to retain existing customers.

Some say they plan to expand the client base by making value-added products.

"Clients will approach us if we can provide quality and up-to-date products," said Wu of Huiweishi Textile. Its main products are suede and plush, a soft fabric often used for stuffed animals and upholstery.

Pan of Golden Time said his company "will pay great attention to developing new products according to market demand."

Pan said the company will invest 2 percent of its revenues in innovation every year. With annual sales totaling about 300 million yuan, spending on innovation would hit 6 million yuan every year.

"By investing in innovation, companies are capable to provide clients with high-value-added products," said Pan. "To better meet client demand, some companies are cooperating with foreign designers to provide more fashionable products."

"We have more than 30 foreign designers in the company — they capture changes in the international market and design patterns based on client needs," said Wang Fengyi, general manager of Zhejiang R.G.B Textile Printing and Dyeing Co Ltd.

"As a textile printing and dyeing company, we need to be ahead of fashion rather than follow the trend," said Wang.

Online trade

The development of an online trading system has also provided opportunities for local companies seeking global expansion.

In March 2011, the Shaoxing county government held a press conference at

the Great Hall of the People in Beijing to announce the launch of the "Online Textile City" at www.qtc.cn. The county government has signed agreements with Microsoft and the Bank of Communications for technological and financial support.

"Many foreign companies need fabrics but they cannot efficiently access to supplier information, so the online system is the best way to solve the problem," said Ding Jianjun, general manager and one of the founders of the Online Textile City.

Ding said the online system has some unique features not available in traditional trading models. Companies can do business without time and geographical limitations, which could help companies develop connections with more clients.

He said the online system guarantees buyers can find information on products in less than 10 minutes.

He said total online trading volume was around 1 billion yuan by the start of October.

Local authorities are confident that sales revenue through the system will continue to have stable growth in the years to come.

Textile hub

After decades of development, the county of Shaoxing is now one of the most important textile trading hubs in China.

To support that development, the local government invested heavily on building a large trading facility known as China Textile City.

In Keqiao township, the massive facility founded in the 1980s is now one of the largest fabric trading centers in China, now covering more than 3.2 million square meters of floor space and home to 22,000 operations including stores, stalls and offices.

It has zones for traditional trading, R&D, international trading, materials and logistics.



One of the largest textile industry events in China, the expo attracts participants from around the globe, helping local companies find international business opportunities.

1,300 booths booked for the upcoming expo

4 main areas to display a variety of products

5.4 billion yuan deals signed at last year's expo

5,800 buyers from abroad attended the expo in 2011

Negotiation at the Keqiao International Textiles, Fabrics and Accessories Autumn Exhibition.



Booth reservations for this year's expo, scheduled for Oct 26 to 29, hit a record high this year. More than 560 companies will have displays.