

Press release

August 2019

Automechanika Shanghai 2019 helps industry players compete in the new aftermarket game

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Automechanika Shanghai digs in deep and gives prominence to the latest global trends in OE and the aftermarket. Several zones and events will highlight a multitude of growing areas, such as Body & Paint in the Repair & Maintenance sector. The show will also delve into new business models for the proliferating service and chain store segment, and expand upon the prosperous customising culture.

In recent years, the automotive aftermarket has been both an essential and strong source of profit for the industry. Reports suggest that the current value of the global aftermarket is worth EUR 800 billion (RMB 6 trillion). This is projected to grow at a three percent annual rate by 2030, equating to about EUR 1,200 billion (RMB 9.2 trillion)¹.

As expected, China has quickly become a key contributing country towards the aftermarket's global shares. Findings reveal that the car ownership in China reached 127 million units in 2017, while the aftermarket was valued at RMB 130 billion. The report also suggests that the aftermarket will represent 55 percent of the entire automotive supply chain by 2025². Together with increased car ownership, this boost has also been backed by many new government initiatives that can attract a wealth of possibilities for customers, distributors, suppliers and service providers alike.

For these reasons and in the wake of current transformations, which are having a dramatic effect on the sector, Automechanika Shanghai will gather players across the entire industry. The show will also explore current trends, as well as nurture a host of innovative opportunities across different stages of the aftermarket value chain.

The Repair & Maintenance sector holds new interactive events

With the repair and maintenance industry segment projected to expand at a CAGR of six percent by 2027³, the show aims to accentuate some of the associated prospects in its changing landscape. Across 65,000 sqm of space in Halls 5.1 and 6.1, the **Repair & Maintenance** sector will welcome major players such as Autel, Beta, Blue-Point, Bright, Dali,

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¹ "Ready for inspection – the automotive aftermarket in 2030", McKinsey & Company, August 2018, <https://mck.co/2KNJ7pm>. Retrieved 3 July 2019.

² "The overview of Chinese automotive aftermarket development", B2Bautoparts, August 2018, <https://baijiahao.baidu.com/s?id=1607670990441781438>. Retrieved 3 July 2019.

³ "Automotive Repair and Maintenance Services Market is projected to expand at a CAGR of 5.8% over the forecast period 2017-2027", Marketwatch, 21 August 2018, <https://on.mktw.net/2PTrLcQ>. Retrieved 3 July 2019.

EAE, FLIR, GAOCHANG, Hofmann, Hunter, Jonnesway, Launch, Liberty, RAVAGLIOLI, SATA, Steril-Koni, Tech, Triens, UNITE, Würth and more.

On top of this, the sector will also draw more attention to collision repair in response to the rising need of accident roadside recovery in China. For example, research has found that quality services from collision repair specialists are some of the most highly sought experts in the field⁴. Therefore, new product categories, such as **Body & Paint**, are highly significant additions to the show. This category will display:

- Body repair – grid correction systems, body shaping equipment, welding equipment, body measurement systems, and tools and materials
- Spray paint and anti-corrosion protection – spraying systems and equipment, paint, anti-corrosion protection, point repair and auxiliary materials
- Painting, sheet metal, plastic parts, windows, headlights and rims

Several major players such as CELETTE (France), GYS (France) and YATU (China) will join Body & Paint for the first time, along with the established exhibitors Baozhongbao, BETAG, Doocar, MAXIMA, Stronger, YOKISTAR to name a few.

Dedicated fringe events are also expected to make headways at the show, as a host of new activities make their Shanghai debut. For instance, national bodyshops will go head-to-head designing custom car bonnets, and will showcase their finished product at the fair in the **Body & Paint World Championships**. The event series has already been met by overwhelming praise from Automechanika Birmingham with Johannesburg, Dubai and Mexico City yet to come. Selected by an expert panel and the public, the winner will be invited to Automechanika Frankfurt next year for the grand finale, along with the winning companies from other Automechanika events.

Elsewhere on 4 December, the **International Bodyshop Industry Symposium (IBIS) China 2019** will bring together influential decision-makers from China's auto collision repair industry. Speakers will explore the umbrella topic of "Embracing transformation: seizing the opportunities of change in the Chinese collision repair market". A networking event will also follow the symposium.

Ms Fiona Chiew, Deputy General Manager, Messe Frankfurt (HK) Ltd, said: "We are very excited to host a variety of events related to the Repair & Maintenance sector. Amongst others, the Body & Paint World Championships and the International Bodyshop Industry Symposium (IBIS) China 2019 are both highly reputable international events. As such, Automechanika Shanghai has become a window for opportunities amongst the local Chinese talent pool, where they can learn new techniques and knowledge, as well as show off their current design flair."

Automechanika Shanghai
Shanghai, 3 – 6 December 2019

⁴ "Standards and work efficiency of painting industry" Sohu.com, 7 September 2018, http://www.sohu.com/a/252487649_175188. Retrieved on 8 July 2019.

Companies that would like to participate in the Body & Paint Competition can visit www.automechanika.com/competition for more details.

Customising shines brighter than ever before

Changing consumer culture towards personalisation, comfort and luxury reinforce the fact that customisation has become a significant area of the market, which will continue to stimulate industry growth in the future. To illustrate, the global automotive interior and exterior markets will exceed RMB 400 billion in 2019 and RMB 261 billion in 2020 respectively⁵.

However, despite statistics revealing the sector only accounts for three percent of the aftermarket, the relatively young segment still holds a torch for the tremendous opportunities in the country. Automechanika Shanghai recognises the sector's growth potential and gives

Customising its own Halls in 6.2 and 7.2.

Exhibitors like Azoza, Manjie, MP Concepts, Shuangxing Color Plastic, STRONA, TEIN Far East, Unionevo, WINBO, XINHAI AIDO, YAKIMA, and more will play up to the occasion by presenting some of their most advanced products, services and technologies for car racing, lighting, leisure driving and entertainment, and lightweighting.

Likewise, the highly anticipated activity zone for **Motorsport & High Performance** will return once more. The zone will draw even more attention to many of the international motorsport racing competitions, as well as modified parts for high performance vehicles.

More focus on digital tools for the aftermarket

The **Supply Chain and Chain Store zone** has also become a fundamental part of the show as it embraces companies in the aftermarket that are seamlessly integrating technology and digital communication to connect with their customers.

Visitors will be able to explore numerous brands who specialise in supply chain platforms for auto parts, services, chain stores, insurance, used cars, workshop data management software and e-commerce.

Companies such as ARROW, Auto Finance & Service, Bangbang, Baturu, Carzone, Casstime, Cheling Network, eBay, EUROREPAR, Huasheng, Keeper Pro Shop, KZMALL, Mancando, and more have confirmed their participation.

Mr Cheng Yongshun, Vice President of China National Machinery Industry International, noted: "As the aftermarket game continues to change so does its players, and across the fairground it is clear that a number of new entrants and existing powerhouses are embracing these rapid developments. More opportunities in the sector have created an increasingly dynamic and competitive environment. There is no question that companies who are implementing new business models are also creating a more robust value chain footprint."

Automechanika Shanghai
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⁵ "Outlook of the global & Chinese automotive interior and exterior market" Qianzhan.com, <https://www.qianzhan.com/analyst/detail/220/181121-c7654f67.html>. Retrieved 7 August 2019

Elsewhere, value-added fringe programme events will amplify many of the themes running across the show floor. Participants can stay in touch with current and global updates in the industry's aftermarket through the **Automotive Aftermarket Summit 2019, AIAG Auto Parts Purchasing Leadership and Suppliers Summit 2019** and the **China Collision Industry Summit**.

This year, Automechanika Shanghai will occupy the current 360,000 sqm of space and host 6,320 exhibitors in the National Exhibition and Convention Center (Shanghai) from 3 – 6 December 2019 covering the entire automotive supply chain. For more information about the 15th edition, please contact Messe Frankfurt (HK) Ltd on + 852 2802 7728 or auto@hongkong.messefrankfurt.com.

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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 €718 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.

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 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.