

## Research on High Performance Horse Feed Supplement in Chinese Market

### ● **Concerned Market Overview**

Equestrian and horse racing, horse race betting and equestrian club are the 3 key factors for the development of a country's horse development. According to our preliminary research, China is developing fast at the 3 aspects now. In thanks to China's fast economic growth for years, China's equestrian market may contribute the most to the global growth.

#### ✧ **Development of horse race gambling**

**In Nov.2008**, a pilot horse race was held in Wuhan, China, which was the first trial of commercial horse racing in China, which marked China may restart horse race gambling prohibited for 60 years in some way. On that day, with the approval of related department, Wuhan Horse Race Lottery Research Center was founded. The organization will be engaged in horse race lottery policies and law system research, suggestion for the development and decision of commercial horse racing and horse racing industry in China.

#### ✧ **Development of Equestrian competition**

**On Nov.15, 2010**, the first equestrian gold medal of the games was generated in the race track of Guangzhou Asian Games, and the medal was the first real gold medal of international equestrian competition in Mainland China. In 2011, FEI Show Jumping World Cup is hosted by China, and China is applying for certification of related international organizations.

After China's horse racing passes the certification of related international organizations, taking the equestrian development experience of Hong Kong and Macau into consideration, China's horse industry will become an important growth point of the world's horse industry.

#### ✧ **The development of Equestrian clubs**

By 2010, over 300 equestrian clubs were registered, over 100 thoroughbred horses were imported in batch 2-3 times, and some equestrian clubs have reached the level of Europe, America and Australia in horse variety selection, raising, training and fostering, etc. With the stable economic development and increase of people's income, equestrian clubs have got unprecedented development opportunities.



Above events gave out a clear province that China horse race industry has developed towards a good way after experiencing some setbacks in past 10 years. Some pilots and trails are undergoing now in different areas in China. Industrial basis of race event has possessed, while policies and system of race lottery releasing has been set up primarily in China. We could forecast that horse race will develop with a good perspective, a huge potential market in China are forming.

◇ **Events happened recently in China will give more reliable provinces as followed:**

1. China has established some sized horse race tracks, obtained the good system for the technologies of race event required.
2. China obtain the ancient tradition of horse breeding and racing, also horse race and sports in China has a very long history.
3. In China the importing of hundreds of thoroughbred horse in one deal happened very often now, privately breeding thoroughbred horse become more popular within rich Chinese people, the passion for horse race has been rising fast.
4. Currently there are beyond 300 certificated horse clubs and race tracks
5. Horse race can promote social employment, welfare, tax, etc, Chinese government already realized the benefits step by step, which is in favor of the development of horse race in China.
6. Quantities of horse of race, equestrianism and leisure riding has been increasing very fast in China.

In a conclusion, potential market of horse feed and nutrition supplements, is obvious and big, if the horse race lottery start to operate formally in China, the coming market capability will be sure massive.

● **Project Background**

PAVESCO AG products is renowned today all over the world; TWYDIL® products are sold in more than 70 countries across the 5 continents. One of Pavesco's major competitors "Vetoquinol" from France is planning to introduce their products "Equistro" to the Chinese market. Due to develop and keep the market share and competitive advantages in potential Chinese market, PAVESCO consign DBSino Consulting to research the market of high performance horse feed supplements and concerned products & industry.

● **Research Scope**

Geographical	Product & Industry	Proposed Interview Subjects / Market Players		Time
<b>Great China Area (mainland area)</b>	Feed supplements for high performance/race horse (Hereinafter referred to as supplement)	Horse breed & trade company or club	with good market share/big size/high grade customers,	2009---2011
※ Clubs concentrated Area		Professional Equestrian Club	with quantity of high-grade horse/ the ability of international trace events, high grade,	
※ Concerned government location area		Private Owner	With high grade race horse	
Horse race Tracks concentrated area		Provincial or local horse trace team	Big sized and active for horse breeding	

※ Base on our pre-survey in this project, Beijing is obviously the most concentrated area of high grade horse clubs(above 65% clubs) , secondly is Guangdong province.

※ The cities of Beijing, Wuhan, Guangzhou, Nanjing, is the expected target area of interviewing concerned government officials.

● **Research Content**

Research	Table of Content	Interviewees/Objects of survey
<b>1. Current situation of High performance horse</b>	Data(yearly) of imported tracing horse in 2010, trend of importing horse	China custom, Concerned 5 keg industrial experts
	Categories list of imported horse in 2010 (age, race, usage, etc.)	China custom, China Equestrian Association
	Price list of main target categories of high performance horse imported in 2010	China custom, China Equestrian Association
	Size of quantity of high-performance horse existed or breed in China yearly	Keg Equestrian clubs, China Equestrian Association

	Size of quantity, partial list of high grade equestrianism clubs	China Equestrian Association, keg equestrian clubs, experts
	List of top 10 big-sized/high grade Equestrianism Clubs in 2009-2010	China custom, Above data analysis, Concerned Opinion leaders
	Survey of top 3 high class Equestrianism Club with in-depth interview	club owners or club operation managers
	Interview of 3 big-sized high grade horse importers/clubs/private owners	Experts, high grade horse owners
<b>2. Basic overview of feed supplements</b>	List of categories, price of horse feed supplements imported in 2010	China custom
	Size of quantity & main importers of imported horse feed supplements in 2010	China custom, China Equestrian Association
	Categories, price of supplements used in interviewing clubs	3 keg important club owners,3 keg experts
	Quantity & categories/price of horse used imported feed supplements	3 keg important club ( club owners or club operation managers )
	<b>Competitive Supplements brands research/survey</b> (abroad brands entered into China)	Offices in China, stuff, trading companies or agents in China
	Other situation about high-performance horse breeding (supplements cost ,category, supplements using frequencies, etc)	5 keg persons of high-performance horse private owners
<b>3. Horse Racing &amp; Betting</b>	<ul style="list-style-type: none"> <li>※ Analysis of attitude, policies about Horse Racing/Betting from central government</li> <li>※ Analysis of attitude, policies or new regulations from target area governments</li> </ul> Other situation about Horse Betting Industry(local sized race, horse racing , etc)	<b>China Wuhan Racing Lottery Research Centre</b> <b>General Administration of Sport of PRC</b> China Equestrian association, Organizing committee Of Asian Games (if possible) Concerned Institutions in Guangdong & Wuhan province

<b>4. HS code Certificate</b>	1) Executive firms for product selling in China 2) Related regulation or law according to supplement product selling in China 3) Procedure/workflow/time before product selling in China/enter	<b>General Administration of Quality Supervision, Inspection &amp; Quarantine of PRC, Custom of China, Ministry of Health, Custom officials , stuff or offices of abroad brands sell in China</b>
<b>5. Racing Racks</b>	1) Existed standard horse racing tracks situation a) Location, size, yearly quantity of race, owners, operation, b) Requirements & terms of racing tracks 2) Planned big-sized horse racing tracks location and situation	Equestrian association, Equestrian clubs Concerned executive management institution Organizing committee Of Asian Olympic Games for horse race (Guangzhou)

- ※ **Base on our pre-survey**, In China, to the horse speed race betting, the attitude from central and local government is a little different obviously, especially in present 4--5 years, after horse trace of Olympic Game and Asia Games, local government and industrial members are all pull into active attitude and increasing passion to speed horse racing lottery and betting because of the industrial benefits, local government regards the commercial horse betting can operate more safely if under good polices and execution.
- ※ The racing racks here mainly refer to those tracks of speed horse race, in the real research, if possible, we will also supply situation of keg tracks of **Equestrian Race**, which be with the capability of carrying out international-grade equestrian race. **Detailed info will base on the real survey. Any questions about rack identification, consigner let us know please.**

● **Research methodology**

Secondary research	Primary research	
20--30% of Data	70--80% of Data	
Industry publications	In-depth executive interviews, which will include:	
Statistical yearbook,	Fieldwork Interviews:	top 3 Equestrian clubs/3 club owners/managers,
Any published paper reports		3 opinion leaders or experts in the equestrian breeding or trading industry
Business news, Business directory		2 governors concerned, 2 custom officials,
DBSino database	Telephone/Online Interviews:	3 private high grade horse owners
Authoritative information channels		2 officials of China Equestrian Association and Wuhan Lottery Center
		2 staff of Organizing committee Of Asian Games (if possible)
Cross verification of data	Cross verification of data:	Other top clubs in different areas, several private high grade horse owners,
		1-2 mangers of top clubs of different main areas at least,
<b>Analysis by DBSino</b>		

● **Time schedule and Project Budget**

Project Phase	Research Content	Unit Price (RMB)	Sum (RMB)	Work Days
<b>Survey preparation</b>	Questionnaire design, project plan, basic data/info			<b>4</b>
<b>Survey Implement-1</b>	In-depth Industrial survey			<b>16</b>
	Custom data analysis			
	Horse abroad supplements using analysis			
<b>Survey Implement-2</b>	Horse Racing & Betting			<b>16</b>
	HS code Certificate			
	Racing Racks			

<b>Data analysis, test</b>	Summarized data recheck and test			<b>5</b>
<b>Report writing, recheck</b>	Forecast and conclusions			<b>5</b>
<b>Total</b>				<b>30</b>

**Note:** Above budget sum include telecom cost, team member salary, business trip cost, interviewee gift etc.

## ● Other terms

### ➤ **Payment Method: 2 installments**

- ✓ First Installment: 70% within 10 working days since the date the contract signed.
- ✓ Last Installment: remaining within 10 working days since the date the report delivered.

### ➤ **Delivery of the Report:**

- ✓ E-report in English in Word format transcriptions on the 30th working day since the date the contract is signed.

### ➤ **Period for Q&A:** 15 working days since the date the report delivered within the range of the contract

## ● Research team members

### **Mr. Roman**

10 years experiences of market research, since worked for Dun & Bradstreet (and US company) as the market research specialist  
 Current senior consultant of Swiss government & American Commercial Committee  
 Certificated member of **China Horse Equestrianism Alliance**

**Mr. Zhang:** 10 years of market research experiences, good at in-depth executive interview and fieldwork interview.

**Miss Meng:** 3 years of market research experiences, good at telephone interview.



● **About Us**

DBSINO Consulting (Beijing) Co., Ltd. (hereinafter referred to as DBSINO Consulting), established in Mainland China, is a professional B to B consulting service agency. DBSINO Consulting has provided lots of World Top 500 enterprises with the services such as China market research, business information consulting, market research, market accessibility, investment feasibility analysis, credit risk management, etc.

DBSINO Consulting has set up project research teams in Shanghai and Guangzhou and kept good cooperation relationships with all governmental agencies, law firms, accounting firms and industry organizations in Mainland China. All of its backbone researchers have more than five years' market research experiences and the background of disciplines like Finance, Economics, Enterprise Management, Marketing and Law, and are successful in operating the research projects of different industries.

The one-stop service for foreign enterprise is a very popular consulting service which is derived under the premise of its excellent investigation and research ability and in combination with the demands of foreign enterprises. For foreign small and medium-sized enterprises investing in China, the service can reduce risk, improve efficiency and make profits as quickly as possible.

● **Attachment:**

<b>Equestrian Industrial Organizations</b>	<b>Governmental Institutions/ Organizations</b>
<b>China Equestrian Association,</b>	<b>General Administration of Quality Supervision, Inspection &amp; Quarantine of PRC</b>
Club owners or club operation managers, experts	<b>Custom of PRC Ministry of Health,</b>
Keg equestrian clubs, experts	<b>General Administration of Sport of PRC</b>
High grade horse owners	Agricultural University and Institute
Beijing Yanlong International Equestrian Co., Ltd. (big-sized club of race horse)	Organizing committee Of Asian Olympic Games for horse race (Guangzhou)
Beijing CHF Organizing committee	Organizing committee Of Asian Games
Guangzhou Hongkong Horse Club Racing Training Co.,Ltd.	<b>China Wuhan Racing Lottery Research Centre,</b>
广州香港马会赛马训练有限公司	Concerned government institutions
	Shandong Administration of Sport (Shandong Equestrian Team Office)

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