

# NOVEMBER 2018: CHINA'S INAUGURAL IMPORT EXPO

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## **K&L Gates Antitrust Alert**

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This upcoming November, the Ministry of Commerce of the People's Republic of China and the Shanghai Municipal People's Government will co-host China's first-ever International Import Expo (the "Expo").<sup>1</sup> The Expo, which marks a significant step in China's promotion of global trade, will take place from November 5 through November 10 at the National Exhibition and Convention Center in Shanghai. For product manufacturers looking to establish distribution channels in this region, the Expo presents the chance to learn about China's increasingly accessible consumer market. The sale of consumer goods in today's globally interconnected marketplace requires product manufacturers to establish smart distribution strategies in all corners of the world<sup>2</sup>.

The Expo is the first national-level exhibition to feature imports from around the world. The event is a demonstration of China's commitment to trade liberalization, economic globalization, and the promotion of an open world market.<sup>3</sup> The Expo welcomes politicians, business people, product manufacturers and companies from across the world to attend and participate in this assembly of foreign enterprises. To date, more than 1,300 companies from over 120 countries and regions are expected to attend.<sup>4</sup> Product manufacturers from an impressively diverse array of industries have already signed up to participate. Fiat Chrysler (Italian-American auto maker), Unilever (British-Dutch consumer goods company), and Qualcomm (US semiconductor maker) are among the many Fortune 500 companies attending the Expo.<sup>5</sup>

Asia-Pacific is home to a burgeoning consumer market, and the Expo offers product manufacturers based in the United States and the EU a valuable opportunity to build foundational connections in this critical region. In addition to the six-day event itself, the Expo will be accompanied by the establishment of a "one stop" online trading platform, which will allow companies taking part in the Expo to display their goods and products on the e-platform throughout the year.<sup>6</sup> According to Expo Vice-President Cao Wei, the purpose of the extended online platform is to create "an ecosystem" that connects the Internet, trade services, and the Expo itself.<sup>7</sup> The Internet has rapidly become the most prominent and widely used sales channel, and the establishment of an e-commerce platform represents China's commitment to opening its trade policies for both the traditional and online sale of goods. Product manufacturers who participate in the Expo's e-platform program will have access to potential partners and online payment systems, such as digital payment and online trading.<sup>8</sup>

Our global antitrust and competition team, which consists of attorneys from across five continents, looks forward to attending this exciting event with several of our firm clients. Product manufacturers interested in launching product distribution channels and strategies in China and the broader Asia-Pacific region should consider attending the Expo.

For more information on the firm's global antitrust and competition law practice and the upcoming China International Import Expo, contact Christopher S. Finnerty ([chris.finnerty@klgates.com](mailto:chris.finnerty@klgates.com)) or Michael R. Murphy ([michael.r.murphy@klgates.com](mailto:michael.r.murphy@klgates.com)).

[1] For more information about the Expo, visit [http://english.mofcom.gov.cn/article/zt\\_englishimport/index.shtml](http://english.mofcom.gov.cn/article/zt_englishimport/index.shtml).

[2] Romi Jain, *The Significance of China's International Import Expo*, THE DIPLOMAT (Feb. 2, 2018), <https://thediplomat.com/2018/02/the-significance-of-chinas-international-import-expo/>.

[3] *Background*, China International Import Expo, (Oct. 27, 2017, 20:09 GMT) [http://english.mofcom.gov.cn/article/zt\\_englishimport/InternationalImport/201710/20171002661767.shtml](http://english.mofcom.gov.cn/article/zt_englishimport/InternationalImport/201710/20171002661767.shtml).

[4] *Organizing Work of First China International Import Expo on Fast Track*, PR NEWSWIRE (Mar. 23, 2018, 2:40 PM), <https://www.prnewswire.com/news-releases/organizing-work-of-first-china-international-import-expo-on-fast-track-300618625.html>.

[5] Janne Suokas, *100 Leading Global Firms to Take Part in Shanghai Import Expo*, GB TIMES (May 11, 2018, 1:31 PM), <https://gbtimes.com/100-leading-global-firms-to-take-part-in-shanghai-import-expo>.

[6] Shi Jing, *International Import Expo Never Sleeps*, TELEGRAPH NEWS (May 25, 2018, 10:45AM), <https://www.telegraph.co.uk/news/world/china-watch/business/china-international-import-expo/>.

[7] *Id.*

[8] *Id.*

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