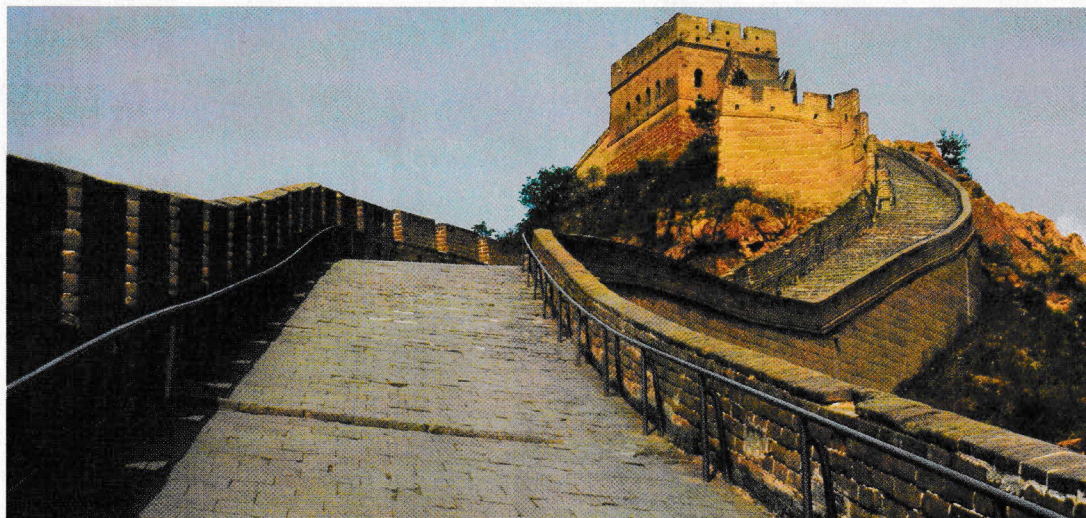


# China leads the e-commerce race in Asia

Asia's superpower wants to be a virtual winner. A Retek-backed marketplace will make it one.



By **Salina Christmas**

Retek, retail e-commerce applications provider (Minneapolis, Minnesota, USA) will support the formation of a Chinese electronic trade exchange that will link over 50,000 suppliers, manufacturers and retailers in East Asia.

The MAI (MultiAsia) Exchange is a consortium of Chinese political, economic, manufacturing and retail partners. Its members will make electronic exchanges over a platform based on Retek's Global Trading Network.

Retek and MAI will not reveal the cost of the set-up. It's not likely to be cheap. AMR Research (Boston, Massachusetts, USA) estimates that the total cost of developing such exchange will be in the €275-550 million region depending on the industry, size of membership, the global reach and functionalities offered (*AMR Research Newswire*, Sept 13).

MAI will automate the end-to-end process for sourcing, procurement, logistics and payments for its Chinese members and also for the North American and European retailers who are buying from China.

"The vision of the MAI Exchange is to build a domestic trade exchange that, in short order, will become a major player as a global trading and sourcing exchange," says Dr Du Jin Ling, the executive vice chairman for the China Federation of Industrial Economics (CIFE). "Retek filled [sic] the bill," says Zhang Qimin, the chairman of MAI Exchanges. "It allows the Chinese retail and supply industries to fully integrate into the world economy using Retek solutions".

Access to the Chinese suppliers, and data exchange between the suppliers and buyers, will be gained over a shared platform using a common retail language, says Retek.

It has not confirmed if the "one common language" means the extensible markup language (XML). It's a standard much touted to be the lingua franca of e-business, but has yet to be implemented by any consortium trade exchange. Bob Ainslie, the chief executive officer of MultiAsia, says MAI "might include the use of XML".

Retek claims that the formation is unique because it involves, for the first time, the participation of retailers, government agencies, buyers and sellers.

An authoritarian approach to domestic management made it possible for China to have domestic enterprises streamlined and geared towards one objective. This contrasts with the European Union (EU) where private enterprises are free to pursue their own business interests within the loose parameter of democracy. All of China's foreign

trade and economic cooperation are administered by the Ministry of Foreign Trade and Economic Cooperation.

MAI will include members such as the Chinese Federation of Industrial Economics (CFIE), comprising over 500 national and provincial trade organizations, and enterprise groups. This includes a 400 store-strong departmental store chain, National Integrated Company of Hualian Commerce Building, Sum-Star Group (SSG), a local SME (small-to-medium-sized enterprise) authority and partner to major Western labels such as Revlon, Bacardi-Martini and Unilever, and Multiple International Investment, a holding investment company with 34 companies from industries ranging from retail to pharmaceuticals and telecommunications.

A Retek spokesperson suggests that a web-based marketplace that can be accessed remotely by a PC or a laptop is ideal for a country of such vast social and geographical landscape to do business transactions.

China has an estimated 16.9 million Internet users, with a PC penetration of 6.5 million. The total population is over 1.2 billion.

[www.retek.com](http://www.retek.com)

[www.moftec.gov.cn](http://www.moftec.gov.cn)

[www.amrresearch.com](http://www.amrresearch.com)

## Calendar2000

### November 14-16

#### Mobile & Wireless 2000

Amsterdam RAI, the Netherlands. National Internet Congress-backed event features mobile system vendors and service providers such as Symbol and RAM Mobile Data.  
Tel: +31 40 259 4300.

### November 21-22

#### E-Fulfilment

Melia White House, London, UK. Retailers and 3PLs talk about the effect of technology on e-fulfilment. Organized by International Faculty for Executives (IFE).  
Tel: +44 207 704 1989.

### November 20-24

#### Emballage 2000

Paris-Nord Villepinte, France. The 34th world packaging exhibition featuring capital goods manufacturers and automatic identification system vendors. Organized by Expositum.  
Tel: +33 1 49 68 5497.

### December 6-7

#### Interlog 2000

Hotel Okura, Amsterdam, the Netherlands. Logistics conference discusses the latest logistics strategies affecting the supply chain industries. Organized by Worldwide Business Research.  
Tel: +44 207 759 9000.