

Trade row won't ruin Christmas

Despite global tariff tensions, exports of holiday-related items to the US surge as BRI also spurs demand

By MA ZHENHUAN

in Yiwu, Zhejiang
mazhenhuan@chinadaily.com.cn

The last week of this year will be business as usual for Santa Claus, thanks to Zhejiang province's Yiwu, the global capital of Christmas decoration goods, industry insiders said. Santa's trademark "Ho, ho, ho" won't be muted by the raging global trade tariff tensions and the consequent rise in the prices of festive paraphernalia like bells, bubble hats, red coats, plastic trees, LED lights, dolls, shiny colorful lightweight balls and trinkets, all of which constitute a multibillion-dollar market.

Traders said they expect Christmas-related collective sales of nearly 300 merchants in the eastern Chinese city to rise 25 percent year-on-year to reach nearly \$5 billion this year.

Months before Christmas, the landmark Yiwu International Trade City — the chockablock sales and dispatch center for festival goods — began throbbing with hectic activity. That is because for Yiwu's merchants and factory owners, the Christmas season starts in May, when purchase orders start trickling in.

Factories run at full steam to meet the tasks of manufacturing and shipping products across the world.

Zhang Dan of Kunyuan Christmas Craftwork Co said the firm's shipments doubled this year on the back of robust demand from Latin America, Europe and Africa. Her story makes fascinating reading, a tribute to the amazing entrepreneurial spirit that Yiwu fosters.

Her parents first came to Yiwu from Chengdu in Southwest China's Sichuan province more than 15 years ago. Zhang herself graduated from Sichuan Normal University four years ago and joined the family business in Christmas goods.

She has been focusing on exploring new markets through cross-border e-shopping platforms like Amazon. In addition, given the rising popularity of Christmas-related decorations among Chinese people, the firm caters to the domestic market through local trading platforms.

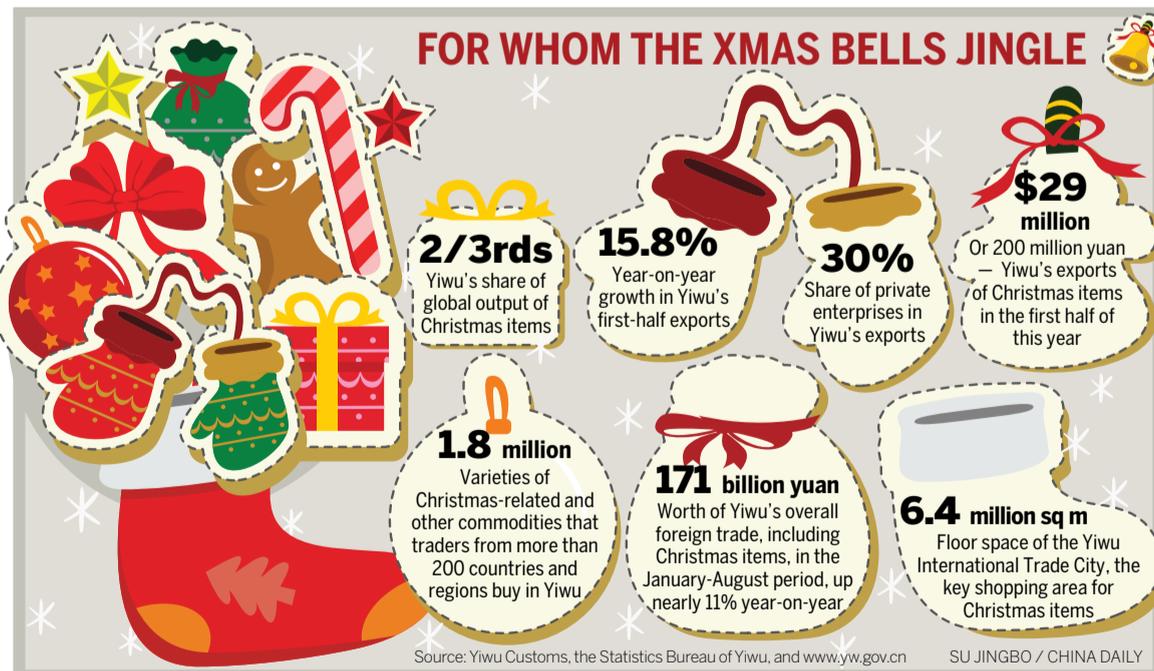
Kunyuan runs a manufacturing unit in Dongyang near Yiwu. It has inked supply deals with dozens of overseas clients. The firm's cloth-based craftwork is something of a fad among Amazon users.

For Zhang, the key to robust sales lies in continuous communication with overseas clients and strong innovative design capabilities.

"We have engaged special designers in working out the latest trendy Christmas-related craftwork. For



Christmas ornaments on the shelves of a store at the Yiwu International Trade City in Yiwu, East China's Zhejiang province. The major sales and dispatch center for festival goods attracts over 500,000 foreign buyers each year. MA ZHENHUAN / CHINA DAILY



example, I research overseas destinations and get products designed in a way that is compatible with the local culture. Sometimes, our clients will also offer inspirational ideas on

product designs," she said.

Zhang is one of the 470,000 market dealers in Yiwu. Dubbed the world's small commodities capital, Yiwu is best known for its Christmas-

related merchandise.

That accounts for over 90 percent of the domestic output in the category, and 60 to 70 percent of the world's total, according to the Yiwu

Christmas Products Industry Association.

"Sales performance of Christmas products this year is slightly better than last year, as they are nowadays being exported to more countries in Latin America and Europe," said Cai Qinliang, secretary-general of the association.

"Yiwu's Christmas goods are popular in South American nations, such as Brazil. Besides, a large quantity was sold to Russia. Countries in Europe and the US also show strong and consistent demand."

Cai told Beijing-based *China Times* in a recent interview that exports of Christmas decoration goods from China to the US account for only a small portion of Yiwu's combined exports. Exports registered growth this year despite the effects of the trade row, he said.

An article on the *Forbes* website said rising tariffs on Chinese products "will make shopping in the upcoming Christmas season more expensive".

"US consumers will have to pay >> PAGE 25