

Press release

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Automechanika Ho Chi Minh City 2020 embraces the rising made-in-Vietnam automotive market

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Steering into its fourth edition, Automechanika Ho Chi Minh City (AMHCMC) will rally a comprehensive automotive supply chain community for the OE (original equipment) and aftermarket by introducing the new automotive manufacturing & automation segment. The community will help drive the Vietnam automotive industry towards localisation, industrialisation and modernisation by promoting made-in-Vietnam brands. 390 international and domestic exhibitors will gather across 10,200 sqm of the exhibition floor at the Saigon Exhibition and Convention Center (SECC) from 5 to 7 March 2020.

According to a recent report, the Vietnamese economy is expected to grow 6.7 percent this year, the fastest growth rate among Southeast Asia countries¹. This robust economic strength is crucial to the sustainable development of Vietnam's automotive industry. In order to support its development, the Vietnamese government has deployed a number of favourable policies to attract foreign direct investment (FDI) into the local automotive manufacturing sector for sustainable growth.

Already, many of the foreign companies are extending their footprint into Vietnam's automotive market through various types of cooperation with the local companies. Data revealed by Foreign Investment Agency (FIA) has shown FDI in Vietnam reached a four-year high of USD 16.74 billion in the first five months of 2019. Among all, the manufacturing and processing sector accounted for 72 percent of the total FDI received².

The inflow of FDI is expected to bring resources and technologies into the country, including skilled labour and technical assistance. These long-term investments will therefore heighten Vietnam's automotive manufacturing capabilities and its supporting industries. In this view, the domestic industry holds great potential as it transits from an assembly to a manufacturing hub in Southeast Asia.

As a result, Automechanika Ho Chi Minh City 2020 will play a leading role in rallying international and domestic cooperation among carmakers,

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¹ Vietnam economy to grow at 6.7%: Report, June 2019, The Jakarta Post, <https://bit.ly/2MerL7L>. Retrieved September 2019

² FDI in Vietnam – Where is the Investment Going?, June 2019, Vietnam Briefing, <https://bit.ly/2AILWUw>. Retrieved August 2019

dealers, distributors, exporters, importers, manufacturers, OEMs, retailers and more. In the effort to drive Vietnam's status as an important manufacturing hub, the show will offer comprehensive product coverage of the entire supply chain from materials tools, precision tools and testing machines, product finishing, robotics and automation, to parts and components for vehicles.

Once again, there will be 10 different product groups for the **passenger, commercial vehicle and motorcycle segments** on display at the fair. These include Accessories & Customising, Parts & Components, Electronics & Connectivity, Diagnostics & Maintenance and Alternative Drive Systems & Fuel to name a few. In addition, there will be six product groups tailored for the new **automotive manufacturing & automation segment** like Manufacturing of Automotive Parts & Components, Automation, Automotive Production Equipment and System, Automotive Inspection and Quality Control, Automotive Design and R&D and Automotive Material.

Comprehensive upgrades on existing sectors offering

The 2020 edition will continue to elevate the show offerings in line with the market trends and demands. With Vietnam becoming the fourth largest motorcycle market in the world³, the fair will continue to highlight the **motorcycle segment**. In fact, the motorbikes market has an annual growth rate of 10 percent and is expected to reach 11 million units on the road by 2025⁴. Under the influence of stringent environmental standards and policies, the huge demand is expected to shift from the traditional gasoline type to the new **electric motorbike**. As such, a line-up of overseas suppliers for electric motorcycle auto parts and components will converge at the show with renowned national brands to provide a wide selection of products for buyers.

On the other hand, **the passenger and commercial vehicle segments** will also remain a fair focus. With local consumers now having increased purchasing power and a better standard of living, the **Accessories & Customising** product group will highlight the thriving personalised and auto lifestyle market in Vietnam. Based on statistic revealing that more than 90 percent of the accessories and parts in Vietnam are imported⁵, the product group will feature a wider variety of auto part products from a line-up of overseas brands to fulfil the consumer needs.

A unique industry event for “Business, Workshops and Experiences”

The upcoming edition of Automechanika Ho Chi Minh City 2020 captures the theme of “Business, Workshops and Experiences”, and will offer fairgoers an all-round show experience to allow business and pleasure to co-exist at the fair. For example, the **Business Matching** programme returns as an effective and efficient platform, bridging local and international players and helping to foster new business relationships.

Automechanika Ho Chi Minh City
Ho Chi Minh City, 5 – 7 March 2020

³ Vietnam motorcycle market ranks 4th in world, August 2019, VietnamPlus, <https://bit.ly/355CtEu> Retrieved September 2019

⁴ Honda Vietnam makes bank on Vietnamese motorcycle market, October 2017, Vietnam Investment Review, <https://bit.ly/30QB8hO> Retrieved August 2019

⁵ Domestic automobile industry set for good growth, March 2019, Vietnam News, <https://bit.ly/2LlhFeF> Retrieved August 2019

Elsewhere, a host of **training workshops, seminars and conferences** will also enhance knowledge sharing. Built upon theoretical discussions, international experts and industry professionals will come together to perform workshops with practical and live demonstrations. They will discuss diagnostics, maintenance, fleet management and many more other focused topics.

Speakers will also share their views on Industry 4.0, automation, smart factories, assembly and productivity in the local automotive industry. Attendees will, therefore, be able to learn about the latest local industry developments and related policies. The sessions offer insight into how local players can overcome the challenges arising from industry transformation, which will help them stand out from other ASEAN countries.

The show also presents two exclusive and lively fringe events. The **Auto NITZ party** is set to feature live music performances from famous local DJs and dance groups, turning the show floor into a dance floor. The **Drift & Stunt shows** will energise the show's atmosphere as stunt performers stun crowds with their thrilling outdoor performances. All these entertaining events offer the taste of an exciting automotive lifestyle. Visitors can cultivate and immerse themselves into these networking activities at the fairground.

Automechanika Ho Chi Minh City is co-organised by Messe Frankfurt New Era Business Media Ltd, Chan Chao International Co Ltd and Yorkers Exhibition Service Vietnam. It is one of 17 Automechanika fairs held across Africa, Asia, Europe and North, Central and South America. For further information about the show or to download press materials, please visit www.automechanika-hcmc.com or contact Messe Frankfurt New Era Business Media Ltd, +852 2802 7728 / autoasia@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 Chan Chao International Co Ltd and Yorkers Exhibition Service Vietnam

Chan Chao is the leading Taiwan-based international exhibition organiser, has achieved outstanding feat in organising high-technology, machineries as well as consumer-oriented

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exhibitions. Over three decades, Chan Chao has extended flagship brands into Bangladesh, Cambodia, China, Myanmar and Vietnam with their professionalism. Yorkers is the subsidiary office of Chan Chao in Vietnam.

For more information, please visit: www.chanchao.com.tw/en