

Press release

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Automechanika Shanghai 2020 creates channels for cross-sector collaboration

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Following 15 consecutive record-breaking editions, Automechanika Shanghai takes on a progressive theme that ties in the show's prominent position in the automotive industry. 'Navigating a dynamic automotive ecosystem' will be this year's driving force behind the integration of resources across seven dedicated sectors and three specialised zones. From 2 to 5 December 2020, the fair is forecast to host 6,650 exhibitors, from all streams of the supply chain, throughout 366,000 sqm of space at the National Exhibition and Convention Center (Shanghai).

This year, Automechanika Shanghai continues to serve the entire automotive value chain by offering opportunities for information exchange, marketing, trade and education. Both vertically and horizontally, from OE, vehicle production to the aftermarket, it incorporates all elements of manufacturing, supply networks, services, new business models and information technology.

Companies across the world are now refocusing their strategies to meet the changing needs of the market and compete in the new automotive era effectively. To capture this momentum, the fair, once again, embraces the concept of an automotive ecosystem. As it stands, the show is engaging other related industries like tech and finance, in addition to welcoming more innovative start-up companies. Collaboration between these wider parties and the industry is triggering a host of new services, business models, solutions and development opportunities.

The show aims to amplify these latest forms of cooperation through leveraging its exhibitor and buyer resources in the supply chain. It will draw attention to ever-evolving digital, technological and consumer trends revolutionising the auto market and place more emphasis on network expansion, supply chain integration and sustainability.

For example, reports suggest that by 2020, China's automotive aftermarket could reach RMB 1.435 trillion, with 60 percent of profits deriving from the service sector¹. This projection will continue to accelerate due to factors like digital transformation and consumer behaviour, which are speeding up the pace of supply chain integration.

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¹ The Chinese automotive aftermarket expects to be worth RMB trillion in 2020, December 2019, People's Daily Online, <http://auto.people.com.cn/n1/2019/1212/c1005-31502621.html> (Retrieved April 2020)

Explaining how this year's show mirrors a shift towards consumer-driven business models, digitalisation and collaboration within inter-related sectors, Ms Fiona Chiew, Deputy General Manager, Messe Frankfurt (HK) Ltd, highlighted: "With the industry developing rapidly, players have to adapt their business strategies by moving into emerging areas of the supply chain. The road ahead requires collaboration to increase market presence and offer consumer-centric services in the connected aftermarket. We are emulating this form of integration in the aftermarket through enhanced hall planning."

Dedicated sectors and zones pinpoint industry trends

The revamped **Diagnostics & Repair / Body & Paint** sector will present separate product categories for Body & Paint and Intelligent Diagnostics. It will sit next to the highlighted **Accessories, Customising** and **REIFEN (Tyres & Wheels)** sectors and **Services & Supply Chain zone** on the upper level of the exhibition ground. The move comes as a response to the synergy of resources those sectors share, as they set to attract global exhibitors and visitors from OEMs, dealers, tyre servicing and workshops to name a few.

Companies are now maximising data gathered from information systems, databases and software, as well as optimising supply channels and immersing end-users into processes. The **Services & Supply Chain zone** will reflect these changing distribution networks in the supply chain and the future developments in the service sector.

What's more, the area continues to see increased participation from players adopting internet-based business practices and new integrated systems. It will offer more breadth of coverage from chain stores, data management, e-commerce platforms and supply chain specialists, on top of auto finance, insurance, talent acquisition, training and education. Related fringe events will encourage players to forge new relationships with others in the supply chain and foster cross-sector cooperation.

Other specialised zones also play a crucial role in the auto supply chain. The **Auto Manufacturing zone**, located on the upper level, showcases advanced equipment and technology to boost efficiency in the manufacturing process. It will see even more exhibitors with manufacturing technologies that play up to the heightened sophistication of auto parts. The **Remanufacturing zone**, located within **Parts & Components** on the lower floor, will delve into the sustainability of a circular economy to lengthen the product and service lifecycle.

Elsewhere on the lower level, exhibitors in the **Parts & Components, Tomorrow's Service & Mobility** and the extended **Electronics & Connectivity** sectors will address the fundamental industry changes brought forward as a result of digitalisation.

To illustrate, **Tomorrow's Service & Mobility** has become an international epicentre for innovation where upstream and horizontal participants can forge new partnerships with one another. The area has become an incubation hub for companies, which reflects the show's pioneering position in the automotive ecosystem. For example, a line-up

of start-ups will be exposed to high-quality buyers offering possibilities to commercialise their forward-thinking products, technologies and concepts. It also supports industry-academia-research with a collection of local and overseas associations, research institutes, commercial corporations and venture capital companies. Here, they will further the development of new energy, mobility, autonomous driving and road infrastructure through wider engagement with industry players.

Mr Cheng Yongshun, Vice President of China National Machinery Industry International, noted: "With digital trends moulding consumer demands and expectations, questions arise as to how new technologies are transforming the future car. The sectors will share resources that promote intelligent transformation, digitalisation, energy-saving and sustainability. Together, these areas will highlight the value of new co-created technologies and the growing opportunities in the market."

Automechanika Shanghai is organised by Messe Frankfurt (Shanghai) Co Ltd and the China National Machinery Industry International Co Ltd (Sinomachint). In light of the COVID-19 outbreak, organisers of Automechanika Shanghai are working with local authorities to ensure appropriate safety parameters are upheld. These measures are to safeguard the health and safety of all stakeholders so that the show remains a secure platform for business.

To find out more about Automechanika Shanghai's themes and coverage, please visit www.automechanika-shanghai.com. Please contact Messe Frankfurt (HK) Ltd on + 852 2802 7728 or via email auto@hongkong.messefrankfurt.com for further enquiries.

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Background information on Messe Frankfurt (as of December 2019)

Messe Frankfurt is the world's largest trade fair, congress and event organiser with its own exhibition grounds. With more than 2,600* employees at 30 locations, the company generates annual sales of around €733* million. We have close ties with our industry sectors and serve our customers' business interests efficiently within the framework of our Fairs & Events, Locations and Services business fields. One of the Group's key USPs is its closely knit global sales network, which extends throughout 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. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. Headquartered 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 2019

Background information on Sinomachint

China National Machinery Industry International Co Ltd. (Sinomachint) is a wholly-owned subsidiary of China National Machinery Industry Corporation (SINOMACH), a large state-owned group. Sinomachint specializes in areas such as international exhibitions, trade and project contracting. International exhibition is a core business for Sinomachint, which are recognized because of many years of exhibition organizing experience and a professional organization team. Sinomachint held exhibitions that combine internationality and locality in

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over 30 large and medium-sized Chinese cities. The total exhibition area of exhibitions that Sinomachint independently organizes or jointly do with partners each year exceeds 3 million square meters. For more information, please visit the website at: www.sinomachint.com.