

## SPOTLIGHT

# Samsung's Exit Opens a New Phase for Ningbo's Appliance Industry

By Jin Yuhan

Samsung Electronics' recent decision to withdraw from China's home appliance market has prompted little celebration in Cixi, a manufacturing hub in Ningbo known for producing household appliances on a massive scale.

For many local companies, the bigger concern is not the departure of a competitor, but mounting pressure from shrinking orders and margins. Many acknowledge the industry is shifting away from a growth-at-all-costs model toward one driven by product value and consumer demand.

Cixi produces around 60% of the world's small household appliances and is one of China's three major appliance manufacturing centers. The city is home to more than 2,000 finished-appliance manufacturers and nearly 10,000 component suppliers, creating a highly integrated industrial chain in which most parts can be sourced within an hour.

Even for large appliances like refrigerators, Cixi's annual output exceeds 8 million units—one in every 30 refrigerators globally is made in Cixi.

## Industry Under Pressure Despite Global Scale

In 2025, around 60% of China's A-share listed appliance companies reported declines in net profit, while the country's home appliance retail market contracted by 4.3%.

Ningbo's appliance industry remains one of the city's strongest manufacturing sectors. In 2024, large industrial enterprises in the sector generated output worth 158.563 billion yuan, while export delivery value rose 17.02% year-on-year. Revenue from Cixi's smart appliance cluster alone reached 108.38 billion yuan in 2025.

Despite the scale, profitability across the industry has come under strain. The owner of a mid-sized appliance company in Cixi said shipments rose 15% last year, but profits still declined. "Raw material prices rose, freight costs rose, exchange rates fluctuated, but buyers would not accept higher



Home appliances made in Ningbo. [Photo provided to Ningbo Times]

prices." They gained share in the market, but at the cost of shrinking margins.

Industry observers noted that Samsung's withdrawal does not necessarily signal weakness. The company's market capitalization remains around \$1 trillion, with semiconductors accounting for the vast majority of its profits. The company has increasingly shifted its strategic focus toward higher-margin technology sectors.

Local manufacturers are responding in different ways. A representative from kitchen appliance maker Fotile said the company is continuing to invest heavily in digital transformation, applying AI technologies across marketing, R&D, and supply chain management. Fotile was recently named one of 2025's exemplary digital transformation cases by the Ministry of Industry and Information Technology, making it the only kitchen appliance company selected.

## From Factory Floor to IP Economy

In September 2024, Pop Mart's chief operating officer visited Cixi, Ningbo, leading a team to several local factories alongside Yu Xuehui, head of the Cixi Home Appliance Pavilion. Over the course of the trip, they toured five to six manufacturers.

According to Xu, Pop Mart's view was blunt: most of Cixi's factory products simply did not match the visual language and design sensibility of collectible designer toys. One factory stood out for its retro-style refrigerators, a product with strong domestic and overseas sales and the technical capacity to produce the type of item Pop Mart was looking for. However, the factory owner was unavailable on the day of the visit. The owner later took the initiative to visit Pop Mart, but by then, the opportunity had already passed.

Months later, just ahead of the May Day holiday this year, a 121-litre mini refrigerator featuring Pop Mart's Labubu went viral. The standard version of the same 121-litre mini refrigerator typically sells for only a few hundred yuan, but the Labubu edition was priced at 5,999 yuan. On secondary markets, resale prices reportedly climbed as high as 9,999 yuan.

The product had come to be seen less as a functional appliance than as an object of enjoyment—something people bought for the pleasure it brought them.

Commenting on the development, Yu said there was no regret, only recognition of a structural gap. "They are not selling refrigerators. They are

selling IP and a reason to share on social media. Cixi companies are good at making refrigerators, but not as strong when it comes to storytelling."

Not everyone in the industry agrees that manufacturing firms should take a back seat in this shift.

Luo Fang, general manager of Ningbo Iceberg Electronic Appliance, a company specializing in refrigerators for cosmetics and automotive mini-fridges, said her factory has long been a pioneer in China's beauty refrigerator segment, exporting products to 42 countries and regions. Last year, she began developing a brand aimed at younger consumers. "This path may not work out," Luo said. "But if I don't try, I'll just stay where I am. We used to believe that making a good product was enough. Now we need to figure out what younger consumers really like."

## Different Paths to Re-invention

Handian Group, which has done past collabs with Pop Mart, brings three decades of manufacturing experience and produces around 7 million refrigerators and washing machines annually. Following that initial contact, the company established a dedicated business unit to explore IP-driven

product development.

"Start small, keep it light, and make it replicable. Test with one or two cases before thinking about scale," said Wang Wanxue, a company representative. The approach reflects a shift in mindset: rather than waiting for external partners, the company is now actively seeking out collaborations itself.

Another Cixi-based company, Drawshine, has taken a different route, moving beyond traditional home appliances to offer a contrasting example of brand innovation. Drawshine incorporates elements of Yue Kiln celadon into its cosmetic products, designing lipstick cases and powder compacts that reflect traditional ceramic aesthetics.

Deputy general manager Pan Mengnan said the team was initially uncertain when the first line was launched, but the response exceeded expectations, selling out within two months. "Many customers said they never expected Chinese intangible cultural heritage could be presented in such a contemporary way," she said.

She added that the appeal lies less in cosmetics themselves and more in cultural identification. "What younger consumers are buying is not just a product, but a sense of cultural belonging," she said. For Pan, the key is how cultural elements are integrated into the product in a meaningful way.

## Ningbo Firm Sees Offshore Helicopter Deck Orders Booked Through 2029

By Zhao Yu

Ningbo Tay Aluminium Co., Ltd., based in Zhenhai's Luotuo Subdistrict, is working at full capacity on a large offshore aluminum alloy helicopter landing deck destined for export, as demand for its specialized marine equipment continues to grow.

At the company's production site, deputy general manager Shou Huan leads workers to assemble a structure more than 22 meters long and wide, about 5 meters high, and weighing over 50 tons. The aluminum alloy structure has an average thickness of just 3-4 millimeters but is engineered to support loads of up to 26 tons without deformation.

According to project manager Xu Jianchao, once completed, the unit will be dismantled into hundreds of parts, packed into ten 12-meter containers, and shipped via Ningbo Zhoushan Port to Singapore for installation on a custom-built offshore engineering vessel for a Dutch client.

Helicopter landing decks are key safety and logistics components on offshore engineering vessels, enabling personnel transfer, emergency evacuation and equipment delivery in open sea operations.

Tay Aluminium is currently the only company in Ningbo specializing in the R&D, manufacturing and after-sales services for offshore aluminum alloy helicopter decks. The company said it has developed lightweight, long-life designs tailored for harsh marine conditions and holds more than 20 core patents.

It has also obtained system certifications and welding approvals from international classification bodies including Norway's DNV and Germany's TÜV Rheinland, supporting its overseas market expansion.

Shipyards in Singapore and major Chinese industrial hubs including Wuhan and Guangzhou have placed orders for offshore vessels and landing systems, according to the company.

"To meet current orders, we will produce at least eight offshore helicopter decks this year," said general manager Shi Tiefeng. "We already have confirmed orders extending from 2027 through 2029."

The company has also partnered with Ningbo University to develop a detachable, movable helicopter landing deck designed for emergency rescue applications involving large helicopters. The square prototype, measuring 20 by 20 meters, has completed its preliminary design phase.

Shi said Tay Aluminium will continue to build on its expertise in offshore aluminium structures while expanding into more diversified marine engineering products.

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# Brain-Controlled Technology Gains Ground in Ningbo

By Jin Lu

Zhejiang Lingyuan Neurotech, Ningbo's first brain-computer interface (BCI) company, has launched a new research and pilot production center in Qianwan New Area, marking a step forward for the city's emerging future-tech sector.

Incubated by the College of Hangzhou Bay Automotive Engineering of the Ningbo University of Technology, the company develops technologies that enable machines to respond to human brain signals. Its re-

search covers areas including neurological rehabilitation, intelligent assistive devices, human-machine interaction, and health monitoring.

At the new facility, engineers are using in-house machining and 3D-printing systems to test precision instruments and speed up product development. According to the company, prototypes that previously took weeks to outsource can now be produced in around an hour.

Among the company's most eye-catching products are brain signal-controlled consumer devices, including toy

cars and popcorn machines. The company, however, says its main focus remains medical applications.

It has developed a lightweight hand rehabilitation device for patients recovering from neurological injuries, as well as a brain-controlled wheelchair designed for people with severe paralysis.

Users wear a portable electroencephalography (EEG) device and focus on flashing symbols displayed on a screen, which allows them to control wheelchair movement and robotic arms with command accuracy of around 90%, ac-



A bionic robotic hand. [Photo provided to Ningbo Times]

ording to the company.

Lingyuan is also exploring the use of brainwave analysis in autism screening and personalized education. The company

said it has already received orders from countries including India and Australia, with production booked through the second half of the year.

