The Market for Winter Sports in China
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I. Market Overview

I.1. Market Size

The market for winter sports in China began to develop in the 1980s and has grown quickly since then. Reflecting this change, China first participated in the Winter Olympic Games in 1980, won its first medal in 1992, and has subsequently seen its performance improve, having now accumulated a total of 13 gold medals, 28 silver medals, and 21 bronze medals. Over the last two decades this development has led to winter sports going from being seen as exclusively for professional athletes to being enjoyed by a broader cross-section of the Chinese population.

The successful bid to host the 2022 Winter Olympic Games in Beijing will provide numerous opportunities for the continued development of winter sports in China; the slogan “300 million people to participate in winter sports” (“3亿人参与冰雪运动”) is being used in China to indicate the number of people who will directly and indirectly take part in the 2022 Winter Olympic Games, including those who buy tickets to an event, those who partake in winter tourism related to the event, and those employed in industries connected with winter sports.

In order to achieve this goal, China has rolled out a series of national and regional plans to improve its winter sports infrastructure and has established school-based initiatives to encourage youth participation. According to the national Winter Sports Development Plan (2016 – 2025) (冰雪运动发展规划 2016-2025), “Winter Sports Development Plan”) issued by the National Development and Reform Commission (国家发展和改革委员会), the General Administration of Sports of China (国家体育总局), the Ministry of Education (教育部), and the Ministry of Culture and Tourism (国家旅游局), by 2025, 50 million Chinese athletes, coaches, judges and fans, as well as students in sports classes, will directly participate in winter sports. This expectation of the increasing popularity of winter sports is reflected in the predicted value of the industry: EUR 81 billion (RMB 600 billion)¹ by 2020, and EUR 135 billion (RMB 1 trillion) by 2025.²

I.2. The Popularity of Skiing

According to the 2017 China Skiing Industry White Paper (中国滑雪产业白皮书（2017年）), 17.5 million visits to skiing facilities were recorded in China in 2017,³ and this figure is predicted to reach 40 million by 2022,⁴ as Chart 1 shows.

In 2015, when Beijing won the bid for the 2022 Winter Olympic Games, the number of visits to skiing facilities increased by 21.4%, with high levels of growth being maintained in subsequent years: 20.8% in 2016, and 15.9% in 2017.

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¹ All values in this report are converted at a rate of EUR 1 = RMB 7.4. https://finance.yahoo.com/currency-converter/
² http://www.ndrc.gov.cn/gzdt/201611/t20161125_827740.html
³ http://sports.sohu.com/20180128/n529427403.shtml
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Chart 1: Total Visits to Skiing Facilities in China, 2006-2017, million

1.3. The Popularity of Snowboarding

According to the 2016 China Skiing Industry White Paper (中国滑雪产业白皮书 (2016 年)), snowboarding has become more popular in China in recent years, and sales of snowboards have grown faster than those of skis over this period of time, as is shown in Chart 2. On the back of an annual growth rate of 21.4%, total sales of snowboards from three major international brands reached 10,800 units in 2016, while in the same year the growth rate of ski sales from nine major international brands was only 9.2%.

The recent growth in snowboards sales can be associated with the rising popularity of this sport among younger consumers (they consider it rather fashionable), who are the major drivers for the increase in popularity of winter sports.

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5 http://sports.sohu.com/20180128/n529427403.shtml
6 http://wemedia.ifeng.com/8450119/wemedia.shtml
1.4. The Popularity of Ice-Based Sports

1.4.1. Ice Hockey

Although the number of people who play ice hockey in China is increasing, the sport is still significantly less popular than ice skating. As Chart 3 shows, the number of registered ice hockey players at the national level fluctuated between 2012 and 2016, with the year of 2014 having the highest number (1,228).

Chart 2: Total Retail Sales in China of Skis Made by Nine Major International Brands, and of Snowboards made by Three Major International Brands, 2014-2016, and their Respective Annual Growth Rates, %

<table>
<thead>
<tr>
<th>Year</th>
<th>Retail Sales Volume of Skis</th>
<th>Retail Sales Volume of Snowboards</th>
<th>Annual Growth Rate of Sales of Skis</th>
<th>Annual Growth Rate of Sales of Snowboards</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>10,345</td>
<td>6,036</td>
<td>28.4%</td>
<td>9.2%</td>
</tr>
<tr>
<td>2015</td>
<td>13,280</td>
<td>8,900</td>
<td>47.5%</td>
<td>-21.4%</td>
</tr>
<tr>
<td>2016</td>
<td>14,500</td>
<td>10,800</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

http://wemedia.ifeng.com/8450119/wemedia.shtml
Northern cities such as Harbin and Qiqihar have a longer history of playing ice hockey, therefore the majority of players at the national level are from the professional teams based in these cities. Another northern city, Beijing, has the largest number of amateur ice hockey players: there were a total of 2,736 players registered with the Beijing Ice Hockey Association (北京市冰球运动协会) in 2016, six times as many as the number registered in 2012 (455).

### 1.4.2. Ice Skating

The total number of ice skaters in China was 3.3 million in 2015. This figure is predicted to reach 6.9 million in 2020, and 15.5 million in 2025.

### 1.5. Winter Sports Clothing and Retail

Skiing equipment in China, including clothing (ski suits and ski boots), apparatus (skis, poles and bindings), and accessories (gloves, helmets and goggles), is predominantly imported, as Table 1 shows. Chinese brands in this industry mainly target mid- to lower-end consumers.

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8 [http://sports.qq.com/a/20170227/046188.htm](http://sports.qq.com/a/20170227/046188.htm)
9 [http://sports.qq.com/a/20170227/046188.htm](http://sports.qq.com/a/20170227/046188.htm)
10 [http://k.sina.com.cn/article_5136739626_1322c6d2a020004hfi.html](http://k.sina.com.cn/article_5136739626_1322c6d2a020004hfi.html)
Table 1: Proportion of Skiing Equipment Imported, 2017, %, and the Price Range of the Equipment, EUR (RMB)\textsuperscript{12}

<table>
<thead>
<tr>
<th>Ski Equipment</th>
<th>Proportion Imported</th>
<th>Price Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ski suits</td>
<td>50%</td>
<td>EUR 41-1,351 (RMB 300-10,000)</td>
</tr>
<tr>
<td>Helmets</td>
<td>75%</td>
<td>EUR 68-135 (RMB 500-1,000)</td>
</tr>
<tr>
<td>Goggles</td>
<td>63%</td>
<td>EUR 135-203 (RMB 1,000-1,500)</td>
</tr>
<tr>
<td>Skis</td>
<td>60%</td>
<td>EUR 541-676 (RMB 4,000-5,000)</td>
</tr>
<tr>
<td>Boots</td>
<td>70%</td>
<td>EUR 270 (RMB 2,000)</td>
</tr>
</tbody>
</table>

Table 2 shows that there were 9.6 million skiers in China in 2015, and that this number is predicted to grow significantly, reaching 26 million by 2022.\textsuperscript{13}

\textsuperscript{12} http://www.sohu.com/a/207652803_482792
\textsuperscript{13} http://www.askci.com/news/chanye/20160412/1452570774.shtml
### Table 2: Current and Predicted Situation in the Skiing Market, 2015 and 2022\textsuperscript{14}

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skiing population</td>
<td>9.6 million</td>
<td>26.0 million</td>
</tr>
<tr>
<td>Proportion of people that buy skis (as opposed to renting them)</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Price for a complete set of ski equipment in 2018</td>
<td>10,000 RMB on average per person</td>
<td>10,000 RMB on average per person</td>
</tr>
<tr>
<td>Frequency of skiing equipment replacement</td>
<td>Once every two years</td>
<td>Once every two years</td>
</tr>
<tr>
<td>Market size</td>
<td>EUR 0.6 billion</td>
<td>EUR 3.5 billion</td>
</tr>
<tr>
<td></td>
<td>(RMB 4.8 billion)</td>
<td>(RMB 26 billion)</td>
</tr>
</tbody>
</table>

Note: Figures for 2022 are estimates.

\textsuperscript{14} [http://www.sohu.com/a/190403584_186085](http://www.sohu.com/a/190403584_186085)
2. Market Drivers

2.1. The Growth of China’s Urban Population

The rate of urbanisation in China was 57.4% in 2016,\(^{15}\) and is expected to reach 60% by 2020\(^{16}\) and 70% by 2030.\(^{17}\) As Chart 4 shows, the average annual disposable income of China’s urban population was EUR 4,523 (RMB 33,616) in 2016, and the annual growth rate of annual disposable income remained broadly stable between 2014 and 2016.

*Chart 4: Average Annual Disposable Income of China’s Urban Population, 2010-2016, RMB, and Annual Growth Rate, %\(^{18}\)*

![Chart 4: Average Annual Disposable Income of China’s Urban Population, 2010-2016, RMB, and Annual Growth Rate, %\(^{18}\)](image)

China’s rapid urbanisation and increasing disposable income have led to the growth of the middle class, which in turn has resulted in more demand for diversity in the choice of recreational activities. Chart 5 shows how consumer per-capita expenditure on education, culture, and recreation makes up an increasingly large share of total annual spending.

While the country’s GDP growth rate has been slowing down in recent years, that of consumer expenditure on education, culture, and recreation has shown more resilience, reaching 11.2% in 2016 (Chart 5). Notably, spending on clothing as a proportion of total annual spending has fallen, further demonstrating that the increase in expenditure on education, culture, and recreation is a consumer choice.

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\(^{15}\) [http://data.stats.gov.cn/tablequery.htm?code=AD03](http://data.stats.gov.cn/tablequery.htm?code=AD03)

\(^{16}\) [http://www.china.com.cn/guoqing/2016-03/05/content_37943404.htm](http://www.china.com.cn/guoqing/2016-03/05/content_37943404.htm)


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Chart 5: Annual Consumer Expenditure on Education, Culture, and Recreation per Person, and on Clothing per Person, 2013-2016, RMB, and the Proportion of Total Annual Consumption Taken by Education, Culture, and Recreation, and by Clothing, %

2.2. The 2022 Beijing Winter Olympic Games

The 2022 Winter Olympic Games are to be held in Beijing and the neighbouring co-host city of Zhangjiakou. The games are expected to give a major boost to the development of winter sports in China by encouraging people to partake in more winter sports.

Success in international sports competitions is seen by China as a symbol of the country’s national image and soft power. China has ranked in the top three of the gold medal tables in every Summer Olympic Games since 2004. However, China only ranked 11th in the gold medal table in the Sochi Winter Olympic Games in 2014, a position that was below expectations. To achieve the same level of success in the Winter Olympic Games as in the Summer Olympic Games, the development of winter sports requires the commitment of the government, an improved promotion of the activities, a more systematic and scientific training, and a considerable investment in infrastructure and facilitates. All these factors constitute significant opportunities and challenges.

2.3. Government Support for Winter Sports

On 31st July 2015, Beijing won the right to host the 2022 Winter Olympic Games, after which the State General Administration of Sports (国家体育总局) and China’s regional governments began implementing a series of development plans for winter sports. These objectives, set out in the Winter Sports Development Plan, aim to have 300 million people participating in winter sports by 2025. According to the Expand to the South and Develop the West (南展西扩) section of the Winter Sports Development Plan, the northern cities and provinces of Beijing, Tianjin, and Hebei Province will play a leading role in the development of winter sports.

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19 http://www.stats.gov.cn/english/
20 https://www.corporatenetwork.com/media/1635/ecn-china-gets-its-game-on-201701.pdf
21 http://www.8264.com/viewnews-122621-page-1.html
and will see an increase in the pace and quality of development. North-western provinces, such as Xinjiang Province and Inner Mongolia Province, will also be able to benefit by taking advantage of the snowy winters and mountainous terrain found in this part of China.

2.4. The Regulatory Environment

2.4.1. National Government Guidance and Policies

The Winter Sports Development Plan sets out detailed guidelines for the development of the winter sports industry in the upcoming decade. It aims to:

- Improve government financial support and encourage the involvement of private capital in the development of winter sports;
- Implement preferential policies, including preferential property taxes and urban land use taxes, to lessen the financial burden on enterprises in the winter sports industry;
- Include land for winter sports in regional land planning, and speed up the approval process for land use rights to improve the infrastructure needed;
- Increase the level of standardisation used in the construction and operation of winter sports facilities, skills training, qualifications and sports equipment, and develop a comprehensive statistical system and accompanying indicators to monitor performance in the winter sports industry;
- Develop winter sports education and training systems by involving industry associations, higher education institutions, and social groups; enhance exchanges between clubs and companies, and international exchanges;
- Encourage the media to promote winter sports culture and competitions, including the 2022 Winter Olympic Games, the National Winter Games (全国冬季运动会), and other major competitions.

2.4.2. Youth Initiatives

In order to increase the popularity of winter sports and educate consumers, the Chinese government plans to place particular focus on the participation of young Chinese people. The Winter Sports Development Plan states that education and sports authorities should incorporate winter sports programmes into winter physical education classes in primary and middle schools in northern provinces.

In addition, primary and middle schools in southern provinces should be encouraged to cooperate with winter sports stadiums and clubs for winter sports classes. The government will also support cooperation between schools and private training providers by purchasing training services.

The Winter Sports Development Plan also sets out a “Winter Sports on Campus Plan” (“校园冰雪计划”), which includes three main goals: compile a winter sports teaching guide for campuses; ensure over 2,000 schools provide winter sports courses by 2020, and 5,000 by 2025; and encourage the training of winter sports school teachers by specialized institutions in order to form 5,000 full-time and part-time teachers.

2.4.3. Regional Government Guidance and Policies

Different regions in China have different focuses and plans for the development of winter sports. This is a result of their differing histories, cultures, economies, and geographic characteristics. For example, Beijing aims to develop ice hockey, therefore each of the 16 districts in the city is to have at least one ice rink of over 1,800 square metres in size. In Jilin Province, a north-eastern province, the focus is on constructing world-

class winter sports facilities, developing the winter sports tourism industry, and establishing the province as the education and training hub for winter sports. By the end of 2017, 23 provinces, autonomous regions, and municipalities had issued regional guidelines covering the development of winter sports.\textsuperscript{24}

\textsuperscript{24} https://www.qianzhan.com/analyst/detail/220/180108-f6ac2f72.html
3. Key Stakeholders

3.1. Chinese Winter Sports Associations

3.1.1. National Associations
China has established a number of specialised national associations for the development of winter sports, especially for the funding of national teams. The main responsibilities of these associations are to promote winter sports within China, to organise international and Chinese competitions, to provide administration services for players and coaches, to lead international communication and technical exchanges, and to represent China in international associations and competitions.

The National Winter Sports Management Centre (国家体育总局冬季运动管理中心), founded in 1994, is an institution directly managed by the State General Administration of Sports, and is the administrative organisation for all winter sports in China. The National Winter Sports Management Centre is the working body for all national winter sports associations in China, including the Chinese Skating Association (中国滑冰协会), the Chinese Ski Association (中国滑雪协会), the Chinese Ice Hockey Association (中国冰球协会), the Chinese Curling Association (中国冰壶协会), and the Chinese Biathlon Association (中国冬季两项协会).

3.1.2. Regional Associations
In addition to the national winter sports associations, different provinces and cities have also established their own regional associations. For example, the Beijing Ice Hockey Association (北京市冰球运动协会), founded in May 2015, is a not-for-profit organisation that aims to promote ice hockey and organise international communications and competitions in Beijing; it is the only non-governmental organisation that can represent Beijing in international ice hockey communications, and is responsible for organising a number of municipal competitions, including the Beijing World Minor Hockey Invitation Tournament (北京国际青少年冰球邀请赛) and the Beijing Primary and Middle School Competition (北京市中小学生校际冰球联赛).

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26 http://www.bjhockey.org
3.2. Chinese Companies

3.2.1. Ski Resort Operators

Table 3 shows a selection of leading ski resort operators, based on the size of their ski slopes, vertical drops, and skiing facilities.

Table 3: 10 Leading Ski Resort Operators in China, 2018

<table>
<thead>
<tr>
<th>Ski Resort Operator</th>
<th>Project Name</th>
<th>Project Location</th>
<th>Skiing Area, hectares</th>
<th>Vertical Drop, m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beidahu Ski Resort Management Co Ltd</td>
<td>Beidahu Ski Resort</td>
<td>Jilin Province</td>
<td>98</td>
<td>870</td>
</tr>
<tr>
<td>(北大壺滑雪度假区管理有限公司)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China Vanke Co Ltd</td>
<td>Lake Songhua Resort</td>
<td>Jilin Province</td>
<td>175</td>
<td>605</td>
</tr>
<tr>
<td>(万科企业股份有限公司)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fulong Group Co Ltd</td>
<td>Fulong Snow Park</td>
<td>Hebei Province</td>
<td>75</td>
<td>482</td>
</tr>
<tr>
<td>(富龙集团有限公司)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miyuan (Zhangjiakou) Tourism Resort Co Ltd</td>
<td>Genting Resort Secret Garden</td>
<td>Hebei Province</td>
<td>80</td>
<td>395</td>
</tr>
<tr>
<td>(密苑（张家口）旅游胜地有限公司)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sun Mountain Yabuli Resort Co Ltd</td>
<td>Sun Mountain Yabuli</td>
<td>Heilongjiang Province</td>
<td>52</td>
<td>540</td>
</tr>
<tr>
<td>(亚布力阳光度假村有限公司)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wanda Group</td>
<td>White Mountain Resort</td>
<td>Jilin Province</td>
<td>94</td>
<td>370</td>
</tr>
<tr>
<td>(万达集团)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wanlong Sports &amp; Tourism Co Ltd</td>
<td>Wanlong Ski Resort</td>
<td>Hebei Province</td>
<td>130</td>
<td>554</td>
</tr>
<tr>
<td>(万龙运动旅游有限公司)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

http://wemedia.ifeng.com/8450119/wemedia.shtml
Table 3: 10 Leading Ski Resort Operators in China, 2018 (continued)

<table>
<thead>
<tr>
<th>Ski Resort Operator</th>
<th>Project Name</th>
<th>Project Location</th>
<th>Skiing Area, hectares</th>
<th>Vertical Drop, m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xinjiang Silkroad Winter Sports Development Co Ltd (新疆丝绸之路冬季冰雪运动发展有限公司)</td>
<td>Silkroad International Ski Resort</td>
<td>Xinjiang Province</td>
<td>27</td>
<td>460</td>
</tr>
<tr>
<td>Zhangjiakou Chongli Taiwoo Mountain Resort Co Ltd (张家口崇礼太舞滑雪山地度假有限公司)</td>
<td>Taiwoo Ski Resort</td>
<td>Hebei Province</td>
<td>65</td>
<td>510</td>
</tr>
<tr>
<td>Zhangjiakou Dolomiti Ski Resort Co Ltd (张家口多乐美地滑雪度假有限公司)</td>
<td>Dolomiti Mountain Resort</td>
<td>Hebei Province</td>
<td>30</td>
<td>350</td>
</tr>
</tbody>
</table>
### 3.2.2. Ice Rink Operators

Table 4 shows a selection of leading ice rink operators in China.

**Table 4: Leading Ice Rink Operators in China, 2018**

<table>
<thead>
<tr>
<th>Operator Name</th>
<th>Details</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Century Star</strong></td>
<td>Beijing Century Star skating club was established in June 1999. It currently operates 28 ice rinks.</td>
<td>N/A (English) <a href="http://www.centurystar.com.cn">http://www.centurystar.com.cn</a> (Chinese)</td>
</tr>
<tr>
<td><strong>Champion Rink</strong></td>
<td>Champion Rink belongs to <em>Beijing Sunshine Zero Sports &amp; Culture Co Ltd</em> (北京零度阳光体育文化有限公司). It currently operates 23 ice rinks.</td>
<td><a href="http://www.championrink.com/en-us">http://www.championrink.com/en-us</a> (English) N/A (Chinese)</td>
</tr>
<tr>
<td><strong>Eurojoy</strong></td>
<td>Eurojoy is the construction and operation platform for the Austrian company <em>AST</em> in China. It currently operates 18 ice rinks.</td>
<td><a href="https://www.ast-icerink-solarabsorber.com/en/">https://www.ast-icerink-solarabsorber.com/en/</a> (English) N/A (Chinese)</td>
</tr>
<tr>
<td><strong>All Star Skating Club</strong></td>
<td>Created by China’s gymnastics champion Mr Li Ning. All Star Skating Club operates 17 ice rinks.</td>
<td>N/A (English) <a href="http://www.askating.com">http://www.askating.com</a> (Chinese)</td>
</tr>
<tr>
<td><strong>World Ice Arena</strong></td>
<td>World Ice Arena is a supporting brand for the shopping malls operated by <em>China Resources Land Limited</em> (华润置地). It operates 12 ice rinks.</td>
<td><a href="http://en.crland.com.hk">http://en.crland.com.hk</a> (English) N/A (Chinese)</td>
</tr>
<tr>
<td><strong>XIYO</strong></td>
<td>XIYO ice rink was established by Ms Guan Shu, one of China’s earliest national figure skaters. It operates eight ice rinks.</td>
<td>N/A (English) N/A (Chinese)</td>
</tr>
</tbody>
</table>
Table 4: Leading Ice Rink Operators in China, 2018 (continued)

<table>
<thead>
<tr>
<th>Operator Name</th>
<th>Details</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>IceStar</td>
<td>Established in 2010, IceStar is China’s largest ice hockey training provider and specialised stadium operator. It operates 12 ice rinks, the majority of which are of the size used for international ice hockey competitions.</td>
<td>N/A (English) <a href="http://www.ice-star.cn/index.asp">http://www.ice-star.cn/index.asp</a> (Chinese)</td>
</tr>
<tr>
<td>Hokay</td>
<td>Hokay operates five ice rinks in China.</td>
<td>N/A (English)</td>
</tr>
</tbody>
</table>

3.2.3. National Ice Hockey Clubs

The purpose of establishing national ice hockey clubs is to improve the national team’s competitive level by creating more chances for players to partake in competitions. By the end of 2017, there were three national ice hockey clubs in China:

- **Beijing Kunlun Redstar Ice Hockey National Club (北京昆仑鸿星冰球国家队俱乐部)**

  In May 2017, Beijing Kunlun Redstar Ice Hockey Club, in cooperation with the China Ice Hockey Association and the Heilongjiang Provincial Sports Bureau (黑龙江省体育局), established the first national ice hockey club in China. It works with the China Ice Hockey Association to strengthen the Chinese men's national team, the Chinese women's national team, the U20 Chinese men's national team, the U18 Chinese men's national team, and the U18 Chinese women's national team. At the start of the 2017/18 season, Kunlun Redstar owned five teams playing in the Kontinental Hockey League (“KHL”) of Russia and the Canadian Women’s Hockey League (“CWHL”) of Canada.

- **Beijing Shougang Ice Hockey National Club (北京首钢冰球国家队俱乐部)**

  In September 2017, Beijing Shougang Sports and Culture Co Ltd (北京首钢体育文化有限公司), in cooperation with the China Ice Hockey Association and Beijing Municipal Bureau of Sports (北京市体育局), established the second national ice hockey club in China. The club initiated its “Eagle Plan” (“雏鹰计划”) project to train young players. Under the project, 20 boys and 20 girls will be selected and sent to the United States each year to receive training from the National Hockey League (“NHL”), and to participate in youth league competitions there. The project will also send Chinese coaches to the United States for training.

- **Zhongshang Hokay Ice Hockey National Club (中商浩泰冰球国家队俱乐部)**

  In November 2017, Zhongshanghuatong Asset Management Co Ltd (中商华通资产管理有限公司), in cooperation with the Olympic Games Office of Central Administration of China (国家体育总局奥运会备战办) and the China Ice Hockey Association, established the third national ice hockey club in China. Zhongshang Hokay Ice Hockey National Club plans to form a high-level men’s professional team, a university team, a women’s team, and youth teams. Zhongshang Hokay Ice Hockey National
Club and the China Ice Hockey Association also plan to set up a [China Ice Hockey Sports Institute (中国冰球运动学院)](http://www.sohu.com/a/114043670_492694) to train players, coaches, judges, and competition management professionals.

### 3.2.4. Youth Ice Hockey Clubs

Table 5 shows a selection of leading youth ice hockey clubs in China.

**Table 5: Leading Youth Ice Hockey Clubs in China, 2018**

<table>
<thead>
<tr>
<th>Club Name</th>
<th>General Introduction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IceStarSports</strong></td>
<td>IceStarSports owns eight youth ice hockey clubs: Tiger International Ice Hockey Club (虎仔国际冰球俱乐部), Flame Ice Hockey Club (冰焰冰球俱乐部), South Brother Ice Hockey Club (城南兄弟冰球俱乐部), Power Kids Hockey Club (动力小子冰球俱乐部), Star Warriors Ice Hockey Club (星际勇士冰球俱乐部), Snow Leopard Ice Hockey Club (雪豹冰球俱乐部), and Milky Way Elite (银河精英冰球俱乐部).</td>
</tr>
<tr>
<td><strong>Centurystar Club</strong></td>
<td>Centurystar Club owns five ice hockey youth teams: <a href="http://hcredstar.com/cultivate.html">Centurystar</a> (世纪星队), <a href="http://www.championrink.com/zh-cn/club">WONDER</a> (世纪星WONDER), <a href="http://sports.sohu.com/20170124/n479518679.shtml">Snow Leopard</a> (世纪星雪豹), <a href="http://sports.sohu.com/20170417/n488902339.shtml">Snow Dragon</a> (世纪星雪龙), and <a href="http://hcredstar.com/en/cultivate.html">Power Kids</a> (世纪星动力小子).</td>
</tr>
<tr>
<td><strong>Sunshine Zero</strong></td>
<td>Established in 2000, Sunshine Zero has set up over 50 ice hockey teams in Beijing, Shanghai, Zhengzhou, Shenzhen, and Chengdu.</td>
</tr>
<tr>
<td><strong>Little Wolf</strong></td>
<td>Established in 2006 in Beijing, Little Wolf now has 200 youth players aged from four to 16.</td>
</tr>
</tbody>
</table>

### 3.2.5. Winter Sports Training Providers

- **Beijing Kunlun Red Star**

  Beijing Kunlun Red Star acquired Little Wolf Ice Hockey Club in January 2017, marking the official establishment of its training programme for ice hockey. Set up in 2006, Little Wolf Ice Hockey Club has over 200 youth athletes aged between four and 16 in Beijing. Soon after this acquisition, Beijing Kunlun Red Star established a second Little Wolf Ice Hockey Club in Harbin, Heilongjiang Province, and plans to create a network of such clubs nationwide, which would provide ice hockey training to thousands of young athletes.

- **Magic Ski School** (魔法滑雪学院)

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29 [http://www.sohu.com/a/114043670_492694](http://www.sohu.com/a/114043670_492694)
31 [http://hcredstar.com/cultivate.html](http://hcredstar.com/cultivate.html)
34 [http://sports.sohu.com/20170417/n488902339.shtml](http://sports.sohu.com/20170417/n488902339.shtml)
Magic Ski School was established in Beijing in 2014. It uses a skiing training system from the United States and is the only skiing school in China to be an accredited member of the Professional Ski Instructors of America and the American Association of Snowboard Instructors (PSIA-AASI). The school has provided training in various PSIA-AASI certifications to over 400 skiing instructors, and carried out the training for 77% of the Chinese instructors that have received international certifications. By the end of 2017, Magic Ski School owned 10 schools and camps, and employed 300 certified instructors. The number of trainees in 2017 was 23,000, 110% more than in 2016, and 42% more than in 2015.

- **Flower Ski School** (郝世花滑雪学校)

  Flower Ski School was established by former Chinese skiing world champion, Ms Hao Shihua, in July 2012 in Chongli, Hebei Province. The school developed its own training system called the “Nine Level Ski Training Syllabus” (“九级滑雪教学大纲”) to provide training services to skiing schools and instructors. Flower Ski School has also created a mobile app called “Learning Ski (学滑雪)”, which offers skiing videos and training services. Flower Ski School currently operates skiing training services at four skiing resorts in Chongli, including Wanlong Ski Resort, Changchengling Ski Resort (长城岭滑雪场), Dolomiti Mountain Resort, and Taiwoo Ski Resort, as well as Jiangjunshan Ski Resort (将军山滑雪场) in Xinjiang Province.

- **Century Star** (世纪星)

  Century Star offers training in figure skating and ice hockey. Working with the National Winter Sports Management Centre, Century Star’s ice rinks act as training bases for the Chinese national figure skating team, as well as for various other ice-based sports. Century Star has created its own figure skating training system, which covers all levels from beginner to professional, meaning some of China’s Olympic figure skating athletes were trained by Century Star. Its ice hockey training follows the Canadian training system.

### 3.2.6. Competition Operators

Since winning the bid for the 2022 Winter Olympic Games, China has been hosting a growing number of winter sports competitions. In 2017, there were 71 competitions for professional athletes and over 120 competitions for amateurs.

- **Kingdomway Sports** (厦门金达威体育文化传媒有限公司)

  Kingdomway Sports, established in November 2016, is a subsidiary of Xiamen Kingdomway Group (厦门金达威集团股份有限公司), and specialises in competition operation and marketing, branding, and media services. Its main focuses are winter sports and football. In December 2016, Kingdomway Sports signed a six-year exclusive deal (2016-2022) with the National Winter Sports Management Centre, to operate and promote all the Chinese winter competitions operated by the National Winter Sports Management Centre.

- **Ice Star Sports** (华星辉煌)
Ice Star Sports, established in 2015, owns 12 ice rinks in China and promotes sports including ice hockey, figure skating, and short track speed skating. It has successfully organised a series of youth ice hockey competitions, including the Tuanyuan Cup Youth Championship (团圆杯青少年冰球锦标赛), the City Cup Youth Games (城市杯青少年冰球赛), and the CCM World Invitational (华星CCM杯北京国际青少年冰球邀请赛).

- **Lander Sports** (莱茵达体育)

  Lander Sports Development Co Ltd, based in Hangzhou and established in 1995, is a subsidiary of Lander Holdings Group (莱茵达控股集团), which operates across a range of industries including real estate, lodging, and financial services. In April 2016, Lander Sports signed a strategic agreement with the Curling Champions Tour China (“CCT”) to promote winter sports in China and establish a joint venture with CCT to develop and operate winter sports events across Asia.41

- **Beijing Hualu Baina Film & TV** (华录百纳)

  Beijing Hualu Baina Film & TV is based in Beijing and was founded in June 2002. It specialises in the investment, production, and release of television dramas and films.42 It has been involved in the Chinese sports industry, including winter sports, since 2015, and in August of that year formed a strategic partnership with Hebei Province to invest EUR 135 million (RMB 1 billion) in Zhangjiakou, to be partly used to operate winter sports competitions in Zhangjiakou.43

3.2.7. **Winter Sports Clothing and Equipment Retailers and Distributors**

- **Coldmount** (冷山)

  Established in 2005, Coldmount is a retail chain that sells skis and skateboards. By the end of 2016 it owned 17 stores, including three ski equipment stores in Beijing. It also has an online store on Taobao (淘宝网), one of China’s leading online retailers. Coldmount distributes brands including Nitro, Never Summer, ARBOR, and SAGA.44

- **Snowfavor** (雪上飞)

  Snowfavor, established in 2001, is a retail chain for snow sports equipment. It has over 10 shops and distributors in Beijing, Harbin, Shenyang, Jilin Province, and Xinjiang Province. The products it sells include those made by Rossignol, Briko, and Vola.

- **Free Ski Zone** (自由地带)

  Established in 2008, Free Ski Zone owns seven snow sports equipment stores in Beijing, Chongli, and the north-eastern provinces. It specialises in providing skis, and it is the exclusive distributor in China for The North Face’s skiing clothing products. It also distributes products made by K2, Oakley, Smith Optics, and Uvex, and has an online store on Taobao.45

- **Hockey Supply** (补给者)

  Established in 2006, Hockey Supply is a large distributor of ice hockey equipment in China. It has four stores and is the agent or distributor for 17 large ice hockey equipment companies, including Eddie Bauer, CCM, and Guardog.46

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44 [https://coldmount.taobao.com/index.htm?spm=a1z10.1.c-s.w5002-18197173044.182.74eb41bclRLo5m](https://coldmount.taobao.com/index.htm?spm=a1z10.1.c-s.w5002-18197173044.182.74eb41bclRLo5m)
45 [https://freeskizone.taobao.com](https://freeskizone.taobao.com)
3.2.8. Media and Apps

According to the Winter Sports Five-Year Development Plan, the media will play an active role in promoting the culture and competitions of winter sports and will assist in encouraging Chinese people to become interested in participating in the related activities.

- **Tencent Sports** (腾讯体育)

  Tencent (腾讯) is one of China’s largest Internet and technology companies; its services and products include social networks, web portals, E-commerce, mobile games, and Internet services. It owns QQ.com, one of the largest web portals in China, and one that provides coverage of winter sports news, industry information, and the surrounding culture. In November 2017, Tencent Sports became the exclusive Internet partner and new media sponsor of the China Skating Association (中国滑冰协会). In January 2017, Tencent Sports set up a five-year strategic partnership with the NHL to carry selected games from North America on its video sites and mobile platforms. The two parties will also cooperate on regional sponsorship agreements, the distribution of online merchandise, and the development of an ice hockey mobile phone game.

- **Sina Sports** (新浪体育)

  Sina (新浪) is one of China’s largest online media companies with a digital media network that includes Sina.com.cn (its Internet portal), Sina.cn (its mobile Internet portal) and Weibo.com (a microblogging platform). Sina Sports provides news and information about sporting events in China and internationally. Although it is primarily a media company, Sina Sports is moving towards staging sports competitions: it organised the ‘Magic Ski - Sina Cup Alpine Ski Open’ (“魔雪•新浪杯高山滑雪公开赛”), its first ever winter sports competition, in Heilongjiang Province in January 2018.

- **Ali Sports** (阿里体育)

  Ali Sports, the sports division of one of China’s largest E-commerce companies, Alibaba Group (阿里巴巴集团), was established in September 2015. Its operations include television and digital sports rights, events operation, venue commercialisation, copyright management, media, business development, gaming, and ticketing. In February 2017, Ali Sports reached an agreement with the Olympic Council of Asia (“OCA”) to stream the 2019 Asian Winter Games in Japan, marking Ali Sports’ entry into the winter sports market.

- **GOSKI** (去滑雪)

  Launched in September 2015, GOSKI is an app that offers ski resort ticket sales, E-commerce services for ski equipment, event registration, networking services, and ski speed tracking. In July 2016, GOSKI raised EUR 4.5 million (RMB 33 million) through series A financing.

- **SKI+Huabei** (滑呗)

  Ski+Huabei, launched by Beijing Fen Xue Technology Co Ltd (风雪科技有限公司) in November 2015, is a social video and photo app for skiers that provides recommendations based on the user’s location. The app also offers skiing data tracking, E-commerce services for skiing equipment, ski resort information, event registration, and rankings of skiing clubs. At the end of 2016, it received an

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46 [http://sports.qq.com/a/20171112/026937.htm](http://sports.qq.com/a/20171112/026937.htm)
47 [http://sports.qq.com/a/20170118/028985.htm](http://sports.qq.com/a/20170118/028985.htm)
50 [https://www.huxiu.com/chuangye/product/52297/](https://www.huxiu.com/chuangye/product/52297/)
angel investment of EUR 0.8 million (RMB 6 million). Beijing Fen Xue Technology Co Ltd has also cooperated with Swiss Snowsports to open a Swiss Ski School China (瑞士国家滑雪学校-中国分校)\(^{51}\). The project aims to train 300 Chinese ski instructors to obtain the qualifications used in Switzerland.\(^{52}\)

- **HUAXUEZOO (滑雪族)**

HUAXUEZOO, launched in November 2014 when it was the first Internet start-up in the skiing industry in China, originally provided skiing news and ski resort information via both WeChat and Internet sites. In 2015, it began to provide software as a service (“SaaS”) to ski resorts, helping them to sell tickets, training courses, and winter camping products online. In July 2016, HUAXUEZOO received EUR 1.6 million (RMB 12 million) of pre-series A financing, to be used to establish IT facilities for ski resorts and develop competitions.\(^{53}\)

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Know your partners before you go!

Before engaging in any business operations with local partners, EU SMEs are recommended to perform a thorough due-diligence on their Chinese counterparts.

You can download *Knowing Your Partners in China* - our guide on how to perform a basic due-diligence - at the following link:


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\(^{52}\) [http://www.fenxuekeji.com/about.html](http://www.fenxuekeji.com/about.html)

\(^{53}\) [http://www.sohu.com/a/106684327_374759](http://www.sohu.com/a/106684327_374759)
4. Infrastructure

According to the Winter Sports Infrastructure Development Plan, the current quantity, size, and level of service provided by winter sports facilities are not suited to the requirements of the developing industry, therefore the objectives set out in the plan include ensuring China to have over 650 ice rinks (of which at least 500 should be new) and over 800 ski resorts (of which at least 240 should be new) by 2022.\textsuperscript{54}

4.1. Ski Resorts

Over the past 20 years, the number of ski resorts in China has grown quickly; as Chart 6 shows, there were a total of 646 ski resorts in 2016, 14\% more than in 2015. This is indicative of a longer-term trend: the number of ski resorts increased by 115\% from 2011 to 2016. The north and the north-east of China have the largest number of ski resorts, with 24\% and 30\% of the total respectively. This is followed by the east (14\%) and north-west regions (18\%). Heilongjiang Province has the highest number of ski resorts, 122 in total, which is twice as many as in Shandong Province, that has the second highest number.

\underline{Chart 6: Number of Ski Resorts in China, 1996-2016}\textsuperscript{55}

Despite the high growth rate seen in the number of ski resorts, the majority of them are targeted at tourists looking for a one-off experience, meaning they may be fitted with low-quality facilities, may only have beginner and intermediate trails, and can only offer small vertical drops. Chart 7 and Table 6 show that this is the case for many of the 646 ski resorts in China in 2016.

\textsuperscript{54} http://www.ndrc.gov.cn/gzdt/201611/t20161125_827739.html
\textsuperscript{55} http://wemedia.ifeng.com/8450119/wemedia.shtml
Chart 7: Vertical Drop Variation of the 646 Ski Resorts in China, 2016

Table 6: Total Area of Slopes of the 646 Ski Resorts in China, 2016

<table>
<thead>
<tr>
<th>Area of Slopes, hectares</th>
<th>Number of Ski Resorts</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 5</td>
<td>518</td>
</tr>
<tr>
<td>5 – 10</td>
<td>87</td>
</tr>
<tr>
<td>10 – 30</td>
<td>26</td>
</tr>
<tr>
<td>30 – 50</td>
<td>7</td>
</tr>
<tr>
<td>50 – 100</td>
<td>5</td>
</tr>
<tr>
<td>&gt; 100</td>
<td>3</td>
</tr>
</tbody>
</table>

4.2. Ice Rinks

In 2016, China had a total of 243 commercial ice rinks (including 18 outdoor), with the highest number found in Guangdong Province, Beijing, Jiangsu Province, and Shanghai. As well as commercial ice rinks, there are also free ice rinks for public use in some cities, for example, in Harbin there are 38 ice rinks that are open to the public for no charge every December. Among the commercial ice rinks, 100 (42%) of them are licenced to host ice hockey competitions.

56 http://wemedia.ifeng.com/8450119/wemedia.shtml
57 http://wemedia.ifeng.com/8450119/wemedia.shtml
58 http://wemedia.ifeng.com/13334823/wemedia.shtml
5. Short Case Studies

5.1. The NHL in China

The NHL is considered to be the premier professional ice hockey league worldwide. It is currently made up of 31 teams, with 24 of these from the United States and seven from Canada. Along with Major League Baseball (“MLB”), the National Football League (“NFL”), and the National Basketball Association (“NBA”), the NHL is one of four major professional sports leagues operating in the United States.

In September 2017, the NHL brought two teams to China, the Los Angeles Kings and the Vancouver Canucks, to play the first ever NHL preseason games in China as part of the 2017 NHL China Games (NHL 中国赛). Figure 1 shows NHL representatives and Chinese partners at a press conference to mark this agreement on 30th March 2017. It is the second North American professional sports league to play preseason games in China, after the NBA. The first game was played on 21st September 2017 at the Mercedes-Benz Arena in Shanghai, and the second on 23rd September 2017 at the Huaxi LIVE Wukesong Le Sports Center in Beijing. The NHL China Games will be staged annually for eight years, with two preseason games to be played in at least two Chinese cities each year.59

The NHL’s commercial partners for the project in China included O.R.G. Packaging (奥瑞金包装), Bloomage International Investment Group (华熙国际投资集团), and the American entertainment company AEG. O.R.G. Packaging, a comprehensive packaging solution provider that has entered the sports industry,

59 http://sports.huanqiu.com/gdsports/2017-03/10405945.html
60 http://sports.huanqiu.com/gdsports/2017-03/10405945.html
led the introduction of the NHL to China, and is the title sponsor for the NHL China Games. Bloomage International Investment Group, the owner of the Huaxi LIVE Wukesong Le Sports Center, was responsible for the operation, ticket sales, and marketing of the games.

Apart from the title sponsor O.R.G. Packaging and the NHL’s official sponsors Adidas, SAP, and Upper Deck, other sponsors of the NHL China Games includes Want Want Group (旺旺集团), Qingdao Beer (青岛啤酒), and War Horse (战马饮料). These three companies are all food and beverage companies and are large clients of O.R.G. Packaging. During the games, the total occupancy for the stadiums was 71% in Beijing and 56% in Shanghai, while on QQ Video (腾讯视频), which broadcast the two games. The game in Beijing reached approximately 65,000 viewers, while the game in Shanghai only 8,346.61

Despite the relatively low audience figures, the NHL still holds an optimistic attitude about ice hockey’s future in China and understands that the market will be “a relatively slow build”.62

The games in September 2017 were not the first instance of cooperation between the NHL and China. Several NHL clubs, including the Boston Bruins, the Los Angeles Kings, and the Washington Capitals, have held ice hockey camps for young Chinese people in both China and the United States.63 In January 2017, Tencent announced that it had signed a five-year agreement with the NHL to be its digital media partner and to live stream its games in China.64

5.2. Cooperation between 361° International and One Way Sport

361° International (361度国际有限公司, “361°”), one of the leading sports brands in China, formed a joint venture in 2013 with One Way Sport, a Finnish company that produces outdoor winter sports goods. The joint venture holding, known as One Way International Enterprise Limited (“One Way International”), was set up in Hong Kong. 361° Investment, an indirect wholly-owned subsidiary of 361°, owns 70% of this joint venture, while One Way Sport owns the other 30%. This joint venture established a joint venture subsidiary, Zhonglan Sports Goods Co Ltd (中兰体育用品有限公司), in Xiamen, Fujian Province, that is a Wholly Foreign Owned Enterprise (“WFOE”), and which is mainly responsible for designing, producing, distributing, and marketing One Way International’s products within the Greater China Region. 361° Investment initially contributed EUR 1.6 million (RMB 12 million) to the joint venture, and One Way Sport contributed its One Way Sport registered trademarks, including all its trademarks registered in the Greater China Region. Distributable profits are distributed between 361° Investment and One Way Sport based on their shareholding percentages in the joint venture.65

Figure 2 shows Mr Ding Wuhao (CEO, 361° International), and Mr Andreas Bennert (CEO, One Way Sport) at a press conference marking the joint venture on 30th October 2013.

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61 http://tech.ifeng.com/a/20170925/44696416_0.shtml
63 http://www.xinhuaset.com/english/2017-03/30/c_136171081.htm
64 http://sports.qq.com/a/20170118/028985.htm
65 http://sports.qq.com/a/20131031/013327.htm
361° is responsible for the daily operations and management of the joint venture, including organising a team to design, produce, distribute, and market One Way Sport products in the Greater China region, which is the same role that Zhonglan Sports Goods Co Ltd plays, and controlling the quality of One Way Sport products. One Way Sport is responsible for providing research and development support and design support for its products, and technical innovation support. One Way Sport also assists in market development by providing marketing strategies and concepts for the Greater China Region and provides access to One Way Sport’s marketing resources.

361° International Limited’s [Interim Report 2017](http://ir.361sport.com/attachment/2017082816470200102902571_tc.pdf) states that by June 2017 there were 51 One Way International stores across China. In 2017, One Way International became the equipment sponsor for the Chinese national biathlon, cross-country skiing, halfpipe skiing, and parallel giant slalom teams. Figure 3 shows the national athletes of the four winter sports wearing One Way International clothing.

Figure 2: Press Conference Marking the Joint Venture between 361° International and One Way Sport

Figure 3: Athletes from the Chinese Biathlon, Cross-Country Skiing, Halfpipe Skiing, and Parallel Giant Slalom National Teams Wearing One Way International Clothing

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65 http://sports.qq.com/a/20131031/013327.htm
66 http://ir.361sport.com/attachment/2017082816470200102902571_tc.pdf
6. Opportunities for EU SMEs

6.1. Winter Sports Coaching and Education

The shortage of coaches is a major obstacle facing the development of winter sports in China. The majority of them are former professional athletes, but due to China’s short history of interest in winter sports, they are available only in a limited number, making it hard to meet the rapidly growing demand. Therefore, both the government and private training centres are keen to draw on international expertise and build comprehensive training systems that are suitable for Chinese athletes.  

6.2. Winter Sports Related Clothing and Equipment

Given the fast-growing popularity of winter sports, the demand for related clothing and equipment will continue to increase. As this report shows, the trend is that of more Chinese consumers favouring the purchase of winter sports clothing and equipment instead of renting it, thus enlarging a market where EU SMEs operate in. In the rental market, a growing number of products rented are made by international companies, as opposed to cheaper Chinese alternatives.

6.3. Infrastructure and Technology

Most of the high-end ski resorts in China were constructed by international companies. As an example, the Canadian manufacturer CIMCO has been involved in the construction of over 20 major skating stadiums and ski resorts in China. The construction of new facilities will continue to require international products and expertise in design and operations. The Chinese government also encourages Chinese companies to acquire international technology through mergers, joint ventures, and technology imports.

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70 http://news.xinhuanet.com/politics/2016-02/26/c_128754647.htm
71 http://ex.ccssn.cn/dybg/gqdy_jj/201608/t20160825_3175810.shtml
72 http://www.8264.com/viewnews-127726-page-1.html
7. Challenges for EU SMEs

7.1. The Lack of a Winter Sports Culture

Although China has a higher total number of people participating in winter sports than any other country, the nation’s large population means that the percentage of people who participate in such sport is still low.

As an example, the proportion of the population that skis in neighbouring Asian countries Japan and South Korea is 9% and 6% respectively, while the figure for China is 0.4%. Furthermore, over 70% of Chinese skiers only tried the sport once.73

7.2. The Rise of Chinese Companies

While international companies occupy a large market share for both winter sports equipment and facilities, they face growing competition from Chinese manufacturers, especially in markets for products that do not heavily rely on technology. Chinese brands including TOREAD (探路者) and Bosideng (波司登) now manufacture ski suits priced between EUR 41 (RMB 300) and EUR 135 (RMB 1000); approximately 50% of small- and medium-sized ski resorts rent out Chinese-made clothing equipment; and the majority of ski conveyor belts available are made by Chinese manufacturers.74

Equipment and facilities that require more complex technology to produce, and heavy investment in research and product development are still most likely to be made by international companies; this is especially true for snowboards, outdoor snowmakers, pressure snowmobiles, and ice hockey equipment.

However, the Winter Sports Development Plan has established procedures to encourage the development of Chinese manufacturers in these areas. In Heilongjiang Province, the government has rolled out a series of policies to support manufacturers, including financial allowances, cash bonuses, and lower taxes.75

73 http://www.8264.com/viewnews-122621-page-1.html
74 http://www.8264.com/viewnews-122621-page-1.html
75 http://www.hljdpc.gov.cn/module/download/downfile.jsp?classid=0&filename=b959be42392a411eb52dd0f352d208e0.pdf
8. Market Entry Recommendations

8.1. Working with Chinese Partners

Before taking steps to enter the Chinese winter sports market, EU SMEs should carefully conduct market researches into Chinese consumers and competitors, so as to determine the value of different propositions and to know which market strategies are appropriate. For EU SMEs that have limited experience and knowledge of China and its winter sports market, working with Chinese partners to gain access to market insights, sales channels, and an established network of contacts should be considered. EU SMEs should also provide support to their Chinese partners, such as training, marketing materials, and sales plans.

EU SMEs should also consider to regularly visit China to attend trade shows and expositions in order to meet potential partners, clients and have a more complete overview of the local market conditions. Table 7 shows two upcoming sports and winter sports expositions in China.

**Table 7: Upcoming Winter Sports Expositions in China**

<table>
<thead>
<tr>
<th>Exposition</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>World Winter Sports (Beijing) Expo</strong> (国际冬季运动（北京）博览会)</td>
<td>The World Winter Sports (Beijing) Expo, co-organised by IDG World Expo China Co Ltd (国际数据集团) and the Beijing Olympic City Development Association (北京奥运城市发展促进会), began in 2016, and is held annually in Beijing. In 2017, it attracted approximately 24,000 guests and over 400 companies from the tourism, consumer clothing and equipment, and resort technology sectors. In the previous two events, several countries, including Austria, Norway, Sweden, Finland, Canada, South Korea, and Japan, set up their own pavilions, while in 2017 Switzerland was the event’s Major Honoured Guest Country.</td>
</tr>
<tr>
<td><strong>ISPO Beijing</strong> (亚洲运动用品与时尚展)</td>
<td>ISPO Beijing is a leading multi-segment sports exposition in Asia that was first held in 2005. In 2018, it attracted over 30,000 guests and 463 exhibitors, with 745 companies represented, more than half of which were international. Several countries, including Austria, South Korea, and Switzerland, sent delegations to participate in the 2018 exposition, at which approximately 100 snowboard, skiing, winter sports clothing, and winter sports mechanical equipment companies also attended, including CAPITA, Fischer, Nordica, One Way Sport, and UVEX.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>4th-7th September 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venue</td>
<td>National Convention Center (CNCC), Beijing</td>
</tr>
</tbody>
</table>
| Website    | http://www.wwse2022.com/en (English)  
http://www.wwse2022.com (Chinese) |
| Date       | 12th-15th January 2020 |
| Venue      | China International Exhibition Center (CIEC), Beijing |
# The Market for Winter Sports in China

| Information | Held in conjunction with ISPO China, Alpitec China is one of the largest and most relevant exhibitions for mountain and winter technologies in the Asia-Pacific region. At the 2020th edition, products such as ropeway systems, snowmaking equipment, slope preparation machines, snowmobiles, equipment for ski rentals and ticket and registration systems will be displayed on a fairground of 4,400 sqm. |
| Date | 12nd-15th January 2020 |
| Venue | China International Exhibition Center (CIEC), Beijing |
| Website | [https://www.ispo.com/en/beijing](https://www.ispo.com/en/beijing) (English)  

## 8.2. E-Commerce and Cross-Border E-Commerce

China has become one of the world’s largest E-commerce markets, with online retail sales increasing from EUR 16.5 billion (RMB 122 billion) in 2008\(^76\) to EUR 969.6 billion (RMB 7.2 trillion)\(^77\) in 2015. Although winter sports clothing and equipment are currently mainly sold through offline channels, sales through E-commerce platforms and cross-border E-commerce platforms will continue to grow with the increasing popularity of winter sports.

E-commerce platforms such as Tmall (天猫) and JD (京东) have established “global shopping sites” on their cross-border E-commerce websites to take advantage of the benefits associated with bonded warehouses found in China’s Free Trade Zones, such as a greater variety of direct shipping options, lower taxes, and lower customs fees.

International companies can choose to either stock their products at bonded warehouses that the cross-border E-commerce platforms operate or can ship their products directly from another country after receiving customers’ orders. Using bonded warehouses is a faster and more efficient service for the consumer, but their use can be expensive. Shipping products directly from another country could help avoid this cost, but it will incur in higher shipping and processing costs, as well as leading to longer delivery times for the Chinese consumers.

Popular E-commerce platforms with cross-border services include Tmall, JD, Kaola (网易考拉海购), and Amazon China.

## 8.3. Setting Up a Base in China

For companies that already have experience of the Chinese market, or those that have already worked with Chinese partners, establishing a physical presence in China could be considered.

\(^{76}\)[http://tech.sina.com.cn/i/2009-03-10/14542896709.shtml]  
A popular model is the Wholly Foreign Owned Enterprise (“WFOE”), which allows international companies to conduct business activities, generate revenue, and hire employees in China directly. Alternatively, a Representative Office (“RO”) which can act as a liaison office for market research and for developing partnerships and business channels, could be set up, but under this model, business transactions are not allowed.

8.4. Intellectual Property Protection

When entering the Chinese market, international companies should utilise trademarks and patents to safeguard their intellectual property. EU SMEs are encouraged to consult intellectual property experts that have experience with China and engage in proactive enforcement of their intellectual property rights.

Further reading:
To know more about the essentials of digital marketing in China, read our guide *Digital Marketing Essentials for China*:

8.5. Building Brand Awareness

It can be difficult for international companies to build brand awareness from a low starting point in China. Apart from print media and pay-per-click advertisements, international companies could consider establishing a presence on China’s popular social media platforms, such as WeChat and Weibo. Apps targeted at winter sports enthusiasts such as GOSKI and SKI+Huabei also offer an opportunity to connect with consumers and gradually build a community through engagement, which could include product knowledge sharing, brand stories, and online and offline consumer activities.

For further guidance, the *China IPR SME Helpdesk* can provide you with free of charge, confidential, business-focused IPR advice.
Reach their experts at: [http://www.china-iprhelpdesk.eu/](http://www.china-iprhelpdesk.eu/)
About the Centre

The EU SME Centre helps EU SMEs prepare to do business in China, by providing them with a range of information, advice, training and support services. Established in October 2010 and funded by the European Union, the Centre has entered its second phase which will run until July 2018.

The Centre is implemented by a consortium of six partners – the China-Britain Business Council, the Benelux Chamber of Commerce, the China-Italy Chamber of Commerce, the French Chamber of Commerce in China, the Eurochambres, and the European Union Chamber of Commerce in China. All services are available on the Centre’s website after registration, please visit: www.eusmecentre.org.cn.

About CBBC

This report is compiled in partnership with the China-Britain Business Council (CBBC) and is an introduction to E-commerce in China. It aims to help EU SMEs gain an understanding of the different E-commerce channels in China and how EU SMEs can use these channels in a cost-efficient way.

CBBC is the leading organisation helping UK companies grow and develop their business in China. CBBC delivers a range of practical services, including: advice and consultancy, market research, event management, an overseas market introduction service, trade missions and exhibitions, and setting up rep offices. For more information about what CBBC can do to help your business develop in China, please visit: www.cbbc.org.

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