



AUSTIN HUGHES ELECTRONICS LTD

Creative Rack Solutions Prove Boon to Market

In 2000, AUSTIN HUGHES ELECTRONICS LTD invested in developing its own production plant in Dongguan China. It was then that it evolved from an agent into a manufacturer with products design and development capacity says its C.E.O. MATTHEW CHOW.

Austin Hughes started as an agent and distributed European brand 19" IT rack solutions to the Hong Kong market. "We attached importance to the customer services and built up a good reputation among the reseller partners & end-users. It helped Austin Hughes to develop a good customer base in early years," says Matthew Chow, CEO of Austin Hughes Electronics Ltd.

From the mid-1990's, the Internet grew rapidly worldwide. Companies needed fast Internet connectivity and non-stop operation to deploy systems. Many data centers were built in order to provide commercial clients with a range of solutions for systems deployment and operation. As one of the world's leading international financial centers, Hong Kong's data center market grew rapidly as well. High quality but cost efficient IT products were in great demand. "Based on our experience, we started to design our own brand of rack solutions for data centers as well as other customer sectors. In 2000, we invested in developing our own production plant in Dongguan China. It was then that Austin Hughes evolved from an agent into a manufacturer with products design and development capacity."

He adds: "Meanwhile, Austin Hughes expanded the business from Hong Kong into global markets. From 2002-2006, we set up branches in UK and US respectively. We had ideal and mission to extend the Hong Kong IT products to Americas, EMEA and other APAC."

Total Solution

China is the world's fastest-growing major economy and has become a focal point of Asia. According to market research, the market for data centers has grown rapidly in Beijing, Shanghai and



Matthew Chow, CEO of Austin Hughes Electronics Ltd.

Shenzhen. "We are considering putting more sales and marketing effort into these cities. Apart from the opportunity in China market, we do believe China 'Belt & Road Initiative' will enhance economic co-operation among countries along the proposed routes. This significant development strategy will help explore our business in some APAC and EMEA regions. We have been working closely with our distribution partners in mainland China as well as some overseas regions and preparing for the coming opportunity. In order to fulfill the increasing sales, we need to enhance the production capacity of the plant. Hence, we keep on strengthening and expanding the plant production facilities for the coming challenges."

Competitive Advantage

"Infrastructure solution covers many different types of products – Racks, Power, Cooling, Sensors, Access Control, LCD KVM, etc. Most competitors may just focus on one or two product categories. Differently Austin Hughes is capable of offering all these products designed, manufactured and distributed on our own.

Compared with our competitors, Austin Hughes always has the edge by its wide and diversified product categories. Moreover, we can integrate these products in order to provide a total solution to the customer.

Besides, we have our own philosophy

of product design. 'High Quality' and 'Cost Efficient' are just our two fundamental requirements. For a successful product, we do believe it needs to be 'Flexible'. Another important benefit to the customer is that we offer a high flexibility on products specification and configurations."

Hong Kong is a free trade center and competitors come from all over the world. Competitors from Americas and Europe stress the quality but high price. The ones from Mainland China emphasize low price but poor quality.

Market Growth

"The 'Made in Hong Kong' label makes us proud. Hong Kong brand products are popular in global market. We have an ideal to develop Austin Hughes as a global brand of IT product and solution. Therefore, I will continue developing the branding of Austin Hughes. Apart from data center market, we will expand the business of OEM/ODM. Such business will totally benefit the sales revenue and hence support the overall development of Austin Hughes. Besides, we foresee that the data center market will develop rapidly in APAC regions. There is no doubt that the 'Belt & Road Initiative' will stimulate the business development of some APAC regions like South East Asia, South Asia, etc. We intend to expand and probably setup one more branch in Singapore."

"Design, Manufacturing & Global Services - is our slogan. It truly reflects our attitude and approach. Our people believe if the company wants to have further success, we need to design and manufacture the product to meet the customers' requirements and serve them globally," Chow concludes. ■

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