

## Ms. Monita Mo at the 2010 China Textile Innovation Conference

The 2010 China Textile Innovation Conference was held on December 15, 2010 at the Grand Millennium in Beijing. Many industry key enterprises and CEO attended the conference. It was hosted by China National Textile Association, The event focused on textile technology innovation and new business models. It served as a high level communication platform among textile enterprises, government, related organization and textile experts. It was also the best channel for new textile technology and product promotions.



The conference consisted of 4 agendas: summary of achievements for the year; textile issues discussions; forum discussions; and innovation discussions. Ms. Monita Mo was invited to participate on a panel discussing how capital and brands affect the textile and fashion industry. Other panelists included Mr. Ya Fu Qiu, Chairman of Shandong Ruyi Group, and Mr. Shen Zhou, general manager of Eachway Fashion Group.

Ms. Mo discussed with Mr. Qiu and Mr. Zhou her views on the textile industry and some of her opinions regarding the relationship between the textile and financial industry.



Ms. Monita Mo-Ascend Capital Partners President, Mr. Ya Fu Qiu, Chairman of Shandong Ruyi Group and Mr. Shen Zhou, general manager of Eachway Fashion Group.

Ms. Mo believes that the goal of an efficient textile industry is to provide fashionable clothing to consumers at a fast speed and low cost. Currently, China's cheap labor and large-scale factories are no longer the advantage competence of Chinese enterprises. Factories in China are producing at a rapid pace, which creates an over-production issue in China. China should reconsider how to best utilize resources to deliver clothing to consumers in an economic and cheap way. Ms. Mo predicted that there will be a revolution in the textile industry, because that China is the largest nation in the world in textile production and China's consumers control an enormous amount of leverage. Ms. Mo predicted the revolution will come from new business models that can shorten the design period, create efficient production and logistic methods and deliver products to consumers in the shortest time and at a low cost.

Ms. Mo discussed what features investors are looking for in new business models that can lead to higher profit margins. She also addressed how investors will look at investing in different market segments, such as several e-commerce sites like VANCEL, and no-cost brick and mortar chains like ITAT. Investors would also be interested in niche markets, such as children, women and men clothing lines. The key is not to expand by just adding more stores.