

Audio specialist Sennheiser opens sales subsidiary in China

Beijing/Wedemark, 18 February 2009 – Audio specialist Sennheiser officially opened its Chinese subsidiary Sennheiser Electronic (Beijing) Co., Ltd. in Beijing this Wednesday. “We’ve been seeing a very encouraging trend in the Chinese market for some time now,” explained Volker Bartels, Speaker of the Sennheiser Executive Team. “Chinese consumers are becoming increasingly aware of premium brands and the high quality of German workmanship. It’s now the time to have our own sales and marketing subsidiary operating in mainland China.” Guests at the launch included Dr. Ingo Karsten, head of the Economic Affairs Department at the German Embassy, and several representatives from the Chinese audio industry.

Until now, Sennheiser’s operations in the Chinese market were run from an office established in 1999 in what was then the Crown Colony of Hong Kong and through its Singapore-based subsidiary, Sennheiser Asia. The aim behind setting up a second subsidiary in China is to get even closer to customers and the country’s specific requirements. Marc Vincent, General Manager of Sennheiser Electronic (Beijing) Co., Ltd.: “Opening a wholly-owned subsidiary in Beijing is the ultimate declaration of our faith in the market. This way we ensure our local portfolio and in particular our services reflect what our customers want. Our team is made up almost entirely of Chinese employees so that our market decisions match what the market actually wants.”

Dragon dance brings luck and prosperity

The festive opening ceremony in the “Intercontinental Beichen” in Beijing featured a traditional dragon dance, and an appearance by popular Chinese singer Jane Zhang, Sennheiser’s first Music Ambassador for Asia. China has one of the oldest music traditions, with classical Chinese music being played alongside newer influences such as Cantopop and Chinese rock music. The “father” of Chinese rock music, Cui Jian, is among China’s Sennheiser users too.

Sennheiser has also a strong tradition in professional audio, with customers including the Chinese broadcaster CCTV. One of the biggest deals closed by the new Sennheiser subsidiary includes a contract with Beijing Television Station, which has fitted out its six studios with a total of 86 channels of wireless microphones.

Marc Vincent: "With growing brand awareness in China, we will also be further developing our consumer business and continually growing our customer base with products specific to the market."

Looking back... and into the future

The first steps towards creating a subsidiary in Beijing were taken in February 2005 when Sennheiser's representative office in Beijing was set up. However, it soon became clear that a wholly-owned subsidiary was the best way forward for Sennheiser in China. Marc Vincent and his (at the time) team of six started laying the foundations in 2006. In May 2008 Sennheiser Electronic (Beijing) Co., Ltd. finally started operations and after another six months, all the necessary licences had been granted. Today 16 employees work for the team in Beijing and 13 in Hong Kong, both teams being closely interlinked. "By the end of 2009, we intend to be employing 35 people in all," explained Marc Vincent. "It's early days; our focus now is on developing our sales team for the various business sectors and regions in China."

"Naturally we've started small," added Volker Bartels, "but for four years now we've been achieving a steady double-digit growth in the Chinese market, and this trend is set to continue even in the current world market situation. We feel we are well prepared to serve the Chinese market with the two subsidiaries in Hong Kong and Beijing."

The Sennheiser Group, with its headquarters in Wedemark near Hanover, Germany, is one of the world's leading manufacturers of microphones, headphones and wireless transmission systems. The family-owned company, which was established in 1945, recorded sales of over €395 million in 2007, 83% of which were generated abroad. Sennheiser employs almost 2,000

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people worldwide, around 55% of whom are in Germany. Sennheiser has manufacturing plants in Germany, Ireland and the USA, and is represented worldwide by subsidiaries in France, Great Britain, Belgium, the Netherlands, Germany, Denmark (Nordic), Russia, Hong Kong, India, Singapore, Japan, China, Canada, Mexico and the USA, as well as by long-term trading partners in many other countries. Also part of the Sennheiser Group are Georg Neumann GmbH, Berlin (studio microphones), K+H Vertriebs- und Entwicklungsgesellschaft mbH (Klein + Hummel studio monitors, installed sound) and the joint venture Sennheiser Communications A/S (headsets for PCs, offices and call centres).

You can find all the latest information on Sennheiser by visiting our website at www.sennheiser.com, or by contacting:

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