

# Mobile Phones



## Essential sourcing intelligence for buyers

### China manufacturer profiles

Detailed profiles of 19 verified suppliers and contact details of an additional 36 exporters

### Product & price trends

Prices and specifications of 58 top-selling export products

### Supply centers & market trends

Coverage of leading and emerging supply centers, plus insight into capacity, output and R&D

February 2009 US\$495

global sources

Choose verified suppliers



Online • Trade shows  
Magazines • Research

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

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

This page has been left blank intentionally .

# MOBILE PHONES

## Supplier capability in China

### EXECUTIVE SUMMARY

Mobile phones continue to be a strong supply market in China. Although makers are revising their growth projections amid forecasts of slower export sales due to the financial slump, China's mobile phone industry is still poised for steady, albeit moderate, growth as opposed to the worldwide market, which is expected to experience a downturn in overall shipments in 2009. Data from the Ministry of Industry and Information Technology shows that China produced 600 million mobile phones in 2008, equivalent to 50 percent of global supply. Nearly 400 million China-made mobile phones were shipped overseas in 2008.

Suppliers expect output and export volumes this year to remain steady or increase slightly. Any production expansion will be driven by anticipated growth in demand from emerging and less-developed regions. Export volume increases will also be spurred by makers' efforts to explore new markets, including the Asia-Pacific region and the Middle East, to boost eroding margins.

Low-end handsets are forecast to experience the strongest growth, largely due to their price advantage. The impact of waning sales will be more noticeable in the midrange and high-end segments, where export quotes continue to rise to reflect value-added features.

The following are some of the key trends we see in China's mobile phone industry:

- Export prices will likely decrease in coming months as suppliers boost competitiveness to survive weaker overseas demand. Although some companies will be increasing quotes to offset higher manufacturing costs and losses incurred from the revaluation of the yuan, these will comprise a minority and will limit their increases to within 5 percent.

- GSM phones will continue to dominate production and exports even as makers also expand their lineup of dual-mode GSM/CDMA handsets.

- 3G phone supply will rise steadily. W-CDMA handsets will continue to lead production in 2009.

- The issuance of TD-SCDMA licenses this year is expected to boost production of handsets based on China's homegrown 3G standard.

- The need for product differentiation will prompt makers to focus R&D on the integration of more features, in particular multimedia capability, and housing design innovations.

- GPS and mobile TV are two main trends that will likely be integrated into new releases.

- Suppliers will be improving operational efficiency and shortening design and development time to boost export capability. Makers will also be adopting more affordable solutions in line with efforts to reduce production costs.

This report covers GSM, CDMA, dual-SIM GSM, dual-mode, 3G and smart phones. The supplier survey was conducted on manufacturers and traders of these phone types. The Industry Overview section discusses developments in China's supply market amid the global financial crisis and the ongoing shift toward 3G and ultimately 4G. It also tackles other product development initiatives in terms of new features and housing designs.

China has more than 1,000 suppliers of mobile phones. Most companies are located in Guangdong, Jiangsu and Fujian provinces. Northern China is fast growing as a production hub for 2.5G and 3G phones.

The majority of China makers concentrate on OEM and ODM business, with mostly large players able to establish and promote their own brands.

### In this report

- 19 in-depth company profiles
- 36 additional suppliers
- 58 top-selling export products
- Supplier demographics
- Supplier survey
- Industry statistics & charts

### METHODOLOGY

To produce this report, Global Sources surveyed a wide range of suppliers. Rather than focus simply on high-profile makers, we compiled a representative sample of large, midsize and emerging manufacturers. All profiled companies are export-oriented professional suppliers that may or may not be clients of Global Sources.

The selection of suppliers is designed to reflect the composition of the industry in China in terms of geographic spread, business type and company ownership.

For in-depth company profiles, our research teams interviewed senior executives and export managers who discussed their recent performance and provided price, R&D, production and export forecasts for the next 12 months. The interviews were done in person, by phone or via e-mail.

In each case, companies were required to answer specific questions designed to verify their manufacturing and export credentials, including their production and export statistics, and a breakdown of exports by product type and market. Our production checklist details the product-specific manufacturing capabilities of each supplier.

All profiled suppliers participated in a survey designed to provide insight into product and price trends, and challenges facing the industry in the next 12 months. All survey questions are single choice. Results were calculated based on the actual number of valid responses to each question.

### CONTENTS

<b>INDUSTRY OVERVIEW</b> .....	<b>7</b>
Supplier summary	
Major customers	
Export statistics	
Main production center	
Suppliers by location	
<b>Products &amp; prices</b> .....	<b>12</b>
Price guide	
Top 10 exporters	
Production & exports	
<b>Supplier survey</b> .....	<b>16</b>
Export prices, export capability, price increase, export sales, challenges, target markets, R&D focus, capital expenditure	
<b>SUPPLIER PROFILES</b> .....	<b>19</b>
Supplier locations	
Industry composition	
Top 20 exporters	
Supplier matrix	
Production checklist	
Supplier profiles	
<b>PRODUCT GALLERY</b> .....	<b>67</b>
Top-selling export products	
<b>CONTACT DETAILS</b> .....	<b>81</b>
<b>ADDITIONAL SUPPLIERS</b> .....	<b>83</b>
Key products, contact details	

**Copyright 2009 Trade Media Limited.** All rights reserved. Reproduction in whole or in part in any form or medium without the expressed, written permission of Trade Media Holdings Limited and Trade Media Limited is prohibited.

Published by Publishers Representatives Limited (on behalf of Trade Media Limited)  
4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322 SMB, George Town, Grand Cayman, Cayman Islands  
c/o 22/F Vita Tower, 29 Wong Chuk Hang Road, Aberdeen, Hong Kong

ISBN 978-988-8004-52-2

Disclaimer: Any recommendation contained in this report may not be suitable for all investors or businesses. Moreover, although the information contained in this report is obtained from sources believed to be reasonably reliable, the accuracy or completeness of such information cannot be guaranteed. The author and the publisher of this report (and the publisher's affiliates, agents, sales representatives and service contractors) do not make any representation or warranty whatsoever (whether express or implied) in relation to any of the contents of this report (including any information, opinion, recommendation or conclusion contained in this report) (collectively, "Contents"), whether as to the accuracy, completeness, quality, fitness, suitability or reliability of such Contents (or any portion thereof) or otherwise, and shall not be liable under any circumstances whatsoever for any error, omission, defect or deficiency in, or for any use of or reliance on, such Contents (or any portion thereof).

All product images are provided by the companies interviewed and are for reference purposes only. Those product images featuring products with trademarks, brand names or logos are not intended for sale. Products that are not the specific topics of editorial articles are shown for illustrative and/or demonstrative purposes only. We, our affiliates, and our affiliates' respective directors, officers, employees, representatives, agents or contractors, do not accept and will not have any responsibility or liability for product images (or any part thereof) which infringe on any intellectual property or other rights of a third party.

## INDUSTRY OVERVIEW

Mobile phone suppliers in China are projecting moderate growth in 2009 in view of the global economic slowdown. Output and export volumes will rise only slightly this year, if not staying at 2008 levels. Total production in 2008 reached 600 million units, nearly 50 percent of worldwide supply, based on figures from the Ministry of Industry and Information Technology. Sixty-five percent of output was exported during the same year.

Steady growth in China's mobile phone market will defy the anticipated decline in global handset shipments. According to a forecast by iSuppli, worldwide shipments will reach 1.22 billion units in 2009, a 5.4 percent drop from 1.29 billion in 2008.

The slump in global handset sales is expected to affect more severely the midrange and high-end sectors, where feature upgrades have been pushing up prices notably. Subscribers will likely delay upgrading their devices during an economic downturn. Although the worldwide subscriber base will continue to expand, new subscribers will mostly come from rural areas in emerging regions buying low-priced handsets.

Low-end mobile phones are poised to enjoy stronger sales than upscale models in emerging markets and less-developed countries and regions. Another prediction by iSuppli is that low-priced multimedia GSM and ultralow-priced CDMA handsets will be among the best-selling products throughout 2009.

Smart phones and handsets supporting 3G and the China Mobile Multimedia Broadcasting standard will likewise be high-growth segments.

In China's domestic market, operators are reducing their service fees to attract new subscribers and boost sales. The government's expanded subsidy policy for consumer electronic product purchases will likewise stimulate demand in rural areas. New subscribers in China are expected to exceed 90 million in 2009. In addition,

more existing mobile phone subscribers are projected to obtain a second number.

### Expansive supply range

Widespread infrastructure and high penetration rates globally have kept GSM phones at the forefront of China's mobile phone supply. The 2.5G and 2.75G segments continue to be dominated by GSM and its variant technologies. It is in the 3G arena where CDMA technologies are winning some ground, largely due to the rising shipments of W-CDMA phones.

China suppliers produced 388.6 million GSM phones in 2008, more than half of total mobile phone output. Dual-SIM GSM phones accounted for the bulk of supply, with 200 million units produced. The figure represents 51 percent of total GSM output and more than 30 percent of total mobile phone production.

Global trends emphasizing 3G and eventual migration to 3.5G and 4G will, however, push dual-SIM GSM phones out of the spotlight in the near term. Makers in China do not see significant production expansion in this line in 2009, although supply will remain strong and product development active.

Meanwhile, dual-mode mobile phones, whose ability to connect to multiple networks expands users' service options and applications, will remain a strong revenue generator. More suppliers are taking the dual-mode route to explore new markets without losing a grip on the bullish GSM industry, and

### Supplier summary

Suppliers surveyed	19
Export sales	\$452.6mn
Export ratio	52%
OEM business	50%
Capacity utilized	34%
Annual R&D spending	\$19.9mn
Full-time employees	24,476

Data: All surveyed suppliers

thereby, boost competitiveness. Makers previously focusing solely on CDMA phones have started releasing dual-mode GSM/CDMA phones to reach out to markets otherwise closed to CDMA.

As a result, supply of dual-mode phones has been rising in China. GSM/CDMA units dominate production of dual-mode handsets.

Makers also offer dual-mode GSM/PHS, GSM/TD-SCDMA and CDMA/PHS phones.

Production of CDMA phones remains small compared with GSM phones. Most makers customize their CDMA handsets to the requirements of telecom operators.

Some large players, including Haier Group, Hisense Communications Co. Ltd, Huawei Technologies Co. Ltd and ZTE Corp., have released their own entry-level CDMA phones. They supply the products to clients in Africa, India and the Middle East, where demand is strong.

Smart phones are receiving a boost from rising demand overseas. Global smart phone sales reached 190 million units in 2008, based on Gartner's statistics. This indicates 52

### Major customers

Company	
BCC	Bossh, Rage (India); ZTE, Huawei (China)
Chenzhou Gospel	PT Maju (Indonesia)
Shenzhen Kingsin	Gionee, Skyworth (China)
Shenzhen Trigiants	Haier, Longcheer (China)
Vivatel	CAT (Thailand)

Data: All surveyed suppliers

## BCC International Co. Ltd

Shenzhen-based BCC manufactures 30,000 mobile phones a month. This includes GSM phones, CDMA phones, dual-mode GSM/CDMA phones and smart phones.

The company exports all of its mobile phones. It generated \$18 million in export sales in 2007. BCC estimated its revenue in 2008 to have increased by 10 to 20 percent. Seventy percent of its exports go to ODM clients, and the rest to OEMs.

Established in 2002, this mainland China-owned company has the capacity for 200,000 units of mobile

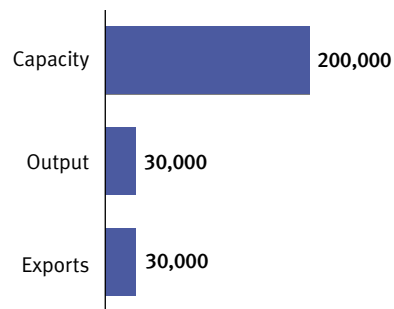
phones a month. It has three factories in Shenzhen with a total area of 7500sqm. The company currently utilizes only 15 percent of its total capacity for this line.

The company plans to increase its annual capital expenditure by up to 50 percent. It will be boosting its exports to the Asia-Pacific region, with plans to develop new models for this particular market. It currently invests \$200,000 in R&D each year.

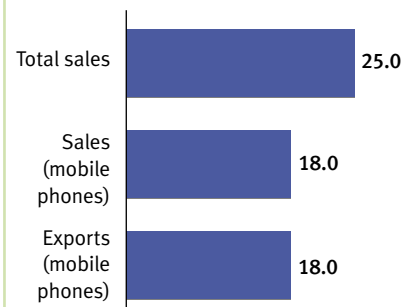
BCC sees 11 to 15 percent reduction in its export prices in the coming months.

### Profile

#### Production units/mth



#### Sales \$mn/yr



### Contact details

#### Business contact

WANG Jingyu

#### Phone

(86-755) 8281-3067

#### Fax

(86-755) 2715-2202

#### E-mail

ben@bcc-tele.com.cn

bcc@globalsources.com

#### URL

www.bcc-tele.com.cn

www.globalsources.com/bcc.co

#### Address

Rm 6410A 64F Saige Bldg,  
Huaqiangbei, Futian Dist, Shenzhen,  
Guangdong, China

### Company facts

Year established	2002
Business type	Manufacturer
Company ownership	Mainland China-owned
Head office location	Shenzhen (Guangdong)
Number of factories	3
Factory location(s)	Shenzhen (Guangdong); Chennai (India)
Total factory area	7,500sqm
No. of full-time employees	400
No. of R&D/design staff	80
No. of QC staff	30
Annual sales (all products)	\$25.0mn
Annual R&D spending	\$200,000
ISO certification	No

### Sales & output: Mobile phones

Annual sales	\$18.0mn
Share of total sales	72%
Annual export sales	\$18.0mn
Total monthly capacity	200,000 units
Average monthly output	30,000 units
Capacity utilized	15%
Average monthly exports	30,000 units
Export ratio	100%
OEM % of exports	30%
ODM % of exports	70%
OBM % of exports	—
Major customers	Bossh, Rage (India); ZTE, Huawei (China)

Capability

Production checklist

Mold making	Yes
PCB making/design/ subassembly	No
SMT	Yes
Plastic injection	Yes
Software design	Yes
Final assembly	Yes
QC/QA testing	Yes

Exports by product

3G phones	—
GSM phones	10%
CDMA phones	5%
Dual-mode (GSM+CDMA) phones	80%
Smart phones	5%

Exports by market

North America	—
European Union	—
Europe (non-EU)	—
Asia-Pacific	100%
Middle East	—
Other	—

Outlook

- **Export prices**  
Decrease
- **Export price decrease**  
11-15%
- **Export sales**  
Increase 10-20%
- **Target market**  
Asia/Pacific
- **Capital expenditure**  
Increase up to 50%
- **Major challenge**  
Price competition
- **Export capability**  
Shorten design/development time
- **R&D focus**  
Improve cosmetic design

Popular export models



Dual-mode (GSM+CDMA) phone

Model	BC-384
Minimum order	3,000 units
Packaging type	Gift box
Delivery time	10 days
Indicated price	\$85.00

**Description:** CDMA 800MHz, GSM 900MHz/DCS 1800MHz; 2in touchscreen TFT; MTK 6226+Qualcomm QSC6010; 1200mAh Li-ion battery; 2hr to 3hr talk time; 300hr to 450hr standby time; FM radio, Bluetooth, MP3/MP4 player, 1.3MP camera; 108.8x47.3x15.8mm



GSM phone

Model	BC-N79
Minimum order	3,000 units
Packaging type	Gift box
Delivery time	10 days
Indicated price	\$40.00

**Description:** GSM 900/1800MHz; 2in TFT screen; MTK 6225; 1200mAh Li-ion battery; 2hr to 3hr talk time; 300hr to 400hr standby time; dual SIMs, FM radio, Bluetooth, MP3/MP4 player, 1.3MP camera



GSM phone

Model	BC-273
Minimum order	3,000 units
Packaging type	Gift box
Delivery time	10 days
Indicated price	\$45.00

**Description:** GSM 900/1800MHz; 2.6in touchscreen TFT; MTK 6225; 1200mAh Li-ion battery; 2hr to 3hr talk time; 300hr to 450hr standby time; dual SIMs, FM radio, Bluetooth, MP3/MP4 player, 1.3MP camera; charger, earphones, USB cable, two batteries included

PRODUCT GALLERY

GSM phones



**BCC**  
 (profile page 26)  
**Model:** BC-273  
**Minimum order:** 3,000 units  
**Packaging type:** Gift box  
**Delivery time:** 10 days  
**Indicated price:** \$45.00  
**Description:** GSM 900/1800MHz; 2.6in touchscreen TFT; MTK 6225; 1200mAh Li-ion battery; 2hr to 3hr talk time; 300hr to 450hr standby time; dual SIMs, FM radio, Bluetooth, MP3/MP4 player, 1.3MP camera; charger, earphones, USB cable, two batteries included



**BCC**  
 (profile page 26)  
**Model:** BC-N79  
**Minimum order:** 3,000 units  
**Packaging type:** Gift box  
**Delivery time:** 10 days  
**Indicated price:** \$40.00  
**Description:** GSM 900/1800MHz; 2in TFT screen; MTK 6225; 1200mAh Li-ion battery; 2hr to 3hr talk time; 300hr to 400hr standby time; dual SIMs, FM radio, Bluetooth, MP3/MP4 player, 1.3MP camera



**Chenzhou Gospell**  
 (profile page 28)  
**Model:** GS916  
**Minimum order:** 1,000 units  
**Packaging type:** Colored box  
**Delivery time:** 10 days  
**Indicated price:** \$63.00  
**Description:** GSM 850/900/1800/1900MHz; 2.6in touchscreen QVGA; 340x240-pixel resolution; 1200mAh to 1400mAh Li-ion battery; >5hr talk time, 200hr to 240hr standby time; dual SIMs, dual standby, 300,000-pixel to 2MP camera, 2GB flash memory, Bluetooth, MP3/MP4 player



**Chenzhou Gospell**  
 (profile page 28)  
**Model:** GS918  
**Minimum order:** 1,000 units  
**Packaging type:** Colored box  
**Delivery time:** 10 days  
**Indicated price:** \$54.00  
**Description:** GSM 900/1800MHz; 2.6in touchscreen QVGA; 1200mAh Li-ion battery; >5hr talk time, 200hr to 240hr standby time; dual SIMs, dual standby, 300,000-pixel to 1.3MP camera, 2GB flash memory, Bluetooth, video recording/playback, SMS/EMS/MMS, MP3/MP4 player



**Chenzhou Gospell**  
 (profile page 28)  
**Model:** GS99  
**Minimum order:** 1,100 units  
**Packaging type:** Colored box  
**Delivery time:** 10 days  
**Indicated price:** \$52.00  
**Description:** GSM 900/1800/1900MHz or 850/1800/1900MHz; 1.4in CSTN screen; 1100mAh to 1200mAh battery; >5hr, 300hr standby time; single SIM, nerve or bone conduction, hearing aid function, built-in memory, up to 2GB TransFlash card



**Chenzhou Gospell**  
 (profile page 28)  
**Model:** GS926  
**Minimum order:** 1,000 units  
**Packaging type:** Colored box  
**Delivery time:** 10 days  
**Indicated price:** \$77.00  
**Description:** GSM 900/1800MHz, optional GSM 850/1900MHz; 2.6in QVGA touchscreen; 240x320-pixel resolution; 1000mAh Li-ion battery; >5hr talk time; 200hr to 240hr standby time; dual SIMs, dual standby, 300,000-pixel to 2MP camera, Bluetooth, FM tuner

# Yes! I'd like to order the full version of the following China Sourcing Reports

For faster service, order online at [www.ChinaSourcingReports.com/pdfts](http://www.ChinaSourcingReports.com/pdfts)

## A Please send me

	Report Title:	US\$
1)		
2)		
3)		
4)		
5)		

Total amount US\$

## B Please send my reports by

- E-mail (PDF format)       Air courier (printed copy)

## C My contact details

Mr  Mrs  Ms \_\_\_\_\_  
Family Name                      Given Name

Job Title \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

City \_\_\_\_\_ State/Province \_\_\_\_\_

Country \_\_\_\_\_ Postal/Zip Code \_\_\_\_\_

E-mail \_\_\_\_\_

Tel \_\_\_\_\_ Fax \_\_\_\_\_

Mobile/Cell Phone \_\_\_\_\_

For faster service, order online at [www.ChinaSourcingReports.com/pdfts](http://www.ChinaSourcingReports.com/pdfts)

### For other inquiries

E-mail: [service@globalsources.com](mailto:service@globalsources.com)  
 Telephone Hotline: (65) 6547-2800

## D My payment method

- US\$ check/bank draft payable to **GLOBAL SOURCES**, drawn on a US bank located in the USA

- Please debit my credit card



Amount (US\$) \_\_\_\_\_

Card No. \_\_\_\_\_

Expiry Date \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

## E Return this form by

**Fax** North and South America (1-480) 951-4197  
 Europe, Africa and Middle East (31-20) 682-7949  
 Asia Pacific (65) 6547-2888

**Mail** Global Sources, c/o Media Data Systems Pte Ltd  
 Raffles City PO Box 0199, Singapore 911707

**Thank you for your order.**