



tend to be higher if you take factors like raw materials, transport and exchange rate into consideration. We hope to introduce advanced experience and technology from overseas, so that our people will understand. Whether the customers will buy our products is secondary. The key thing is we want to promote advanced concepts of mats. Anyone who is interested in mats can call us or visit our company. We will definitely share our experience with him.

Q: As an agent, how does Princeton control its stocks in a scientific way?

A: In this line, the customers usually don't have much patience. They will demand the goods to be delivered in 3 or 5 days when they want it. As the general agent, we must have enough stock to meet such demands. We have enough stock in Singapore, Malaysia and China. The stock we have in just Shanghai alone is worth at least 2 million and we can supply the market with that for 3 months. In future, with the expansion of the market and the increasing awareness of the customers, I think we will need to set aside 10 million worth of

stock in order to meet the demands of the market. Other than these, we keep some stock with our distributors everywhere. Of course these stock refer to the general mat products. For special products for industrial use, we still need to specially transfer the products from the USA. A factory will need at least 1 million worth of anti-conductive mats because of the huge area.

Q: As a company with many agencies operating in many South East Asian countries, how are mutual support and common development achieved among the Princeton agencies?

A: China is a very big market. As long as we keep up our education in this market, the demand will increase. The businesses in some of the South East Asian countries are independent yet mutually supporting each other. We can transfer our goods from one agency to another, in order to ensure that our customers can receive the goods as soon as possible. We can also transfer our employees from one agency to another. They can provide the experience for the locals when we open up new markets. The jurisdiction of the different local companies is different. For example, the Princeton in Shanghai will only take care of the business in China. Now we feel that the Princeton



in Singapore is like a teacher whereas the Princeton in Shanghai is like a student who is continuously learning new things and improving.

We hope to promote the knowledge of mats in China and part of the South East Asian countries. Singapore and Malaysia are relatively more matured in this area. Indonesia and the Philippines are just starting while this hasn't caught the attention of Vietnam and some other countries. However the Western countries have started to pay attention 40 years ago. When we were doing market research in Vietnam, we saw that some American companies knew very well the importance of mats but they were unable to find local distributors. Therefore some hotels would come together or one hotel will place a direct order with the USA for a container of goods to be used slowly. Of course, this is not something that every owner wishes to do but because the management is aware

of the importance of mats, they requested to use high quality products.

Q: I know that Princeton is now looking for distributors. What is your expectation of the distributor?

A: We are looking for distributors but we will not just settle for any distributor. What we need is someone who can uphold the reputation of our company and shared the same sentiment. We plan to look for a general agent in every province and SAR.

There are many cases of imitations in China. Some distributors may realize that a particular product is very popular and they will get the local manufacturers to imitate. The shape and the colors will look exactly the same but the materials used are different. The problem lies in that they will put our brand on such a product. When the unknowing customers buy such a product, they will complain about the bad quality. We have very strict control over this area. We guarantee that the products from Princeton are genuine and of high quality. There will not be any low quality imitations. Should we discover such behavior in a distributor, we will cancel his rights as our distributor. Therefore we hope to get some good distributors.

First we must change the perceptions of some of the local distributors around. Yes, you can sell cheap mats but you must not put our brand on these inferior mats. In addition, companies selling carpets can become our distributor because they have certain level of knowledge in floor maintenance.

Q: What is the long term plan of Princeton in China?

A: Shanghai is China's financial center and it's also an international metropolis. That's why we have set up the HQ of our China agency here. For now we would like to pass the advanced knowledge of mats to our customers in China through the Olympics Games and the World Expo. We hope the general public will have this knowledge in 2 years' time. This not only requires hard work on our part, it also requires the cooperation from our distributors. In the future, we hope to expand our business from the first-tier cities to other regions, hence gradually forming our distribution network.

