Rising demand for face masks transforms Shandong village

Every cloud has a silver lining — even clouds of smog, as factory owners in an eastern Chinese village have discovered.

Dadian, just north of Jiaozhou, Shandong province, is home to 300 factories churning out those thin, ubiquitous face masks that can be seen on anyone from nurses to shop assistants to subway commuters.

Concern over air pollution has helped fuel a multibillion-yuan industry for manufacturers and suppliers of raw materials, with orders for face masks skyrocketing when the National Meteorological Center issues red or orange alerts for smog.

"We can make 20,000 face masks a day, but our orders are often double our capacity," said Gao Jian, a factory boss in Dadian.

The demand has seen this once remote, impoverished village become a busy manufacturing base in just over a decade. Its factories produce over 1 billion masks a year, generating annual revenue of 1.1 billion yuan (\$160 million).

The village supplies 80 percent of China's standard face masks and also ships its products to the United States and Japan.

"We have a complete industry chain from raw materials to textile processing to distribution," said Jiang Xiubin, head of the Dadian Face Mask Manufacturers Association.

Business was tough in the 1990s, he said, with traders having to travel 36 hours by train to promote their masks in Lanzhou, Gansu province. However, in 2000, Beijing was hit by a sandstorm, leading to surge in demand for the village's products.

Sales soared again in 2003 when the nation was hit by SARS. Dadian had just 23 workshops at the time, and laborers had to work around the clock to meet orders. That year, the local industry made 20 million yuan.

Since then, business has continued to flourish, with the peak season being August, when some parts of the country are regularly affected by sandstorms and smog.

However, the village's face masks have come under scrutiny after false claims by advertisers that they can protect against air pollution.

Dadian's factories have never claimed their masks are effective against hazardous PM2.5 particles, and even state as much on their packaging, Jiang said. Yet he added that it was hard to prevent retailers from spreading misinformation to boost sales.

Although Jiang was unwilling to link the village's rapid development with environmental issues, he conceded that the face mask industry has "benefited a lot" from pollution.

"Before I opened my factory, my family's annual income was about 40,000 yuan. In 2013, I made 90,000 yuan from making 300,000 masks," he said. "But if it came down to it, I'd prefer to live in a better natural environment than make more money in smog."