

BUSINESS TIANJIN

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津衛商務
2013
DEC

18

Focusing on a Personal Approach and Balanced Partnerships

**Paul James, Global Brand Leader
for Starwood's Luxury Hotels**

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ISSN 2076-3735



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▲ Focusing on a Personal Approach and Balanced Partnerships

Global Brand Leader for Starwood's Luxury Collection Paul James travels the world to oversee and maintain a high level of consistency across the company's luxury hotels. For the first time since its pre-opening phase, Tianjin's St. Regis – the imposing cube-shaped building 'with the hole in the middle' by the Hai River. Business Tianjin sat down with him for a conversation about the brand's customer approach, the company's future plans, and his personal vision for the future of the company. [See P18](#)



◀ Hiring MBA Graduates Parkinson

"Ticket to executive positions with a 6-digit salary" has long been the tag to the MBA degree. It is the believed "magic" of the degree that inspires a soaring expectation from MBA candidates. According to Poets and Quants' collection, Chinese MBA graduates expect a whopping 245% pay rise. [See P36](#)



◀ Formal Launch of China (Shanghai) Pilot Free Trade Zone

Following the State Council's passage of Overall Plan for China (Shanghai) Pilot Free Trade Zone (the "Overall Plan") on 3 July, 2013 and the subsequent approval of the establishment of China (Shanghai) Pilot Free Trade Zone (the "PFTZ") on 22 August, 2013, the PFTZ was formally launched on 29 September, 2013. The Overall Plan and supporting rules are now available to the general public and we hereby summarise them as guidance to the PFTZ. [See P42](#)

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指挥 Conductor
祖宾·梅塔 Zubin Mehta

指挥大师祖宾·梅塔是世界上最著名的指挥家之一，尤其擅长演绎浪漫主义时期的音乐作品，他对歌剧的选择更鲜有人能及。祖宾梅塔超过四十年的指挥曾任世界著名的纽约爱乐乐团、巴伐利亚国家歌剧院指挥长达多年，并使得无数听众，他与西班牙瓦伦西亚皇后歌剧院有着深厚的关系，曾合作过《阿拉曼达的诞生》、《莫西莫》、《托斯卡》等歌剧。2004年，为纪念瓦伦西亚一百五十周年，梅塔和乐团携手演出了非常壮观的西班牙歌剧《图兰朵》。

2013/12/27-28 天津大剧院音乐厅

世界顶级指挥大师梅塔首次莅临，四次执棒维也纳新年音乐会，最受中国听众欢迎的音乐家之一

祖宾·梅塔与西班牙瓦伦西亚皇后歌剧院交响乐团音乐会

Zubin Mehta and Orquesta de la Comunitat Valenciana

2013年12月28日

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DEC 2013



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Dear Readers,

It's hard to believe that the year is coming to a close. It seems like just yesterday when we were saying zài jiàn to 2012. On behalf of all the team at Business Tianjin, I wish you and your families a very merry Christmas and a fun-filled new year!

Whilst Tianjin has seen another great year for overall growth and increased prosperity for its people, the last 12 months have certainly been turbulent for the business sector. We've seen economic downturns, credit squeezes and a wave of financial sector reforms. The good news for us all is that the Chinese economy now looks set to finish the year on a high note, with growth in key sectors seeming to be back on track. Let's hope that the global economy as a whole continues to gain momentum through 2014.

We have dedicated our final Cover Story of the year to a very accomplished and invigorating business leader. Paul James is the Global Brand Leader for Starwood Hotel & Resorts' St. Regis Hotels, which features in the prestigious Luxury Collection ensemble. Mr. James shares his experiences as a globe-trotting branding expert within one of the world's leading luxury hospitality brands. He gives us an insight into how the St. Regis has obtained and maintains its reputation for unparalleled customer service.

Also on the theme of luxury, China's insatiable demand for high-end consumer goods has been a big talking point for some time. Some market analysts expect that by 2015 this country will be the largest luxury consumer base in the world. This month's Feature Story highlights some of the staggering predictions for the future of China's demand for luxury products and services.

I am also very pleased to be sharing our Dialogue with Mr. Yukihiro Shiozaki, General Manager of Tianjin Shenchu Software Co. Ltd. His organisation is interesting from a business perspective, but it also serves as a great example of how China and Japan can work together to create a world-class commercial enterprise. Shenchu Software's corporate culture and the values that underpin this dynamic company provide a fantastic framework for other Sino-Japanese joint ventures going forward.

This edition of Business Tianjin is also packed with a range of insightful and intriguing articles from our regular monthly columnists. Read our Investment column to see how compound dividends could turn your modest lump sum of cash into a juicy retirement nest egg, and check out our Tech section to find out more about the ongoing cyber warfare that continues to hit news headlines. And as always, we bring you our expert insights on what is happening in the HR, Management, Legal, IPR and Real Estate sectors.

For more information about our magazine, please visit our website:
www.businessstianjin.com.

Yours sincerely
Josh Cooper

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managingeditor@businessstianjin.com

R
RENAISSANCE
TIANJIN LAKEVIEW HOTEL
万丽天津宾馆

Come and join us to celebrate the enchanting season and discover something wonderfully new! @ Renaissance Tianjin Lakeview Hotel!

New Year
On the 1st of December, 2013
•BLD Dinner Buffet, RMB 438/person

From the 1st of January to the 14th of February, 2014
•New Dynasty New Year Selected Menu RMB 428/person, minimum 2 persons

On the 31st of December, 2013 and the 1st of January, 2014
•Fire House New Year Set Menu RMB 688/person, inclusive of one glass of champagne

Spring Festival
On the 30th of January and the 1st of February, 2014
•BLD Lunch Buffet, RMB 258/person
•BLD Dinner Buffet, RMB 368/person

From the 30th of January to the 14th of February, 2014
•New Dynasty Set Menu* RMB 3,388/table
•New Dynasty Selected Set Menu* RMB 3,688/table
•New Dynasty Deluxe Set Menu* RMB 3,988/table
•New Dynasty Premium Set Menu* RMB 4,388/table
*10 persons for each table.

From the 22nd of January to the 1st of February, 2014
•New Dynasty Poonchall, RMB 1,688/each
•New Dynasty Turnip Cake and Rice Cake package

Christmas Eve and Christmas Day
On the 24th and the 25th of December, 2013
•BLD Christmas Eve Dinner Buffet, RMB 538/person
•BLD Christmas Day Dinner Buffet, RMB 438/person
•New Dynasty Christmas Set Menu RMB 288/person
•Fire House Christmas Set Menu RMB 458/person

Christmas Specials
From the 28th of November to the 28th of December, 2013
•BLD Takeaway Turkey Package, RMB 1,388/set

Festival Specials
From the 24th of December, 2013 to 14th of February, 2014
•Lobby Lounge Festival Cocktail Selection, RMB 40-60/glass

*All rates inclusive of 15% service charge.

For more information or reservations please contact 022 5822 3388

TIANJIN NEWS

2013 TICC Pink Ribbon Charity Gala Ball @ The Astor Hotel, A Luxury Collection Hotel, Tianjin
Business Tianjin, 4 November



The biggest charity event of Expat community in Tianjin, 2013 TICC Pink Ribbon Charity Ball was held in The Astor Hotel, Tianjin on 19th October, 2013. This charity event contributes a local breast cancer fund and offer free examination for the women in poor conditions. Tianjin International Community Center (TICC) was established in 1998 as an association and meeting place for foreign passport holders and their families in Tianjin. As a non-profit organization, TICC arranges monthly coffee mornings, luncheons and social/fundraising events, which help to support various local charities.

Wonderful Customer Appreciation Party @ Hotel Nikko Tianjin
Business Tianjin, 6 November



Aimed at thanking all the friends who keep supporting and caring for the hotel, Hotel Nikko Tianjin held a “bloom six years”-themed customer appreciation party in the 6th floor Diamond Ballroom on 1 November. For the event, Hotel Nikko Tianjin invited more than 130 customers and friends from many companies, chambers of commerce, and mediums. During the event, the hotel’s General Manager Mr. Olivier Rochefort introduced this year’s operations and thanked the supporting attendees from all walks of life. Meanwhile, Hotel Nikko Tianjin’s senior leaders’ collective debut brought their best wishes via video to every guest. On the day, the hotel prepared classic Chinese cuisine, organised folk dancing and a wonderful lucky draw, making for a warm atmosphere.

The Astor Hotel, A Luxury Collection Hotel, Tianjin won four top media awards within one month

Business Tianjin, 11 November



With 150 legendary history and glory, The Astor Hotel, A Luxury Collection Hotel, Tianjin was awarded 4 top media awards and highly recommended by mass media recently. There are The Best Design Hotel of 2013 China Travel Awards by Travel+, 2013 China’s Top 100 Hotels Award by Travel + Leisure, The Best Boutique Hotel Award of 2013-2014 City Traveler Best Hotel Awards and The Best Boutique/Design Hotel of National Geographic Traveler. The great news inspired every staff in the hotel, and made an unbelievable record of this hotel – 17 top media awards from January 2013 until now.

Tangla Hotel Tianjin won “2013 Best of the Best – the Most Oriental Style Business Hotel” of Robb Report

Business Tianjin, 13 November



Tangla Hotel Tianjin was recently awarded as the “Most Oriental Style Business Hotel” during the annual awarding ceremony “Best of the Best” of Robb Report magazine. This award reflects the unique qualities of Tangla spirit, translated into state-of-the-art facilities, unmatched luxury, and warm and impeccable service. Robb Report “Best of the Best” is the quintessential guide to the finest new hotels, restaurants, automobiles, and much more. Tangla Hotel Tianjin is proud and honored of having been selected and recognized among exclusive high brands. Carrying this honor, Tangla Hotel Tianjin will keep striving to combine the finest wishes from nature and the art of modern hospitality, to create an environment to rejuvenate and relax your heart and soul in “harmony, elegance, excellence and tranquility.”

Fortune Heights Snow Polo World Cup Coming to Tianjin

Business Tianjin, 18 November



The Fortune Heights Snow Polo World Cup, the world’s largest event of its kind, will take place for the third straight year at the Tianjin Goldin Metropolitan Polo Club from 8-19 January. Top seed Hong Kong and England will face each other in what is arguably the marquee contest of the group stage. Hong Kong triumphed over England in the Grand Final of the Fortune Heights Super Nations Cup in October. Snow polo originated in the glamorous ski resorts of Switzerland, but is rapidly acquiring a new home in China at the Tianjin Goldin Metropolitan Polo Club, which has garnered global acclaim by hosting some of the most exciting tournaments on the international calendar.

Banyan Tree Tianjin Riverside Won 2013 China Travel Awards - ‘The Best New Hotel Award’

Business Tianjin, 21 November



Banyan Tree Tianjin Riverside has been named ‘The Best New Hotel’ at the 2013 China Travel Awards by <私家地理Travel+> Magazine. The 2013 China Travel Awards is a ceremony to recognise the best new luxury hotels which align with local culture and customs in China. Situated in the emerging metropolis of Tianjin City in Hebei district, Banyan Tree Tianjin Riverside is a stylish contemporary urban resort with unparalleled views of the picturesque Hai River. Banyan Tree Tianjin Riverside is the first hotel of the group to present the renowned Banyan Tree Spa in Northern China. The hotel’s five food and beverage outlets offer a wide range of exhilarating dining experiences.

FINANCE

Iron Ore Price in China Likely to Extend Drop

Xinhua, 13 November

China’s iron ore price will continue to drop in the fourth quarter of this year amid a fall in demand. Demand has usually shrunk in the fourth quarter every year, especially in north China, and the corresponding slack season for steel production may bring a short-term recession in demand for iron ore. Stockpiles of iron ore at 25 major ports in China continued to grow, marking the fourth consecutive week of growth. Inventories of imported iron ore stood at 77.82 million tonnes at the end of the October 29 to November 4 period, up 1.29 million tonnes, or 1.68 percent, from the previous week, according to industrial statistics. The country’s domestic demand for iron ore increased in the first three quarters, and the production and import volume both soared during the January-September period this year. The operation of new foreign mines may cause added supply pressure. Steel plants facing profit and financial stress tend to be much more cautious about replenishment and will generally keep a low inventory level.

China Home Prices in Major Cities Continue to Rise

Xinhua, 18 November



Though Home prices in China’s major cities continue to climb--according to data from the National Bureau of Statistics. 65 out of 70 posted a month-on-month rise in new home prices in October. But the pace of rises last month-- 0.6% eased from the 0.7% in September. Big cities like Beijing, Shanghai, Guangzhou and Shenzhen recorded price jumps--17.8 percent for Shanghai, and 16.4 percent in Beijing, over 20% for Guangzhou and Shenzhen. Wenzhou was the only city with a price drop -- 1.5 percent. As part of China’s reform plans, legislation for property tax will be rolled out and there will be changes to make it easier for farmers to sell their land, which should ease the demand supply issues in the market.

Bank Credit System Covers Payment Default Records

China Daily, 21 November



The Supreme People’s Court (SPC) signed a memo with the People’s Bank of China (PBOC) officially exposing defaulters within the bank credit system. According to an SPC statement, the PBOC credit reference center will include default records in credit reports on groups and individuals shared with financial institutions, influencing loan decisions. Government departments, industrial associations and civil service units will have access to these reports as references for defaulters’ financial and employment requests, restricting defaulters’ activity in government procurements, tenders, administrative approvals and loans, until they comply with court orders.

鼎泰豐

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 To February 14, 2014 (the First National Congress) sold out Handmade, limited edition, new years dessert, over 2 units please book.

LAW & POLICY

Market Will Play 'Decisive' Role
Global Times, 13 November

The Communist Party of China (CPC) pledged to let markets play a "decisive" role in resource allocation as it seeks to deepen reform to steer the economy to a more sustainable growth model, according to a reform blueprint for the next decade released. Third Plenary Session of the 18th CPC Central Committee, reaffirmed the dominant role of "public ownership," saying it will enhance the vitality, control and influence of the State-owned economy as it looks to advance diverse forms of ownership. The plenum also set up a central leading team to comprehensively push reform. The team will be responsible for designing reform, arranging, coordinating and pushing forward reform as a whole, while supervising the implementation of reform plans. Party committees at all levels are urged to fulfill their duties in leading reform, according to the document. The document also said China will aim to achieve decisive results in key areas of reform by 2020.

LOGISTICS

Korean Air to expand code-share with Etihad Airways
www.skynews.co.kr, 3 November



Korean Air has announced an expansion of its code-share agreement with Etihad Airways, to include the Middle East and Africa. Since mid-September, Korean Air has put its airline "KE" code on the Abu Dhabi-Johannesburg and Abu Dhabi-Muscat routes operated by Etihad Airways. In addition, the code share will be extended to include Abu Dhabi-Khartoum (subject to approval from the Sudanese government). The code-share flights between Abu Dhabi-Muscat operate twice a week and the flights between Abu Dhabi and Johannesburg operate three times a week. Abu Dhabi-Khartoum flights will operate five times a week.

Chinese Aircraft Company Opens First Subsidiary Overseas

China Daily, 20 November

The Commercial Aircraft Corporation of China opened its first wholly-owned overseas subsidiary in the city of Newport Beach, South California in the United States. The COMAC America Corporation aims to further COMAC's relationship with local civil aviation authorities, aerospace companies and academic institutions, mainly in areas such as airworthiness certification, civil aircraft development and educational training, said Jin Zhuanglong, chairman of the COMAC. As the manufacturer of the C919, China's first homegrown large passenger aircraft, COMAC currently has two major products: C919 and the new regional jet ARJ21. By now, the accumulative orders of C919 have reached 400. The program has entered detailed design phase of engineering development stage. The aircraft is planned to sets its first flight in 2015. ARJ21, short for Advanced Regional Jet for the 21st Century, is a 78-seat to 90-seat, first and specially designed Chinese jet to satisfy regional aviation market.

TELECOM

Chinese Firms Target Greater Share of Smartphone Market

China Daily, 1 December



Chinese domestic mobile producers are cashing in on the smartphone craze as they eye a bigger slice of the market. At the on-going biannual Canton Fair, held from October 15th to November 4th, in the country's economic hub of Guangdong Province, producers are showcasing their self-developed gadgets. China exported more than one billion mobile phones last year, accounting for 80 percent of the world's total. However, producers received only a very small share of the overall profit, according to Liu Chun, secretary general of the China Chamber of Commerce of Machinery and Electronic Products.

Tianhe-2 Retains Title as World's Fastest Super Computer

Xinhua, 8 November

China's Tianhe-2, a supercomputer capable of operating as fast as 33.86 Pflop/s, remains the world's most powerful system. Tianhe-2, developed by China's National University of Defense Technology, put China back at the top of the list. It is almost twice as fast as the next computer on the list, Titan of the U.S. Department of Energy (DOE), which has a performance of 17.59 Pflop/s. Except for its computing chips, Tianhe-2 uses technologies that have almost all been developed and built in China, including the interconnect system, operating system, front-end processors and software. As a nation, China holds the No. 2 position with 63 entries, behind the United States but ahead of Japan, Britain, France and Germany, the list showed.



Nokia Has 'Phab' Plan for Chinese Mobile Market

China Daily, 15 November

Finland-based mobile communications giant Nokia Corp is pinning its hopes for the Chinese market on a phablet, the big-screen Lumia 1520. The phablet, which functions as a hybrid between a smartphone and a tablet, is the first such product from the company that was once the world's leading mobile phone vendor. In China, Nokia was the seventh-biggest mobile phone vendor in the second quarter, but it wasn't even among the top 10 smartphone makers in the country during the period. The smartphone sector will be Nokia's biggest bet in China. Bertman said the company has continuously strengthened partnerships with Chinese telecom operators and will focus on developing more fourth-generation smartphones next year. Nokia joined forces with Microsoft in 2011 to produce smartphones based on the Windows Phone mobile operating system, but analysts said that the alliance has yet to bear fruit. It is believed that Nokia's mobile assets, including products, facilities and staff, will come under Microsoft's brand in the near future.



Tangla Hotel Tianjin
SôU Luxury Weekly - Theme Buffet

Enjoy our Luxury Weekly -Theme buffet at our 49th Floor venue SôU, the highest restaurant in Tianjin where you can enjoy the beautifully arranged global gourmets in a week with a daily changing menu, plus the bonus of 25% off on our buffet price (the first 20 covers can enjoy the discount on Friday, Saturday and holidays).

- Monday Indian Cuisine
- Tuesday French & Italian Feast
- Wednesday Sichuan Pepper & Spicy Dishes
- Thursday Curry & Lime Selection
- Friday American Style
- Saturday Singapore & Malaysia Flavor
- Sunday German, Austrian & Swiss Food



Operation Hours: 5:30pm - 9:30pm
Valid: Nov 2013 - Jan 2014



TANGLA HOTEL TIANJIN
No. 219 Nanjing Road, Heping District, Tianjin 300051, China
Tel: (86-22) 2321 9888 Fax: (86-22) 2321 5696

CHRISTMAS CARNIVAL
知味 seasonal tastes

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Adult Ticket: RMB1288net
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GENERAL

BASF Unveils Asia-Pacific Investment plan

Xinhua, 4 November



The world's largest chemicals company by sales - will invest 10 billion EUR (13.5 billion USD) with partners in the Asia Pacific region by 2020 to boost growth, with half of it to be invested in the Chinese market. Albert Heuser, president and chairman of BASF China, estimated that half of the investment will be used to strengthen the capabilities of existing plants, expand research and development facilities, and launch new projects. About 25 percent of the company's global R&D will be conducted in Asia Pacific by 2020, aiming to develop innovative solutions to address the region's challenges of resource efficiency, food and nutrition, and quality of life, said Martin Brudermuller, vice-chairman of the BASF board of executive directors for Asia Pacific.

Lenovo's Rise Amid Giants Defies Critics

Global Times, 13 November



Lenovo Group Ltd has defied the skeptics to prove that an Asian company, in this case a Chinese personal computer maker, can emerge as a multinational. Lenovo now has the largest global market share of PCs and is in fourth place in the United States. It is also the fourth largest tablet company in the world behind Apple Inc, Samsung Group and AsusTek Computer Inc. Lenovo has grown into a 34 billion USD company with products in 160 countries. Now the company calls a PC-Plus vendor - meaning selling not just personal computers, but other computer products such as tablets and smartphones. For the first time in its history, the company sold more phones and tablets than PCs. In the third quarter of this year, Lenovo earned 3.8 billion USD in China, 1.5 billion USD elsewhere in the Asia-Pacific region, 2.3 billion USD in Europe, the Middle East and Africa, and 2.2 billion USD in the Americas.

Yahoo Increases Share Buyback by 5billion USD

China Daily, 21 November



Yahoo Inc said it has increased its share repurchase authorization by 5 billion USD and that it planned to offer 1 billion USD in convertible notes. Shares of Yahoo increased 1.6 percent to 35.17 USD in afterhours trading. Yahoo has aggressively repurchased its common stock in recent quarters using cash obtained from selling a portion of its stake in Chinese e-commerce giant Alibaba Group. In the first nine months of 2013, Yahoo spent 3.1 billion USD on share buybacks. The buybacks have helped boost Yahoo's shares roughly 74 percent this year. The interest rate and other terms of the senior unsecured notes will be determined at the time of pricing Yahoo said. The company also intends to grant the initial purchasers of the notes the right to buy an additional 150 million USD in notes.

CHINA IN THE WORLD

Chinese, ASEAN Businesses Eye 'Diamond Decade'

China Daily, 6 November



The Canton Fair has given foreign businesses, especially those from the Association of Southeast Asian Nations, a valuable chance to explore market opportunities. After an international pavilion was set up at the fair six years ago, it has also become a trade ground for foreign businesses to sell their products in China. China's trade with emerging markets has witnessed some fluctuations in recent years due to the sluggish recovery of the world economy and the continuous spillover from developed countries' tapering of monetary easing measures. China and Malaysia have recently inked a five-year program for economic and trade cooperation, announcing an aim to expand annual bilateral trade to 160 billion USD by 2017.

Brazil Welcomes China's Oil Investments

Xinhua, 14 November



China is beginning to take a larger stake in Brazil's oil industry, a move that the South American nation welcomes. Nearly three weeks after two Chinese State-owned oil giants, China National Offshore Oil Corp and China National Petroleum Corp were awarded a 35-year production sharing contract to develop Libra, a deepwater oilfield off the Rio coast estimated to hold up to 12 billion barrels of oil. China's oil companies are attempting to expand globally and observers said the two Chinese companies can gain valuable experience in deep-sea oil exploration. They will also be able to use that experience for future cooperation efforts with other international companies. Brazil, a mostly agricultural country, is currently China's largest trading partner in South America, while China is Brazil's largest trading partner and largest export and import market.

EU, China heading in the Right Direction

Xinhua, 18 November

Although strategic partnerships will be the main focus of the China-EU summit that begins on November 21st in Beijing, expectations are rife that the two sides will eventually sign an investment agreement that aims among other things to reduce simmering trade tensions. From a European perspective, the current summit is also a rare opportunity to study and observe the new Chinese leadership, especially after the just-concluded Third Plenary Session of the 18th CPC Central Committee. The two sides are expected to discuss trade and investment, human rights, innovation, urbanization, rule of law, people-to-people exchanges and defense and security at the meeting. Discussions will also center on respective domestic situations and other major global issues such as G20 cooperation. The FTA is expected to help Chinese and European companies to invest in and access each other's markets.

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Numbers

251 Billion

China's lottery sales reached 251.64 billion CNY (41.29 billion USD) in the first 10 months of 2013, up 19.2 percent year-on-year. During this period, welfare lottery sales reached 143.55 billion CNY, an increase of 16.6 percent, and sports lottery sales rose 22.9 percent to 108.08 billion CNY.



90%

A haul of 1,500 expensive pieces of artwork stolen by the Nazis has been recovered in Munich. It is thought that 90% of the valuable artwork seized has been recovered up to now.



69

Self-made farmer billionaire donates 69 villas at hometown donated 30 million CNY (about 5 million USD) to build 69 villas in their hometown. Hundreds of villagers will bid farewell to the poor crude house and move to the modern villa.

7.3 Billion

Silicon India reported that the number of mobile phones on the planet will exceed people by 2014. Apparently there will be more than 7.3 billion mobile devices in the world before the New Year sets in.

854 USD

Research by American Research Group, INC suggests that the average U.S. citizen spent 854 USD on Christmas gifts in 2012. It is thought that parents forked out around 271 USD per child last year.



3rd

China, South Korea and Japan will hold their third round of trilateral talks on a free trade agreement (FTA, Seoul's Trade Ministry said. The negotiations, launched in November 2012, will be held for four days in Tokyo. The first and second rounds were held in Seoul in March and in Shanghai in July next year respectively.



77%

Bangladesh recently hit the global news sphere after the country's wage board argued for a 77% salary increase for the nation's garment workers.



1.12 Million

1.12 million applicants took the annual national civil service exam this year, but only 19,000 will be hired by the central government. The tough employment situation for nearly 7 million college graduates this year has pushed more college students to take the civil service exam.

40,000

Prostate cancer is officially the most common male cancer in the UK. The National Cancer Research Institute claims that there are 40,000 new cases of the disease every year in Britain, with 10,000 more deaths caused as a result.



Celebrating the Best of Tianjin
星光耀津·颁奖晚会

Economy Report

By John Doyle

Getting back on track

Over the last few years, the manufacturing industry and the service sector have experienced slow growth. Economists believed that China's economy was stalling. However, the economy is growing at its fastest pace in a year according to the latest PMI survey carried out by the China Federation of Logistics and Purchasing.

Many of the fears have now abated with the news that the economy is growing at 7.8% this year and it is expected to grow by 7.5% in the coming years. The growth is the slowest it has been in twenty-three years in China, so although there is somewhat of a recovery, it is still a concern for the new government in Beijing.

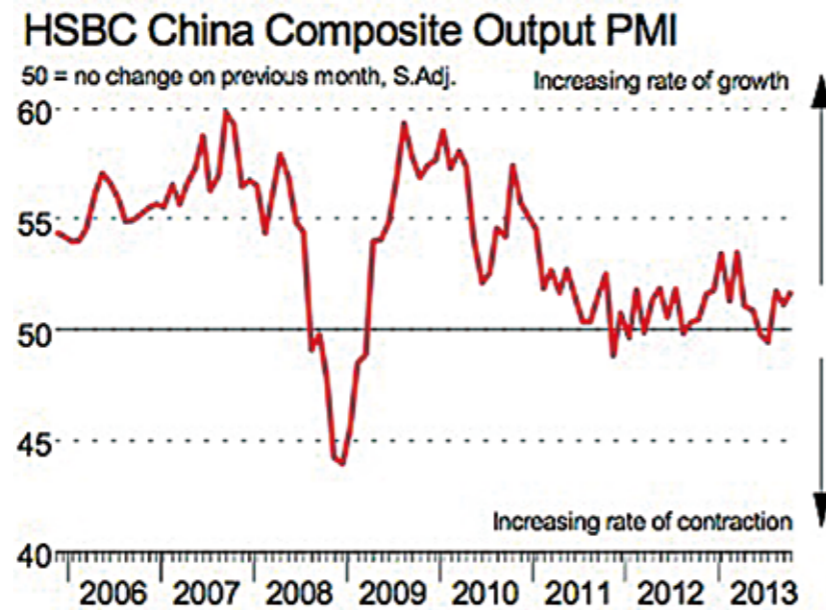
The non-manufacturing Purchasing Managers' Index (PMI) rose to 56.3 in October from 55.4 in September. The report comes just days after data showed that China's manufacturing PMI grew to an 18-month high in October.

China's service sector, which includes construction and aviation, accounts for nearly 43% of its overall economy. The PMI is a key gauge of the sector's health and a reading above 50 indicates overall expansion.

"The non-manufacturing sector should continue to develop at a stable rate over the next few months, though there still needs to be more market training and promotion to further release the service sector's potential," said Cai Jin, Vice-President of the China Federation of Logistics and Purchasing.

Reforming the economy

This news will be seen, as a good sign by the Government, who will meet for the third Communist



party plenum on 9 November to 12 November. The focus, will be on reforming the Chinese economy and financial sector. The government is aiming to create a more open market-based economy. "Several major reforms are coming

through this Plenum and they should have a direct impact on the market as China transitions to a more open economy," said Lin Li, China Strategist at Deutsche Bank. Foreign investors are hoping that the plenum will provide the much needed

reforms that many economists believe are necessary for the Chinese economy to keep growing. The growth will not reach the meteoric levels that were seen back in the nineties and early and mid 2000s. Instead the Chinese economy will, if reforms are implemented, properly grow at an average of 7% annually.

Many of the fears have now abated with the news that the economy is growing at 7.8% this year and it is expected to grow by 7.5% in the coming years.

Xi Jinping and his team have their work cut out for them. As well as trying to reform a state controlled system they must also tackle corruption in the economy and in governance. There are clear signs that the new regime is attempting to do this with the imprisonment of Bo Xilai and other high-ranking officials.

Pollution: The real cause for concern

All that said and done, the major issue of the day is not a potentially flagging economy, corruption or political developments, it is the levels of pollution. The man on the street is seeing the direct affect that pollution is having on people. The health risks cannot be overstated. Last month Chinese authorities closed the city of Harbin because of the high levels of pollution there. Not only is this impacting on people's health, it is also causing the manufacturing industry problems.

More real estate worries

Another issue that officials in Beijing face is the growing problem of the housing sector. In September, home prices in China's four major cities

jumped the most since January 2011, as the government refrains from introducing more property curbs that would hinder economic growth.

New home prices rose by 20% in the southern business hubs of Shenzhen and Guangzhou, 17% in Shanghai and 16% in Beijing from a year earlier as prices rose in 69 of the 70 cities the government tracks. Property stocks fell in Shanghai on speculation that Premier Li Keqiang will be forced to impose stricter policies to rein in prices and limit risks to the economy. Li has held off tightening restrictions on property this year as his government strives to meet a 7.5% annual economic growth target.

"Home prices, especially in big cities, are a bit out of control," said Liu Li-Gang, a Hong Kong-based economist at Australia and New Zealand

Banking Group. "China is facing an increasing risk of a property bubble."

Chinese policymakers may be wary of clamping down on property just as increased construction is boosting the odds of the nation reaching a goal this year of a 7.5% economic expansion. Growth picked up to 7.8% in the third quarter, reversing a two-quarter slowdown.

There is a sense of urgency amongst the new government about these issues. However, only time will tell if the right decisions will be made and the Chinese economic miracle is to continue. **E**

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Focusing on a Personal Approach and Balanced Partnerships

A conversation with Paul James, Global Brand Leader for Starwood's Luxury Hotels

By Sanne Jehoul

Global Brand Leader for Starwood's St. Regis, Luxury Collection, and W Hotels brands, British-born Paul James travels the world to oversee and maintain a high level of consistency across the company's luxury hotels. For the first time since its pre-opening phase, Tianjin's St. Regis – the imposing cube-shaped building 'with the hole in the middle' by the Hai River – welcomes James back to the establishment and the city. Business Tianjin sat down with him for a conversation about the brand's customer approach, the company's future plans, and his personal vision for the future of the company.

Can you briefly introduce St. Regis's history and tell us about your involvement in the company so far?

The first St. Regis hotel was founded in New York, about 110 years ago, but it wasn't until 1999 that we built the next hotels in Rome and Beijing. When I came on board six years ago we had about ten hotels. That number was brought up to 31 in the past few years, so because of the fast expansion I do consider it my baby. Currently I look after all of Starwood's luxury hotels, about 160 in total.

What's it like being the leader of such a prestigious hospitality brand?

It's the best job in the world, because it's all about focusing on what our guests experience. How do they feel when they arrive and when they leave? It touches everything from the way the butlers pack or unpack their bags, to the restaurant services we offer and the weight of the stationary paper in the rooms. I want to ensure a level of consistency across all those aspects in every hotel, since our single most important goal is for guests to have the finest possible experience. I guess the core value is that it all should feel individual and personal. When you want to be social and have a lot going on around you, that should be an option, but when you want to stay on your own and work your way through your tasks, that needs to be a possibility as well. We want to help our customers to navigate through their stay.

In most big cities several other luxury brands have a presence. How do you get the edge over the competitors?

It has mostly to do with finding the perfect balance of the right partnerships, with the right projects,

in the right place. Seemingly obvious, but that's the magic of it. The brand will only work if the partners and the developers want to tell that brand's story and if it's in a part of town where customers want to come. We're not just in the commodity business of "I need a bed and a shower"; we try to build an environment which becomes your base while you are in any particular location. We have about a 60% return guest rate because customers find it easy to live in our hotels. I think particularly in the luxury hotels, most of our guests are entrepreneurs in control of their own destiny. Their business is their life. They're not just on vacation; they're blending their business time with their family and friends time. We want to cater to that, particularly by giving them individual attention so they don't need to worry about anything.

How do you choose the right partners and what's more important in making that decision: their financial strength or experience in the market?

It works in different ways. Sometimes a partner will come up to us and say, "we like your brand, can we build one of your hotels?" At times we know our

partners from other locations and talk to them about doing something new together. The better you understand each other, the better you'll know what's essential and unessential to create a successful hotel.

These are capital-intensive projects, so you need to be a robust business to be able to afford the real estate aspect of it. They're also long-term businesses, so the contracts can be for twenty years and longer. We have a hotel in Kuwait City that we have managed for the owner since 1966. From a business perspective, that length of relationship comes with a value, and even if the project changes and develops over time, that value remains. You need a bit of left and right brainwork and harmony. Hotels are a creative business; everyone has an opinion about it.

You've got a very good base with St. Regis in Tianjin. It's an excellent location and building design. How do you give it a bit of Chinese flavour?

St. Regis is a strong brand and its values do come from New York, where it all started. You can see in our hotels that we're proud of that heritage, but you also need to know where you are. The value in a great hotel is that it's a place where local decision makers want to be as well. The Tianjin building contains elements inspired by the Charles de Gaulle airport in Paris, but also has a design motif revolving around the celestial maps and navigation of Tianjin as a port.

The huge advantage we have as a broad organisation is that Starwood's businesses have been in Asia for a very long time. We built a network of people who either understand China very well or are Chinese themselves. We have highly regionalised teams that allow us to build on our experiences here, plus we apply what we learn from our projects in other parts of the world. That combination allows us to create a level of consistency and innovative experiences for guests, with teams that develop great talent and know how to get things done.

In China, where do you feel you have the strongest presence at the moment?

We've owned the hotel in New York since 1961, but we didn't take it out

of that city until 1999, when we went to Aspen, Colorado, and to Beijing. We realised that China was critical for this brand because we didn't want to be a North-American brand that then goes international. We wanted to think from the get-go as a global organisation and consider where our customers would be coming from in the future. China is clearly part of that, so we've learned how to be St. Regis in this country for about 13 years.

We went through a second leg of expansion in China recently, and now we're in Sanya, Lhasa, Shenzhen, and Tianjin, with a hotel in Chengdu opening early next year. We've got some strong projects in the pipeline, but we're a small luxury brand so we're not going to build 150 hotels in China. It's about finding the right cities and locations to create something different.

Do you plan for any of the other Starwood brands, such as Four Points and Le Méridien, to be developed within Tianjin?

Currently, from a luxury hotel perspective, there is the Astor on one side of the river and the St. Regis on the other. A classic historic monument and a contemporary expression of luxury. The Sheraton has been here for a long time as well; it opened in Tianjin in the late 1980s. It's important that the city has changed, but we have other things to come and we continue to see growth and expansion. There's going to be a demand for more.

What are the future developments on a global scale?

The next big thing keeping me occupied is Istanbul, where we're opening next year. A new country and a new environment, it's a fantastic project to consider what St. Regis should look like there. We'll also open in Kuala Lumpur in November or December next year, and have other projects underway in Cairo and Jordan. Hopefully we'll open at a rate



of about two or three hotels per year.

Are there any specific locations that you would like a presence in?

We need to be in Australia, and we don't have a St. Regis in Paris yet. We're very close to announcing one in the Maldives, which would make a great luxury resort destination.

To conclude, can you sum up your experience in Tianjin so far?

What amazes me every time I come to China is the speed of development. The first time I came here was about five years ago, when we were early on in the discussions and works of the

Astor Hotel. I was driven from Beijing to Tianjin on a helter-skelter two-lane road. Then I came back the year after, and again the year after that, and all of a sudden there was this six-lane highway and this amazing river and everything had turned around. People come here on vacation now; it's a remarkable change.

We're really proud and excited to have been able to do this here. It's so satisfying to sit outside by the river and feel the buzz; it makes it worthwhile to see the efforts come to life! **B**

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Inside Tianjin's Leading Sino-Japanese Software Ventures

Business Tianjin Speaks with Yukihiro Shiozaki,
GM of Tianjin Shenchi Software Co. Ltd.

By Li Ying

Given the history between China and Japan, it is very encouraging to see that Tianjin is home to a number of collaborative projects between the two economic superpowers. Tianjin Shenchi Software Co. Ltd. was founded in 2005, and is a subordinate of the Kobe Wave Corporation. It is a high-tech joint stock Sino-Japanese venture. The staff – all of whom hold doctorates, master and bachelor degrees – can design, develop, test and maintain software.

The company commits itself to a software outsourcing service for large Japanese enterprises and provides solutions for software products' life cycles. It combines Chinese talents and Japanese technology, and draws upon the respective nations' work ethic of constantly improving skills and putting quality first. Shenchi Software has a long-term cooperation with the NEC and is continuing to improve its reputation.

We spoke to the company's general manager, Mr. Yukihiro Shiozaki, to find out more about this collaborative technological enterprise.

Can you tell our readers about Shenchi Software?

Our mission is to provide the software development and design needed to support manufacturing enterprises and to provide a sustainable and

healthy development of products for our clients.

Tianjin has been the home of Shenchi Software's headquarters since the company was established in 2005. The Shanghai branch was founded in 2006. We want to take advantage of China's superior geography to spread the world's latest developments and information to clients. We have our Kobe office in Japan and plenty of Japanese clients in Tianjin. Therefore, our Kobe office can connect with the headquarters in Japan and be a bridge to our clients in China.

As a multinational organisation, what are the core values that underpin the company?

The most important principle of our enterprise's development is requesting Chinese managers to manage the company. They can of course understand Chinese clients' needs better than our Japanese managers can, regarding issues related to culture, language and ways of thinking. The Chinese managers can manage much more effectively than if we came here and rigidly installed a Japanese corporate culture.

We also very firmly believe that a company should encourage the ambition of all staff members regardless of nationality. So if a

Chinese or Japanese employee has been working hard for our company, after several years they should expect to be promoted and to manage more aspects of our business. We should support this kind of positive activity.

What kind of challenges does Shenchi Software face within the Chinese and global market?

China's economic development is happening incredibly quickly. The streets are getting cleaner, private cars are more common, and the fashion is increasingly eye-catching. China is transforming from being the world's factory to being the world's consumer market! We must keep up with the times and provide more Japanese-designed products and services for the Chinese market.

In accordance with the global market, take Southeast Asia for instance, developing the market and establishing branches in countries such as Vietnam, Cambodia, Laos, the Philippines, and Thailand, will be very important in the years to come. However, we can honestly say that we are especially optimistic about the Chinese market going forward, and we see our growth prospects in other Asian countries as being much less robust than in China.



In recent years the Chinese IT sector has been a big talking point amongst technological commentators. What is your outlook for the next few years?

Nowadays, IT products are being used extensively in the mobile phone industry and we pay close attention to the secure protection of private information. Both Chinese men and women are working hard, and they do not have much time to go shopping. Thus online retail is becoming more and more popular in China as a means of saving time.

Therefore, E-businesses will keep developing in the future.

Our company provides E-business technological support services, including the designing of attractive websites. If we look at what has happened in the Japanese IT and technology sector in recent years, you can get a sense of where China could be heading. In the Japanese

countryside there are websites selling fresh vegetables, fruit, and seafood, supplied directly by the farmers and fishermen themselves. Since they produce and sell directly to consumers, it removes redundant procedures and decreases the cost. If people order online in the afternoon, they will get their goods in the evening; if they order at night, they will get them in the morning. The opportunities and future prospects for IT companies in this day and age are tremendous, both in China and elsewhere in the world.

Finally, you are involved with such a successful company. What would you say have been the key factors behind your success as a business leader and the achievements of your multinational team?

I am the leader of a company that is made up of many talented and

diligent people. It is absolutely crucial that we plan, implement and finish a project as a team. Chinese and Japanese staff members do their duties together without considering their different nationalities and cultural differences. They work incredibly well as a team to finish every project to a very high standard. Just as we bring Japanese workers here to Tianjin and Shanghai, our Chinese employees also have many opportunities to go on business trips to Japan. They can work and study in the company's headquarters in Kobe, and can even apply for jobs there if they stay in Japan for at least three years. Supporting all of our staff's positive activity and aspirations is one of the things that make us successful as a company. **E**

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Luxury Consumerism in China

By Sanne Jehoul

In previous decades China has been known for counterfeiting luxury brand products, a way to build or maintain a highly valued impression of status while not needing to spend the fortune it costs for even an average middle-class citizen to buy luxury goods.

In recent years, things have changed. Average incomes in China have increased, the upper middle-class layer of the population has expanded, more Chinese go to university and therefore have a better career outlook, and thanks to continuously developing relations with the Western world, the Chinese have gained more brand awareness when it comes to luxury goods. The percentage of consumers that now want and can afford 'the real thing' has gone up.

McKinsey & Co has in the past predicted that by 2015, China will be the biggest luxury consumerist market in the world, accounting for no less than a quarter of all global luxury goods sales. That comes down to an estimated 27 billion USD. Wealthy consumers, with an income of over 46,000 USD (converted from 250,000 CNY, which in fact has an equivalent purchasing power of 67,000 USD), will continue to make up for the largest part of that amount, but as the upper middle-class is gaining presence, they will become the biggest new growth opportunity. In 2011 they were responsible for about 12 percent of luxury consumerism, while they're accounting for around 20 percent today.

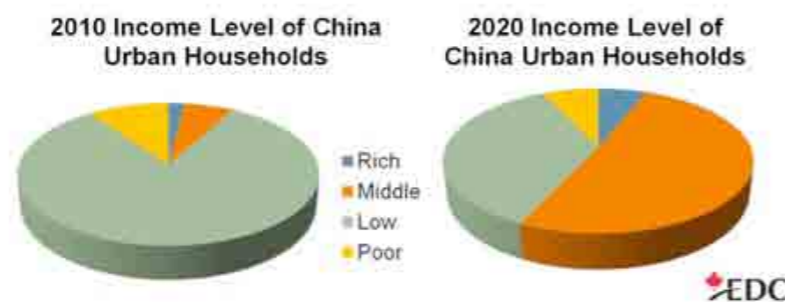
It is obvious that luxury consumerism has rapidly permeated Chinese culture. In a society where people



value their image and status and aim to assert themselves through wealth and material goods, owning luxury brand products or being able to indulge in luxury activities such as travelling and going to spas and resorts is of high importance. It expresses to one's environment, "I'm successful. Respect me." Whereas in the Western world we enjoy images of traditional Chinese culture, wealthy Chinese people often disregard that culture for their desire to indulge in the products of Western capitalism and consumption. To exemplify, Chanel organised a Coco retrospective

in Beijing's National Art Museum, and Cartier put on a show in the Forbidden City. Top designer Karl Lagerfeld was even allowed to host a fashion show atop the Great Wall.

In 2004, China spent a total of 2 billion USD on luxury products. In 2009, that number had risen to 9.4 billion USD – 27.5 percent of global luxury goods consumption. According to a World Luxury Association report published in 2011, Mainland China's luxury market consumption totalled 10.7 billion USD the previous year, and that is excluding luxury cars and private



jets and yachts, which made China the second largest luxury goods consumer in the world, outdone only by Japan.

During those years, roughly from 2007 to 2011, most luxury goods companies saw double digits for their annual growth percentage. 2012 marked the first signs of change, with the country going through political transition, the economy slowing down, and the government announcing a crackdown on the 'gift-giving' between companies, employees, and clients, which often implies bribery and corruption. These *guanxi* related practices have been said to make up for large amounts of the luxury goods consumption in the country, with some analysts even estimating it accounts for a whopping 50 percent.

McKinsey & Co has in the past predicted that by 2015, China will be the biggest luxury consumerist market in the world, accounting for no less than a quarter of all global luxury goods sales.

However, despite the slowdown, in 2012 China was still the biggest luxury market by buyer nationality.

This year has seen a much bigger change. A drag on the global sales of luxury goods has caused the market to increase by a mere 2.5 percent this year, a big step down from the double-digit numbers the previous years. According to Bain & Company, luxury brand sales in China will total just over 20 billion USD this year, still a long way off from McKinsey's predicted 27 billion USD in 2015.

Because these numbers are indicating sales on the Mainland, part of this result also has to do with wealthy citizens now going on short trips

abroad for their shopping because of price differences. In 2008, 2 in 5 people realised luxury good prices in Mainland China were about 20 percent higher than elsewhere, like for example in Hong Kong. By 2010, 66 percent of people caught on, increasing the amount of shoppers heading abroad for their spending sprees.

Economic and political optimism will be needed to prevent a further slowdown, but whether the recent changes in China's luxury consumerism will affect the predictions of it becoming that market's largest player by 2015, will also depend on many other factors. One of them is the on-going shift from large urban consumerist centres to smaller cities that are gradually developing themselves and are becoming new markets for luxury brands. These second-, third-, and fourth-tier cities will become larger and as the percentage of upper middle-class and wealthy citizens increases, there will be more demands for such brands in these urban areas. Qingdao and Wuxi, to name two, expect to see their luxury goods sales double or triple in the next few years, levelling themselves with places like Nanjing and Hangzhou, which are already highly developed

luxury markets.

Companies will need to readjust their strategies to focus on these new, and non-coastal locations, with new, different customers. And on top of the challenge created by geographical changes, e-commerce in China is booming like never before. Over 50 percent of consumers check products and compare prices online, which not only gives them the best deals domestically, but also creates awareness of cheaper prices in other countries.

In order to counter the popularity of online shopping, luxury stores need to provide the most excellent service possible. On top of that, a third of Chinese luxury consumers, although drawn to the established fame and heritage of many Western brands, have indicated that they would prefer products to be more linked to Chinese culture and imagery, which demands non-Chinese brands to tailor their products to this important market. **B**

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The Money Making Miracle of Compound Dividend Investing

By Josh Cooper

The great Albert Einstein is often quoted as saying that “compound interest is the eighth wonder of the world. He who understands it, earns it... he who doesn't, pays it”. Even those of us who found high school maths classes comparable to watching paint dry will remember the sudden burst of excitement which came about during the module on compound interest. It never fails to amaze us that you can literally take a lump sum of cash, deposit it into a bank account, bond or dividend yielding stock, and then just keep it there and let it snowball into an absolute fortune.

Compound dividend investing is based on the same wealth accumulation principle as earning compound interest on your savings, but with the right blend of intelligent stock picking, patience, and luck, it is a much quicker way to bring in the big bucks. This month we'll take a look at how this works and what steps you should follow to make your retirement a nonstop cash flow party.

Setting up a D.R.I.P

Before you get started on your journey to dividend-induced richness, you need to understand the concept and methodology behind Dividend Reinvestment Plans (D.R.I.P). Funnily enough, the best way to think of this strategy is that you are using your dividend payments to drip feed your monetary pet so that it continues to grow and bite off a bigger chunk of the company over time.

Make sure that you set up an account with a stockbroker that allows you



to create an automatic D.R.I.P. and doesn't charge you an arm and a leg for the privilege.

Finding the Right Investment for a D.R.I.P

When it comes reinvesting your dividends, you need to find a good company or group of companies that will: 1. Provide a consistent dividend payment 2. Still be around in years to come, and 3. Have a fair chance of producing long-term capital gains for shareholders. To do this you could either pick out one or two solid, well-established blue chips, or simply spread the risk by investing in ETFs or index funds. Either way, if you get it right and keep your cool, you will retire wealthy.

As you scour the markets for golden opportunities, make sure you pay attention to a stock or index fund's

dividend history, growth potential and durability over time. One easy way to search by yield and dividend frequency is to visit the aptly named site www.dividend.com.

The Mechanics of Compounding Via Stocks

When you invest a lump sum of money into a stock, it is a good idea to see whether or not these companies are offering shareholders a dividend on their investment. Although dividends are not the only reason to invest in a firm, they certainly sweeten the deal and offer you an on-going income stream in return for your risk-taking.

For the sake of this article, let's say that you invested 10,000 USD in shares of the fictional industrial powerhouse

that is 'Sexy Software International' (SSI). Based on SSI's stock valuation at the time of your purchase, they were offering a juicy 7% annualised dividend yield per share.

In the interest of keeping it simple, let's just say that: 1. the stock price and dividend rate stay exactly the same for 10 years, and 2. Every time you receive your quarterly dividend you directly reinvest it into more buying more SSI shares. After 10 years of waiting patiently, you sell up and get a nice pre tax sum of 20,015.97 USD; double your initial investment. That may not sound overly impressive, but if you were bright enough to have made this investment at the tender age of 20 and cashed it in to fund your early retirement at 60 years of age, your stock would now be worth around 160,000 USD. Even after expenses and capital gains tax, this isn't a bad little lump sum to have in your bank.

Now this is where the real fun begins. Imagine that Sexy Software International's share price grew on average by 5-10% per year over the 40-year period, market fluctuations aside, and the firm's success has meant that they could gradually increase their dividend yield. You can imagine what kind of cash pot you would be sitting on by the time it comes to selling off your asset.

The Miracle of Monthly Payouts

To make things even more interesting, let's suppose that although the share price and dividend yield remained the same for 40 years, SSI had been paying their dividends out monthly instead of quarterly (which is certainly not the norm, but there are still many companies that do so). Whilst this wouldn't make a big difference on an annual basis, it would give you a considerable boost in the long run.

When it comes to compounding your dividends, the basic fact is that the more often you get paid and feed your D.R.I.P, the bigger your overall treasure chest of stocks will be.


Here is a simplistic illustration of the profit difference between being paid monthly, quarterly and annually, based on constant 7% annualised yield and share price over a 40 year period (pre tax & expenses):

Initial Investment	End Value: Annual Dividend Payment	End Value: Quarterly Dividend Payment	End Value: Monthly Dividend Payment
10,000	149,744.58	160,511.76	163,114.11
20,000	299,489.16	321,023.53	326,228.23
30,000	449,233.74	481,535.29	489,342.34
50,000	748,722.89	802,558.81	815,570.57
100,000	1,497,445.78	1,605,117.63	1,631,141.15

When it comes to compounding your dividends, the basic fact is that the more often you get paid and feed your D.R.I.P, the bigger your overall treasure chest of stocks will be. It also goes without saying that, depending on share price fluctuations, the longer you leave your investment untouched, the better it will be for your retirement fund.

What if Stock Prices Fall?

Patience is certainly the long-term investor's most sacred virtue. Stock markets are one of those things in life that are impossible to accurately and consistently predict, especially in the short term. If you are holding on to your stocks or ETFs for an extended period of time, you better be ready to take the rough with the smooth. The key is to not get scared off by the busts, whilst also not getting overly excited by the booms. Try to avoid looking at the share price data and think of your pot growing year on year like a blooming flower on a sunny hilltop.

The good news is that if the price of your company's stock falls for a period of time, it isn't the end of the world if you have enough stomach to ride out the slump. The reason is that from the perspective of a D.R.I.P strategist, assuming the dividend yield doesn't also drop significantly, a fall in the share price means that you can buy more stock for your money. As Warren Buffett often says, “if you are holding on to stocks for the long term, you actually want the markets to go down every now and then so that you can obtain more shares in your favourite companies for a cheaper price”. 

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Investment News

Stocks and Shares

Twitter raises share price target by 25%

The micro-blogging company Twitter has increased its estimate of shares' value by 25%. It now says they will sell for between 23-25 USD (about 15 GBP) a share on Monday, from a previous target of 17-20 USD. Demand for the shares has been so heavy that the company is ending the offer a day early. The estimate values the seven-year old company, which currently has 218 million monthly users but has yet to make a profit, at up to 13.6bn USD.

Source: BBC

European shares hit five-year high on ECB stimulus view

Expectations of monetary stimulus from the European Central Bank (ECB), coupled with a rise in HSBC, drove European shares to a 5-year high on Monday 4 November. European equities were also supported by expectations that the ECB will take on an accommodative tone towards helping the region's economy after a drop in euro zone inflation in October.

Source: Reuters

Nissan shares fall as it lowers profit forecast

Shares of Japanese carmaker Nissan fell as much as 11% to 850 JPY in early November trading after the firm cut its full-year profit forecast. The firm said it expected to make a profit of 355bn JPY (3.6bn USD; 2.2bn GBP) for the year to 31 March 2014, down from an earlier forecast of 420bn. Nissan said tough conditions in Europe and recent recalls had hurt its earnings.

Source: BBC

BlackBerry calls off sale, will replace CEO

BlackBerry Ltd is abandoning a plan to sell itself and instead will replace its chief executive officer and raise about 1 USD billion from institutional investors. John Chen will be appointed executive chairman and will be interim CEO while the company looks for a new leader. He is the former CEO of Sybase, a database software company that SAP AG acquired in 2010.

Source: Reuters



Tianjin economic forum

Currencies

Dollar - Chinese Yuan



Euro - Chinese Yuan



GB Pound - Chinese Yuan



Japanese Yen - Chinese Yuan



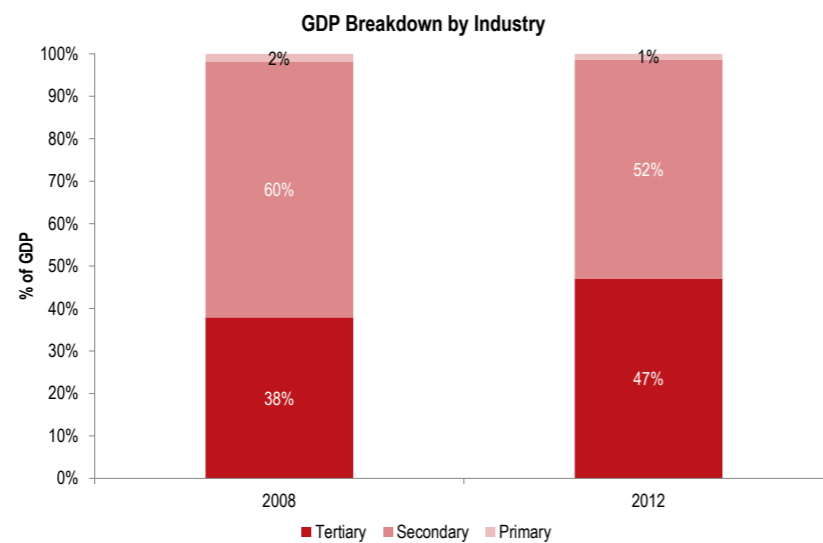
Diversify your Property Investments by Buying Strata-titled Office Space

By Durrell Mack, Head of Tianjin Research, Jones Lang LaSalle

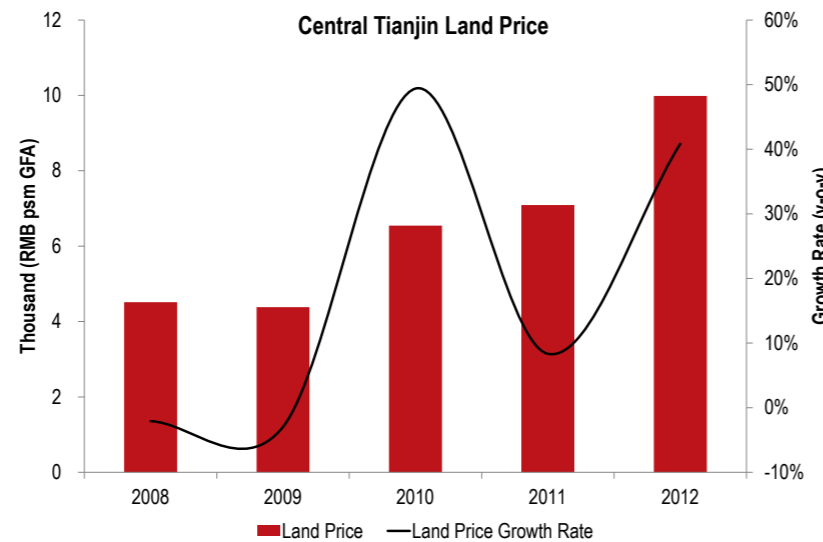


Over the past 18 months the Chinese central government and Tianjin's municipal government have been working to suppress price growth in the residential market through such mechanisms as increasing down payment requirement and levying a capital gains tax on secondary house transactions. In addition, there is little evidence that the government is willing to relax the policies that have caused housing price growth to slow down. If anything, the government is more likely to introduce new policies, such as a property tax, if residential prices return to the double digit growth of the previous few years. Thus, we believe that for investors who use the property market to put their excess capital to work, other sectors of the real estate market are worth exploring. One area in particular that savvy investors should consider is the strata-titled office market.

In the September issue of Business Tianjin, we wrote that based on the size of Tianjin's economy and tertiary employment, the city's quality Grade A office stock was undersupplied, which means that companies that want to expand or setup a new office either have to delay their expansion plans or move to other buildings. With Tianjin's GDP experiencing a compounded annual growth rate (CAGR) of 19.3% from 2008 to 2012 and the tertiary industry now accounting for nearly 50% of the city's



Source: Jones Lang LaSalle; CEIC



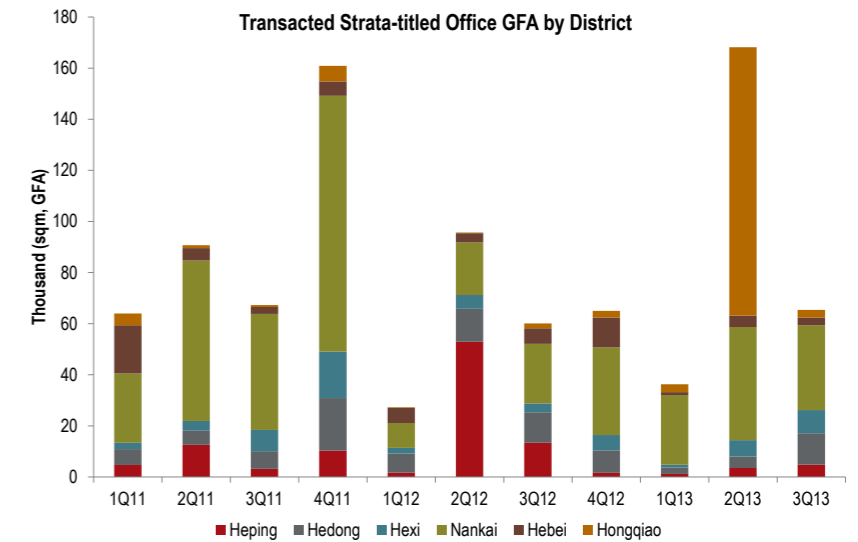
Source: Jones Lang LaSalle; Soufun; Tianjin Municipal Government

economic output, companies' need for office space has only been increasing. Moreover, the government has been implementing policies to increase the size of Tianjin's service sector. These policies are directly targeted at firms that require large amounts of office space, such as financial and logistic companies. As these companies grow in size and more move to the city, it will encourage other service firms to come to Tianjin, creating exponential growth in the demand for office space.

For investors who need to diversify their portfolios, few investments offer as good of a potential return as the strata-titled office market.

The rise in office demand is not the sole reason to invest in strata-titled office space. A key reason to invest in this segment of the commercial market is due to the growth in strata-titled office prices. Two factors have been behind the increase in the strata-titled office growth. One has already been slightly touched upon, and that is demand has been rising both from companies looking to establish operations in the city and people using strata-titled offices as an investment vehicle. The second factor causing an increase in strata-titled office prices has been the growth in land costs. From 2008 to 2012, land prices in Central Tianjin (Heping, Hedong, Hexi, Nankai, Hebei and Hongqiao Districts) have had a CAGR of 22%, rising even faster than overall GDP; at the end of 2012, the average land price in Central Tianjin was approximately 10,000 CNY per sqm (GFA).

Land prices are expected to continue their upward momentum, as already this year several land plots in central



Source: Jones Lang LaSalle; Soufun



Source: Jones Lang LaSalle; Soufun

Tianjin have transacted at near record highs. For anyone invested in any aspect of the real estate market in Tianjin this is a good sign, because land prices generally dictate the direction the real estate prices are headed.

Although the fundamentals for investing in the strata-titled office market are strong in the city, not all districts are equal in terms of where people should be looking to make their investments. This year Hongqiao District has been one of

the best places to invest in strata-titled offices in terms of demand and price growth. Transacted square metres (GFA) have already reached 111,200 year-to-date, making the district the most active location in the city for strata-titled office buyers. In addition, Hongqiao District strata-titled office price growth has by far outperformed the rest of the districts in central Tianjin. In 3Q13, strata-titled office price growth rose by 83% y-o-y, which was significantly better than Heping District, traditionally the most popular location for real estate investments. Strata-titled office price



The Esplanade located along the Haihe Riverside

growth even outpaced residential price growth, Hongqiao District being only one of two districts to experience this trend.

Another district that investors should consider is Heping District. The district is home to the city's main commercial area, Nanjing Road, and is the most advanced in terms of infrastructure and amenities. In addition, land price growth has been the fastest amongst all the districts at a CAGR of 61.9% from 2008 to 2012. With land prices in Heping District witnessing robust growth and the area experiencing strong demand, it is not surprising that Heping District also has the highest strata-titled office capital value at 34,500 CNY.

In Hongqiao and Heping Districts, there are two strata-titled office projects that investors should take the time to investigate, The Esplanade (海

河华鼎) and Tianjin Metropolis (天津大都会); each project is located in Hongqiao and Heping District, respectively. The Esplanade is a large mixed-use complex located along the Haihe River and in close proximity to the famous Tianjin Ancient Cultural Street. The mixed-use complex includes residential, retail, office and hotel, with the five star hotel management chain Pan Pacific Hotels and Resorts signed on to operate the hotel. The office portion of The Esplanade has been well received by the market with only 50% of the units still available and prices transacting between 18,000-19,000 CNY per square metres, which is slightly above the Hongqiao District average market price. Tianjin Metropolis is located outside of Heping District's main commercial catchment, but it is in near an emerging office submarket, the Haihe Riverside. In the next few years, several office buildings will be built along the Haihe Riverside,

transforming the area into one of the most important commercial locations in the city. At present, Tianjin Metropolis's transaction prices are between 21,000-24,000 CNY, which is well below the district average, making the strata-titled offices in the building a relatively good bargain.

Rising land prices, growing demand, and purchase restrictions in the residential market all make the strata-titled office market a good place for investors to park cash. Furthermore, for investors who need to diversify their portfolios, few investments offer as good of a potential return as the strata-titled office market. **E**

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E-Learning: The Future of Education

By Justin Toy



Around the world, educators are trying to unlock the vast potential within the e-learning, or distance learning, realm. Currently, the worldwide e-learning market is estimated to be worth over 56.2 billion USD and is expected to double before the year 2015. Right now, 70% of revenue generated from e-learning originates from North America and Europe. However, Asia, especially India, China, and Japan, is quickly gaining ground.

E-learning doesn't just apply to undergraduate and postgraduate education. In fact, companies have a lot to gain from implementing effective

e-learning programs and tools to help employees to grow and develop. Right now, 77% of American corporations have already implemented e-learning in the office. Incorporating e-learning can not only help make employees more knowledgeable, but can also make employees more satisfied with their jobs, help employees do their job better, and can significantly reduce training costs for the employer. In a corporate setting, e-learning has been proven to increase knowledge retention by 25% to 60%. As this industry continues to grow at a rapid pace, here is a look at upcoming trends within the distance learning market.

Massive Open Online Course (MOOC)

There are a number of notable MOOCs that have been operating over the past couple of years, most notably edX, Coursera, Udacity and NovoEd. These websites have partnerships with a lot of top universities in the US, and more increasingly, around the world. Coursera, which has been operating since 2012, has over 100 partners including Stanford, Yale, Columbia, The University of Tokyo, The University of Edinburgh, and more recently Peking University

and National Taiwan University. The courses are completely free and available all over the world in five different languages (English, Chinese, French, Spanish, and Italian). The University of Pennsylvania's elite business school, Wharton, is offering its entire first year MBA program for free on Coursera.

MOOCs can help equalize the education playing field on a global scale, making high quality education available to anyone who has an internet connection, time, and the motivation for self study. Working professionals can freely and conveniently take courses than can lead to improved lifelong skills, further professional advancement, and higher self-esteem.

Gamification in Learning

Gameification refers to the use of game thinking and game mechanisms in non-game contexts in order to engage users in solving problems. For years, teachers and learning professionals have been implementing game-based techniques in their methods and lessons in order to take advantage of peoples' natural desires for achievement, competition, status, self-expression, and altruism. And while today's high tech gadgets are invading classrooms, more and more games are being designed to educate youngsters – while at the same time entertaining and engaging their audience. Gamification provides instant feedback, rewards every step of progress, and promotes competition within oneself and with others while making learning more enjoyable and fun.

Many analysts agree that despite some concerns about being gimmicky or disruptive, gamification in education has a bright future. The structure of a well designed education video game, with "level-ups" and achievement badges can help build incentives for students while at the same time giving students instant feedback about their schoolwork.

Mobile Technology

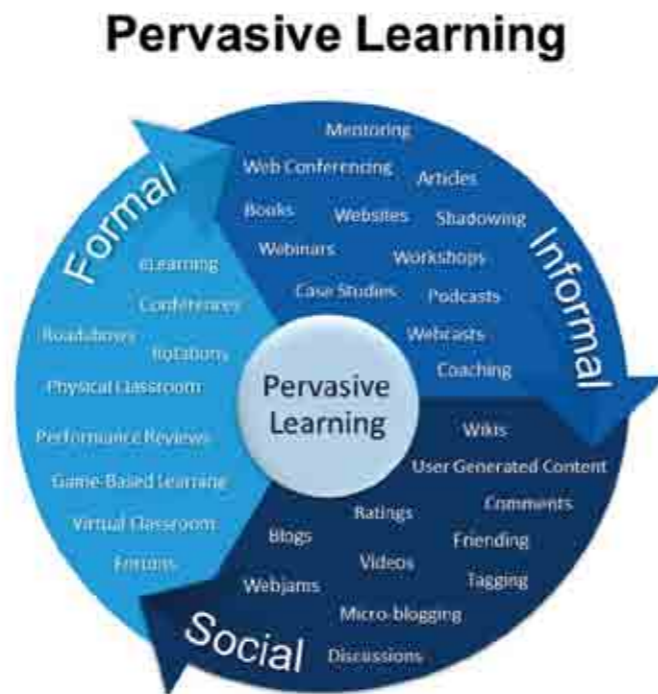
According to a survey from October of 2012, 50% of US high schooled and 40% of middle school students used smart phones or tablets on a regular basis. This number is definitely increasing quickly all around the globe as tablets and smart phones become cheaper and more accessible.

As the number of Chinese students looking to study abroad surges by 20% a year, a slew of education companies from China and around the world are looking to capitalize by bringing high quality, affordable education to Chinese students via e-learning.

Apple and Google are currently engaged in an education war that will help bring competition and innovation into a field that until recently has seen relatively little change over the past few centuries. Apple, who launched its online e-textbook initiative in early 2012, has shaken the textbook publishing industry by offering 15 USD K-12 digital interactive textbooks. Earlier this year, Google announced Chromebooks for Education, a laptop priced under 300 USD that has been custom built for the classroom. This year Google also announced Google Play for Education which allows users to search for e-books and apps by subject and grade level. The content is all curretted by a team of educators who review and recommend all entries to this section of the online store.

Pervasive Learning

Dan Pontefract, author of the book "Flat Army: Creating a Connected and Engaged Organization" defines pervasive learning as "learning at the speed of need through formal, informal and social learning



modalities." Basically, we are talking about the need to learn in order to completing tasks at work through a number of different learning channels.

The idea of pervasive learning, also known as ubiquitous learning or u-learning, is becoming more common as work and learning merge more frequently in today's fast changing work environment. This is further driven by new emerging technologies, which are helping pervasive learning to happen more effectively, turning everywhere into a potential learning environment.

Pervasive or ubiquitous learning also has implications for the classroom. This movement will help shift the traditional classroom from one that is completely teacher centric. Where the students primarily receive all of their information from the teacher and the students must all be present in order to receive the information.

China

Many experts believe that e-learning is ideal for China because it solves much of China's education needs. With its limited education resources, China can use long distance learning to educate its 200 million elementary and high school students. To that end, China's Ministry of Education launched the "All Schools Connected" project in 2000, which aimed to equip all of China's 550,871 K-12 schools with e-learning systems by 2010.

Today, as the number of Chinese students looking to study abroad surges by 20% a year, a slew of education companies from China and around the world are looking to capitalize by bringing high quality, affordable education to Chinese students via e-learning. The MOOC website, Coursera, is focusing its international expansion in China by

recently adding partnerships with top universities in Hong Kong, Taiwan, and mainland China. The courses that have been offered in Chinese so far have include probability, Chinese contemporary society, and the role of the RMB in global finance. Coursera has also just partnered with Yeyan, the largest public translation community in China, to translate courses from English to Chinese (and vice versa) in order to make the classes more accessible in China. As the number of Chinese graduates who can't find a job after graduation climbs past 30% this year, students are looking for new ways to improve their job prospects. **B**

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Hiring MBA Graduates Parkinson

By Robert Parkinson, CEO and Founder of RMG Selection

"Ticket to executive positions with a 6-digit salary" has long been the tag to the MBA degree. It is the believed "magic" of the degree that inspires a soaring expectation from MBA candidates. According to Poets and Quants' collection of MBA candidates' salary expectations across different countries, US MBA graduates expected a 140% raise for their MBA degree, a 148% salary increase is expected amongst their UK counterparts, and Chinese MBA graduates expect a whopping 245% pay rise. However, according to the China Talent Flow Survey 2013 conducted by RMG Selection, the average salary raise for job-hoppers is 20% to 30%, regardless of the jobseekers' position rank or qualification.

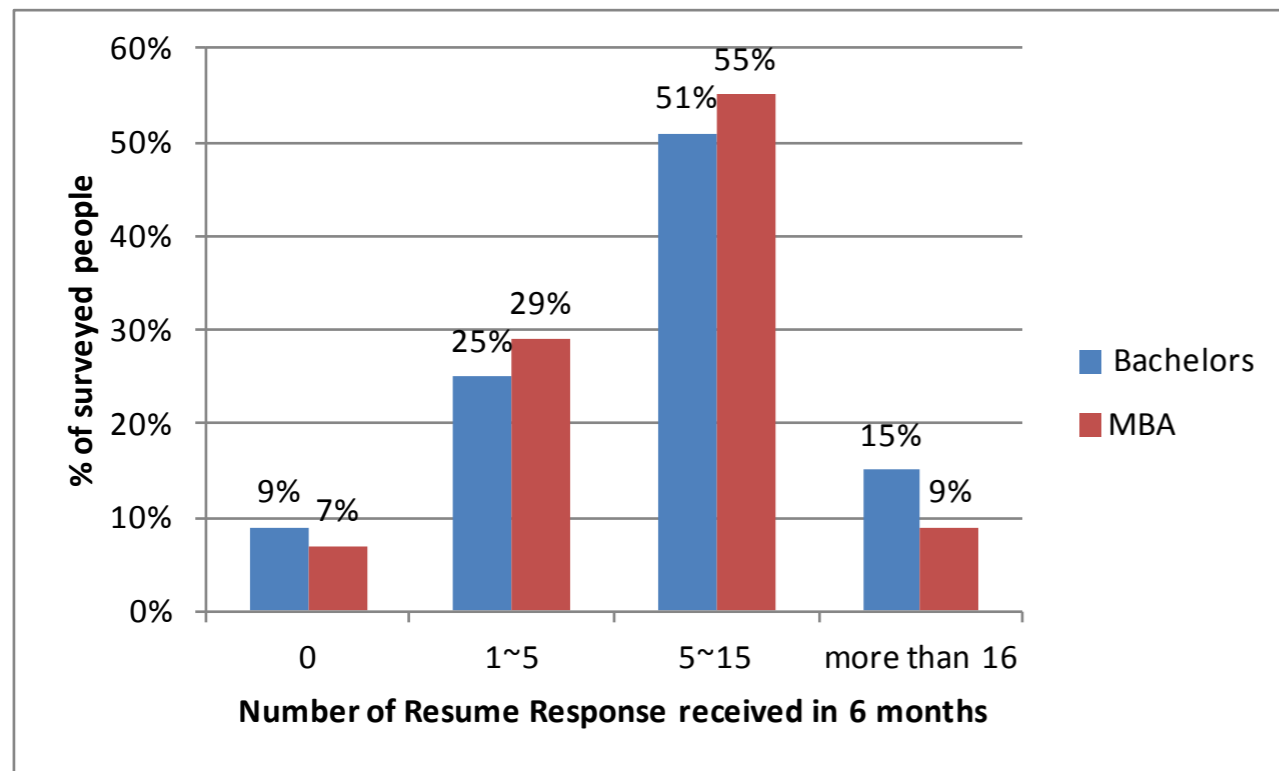
A great story; a not-so-great reality

For years there has been a love story between Wall Street firms and top MBA graduates, making the MBA the ticket to investment banking and other major finance sectors. MBA candidates are immersed in misleading reports and stories that make them believe in the magic of an MBA degree for getting them into leadership positions.

However, even those love affairs did not withstand the big financial meltdown of 2008. According to Poets and Quants, only 27% of Harvard MBA graduates were recruited into financial sector positions this past year, down from 35% the year before and 39% in 2011. Furthermore, Bloomberg reported a continuous

two-year decline of MBA recruitment from all business schools, with a rate of 70% compared to 75% last year. The hard reality also plays out for Chinese MBA graduates. Because of the recent bad employment conditions in China, 25% of MBA graduates postponed their graduation, as reported by Hexun news. Private sectors in China have even claimed they do not recruit MBA graduates because of the high hiring cost.

However, this is merely a very idealistic and narrow perception of the cost or value of MBA degrees. According to RMG Selection's Talent Flow Survey, the response rate to online resume applications of MBA graduates does not show a radical difference from that of experienced bachelors in the same 6 month period.



(Data Resource from: RMG Selection China Talent Flow Report 2013)

The brand equity added merely from the privilege of an MBA degree is not as dramatic as candidates imagine. MBA graduates are not rewarded with more money just because of their degree.

The checklist for hiring an MBA graduate

Facing such high salary anticipations from MBA talents, it is important for recruiting companies to make meticulous hiring decisions when it comes to MBA graduates going up against experienced professionals. They have to determine a clear and specific recruitment need. The following is a checklist recommended to HR departments facing MBA recruitment:

1. Does this position really need MBA credential?

An MBA is not a must for every top position. Most consultancies prefer their candidates to have an MBA because the jobs require critical management and leadership skills. Additionally, the networks created from the MBA programmes could

benefit the company in the terms of business development.

A detailed career development plan not only increases the chances of the candidate accepting the offer, but also controls your internal position turnover and human resource planning.

For more technical and specialised positions, such as a Head Engineer or R&D manager, it is the expertise in the specific field that is most valuable. The MBA credential does not differentiate one candidate from another.

2. What type of MBA programme is the candidate enrolled on?

Most hiring managers or HR departments focus on the specific

university issuing the MBA degree. Recruiters are likely to neglect the candidate's type of MBA programme. Most candidates' resume will not list the subject area they are enrolled in unless it is a full-time MBA programme. Therefore, additional questions need to be asked even if the candidates graduated with a Harvard MBA.

Typically, there are three types of MBA graduates:

- Two year full-time MBA
- Part-time MBA
- Online MBA

Most universities offer the first two programmes, but some community colleges or specialised MBA education institutions offer the MBA courses online. The MBA experience varies through different type of programmes candidates are enrolled in. The full-time MBA engages candidates to study, practice and network with their classmates. Due to less time commitment, the part-time MBA may not guarantee the same engagement, but the daily

work practice is also likely to lift the practical benefits that candidates get from the courses. It is also worth mentioning that there are different variations in MBA programs, such as International MBA, Overseas MBA and EMBA, which all have different focuses in terms of function, industry and courses.

3. Can an MBA education add practical value to the candidate and the company?

An MBA degree on a resume should only boost the chances of getting interviewed, not chances to get hired. One of the most valued benefits from MBA education is the range and quality of networks which MBA graduates are likely to have after graduation, especially if they are graduating from one of the top programs. However, the networks will lose their value when the candidate does not have enough networking and relationship management skills. It is important to evaluate how the candidates can apply what they have learned from the courses into real business practices before one makes the decision to pass on all the other candidates.

4. Can you afford an MBA graduate?

From a financial perspective, although the average MBA graduates' expectations of a +140% salary raise are not realistic, recruiters do need to be understanding of this mindset and take it in account. It is crucial for recruiters to set up a clear ceiling – the highest offer package that the company can afford – during the salary negotiation, as it is very likely for recruiters to end up with a higher salary for an MBA than for a standard experienced professional.

From a management perspective, although recruiters are most likely to hire an MBA graduate for a managerial position, the team dynamic should also be taken into consideration. There is a risk of disrupting team effectiveness when a company chooses to hire a new manager rather than internally promoting someone. If the MBA graduate is not the right leader for the team, it may result in the loss of other employees or even the MBA talent, and affect the efficiency of the whole department.

5. Have your retention plan right the way.

No company wants a quick turnover of their management team. Therefore,

if you have MBA candidates entering the final round of interviews, it is important to create a retention plan before making actual hiring decisions, since it is very likely that you are going to employ an MBA. Apart from the salary raise and a good title, MBA candidates have high expectations of their career development. A detailed career development plan not only increases the chances of the candidate accepting the offer, but also controls your internal position turnover and human resource planning, especially when you have decided to hire an MBA graduate.

After you have hired an MBA manager, certain support is needed in order to make the transition. For instance, it is recommended that you arrange a senior manager to mentor the MBA to fit in with the team dynamic and coordinate the subordinates. **E**

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Change Management or Changing Management?



Martin Klopper FCMI, BA (Econ), MBA, MCRP is a Vice President of Leadership Development International and Managing Director of LDi Training. Please visit: www.lditraining.cn



Our organisation has been working on a large corporate strategy and changing management contracts for a leading company based in Asia. As we have worked with the senior executive team (all highly competent and committed men and women at the top of their game), we have seen a strongly expressed aspiration to change the way the company does business. The results, however, have been less impressive. As consultants and coaches, we have seen a similar pattern emerge in other similar contexts, namely that there is a clear articulation of a strong desire to change but underwhelming results.

Cameron notes:

The failure rate of most planned organisational change initiatives is dramatic. It is well known, for example, that as many as three quarters of reengineering, total quality management (TQM), strategic planning, and downsizing efforts have failed entirely or have created problems serious enough that the survival of the organization was threatened (in Cameron, K.S. & Quinn, R.E. Jossey-Bass, 2011 Diagnosing and changing organizational culture).

What is going on?

In answering this question, let me reinforce a message that we often communicate to our clients, lest you are thinking “so what kind of lousy consultants are these?” The message unequivocally communicated is this: the responsibility for changing your organisation, dear manager (and, for that matter, yourself), is yours and yours alone. Nobody else’s, period. And certainly not the consultants! As consultants and coaches, we will walk alongside you and encourage, challenge and provide resources as needed but the changes that happen (or don’t, as the case may be...) are entirely down to you, the client.

Have you ever decided to lose five kilograms or quit smoking? You may know that there is a



direct correlation between waist size and incidence of sugar diabetes or smoking and various diseases. This knowledge alone is not sufficient motivation to bring about the desired change even if the consequence of not changing may ultimately be life threatening.

So what is sabotaging the change process? Why is it so hard to turn aspiration into concrete reality?

Organisations need to be proactive in managing their futures. Organisations that do not intentionally anticipate and adjust to a constantly changing environment quickly regress and are easily overtaken by competitors. While some things should remain consistent (e.g. core values and beliefs), even an organisation's mission and vision need to be periodically refreshed (and sometimes completely revised). Usually, significant areas of change are needed within the company exactly because they want to continue to be a leader within their market - in China generally and in serving their specific client base.

Change Management initiatives can increase workloads for senior management in organisations by as much as 30%. Adding additional leadership and strategic capacity to augment and support the top leadership team through, for example, using consultants, may be a significant factor leading to the success of such initiatives. Whilst this additional capacity is 'embedded' into the leadership team, the appointed consultants remain outside the organisation. Thus, they bring a unique perspective without being impeded by issues of territoriality/stakeholder interests. They also offer a mediating and facilitating role that strengthens communication and collaboration within the leadership team. Consultants will encourage and challenge the leadership team, and act as both a sounding board and an accountability partner.

Managing successful organisational change involves at least the following components:

Vision + Skills + Motivation + Resources + Action Plan = Transformation

When any one of these components is

missing, change is hampered - When there is no (clear) vision, the result is confusion.

When there is a lack of skills, the result is anxiety.

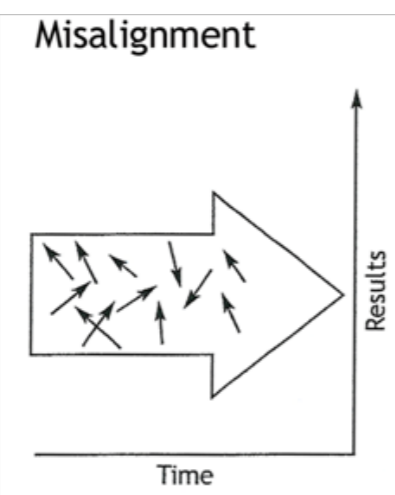
When there is a lack of motivation, there will only be gradual change.

When there are insufficient resources, there will be frustration.

Finally, when there is no action plan, the result will be a false start.

Organisations that do not intentionally anticipate and adjust to a constantly changing environment quickly regress and are easily overtaken by competitors.

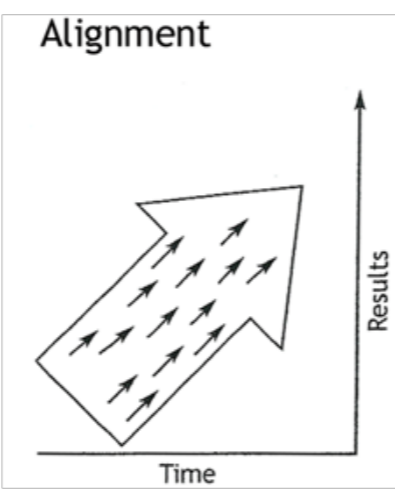
All change programmes are unique in character, nature and the kind of challenges that need to be addressed. Leadership is the most important factor in any successful change programme. For any change initiative to work, you need the sponsorship and on-going support of the highest levels of your organisation - preferably the Board and the senior executive team. A strong leadership team provides a compelling vision. An active leadership team empowers action in others. A



united leadership team communicates with clarity and takes responsibility. A leadership team that is intentional and consistent in articulating a comprehensive agenda for change provides clear communication for employees, clients and other stakeholders.

In our experience, change processes are less about bringing hard or technical skills to bear than they are about realigning the underlying beliefs and values of organisations - what we call the "soft fabric" of how people work together (or do not as the case may be!). These soft skills are critical in driving the change initiative. Since how people work together is often reflected in their conversations, we will seek to help change the conversation that the organisation is having with itself (that is, all the constituent parts, including external and internal stakeholders, that make up the institution). The change initiative will change the narrative that is unfolding in the present and the future of the company. Just spend time at the water fountain in your office to begin to understand what sort of culture prevails in your company. As Peter Drucker said, the most important task of executive leaders is to listen and ask questions.

Sometimes tough conversations are needed to move an organisation from misalignment of processes and goals to greater alignment. It is imperative to get people to understand clearly what is required of them and why and get them moving in the right direction. This takes time. In addition to strong leadership, successful change processes need



regular and intentional communication. There is a need to develop an internal messaging process based on the vision and mission that undergirds the desired change. Through identifying the internal and external constituents, leadership will need to support the development of unified messaging differentiated to those constituents. Communication is the lifeblood of successful organisational transformation. Any communication strategies developed to support the change process will need to "mesh" with all messaging being transmitted by senior executives, so that they speak with one voice.

At this point, you may ask what kind of change model we use? Let's remember that all models are abstractions of reality and that organisational culture and relational dynamics are often a lot more complicated than they appear on the surface, even in relatively small companies. If you have found a model that you like, then use it, but my guess is that it is like a comfort blanket that provides some solace from the bad dream you may be having as you begin to start changing even straightforward processes in your company. If you want a model, there are plenty of 5, 10 and 21 step (or choose-your-own-number) models. One that provides a good framework is John Kotter's (HBR January 2007). Whilst we are not committed to following Kotter's process, it does provide a basis for identifying some of the things that leadership needs to be focusing on:

Finally, an area that leaders and managers need to pay particular attention to has come to be called 'immunity to change' (Kegan R. & Lahey L. Harvard, 2009 Immunity to change - How to overcome it and unlock the potential in yourself and your organization), that is, the sabotaging behaviours that often derail the aspired change in individuals and organisations (remember any of your previous attempts to lose weight and/or quit smoking?).

To do this in your company it is necessary to focus on:

1) Collective commitment goals (that is visible commitments - improvement goals)

2) Collective inventory of doing/not doing instead (behaviours that work against the goals)

3) Collective hidden competing commitments

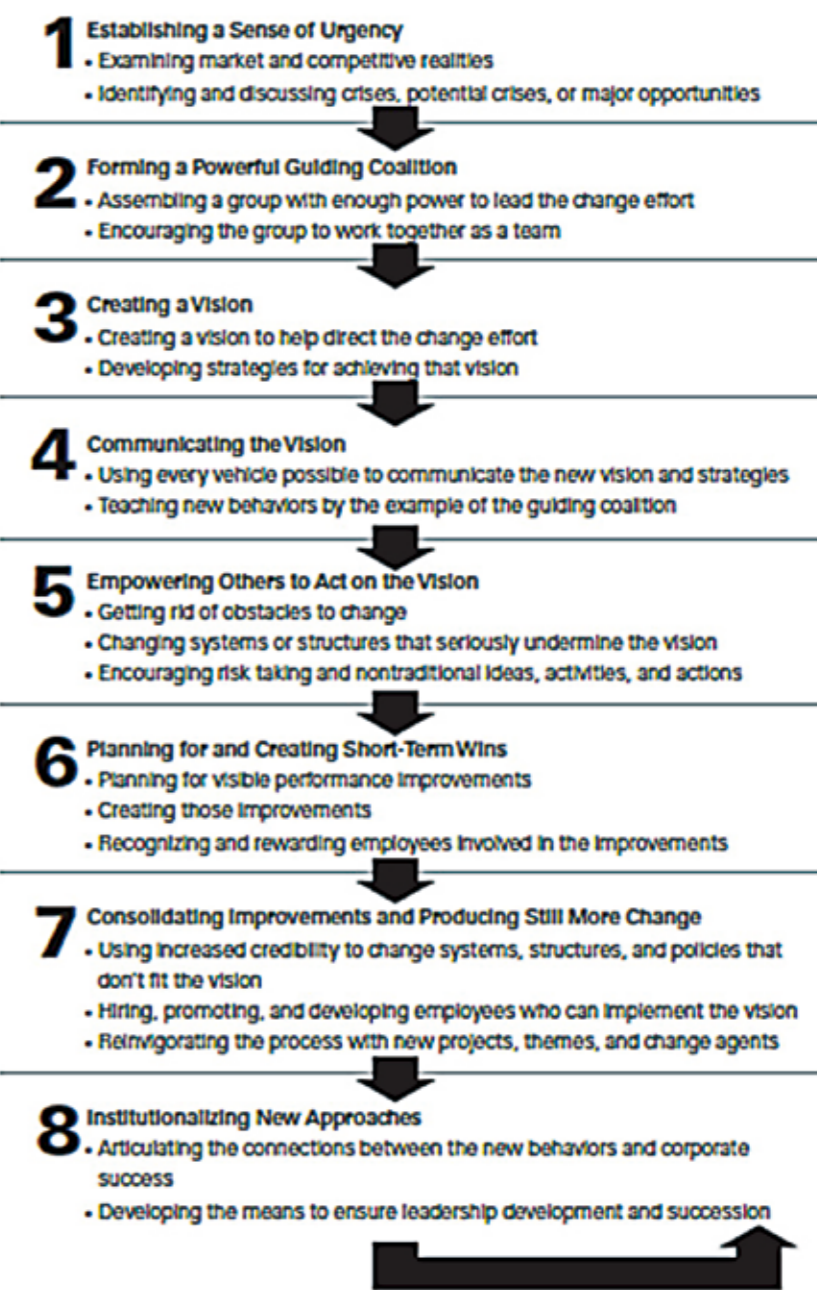
4) Collective big assumptions

These competing commitments and big assumptions have their origin in some deeply held convictions and beliefs that are often rooted in self-interest and self-protection. Once understood,

these help explain why changing any organisation is always about first changing the people that make up the organisation, starting with those who are managing from the top. **E**

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EIGHT STEPS TO TRANSFORMING YOUR ORGANIZATION



Formal Launch of China (Shanghai) Pilot Free Trade Zone



Manuel Torres



Julian Yu

By Manuel Torres (Managing Partner), Julian Yu (Senior Associate) of Garrigues Shanghai



Following the State Council's passage of *Overall Plan for China (Shanghai) Pilot Free Trade Zone* (the "Overall Plan") on 3 July, 2013 and the subsequent approval of the establishment of China (Shanghai) Pilot Free Trade Zone (the "PFTZ") on 22 August, 2013, the PFTZ was formally launched on 29 September, 2013. The Overall Plan and supporting rules are now available to the general public and we hereby summarise them as guidance to the PFTZ.

OVERVIEW

Acting as the test-bed for China's economic reform policies, the PFTZ is aimed to (i) boost government function transformation, (ii) expand service sectors and reform foreign investment administration system, (iii) develop headquarter economy and new trading model, (iv) enhance capital account convertibility and fully open up the financial service, (v) establish a classified regulatory model of goods, (vi) create a policy framework to support investment, and (vii) create an innovative international business environment that is subject to the rule of law.

Depending on the result of two to three years' implementation, the pilot policies carried out in the PFTZ may gradually be applied to the whole country.

MAIN MEASURES

The main measures to be taken in the PFTZ cover (i) administrative measures, (ii) further opening-up of service sectors, (iii) taxation, (iv) financial reform and (v) trading.

1. Administrative Measures

- Foreign Investment

For foreign investment practice in China, Industrial Guidance Catalogue for Foreign Investment (Revised in 2011) (the "Catalogue 2011") provides restrictions and prohibitions on foreign investment in some sectors and administrative approvals are prerequisite for foreign investment in China. However, Special Administrative Measures of Entry of Foreign Investment within China (Shanghai) Pilot Free Trade Zone (the "Negative List") is adopted in PFTZ, which specifies sectors that are restricted or prohibited to foreign investors and outside of which national treatment is granted. According to our observation, the Negative List is almost identical to Catalogue 2011 and even provides stricter restriction, for instance, Internet data center service, which is restricted to foreign investment under Catalogue 2011, is now prohibited in the PFTZ.

The process for foreign investment is simplified by adopting filing requirement as the principle, while administrative approvals are still applied in some circumstances as an exception: (i) in the event of investment in sectors outside of the Negative List, filing process will be applied unless approvals are otherwise required by other laws and regulations; (ii) in the event of investment in sectors within the Negative List, approvals by National Development and Reform Commission (the "NDRC") or its local counterpart is required for foreign-invested projects and approvals by Ministry of Commerce (the "MOFCOM") or its local counterpart for foreign-invested enterprise.

- Outbound Investment

Outbound investment benefits from the PFTZ as well. Filing process is also adopted for overseas investment projects and overseas enterprises generally, except in certain circumstances where NDRC's approvals are still required for

overseas investment projects and MOFCOM's approvals for overseas enterprise.

Depending on the result of two to three years' implementation, the pilot policies carried out in the PFTZ may gradually be applied to the whole country.

- Commercial Registration

There are significant changes in commercial registration, where subscribed capital approach is currently adopted. In contrast with the original paid-in capital approach, no requirements are imposed on the minimum amount, payment schedule and method of registered capital when setting up companies in the PFTZ. In addition, annual inspection is now replaced with publication of annual report.

2. Further Opening Up of Service Sectors

6 sectors and 18 industries are announced to be further opened up in the PFTZ and we summarize the key changes as follows:

- Financial Service

- Allow qualified foreign financial institutions to set up wholly foreign-owned banks;

- Allow to set up foreign-invested specialized health and medical insurance institutions;

- Remove requirement on minimum registered capital for establishment of single-aircraft or single-ship subsidiaries of financial leasing companies; and

- Allow financial leasing companies to concurrently offer commercial factoring business related to their primary business.

- Shipping Service

- Allow foreign investors to establish Sino-foreign equity joint venture or Sino-foreign cooperative joint venture to conduct international shipping business with more than 49% equity interest; however, the joint venture shall still be controlled by Chinese investors;

- Allow foreign ships owned or controlled by Chinese-invested companies to pilot the coastal shipping business of foreign trade import and export containers between domestic coastal ports and Shanghai Ports; and

- Allow to set up wholly foreign-owned international ship management enterprises in addition to Sino-foreign equity joint venture and Sino-foreign cooperative joint venture enterprises.



Legal Compliance under China Anti-bribery Law



Simon Bai
Winners Law Firm



- Commercial and Trading Service

- Allow foreign investors to set up application store with more than 50% equity interest ;
- Allow foreign investors to invest in for-profit e-commerce with more than 55% equity interest ; and
- Allow foreign-invested enterprises to manufacture game console and entertainment machine within the PFTZ and, subject to content review, to sell such them within China.

- Professional Service

- Increase the maximum equity ratio held by foreign investors in Sino-foreign equity joint venture talent intermediary institutions from 49% to 70%;
- Decrease the minimum registered capital of Sino-foreign equity joint venture talent intermediary institutions from 3 USD million to 1.25 USD million ; and
- Allow to establish foreign-invested investing companies in form of joint stock limited company .

- Cultural Service

- Remove equity ratio restriction on foreign investors of foreign-invested

performing show agencies and allow wholly foreign-owned performing show agencies to be established to provide services in Shanghai; and

- Allow to establish wholly foreign-owned entertainment venues within the PFTZ.

- Social Service

- Allow Sino-foreign cooperative joint venture educational training institutions to conduct business activities for profit;
- Allow Sino-foreign cooperative joint venture vocational skills training institutions to conduct business activities for profit; and
- Allow foreign investors to establish wholly foreign-owned medical institutions.

3. Taxation

Certain types of investment-related capital gains, stock-based incentive compensation and trade-related levies are granted with tax treatment in the PFTZ, However, the concrete details have not been released by the relevant authorities.

4. Financial Reform

The Overall Plan indorses financial

reform and financial innovation. It asserts to promote convertibility of RMB capital accounts, liberalization of financial interest and cross-border use of RMB to the extent of manageable risks, to encourage establishment of foreign-funded banks or Sino-foreign joint venture banks, to allow foreign enterprises to gradually participate in commodity futures transactions, and to reform foreign debt administration.

5. Trading

The PFTZ is aimed to transform and upgrade the trading model with its excellent geographical advantages. The Overall Plan supports the development of offshore business, international and domestic trading, and cross-border e-commerce services. Headquarters of multinational companies and centers of integrating operation and trade settlement are also encouraged to be set up in the PFTZ. **E**

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In July 2013, Chinese police accused GlaxoSmithKline (GSK) of bribing officials and doctors to boost sales and raise the prices of its medicines in China, and subsequently arrested several executives of GSK. Police said GSK transferred up to 3 billion CNY to 700 travel agencies and consultancies over six years to facilitate the bribes. The case highlights the compliance challenges faced by foreign companies operating in China.

It's no secret that corruption is rampant in China, but it is only recently that China has been expanding an anti-corruption campaign beyond government ranks and state-owned companies to target foreign firms as a focus. And the probe into GSK is undoubtedly the best-known high profile investigation on commercial bribery.

As is well known to Westerners, building and maintaining personal relationships – better known as *Guanxi* – is naturally an integral component of doing business successfully in China, which culturally emphasizes personal connections. Your networks of connections sometimes determine your business opportunities and offer access to government authorities and decision-makers, which often can be critical for businesses. And to many, *Guanxi* is almost equivalent to gift-giving and for some occasions even involves offers of substantial benefits in cash or in-kind. Nonetheless, Chinese law sets strict boundaries on anti-bribery legislation, which all international businesses that have operations in China should be aware of. It is challenging to tread a fine line between local business practices or expectations and the boundaries set out by China's anti-corruption laws. Failure to understand the distinction between them means seemingly grey areas may cause the company serious legal consequences. As a result, foreign investors or their executives should be well familiar with Chinese law in this regard.

Chinese tradition encourages gift-giving on many occasions especially during traditional holidays or festivals such as New Year, Mid-Autumn Festival or weddings, etc. These widespread business practices may easily run foul of the Anti-Unfair Competition Law (AUCL) and the China Criminal Law (CCL).

Anti-Unfair Competition Law

Chinese laws and regulations relating to commercial bribery are very much scattered, and there is no uniform definition of commercial bribery.

The AUCL is the primary legal basis for administrative authorities to crack down on commercial bribery. It also provides a private right of action for any person who is adversely affected by commercial bribery against any other person who gives commercial bribes, although in practice such type of action is rarely heard of.

Under the AUCL, commercial bribery is defined as business operators giving money or property. For example, granting secret or off-the-books kickbacks to sell or purchase goods and services.

The AUCL is enforced by the State Administration for Industry & Commerce (SAIC) and its local offices. The SAIC promulgated the Provisional Rules on Prohibition of Commercial Bribery Activities (SAIC Rules) in 1996, which defines commercial bribery as "an activity by which a business operator bribes the other party to the transaction, either an entity or an individual, in the form of property or other means for the purpose of selling or purchasing

products." This definition, like AUCL, which is typical of the legislation of the time, provides little guidance in practice without specifying the key elements for the determination of what constitutes commercial bribery. In accordance with the SAIC Rules,

CCL criminalises the act by any individual or entity of "giving or offering to give money or property to any employee of a company or enterprise or other entity for the purpose of seeking improper benefits."

pre-agreed commissions or discounts are allowed as long as they are properly documented on the books of both parties of the transaction. It shall be specifically provided in writing that describes the relation between the commission with its nature and amount and the service provided. Moreover, the documented transaction of the payment should be

consistent with the alleged purpose. Upon conviction of commercial bribery by a local SAIC, the party giving the bribes may be subject to administrative penalties including (i) monetary fines ranging from 10,000 CNY to 200,000 CNY; (ii) confiscation of illegal proceeds (if any); and (iii) revocation of business licenses.

China Criminal Law

CCL criminalises the act by any individual or entity of "giving or offering to give money or property to any employee of a company or enterprise or other entity for the purpose of seeking improper benefits." If an organisation commits such a crime, it shall be fined, whilst a person who is directly in charge and other persons who are directly responsible for the crime could be sentenced to imprisonment or detention. The CCL also has specific provisions against bribery of government-related officials (including executives of state-owned enterprises). It is also a criminal offence for any individual or entity to offer non-state officials of any state-owned entity, non-state owned enterprises or institutions such "money or property" of relatively high value to obtain improper benefits.

Generally speaking, the term "property" has a very broad scope



of the party providing the gift. In practice, prosecutors or judges have considerable discretion to determine whether a gift is an unlawful bribe or a token of gift.

Criminal liability for commercial bribery depends upon a prescribed threshold of monetary value (5,000 CNY for an individual who accepts a bribe; 100,000 CNY for a state institution that accepts a bribe; 10,000 CNY for an individual offering a bribe, and 200,000 CNY for an entity offering a bribe). Upon conviction, applicable criminal penalties include: (1) imprisonment of up to 10 years for an individual briber or a directly responsible employee of an entity; and (2) fines against the entity bribers.

Conclusion

Foreign companies can expect increased enforcement of Chinese anti-corruption laws against them and thus need to educate its staff on the Chinese anti-bribery law. In addition, it is comparative for these companies to establish, review, update and rigorously enforce its internal compliance program.

GSK defended itself by claiming that bribery took place outside its systems and controls. In the meantime, managers in its China subsidiary were complicit in the alleged bribery. This does not help much in its case versus the Chinese enforcement authority. What we can learn from the case is that foreign companies must take all necessary measures to ensure compliance is ingrained in the corporate culture of their Chinese operations, in spite of market conditions, local practices, or competitors' acts. Compliance staff including in-house counsel and external counsel must have access to responsive and supportive management from headquarters outside of China without fear of retaliation from local managers. **B**

under Chinese law, and for the determination of commercial bribery by the SAIC, "property" means any cash and non-cash payments, including, but not limited to, property disguised as marketing fees, advertisement fees, sponsorship fees, R&D fees, labour service fees, consulting fees, or commission fees, as well as reimbursement of various expenses, or stocks securities, etc.

What is then the distinction between merely providing a "gift" to a Chinese individual or entity and providing an unlawful "bribe"? The Opinions on Several Issues Concerning Law Application and Handling Criminal Commercial Bribery Case, issued by China Supreme Court in 2008, provides

some guidance in this respect.

In determining whether a specific activity is a reasonable gift or an unlawful bribe, the following factors have to be taken into account: (i) the circumstances surrounding the gift, e.g., whether the parties are relatives or friends, as well as the nature of their relationship; (ii) the value of the gifts provided; (iii) the purpose, timing and manner of delivery of the gifts, particularly whether the party providing the gift has asked for a favour from the party receiving the gift in relation to the recipient's official position; and (iv) whether the recipient has taken advantage of his or her position to seek to or effectively promote the interests

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Technology Transfer to China (Part Two)

Checklist of Practical Measures Designed to Protect Against Unwanted Loss of Technology and Know-How in China



Philippe Healey,
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In order to take advantage of a skilled workforce, establish suppliers, and develop partnerships in China, European companies are often willing to ‘transfer’ their key technology and designs to Chinese subsidiaries of European firms, joint-venture (JV) partners, or Chinese manufacturing and service companies. One of the challenges facing European companies coming to China is devising creative solutions to minimise the risk to their intellectual property (IP) associated with such technology transfers.

Following the first part of the article on Technology Transfer, this second instalment presents a list of practical measures to protect your business from unwanted loss of technology and know-how in China. (See part 1 of this article for more in-depth explanations about JVs, public contracts, design institutes, and certification and licenses for market access).

Compulsory JVs in exchange for market access:

In order to access the Chinese market in some sectors, foreign companies must enter into JVs with Chinese companies. This might in some cases imply entering into a JV with

your competitors. This is why it is necessary to take precautionary measures to protect your IP:

- Conducting due diligence of a potential Chinese partner, the location and local industrial policies and laws. In particular, you should examine the goals of a potential partner, the ownership (State involvement?) and the positioning of other companies in the same field. Attention must be paid to stock-registered company and subsidiaries engaging in similar fields of business.

- Make sure you have filed for appropriate IPR protection within China (patents, trademarks, utility models etc.) before entering into negotiations.

- Clearly define in writing with your chosen or designated partner the extent of technology transfer requested, including future improvements. Clearly define who may use technology transferred to the joint venture (excluding subsidiaries and subcontractors).

- Include clauses binding personnel of the Joint Venture partners: Non-compete clauses, confidentiality agreements, non-solicitation clauses.

- Clearly define ownership of rights of inventions and creations made in the joint venture and the rights of use in case of termination of the joint venture.

- Verify whether future enlargement of investment will require additional technology transfer (e.g. local R&D Centre).

- Set up internal procedures to ensure that core technologies are adequately protected: Need to know only basis for access to know-how, physical access restriction, internal training of expatriate staff and engineers prior to visiting or working in China.

- Monitor unusual frequent personnel exchanges.

- Aim for a majority holding by the European firm in any joint ventures (> 51%).

- Wherever possible, grant licenses to the joint venture instead of transferring rights and

comprehensively define the scope of these licenses.

- Where possible, work with full subsidiaries, convert joint ventures into wholly owned foreign enterprises, where achievable.

- If the Government demands a majority holding by the Chinese partner company actively use the associated benefits bestowed by the Government also for your own benefit (i.e. that of the European partner).

As a rule, it is possible to have inspections for certification purposes carried out by a European or other trusted certifier, on behalf of the Chinese authorities.

Public Contracts:

In order to take part in public tenders, foreign companies must ensure that part of their production is local. Thus, foreign firms have to work with a Chinese general contractor, to which their technology has to be transferred in full. When engaging in public contracts:

- Offer "mature" technologies.

- Make sure you have filed patents and trademarks for the technology concerned in all relevant markets, including export markets outside the EU.

- Make sure that there is clarity in your company about the extent to which your know-how can be passed on.

- License your technology, but keep key patents to yourself.

- Transfer or license technologies only for limited, named projects in China and for a limited period of time.

- Avoid outsourcing key maintenance and operational management.

- Maintain a technological superiority

compared to other suppliers, so that you have a better negotiating position.

Design Institutes:

For many projects wide-ranging review of industrial drawings and designs by Chinese design institutes are mandatory. To protect your IPR:

- Consider renting your own premises, where the employees of the institutes must remain. Have different design institutes dealing with different projects.

- Mark designs and drawings with an identifier as well as terms such as "Confidential" and "© by ..." on each page submitted.

Certification and licenses for market access:

Compulsory certification

Do not answer automatically every question about technical product details relating to the firm's own know-how. Find out whether they are necessary to comply with the standard and, if necessary, negotiate with the certifying body.

Inspections of premises

As a rule, it is possible to have inspections for certification purposes carried out by a European or other trusted certifier, on behalf of the Chinese authorities. To this end, apply to the Chinese certification body in good time, in coordination with the desired supplier.

Use watermarking and invisible identifiers on your products to prove identical copies (e.g. adding non-necessary parts to a machine).

General precautions against unwanted loss of technology and IPR:

Protect products and technologies

- Wherever possible you should design products for sourcing in China on a modular basis, so that different components can be produced by different manufacturers, thus ensuring that each supplier obtains

only partial knowledge.

- Combine key functions in key components which are always developed and manufactured in-house and delivered to your own system integration department for installation.

- Integration of components into the overall system and testing of the overall system must take place in-house. Communicate know-how, documents, customer relations, designs, strategies, update plans, etc. to Chinese suppliers strictly on a 'need-to-know'-basis, and only following signature of a confidentiality agreement.

- Do not send drawings around, especially not in un-encoded mails. If they must be sent, clearly indicate "Confidential" on all documents and each page sent.

- Protect parts given to suppliers against unauthorised copying by way of patents, trademarks, designs etc and pursue counterfeiters.

- Carry out regular supplier audits with the emphasis on contractual obligations checking for IPR leakage and undeclared royalties.

- IT: keep your data recording in Europe.

- Create tiered access systems for Soft data & regularly monitor the source of external access attempts.

- Agree to export restrictions and actively follow-up on any detected breaches.

Do your homework: Integrate employees

- Engineers like to communicate with each other. Raise their awareness of the importance of technology protection. Employees must be made aware that the unauthorised communication of technology hurts the company for which they work and thus jeopardises their own jobs.

- Ensure employment contracts contain non-compete clauses and confidentiality agreements as well as non-solicitation clauses that are also enforceable under Chinese law.

- Keep highly qualified Chinese employees working in subsidiaries



of European firms and joint ventures through incentives such as pay, promotional opportunities, etc.

Use the system!

- Register your patents, trademarks, copyright and design not only in EU, but especially also in China!

- Use all legal possibilities: Formulate contracts unambiguously and include arbitration clauses with a neutral tribunal location.

- Ensure that transfers of know how are made on a clear legal basis for all parties involved, define precisely and in detail the object and recipient of the transfer, including formalities.

- In the event of a transfer of technology, make sure you conclude a non-disclosure agreement.

- Oblige your contractual partner to comply with all administrative rules for technology import and export.

Take-away messages:

- European companies who do not think carefully about how to guard against IP risk when transferring technology to China may unwillingly suffer a loss of competitiveness and market share.

- Refer to the Catalogue for Prohibited and Restricted Technology Imports (the "Technology Import Catalogue") and the Foreign Investment Catalogue to make sure you will be allowed to

bring your technology to China.

For the Catalogue for Prohibited and Restricted Technology Imports (In Chinese), see: http://www.gov.cn/flfg/2008-09/25/content_1105522.htm

For the Foreign Investment Catalogue (In English), see: http://www.fdi.gov.cn/pub/FDI_EN/Laws/GeneralLawsandRegulations/MinisterialRulings/P020071121358108121219.pdf

- To protect your IP in a technology transfer it is important to make sure you choose the right partners at the outset. It is recommended that companies use IP licenses with their Chinese partners.

- The IP risk associated with a particular technology transfer will vary depending on whether you are licensing, setting up a JV, or setting up a WFOE. However, in all three of these situations, the goal is the same – to prevent your IP from being inadvertently leaked or intentionally misappropriated or misused by a related or unrelated Chinese party. **E**

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Virtual Warfare & Cyber Security

By Stephen P. Ashton



In this digital age, so much of our society's infrastructure exists on a network. Any system with a connection to the internet is prone to attack. You might ask why governments put such sensitive data and services online. The answer is that they really don't have a choice. The internet provides such a vast and stable communication protocol that there isn't a viable alternative. An alternative would need to reliably allow communication and have the monitoring power to manage utilities such as water, power and fuel, not

to mention security and military services. A viable alternative to the internet, which would meet these requirements on this scale, is beyond the current level of technology.

Winston Churchill once said: "In wartime, truth is so precious that she should always be attended by a bodyguard of lies". This statement personifies the ongoing cyber-conflict between the world's two superpowers, China and the USA. Neither nation will admit to cyber espionage, yet both accuse the other of it. Many other nations have also

accused each other of acts of cyber crime and recently there have been more and more news headlines related to this topic.

The problem with describing this as a cyber war is that it shares only a partial commonality with what war is defined as. War is generally taken to mean parties entering into an organised and armed conflict, characterised by violence, as well as social and economic disruption. However, in cyber warfare it is more complicated. For starters, it is not clear who the parties involved are.

Furthermore, as there isn't an actual physical conflict, the parties involved are determined post-event based on analysis of the attack, and many of the attacks' details are concealed by the perpetrators, making determining the facts somewhat impossible.

The victims of the attacks do not wish their vulnerability to be public knowledge, making the sharing of intelligence between intelligence agencies around the world troublesome at best. Nowadays a single hacker can cause massive damage to a military operation, more than a contingent of soldiers could ever hope to do!

Types of cyber attacks

There are many types of cyber attack. The following are a selection of methods which can be used to disrupt systems and steal intelligence or financial data:

Cross-site Scripting - This requires the user to go to a third party resource such as a pre-set-up web page. This resource runs a covert malicious script in the background to steal information such as, cookies, key-strokes and screen shots.

Distributed Denial-of-Service (DDOS) - This attack is carried out by sending too many data requests to a network. This clogs the network servers' access to the internet, effectively rendering it useless. It will remain this way until the attack ceases or more servers are brought online to ease the burden. Attacks like this are achieved by utilizing many computers, either voluntary, or involuntary using malware, to send the requests to the targeted servers. This is normally done by downloading software on purpose or accidentally turning the computers into "zombies". These can then take part in the attack with minimal disruption to their own machines. Groups such as "ANONYMOUS" prefer attacks such as this.



Logic Bomb - this is a malicious code inserted into software which is activated when pre-set conditions are met, it then causes errors in the systems.

The truth is that the only reason why anyone knows about nations being engaged in cyber espionage is information from defectors and whistleblowers.

Trojan Horse - This is a malicious program disguised as a useful one. It is used to infiltrate people's systems by being downloaded by the victim, who thinks it's something they want; not knowing it is actually a damaging code.

Virus - Once it infects a system it replicates. It then corrupts, deletes or replaces data which can severely compromise a system.

Worm - A self replicating and propagating code which moves through systems covering up after itself. These can remain for months/years in systems causing havoc covertly.

What is being done about this?

In the U.S., the GAO (Government Accountability Agency) was set-up as an independent organisation to work with and counsel congress. They stated with regards to cyber-terrorism. It has been a high risk area for them since 1997, within the last six years there has been a 680% increase in incidents. They warn that there isn't a legal standard for cyber security and that there is a known problem sharing intelligence on cyber attacks between agencies.

There is a similar story from organisations in every country. There is obviously a severe lack of standards for security measures in the digital domain. This is leaving nations open for attack as weaknesses in systems are exploited and it will never change due to the lack of transparency in governments. The lack of data sharing cripples attempts to follow

trends and analyse the best way to prevent attacks. Also, as nations are carrying out cyber attacks on each other, it's in their best interest to hide their participation and not advertise when their security is breached as to not show weakness. The truth is that the only reason why anyone knows about nations being engaged in cyber espionage is information from defectors and whistleblowers. Organisations like Wikileaks are the source which makes many of these attacks public knowledge.

Edward Snowden and PRISM

Recently, the whistleblower Edward Snowden, a former CIA/NSA operative, leaked details of the US government's apparent cyber war activities. Firstly, he details the US's hacking efforts in Asia. His claims include: the theft of SMS data from Chinese phone companies, hacking the Tsinghua University's network in China and also Pacnet, an Asia Pacific fibre optic network operator.

He claims that all phone calls made or financial internet transactions to, or, in America pass through the NSA's hands. He details an operation known as "PRISM", which involves the use

of a program to mine through private internet data in order to find leads on things such as terrorism.

This program collects data which the NSA has "direct access" to, from some of the biggest technology company's servers in the world including: Microsoft, Yahoo, AOL, Facebook, Google, Apple, Paltalk, Youtube and Skype. They do this without subpoenas or court orders, and even request data from other companies who aren't entered into this agreement. Many of these companies have since denied any involvement.

Whilst individuals cannot be legally targeted without a warrant, the amount of personal data obtained is unprecedented, according to Snowden. He only leaked data highlighting the invasion of public privacy, not military secrets, and therefore affirms that he is not a traitor.

He stated to the Guardian newspaper: "I pointed out where the NSA has hacked civilian infrastructure such as universities, hospitals, and private businesses because it is dangerous," and "These nakedly, aggressively criminal acts are wrong, no matter the target." He declares the hypocrisy of it all is that the USA has stated many



times that it doesn't "hack" civilian infrastructure unlike other countries. These revelations, assuming the validity can be assured, would prove the contrary.

The cyber-war paradox

Unlike normal warfare, which relies wholly upon intelligence and secrecy, the success of a cyber war operation is measured by the level of intelligence stolen or disruption caused, as well as the levels of covertness it is achieved by. The biggest failure a country's cyber espionage efforts are their activities becoming public knowledge. By doing so they not only show their weakness by showing that they can't contain the secrecy of their covert operations, but they also risk retaliation from the subject of their espionage. This is contrary to typical warfare, whereby victories are paraded to boost morale. In cyber warfare the biggest victories are those which go unnoticed for months and years, as data is stolen from targets.

As for whistleblowers, are they heroes of the digital age? Maybe the Robin Hoods of this generation? Or are they traitors to their countries/organisations? I believe the answer is found in their intent; are they leaking information for fame or money, or are they trying to serve a greater good, possibly expose injustice and treachery within their government. Either way, they do hold an unprecedented amount of power. They have the ability to bring down corporations, cause governments embarrassment and even start wars. However, as citizens of our respective countries, don't we have the right to know what our governments are monitoring, and how they intend to use our personal data? **B**

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Mr. Kan Du Appointed as Executive Chef of Hyatt Regency Tianjin East

Mr. Kan Du has been appointed Executive Chef at Hyatt Regency Tianjin East. Chef Du started his culinary career at the China World Hotel, under the Shangri-La Hotel Group in 1990. In 2001, Chef Du joined Grand Hyatt Beijing as Chef de Partie, and was later promoted to Chef de Cuisine. In this capacity, he was in charge of the Italian restaurant, Café, Room Service, Lobby Lounge and Banquet Kitchen at Grand Hyatt Beijing. Due to his leadership and commitment to culinary excellence, Chef Du was promoted to Executive Sous Chef at Park Hyatt Beijing in October 2008. After over four years at the Park Hyatt Beijing, Chef Du joined the pre-opening team of Hyatt Regency Tianjin East. In his new role, Chef Du will lead the culinary team to offer the most sophisticated gourmet food to exceed guests' expectations.



Mr. Matthew Huang Appointed Director of Food & Beverage of Hyatt Regency Tianjin East

Mr. Matthew Huang has been appointed Director of Food & Beverage at Hyatt Regency Tianjin East. Matthew joined the Grand Hyatt Beijing as a Food & Beverage Team Leader in October 2001. Upon completion of Management Trainee Program at Grand Hyatt Hong Kong in 2006, Matthew was promoted to Assistant Director of Food & Beverage at Grand Hyatt Beijing, Grand Hyatt Guangzhou and Park Hyatt Beijing respectively. Prior to joining Hyatt Regency Tianjin East, Matthew joined the pre-opening team of Hyatt Regency Jinan and has worked in the capacity of Director of Food & Beverage for the past two years. With over twenty years of experience in the hospitality industry, especially in the food and beverage area, Matthew will work closely with the culinary team to keep providing unforgettable dining experiences to our guests.



Frank Koppelkamm Appointed as Executive Chef of the St. Regis Tianjin

The St. Regis Tianjin is pleased to announce that Frank Koppelkamm has joined the hotel as its new Executive Chef. Chef Frank has extensive experience in the hospitality industry, with over 25 years of working in award winning restaurants, boutique hotels and 5 star international hotels in Europe, the Caribbean and Asia.

The St. Regis Tianjin is excited to have a hospitality veteran joining the hotel with extensive knowledge of kitchen and customer orientated service management. With Frank Koppelkamm as our Executive Chef, the St. Regis Tianjin will continue to offer guests a distinctive epicurean experience at our riverfront restaurants and bar. The St. Regis Tianjin, an iconic new landmark on a rapidly evolving city skyline is fast becoming Northern China's most prestigious gateway for business leaders, society tastemakers and discerning travellers.



THE RITZ-CARLTON®
HOTEL COMPANY, L.L.C.

Sunday Brunch at The Ritz-Carlton Zest Restaurant

The Ritz-Carlton has opened its doors for brunch at one of its four state of the art restaurants, all of which are both beautifully decorated and carefully thought out dining experiences. Named after a feeling of liveliness and excitement, the 'Zest' restaurant truly does offer dining of a certain lively quality. This ambience is created by its elegant open kitchen plan where the international culinary team proudly display their skills in an artistic and passionate manner.

Brunch at The Ritz-Carlton is a relaxed affair, whereby guests can be seen to unwind and socialize with close friends and family. Starting at 11:30am, Zest offers you the perfect opportunity to enjoy a lazy afternoon dining experience that is guaranteed to help you forget the hustle and bustle of city life.

The Zest Sunday brunch brings together the delicate flavours from different parts of the world, helping to create a truly modern and international embodiment. With the stylistically prepared food options from Japan, Italy, China as well as cakes from France, one can truly appreciate a multi cultural dining experience. The special Seafood choices range from fresh water crabs, shrimps, lobster in delicate sauces and carefully prepared oysters all brought in that very morning by the culinary team. This restaurant has been known to have a constantly evolving menu, keeping us on our toes about what the experts will come up with next.

If guests do not fancy partaking in the traditional scrumptious sea food options, there is always the alternative of delighting in the Italian inspired bistro of hand crafted pizza's and pasta accompanied by homemade pesto sauce. The Japanese counter boasts an impressive array of different sushi options, other counters offer a delectable cheese platter with a selection of freshly baked breads that brings to mind a quaint French patisserie.

The excitement of this new restaurant does not end with the delicious and innovatively designed foods and free flowing Moët and Chandon. One cannot help but notice the passion and care in which the efficient staff operate the entire brunch. This added to the ultra modern, tasteful décor creates an ideal atmosphere in which to congregate with family and friends.

If you are looking for a dining experience that is fresh and exciting then the Zest Seafood Brunch is one that delivers!



The Astor Hotel, A Luxury Collection Hotel, Tianjin Held “Love in The Garden of Eden” Theme Wedding Show

27 October 2013, The Astor Hotel, A Luxury Collection Hotel, Tianjin cooperated with Queeny Wedding planning company and many luxury brands to showcase a “Love in The Garden of Eden” theme wedding show in the Victorian Lounge and other feature venues.

With different traditional wedding shows in 5 star hotels, The Astor Hotel, Tianjin shows its great wedding venue and elegant environment in static display. The fabulous venues and buildings decorated in classic Victorian-era style paying homage to The Astor Hotel’s legendary heritage. Creating memorable moments and stunningly elegant wedding receptions are the legacy of 150 years of hosting at The Astor Hotel. From the elegant Buckingham Ballroom featuring a palatial fine domed ceiling, to the breathtaking Victorian Lounge, five restaurant private dining rooms, those unique contemporary or historic Victorian facilities at The Astor Hotel combine a luxurious ambience with superior support.

The city’s most breathtaking wedding & event venue, The Victorian Lounge is situated in the centre of the hotel featuring a glass atrium. It is a great choice to exchange your vows surrounded by up to 200 guests. At the wedding show, the Victorian Lounge became the “Garden of Eden” in the fairy tale. With the grasses turf on the floor and royal style chairs, it makes the Victorian Lounge full of legendary outdoor wedding atmosphere.

The 1863 dining room was set up in luxury peacock theme. A long dining table was arranged with amazing decorations in peacock blue and unlimited luxury. The historical lobby decorated into a stage of British waltz. The historical Thames Room, a deluxe multi-function room, was once used for dinners, balls, and state meetings.



See the World in A Whole New Way!

2013 Marriott Hotels Global Customer Appreciation Ceremony

@ Renaissance Tianjin Lakeview Hotel

Since 1993, Marriott International holds the GCAW activities every autumn. The Global Customer Appreciation Week is simply a chance for us to personally thank our guests and customers, and to give something back to the communities we live and work in. As Marriott International has rapidly grown up in the global market, this activity has already become an organisational tradition in which we lead each brands and encourage our sales team to participate.

This year, Marriott International has planned a week-long festival of community engagement, known as Global Customer Appreciation Week (GCAW), from 28 October to 1 November in order to thank our customers for their business.

Renaissance Tianjin Lakeview Hotel held the cluster GCAW Ceremony on 31 October, 2013, the Halloween Night. More than 300 guests came to the event, who were our business partners, top customers, General Managers of Marriott Tianjin hotels and sales teams from Beijing, Tianjin, Sanya and Shanghai. Richard Beh (Director of Sales and Marketing,

North China), Petr Raba (Director of Operation, North China) and Betty Lang (Director of National Sales Office) also joined us on this special night and voiced our sincere appreciation to everyone.

Everybody was jazzing up in the Halloween party, and ready for screams of delight. It was the most frightfully fun and meaningful Halloween Party ever. People dressed in their favourite costumes and got ready to trick or treat. All of the Vampires, Zombies, Mr. Bones, ghostly pumpkins and ghoulishness have made this Halloween spook-tacular!

Throughout the night everyone found a secret gift under their chairs. The mysterious magic and amazing cocktail show brought the exciting level to the event, and while guests were enjoying the wickedly good Halloween feast they were also enchanted by the joyful music from our Filipino live band. The lucky draw time was the most exciting part of the event. The winners went home with their hotel vouchers from different Marriot Hotels.

Global Customer Appreciation Week is a tradition at Marriott and an important part of our culture and strong focus on the guests. We will continually offer the best service to our guests and business partners, which will involve bringing you the delightful experience of seeing the world in a whole new way. You mean the world to us!



American Clubs International Tianjin: A New Lifestyle of Tianjin

In an atmosphere of elegance and comradeship, members and guests of American Clubs International Tianjin joined hands to celebrate Thanksgiving at the five-star country club on Saturday, 9 November. The event featured a sumptuous international buffet of traditional turkey, top-rated steaks, plenty of wines, and lots of live entertainment. The charming European clubhouse, newly opened in early October in Jinhai County where dynamic Tianjin is most serene, boasts breathtaking views of the infamous Tuanbo Lake.

Members and guests, dressed up for the occasion, were all individually chauffeured in and out by complementary limos arranged by the American Club. "We appreciate this arrangement, in particular with the little rain today. This is a nice touch and shows the class and caring attitude of the club," said Mr. Tsang, who bought a villa on the lakefront at Raycom Lake Origin, where the club is located. "We love the environment as well as the comradeship of the American Club community," added Mrs. Liu, another villa owner who commutes to work in Beijing during most of the week.

With an indoor area of over 5,000 square metres, the services provided for by this landmark private club are comprehensive, including: casual and private international dining, sports and wine bars, state-of-the-art gyms, all-weather indoor adult and baby pools, card rooms, sauna, steam, and substantial games and play centers for kids of all ages. It is augmented by huge outdoor areas along the shorelines for hosting large parties and fun activities, as well as the availability of private boats for intimate cruises, cocktail parties, and even barbeques on the lake.

"The placid country club complements our elegant town club opened in bustling Binhai New Area in November last year," said Dr. Michael Ho, managing director of Hong Kong-based American Clubs International, during his welcoming speech at the packed reception hall. "We're buoyant about the town and country concept from the outset because it will satisfy the sporting, recreation, and business needs of individuals of different age groups," remarked Ho. "This is particularly relevant to the Tianjin market in which quest for quality life has been surging." He continued.

American Clubs International Tianjin is jointly developed by American Clubs International and Raycom China, a leading real estate developer wholly owned by the Legend Group which portfolio includes PC giant Lenovo.



Sheraton Tianjin's 26th Anniversary

Sheraton Tianjin Hotel has celebrated its 26th anniversary by hosting a staff party at its Terrace Cafe Garden on 25 Oct, 2013. More than 300 employees and Excom Team participated in this anniversary party and witnessed the outstanding achievements of 26 years together.

At 10:30 am in the morning, the anniversary party started sweetly at its Terrace Cafe Garden. Every staff member showed their excitement at the prospect of having the chance to gather together to celebrate this wonderful moment. Before the party, every staff member wrote a blessed card to show their best wishes to hotel. Meanwhile, the hotel set up the buffet table in the garden.

The Sheraton Tianjin Hotel was opened in 1987 and in doing so it became the first 5 star international hotel in Tianjin. 26 years later, all employees celebrated this wonderful moment together.

Surrounded by a pristine garden, Sheraton Tianjin Hotel is a source of comfort and relaxation on your next trip to China's third largest city. Even though we are only five kilometers from the Tianjin city centre, you will feel worlds away. The 296 guest rooms, including an executive floor and serviced apartments, are fully equipped to meet your every need.



Beijing Yingke Law Firm Tianjin Office

Directly invested and managed by Beijing headquarters, Beijing Yingke Law Firm Tianjin Office was established in April 2010, based on the principles of good faith, diligence, professionalism and responsibility.

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Website: www.lawyertianjin.com



Richard Tian

Senior Partner / Attorney-at-Law
Director of International Legal Affairs Department

Past Events:



2013 Annual Fall Classic Golf Tournament

10:00AM – 8:30PM, Saturday, 19 October – The World Golf Club, by Amanda He

Golfers from Tianjin and Beijing came out to join AmCham China Tianjin's 2013 Annual Fall Classic Golf Tournament on 19 October. The tournament was held at the World Golf Club. After an exciting day of golf, members and guests enjoyed a buffet dinner, awards ceremony, prize drawings, and a performance by the live band from the Westin Tianjin.

We would like to thank all of those who came out to golf, joined in the dinner, and especially the sponsors: American Airlines, the Westin Tianjin, Taylor Printing, Northern Lights, Hank's Sports Bar and Grill, Jones Lang LaSalle, Rex Group and the Hyatt Regency Tianjin East. The Ritz-Carlton, Tianjin and many others were able to give other forms of donations that helped create a successful night.

Winners:

1st place: Jens Purup and Claus Nicolajsen 77

2nd place: Tim Beagle and Chan Tran 78

3rd place: Oliver Rochefort and Sean Filson 79

Longest drive: Jeff Xue

Most accurate and longest drive: Xia Gang

Nearest to Pin: Jens Purup

Claus Nicolajsen

Winner of Putting Contest: Zhongxuan Du



2013 Fall Property Market Update and New Hotel Tour

Thursday, 24 October – The Ritz-Carlton Tianjin, by Anna Li



On 24 Oct, AmCham China Tianjin hosted a Tianjin property market update with **Michael Hart** and **Durrell Mack** from Jones Lang LaSalle at the newly opened Ritz-Carlton, Tianjin.

30 members attended this event and shared their questions or observations with regards to the presentation which analyzed the ongoing rapid development of the Tianjin real estate market, with reference to the construction and completion of new projects and traditional areas transformation.

Following the report, a tour of the new Ritz-Carlton Tianjin was arranged.

Upcoming Event:

12 December: Dialogue with the Tianjin Government & 2013 AmCham China Tianjin Annual Appreciation Reception - Renaissance Tianjin Lakeview Hotel

19 December: Tianjin Monthly Executive Breakfast Briefing - The St. Regis Tianjin

Room 2918, 29F, The Exchange Tower 2, 189 Nanjing Lu Heping District Tel: +86 22 2318 5075 Fax: +86 22 2318 5074 www.amchamchina.org

Past Event:



1st German Chamber Soccer Cup Tianjin 2013

Sunday, October 20, 2013

Eight companies, 120 players, one champion – on Sunday, October 20, 2013 the German Chamber of Commerce invited Tianjin's business community to its largest event of the year. The 1st German Chamber Soccer Cup Tianjin attracted more than 250 spectators! Tianjin's local German companies Bauer, Continental, Siemens Mechanic United (a union of Siemens Mechanical Drive Systems & Winergy Drive Systems), Siemens Electrical Drives (SEDL), Stiebel-Eltron, Turck, Volkswagen and Würth challenged each other at the soccer fields of the International School of Tianjin (IST).

The winner of this spectacular tournament was the team of Würth which triumphed over Siemens SEDL in the final round with a total score of 2:1!

Besides the happenings on the soccer field, Chinese and German visitors gathered together, enjoying the warm and sunny October day. Children played in the school playground with a bouncy castle while culinary specialties from the Chinese and German cuisine were served in the nearby picnic area. At the target shooting competition "Torwandschießen" every visitor could try their luck to win special prizes.

For pictures and more information, please visit our website at www.deutscher-kammerpokal-tianjin.de.



Upcoming Event:

December 6, 2013: Year End Tax Seminar, Renaissance Tianjin Lakeview Hotel

December 8, 2013: German Christmas Market, The Astor Hotel Tianjin

December 25, 2013: Kammerstammtisch Tianjin, Drei Kronen 1308 Brauhaus Tianjin

Room 1502, Global Center, No. 309 Nanjing Road, Nankai District, Tianjin 300073 Tel / Fax: +86 22 8787 9249 tianjin@bj.china.ahk.de

Include your event
email to editor@businesstianjin.com

01
SUN
星期日

RECon Asia Conference
RECON 亚洲会议
China National Convention Center
中国国家会议中心
equek@icsc.org.sg
Dec 1-3



06
FRI
星期五

China International Lawyer Marketing & Technology Summit
中国涉外律师营销与科技峰会
Crowne Plaza Shanghai
上海银星皇冠假日酒店
+86 21 5168 8946
Dec 6-8

03
TUE
星期二

China Aeronautical Materials and Manufacturing Equipment Summit 2013
中国航空材料和制造设备的峰会
Shangri-La Hotel 香格里拉国际饭店
+86 21 5155 5218
Dec 3-4

07
SAT
星期六

TICC Christmas Ball 2013
圣诞活动
The Westin Tianjin
天津君隆威斯汀酒店
¥ 550
ticc_09@hotmail.com



05
THU
星期四

Architect Work China Conference 建筑纪元展会
China International Exhibition Center
中国国际展览中心
beijing@architectatwork.cn
Dec 5-6



08
SUN
星期日

Maksim China Tour-Tianjin 2013 马克西姆与乐队中国巡演·天津站
Tianjin Grand Auditorium 天津大礼堂
20:00
¥ 380-880
400 610 3721(ticket)



Special Days

7 Dec Heavy Snow (dà xuě)
22 Dec Winter Solstice (dōng zhì)

24 Dec Christmas Eve
25 Dec Christmas

11
FRI
星期五

Powertrain Forum - High Efficiency Combustion Systems
高效燃烧系统动力论坛
Shanghai New International Expo Centre
上海国际博览中心
www.sae.org

19
THU
星期四

2013 International Conference on Materials, Architecture and Engineering Technology (ICMAET 2013) 2013材料、建筑和工程技术国际会议
Royal King Residence Hotel
融金中财大酒店
icmaet@163.com
Dec 19-20

14
SAT
星期六

From Baroque to Romanticism - Tianjin Grand Opera Orchestra (Tianjin Symphony Orchestra) 2013-2014 Series No.5 从巴洛克到浪漫主义——天津歌剧院交响乐团(天津交响乐团)2013-2014系列音乐会5
Concert Hall, Tianjin Grand Theatre
天津大剧院音乐厅
¥ 80-380
+86 22 8388 2000

16
MON
星期一

World Finance & Banking Symposium
世界金融论坛
Central University of Finance and Economics
中央财经大学
joaovieito@esce.ipv.pt
Dec 16-17

18
WED
星期三

IEEE International Conference on Bioinformatics and Biomedicine
IEEE (电气和电子工程师协会) 生物信息学与生物医学国际会议
Tongji University 上海同济大学
bibm2013.tongji.edu.cn
Dec 18-21



27
FRI
星期五

Zubin Mehta and Orquestra de la Comunitat Valenciana
祖宾·梅塔与西班牙瓦伦西亚皇后歌剧院交响乐团音乐会
Concert Hall, Tianjin Grand Theatre
天津大剧院音乐厅
19:30
¥ 90-840
+86 22 8388 2000
Dec 27-28



30
MON
星期一

Symphonia Vienna New Year's Concert 2014
维也纳管弦乐团2014年新年音乐会
Concert Hall, Tianjin Grand Theatre
天津大剧院音乐厅
19:30
¥ 120-880
+86 22 8388 2000

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VOLUME 67



A: I hear you were being sent to Madrid for the annual conference. Was that right?

我听说你去马德里(1)参加年会(2)了,是吗?
wǒ tīng shuō nǐ qù mǎ dé lǐ cān jiā nián huì le, shì ma?

B: Yes, it would be my first trip overseas. Actually, it was going to be my first time leaving the country.

是的,这是我第一次海外(3)旅行。事实上,这也是我第一次离开中国。
shì de, zhè shì wǒ dì yī cì hǎi wài lǚ xíng. shì shí shàng, zhè yě shì wǒ dì yī cì lí kāi zhōng guó.

A: Are you serious? You haven't even been anywhere on vacation?

真的么?你以前没有去过国外其他地方旅行么?
zhēn de me? nǐ yǐ qián méi yǒu qù guò guó wài qí tā dì fāng lǚ xíng me?

B: No, I have never vacationed anywhere exotic.

是的,我从来没有体验过异域情调(4)。
shì de, wǒ cóng lái méi yǒu tǐ yàn guò yì yù qíng diào.
But even if I don't get a chance to travel on my personal time, at least I could travel on company time!
即使我没有用个人时间去旅行,至少这次我可以借用公司的时间去。
jí shǐ wǒ méi yǒu yòng gè rén shí jiān qù lǚ xíng, zhì shǎo zhè cì wǒ kě yǐ jiè yòng gōng sī de shí jiān qù.

A: How were things in the Madrid branch when you were there?

在马德里分公司(5)各项事务进行的如何?
zài mǎ dé lǐ fēn gōng sī gè xiàng shì wù jìn xíng de rú hé?

B: Good! They have expanded and are doing better than they were last quarter.

非常好!相较于上一个(6)季度(7),他们扩大(8)了公司规模并且做的更加完善。
fēi cháng hǎo! xiāng jiào yú shàng yī gè jì dù, tā men kuò dà le gōng sī guī mó bìng qiě zuò de gèng jiā wán shàn.
It's nice to see some improvement for a change.
我非常开心看到他们的改变与提升(9)。
wǒ fēi cháng kāi xīn kàn dào tā men de gǎi biàn yǔ tí shēng.

A: Do you see the trend continuing over the next few months?

那么,你看到几个月之后公司的发展趋势了吗?
nà me, nǐ kàn dào jǐ gè yuè zhī hòu gōng sī de fā zhǎn qū shì le ma?

B: Yes, especially with so many of our executives going back and forth from here to Spain.

是的,特别是和西班牙分公司的高管(10)交谈之后。
shì de, tè bié shì hé xī bān yá fēn gōng sī de gāo guǎn jiāo tán zhī hòu.
The only problem is, they may have trouble when they go to open up business here.
我认为唯一的问题就是,当他们在(11)中国开展一些商务活动的时候,
wǒ rèn wéi wéi yī de wèn tí jiù shì, dāng tā men zài zhōng guó kāi zhǎn yī xiē shāng wù huó dòng de shí hòu,
他们可能会遇到一些麻烦。
tā men kě néng huì yù dào yī xiē má fán.

A: Why would you say that?

何出此言?
hé chū cǐ yán?

B: They aren't too familiar with doing business outside of Spain. There are a lot of cultural differences to account for.

他们对西班牙之外的商务不太熟悉(12)。有很多文化差异需要考虑(13)。
tā men duì xī bān yá zhī wài de shāng wù bù tài shú xī. yǒu hěn duō wén huà chā yì xū yào kǎo lǜ.

B: I'll say, sometimes they just do things really differently.

我认为有些时候他们做事的风格确实与我们不同。
wǒ rèn wéi yǒu xiē shí hòu tā men zuò shì de fēng gé què shí yǔ wǒ men bù tóng.
But one thing I can say, they are really passionate and hospitable.
但是我可以肯定的说,他们非常热情好客(14)。
dàn shì wǒ kě yǐ kěn dìng de shuō, tā men fēi cháng rè qíng hào kè.

Vocabulary

(1) 马德里	Madrid	mǎ dé lǐ
(2) 年会	annual conference	nián huì
(3) 海外	overseas	hǎi wài
(4) 情调	exotic	qíng diào
(5) 分公司	branch	fēn gōng sī
(6) 上一个	last	shàng yī gè
(7) 季度	quarter	jì dù
(8) 扩大	expand	kuò dà
(9) 提升	improvement	tí shēng
(10) 高管	executive	gāo guǎn
(11) 开展	open up	kāi zhǎn
(12) 熟悉	be familiar with	shú xī
(13) 考虑	account for	kǎo lǜ
(14) 好客	hospitable	hǎo kè

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T: +86 22 2457 8888
中国站
河东区新开路66号天津天诚丽笙世嘉酒店2层

Fortune Restaurant
A: 2F, Crowne Plaza Tianjin Binhai No. 55, Zhongxin Da Dao Airport Industrial Park
T: +86 22 5867 8888 ext. 2355
富淳中餐厅
空港物流加工区中心大道55号天津滨海圣光皇冠假日酒店2层



Qing Wang Fu
A: No. 55, Chongqing Road Heping District
T: +86 22 8713 5555
+86 22 5835 2555
E: info@qingwangfu.com
W: qingwangfu.com
庆王府
和平区重庆道55号

Riverside Chinese Restaurant
A: 3F, Holiday Inn Tianjin Riverside Phoenix Shopping Mall East Haihe Road, Hebei District
T: +86 22 2627 8888 ext. 2211
海河轩中餐厅
河北区海河东路凤凰商贸广场天津海河假日酒店3楼

Tao Li Chinese Restaurant
A: 6F, Hotel Nikko Tianjin No. 189, Nanjing Lu, Heping District
T: +86 22 8319 8888 ext. 3561
桃李中餐厅
和平区南京路189号天津日航酒店6层



Japanese

Benkay Japanese Dining
A: 5F, Hotel Nikko Tianjin, No. 189 Nanjing Lu, Heping District
T: +86 22 8319 8888 ext. 3558
和平区南京路189号天津日航酒店5层
弁庆日本料理餐厅

Café Vista
A: 1F, Wanda Vista Tianjin, 486 Bahao Road, Da Zhi Gu, Hedong District
T: +86 22 2462 6888
美食汇全日餐厅
河东区大直沽八号路486号天津万达文华酒店一层

Kasumi
A: 1F, Crowne Plaza Tianjin Binhai No. 55, Zhongxin Da Dao Airport Industrial Park
T: +86 22 5867 8888 ext. 2322
露日式料理
空港物流加工区中心大道55号天津滨海圣光皇冠假日酒店1层

Kushi Grill
A: 2F, Radisson Blu Plaza Hotel Tianjin No. 66, Xinkai Lu, Hedong District
T: +86 22 2457 8888
串烧
河东区新开路66号天津天诚丽笙世嘉酒店2层

Seasonal Tastes
A: 1F, 101 Nanjing Road, Heping District
T: +86 22 2389 0168
知味全日餐厅
和平区南京路101号一层

Seitaro
A: Sheraton Hotel Tianjin Zi Jin Shan Lu, Hexi District
T: +86 22 2731 0909
清太郎日本料理
河西区紫金山路喜来登大酒店

Sôu
A: 49F, Tangla Hotel Tianjin, No.219 Nanjing Road, Heping District
T: +86 22 2321 5888 ext.5106
思创
南京路219号天津唐拉雅秀酒店49楼

Thai

YY Beer House
(Behind International Building)
A: No. 3, Aomen Lu, Heping District
T: +86 22 2339 9634
粤园泰餐厅
和平区澳门路3号(国际大厦后侧)

Western

Prego Italian Restaurant
A: 3F, 101 Nanjing Road, Heping District
T: +86 22 2389 0173
Prego意大利餐厅
和平区南京路101号三层

Qba – Latin Bar & Grill
A: 2F, 101 Nanjing Road, Heping District
T: +86 22 2389 0171
Q吧 - 拉丁酒吧&烧烤
和平区南京路101号二层

Café@66
A: 1F, Radisson Blu Plaza Hotel Tianjin No. 66, Xinkai Lu, Hedong District
T: +86 22 2457 8888
咖啡66
河东区新开路66号天津天诚丽笙世嘉酒店1层

Churchill Wine & Cigar Bar
A: 1F, Wanda Vista Tianjin, 486 Bahao Road, Da Zhi Gu, Hedong District
T: +86 22 2462 6888
丘吉尔红酒雪茄吧
河东区大直沽八号路486号天津万达文华酒店一层



Aulare Latin Restaurant
A: Magnetic Plaza, Building A4 2-16, Binshui Xi Dao Nankai District
T: +86 187 2229 0691
E: tianjin@aulare.com
艾伊莎贝西餐厅
南开区滨水西道时代奥城A4座2-16号



Texas BBQ Saloon
A: Units 115 and 128, Central Avenue, Building C7, Magnetic Plaza, Nankai District
T: +86 22 8713 5555
+86 182 0258 9904 (English)
+86 182 0258 9924 (Chinese)
德克萨斯风味烧烤西餐厅酒吧
南开区奥城商业广场C7座115-128



Bistro Thonet
A: No.55 Chongqing Road, Heping District
T: +86 22 8713 5555
E: info@qingwangfu.com
W: qingwangfu.com
庭悦咖啡
和平区重庆道55号庆王府院内



Brasserie Flo Tianjin
A: No.37, Guangfu Road Italian Style Town, Hebei District
T: +86 22 2662 6688
福楼
河北区意大利风情区光复道37号

1863 Bistro & Terrace
A: 1F Astor Wing, The Astor Hotel, A Luxury Collection Hotel, Tianjin No. 33, Tai'er Zhuang Lu Heping District
T: +86 22 2331 1688 ext. 8918
1863别致西餐厅&花园
利顺德翼, 和平区台儿庄路33号天津利顺德大饭店豪华精选酒店一层

Café Majestic
A: 1F Haihe Wing, The Astor Hotel, A Luxury Collection Hotel, Tianjin No. 33, Tai'er Zhuang Lu, Heping District
T: +86 22 2331 1688 ext. 8910
凯旋咖啡厅
海河翼, 和平区台儿庄路33号天津利顺德大饭店豪华精选酒店一层

Café Venice
A: 2F, Holiday Inn Tianjin Riverside Phoenix Shopping Mall East Haihe Road, Hebei District
T: +86 22 2627 8888 ext. 2271
威尼斯咖啡厅
河北区海河东路凤凰商贸广场天津海河假日酒店2楼

Glass House
Hyatt Regency Jing Jin City Resort & Spa
A: No. 8, Zhujiang Da Dao Zhouliang Zhuang, Baodi District
T: +86 22 5921 1234
水晶厨房
宝坻区周良庄珠江大道8号京津新城凯悦酒店

Pan Shan Grill & Wine
A: 2F, Main Building Sheraton Hotel Tianjin Zi Jin Shan Lu, Hexi District
T: +86 22 2731 3388 ext.1820
盘山葡萄酒扒房
紫金山路天津喜来登大酒店主楼2层

Promenade Restaurant
A: 1F, The St. Regis Tianjin No. 158, Zhang Zizhong Road Heping District
T: +86 22 5830 9959
河岸国际餐厅
和平区张自忠路158号天津瑞吉金融街酒店一层(津塔旁, 哈密道正对面)

Spectrum All-Day Dining
A: 7F, Hotel Nikko Tianjin No. 189, Nanjing Lu, Heping District
T: +86 22 8319 8888 ext. 3570
彩西餐厅
南京路189号天津日航酒店7层



Mighty Deli (South Park Store)
A: No. 85-87, Shuishang Gongyuan West RD, Nankai, Tianjin (opposite to Nancuiping Park) 南开区水上公园西路85-87号南翠屏公园对面
T: +86 22 8783 9683
(Somerset Store)

DINING



A: 5F, Somerest Youyi, Pingjiang Dao, Hexi District
天津市河西区平江路盛捷服务公寓5层
T: +86 22 2810 7747



Inasia Restaurant
(Olympic Stadium Store)
A: 4F, A-Hotel, Olympics Gym, Nankai District, Tianjin 天津市南开区水滴体育馆A-Hotel四楼
T: +86 22 2382 1666/2233 (Somerset Store)
A: 5F, Somerest Youyi, Pingjiang Dao, Hexi District 天津市河西区平江路盛捷服务公寓5层
T: +86 22 2810 7992

Bars

China Bleu
A: 50F, Tangla Hotel Tianjin, No. 219 Nanjing Lu, Heping District
T: +86 22 2321 5888
中国蓝酒吧
南京路219号天津唐拉雅秀酒店50层

O'Hara's
A: Astor Wing, The Astor Hotel, A Luxury Collection Hotel, Tianjin No. 33, Tai'er Zhuang Lu Heping District
T: +86 22 2331 1688 ext. 8919
海维林酒吧
利顺德翼, 和平区台儿庄路33号天津利顺德大饭店豪华精选酒店一层

The St. Regis Bar
A: 1F, The St. Regis Tianjin. No. 158 Zhang Zizhong Road, Heping District
T: +86 22 5830 9958
瑞吉酒吧
和平区张自忠路158号天津瑞吉金融街酒店一层
(津塔旁, 哈密道正对面)

Purple Bar
A: 2F, Radisson Blu Plaza Hotel Tianjin
66 Xinkai Road, Hedong District
T: +86 22 2457 8888 – 3278
葡吧
河东区新开路66号天津天诚丽笙世嘉酒店2层

Wine

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Kaifeng Dao, Heping District, Tianjin (Near Hisense Plaza)
天津市和平区小白楼街开封道酒吧街
Tel:022-23393500
Hours:10:00-02:00

TEDA Wine Shop
No.8 Eastern Apartment, 2nd Avenue, TEDA
天津市开发区第二大街二号东方名居底商8号
Tel:022-65399899
Hours:9:00-20:00

Bin Xi Wine Shop
No.187 Binshui West Rd., Nankai District, Tianjin
天津市南开区滨水西道187号
Tel:022-23372116
Hours:10:00-22:00

Rong Ye Wine Shop
No.175 Rongye Avenue, Heping District, Tianjin
天津市和平区荣业大街175乙
Tel:022-27231269
Hours:9:00-20:00

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www.mwines.com.cn

Education



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SERVICES

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A: No. 77, Munan Dao, Heping District
T: +86 22 2331 0236/0636
W: jeffhouse.net
杰夫幼稚园
和平区睦南道77号(近河北路)



International School of Tianjin
A: Weishan Lu, Jinnan District
T: +86 22 2859 2001
国际学校天津分校
津南区津南微山路



Hanbridge Education
A: C4-308/309, Magnetic Capital International Office Building
T: +86 22 5837 5737
汉桥教育
奥城国际写字楼C4-308/309

Catering Solutions



Flo Prestige
A: No.37, Guangfu Road Italian Style Town, Hebei District
T: +86 22 2662 6688
福楼外宴策划
河北区意大利风情区光复道37号



Tianjin International School
A: No.4-1, Sishui Dao, Hexi District
T: +86 22 8371 0900 ext. 311
天津国际学校
河西区泗水道4号增1



Wellington College International Tianjin
A: No. 1, Yide Dao, Hongqiao District
T: +86 22 8758 7199 ext. 8001
Mobile: +86 187 2248 7836
E: admissions@wellington-tianjin.cn
W: wellington-tianjin.cn
天津惠灵顿国际学校
红桥区义德道1号

Hotels & Apartments

★★★★★ Hotels



Banyan Tree Tianjin Riverside
A: No. 34, Haihe Dong Lu, Hebei District
T: +86 22 5883 7848
www.banyantree.com
天津海河悦榕庄
河北区海河东路34号



Hotel Indigo Tianjin Haihe
A: No.314 Jiefang South Road, Hexi District, 300202, Tianjin
T: +86 22 8832 8888
F: +86 22 8832 6868
天津海河英迪格酒店
中国天津市河西区解放南路314号

SERVICES



Holiday Inn Tianjin Riverside
A: Phoenix Shopping Mall
 Haihe Dong Lu, Hebei District
T: +86 22 2627 8888
 天津海河假日酒店
 河北区海河东路凤凰商贸广场

Hyatt Regency Jing Jin City Resort & Spa
A: No. 8, Zhujiang Da Dao
 Zhouliang Zhuang, Baodi District
T: +86 22 5921 1234
 京津新城凯悦酒店
 宝坻区周良庄珠江大道8号



Hotel Nikko Tianjin
A: No. 189, Nanjing Lu, Heping District
T: +86 22 8319 8888
 天津日航酒店
 和平区南京路189号



Radisson Blu Plaza Hotel Tianjin
A: No. 66, Xinkai Lu, Hedong District
T: +86 22 2457 8888
 天津天诚丽笙世嘉酒店
 河东区新开路66号



Tangla Hotel Tianjin
A: No. 219, Nanjing Lu, Heping District
T: +86 22 2321 5888
 天津唐拉雅秀酒店
 和平区南京路219号



Yi Boutique Luxury Hotel Tianjin
A: No. 52-54, Min Zu Road, Hebei District
T: +86 22 2445 5511
 天津易精品奢华酒店
 河北区民族路52-54号



Renaissance Tianjin Lakeview Hotel
A: No. 16, Binshui Dao, Hexi District
T: +86 22 5822 3388
 万丽天津宾馆
 河西区滨水道16号



Sheraton Tianjin Hotel
A: Zi Jin Shan Lu, Hexi District
T: +86 22 2731 3388
 天津喜来登大酒店河西区紫金山路



The St. Regis Tianjin
A: No. 158, Zhangzizhong Road
 Heping District
T: +86 22 5830 9999
 天津瑞吉金融街酒店
 和平区张自忠路158号
 (津塔旁, 哈密道正对面)



The Astor Hotel, A Luxury Collection Hotel, Tianjin
A: No. 33, Tai'er Zhuang Lu,
 Heping District
T: +86 22 2331 1688
 天津利顺德大饭店豪华精选酒店
 和平区台儿庄路33号



The Westin Tianjin
A: 101 Nanjing Road, Heping District
T: +86 22 2389 0088
W: westin.com/tianjin
 天津君隆威斯汀酒店
 和平区南京路101号

Apartments

Astor Apartment
A: No. 32, Tai'er Zhuang Lu
 Heping District
T: +86 22 2303 2888
 利顺德公寓
 和平区台儿庄路32号



Ariva Tianjin Binhai Serviced Apartment
A: No. 35 Zi Jin Shan Road, Hexi District
T: +86 22 5856 8000
F: +86 22 5856 8008
W: www.stayariva.com
 滨海·艾丽华服务公寓
 天津市河西区紫金山路35号

Sheraton Apartment
A: Zi Jin Shan Lu, Hexi District
T: +86 22 2731 3388
 喜来登公寓
 河西区紫金山路



Qing Wang Fu Club Suites & Serviced Residences
A: No.55 Chongqing Road,
 Heping District
T: +86 22 8713 5555
E: info@qingwangfu.com
W: qingwangfu.com
 庆王府公馆
 和平区重庆道55号



Somerset International Building Tianjin
A: No. 75, Nanjing Lu
 Heping District
T: +86 22 2330 6666
 天津盛捷国际大厦服务公寓
 和平区南京路75号

Somerset Olympic Tower Tianjin
A: No. 126, Chengdu Dao
 Heping District
T: +86 22 2335 5888
 天津盛捷奥林匹克大厦服务公寓
 和平区成都道126号

Somerset Youyi Tianjin
A: No. 35, Youyi Lu, Hexi District
T: +86 22 2810 7888
 天津盛捷友谊服务公寓
 河西区友谊路35号

Wanda Vista Tianjin
A: 486 Bahao Road, Da Zhi Gu,
 Hedong District, Tianjin 300170
T: +86 22 2462 6888
F: +86 22 2462 7000
 天津万达文华酒店
 中国天津市河东区大直沽八号路
 486号



The Lakeview, Tianjin-Marriott Executive Apartments
A: No. 16, Binshui Dao, Hexi District
T: +86 22 5822 3322
 天津万豪行政公寓
 河西区滨水道16号

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Real Estate



CBRE Tianjin
A: 42F, Units 12 & 13, Tianjin World Financial Centre Office Tower, No. 2 Dagubei Road, Heping District.
T: +86 22 5832 0188
W: cbr.com.cn
 世邦魏理仕天津分公司和平区大沽北路2号天津环球金融中心津塔写字楼42层12-13单元

SERVICES



Jones Lang LaSalle
A: Unit 3509, The Exchange Mall
 Tower 1, No.189 Nanjing Road,
 Heping District.
T: +86 22 8319 2233
W: joneslanglasalle.com.cn
 仲量联行天津分公司
 天津市和平区南京路189号津汇广场1座3509室

Rentals



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Serviced Office



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 Tianjin
T: +86 22 2318 5111
W: executivecentre.com
 天津德事商务中心
 和平区大沽北路2号天津环球金融中心津塔写字楼41层



Regus Tianjin Centre
A: 8th Tianjin Centre, No.219 Nanjing Road, Heping District
T: +86 22 2317 0333
Regus Golden Valley Centre
A: 11th Floor, Block One, Golden Valley Centre, Heping District
T: +86 22 5890 5188
W: www.regus.cn
 雷格斯天津中心
 和平区南京路219号天津中心8层
 雷格斯金谷大厦中心
 和平区金谷大厦一号楼11层

HEALTH



Tianjin United Family Hospital
A: No.22, Tianxiao Yuan
 Tanjiang Dao, Hexi District
T: +86 22 5856 8500 (Reception)
 24 Hour Emergency:
T: +86 22 5856 8555
W: ufh.com.cn
 天津和睦家医院
 河西区潭江道天潇园22号

Travel Agencies



Tianjin's travel agency specialising in tourism for foreigners
T: +86 159 2200 0555
E: info@thestarstravel.com

Spas

Green Bamboo Well Being Resort
A: 6-17, bldg. 17, Magnetic Capital
 Binshui Xi Dao, Nankai District
T: +86 22 8378 8397 (English)
 +86 136 0205 9458 (Attn: Elsa)
 青竹堂足疗养生馆
 时代奥城商业广场17座6层17号

Hospitals



Tianjin International SOS Clinic
A: 1F, Sheraton Hotel,
 Zi Jin Shan Lu, Hexi District
T: +86 22 2352 0143
 天津国际 (SOS) 紧急救援诊所
 紫金山路天津喜来登大酒店公寓楼1层

Gyms

Astor Fitness & Health Club
A: 3F, Haihe Wing, The Astor Hotel,
 A Luxury Collection Hotel, Tianjin
 No. 33, Tai'er Zhuang Lu Heping District
T: +86 22 2331 1688 ext. 8876
 利顺德健身俱乐部
 海河翼, 和平区台儿庄路33号天津利顺德大饭店豪华精选酒店三层

Powerhouse Gym
A: Binjiang Shopping Center, Kaifeng Dao, Xiao Bai Lou (1902 Street)
 Hexi District
T: +86 22 2302 2008
 宝力豪健身俱乐部
 河西区小白楼滨江购物中心



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DINING

TEDA & TANGGU

Brazilian

Salsa Churrasco

A: 11F, Holiday Inn Binhai Tianjin
No. 86, 1st Avenue, TEDA
T: +86 22 6628 3388 ext. 2740
巴西烧烤餐厅
开发区第一大街86号天津滨海假日酒店11层

Chinese

Wan Li Chinese Restaurant

A: 2F, Renaissance Tianjin TEDA Hotel & Convention Centre
No. 29, 2nd Avenue, TEDA
T: +86 22 6621 8888 ext. 6750
万丽轩中餐厅
开发区第二大街29号天津万丽泰达酒店及会议中心2层

Yue Chinese Restaurant

A: 2F, Sheraton Tianjin Binhai Hotel
No. 50, 2nd Avenue, TEDA
T: +86 22 6528 8888 ext. 6220/6222
采悦轩中餐厅
开发区第二大街50号天津滨海喜来登酒店2层

Japanese

Sake n Sushi Bar

A: 11F, Holiday Inn Binhai Tianjin
No. 86, 1st Avenue, TEDA
T: +86 22 6628 3388 ext. 2730
寿司吧
开发区第一大街86号天津滨海假日酒店11层

Italian

Bene Italian Kitchen
A: 2F, Sheraton Tianjin Binhai Hotel
No. 50, 2nd Avenue, TEDA
T: +86 22 6528 8888 ext. 6230/6232
班妮意大利餐厅
开发区第二大街50号天津滨海喜来登酒店2层

Western

Brasserie Restaurant

A: Renaissance Tianjin TEDA Hotel & Convention Centre
No. 29, 2nd Avenue, TEDA
T: +86 22 6621 8888 ext. 3711
万丽西餐厅
开发区第二大街29号天津万丽泰达酒店及会议中心

Feast All Day Dining Restaurant
A: 1F, Sheraton Tianjin Binhai Hotel
No. 50, 2nd Avenue, TEDA
T: +86 22 6528 8888 ext. 6210
盛宴全日西餐厅
开发区第二大街50号天津滨海喜来登酒店1层

BARS

Happy Soho Live Music & Dance BAR
(Opposite of Central Hotel)
A: No. 16, Fortune Plaza, Third Avenue, TEDA
T: +86 22 2532 2078
欢乐苏荷酒吧
开发区第三大街财富星座16号(中心酒店对面)

Education

GEMS World Academy Tianjin Eco City, China
A: No. 312, Hefeng Road, Tianjin ECO-City, Binhai New Area
T: +86 22 6622 7888
天津杰美司国际学校
滨海新区天津生态城和风路312号

TEDA International School
A: No. 72, 3rd Avenue, TEDA
T: +86 22 6622 6158
泰达国际学校
开发区第三大街72号

Tianjin TEDA Maple Leaf International School
A: No. 71, 3rd Avenue, TEDA
T: +86 22 6200 1920
天津泰达枫叶国际学校
开发区第三大街71号

SERVICES

Hotels

Holiday Inn Binhai Tianjin
A: No. 86, 1st Avenue, TEDA
T: +86 22 6628 3388
天津滨海假日酒店
开发区第一大街86号

RENAISSANCE
TIANJIN TEDA CONVENTION CENTRE HOTEL
天津万丽泰达酒店及会议中心

Renaissance Tianjin TEDA Convention Centre Hotel
A: No. 29, 2nd Avenue, TEDA
T: +86 22 6621 8888
天津万丽泰达酒店及会议中心
开发区第二大街29号

Sheraton Tianjin Binhai Hotel
A: No. 50, 2nd Avenue, TEDA
T: +86 22 6528 8888
F: +86 22 6528 8899
天津滨海喜来登酒店
开发区第二大街50号
<http://sheraton.com/tianjinbinhai>

CROWNE PLAZA
TIANJIN BINHAI
天津滨海皇冠假日酒店

Crowne Plaza Tianjin Binhai
A: No. 55 Zhongxin Avenue Airport Economic Area, Tianjin
T: +86 22 5867 8888
天津滨海圣光皇冠假日酒店
天津市空港经济区中心大道55号

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Touch Spa
A: 2F, Renaissance Tianjin TEDA Hotel & Convention Centre
No. 29, 2nd Avenue, TEDA
T: +86 22 6570 9504
开发区第二大街29号天津万丽泰达酒店及会议中心

Yue Spa
A: 15F, Holiday Inn Binhai Tianjin
No. 86, 1st Avenue, TEDA
T: +86 22 6628 3388
开发区第一大街86号天津滨海假日酒店15层

Hospitals

Tianjin TEDA International SOS Clinic
A: 102-C2 MSD, No.79 1st Avenue, TEDA, Tianjin
T: +86 22 6537 7616
国际SOS天津泰达诊所
天津经济技术开发区第一大街79号泰达MSD-C区2座102室

Gyms

Eco-City International Country Club
A: No. 5681, Zhongxin Road, South Ying-Cheng Island, Tianjin
T: +86 22 6720 1818
生态城国际乡村俱乐部
天津生态城中新大道5681号(营城湖南岛)

Holiday Inn Binhai Hotel Fitness Center
A: 15F, Holiday Inn Binhai Tianjin
No. 86, 1st Avenue, TEDA
T: +86 22 6628 3388 ext. 2960
天津滨海假日酒店健身中心
开发区第一大街86号天津滨海假日酒店15层

Transportation

TIANJIN-BEIJING AIRPORT Shuttle Bus ¥83 one way

Tianjin - Beijing Airport Terminals 2/3
04:00-18:00, runs every hour. Tian Huan Distance Bus Passenger Station
The junction of Hongqi Lu and Anshan Xi Dao. Tel: +86 2305 0530

Beijing Airport Terminals 2/3 - Tianjin

07:00, 08:00, 09:00, 10:00 then every 30 minutes until 23:00.
Exit on the 1st floor at Gate 15 / Terminal 2 and Gate 1 / Terminal 3.
Tel: +86 10 6455 8718

TEDA-BEIJING AIRPORT Shuttle Bus ¥90 one way

TEDA - Beijing Airport Terminals 2/3
06:45, 08:45, 14:45, 17:15. 1st Avenue, TEDA.
Tel: +86 22 6620 5188

Beijing Airport Terminals 2/3 - TEDA

10:30, 13:00, 18:30, 20:30. Exit on the 1st floor at Gate 15 / Terminal 2 and Gate 1 / Terminal 3. Tel: +86 10 6455 8718

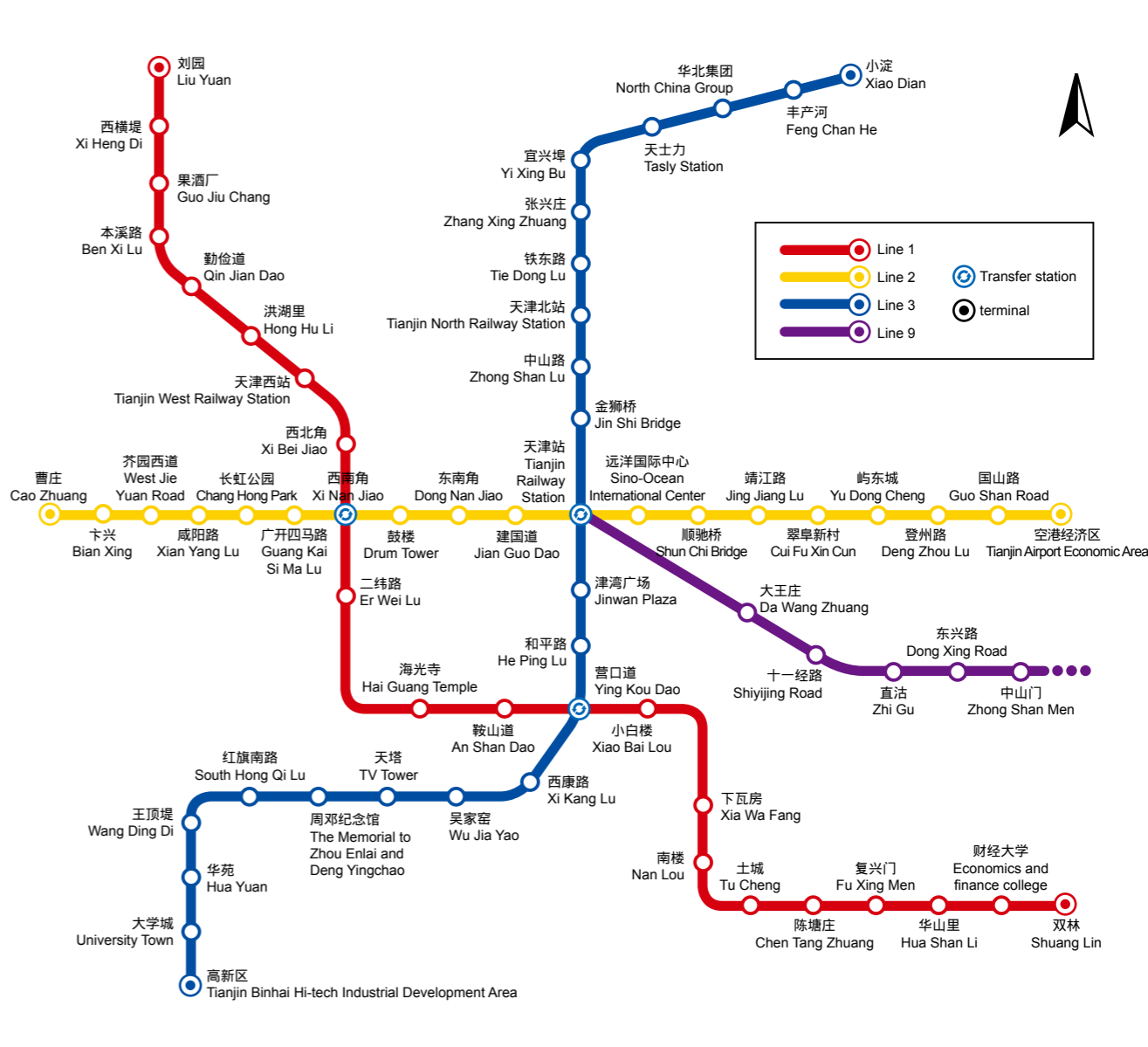
BULLET (C) TRAIN

TJ ~ BJS (¥55 - ¥66)			BJS ~ TJ (¥55 - ¥66)		
Train	Tianjin	Beijing	Train	Beijing	Tianjin
C2002	06:25	06:55	C2001	06:35	07:05
C2094	22:45	23:15	C2093	23:00	23:30

TG ~ BJS (¥66 - ¥80)			BJS ~ TG (¥66 - ¥80)		
Train	Tanggu	Beijing	Train	Beijing	Tanggu
C2274	12:40	13:10	C2273	10:45	11:15
C2280	20:25	20:55	C2279	18:50	19:20

Wuqing ~ BJS (¥39 - ¥46)			BJS ~ Wuqing (¥39 - ¥46)		
Train	Wuqing	Beijing	Train	Beijing	Wuqing
C2202	06:53	07:18	C2201	06:45	07:07
C2232	20:43	21:08	C2231	21:15	21:37

TIANJIN SUBWAY



Quiet: The Power of Introverts in a World That Can't Stop Talking
By Susan Cain

Synopsis: In 'Quiet,' Susan Cain argues that we dramatically undervalue introverts and shows how much we lose in doing so. She charts the rise of the Extrovert Ideal throughout the twentieth century and explores how deeply it has come to permeate our culture. She also introduces us to successful introverts—from a witty, high-octane public speaker who recharges in solitude after his talks, to a record-breaking salesman who quietly taps into the power of questions. Passionately argued, superbly researched, and filled with indelible stories of real people, 'Quiet' has the power to permanently change how we see introverts and, equally important, how they see themselves.

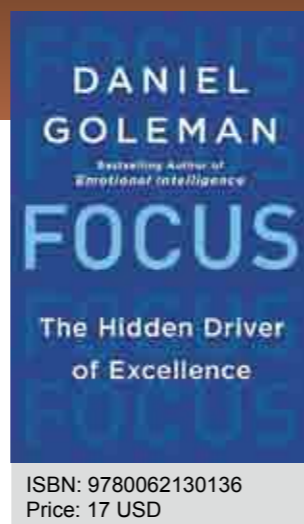


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Focus: The Hidden Driver of Excellence
By Daniel Goleman

Synopsis: Combining cutting-edge research with practical findings, 'Focus' delves into the science of attention in all its varieties, presenting a long overdue discussion of this little-noticed and under-rated mental asset. In an era of unstoppable distractions, Goleman persuasively argues that now more than ever we must learn to sharpen focus if we are to survive in a complex world.

Drawing on rich case studies from fields as diverse as competitive sports, education, the arts, and business, he shows why high-achievers need all three kinds of focus, and explains how those who rely on Smart Practices—mindfulness meditation, focused preparation and recovery, positive emotions and connections, and mental “prosthetics” that help them improve habits, add new skills, and sustain greatness—excel while others do not.



ISBN: 9780062130136
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QUOTATIONS OF THE MONTH

In every kind of adversity, the bitterest part of a man's affliction is to remember that he once was happy.

— Boethius

Advice is like snow – the softer it falls, the longer it dwells upon, and the deeper it sinks into the mind.

— Samuel Taylor Coleridge

Not being able to govern events, I govern myself, and apply myself to them, if they will not apply themselves to me.

— Montaigne

The most effective way to ensure the value of the future is to confront the present courageously and constructively.

— Rollo May

True goods are peacefully desired, sought without eagerness, possessed without elation, and postponed without regret.

— Coventry Patmore

Understanding the Sanctified Social Concept of Guānxi

By Josh Cooper



It was a hot September night in Fuzhou, China, 2010. Having just stepped off the plane into the Middle Kingdom for the first time ever, I embarked on my maiden voyage of the city's bustling nightlife establishments. Within 5 minutes of sitting down to enjoy a staggeringly inexpensive bottle of Harbin beer, I was approached by 'Dave', a shifty looking 30-something American who was keen to enlighten me about the ins and outs of my new home.

As I began to express my interest in the local business scene, Dave boldly came out with a statement that I have since heard more times than I can count: "If you want to do business in China, all you have to do is get *guānxi*". Of course, being a complete newbie to both the Chinese language and culture, I was baffled and intrigued by this exotic word. Dave

went on, without any encouragement, about how "having *guānxi* is the most important element of becoming rich and successful in China". "If you haven't got *guānxi*" he explained, "then you've got no chance of getting anything done or making any money".

Over time this concept came up in conversation so many times that I felt compelled to invest a considerable amount of time researching and pondering its meaning and practical implications. A basic definition/translation into English would be social connections or a personalised network of influence. Some scholars complicate it further by associating it with terminology like 'social capital'.

Linguistic nuances aside, it doesn't take long to draw the conclusion that building good social relationships is an essential part of doing business in China. In fact, having the right

connections is a very useful tool for business people anywhere in the world. However, after several years of getting to know Chinese society and business etiquette, I have come to learn that the concept of *guānxi* is much more than just a Chinese word for cronyism.

When you browse the net for articles related to the business implications of *guānxi*, you will be met with thousands of journalistic, academic, and amateurish commentaries, which talk about the importance of putting this concept into practice whilst living and working in China. One such example is an article that was published in Forbes magazine last year, aptly entitled *Want To Capitalize On China? You Better Have Good Guanxi!* It sets off by making the case that "the Chinese like to do business with people that they already know

Last Word

and trust – good *guanxi* is needed for this. In order to achieve the right kind of *guanxi*, a company and/or individual must show strong qualities of dependability, trustworthiness and respect”. Moreover, the author claims that “once in place, you will be in prime position to launch an assault upon the Chinese market”.

Looking at this thesis from a global perspective, not just a Sino-centric one, there are two particularly striking elements to the *guanxi* narrative. First of all, there is the portrayal of *guanxi* as being a uniquely Chinese phenomenon and that it is a much more important factor to success here than it is elsewhere in the world. The second aspect, which is where the misleading and overly simplistic interpretations tend to come from, is the notion that having *guanxi* somewhat automatically leads to success, and therefore not having *guanxi* inevitably leads to failure.

In order to evaluate the extent to which these propositions hold true in the real world, we first need to know what *guanxi* really means in a Chinese business context (as opposed to the image conjured up by outside observers with little experience and exposure). One of the best explanations of *guanxi* and its significance in commercial activities came from Frank Neville, Vice President of Global Communications and Public Affairs at the Thunderbird School of Global Management:

“Most outsiders coming to China misunderstand *guanxi* and they misuse it because they see it through their own cultural lens. The important point is that China’s relatively weak judiciary and the less formalised nature of Chinese contract law means that the relationships between people are the glue that holds society together. Applying *guanxi* properly means that you define your role within a group of people and work with them in a way which protects the mutual bond of trust”.

To exemplify his case, Neville tells of his friend who went to China

to negotiate a big real estate deal. They went back to the US having signed a contract and made all the legal arrangements needed to finalise the agreement. Nine months later they returned to take control of the property and their Chinese counterparts frankly informed them that because they had not been in touch since signing the contract, they assumed that the company were no longer interested in the deal and consequently had sold the development to someone else.

Whilst it is important to make friends in the right places, the productive results ultimately come from upholding these relationships over time and honouring unwritten obligations of servitude to one’s new friend/business partner.

From this we can see that *guanxi* doesn’t simply mean ‘you scratch my back, I’ll scratch yours’; it is a complex, long-term social bond which serves to maintain order in the absence of a highly codified and stringent legal framework for the business sector. So whilst it is important to make friends in the right places, the productive results ultimately come from upholding these relationships over time and honouring unwritten obligations of servitude to one’s new friend/business partner. The meet and greet aspect of *guanxi* building is only the starting point of a much bigger journey.

Many ‘laowai-preneurs’ and business leaders encounter failure in China simply because they assume that by meeting a powerful local figure at a dinner party and exchanging business cards they have expanded

their network of influence. Too often it is the case that foreign business people take their social relationships for granted, and when it then comes to favour-asking time they find that their Chinese Mr. Big has lost interest and moved on to another firm.

Developing proper *guanxi* is certainly not as easy as the Dave’s of this world would lead you to believe. And in this gift-loving society, it definitely isn’t cheap either! Unlike in England, for example, courting your potential corporate partners with a nice meal and few pints at the local pub won’t keep you popular for long in China.

The good news though is that *guanxi* isn’t just a Chinese phenomenon. Based on what I have seen and heard from a number of business leaders, the methods and dynamics of network building in China also apply very closely to other Asian societies. Even in the Western world, it is never a bad thing to maintain good relationships with people whom you may not have seen for several years; although it has to be said that a nice email or two would probably get you much further than is the case here. In this part of the world soft bribery skills are indeed very valuable.

And in relation to the idea that having *guanxi* is all you need to succeed, all I can say is that this is one of those very simplistic notions best left to outside commentators and expats who are not actually putting their own money at stake by trying to do business in China. Many people say that having some *guanxi* and being fairly fluent in Mandarin are the only tools you need to become rich here; which is true of course apart from also having the long list of skills and personality traits that one needs to be successful in any country. **B**

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