



AsiaWorld-Expo
亞洲國際博覽館

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global  sources

Global Sources: From Trade Vision to NASDAQ

Asian Sources, then a fledgling publishing company, published its first export trade magazine in February 1971. The magazine, not surprisingly, was also called Asian Sources and on the cover of that inaugural edition it spoke of a vision in these terms: We believe the expansion of free trade is crucial to social and economic progress and ultimately a safer world through a lack of want. This is advanced by the establishment of long-lasting and mutually beneficial trade relations between private businessmen in the East and the West.

From that modest and altruistic beginning emerged the company now known as Global Sources, which 35 years on is one of the world's leading business-to-business media companies, NASDAQ-listed and a primary facilitator of two-way trade with Greater China. According to the latest figures available from the World Trade Organization (WTO), Asian exports exceeded US\$2.7 trillion in 2005. In the same year, China consolidated its position as the world's second largest exporter with exports of US\$762 billion. There is little doubt that, during the past 35 years, Global Sources has played a major role in developing the critical trade links that have helped Asia and China sell to the world.

Global Sources operates on a multi-channel trade platform. The company serves the international

business-to-business trade industry by providing sourcing information to more than half a million buyers in 230 countries through an established raft of integrated marketing services. What started out as a publishing company introducing western markets to Asian manufacturers through the medium of an ever-expanding series of trade magazines, has since established a 10-year track record as a formidable online marketplace operator, facilitating the global trade of everything from auto parts and accessories to hardware and DIY products through its Global Sources Online website.

The China Sourcing Fairs' China Showcase
However, Global Sources is perhaps best known in Asian business circles as a major exhibition and trade fair organiser, having established its presence in business-to-business trade events almost 15 years ago. Along the way, the company created the Global Sources China Sourcing Fairs, comprised of specialised shows for Electronics & Components, Fashion Accessories and Gifts & Home Products. These fairs showcase the latest products from quality suppliers from China, Hong Kong and the rest of Asia and are “must attend” events for buyers from all over the world looking for the best and most competitively-priced merchandise. They also serve as an excellent showcase for Mainland Chinese

manufacturers to attract foreign buyers and expand their businesses internationally.

Held in Shanghai previously, these twice-yearly fairs were relocated to Hong Kong in April 2006. One of the major factors that drove that decision was the opening of AsiaWorld-Expo. This remarkable new venue, strategically located next to the Hong Kong International Airport at Chek Lap Kok is the jewel in the crown of Hong Kong's Meetings, Incentives, Conventions and Exhibitions (MICE) industry. Configured as single level, with column-free exhibitions halls offering a ceiling height of 10 to 19 metres and built to world-class specifications, this huge new venue has already established itself as a major draw card for the world's exhibition organisers who have previously been unable to stage events in Hong Kong due to the absence of suitable venues.

AsiaWorld-Expo: The New Only Option

Lively Australian Sarah Benecke, Executive Director of Global Sources, has been part of the company for 26 years. She started out nominally as a writer and editor but found herself turning her hand to anything it took to push the company towards its goals. Working closely with the company founder and present Chairman and CEO, Merle A. Hinrichs, she has served in a number of key positions including publisher from 1988 to December 1992 and Chief Operating Officer in 1993. She also served as Chief Executive Officer from 1994 to 1999 and oversaw the launch of Global Sources Online in 1995, its CD-ROMs as well as a number of new and successful publications.

When asked why the company decided to move the China Sourcing Fairs to Hong Kong in 2006 after having held the event in Shanghai for many years previously, Ms. Benecke immediately points to AsiaWorld-Expo. "We were unable to get a big enough venue at the right times of the year in order to continue growing those shows because timing is critical," she reasons. "The shows need to happen around the same time as the Canton Fair when the buyers are still in town. That's when we need to engage them and get them to come to our shows."



It's no exaggeration to say that the people at Global Sources were extremely excited to see AsiaWorld-Expo come online. "As soon as we heard it was being constructed, we thought 'This is the answer! We can get the right times, we can get the right amount of space.' Then, as we started to learn more about the venue, we got more excited because of its location, its size and all the pillar-free space. So making the move then became a very easy decision."

Obviously, the fact that AsiaWorld-Expo is located in Hong Kong also had a major influence on the decision to relocate to its new home but not just for the reasons you might expect. It was a decision taken to drive the company's growth. "For the kind of shows we do, getting international traffic is paramount, so Hong Kong is a perfect location. But by coming to Hong Kong we were also able to develop new shows that we were unable to develop in Shanghai because of the space constraints. So we developed China Sourcing Fair: Fashion Accessories which we ran twice last year and will continue this year."

In fact, the company also launched its fourth show in April 2007 at AsiaWorld-Expo and it was one that proved popular with both men and women buyers: China Sourcing Fair: Underwear & Swimwear.

Ms. Benecke considers Hong Kong a very favourable and effective sourcing hub for Mainland suppliers, as Hong Kong





is still home to most of the big buying offices. Some are now in Shenzhen and there are some in Shanghai but the majority of them remain in Hong Kong. She says, "Hong Kong is still a great base for China trade. Exhibitors love Hong Kong because they meet high-quality international buyers, and buyers love Hong Kong because it's safe, it's comfortable, it's clean, and it's efficient."

It's clearly apparent that Ms. Benecke is a big fan of AsiaWorld-Expo. Much has been said regarding the location and, to her, it counts as the venue's best feature. "The proximity to the airport has been tremendously valuable to us," she enthuses. "We meet buyers at the airport and we bring them directly to the venue. We get buyers who come on overnight flights. AsiaWorld-Expo has a luggage storage facility and we work with them in offering a luggage transfer service that actually takes buyers' luggage off the airport carousel and deliver it to the venue storage facility. So once buyers have finished their work, they can pick up their luggage and fly home immediately or head for their hotels."

Another major attraction for Global Sources is the ground floor space. All trade show organisers will tell you that ground floor space is much more preferable to multi-level space as it delivers much better traffic flow and traffic distribution. But AsiaWorld-Expo is also pillar-free and offers an excellent degree of access. Even so, with 3,600 exhibition booths erected for the Gifts & Home Products fair alone, setting up and dismantling all the booths presented the organisers with a considerable logistics challenge.

Throwing Convenience at the Problem

Ms. Benecke was grateful for the support she received from AsiaWorld-Expo's staff. "It was a big undertaking in which we received great support, helped in no small measure by our main contractor Pico, who did a superb job for us," she confirmed. And this was where AsiaWorld-Expo came into its own. We simply opened up the roll-down side doors and the container trucks drove straight into the venue and started unloading and setting up. In some other venues, trucks have to queue up for hours in order to get access to the venue."

If you think that setting up and taking down booths made great demands on AsiaWorld-Expo's resources, bear in mind that the China Sourcing Fairs held in April 2006 comprised of three different shows, two simultaneously, within a 10-day period that covered the Easter holidays. Ms. Benecke is full of admiration for the way AsiaWorld-Expo's staff stepped up to the mark. "They coped very well indeed. There are always teething problems at a new venue and with new shows but when you consider that two of those shows ran over Easter, we had a lot of things working against us but we ended up with almost full houses for all three fairs. We exceeded all our expectations in terms of the number of visitors and when they got to the venue, everything worked!"

And it worked even better at the October China Sourcing Fairs. One aspect of the relocation to AsiaWorld-Expo that pleased the organisers most was the reaction of their regular exhibitors and buyers to the change of venue. "Their reaction was positive and it speaks for itself," says Ms. Benecke. "We increased the size of the shows and the revenue from the shows many, many fold. And, remarkably, when we repeated the exercise in October, the Electronics & Components show drew 2,372 booths, 36% more than the April show."

Bright Prospects for 2007

For the future, Global Sources looks forward to building on the impressive gains since moving its China Sourcing Fairs to AsiaWorld-Expo in April and October 2007, when it will again have the advantage of a world-class venue to present these fairs in the best possible light.

Electronics & Components was held from 12 – 15 this April and again featured more than a thousand suppliers from Mainland China, Hong Kong, Taiwan and Asia offering the latest innovative products in consumer electronics, computer and telecom products and electronic components. And this year WiFi & VoIP products were featured for the first time. Fashion Accessories was held on the same dates and was co-located with the new Underwear & Swimwear fair.

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Gifts & Home Products was run from 20 – 23 April and featured an even bigger range of garden and outdoor products, stationery and paper items and petcare products.

Ms. Benecke is looking forward to breaking more records. “The prospects look very good. The swimwear show was opened with more than 180 booths, which we’re very pleased about as it’s quite a specialised industry. Visitor registration was strong and we had fashion parades every day.” Indeed, the shows held in April 2007 attracted more than 75,000 buyers in total and the huge number of repeat visitors demonstrated that the fairs are of value to buyers.

Ms. Benecke continues, “We are very bullish about 2007 and the future, and are ready to develop new shows at AsiaWorld-Expo.” In March 2007, Global Sources renewed its contracts with AsiaWorld-Expo to host China Sourcing Fairs at the venue from 2009 through 2012, with the addition of a new show.

She believes AsiaWorld-Expo has great advantages over other options in Hong Kong and Southern China. When asked if she would recommend it to other organisers, she says, “Definitely for quality shows with quality organisers - the kind of events that the venue management is focusing on. It’s the best venue in Asia in my opinion.”

Her most enduring memory of 2006 is the first morning of the first shows in April. They were the Electronic Components and Fashion & Accessories shows. They were the biggest events held at AsiaWorld-Expo up to that time. “We were all nervous,” she recalls. “There was to be a big fancy opening ceremony with celebrities, politicians, dancing girls, heavy media coverage and so on. We got to the venue in the morning and everything was perfect. We had expected the kind of last-minute problems we usually encountered at other venues but everything was immaculate and ready to go. And that was the start of three high-quality shows that delivered way beyond our expectations. I shall never forget that memory.”



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China Sourcing Fairs October 2006

Electronics & Components

“Buyers find it easy to find us. We met buyers from the UK, US, Canada, Australia, Japan – all over the world.”

– **Colin Wong**
Shenzhen Oriental E-Techs Limited (Exhibitor)

“We are very impressed with the organisation of this show.”

– **Cheng H Hsu**
Ariba Deutschland GmbH, Germany (Buyer)

Gifts & Home Products

“Hong Kong can provide a more international platform so we meet more good quality buyers. The location of this venue, AsiaWorld-Expo is good and the customer flow is good.”

– **Jerome Liu**
Shanghai Longxin Glasswares (Exhibitor)

“The venue here is very easy to reach. Tonight we go back to Europe. With the airport nearby, it’s very convenient.”

– **David Reccole**
Couleur Caramel Nature.cos (Buyer)

Fashion Accessories

“A lot of buyers are coming and they know the fair. We had 130-140 enquiries from all over the world and it’s good exposure. We will be back.”

– **Julien Wilm**
Global Headwear Limited Hong Kong (Exhibitor)

“The April and October timeframe is very convenient for how we conduct our business.”

– **Jim Kruse**
One Source Network Inc., USA (Buyer)