

## FAQs: CMEF IVD

### 1. What is the growth rate of the Chinese IVD Market

The IVD market grew 25%-30%<sup>1</sup> in 2007-2008 reaching a total of \$1.5 billion (US). For the next five years, projected annual growth will be %15-18% per year<sup>2</sup>

### 2. Why this dramatic growth?

There are two fundamental reasons: prosperity and the stimulus package

#### Prosperity

The Chinese GDP has been growing 8%+ for almost a decade. Approximately one million Chinese that are entering the middle class each year are in a position to afford healthcare.

#### The Stimulus Package

As part of the Chinese stimulus package, **the Chinese government will spend \$120 billion by 2010 to establish universal healthcare for the country's 1.3 billion people. The money will be spent on improving health insurance and raising standards in public hospitals. Long-term plans include iteny the construction of 400 hospitals each year for the next 10 years.**

### 3. In terms of global markets, what is the rank of the Chinese market?

The China IVD market has risen to one of the largest markets. Below are the top 10 IVD Markets by country<sup>3</sup>

<u>Country</u>	<u>Market Size (\$ Billions)</u>
USA	18.5
Japan	4.6
Germany	2.5
Italy	2.0
France	1.9
<b>China</b>	<b>1.5</b>
Spain	1.1
UK	0.9
Brazil	0.34

**By 2015, China will be the third largest IVD market.**

---

<sup>1</sup> Whitney Research, Beijing – AACC/Scherago - International Market Briefing, 2009

<sup>2</sup> Frost and Sullivan, Beijing – China IVD Summit, 2009

<sup>3</sup> McEvoy and Farmer – China IVD Summit, 2009

### 3. What is the China Medical Equipment Fair (CMEF)?

In its 62nd year, CMEF showcases Asia's widest collection of international and local manufacturers of medical devices for hospitals and laboratories. There are two editions of CMEF each year which attract approximately 50,000 visitors. CMEF is organized through a joint venture between Reed Expositions (UK) and Sinopharm Exhibitions (China). The joint venture company is Reed Sinopharm.

### 4. How many visitors attend CMEF?

The total visitor attendance is 50,000

Visitor demographics by job functions are:

- Distributors/Agents 53.8%
- Hospital Management /Staff 23.3%
- Equipment manufacturers 11.7%
- Medical/Research/Technicians 5.5%
- Procurement officers 1.2%
- Other 4.5%

Additional details include:

- Non-Chinese visitors 3,354 from 105 countries/regions
- Total exhibitors 1,973
- Exhibit area 90,000 sqm (968,750 sqft)

### 5. What kinds of products are exhibited at CMEF?

As with most large medical shows outside the US, products exhibited include imaging, patient monitoring, surgical, rehabilitation and *In Vitro* Diagnostics (IVD).

### 6. When are the shows each year?

There are two shows (editions) per year; spring and fall. The spring show is anchored for the next two years in Shenzhen which is 90 minutes by surface transportation from Hong Kong. The fall show travels to different healthcare technology locations throughout China. As business travel is limited to most Chinese, the fall show brings technology to these areas of excellence.

### 7. What is CMEF IVD?

CMEF IVD is an area on the exhibit floor reserved for IVD companies. It is located in high traffic halls and near to the international section.

Introduced at the spring 2009 show was the IVD pavilion, an area where smaller non-Chinese companies can exhibit in 9 sqm (100 sq ft) stands.

**8. How many IVD companies routinely exhibit?**

**60 to 70 companies routinely exhibit in the IVD area.** (An additional 60+ companies exhibited in the China Provincial Pavilion area which is separate from CMEF IVD. Because the provincial pavilions are organized by Chinese provinces, the companies tend to be small, regional manufacturers.)

**9. What multinational IVD companies were present?**

Abbott Diagnostics	Perlong
Adaltis	Rayto Life Science
Arkray	Roche Diagnostics
B-D	Shanghai Kehua
Beckman Coulter	Sinnowa
bioMerieux	Diagnostica Stago
Fosun Diagnostics	Standard Diagnostics
Hitachi	Systemex
Horiba ABX	Thermo Fisher Scientific
Mindray	Welch Allyn

**10. What are the exhibiting options?**

There are several options:

Note: Funds for exhibit space invoiced by Scherago International are to paid in \$USD.

Option 1: Raw space (18m<sup>2</sup> or 200 sq ft minimum): \$USD 362/m<sup>2</sup> = \$USD 6516/18m<sup>2</sup>

Option 2: Shell scheme\* (9m<sup>2</sup> or 100 sq ft minimum): \$USD 402/m<sup>2</sup>= \$USD 3618/9m<sup>2</sup>

\*The shell scheme Includes back and side walls, company name on fascia board in English & Chinese, carpet, 1 reception counter, 2 chairs, 2 spot lights, 1 electric socket (220V) and 1 waste basket.

**The new location of shell schemes (IVD Pavilion Area) is next to the larger multinational IVD company stands.**

**11. Will I need a translator? If so, what is the cost.?**

If your company does not have a bilingual agent or employee present, a translator is a necessity. Depending on the level of competence needed, the cost per day is between \$60 for general business translation to \$100 for more technical translation.

**12. What should be known about doing business in China?**

As with any international business experience, it is important to know and observe the country's cultural habits. If your exhibit team has not previously traveled to China and you do not have access to formal training, it is highly recommended that books on Chinese business culture be reviewed. One of the better books is "Kiss, Bow or Shake Hands – Asian Edition" by Terri Morrison and Wayne Conway (Adams Media). Another excellent book is "Asian Business Customs and Manners" by Mary Murray Bosrock (Meadowbrook Press).