

CHINA SPORTING GOODS INFORMATION

Summer 2011

2011(第28届) 中国国际体育用品博览会
The 28th China International Sporting Goods Show 2011
中国·成都



CONTENTS

CSGF News

- 01 2011 China Sport Show Held in Chengdu
- 02 Investment Forum Debuted on Sport Show
- 03 Sport Show Became the Important Platform for Spreading Sports Spirit and Culture
- 04 How Grassroots Sports Brands Became Famous
- 05 Environmental Protection Became the Development Tendency of Sporting Goods
- 06 Who Can Share the First Pot of Gold of the 12th National Games? Find the Answer in Shenyang Sport Show
- 07 "Together All the Way" Donation during China Sport Show

Industry Trends

- 08 Twelfth Five Year Plan Supports Chinese Sports Brands
- 09 On "Twelfth Five Year" Plan for Sports Industry
- 11 From Scratch to Prosperity: Unlimited Potential for Outdoor Sports in China
- 12 Contest between Domestic Brands and International Brands

Market

- 13 Sports Goods Agents Change to Casual Styles

Domestic Information

- 14 Sports Shoes Company in Quanzhou Open up Taiwan Market and Show Initial Achievement
- 15 Fujian Province Will Continue to Establish the Sporting Goods Production Base
- 16 Sporting Goods Listed as Duty Free Items and Hainan's Featured Tourism Promoted

Company Information

- 17 Anta: Brand Promotes Values
- 17 Lotto Invites Avril Lavigne to Be A Designer and New Products Released

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2011 China Sport Show Held in Chengdu



The 28th China Sport Show was held in Chengdu, with 9 exhibition areas which covered more than 100 thousand M2 and 1041 corporations attended. On May 13th, 2011 Sport Show opened at New International Convention & Exposition Center in Chengdu, Sichuan.



This show was the second biggest one behind the show in 2008, hosted by General Administration of Sports, Sichuan Provincial People's Government, All China Sports Federation, China Olympic Committee, China Sporting Goods Federation, China Sports Science Society, supported by China Sports Equipment Administrative Center, Sichuan Sports Bureau, Chengdu People's Government and China Glory Sporting Goods Promotion Company. 1041 corporations from China,

America, Japan, Korea, Germany, Italy and other over 30 countries/regions turned up on 4-day show. Transferring to Chengdu met the need that corporations sale platform went to the second and third line market and the Midwest area. After 2011 Sport Show settled in Chengdu, the organizing committee prepared in prefect order under many supports. 6 areas had specific themes, they were sports venue facility and construction, outdoor life and X-sports, sports apparel, fitness recover equipment, tennis and badminton, ball games, with professional level improving. The show supplied a platform to experience and exchange for more than 50, 000 spectators from 50 countries/regions. The committee organized a meeting for corporations of important areas and VIP spectators engaging in general merchandise, hotel, club, education industries and oversea purchasing groups to cause

direct communication.

Besides that, forum, meeting, donation, competition show and training 5 categories 27 activities almost 50 events made this show become the one which recorded the most activities and complete system and content. It served for sports industry, high performance and sports for all, and also benefited sporting goods corporations, factories, distributors, sports elites, sports fans and so on. As realizing self-value and society value, 2011 Sport Show supplied a better environment for cooperators with perfect organization, humanized service and publicizing widely. Being the best platform for Chinese sporting goods, brands and channels, Sports Show would lead more domestic sporting goods brands go to the world.

Source: Organizing Committee
of China Sport Show

Investment Forum Debuted on Sport Show



While the Sport Show had been held for 18 years, it paid attention to improving quality, service and content this year. During many explorations, colorful forum received sporting goods corporations' attention and praise, many corporations focused on investment forum which debuted on this Sport Show.

Lu Hao, chairman of D&F Capital which owned the first Chinese sports industry fund hosted this investment forum, regarded capital and talents as key factors of industry development. He said: "《Guidelines for Accelerating Sport Industry Development》 delivered by government last year aroused sports fever in capital market, many businessmen wanted to make their corporations bigger by investment." Rate of return about international capital market to sports industry was 15%, higher than 12% to other industries. For example, FA Premier League clubs' income increased by 145 times from the

establishment. Moreover, in secondary securities market, GDP of American sports industry located in the third place of American service industry, only behind bank and stock market. It could be seen that sports capital market had a huge potential.

However, government funded and led Chinese sports industry now, while private and overseas capitals were restricted. Though acting the agents of Yao Ming and Ding Junhui and other sports stars, Lu Hao indicated that Chinese professional sports market was still immature and capital concentrated in manufacturing related to sports. He said: "in recent years, inland sports brands came into the market in Hong Kong one after another, which reflected huge energy of inland sporting goods market. But we also discovered that, except for sports footwear and apparel corporations, there were no leaders in other sports industry, brand and scale effect hadn't formed."

Xu Ningbo, organizer of this forum and general manager of D&F Capital, considered that capital could supply abundant fund for fast expanding, what was more was promoting standard management of corporations. Xu Ningbo said: "Supplying value-added service for exhibitors, forum also paid attention to interacting with corporations and informed that there had been professional fund in sports industry. Capital and supportive service could lead direction for corporations business and low system and help them make practical development strategy."

Under the guide of sports industry policy, Lu Hao and his first sports industry fund had tracked almost 10 projects in one year. It was believed that after investment forum was hosted, there would be more sporting goods corporations involving capital market.

Source: Organizing Committee
of China Sport Show

Sport Show Became the Important Platform for Spreading Sports Spirit and Culture

Hosted by General Administration of Sports, China Sporting Goods Federation and other enterprises, China Sport Show born in 1993 passed through 18 years, it became a feast for laying out products, communication, experts and citizens. On 16th May, the 28th Sport Show closed in Chengdu, Sichuan.

Platform of Spreading Sport Spirit

In sports apparel area, spectators crowded at a counter. Each product was creative and unique at China Olympic committee area, a little memento fused sport spirit and Chinese culture. Staff introduced that: "we combined Olympic and Chinese culture and put forward unique products delivered sport spirit and Chinese culture value." Many exhibitors integrated sports culture into products, and Sport Show supplied a platform to spread it.

Bao Mingxiao, researcher from National Institute of Sports Science, believed that the most important spirit in sports was never giving up. On the donation ceremony "we go together", 15 sporting goods corporations signed with China Sporting Goods Federation to donate sporting goods to school in Sichuan earthquake disaster areas. A representative from donated corporations said: "we will motive the whole society to pay attention to children in disaster areas." Donation referred to more than 10 categories, such as sports footwear, apparel, facility, basketball stands, indoor and outdoor fitness equipment, table tennis and badminton equipment, football, basketball, volley, skate board, skating

shoes, rail chess, valued 4649,230 Yuan totally. Donation would be transited to disaster areas for 112 schools.

Zhang Tao, vice manager of Anta, indicated that the highest level in development of sporting goods corporation was integrating sports culture and spirit into products.

Besides products show, the Sport Show also hosted high end forum, commerce discuss, donation, competition performance and training 5 categories 27 activities and nearly 50 events.



Method to Improve City Culture

As the only national, international and professional sport show, it was not only an industry feast, but also a feast to the hosted city.

In the middle of April, the Sport Show Organizing committee invited Sichuan Provincial Sports Bureau, Chengdu Sports Bureau, commercial bureau

and Education Bureau and other departments as long as citizens to come. Careful Chengdu citizens would discover that, Sport Show posters appeared in multifunction stadiums, fitness clubs, tennis and badminton arenas, stores, sporting goods shops and colleges.

Organizing committee prepared 120 thousand free tickets and shuttle buses in favor of Chengdu citizens' experience. Citizens could take buses from downtown to exhibition directly.

Ma Jilong, director of China Sports Equipment Administrative Center, told journalist: "to support reconstruction in Sichuan disaster areas, Sport Show moved to Chengdu." Thousands of spectators and buyers came to Sport Show and promoted tourism and consumption. Fitness and entertainment were important functions of sports, which fitted livable city brand.

During construction of city, how to activate citizens and build sport culture into daily life, and form livable city were questions many cities faced. Bao Mingxiao said: "hosting such a big Sport Show, it will improve culture level of a city as spreading sports culture."

Source: Economic Daily

How Grassroots Sports Brands Became Famous



Chinese sporting goods industry was full of “grassroots” anyway. Even if OME or nameless brands, no international brands which paid attention to Chinese market would look down the high speed of Chinese sporting goods industry.

People said, Chinese sporting goods corporations’ way was “rural areas to encircle the cities”. From OME to establishing their own brands, Chinese sporting goods corporations focused on the second and third lines cities. The excellent performance attracted international sports brands and they began to enhance marketing in the second and third lines cities.

Chinese corporations tried to enter the first line cities, meanwhile international ones turned to the second and third line cities, which meant the new round

competition between the two had begun. Adidas and Nike and other giants took part the 28th Chinese Sport Show, which confirmed the adjustment of marketing strategy of international brands and made competition between domestic and abroad brands.

Heading to the second and third line cities didn’t mean they retreated from the first line cities; domestic brands’ action didn’t mean they had well prepared for brand upgrade. If they still relied on stars, media advertisements, event sponsors to improve influence, they were not necessarily to master the first line cities.

With 18-year history, Sport Show was the sign of Chinese sports industry. Sport Show didn’t get enough attention from sporting goods corporations before, while Chinese sports industry

was busy occupying areas. After achieving enough market shares, domestic sports brands took improving quality and image reconstruction seriously, and Sport Show became an excellent platform. Exhibition in Sport Show was not enough; show what and how to show were even more important. Out of question, there were a deep gap between domestic and abroad brands in technology of sporting goods and brand marketing.

From OME to setting up brands, from copy to having their own style, Chinese sporting goods industry had a characteristic way. However, market shares didn’t equate to quality, and capital didn’t equate to prospect. Domestic brands needed to learn more.

Source: People’s Daily

Environmental Protection Became the Development Tendency of Sporting Goods



2011 China Sport Show was full of “environmental protection”, for example: solar energy basketball stands, self-power generation treadmill and environmental friendly plastic runway.

BH, famous commercial fitness equipment brand brought Prisma series treadmill, “what the user needs to do is push ‘ECO-Mode’ button, at least 25% energy will be consumed.”

“MerrySports” employed engineered wood flooring instead of solid wood flooring to equip indoor basketball court, “to equip a same basketball court, usage of wildwood can be decreased by over 60% and sports performance is still excellent.”

Material R&D in sporting goods corporations had turned their direction from function to function and environment protection. The concept of environment protection changed from product itself to the overall progress.

Due to limited natural recourse, some manufacturers began “to use substitutes provided that sports performance was not impacted”. For instance, some brands tennis rackets chose volcanic to make into volcanic fiber by hi-tech method, which was the same in performance as carbon fiber racket but reduced the cost.

Guangdong ChangHe group led a revolution in flooring by “silicon PU” invented by itself. “Most of sports grounds used composite flooring of polyurethane PU and acrylic ester in the past. The former was apt to release harmful gases, and the latter was weak at flexibility and stickiness. Silicon PU overcame the two weaknesses and was environmental friendly and maintained easily with goods performance.”

On the summit forum of Chinese venues industry included in Sport Show, Peng Xiao, deputy director of China Sports Equipment Administrative

Center, presented the proposal that school sports equipment used green material. Home and abroad experts gave their views on venue construction and maintain. Xiao Long, president of Shenzhen Broadwell Building Technology Limited Company, made a speech on “air film building and future sports” attracted insiders. He showed overseas air film venues, said: “its advantage was energy conservation, compared to traditional venues. We changed outdoor pool of Jinan Olympic sports center to air film indoor one this year, with energy consumption reduced from 2.8 million to 0.7-0.8 million.” There were 23 air film sports venues in more than 10 cities till the first half year. From material choice to usage, environmental protection had become the development tendency of sporting goods industry.

Source: Sports press.cn

Who Can Share the First Pot of Gold of the 12th National Games? Find the Answer in Shenyang Sport Show

In 2008, there were 102 construction projects in Beijing Olympic Games, with total investment 19.49 billion Yuan;

In 2009, there were 129 venues for competition and training in the 11th National Games invested 10.5 billion Yuan;

In 2010, budget fund for venues construction and maintain in Guangzhou Asian Games and Paralympics Games reached 6.3 billion Yuan;

In 2011, investment into venues construction in Shenzhen World University Games was more than 10 billion Yuan.

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Large events were held in China one after another recently and organizing committee invested heavily into venues building. Behind it, cities brands would improve and cities business area formed through sports effect. How to realize the sustainable development of venues was the key to achieve economic effect of large events. It was the true that “energy efficiency design and usage after competition should be taken into consideration from the beginning, promoting the integration strategy of construction and usage”. Large events had requires to facility and activated the whole chain of venue building.

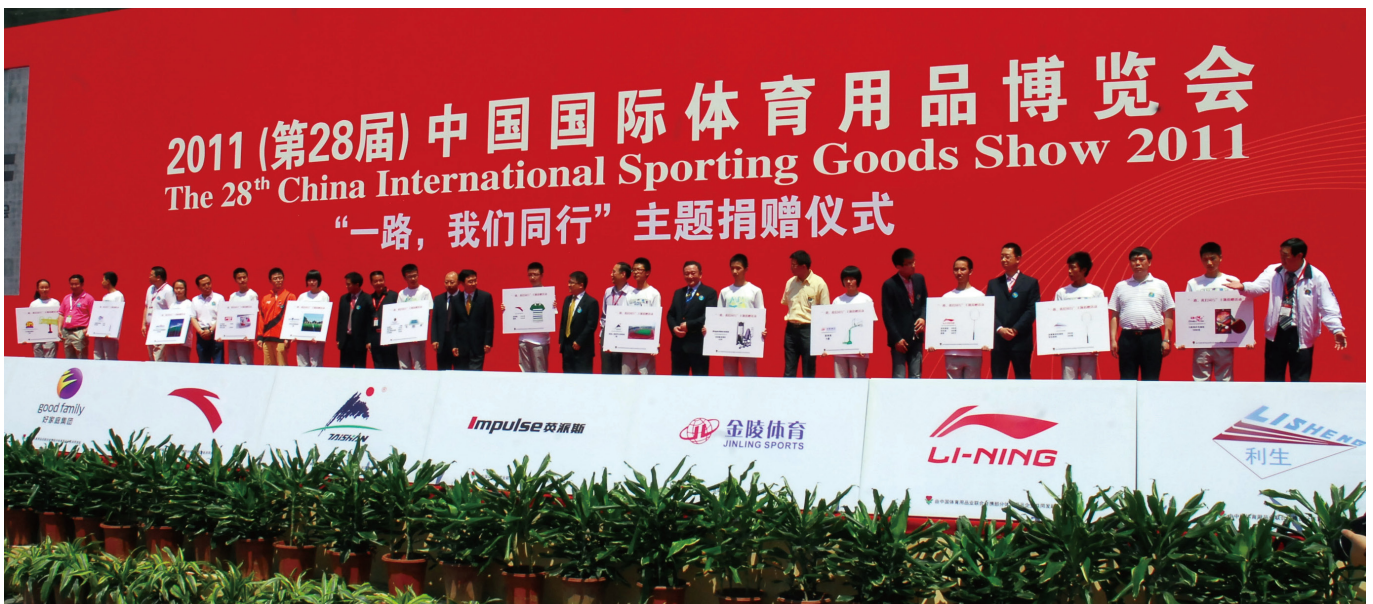
Ma Jilong, director of China Sports Equipment Administrative Center, explained the necessity of combine between show and events: “like buying furniture, it is difficult to select one piece by one piece. The efficiency will be high if there is a good platform to find out all the things.”

Venue construction for the 12th National Games held in Liaoning was undergoing, more than 10 venues including main stadium had finished framework construction and parts of venues would begin to reform in October. However, the 29th Sport Show (winter) would be held during the key period of purchasing supporting facilities and competition equipment; it was significant for constructors or exhibitors.

It was said that, in order to welcoming the 12th National Games in 2013, Liaoning planned to invest 200 billion Yuan and Shenyang would fund 48 billion Yuan for city construction. Venues construction was the first step to share benefit of the 12th National Games, and the winner would be found in the Sport Show (winter) held on 21st -23rd October in Shenyang.

Source: China Sports Daily

“Together All the Way” Donation during China Sport Show



China Sport Show “Together All the Way” Donation ceremony kicked off on May 14, 2011, initiated by CSGF, Sichuan Provincial Sport Administration and Chengdu Municipal Government. 2011 China Sport Show exhibitors were encouraged to donate sporting goods to primary schools, middle schools, and physical culture schools to help post-disaster reconstruction in Sichuan.

Director of Sports Equipment Administrative Center, Vice Director of Sichuan Provincial Sport Administration, representatives from donating enterprises, principals and students from donated schools attended the ceremony. Those schools expressed

their heartfelt gratitude to the donors and ceremony host.

“Through three years’ reconstruction, Sichuan has been brought out new vitality. This activity today is not only a donation, but also a platform on which the sporting goods industry in China will continuously make contributions to social sports.” said Ma Jilong, Director of China Sports Equipment Administrative Center.

As an important social welfare event, 2011 China Sport Show has attached great importance to the donation activities since the very beginning of preparation.

So far, 15 sporting goods enterprises have signed letters of intent with CSGF

to donate sports facilities covering over 10 sports, with total value of 4,649,230 Yuan.

Those sports facilities will enable children in the reconstruction region to enjoy sports. The donation also shows the determination of CSGF and Chinese sporting goods enterprises to promote the sports development in Sichuan. We are “together all the way”, on matter during the post-disaster reconstruction or sports development.

Source: CSGF Secretariat

Twelfth Five Year Plan Supports Chinese Sports Brands

With increasing support to emerging service industries and creative industries, sports industry in China has also stepped in its golden period of development. Recently, the General Administration of Sport of China issued “Twelfth Five Year” Plan for Sports Industry, which sets up the development goals of added value and stresses to support high-quality enterprises to expand through the capital market in the next five years, so as to build a group of sports brands with Chinese characteristics and of international influence.

According to the Plan, the added value of Chinese sports industry will grow at an annual rate of 15% during the “Twelfth Five Year” period and exceed RMB 400 billion in the end of the period, accounting for over 0.7% of GDP. The industry will have more than 4 million employees at that time and become an important growth point of national economy.

To achieve those goals, a group of key enterprises in various sectors of sports industry will be fostered to enhance international competitiveness of the entire industry. The government support to these enterprises will be intensified, focusing on trans-regional and industrial restructuring, enlarging enterprises' scale, integration of resources and structural adjustment within sports field. Some sports enterprises will be guided into the capital market for financing.



“On one hand, the emerging service industries and creative industries are getting more and more government support in recent years; on the other hand, with the development of sports industry, the economic value of sports to society should not be overlooked, hence the introduction of the first five-year plan for sports industry.” said Lin Xianpeng, Vice Dean of Management Department of Beijing Sport University. According to Lin, although Chinese sports industry has witnessed great progress after Beijing Olympics, the development of sporting goods industry is far away from the world's top level. Some high-end sports facilities, high-tech sports equipment and outdoor goods mainly rely on imports from other countries. The sports enterprises especially sporting goods enterprises in China are still at low value-added

stages of production, with main businesses focusing on producing clothing and footwear. Though those enterprises made certain efforts in global marketing, there is still a gap with international brands. To bridge the gap, it is necessary to increased R & D investment and target high-end markets.

Moreover, there is a lack of relevant policies supporting the development of sports industry, proved by the fact that some well-known fitness clubs have gone out of business.

Lin said, there is no unified standard within fitness industry at present. And the development of professional sports is dependent on policy support in terms of finance, taxation, energy and land.

Source: Beijing Business Today

On “Twelfth Five Year” Plan for Sports Industry



After the release of “Twelfth Five Year” Plan for Sports Industry, Yang Shu'an, Vice Minister of the General Administration of Sport of China, accepted an interview and talked with reporter about the formulation and implementation of the Plan.

Reporter: tell us about the background and significance of formulating the Plan, please.

Yang: The Eleventh Five-Year Plan period was a truly extraordinary time in the course of the country's development. In the face of complex domestic and international situations and a series of major risks and challenges, the State Council and CPC Central Committee united with and led the people of all the country's ethnic groups, fulfilling the major objectives and tasks of the Eleventh Five-Year Plan. The country's overall national strength improved significantly. GDP in 2010 reached 39.8 trillion Yuan, ranking

second in the world. The income of urban and rural residents greatly increased.

Looking back on the Eleventh Five-Year period, with rapid progress in national economy and sports cause, Chinese sports industry has made great achievements. In 2010, the General Office of the State Council released the Guiding Opinions on Speeding up the Development of the Sports Industry, marking a shift from own development by all sectors of sports industry to joint development by government, related departments and the whole society. The major multi-sport events such as Beijing Olympics have promoted the

development of concerning industries like culture, entertainment, tourism, demonstrating that sports can bring not only glory for the country but also services and economic benefits for the people.

In spite of the progress in sports industry during the Eleventh Five-Year period, we should also be aware that the scale of sports industry is relatively small and its development level is relatively low. The conflicts within institutional mechanisms are still evident and the basic role of market mechanism in sports resource allocation has not yet been fully realized. The Twelfth Five Year period is crucial for speeding up the transformation of the pattern of economic development and strategic economic restructuring, escalating the consumption structure and further developing modern service industries, which provides a broad space of development for sports industry. We must seize the opportunity and promote sound and rapid development of the sports industry.

Looking forward to the Twelfth Five Year period, sport is becoming an increasingly important component of people's social lives and sports industry is turning into an indispensable part of national economy. The Proposal of the CPC Central Committee for Formulating the Twelfth Five Year Plan for National Economic and Social Development suggests that we will vigorously develop

consumer services; press forward with the reform of science, education, culture, healthcare, sports; deepen the opening up of service industries. The Twelfth Five Year Plan for National Economic and Social Development recently approved by the National People's Congress stipulates that we will develop fitness and recreation sports; explore sports competition and performance markets; promote services such as sporting goods, sports agents and venue operation. All these have pointed out the right direction of developing sports industry during the Twelfth Five Year period.

As a sub-plan of the Twelfth Five Year Plan for Sports Cause, the Twelfth Five Year Plan for Sports Industry has been attached great importance by the General Administration of Sport, which has been formulated after over a year's research and deliberation. It is the first five-year plan after the release of the Guiding Opinions and will serve as guidance for developing sports industry in the coming five years. It is of great significance for the comprehensive, coordinated and sustainable development of sports cause.

Reporter: What is the policy orientation of this Plan? What are the new contents and characteristics?

Yang: The Guiding Opinions provides policy support for developing sports industry in China, which stipulates the basic principle of the development of sports industry, specifies the medium and long-term goals and proposes a number of specific policies and measures. During the formulation of this Plan, we adhered to the Guiding Opinions as orientation and followed the requirements in the Twelfth Five Year Plan for Sports Cause. The main contents and characteristics are as follows:

1.The guidelines accord with the overall

context of national economic and social development during the Twelfth Five Year period and the strategy of transforming the development pattern and economic restructuring. We will seek a coordinated development between sports industry and sports cause.

2.The quantified targets have been set for the first time, i.e. the added value of Chinese sports industry will exceed RMB 400 billion in the end of the period and account for over 0.7% of GDP; the industry will have more than 4 million employees at that time. And a group of sports industry bases, key enterprises and sports brands will be built or fostered.

3.There are 11 major tasks altogether, with emphasis on extending industry scale, optimizing industrial structure, guiding sports consumption, encouraging local development, promoting interaction among industries, etc.

4.There are mainly 10 measures, e.g. to speed up the standardization of sports market; increase investment and financing; implement relevant tax policies; accelerate brand strategies; enhance development and protection of intangible assets; train talents specialized in sports industry, etc. The implementation of these measures will be the major tasks within sports industry in the next five years and provide reference for the formulation of local sports industry plans.

Reporter: How to implement the Plan?

Yang: This year is the first year of implementing the Plan. We should work hard to make a good start. Specifically, the work will be carried out from the following perspectives:

1.We will strengthen the concepts of "big industry" and "great sports", i.e. enable sports to make greater contributions to social progress

and economic development. We will give full play to the role of market in resource allocation and encourage interaction between sports industry and other industries; plan the establishment of sports industry bases; guide local governments to explore resources and promote coordinated development among eastern, central and western regions; strengthen market management, standardize the development of the industry, and establish brand sports industry; enhance the sports business management and increase efforts to train talents.

2.Local sports administrations should formulate their own Twelfth Five Year plans for sports industry in accordance with the Guiding Opinions. So far 8 provincial governments have released their specific implementation measures of the Guiding Opinions. It is hoped that sports administrations at various levels will strengthen the work of sports industry through comprehensively carrying out the implementation of the Plan.

3.In the first year of the Twelfth Five Year period, we will attach great importance to and make a thorough study on the "Twelfth Five Year" Plan for Sports Industry, and accordingly fulfill the work of sports industry. The priorities this year include researching the operation of sports venues at various levels, promoting the development of sports tourism in cooperation with National Tourism Administration of China, and enhancing the management system of sports industry bases.

To sum up, governments and sports administrations at various levels will take full advantage of the Plan in developing sports industry during the Twelfth Five Year period.

Source: China Sports Daily

From Scratch to Prosperity: Unlimited Potential for Outdoor Sports in China

Talking about outdoor sports, Zhang Zhijian, Director of Outdoor Department of Mountaineering Administrative Center, gave a vivid metaphor: "If we draw an analogy between outdoor sports and a horse, the head of the horse is national fitness which can stimulate in-depth popularity of outdoor sports in China. One forepaw is elite sports competitions which can draw people's attention; the other forepaw is large-scale sport for all activities which can lead the public to experience outdoor sports themselves. One hind is infrastructure, providing space for outdoor sports; the other hind is organizations such as outdoor clubs, guiding the public to outdoor sports. The belly of the horse is outdoor sports industry and its tail is media publicity. Every part is indispensable."

The Outdoor sports are divided into three levels. The first level is professional competitions in line with international rules. The second level is targeted at outdoor sports enthusiasts, e.g. tournaments of outdoor survival skills. The third level is outdoor activities for all the public.

With sport for all activities launched all over China, the outdoor sports have gained a broad prospect and unlimited potential. Every year, there are dozens of national mountaineering festivals, 6-7 national mountain walking activities, and 4 national camping gatherings. In addition, building fitness mountaineering trails have been included into National Twelfth Five Year Plan, among which 3 trails have been completed and 5 others are still under construction.

So far over 100 outdoor clubs and 120 professional athletes have registered in the Mountaineering Administrative Center. China's ability to host outdoor events has been internationally recognized.

The popularity of outdoor sports in China has brought prosperity to the outdoor sports industry. The domestic sales of outdoor brands last year reached 10 billion yuan. The number of tourists to Wu Long, one of the world's 3 major venues of outdoor sports events, has increased from 0.4 million in 2003 to 10 million in 2010.

Since 2000, the outdoor sports in China have been moving forward from scratch to prosperity. Thus we can believe its unlimited potential and look forward to its further development.

Source: China Sports Daily



Contest between Domestic Brands and International Brands

Xtep Enter English Premier League

On Feb. 27th, Arsenal team and Birmingham team competed for the champion in the finals of Football League Cup. Birmingham team won the second champion for the club in the 136 years of history and ended 48 years of waiting for the cup. Without Chinese players and broadcasting live in domestic TV programs, only tom.com broadcast live on the internet. But it is meaningful to a Chinese sports brand, and even to the sports industry. China became the focus, because Birmingham team's jerseys were offered by Xtep. Xtep was official sponsors of Birmingham team in 2010. Birmingham team is not a strong team. It takes 10 years for it to compete for the cup. When players with Xtep jerseys entered football field, it attracted more attention. Entering the finals, it is an encouragement for Birmingham team and it is a good chance for Xtep to sponsor an international sport. Actually, whether Birmingham team wins or loses, Xtep has won.

Bottleneck in the development of Domestic brands

It is not rare for Chinese sports brand to gain sports resources through sponsorship: Anta for Chinese Olympic Committee, 361° for Asian Games, Lining for basketball team of

Spain and Argentina, Peak for NBA and so on. These sponsor ads attract attention in short-term, but they are forgot quickly.

As Domestic sports brands are listed in store and get the help of capital market in recent two years, they enter a new development period. When sales in the whole country become mature, market share get large in medium and small cities and annual turnover is close to ten billions, who can continue the mission of brand development? How to show professions and not to detach from Chinese society reality in shaping brands? This is a new bottleneck that every domestic sports brand faces. The level domestic professional Sports Games is not stable and only China Football Association Super League and CBA are active. So it is necessary for Chinese sports brands to gain more professional sports resources in the world

Adidas' complex

When domestic sports brands focus on brand, marketing and series, international brands begin guerrilla. For example, Adidas releases a kind of original sports jacket with China on the front. This original jacket leaves an impression of Time to flow back: in 1981, Chinese women volleyball team won the first champion. When they accepted the award, they wore the jacket with China. Adidas' product line is more

complicated than china, so it is not easy to get a little break-through. This original jacket is popular for a long time, because it sells not only the profession and style, but also a kind of nostalgia



Nike's feeling

When domestic brands compete in marketing, international brands focus on design and function. Take Nike for example, it releases "Free Run +2" running shoes. Whether you are a sportsman or an ordinary people, the best running effect is running on the grass without shoes, but "Free Run +2" can help you find the feelings in city. It is a step forward for Xtep to sponsor Birmingham team, and it is a leap for the development of Chinese sports brands. It is not easy for domestic brands to gain fame in international market. Hope that every step is stable in brand building and marketing.

Chen Lin

Sports Goods Agents Change to Casual Styles

Competition among large-scale sports agents may not limit in sports goods brands. Recently, Faya Sports, a large-scale sports agent of Xidan Department Store has gained authority of agency of Ozark, an outdoor casual brand. Not long before, Belle International, another sports agent, began to increase investment in casual shoes. Sports agents including Donggan 96 and Yimei Xuandong begin to get involved in the casual field.



Casual brands

A representative of Faya sports shows that company has gained authority of agency of Azark. It's said that before it enters the casual field. Faya Sports has gained authority of agency of Nike 360 and Adidas Originals. Materials indicate that Nike 360 and Adidas Originals are

the sub brand of casual goods of their respective brands.

At present, Faya Sports has over 200 counters in Beijing, Shanxi and Inner Mongolia with Annual sales of 0.6 billion. Exploration in casual market is a miniature of large-scale sports agents in China.

A representative from Donggan 96 which is the agent of Kappa indicates that company has gained the agency of VANS, the famous casual brand, because of the popularity of casual brands. Yimei Xuandong which is agent of Puma and Converse mainly sell EASTPAK, a casual brand from America.

Variety of sales channels

Representatives from Faya, Donggan 96 and Yimei Xuandong admit that now sports goods market enter a stable period, compared with the peak in 2008 Olympic Games. Although sports goods in China tend to be saturation,

there are more newcomers.

A large-scale wholesale market at Hepingli has an agent called Zhisheng Sports which introduces Nike and Adidas into market. In fact, it is a trend for these brands to enter wholesale market and the third or fourth level markets.

The variety of Distribution channel of sports goods is not limited in the traditional market. The network malls such as Letao and Taobao have advantages of price and convenience and become an important place for consumers to buy sports goods.

Uneven road for transformation

We should notice that according to the annul report of Belli international, Belli begins to increase investment, and the turnover increased for 30% last year. Insiders think although the marketing strategy of Belli is effective in short-term, it doesn't mean casual brand is the new direction of sports agents.

One chief from a sports agent indicates the market scale and fame in domestic market of both outdoor casual brands such as North Face, Columbia and fashionable casual brands such as Vans exist obvious distance. If they want to increase profit through agent, they need to improve the operation ability of company and depend on the

ads and R&D of brand companies in domestic market.

Many business experts think that compared with sports brands, the casual brands have low profit, so it may be an expedient for the sports agents to transform.

Source: Beijing Business Paper

Sports Shoes Company in Quanzhou Open up Taiwan Market and Show Initial Achievement

In May 2010, after Xtep's first franchised store opened in Xi Menting of Taiwan, the first sports brand of mainland in Taiwan market, shoes companies in Fujian stepped forward in opening Taiwan market. While with the signature of ECFA and the construction of economical zone on the western Taiwan straits, shoes companies in Quanzhou represented by Xtep and Peak show the initial achievements in opening Taiwan market.

It's reported that Xtep Company set Taiwan market as the starting point of opening overseas markets and franchise stores enlarged to 3 stores by the end of 2010. In March 2011, Xtep represented mainland sports brands to sponsor Taipei "Guodao" Marathon Games and became "Global Supreme Partner and the Only Designated Equipment Sponsor".

Quanzhou Inspection and Quarantine Bureau showed the data that up to present, Xtep has sold sports shoes with \$ 111,500. After that, Xtep Company plans to set up a branch company in Taiwan as the first overseas branch company, and according to the market, franchise stores will increase to 300 stores in Taiwan and enlarge to the Asian and middle east markets.

Meanwhile, Peak Group in Quanzhou registered in Taiwan in Sep. 2009, and opened up Taiwan market in Sep. 2010. Up to now, the group has exported Peak sports shoes for \$151,200. Hecheng Shoes Company, another Taiwan company in Quanzhou also intensifies efforts to open up Taiwan market. The company has exported sports shoes for \$543,300 from 2010. Additionally, many other shoes companies plan to cooperate with Taiwan sales network in order to enter the Taiwan market.

The achievements in opening up the Taiwan market push forward the mixture of



shoes industry between Quanzhou and Taiwan. At present, more Taiwan shoes machine industries and shoes factories enter Quanzhou and join in the production, offering and sales in Quanzhou, make use of management, technology and R&D of Taiwan, and take advantage of production, human resources and materials in Quanzhou, the shoes companies in two places complement one another and create business opportunities together.

Quanzhou is the famous sports shoes production base in China. In 2010, Quanzhou sold 605,000,000 shoes with \$2.926 billion to over 80 countries in the world, the export volume accounted for half of Fujian province and 10% of the country. At present, Quanzhou has over 4000 shoes companies, and produces all kinds of sports shoes for over 10 billion which is 20% of the world. It also has many famous brands such as Anta, Aile, Qiaodan, and 361°, among which there are 11 famous brands in Quanzhou of 15 famous brands in China.

Source: Netease News



Fujian Province Will Continue to Establish the Sporting Goods Production Base

Fujian Province recently releases The Implementation Opinions of Accelerating the Development of Sports Industry (hereafter referred to as the Opinions), which states that by 2020, the added value of sports industry will make up more than 4% of Fujian Province's GDP, and Fujian Province will become the world-famous modern sporting goods production base.

The Opinions also states that Fujian Province will work at establishing the model cooperation development base of sports industry on both sides of the Taiwan Strait and setting up the most advanced sports industry base in China.

On the present basis, Fujian Province will set up 3-5 national sports industry base, help 10-15 sports enterprises to go public, promote the core competitiveness of these enterprises, and establish 1-2 world-famous sports brands.

Meanwhile, Fujian Province will bid for hosting national games and international events, develop 3-5 world-famous brand events, develop four high level professional clubs including one professional football club, one professional basketball club, one professional volleyball club, and one professional table tennis club, and actively promote the development of

professional sports like tennis, golf, baseball and beach volleyball.

The Opinions states that by 2020, the added value of sports nomenclature industry will make up more than 10% of the added value of Fujian Province's sports industry because it increases faster; the employed worker of sports industry will make up more than 3% of the whole employed worker in Fujian Province; the number of regularly exercised people, the per capita area of the sports grounds and per capita sports consumption will all lead in China.

Source: www.xinhuanet.com



Sporting Goods Listed as Duty Free Items and Hainan's Featured Tourism Promoted

According to Hainan Province's duty free items policies, sporting goods is listed as duty free items. Ms. Cheng Yuan, Director of Tax Administration Office of Finance Department of Hainan Province, says to reporters that this is good for the development of leisure and sports industries of Hainan Province.



Among those 18 categories of duty free items, sporting goods is listed because of the characteristics of Hainan tourism.

According to Ms. Cheng Yuan, the choice of duty free items depends on the policies of promoting tourism, so duty free items mainly are personal consumer goods related with tourism. Meanwhile, they also take Chinese people's consumption habits into account.

According to international practice, sporting goods is not tourism goods, so at the beginning they do not take sporting goods into account.

However, Hainan has its characteristics that the development of leisure and

sports industries is the important content of Hainan international tourism island. They have to support this with some policies.

Ms. Cheng Yuan tells reporters, "It is important that Hainan leisure and sports industries are closely related with tourism." At last, sporting goods is listed as duty free items.

Take golf as an example, golf tourism has become one feature of Hainan tourism. Every year many tourists play golf in Hainan. At present, most high class golf equipments are imported from other countries. If this policy can attract more golf fans to go to Hainan, it will promote the development of

Hainan tourism.

Besides, sea fishing, surfing, sailing, and diving are all favorite sports in Hainan, so fans of these sports will promote the development of tourism.

According to Ms. Cheng Yuan, in order to take full advantage of the policy, they need to make more preparations and let tourists get benefits from duty free items. In fact, there are wide varieties of sporting goods, so they need to promote the market development. In this way retailers can meet tourists' demands with various sporting goods.

Source: www.hinews.cn

Anta: Brand Promotes Values

As the official partner of Chinese Olympic Committee, Anta's brand has been greatly promoted.

According to Anta's annual reports, its sale values in 2008, 2009 and 2010 respectively are 4.626 billion RMB Yuan, 5.874 billion RMB Yuan and 7.408 billion RMB Yuan; net profits respectively are 894.8 million RMB Yuan, 1250.9 million RMB Yuan and 1551 million RMB Yuan. In 2010, its sale value increases 26% and its net profit increases 24%.

Anta shoes sale increases 10.9% and its apparel sale increases 27.1%. The average price of Anta shoes increases 4% and the average price of Anta apparel increases 8.8%. Anta brand makes up 92% of the total revenue while sports life series, children sporting goods, Fila and overseas sales make up the rest.

Mr. Zheng Jie, Anta Brand President, tells reporters, "We have provided Chinese delegations with ceremony gears in 10 international events like 2010 Asian Games and 2012 London Olympic Games. In this way we link Anta brand with national image. Brand is more important than business."

By the end of 2011, Anta will have had more than 10,000 stores in China.

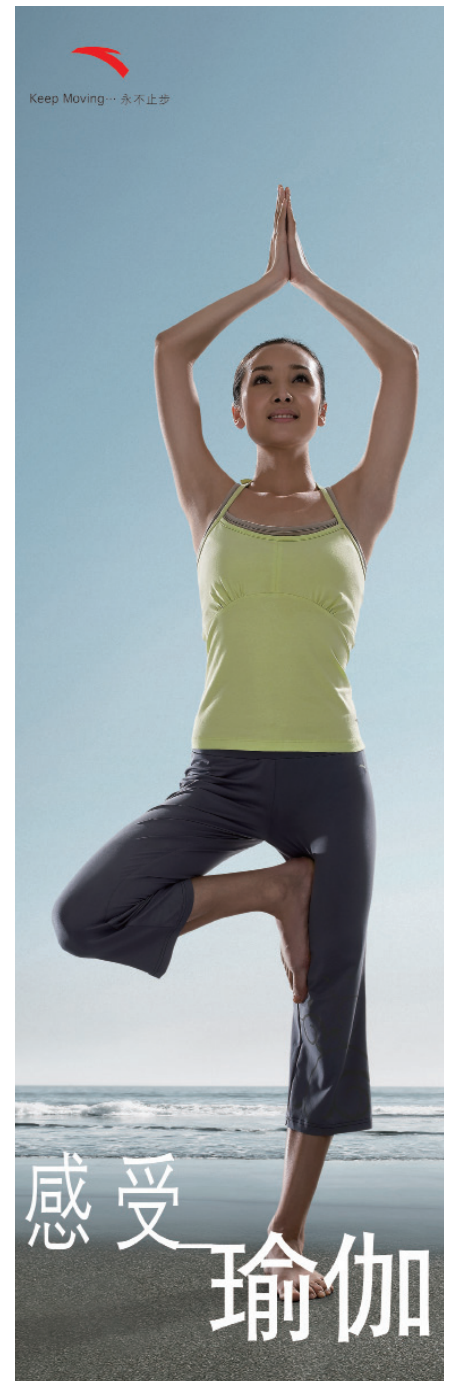
Mr. Zheng Jie tells reporters, "The future focus is the second and the third line cities. The first line cities have been developed. We survive because we have our own advantages. One is the operation structure of distributors which makes our stores go deeper. The other

is the support for franchisees."

Anta develops market deeper and wider and strengthens the management of distributors. Mr. Zheng Jie says, "There are our stores in 2,200 cities and counties, so we must support both large distributors and little distributors." Anta has to provide guidance for distributors and franchisees.

Mr. Zhang Tao, Vice President of Anta, tells reporters, "As for future growth, it is important to do 4 Matchings: Strategy Matching, Team Matching, Supply Matching, and Distributor Matching."

Source: China Economic Times



Lotto Invites Avril Lavigne to Be A Designer and New Products Released

On May 1st, Lotto, an Italian brand, cooperated with rock star Avril Lavigne and held a meeting called "Avril & Lotto" in Waitan of Shanghai. At this meeting, Avril was not a singer, but a designer. In the next two years, she would design a series of fashion costume and accessories for Lotto.

These products designed by Avril included men and women clothes, shoes and accessories. They mainly

were motor jackets and T-shirts favored by Avril and decorated with skeletons, stars and rivets. Avril's features and personal quality were presented in these products. Through these products, Avril expressed her life concept: Love yourself, Believe in yourself, and Be yourself.

At the meeting, Lotto played the attractive sidelights of the Avril & Lotto advertisement. Avril showed her various styles like a professional model. Media

staff and fans designed T-shirts with Avril & Lotto's representative elements like skeletons and rivets.

Avril & Lotto series would be released in Chinese mainland in 2011 and 2012. The first batch of new products entered Lotto stores at the end of April.

Source: City Express Times



lotto
LEGGENDA

THE BEST DAMN THING!
该死的好东西

LOTTO 携朋克宠儿 Avril Lavigne 全新合作系列，
享乐自我发现，拥有这该死的好东西！

China Sport Show 2011

相约体博 共享全运

2011中国国际体育用品博览会（冬季）
暨第十二届全运会场馆设施、器材装备展览会

时间：2011年10月21日-23日

地点：辽宁工业展览馆

主办单位

国家体育总局
辽宁省人民政府
第十二届全运会组委会
中国体育用品业联合会

承办单位

国家体育总局体育器材装备中心
辽宁省体育局
辽宁省国际贸易促进委员会
华兴体育用品发展中心
辽宁国际商贸实业公司

支持单位

世界体育用品联合会

特别支持单位

中国奥林匹克委员会
中华全国体育总会



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