



Pearl River Delta Market Overview

- ✚ China's logistics industry has had an average annual growth rate of 20% over the last decade.
- ✚ China's logistics sector GDP is expected to reach USD \$176 Billion by 2010.
- ✚ China's logistics sector GDP accounts for 25% of its total GDP. In typical developed countries it usually accounts for 8-10%. This offers great potential for U.S. service providers in offering total solutions to local companies in need of improving their logistic efficiencies.

Why Guangzhou?

60% of companies/factories/manufacturers in South China have yet to fully contract out their logistic needs to third-party service providers. Given that southern China, as a major manufacturing base, accounts for 40% of total China exports, it presents excellent business opportunities to competitive U.S. logistics firms.



Opportunities and Trends

Cold Chain Storage & Dry Van Transportation ~

The Pearl River Delta is a large distribution base of agricultural products. China as a whole has the world's largest agricultural output per year, including 300 Million tons of vegetables and 60 million tons of fruits, creating an enormous need for cold chain and dry van logistics. It is reported that almost **80 million tons** of agricultural products are **wasted** annually due to lack of cost effective **cold chain service**. Compared to other subsectors within the logistics arena, cold chain storage and dry van transportation is one of the more promising areas for U.S. logistics firms to successfully penetrate the market.



South China Snapshot: Logistics

Major Trade Show in 2009:

China (Shenzhen) International Logistic Fair 2009

Date: November 9th, 2009

Venue: Shenzhen Convention & Exhibition Center

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China (Shenzhen) Inte'l Logistics Fair &
China (Shenzhen) International Material Handling
Exhibition

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