

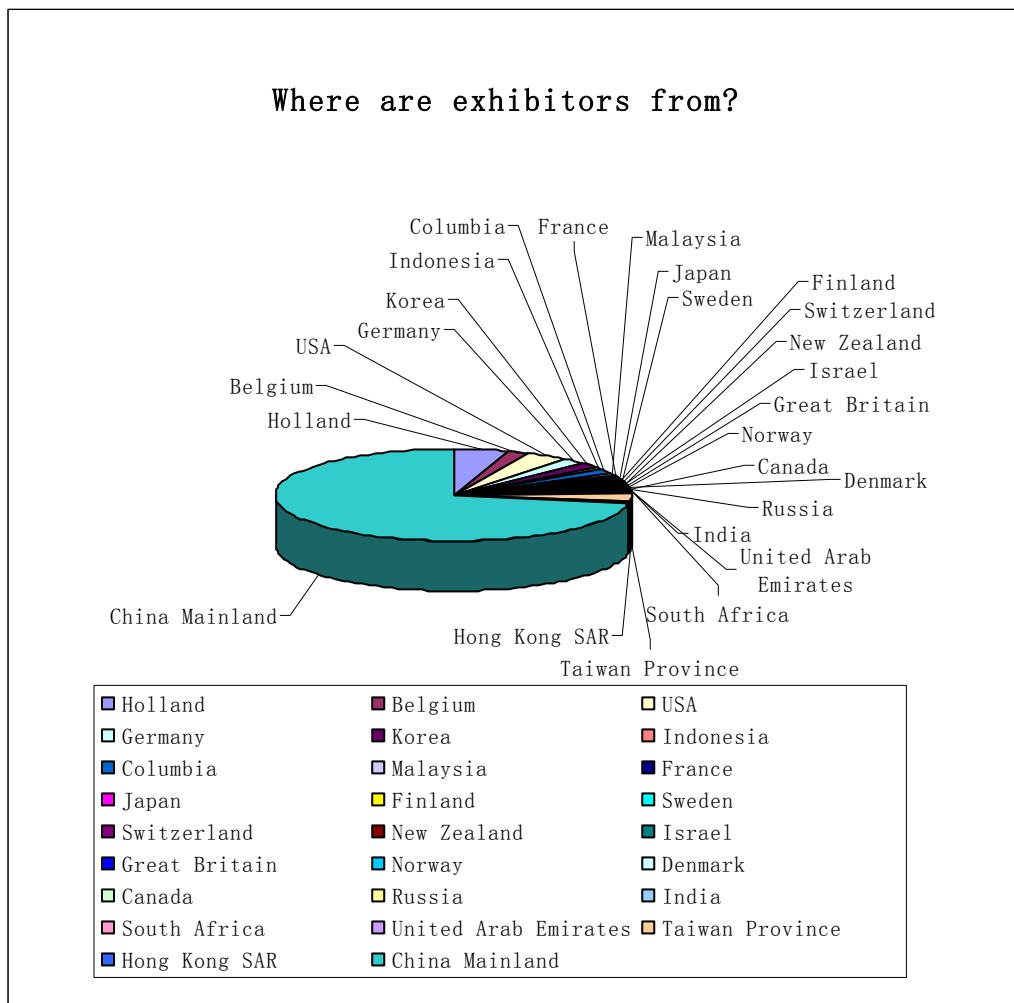
## **Show Report of the 9<sup>th</sup> Hortifloorexpo China**

Organized by China Flower Association, the 9<sup>th</sup> Hortifloorexpo China , the largest official trade show in Chinese horticulture, floriculture and garden field was successfully held from Apr. 11-14, 2007 in Shanghai Mart & Intex Shanghai. As the show management this year, Intex Shanghai was responsible for all the services of this event including project planning, marketing, sales and on site operations.

### ***Main Characteristics:***

#### **Broader Exhibitor Distribution & More Foreign Exhibitors**

This exhibition, for the first time, used not only Shanghai Mart & Intex Shanghai covering a total show area of 17000sqm. 361 well-known companies from 24 countries and regions such as Holland, Belgium, USA, Germany, Korea, Columbia, France, Japan, Finland, Sweden, Switzerland, New Zealand, Israel, Great Britain, Norway, Denmark, Canada, Russia, India, Chile, United Arab Emirates, China Mainland, Hong Kong SAR and Taiwan Province participated in the show. There were 5 pavilions (i.e., Holland pavilion, USA pavilion, Korean pavilion, Columbia and Belgium pavilion) with 98 foreign companies.



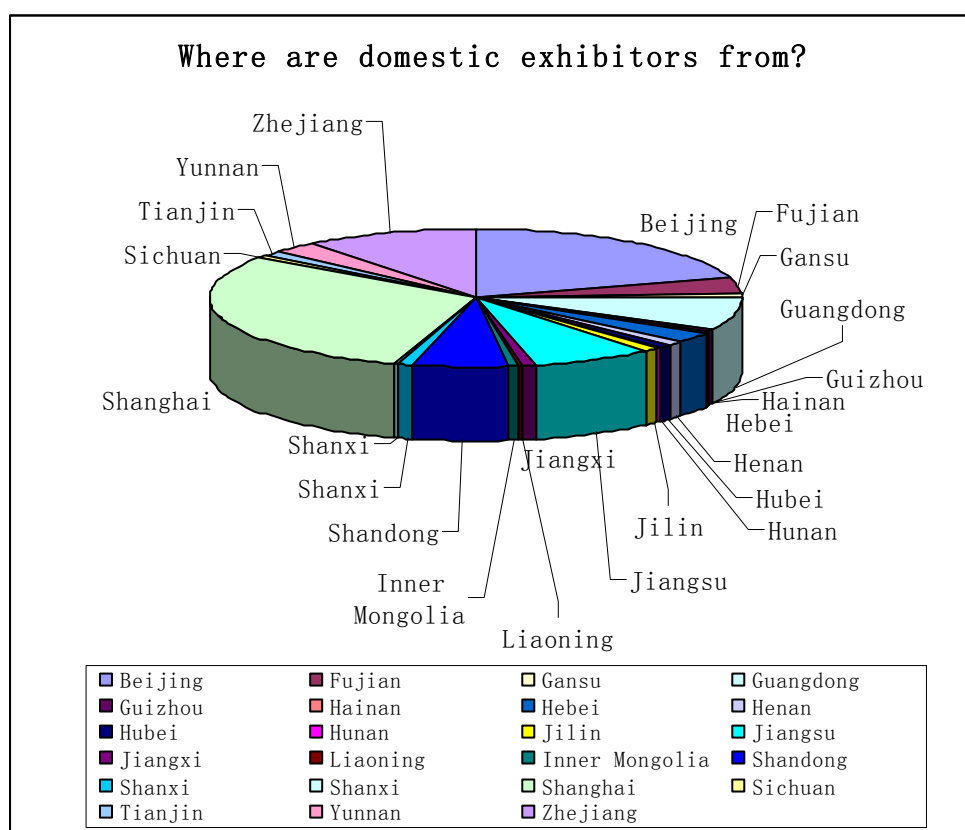
Holland pavilion and USA pavilion are worth a special mention here. The reasons we won Holland pavilion back to this year's Hortiflorexpo China are most probably as follows,

1. strong confidence in Chinese market,
2. Hortiflorexpo China, viewed as a best gate for small and medium sized Holland companies to enter China

Besides, it is also the first time for us to welcome a USA pavilion of 11 companies covering nurseries, greenhouse, flower production, cold store, florist material companies. Organized by USDA (USA Department of

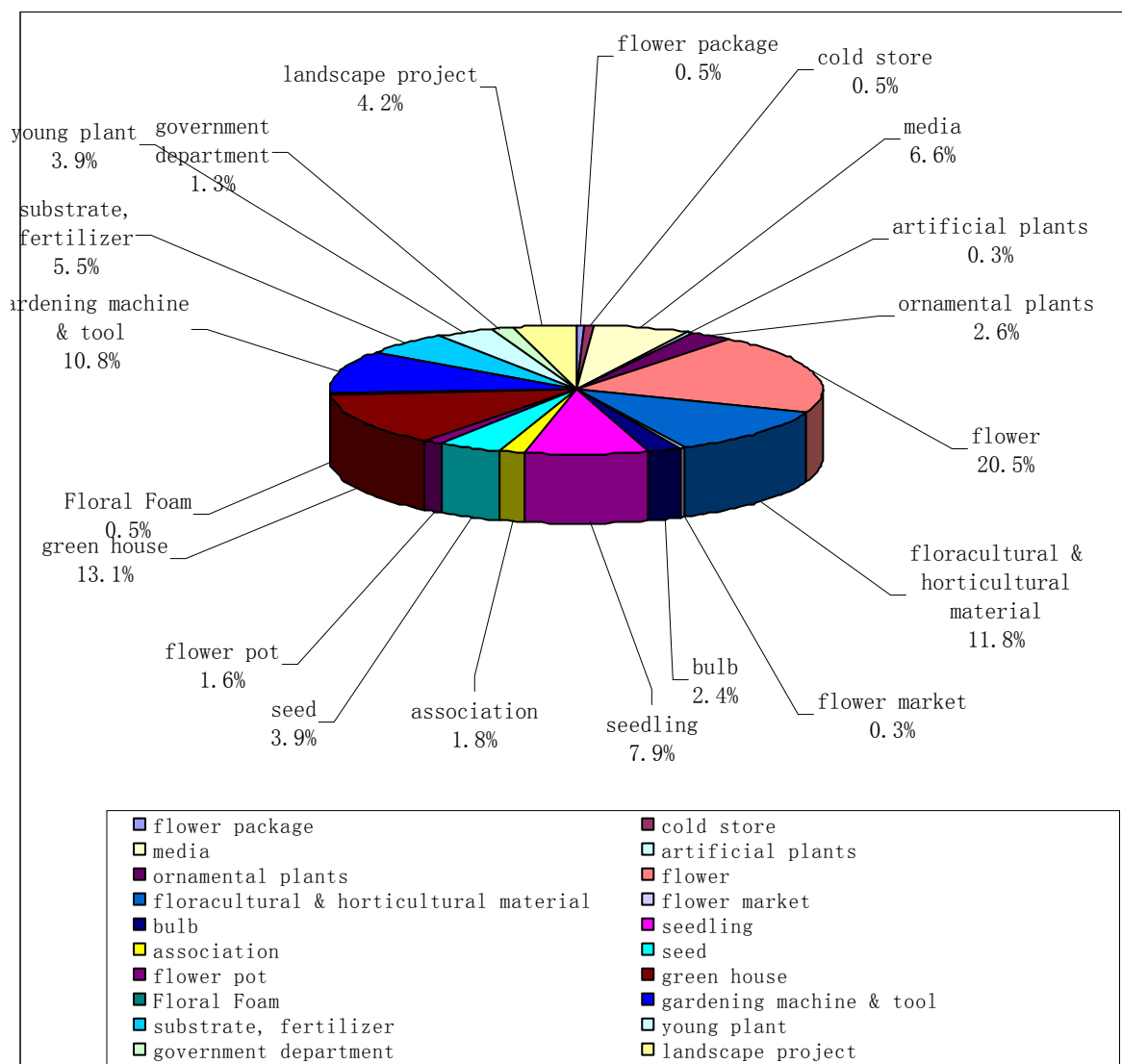
Agriculture) and SUSTA (Southern USA Trade Association), the USA nursery companies have tested Chinese market for the first time and the leading florist companies, such as Ingersoll Rand Climate Control and Florists' Review obtained satisfactory results at the show.

Geographically speaking, as far as Mainland China is concerned, exhibitors were from most provinces and regions across the country. Apart from East China, 41% of domestic exhibitors were from Southern, Northern, South West, North East, North West and Middle part of China.



Having a wide span of exhibits, The 9<sup>th</sup> Hortifloexpo China attracted

many leading companies in Chinese horticultural, floricultural and garden field.



Compared with the last edition in 2005, we find some interesting changes in this edition as shown in the chart below,

classification	Data of the 7 <sup>th</sup> edition	Data of this edition	Potential reasons
flower, seed, bulbs and seedling	46%	34.7%	Increase in the number of other types of exhibits, this part decreases somehow

greenhouse	12%	13.2%	Flowers and horticultural products of high quality are in greater need which has fueled the need for greenhouse facilities. Thus, increased participation in the show.
horticultural materials	7%	11.8%	Better sales of this kind of products lead to more participation in exhibitions
Young Plant	7%	3.9%	Booth costs may be an issue for domestic participants.

Devoted to the exhibition, we not only think much of the growth of its size, but also to the richness of its content. New measures and efforts were made to enrich the fringe programs,

**a. Activities aiming at florist industry**

Considering that there are not only flower growers exhibitions but also exhibitions on florist industries in some developed countries, we specially cooperated with China Flower Association Retail Trade Branch (CFR), AFDU (Asian Floral Designer Union) and Shanghai Flower Art and Arrangement Association to have the following activities to better serve flower retailing sectors and to lead flower consumption.

1. Annual Meeting of China Flower Association Retail Trade Branch (CFR)
2. Speeches given by USA florist experts
3. Flower Arrangement Live Show

23 well-known florists coming from Holland, USA, Japan, Korea, Hong Kong SAR and China Mainland gave 10 wonderful performances which won big applauses from a packed audience.

4. Flower Arrangements Show

5. Pictures Show--- More than 100 sets of fine pictures about the latest world floral design work were displayed for the first time in China.

**b. Seminars**

In order to help those companies who would like to make full use of the exhibition to promote themselves, 19 seminars were organized to market their products and promote their ideas among which most seminars obtained satisfactory results.

**c. Bonsai Display and Onsite Making Show**

To carry forward Chinese traditional culture and help the development of domestic bonsai industry, we cooperated with Shanghai Mini Cape Shang Shi Association to present around 100 awarded Bonsai on site the exhibition, bonsai making show and Maintenance Consultation which all obtained good result.

**d. Field Visit**

To help both exhibitors and visitors to make full use of this exhibition to obtain more experience in the limited 4 days, we

specially arranged 2 visiting routes to some distinctive fields. To our satisfaction, the “Urban Green Line” was warmly welcomed by lots of exhibitors and visitors.

### *Always Improving Services*

To better serve our customers, for every edition of Hortifloorexpo held in Shanghai, efforts were made to provide more and better services to both our exhibitors and visitors, in this edition, for example,

- a. A free badge scanner was provided to every exhibitor in Area A. In 20 working days’ time after the exhibition, all the visitor information stored in the scanner will be sent to the exhibitor for free,
- b. VIP Lounge was set for the first time in Area A for the use of exhibitors in the Area and VIP visitors,
- c. To make it easier for booth preparation, stationeries provided to exhibitors for the first time,

As the service provider, we will always put the benefit of our customers in first and will try to improve our service standard in the future.

To deal with the following problems shown in the last edition in 2005, the following measures were taken,

- 1、 Foreign exhibitors complained low efficiency of freight

forwarder,

**Measures:** We have changed our partner to Dragon Link Enterprises which is also freight forwarder of Beijing Hortifloorexpo and no delays of exhibits in this edition;

2、 Some exhibitors complained about the timetabling of seminars which started at 9:00am or 13:00pm.

**Measures:** Seminars were arranged to start at 10:00am and 13:30pm to achieve good result;

3、 Seminar Rooms were relatively small, facilities are old and the location of Rm. 2001 is not good enough.

**Measures:** In 2006, Intex spent lots of money to refurbish all the conference, seminar rooms and lobby. And we added lots of signage for seminars held in Rm. 2001 on site the exhibition. All these helped to obtain better customer satisfaction;

4、 On the last day of exhibition, most greenhouse and gardening machinery companies wanted to move out earlier.

**Measures:** We had put all the gardening machinery companies in one area. As to greenhouse companies, though we suggested them to be together with their craft brothers, most of greenhouse companies prefer to have their booths with their customers, flower companies. Anyway, when the show grows, booth allocation according to different exhibit type will be realized accordingly.



Besides, we dispatched Questionnaires to exhibitors and visitors during the show. The results are as follows,

**a. Questionnaires to Exhibitors**

Altogether we issued 280 questionnaires and recollected 269 valid ones.

The results are below,

1. 57% exhibitors were satisfied with visitor quality
2. 75% were satisfied with our service
3. 71% exhibitors were satisfied with our Exhibitor Manual
4. 68% exhibitors were satisfied with the venue
5. more than half of exhibitors were satisfied to make new business contacts, promote new products and enhance company image
6. 40% exhibitors expressed their intention to participate in the 10<sup>th</sup> Hortifloorexpo China in April 2008 in Beijing, 42% has not decided yet, only 2.23% exhibitors said they would not participate

**b. Questionnaires to Visitors**

Apart from Exhibitor Questionnaires, we also sent out 500 visitor questionnaires and got back 478 valid ones.

1. 93.31% visitors were satisfied in reaching objectives in visiting
2. 93.5% were satisfied with quality of exhibitors
3. 92.89% visitors were satisfied with the size of the exhibition
4. 97% express their willingness to visit the next show in the future,
5. 96% visitors say they will recommend this show to others.

### ***Visitor Analysis***

The 4-day-show altogether attracted 13471 visitors in the field of floricultural, horticultural, garden field from home and abroad. The total number of foreign visitors was 333.

There were 6251 people registered in Shanghai Mart. With 2094 people who came to Shanghai Mart after they registered in Intex Shanghai, there were altogether 8345 people visited the part of show in Shanghai Mart.

And there were 7220 people registered in Intex Shanghai. With 3142 people who came to Intex Shanghai after they registered in Shanghai Mart, altogether 10362 people visited the part of show in Intex Shanghai.

After analyzing the above data, we found, because it is the first time for us to use 2 venues, ie., both Shanghai Mart and Intex Shanghai on the same time, most visitors have little idea about it. Among all the 13471 visitors, only 5236 visitors had visited both Shanghai Mart and Intex Shanghai. That is to say, the remaining 8235 visitors only visit either Shanghai Mart or Intex Shanghai.

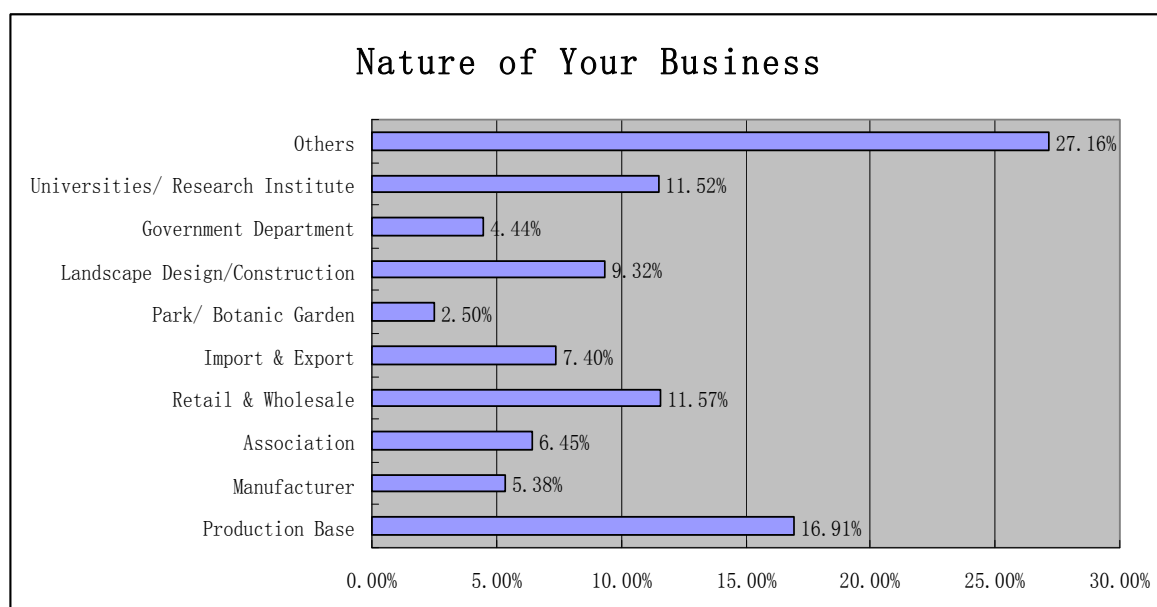
#### **Where are Foreign visitors coming from?**

<b>Area</b>	<b>Country or area</b>	<b>Number of people</b>	<b>ratio</b>	<b>Number of countries or area</b>
<b>North America</b>				
	USA	20	6.01%	
	Canada	2	0.60%	
	<b>Subtotal</b>	<b>22</b>	<b>6.61%</b>	<b>2</b>
<b>Atlantic</b>				
	New Zealand	5	1.50%	
	Australia	4	1.20%	
	<b>Subtotal</b>	<b>9</b>	<b>2.70%</b>	<b>2</b>

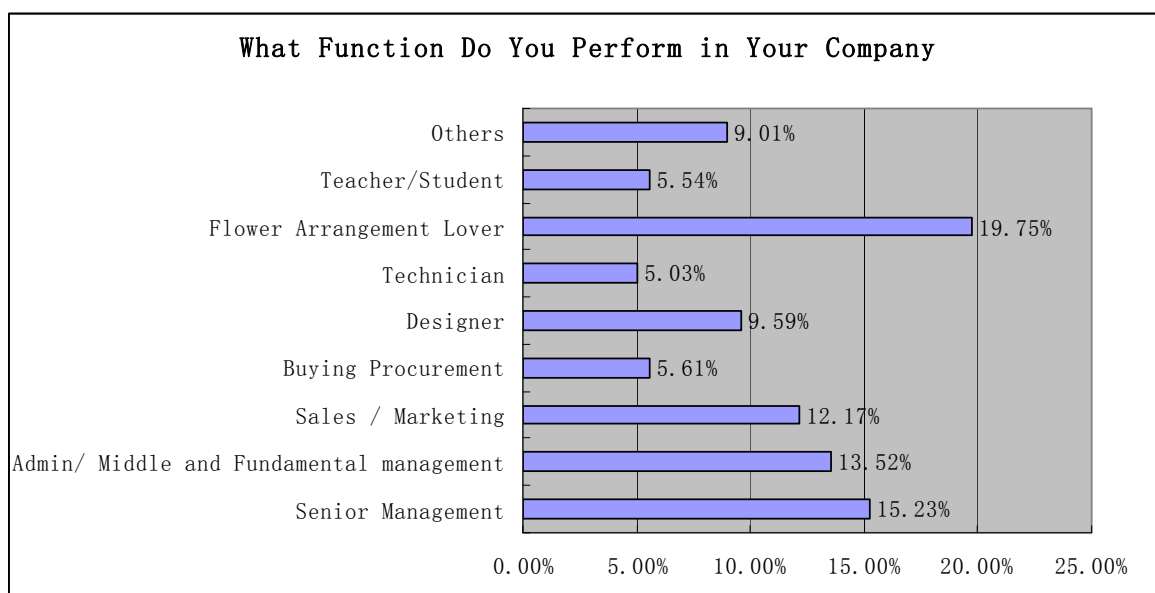
Africa				
	Kenya	5	1.50%	
	South Africa	2	0.60%	
	Mauritius	1	0.30%	
	<b>Subtotal</b>	<b>8</b>	<b>2.40%</b>	<b>3</b>
South America				
	Columbia	4	1.20%	
	Ecuador	2	0.60%	
	<b>Subtotal</b>	<b>6</b>	<b>1.80%</b>	<b>2</b>
Europe				
	Holland	15	4.51%	
	Russia	12	3.61%	
	Germany	7	2.10%	
	Italy	5	1.50%	
	Spain	3	0.90%	
	France	3	0.90%	
	Great Britain	2	0.60%	
	Croatia	2	0.60%	
	Belgium	2	0.60%	
	Sweden	1	0.30%	
	Greece	1	0.30%	
	Hungary	1	0.30%	
	Ukraine	1	0.30%	
	Turkey	1	0.30%	
	<b>Subtotal</b>	<b>56</b>	<b>16.82%</b>	<b>14</b>
Asia				
	Japan	66	19.82%	
	Korea	38	11.41%	
	Malaysia	22	6.61%	
	India	18	5.41%	
	Indonesia	8	2.40%	
	United Arab Emirates	5	1.50%	
	Singapore	5	1.50%	
	Iran	4	1.20%	
	Thailand	3	0.90%	
	Mongolia	3	0.90%	
	Viet Nam	3	0.90%	
	Cartel	2	0.60%	
	Saudi Arabia	2	0.60%	
	Israel	1	0.30%	
	<b>Subtotal</b>	<b>180</b>	<b>54.05%</b>	<b>14</b>
Hong Kong SAR, Macau, Taiwan Province				

	Taiwan Province	39	11.72%	
	Hong Kong SAR	13	3.90%	
	<b>Subtotal</b>	<b>52</b>	<b>15.62%</b>	<b>2</b>
<b>Total</b>		<b>333</b>	<b>100.00%</b>	<b>39</b>

According to the report of Eastfair (the professional registration company), we found that 16.91% visitors were from production bases, 1.88% higher than that of 2005. 11.57% were from Retail and Wholesale, 2.69% lower than that of 2005. And the buyer of floriculture and horticulture field, i.e., Landscape Design and Construction, Park and Botanic Garden, I & E, altogether amounted to 23.66%, among which Landscape Design and Construction company amounted to 9.32% which is 2.67% higher than that of 2005.



To have a clear view of the visitors' structure, we specially listed all the positions that appeared more than 30 times in the below chart.



It is known to all that the high quality of exhibitor leads to a good exhibition. But whether an exhibitor is satisfactory or not is mostly decided by the quality of visitors. Therefore in this edition, to help floricultural and horticultural industry better enter government purchasing scope, we specially made the following efforts,

1. We cooperated with Shanghai Landscape Project Bidding Management Co Ltd to organize garden owners, landscape design and maintaining companies to visit the show,
2. Through providing free seminars, Shanghai Xing An De Li Software Company, a market leader and IT service provider in landscape industry held to organize more than 150 garden construction companies to visit the show.
3. By cooperating with Shanghai Park Trade Association, we invited people in charge of the 104 parks in Shanghai to the

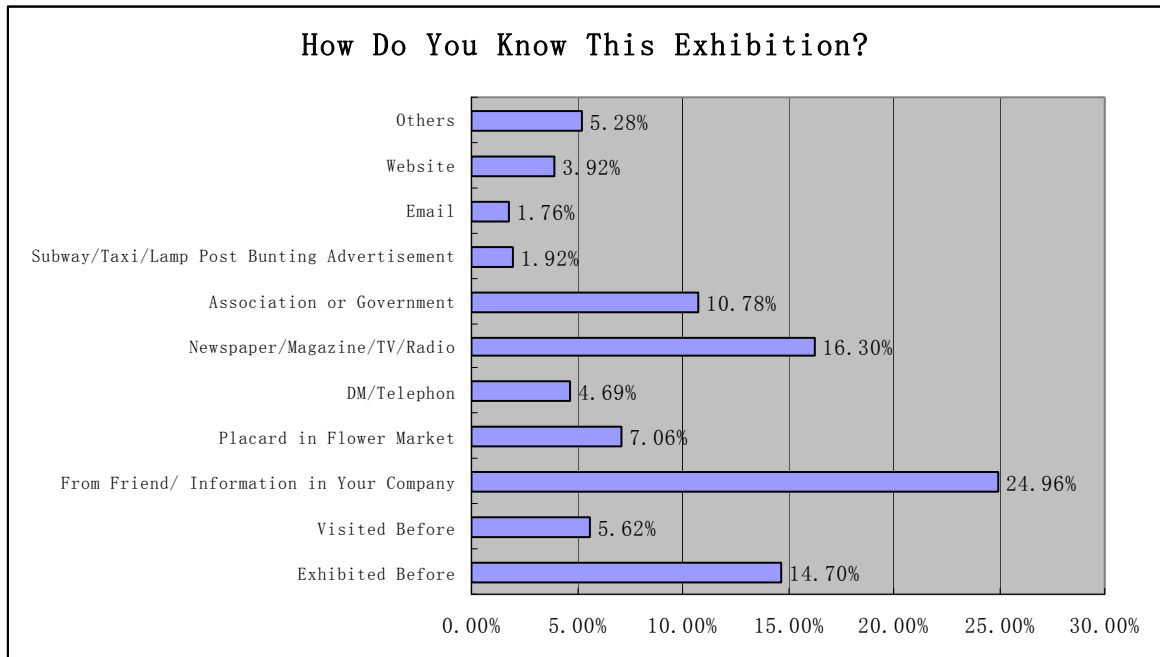
show

4. We cooperated with Shanghai Landscaping Administration Bureau, Shanghai Landscape Committee Office, Shanghai Landscape Architecture and Gardening Trade Association to organize Landscape Stations of Shanghai 19 Districts, Purchasing Division of each District, association members to the show, etc.

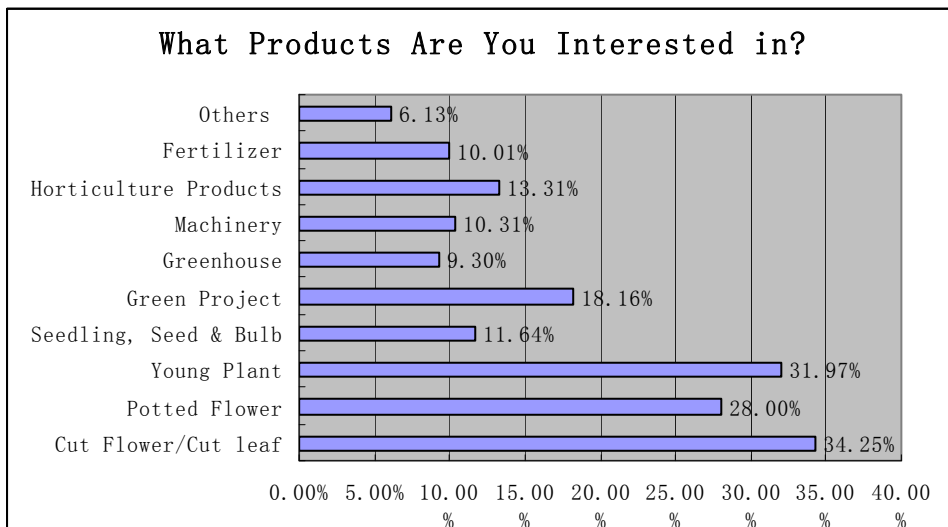
Through all the mentioned initiatives above, number of landscape visitors of this edition significantly increased 400 more than that of 2005. Below please find the specific data,

<b>ITEM</b>	<b>NUMBER</b>	<b>RATIO</b>
Production Base	1963	16.91%
Manufacturer	625	5.38%
Association	749	6.45%
Retail & Whole Sale	1343	11.57%
Import & Export	859	7.40%
Park/ Botanic Garden	290	2.50%
Landscape Design/Construction	1082	9.32%
Government Department	516	4.44%
Universities/ Research Institute	1337	11.52%
Others	3153	27.16%

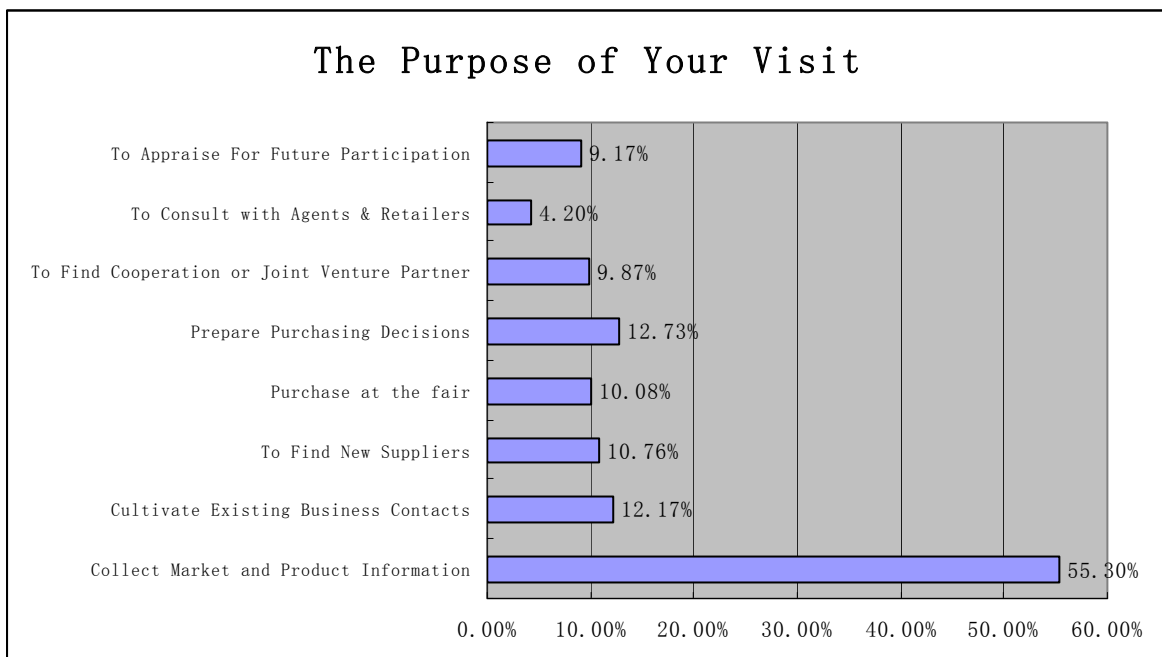
Diversified ways were used in the pre-show promotion. Below please find all the details,



The percentage of visitors' interest in cut flowers, cut leaves, potted flower, fertilizer and horticultural materials is almost the same as that of last edition. But the interest in young plants and ornamental plants has increased from 19.54% to present 31.97%. Interest in green project has increased from 8.81% in 2005 to 18.61%. This points to a potential growth area of exhibitors in next year's show.



In the following chart, we find the percentage of Prepare Purchasing Decisions and Conduct Purchases at the fair have increased from 12.81% of 2005 to 22.81%. The percentage of “To Appraise for Future Participation” is 9.17%, 0.87% up than that of 2005. All this has provided us with confidence in sustainable growth and improvement of the show in the future year.





### *Some Problems in the Exhibition*

The show is over now but our work continues. After collecting and analyzing all the questionnaires and interviewing notes, we found that the 9<sup>th</sup> Hortiflorexpo China still have some problems as recorded in the following,

1. Perceptual loss of visitors due to 2 venues used. Since this is the first time for us to use both Shanghai Mart and Intex Shanghai, over half of visitors only visit the show at one of the venues. Though we set up lots of signs and indications, it turned out not enough.
2. Florist Activities such as Flower Arrangement Show and lectures did not seem a good match to the content of the exhibition on L2 of Intex Shanghai. For this, we will relocate each area and activities in the future.
3. The VIP Lounge designed for the use of Area A exhibitors and VIP Guests was little used by its intended guests. We will improve its design and services in next edition to better serve the exhibition.
4. Though we made it clear that the first 3 days are for professionals, we still found quite a few public visitors, for example, retired people and students, etc., on site the exhibition. For this, we will take more measures to control in the future, for example, ① to have more advertisement in professional media

② not to dispatch free tickets through Public media as “Garden Magazine” and “Flower Magazine” ③ When we inform 104 communities through Shanghai Landscape Committee Office, we will focus on inviting people who is in charge of green projects in each community. By setting up “Retirement Hours” to encourage retired people to the show the last day, ④ we will ask Shanghai Flower Art and Arrangement Association to organize flower shop owners to the show, and we will encourage its members to our show in different times according to their different memberships.

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In conclusion, we will take every measure to improve our services to our exhibitors and visitors and to ensure the next show in Shanghai will be larger and better. If you have any inquiries please do not hesitate to contact with us.

Best regards,

Yours sincerely,

Cui Lin

Project Manager

Intex Shanghai Co Ltd