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16

A Dialogue with Sune Andersen
General Manager of
NNIT (Tianjin) Technology Co. Ltd.
**Leading the Global IT
Powerhouse in China**

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- 22 Chinese companies in the global economy
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- 38 Top 10 Mistakes in Social Media Marketing That you need to avoid
- 54 Raising the Required Capital

**Celebrating the
Decennial
Anniversary
of NNIT in China**






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Dear Readers,

In keeping with our endeavor to highlight the technical developments surrounding the city, this month we have featured a cover story on NNIT, the global IT powerhouse that celebrates this month their Decennial Anniversary. NNIT is an example of a successful business story of a foreign company in Tianjin.

The feature story is dedicated on what actually transpired between the ride-hailing Titans in the war for market supremacy, and don't miss our monthly economic report that has also been included to keep our readers abreast of the latest figures so that everyone is prepared for what is to come in the near future.

For the financially inclined, there is lots of investment advice by discussing opportunities that would fetch high returns and bringing to your doorstep all the latest news that could have an impact on your portfolio. An overview of the lifting of entry ban on WFOEs and JVs in China has also been provided so that anyone who is interested can use the tips and guidelines to their advantage.

Highlights in the legal section include continuation of discussion on safeguarding your trade secrets, legal issues pertaining to e-commerce now that this form of trade is widespread and well-accepted and informing you of the legal side of Internet advertising which is often lesser known.

Last one month has been witness to several infrastructural developments around the city and we have brought the latest updates through our articles on Metro Line 6, important numbers, problems plaguing the real estate sector and tips on how to raise capital for your sole proprietorship venture.

Mooncakes, book review based on wine in China and smartphones round up this issue of Business Tianjin and we wish you all the luck. Don't forget to visit our website www.businesstianjin.com and follow us in our official Wechat account (ID: **business_tianjin**) for more information.

Yours Sincerely,



Mary Smith
 Managing Editor | Business Tianjin Magazine
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◀ **Celebrating the Decennial Anniversary of NNIT in China**
A Dialogue with Sune Andersen, General Manager of NNIT (Tianjin) Technology Co. Ltd.

This month of September is the decennial anniversary of a truly remarkable multinational IT presence in Tianjin. Priding itself on world class levels of service, the organisation's Tianjin branch is continually going from strength to strength under the leadership of General Manager Sune Andersen, who kindly agreed to speak to the Business Tianjin team and offered us an insight into what happens at one of the city's leading IT companies.

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◀ **Chinese companies in the global economy**
Talking strategy and competitiveness with Amy Karam, Consultant and author of *The China Factor*

Amy Karam is a speaker, consultant, author and corporate instructor drawing upon years of experience, particularly for Cisco Systems. Her book *The China Factor: Leveraging Emerging Business Strategies to Compete, Grow and Win in the New Global Economy* addresses these very strategies and suggests methods for businesses to compete in the battle for new markets.

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◀ **Tianjin's Infrastructure Godsend**
Metro Line 6 Begins Partial Operations

August 6th of last month saw the opening of the long awaited Metro Line 6 for public use. Currently, 8 stations are operational allowing passage from Chang Hong Gong Yuan, which is now a transfer station from line 2 to line 6, to Nan Cui Ping, roughly a kilometer away from Aocheng.

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Tianjin News

The Astor Hotel Tianjin won the "2015 Best Resort Hotel"



The Astor Hotel, a Luxury Collection Hotel, Tianjin recently won the "2015 Best Resort Hotel" award from Ctrip Travelers Top Spots. This award selection is based on a comprehensive vote and reviews from varied trip dates, genuine comments and different participants. With 153 years history, The Astor Hotel, a Luxury Collection Hotel, Tianjin has hosted many global leaders and landmark events. Reflecting its extraordinary heritage, The Astor Hotel is the only luxury hotel in China classified by the National Important Historical Relics Protection Unit.

Tangla Hotel Tianjin awarded as "The Best Service Luxury Hotel"



Recently Tangla Hotel Tianjin was awarded as "The Best Service Luxury Hotel" by 2016 Fashion List Awards. As the flagship of TANGLA, the high-end hotel brand of HNA Hospitality Group, Tangla Hotel Tianjin carries out Tangla brand core values of "Harmony, Elegance, Excellence and Serenity". By delivering the oriental hospitality, hotel's heartfelt service brings to every guest an exclusive cultural and luxury experience. Carrying this honor, Tangla Hotel Tianjin will go on striving to combine the finest wishes from nature and the art of modern hospitality, to create an environment wherein you can rest and relax your heart and soul in "harmony, elegance, excellence and serenity."

Tianjin Metro Line 6 opened for trial operations of its first section



On August 6th, 9am, Tianjin Metro Line 6 opened for trial operations of its first section, transfers to Line 2 and Line 3 at Chang Hong Gong Yuan station and Hong Qi Nan Lu station. During the initial stage of trial operation, Line 6 operates from 9 am till 4 pm, trains departs concurrently from two terminuses at Chang Hong Gong Yuan station and Nan Cui Ping station. There are a total 8 stations that remained opened during the trial operation: Chang Hong Gong Yuan station, Yi Bin Dao station, An Shan Xi Dao station, Tian Tuo station, Yi Zhong Xin Yi Yuan station, Hong Qi Nan Lu station, Ying Feng Dao station and Nan Cui Ping station.

Tianjin FTZ mulls expansion to neighbor Hebei



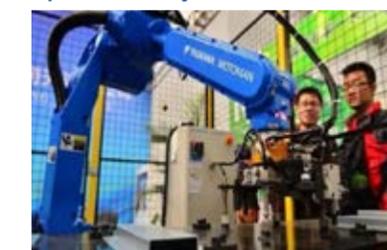
A pilot economic zone of Tianjin could expand to include another industrial zone in neighboring Hebei Province, part of a wider program to drive economic integration around the capital Beijing. Currently, three areas in Tianjin make up the Tianjin zone, but as authorities aim to drive administrative and economic integration among Tianjin, Hebei and Beijing, the governments in Tianjin and Hebei are applying to include Caofeidian District, Hebei, into the pilot zone. Adding a new area outside of Tianjin would enable measures to benefit more places surrounding Beijing. The inclusion plan is pending approval from the State Council.

Ten-year-old boy finds fossils in Water Park



A ten-year-old boy in Tianjin claimed he found several fossils at a water park and experts concluded that the stones are indeed rare 400-million-year-old fossils of ancient animals. Zou Mingjun is the ten-year-old paleontologist in Tianjin and he was playing with his brother by the lake when he noticed the oddly shaped things embedded in the stones. He was sure the stones must be fossils and took pictures of them. Kuang Xuewen, associate director of the Tianjin Museum of Natural History, said these stones truly contain fossils and the ancient animals-like the modern inkfish and pearly nautilus-belong to the amphibole group of cephalopod that lived in the Ordovician period, which was more than 400 million years ago.

International Industrial Machinery Equipment Exposition opens in Tianjin



The Twelfth International Industrial Machinery Equipment Exposition opened on August 11th and will be on till 14th at Meijiang Exhibition Center in Tianjin. Nearly a thousand companies from home and abroad and about 80,000 professional visitors attended the event. Siemens, ABB, Schneider, HAAS, Han's Laser and many other famous equipment manufacturing enterprises filled the area with their latest innovations. The organizers hope that the Exposition would accelerate scientific research innovation and transformation of research achievements to the market and promote manufacturing upgrading in Tianjin.

FINANCE

UK explores free trade deal with China



UK has begun discussing ways to reach a free trade deal with the world's second-largest economy, British Chancellor of the Exchequer Philip Hammond said. It will be the first time that UK has embarked on such a major project with China and he could see greater access for major Chinese banks and businesses to the UK economy. Hammond said that Britain is keen to do a free trade deal with China. In return for greater access to the UK for its manufactured products and investment, China would reduce barriers to Britain's service industries such as banking and insurance as well as UK goods.

12 banks ally to offer free money transfer service



Twelve Chinese joint-stock commercial banks on Thursday launched an Internet finance alliance in Beijing which will facilitate cross-bank fund transfers free of charge. The 12 banks signed a cooperation agreement on interconnectivity of bank accounts so that clients can enjoy enhanced account security, more innovative finance services and more preferential policies. China CITIC Bank was elected to hold the presidency of the alliance, which also includes China Merchants Bank, Shanghai Pudong Development Bank, China Everbright Bank, Huaxia Bank, China Minsheng Bank, China Guangfa Bank, Industrial Bank, Ping An Bank, Hengfeng Bank, China Zhesang Bank and China Bohai Bank.

What China slowdown? Alibaba blows away forecasts



Many investors remain worried about the health of China's economy. But it looks like the Chinese are still shopping till they drop. The country's e-commerce giant Alibaba reported a huge jump in sales that topped Wall Street's forecasts. Alibaba said on Thursday that revenue for its fiscal second quarter surged nearly 60% from a year ago to \$4.84 billion, easily surpassing analysts' estimates for sales of \$4.54 billion. Mobile revenue more than doubled. Alibaba now has 427 million mobile monthly active users, an increase of almost 40% from last year. The company also reported a net profit after backing out some one-time items of \$1.8 billion ... or 73 cents a share. That was up 33% from the same period last year and also was higher than what Wall Street analysts were expecting.

China makes way into world's 25 most-innovative economies



China joins the ranks of the world's 25 most-innovative economies, while Switzerland, Sweden, the United Kingdom, the United States of America, Finland and Singapore lead the 2016 rankings in the Global Innovation Index (GII), released by Cornell University, INSEAD and the World Intellectual Property Organization (WIPO). China's top-25 entry marks the first time a middle-income country has joined the highly developed economies that have dominated the top of the GI in its nine editions of surveying the innovative capacity of over 100 economies.

Apple will build its first R&D center in China



Apple will boost its investment in China, one of its most important but increasingly difficult markets and build its first Asia-Pacific research and development center in the country, CEO Tim Cook said on Tuesday. Apple's new research and development center will be built by the end of the year, Cook told Vice Premier Zhang Gaoli. The pledge comes after the head of China's industry and technology regulator in May told Cook that he hoped Apple could deepen its cooperation with the country in research and development and stressed information security.

Guangdong overtakes Beijing as region with largest super rich population



Guangdong province overtook Beijing to be crowned the Chinese mainland region with the largest super-rich population. The Chinese mainland was home to about 1.34 million high net worth individuals (HNWIs) with assets over 10 million yuan as of May this year, up 10.7 percent year on year, according to a report from Hurun Research Institute and Chinese insurance giant Taikang Life Insurance Co Ltd. Among provinces and cities, Guangdong, rather than Beijing, has the largest number and fastest growth of HNWIs with assets over 10 million yuan, with about 240,000 HNWI, marking 17.65 percent growth. Beijing was in second place with 238,000 in total, followed by Shanghai and Zhejiang province, the report showed.

Tencent overtakes Alibaba as China's biggest tech company



Tencent has overtaken its rival Alibaba to become China's most valuable tech firm after strong results. The operator of WeChat messaging app is worth \$249bn compared with \$246bn for Alibaba. Tencent shares jumped by over 6% to a record high in Hong Kong after reporting strong quarterly earnings on Wednesday. The internet giant said profit rose by 47% to 10.9bn yuan in three months leading up to June. Revenues surged due to growth in its online gaming business and advertising. "Revenues jumped, platforms are booming and it runs the Twitter and Facebook of China," an IG analyst said. "Investors are hoping that, like Facebook, they can turn active users into revenues."

Law & Policy

China legalizes ride-hailing services



Lifting a cloud of regulatory uncertainty hanging over the future of Uber and its competitors in China, the government legalized app-based ride-hailing services but announced new licensing requirements and other rules. The new regulations, which are to take effect November 1st, require drivers to have at least three years of driving experience and no violent criminal or drunk-driving history. The ride-hailing companies and driver vehicles must be registered with authorities. Among the rules outlined, vehicles can seat no more than seven passengers and must be equipped with GPS systems.

Health certificate steps reduced for foreigners



Beijing police have set up an interdepartmental health information system for foreigners, a move to make it easier to apply for long-term residence in the capital. Under the new system, foreigners applying for the first time to live in Beijing for more than one year will need to submit just one health check certificate instead of the multiple certificates required previously, the Beijing Public Security Bureau said on Thursday. Three departments in the city—the Public Security Bureau, the Human Resources and Social Security Bureau and the Entry-Exit Inspection and Quarantine Bureau—will now share information on the health status of foreigners in Beijing.

TELECOMS

Mobile service providers move to cut roaming charges



The major domestic mobile telecom service operators, including China Mobile and China Telecom, have announced plans to phase out roaming charges amid Chinese government calls and improved consumer use of fourth-generation (4G) systems. State-owned China Mobile plans to phase out its long-distance roaming charges by the end of 2016, said an employee of the company. China Telecom rolled out a similar plan on July 15th. Yang Jie, CEO of China Telecom said at the 8th Intelligent Terminal Industry Forum that in addition to abolishing roaming charges all the company's services will gradually be charged by traffic, including voice calls.

GENERAL

Uber to sell China business to rival Didi Chuxing



Uber Technologies announced plans to sell its business in China to rival ride-hailing service Didi Chuxing in a deal that values the merged Chinese company at \$35 billion. US-based Uber will receive a 17.7% economic stake in the combined company according to a statement issued by Didi. Uber China's previous investors, including Chinese Internet Company Baidu, will have a 2.3% economic interest in the combined company. Also, Didi will invest \$1 billion in Uber. The deal combines Didi's latest \$28 billion valuation and \$7 billion value for Uber China. Didi will acquire Uber's brand, business operations and data.

Chinese Airlines Eye Expat Pilots



Chinese airlines need to hire almost 100 pilots a week for the next 20 years to meet skyrocketing travel demand. Facing a shortage of candidates at home, carriers are dangling lucrative pay packages at foreigners with cockpit experience. Air traffic over China is set to almost quadruple in the next two decades, making it the world's busiest market, according to Airbus Group SE. With some offers reaching \$26,000 a month in net pay, pilots from emerging markets including Brazil and Russia can quadruple their salaries in China, said Dave Ross, Las Vegas-based president of Wasinc International. Wasinc is recruiting for more than a dozen mainland carriers, including Chengdu Airlines, Qingdao Airlines and Ruili Airlines.

CHINA IN THE WORLD

Tiger attack raises security concern in wildlife parks



After a tiger mauled a woman to death in a wildlife park in Beijing, how to ensure security in such parks has become a concern. The attack took place on Saturday in Badaling Safari World, which lies at the foot of the Great Wall. A woman was seen being attacked and dragged away by a Siberian tiger after she stepped out of her car in the park. A man and an elderly woman, reportedly the woman's husband and mother, rushed out of the car and tried to help her. The younger woman was saved but her mother was fatally mauled by the tiger.

Chinese Divers Get Engaged On Medals Podium at Rio Olympics



Love is in the air at the Olympic diving pool. After He Zi earned silver in women's 3-meter springboard, the Chinese diver accepted a marriage proposal from her boyfriend and fellow diver Qin Kai as she stepped off the medal podium on Sunday. A serious-looking Qin opened a box with a ring inside, took it out and slipped it on He's finger after she nodded yes. She clapped her right hand over her mouth and Qin gave her a red rose encased in glass. The crowd roared in delight as the couple hugged.

Peking Opera-themed helmets of Olympic champions become popular



Helmets painted with the faces of famous Peking Opera characters have become hot topic in China after cycling athletes Gong Jinjie and Zhong Tianshi wearing them won the women's team sprint in the Rio Olympic Games. The special pattern of painted faces on helmets drew attention when the duo bowed their heads during the race, as the helmets with the Chinese features made the athletes stand apart. Zhang Dongliang, a designer from the workshop, said he hopes the success would let more people know that there are Chinese who work hard to produce artifacts in the spirit of craftsman who should be respected and protected.



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If you are interested in contributing to our magazine, please send your CV and a brief cover letter to

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20

The eleventh annual G-20 summit is being held in China's iconic Hangzhou.



340

It is thought that up to \$340 billion worth of investment into tech firms was up for grabs in China as of April 2016. This comes as further competition between China and other tech savvy countries as the nation strives to work harder to become the global hub of all things tech.



2

Resident numbers in Tianjin's Sino-Singapore Eco-city have double in the last year to 50,000 people. It's a long way off the target of 350,000 by the mid 2020's, but things look promising as more people continue to be attracted to the district.



12.85

The Chinese gaming industry is estimated to be worth \$12.85 billion by the year 2020 according to reports by PwC. It is estimated that one in every fourteen people is a part of China's gaming population.



300

More than 300 bones belonging to a hadrosaur were excavated in Inner Mongolia last month. The figure stretched to 8 metres long, 1 metre wide and 5 metres tall and is believed to have walked the earth over 80 million years ago.



59

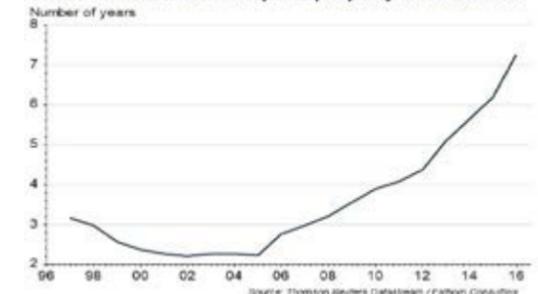
E-commerce giant Alibaba reported a 59 per cent rise in sales in the first quarter of this year, resulting in \$4.8 billion dollars in sales. As the Chinese economy continues to slow down, it appears Alibaba is going against the trend.



7

According to a report by Fathom Consulting, it takes developers more than 7 years to complete a construction project in China.

China time taken to complete property construction



Monthly Economy Report

By Anthony Lawry



Worrying economic data from China continues as negative trade figures come in despite the continuation of the so-called soft-landing. China's trade figures for July were noted by imports numbers shrinking although conflicting reports suggest the domestic economy is doing better. Nonetheless, the overall state of the Chinese economy is still somewhat sluggish.

The Chinese trade surplus was \$52.31 billion for the month of July and exports were down by 4.4% while imports were down by 12.5%. In spite of these dire figures, some suggest this may be a reflection of negative confidence and consumption sentiment forced on global markets from somewhat unrelated geopolitical events such as continued turmoil in the Middle East and the Brexit vote. Quantifying these sorts of qualitative sentiments may seem fruitless, but there is little doubt among economic and financial analysts that these negative numbers can somewhat be attributed to the negative global sentiment and overall

global slowdown brought on by geopolitics. To a great extent China's economic model restructuring is also contributing to the lack of double digit economic growth which China grew so accustomed to throughout the 90s and early to mid-2000s.

A continuation of the lack of energy demand has yet to cease of which even the short-term future is becoming increasingly uncertain for the global economy.

But not all signs point to a coming bear market. The United States, China's largest trade partner, and ASEAN, China's second largest trade partner, both had surprisingly high manufacturing growth in the second quarter. Nonetheless, Capital Economics' Julian Evans-Pritchard suggested that in light of increasing manufacturing numbers in economies

with close trading ties with China, these countries have unfortunately not increased trade with China as a result and have not lifted China's exports out of its current slump as was anticipated by a number of economists. It appears that if Chinese business leaders and government officials want to increase growth, they may have to be patient in doing so which by all accounts appears to be the case so far. There is no doubt Chinese officials at multiple levels are capable of strengthening weak economic numbers.

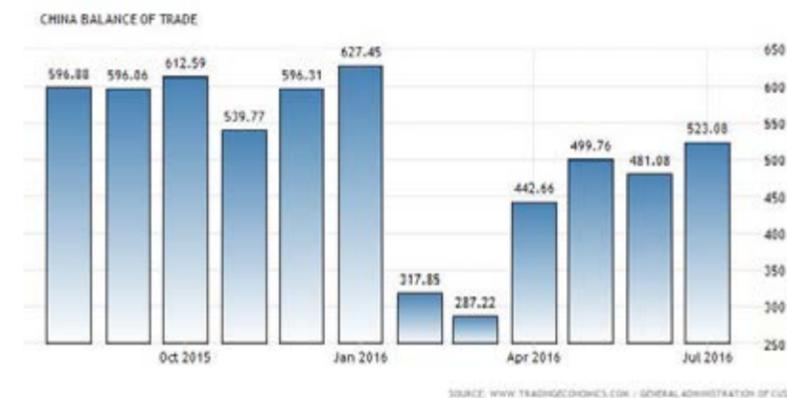
Nonetheless, it would be understandable if China is becoming impatient with the steady flow of economic data. China's appetite for oil also seems to be waning as Bloomberg's Javier Blas reports that Chinese crude oil imports have fallen for the third month in a row to a six-month low down to 7.3 million barrels a day. This suggests that a continuation of the lack of energy demand is yet to cease of which even the short-term future is becoming increasingly uncertain for the global economy. Yet all of

this weak petroleum consumption data should not necessarily only be attributed to China's overall economic state. As previously mentioned, a number of global factors including weaker overall gross domestic product (GDP) growth from trading partner countries is also at play. Clara Leonard from RBC Capital Market mentioned that "July trade data was a disappointment, highlighting that world trade growth remains weak."

It is difficult to overstate how distracted international and perhaps even local investors have been from the turmoil riling markets throughout the world, especially in the Middle East and Europe. While some may suggest otherwise, the overall global economic slowdown should not be analysed necessarily as a result of a Chinese slowdown, but rather that the Chinese slowdown has been exacerbated by the slowdown in global growth. The collapse of a number of commodities markets like petroleum and mining has only made matters worse thanks in large part to the so-called 'energy revolution' in natural gas hydraulic fracturing (also known as fracking) in the United States. Even the Iranian nuclear deal has had an impact which frees up millions of barrels of previously sanctioned Iranian oil onto an already flooded market. In short, China has been somewhat the victim of overall negative global sentiment and events outside of their control.

That being said, not all economic indicators are negative for China's overall economic outlook. GDP growth in the second quarter was the highest it has been for nearly the past year. This data flies in the face of negative sentiment in the second quarter beating expectations and up 6.7% from a year earlier. The aforementioned negative figures clearly demonstrate that China's economic strength is uneven. Sectors like mining and exports are clearly not doing as well as what some within China would hope they would. Meanwhile, e-commerce and untraditional finance is thriving at a sustainable level. Even China's property market is rebounding with property prices in Shenzhen and Hong Kong rising in addition to growth in new housing development projects and construction. Land purchases by developers, which largely helps local provincial economies, has also increased over the last few months.

All this conflicting data leaves one to wonder where exactly is China's economy headed. Furthermore, the truism that forecasts become more difficult to foresee as the forecast heads further out has become much of a cliché at this point. The global economic climate, much of which reflects upon and depends on China's economic situation, appears to be very uncertain in the near future. The Brexit fallout has yet to fully metastasize and will likely result in a number of other market shocks if



the UK government cannot reach a deal with the European Union to maintain access to the common market while dropping the requirement of freedom of movement of labor. That all being said, the Chinese government is not merely sitting on the sidelines waiting for markets to play themselves out.

The New York Times reported that government investment over the past six months in investment fixed assets rose by a large 23.5% while private investment shrunk to nearly 2.8% in terms of growth. That is to say, the government leaders are still involved in economic growth while private investors are merely trying to get a return in on their investments. This could be in part due to the fact that private investors have less at stake when it comes to the development of the country. Regardless, there is little to believe that China will no longer become the world's largest economy in terms of nominal GDP in the coming decades.

Overall economic growth will return because these types of indices are cyclical and not static. It is up to the individual investor to recognize this and have the courage to ride out the current storm for continued sustainable growth in future which will likely come in spite of less than hoped quarterly and monthly numbers. **E**

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Clash of the Ride Hailing Titans

What Went Wrong For Uber and What Happens Next?

By Tracy Hall

Last month we saw one of the most ferocious clashes of the tech titans finally draw to a conclusion, with global ride hailing behemoth Uber finally deciding to hold up the white flag to rival Didi Chuxing. After what has been relatively short but nonetheless arduous battle for market share in the world's fastest growing consumer market, the two firms finally agreed to a massive merger deal that will see Didi invest USD 1 billion into Uber, while the American firm will receive a 20 percent stake in the new combined business. Both the backstory and the outcome of this high profile corporate skirmish provide us with plenty of food for thought, particularly in terms of what can happen when multinational tech companies come to China expecting to strike it rich.

to flout local rules and regulations when it ventures into new markets. Regardless of the fact that just before the merger was announced Chinese regulators decided to completely legalise ride sharing in any capacity, which should have given Uber a much needed breather after three years of painstaking work to claim market share, Didi was always going to be the clear frontrunner. It goes without saying that being a domestic company in China puts you in a very advantageous position against competitors coming in from outside. Networking and favouritism considerations aside, Didi had already established a very firm grip on the Chinese market before Uber decided to open for business here. In short, Uber was simply too much of a late comer to take on such strong opposition.

On top of that the American firm was constantly being bitten in the backside by its corporate strategy. Sure, paying at the click of a button is trendy and convenient, but a lot of Chinese customers are still used to paying in cash. The fact that Didi drivers offer this option has certainly worked in their favour. Moreover, in order to entice new drivers and

Looking back at Uber's short-lived attempt to conquer China, it is clear that the odds were stacked against them right from the outset.

customers alike Uber was subsidising to the tune of about USD 1 billion per year. Taking on this huge overhead just to be able to compete with Didi was a risky strategy that undoubtedly spooked a lot of shareholders and potential investors. On the other hand, the Chinese company had no shortage of big backers who were willing to put up the cash if needed. Before Apple Inc decided to plough a billion dollars into Didi back in May this year, the taxi app had already gotten the support of Chinese tech giants Alibaba Group, Tencent and Baidu. In the end it was simply a case of jumping ship and swimming back to shore, as opposed to continuing to swim against the tide.

The Path to Defeat

It was never going to be an easy ride for Uber. Competing in China never is. It doesn't matter whether you are a small foreign company venturing into a new market for the first time or a huge established global brand like Uber, which seemingly has the cash, notoriety, business model and corporate infrastructure needed to succeed outside its home country.

Looking back at Uber's short-lived attempt to conquer China, it is clear that the odds were stacked against them right from the outset. For starters it has always been somewhat of a maverick company which tends



A glorious victory for Didi

On the surface this ground-breaking deal between the two companies does seem like a clear victory for Didi Chuxing. They previously had a market share of about 80 percent. When the merger with Uber is finalised the new conglomerate will be in an almost monopolistic position. That will of course bring up questions of fairness, given that the technology sector is generally the most fiercely competitive industry in the world, with lesser barriers to entry for start-ups. In turn that will put pressure on the Chinese authorities to ensure that one firm isn't allowed to monopolise the ride hailing space and it could even encourage some consumers to choose smaller competitors out of principle. However, this is unlikely to faze the highly competent and successful team at Didi Chuxing, whose leader once referred to Uber's

attempt to steal their market share as "cute".

The only possible downside for Didi is that they are spending a lot of money to secure the deal and they have had to give up 20 percent share to Uber.

The only possible downside for Didi is that they are spending a lot of money to secure the deal and they have had to give up 20 percent share to Uber. From Didi's perspective though this must seem like a pretty small price to pay in order to secure an almost monopolistic grip on the

Chinese market. The upsides in the long term are huge. The demand base for the firm's existing services is growing very fast and there is massive scope to expand into new segments of the market now that they don't have to worry about any big players from outside coming in to challenge their position.

What next for Uber?

While this deal does signal the end of Uber's attempt to capture a chunk of the Chinese market, it doesn't spell disaster for the company as a whole. In fact in some ways the company's defeat by Didi presents some new opportunities. Admittedly they are missing out on what will be the biggest consumer market in the world going forward – albeit with a lucrative 20 percent stake in the country's biggest private taxicab app



– but it will free them up to try their luck elsewhere. While it is tempting to take a 'glass half empty' perspective and see this outcome as a crushing blow that shows signs of weakness in Uber's business model, the optimists are pointing out that they have learnt some very important lessons.

The experience the firm has gained from their short period of operating in China will be crucial as they expand into other emerging markets. The most obvious target is India, the other Asian giant whose population will soon be the largest in the world and whose middle classes are flocking to ride hailing apps like never before. How will that play out? Nobody really knows, but one person who has a better idea than most is Tech Crunch contributor Ajay Chopra. From his perspective, "If Uber decides to apply the same dominance strategy in India that it initially used in China, the companies will continue to aggressively compete indefinitely albeit with better prospects of Uber

becoming eventually profitable in India than it had in China, or Uber may even make a move to acquire Ola – though anti-trust regulators in India would probably balk at that.

When the merger with Uber is finalised the new conglomerate will be in an almost monopolistic position.

Alternatively, he says, "Uber could proactively opt to sell its India operations to Ola, take a large stake in the company, and still participate in the India market via the "Ola proxy" without all of the regulatory headaches and months of financial losses. This may not be Uber's preferred style, but after learning some difficult lessons in China, and with mounting pressure to go public, anything is possible".

The bottom line is that all is not lost for Uber. The company's stint in China has been a learning experience that in the long term may well be one of many bumps in the road towards global dominance. **E**

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Celebrating the Decennial Anniversary of NNIT in China

**A Dialogue with Sune Andersen,
General Manager of NNIT (Tianjin) Technology Co. Ltd.
Leading the Global IT Powerhouse in China**



By Josh Cooper

This month of September is the decennial anniversary of a truly remarkable multinational IT presence in Tianjin. NNIT began operating in the Chinese market back in 2006 with a small team of IT experts whose job was to provide simple solutions to Danish companies. Just ten years later NNIT's Tianjin centre is now the most important division of the company's rapidly expanding global network outside the firm's home country headquarters. Priding itself on world class levels of service, the organisation's Tianjin branch is continually going from strength to strength under the leadership of General Manager Sune Andersen, who kindly agreed to speak to the Business Tianjin team and offered us an insight into what happens at one of the city's leading IT companies.



Please could you introduce yourself to our readers and give us a brief insight into the services that NNIT provides?

I am originally from Denmark. My family and I have been in Tianjin for two years now. I have now been involved in the IT industry for twenty two years. I have worked for NNIT throughout my career, but during this time I have had many different roles and have built up experience in a wide variety of areas within this field.

Tell us a bit about the company's worldwide operations and the corporate structure that underpins NNIT's strong global market share.

NNIT was founded in Denmark in 1994. Since then we have expanded into a big global company operating in Denmark, the United States, Switzerland, China, Philippines and the Czech Republic. Globally we employ about 2,500 people. Here at NNIT Tianjin we now have 750 working for us, so a large proportion of our worldwide workforce is based at this one delivery centre. In order to continue keeping up with demand for our service we currently need to hire another ten people per month, so we are growing quickly.





NNIT's Tianjin branch is now the group's largest base of operations outside Denmark. How has your team managed to achieve this level of success?

Throughout this time we have transplanted the company's core values from Denmark to our centre here in China. Our mission is to ensure that customers get the best available quality of deliverance that is highly tailored to their needs. We always do what we can to be open and honest and to assist the customer in any way we can. In practice this translates into superlative standards of service, which in turn creates more demand from both existing and new customers.

Our mission is to ensure that customers get the best available quality of deliverance that is highly tailored to their needs.

NNIT Tianjin is about to celebrate its decennial anniversary. Give us an idea of what your company has accomplished in the ten years that it has operated in this city.

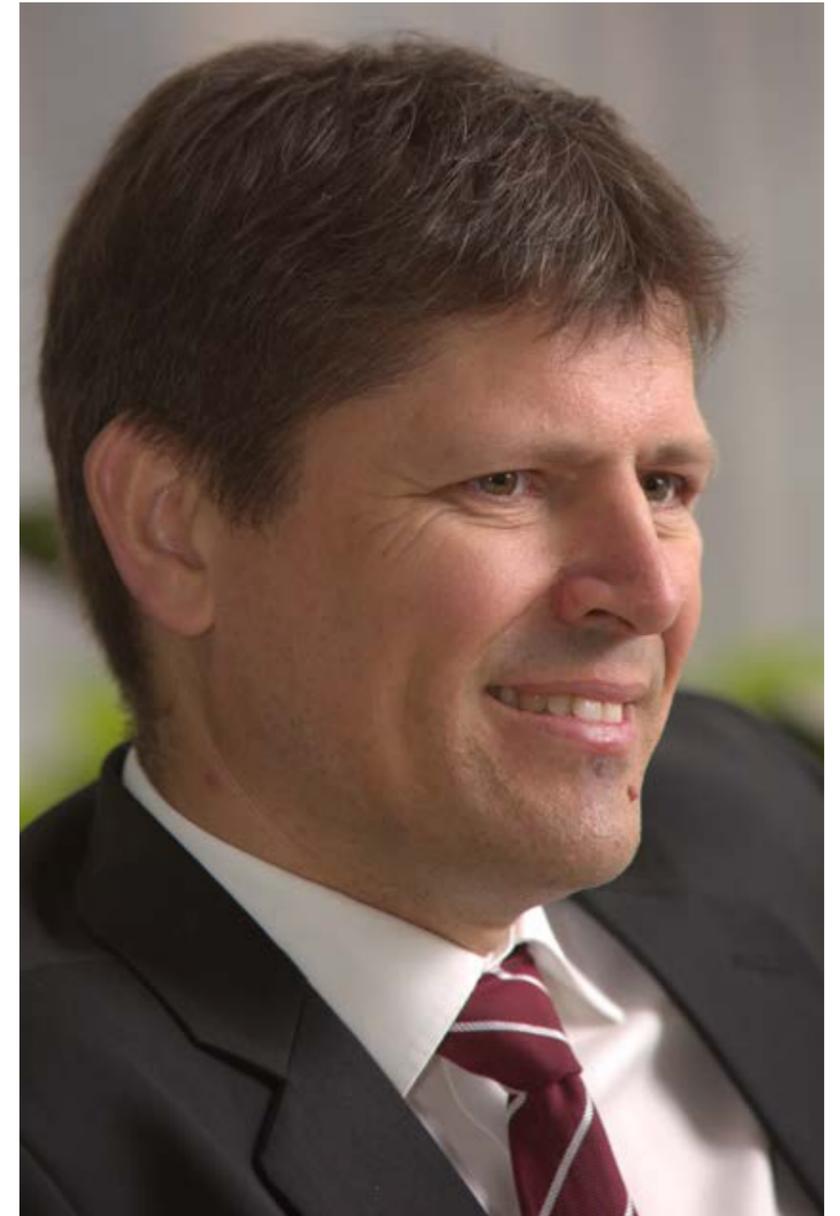
When we established NNIT in 2006 we started out with just six people. At the time it was only a sourcing centre, completely focused on helping Danish clients. Initially the team was performing fairly straightforward tasks in helping a relatively small segment of the international business community. That continued for a few years, during which time the company saw very rapid growth and took on all of the responsibilities towards international customers. Eventually it was decided that NNIT Tianjin should start finding its own customers in China. Right now that is our major focus and so far we are

doing very well. Last year we grew our revenue by about 280%, with growth this year on track to hit 100%. Of course going forward we expect that rate of growth to slow down as the size of our market share increases, but we are still expecting to achieve at least 50% revenue growth next year.

Even larger companies need to start by doing smaller jobs in order to gradually build up the trust with local customers, rather than trying to get big contracts straight away.

Why did NNIT choose to establish itself here in Tianjin, as opposed to elsewhere in China? What unique selling points does this city have?

At the start it was largely to do with our parent company, Novo Nordisk, and a number of organisation's associates being based here. At that time it was a logical decision for NNIT to base itself in this area, but that does not mean we had to stay in Tianjin for all these years. Of course we could have relocated to a city like Beijing, Shanghai or Shenzhen, where the IT sector is larger. However for us that would also mean higher operating costs. Our management team's job is to keep NNIT's outlay as low as possible whilst building a team or people who have a high level of skill and loyalty. Tianjin has proven to be a very attractive location in this regard. On top of that there are some excellent opportunities for partnerships. For example we work very closely with Nankai University and other leading academic institutions in the area.



Do you see your industry becoming more competitive as more and more domestic firms are coming into the market?

Well, first of all we need to consider the three main areas of the market that our services are aimed at. The first is sourcing to Denmark. In that sense local companies are not a competitor to us and we are in prime position in that segment. Then there are two aspects of the local market that we are focused on. One

of them is helping with everyday IT operations, ensuring that their systems run smoothly, updating applications and so on. In that area local firms are very competitive. They can enter the market offering lower prices, which forces us to compete based on the quality of our services and intrinsic advantages we have as a Western company. And lastly there is the consideration that we have grown out of a pharmaceutical company. That means we have highly specialised knowledge, skills and

experience which makes us extremely valuable within this sector against domestic companies.

What is NNIT's strategy to stay ahead of both the domestic and international competition?

Obviously we need to pay people according to the value they bring, but as I mentioned earlier, the most important thing for us to do is to cultivate a corporate culture that will allow us to attract and keep the best people. We need to create a working environment that people want to

stay as a part of. I really believe that our management style and the way we treat our staff members gives us a really big competitive edge in this market.

The most important thing for us to do is to cultivate a corporate culture that will allow us to attract and keep the best people.



Based on your experience as a business leader here, what would you say are the unique challenges of operating in the Chinese market?

There is no doubt that there are still big differences between operating in Europe and here in China. It is a huge market with a lot of great opportunities to offer. However, in order to take full advantage of these opportunities there are some significant challenges to overcome. The language barrier is the most obvious one, which can lengthen the process of building relationships. This is something we have to pay a lot of attention to when we are hiring new people. Our HR department puts a lot of emphasis on communication skills when they are screening potential candidates and we have English language programs in place which new employees can enter immediately upon signing their contract.

Then there are differences in culture and corporate behaviour. Of course the Chinese focus on price just like everyone else does, but building a very high level of trust is extremely important as well. Even larger companies need to start by doing smaller jobs in order to gradually build up the trust with local customers, rather than trying to get big contracts straight away.

What are your thoughts about the wider technology sector in China? Do you think this country can become a global leader in software development and other areas going forward?

It is hard to say whether or not China will become the world's leading IT hub in future. What we can say though is that the technology sector is performing very well at the moment and it seems to have a bright future. It is growing at a rapid pace due to strong demand from

Chinese consumers and as a result the talent pool is becoming both more specialised and more capable of developing new projects to a fuller extent. If you look at big Chinese companies like Ali Baba you can see how they are utilising technology just as well as Western firms. Many of them are starting one popular website or app and growing into a huge company with a range of great products within a short period of time.

Can you tell us about some exciting new developments that your company is going through at the moment?

In Europe NNIT has recently won some really big contracts and as a result we are currently working on really big projects right now. We are expanding at a good pace there. We have about ninety open positions that we would like to fill within the next three months. In China we are also making a lot of headway with new customers, particularly in pharmaceuticals and life sciences sector, so a large portion of these

new positions will be here at NNIT Tianjin.

NNIT will always try to be an all-inclusive service provider.

Which aspects of IT services do you expect NNIT Tianjin to be focusing on in future?

NNIT will always try to be an all-inclusive service provider. Of course we are only 2,500 people at the moment, so there are certain areas where we don't have enough collective knowledge yet to be able to offer services to our clients. But when it comes to all aspects of daily IT operations – servers, networks, databases and so on – we are about to offer the highest levels of service available in the market today. We are able to provide application maintenance in life science companies which use specialised software, as well as implementation projects with things like SAP and the Microsoft and Oracle suites. Moreover, we specialise in helping pharmaceutical

companies and other firms to utilise IT systems properly in accordance with international legislative considerations. These are some of the areas of specialist expertise that differentiate us from our competitors and we will be building upon these in future.

What are your own personal and professional goals for the near future?

I very much enjoy what I am doing here in NNIT Tianjin. I have done two years here so far and I am still contracted to do at least one more. Time will tell what happens thereafter. In the meantime I am completely focused on promoting NNIT's growth within the Chinese market. This means that we need to constantly adapt to this environment and give our Chinese management team in particular the tools and skills they need to drive the company forward. **B**

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Chinese companies in the global economy

Talking strategy and competitiveness with Amy Karam
Consultant and author of *The China Factor*

By Mike Cormack



Much of the discussion about China's great economic rise seems to be at the macro level, considering the global impact and the political, financial, economic and social implications. But we should also consider the way in which individual Chinese businesses are forging ahead, and the new business models they are bringing to the table. Fortunately we have a guide to help us. Amy Karam is a speaker, consultant, author and corporate instructor drawing upon years of experience, particularly for Cisco Systems. Her book *The China Factor: Leveraging Emerging Business Strategies to Compete, Grow and Win in the New Global Economy* addresses these very strategies and suggests methods for businesses to compete in the battle for new markets.

Can you describe your experience competing against Chinese companies and what led you to write *The China Factor*?

The book is based on my leading a competitive sales support program at Cisco for almost four years. My mandate was to be the corporate escalation point for challenging strategic deals when they were up against Chinese competitors; I advised them on sales strategy and brought the right resources and expertise to the table. The other major part of the job was to report back to executive management on what was happening with the sales teams in all the regions.

The trends and results were eye-opening. The Chinese consistently did business differently than we did and competed in ways that we were not accustomed to. So we had to change as an organization in order to succeed more often in emerging markets and when competing with emerging competitors.

Having gone through that, I wanted to share these learnings with more Western companies. I knew this was more than a blip. So the book is comprised of much more than just my experience: it includes a lot of

research on many other companies, as well as interviews.

Do you lecture or consult in China, or is your practice about helping businesses take on the Asian business tigers (as it were)?

Yes, both - I have received many requests to lecture and consult for Chinese clients, in addition to Western-based companies. The learning goes both ways. In fact, the Chinese are very good at learning from other nations on business practices and innovation methods. There are many delegations who come to Silicon Valley and Canada to learn new business and innovation practices.

This is the new global paradigm. The world is getting smaller and larger at the same time.

In the book I also talk about 'coopetition' - the need for East and West to learn from each other, build upon each other's strengths and allow cooperative competition i.e. market access in some cases. This is the new global paradigm. The world is getting



smaller and larger at the same time. We need each other's knowledge, business and innovation practices as well as access to new markets. This will take time.

You add Politics to the traditional 4 P's of marketing - what are the benefits of Chinese government involvement with business?

Chinese government involvement with business has greatly assisted Chinese companies in international expansion because they serve as ambassadors in trade agreements and influence business decisions. The Chinese government incorporates specific deals into trade agreements at the very top levels. When the discussions are about billions of dollars and trade deals that help the development of a country or allow market access, a specific company deal worth millions of dollars is marginal to the bigger picture.

Naturally, when the Chinese government provides opportunities to Chinese companies in other countries, the benefits are significant. Financial backing by the government is a great accelerator in customer acquisition and global expansion. However these two areas of influence are not always well-received by other nations and competitors, given the boundaries they cross even by WTO standards - so there is a fine balance between benefits and broader repercussions on a global political scale.

Is there anything holding back Western governments from doing similarly?

There is a philosophy in the US government whereby American companies are all treated equally and do not receive favors. This, therefore, is less helpful to specific companies as they go abroad. The West also

has a different approach in trade agreements, being less insistent on the acceptance of similarly specific elements, taking a more collaborative approach, which might have a greater win-win result than one side being more particularly successful than another.

You describe how Chinese companies are focused on the long-term, willing to forgo profits in the short-term to drive market share. But we also see many instances of short-term thinking, like using inferior materials for short-term profits. Can you reconcile the two?

an aggressive growth strategy and accelerated market penetration approach. Frankly, overconsumption in developed nations has fueled this situation, making it okay for the trade-off of cheaper production and purchasing prices.

Having said that, the next generation approach for the Chinese, if they want to become true global players, would be to start off with a more gradual growth strategy by not compromising on quality and inferior materials. I know China wants to create its own brands; this will be more easily achieved if it starts businesses with

high standards instead of treading backwards to build this after they have acquired market share.

Chinese tech companies like Huawei are now making great strides internationally, after years of trying. What have they been finally getting right?

Huawei and other tech companies used Western technology success to launch their endeavors and make a start; however, I believe that their turning points occurred when they applied their own ingenuity and unique market strategies. In the case of Huawei, they shifted their strategy to the consumer market and became strong in the handset business, acquiring a level of brand recognition and market share.

The advice to Western-based companies is to not get into the pricing game because no one wins in the end.

I also think that talent acquisition from the West has been a big part of success for Chinese tech companies. We saw this with Xiaomi recruiting the now VP of Global Hugo Barra from Google. This reinforces the premise that success occurs by using building blocks from other successes but then creating customized approaches.

What can Western economies do to manage the challenge from Asian companies which can significantly undercut them. How can Western countries and businesses compete, can there be a general strategy?

The advice to Western-based companies is to not get into the pricing game because no one wins in the end. While some discount matching is possible, it is important to stay true to the broader value that a company brings to a customer. Sales teams need to be trained on how to be strong in presenting this positioning. Elements to highlight to customers in these situations is the brand equity that a company brings to the table, the product quality, and some of the less obvious but still important elements like sustainability and reliability of a company. Also important is to position the value of expertise and the price or cost that this brings to the Western company's offer.

China always wants to solve commercial disputes and business problems by mutual dialogue and bilateral negotiations. What is your perspective on the future relations between China and the USA?

Future relations between China and the USA must and will continue in a positive direction. There is no other option to ensure mutual growth and wellbeing for both nations and for the world. They are both so influential in the global economy that they must work together for the betterment of all.

Talent acquisition from the West has been a big part of success for Chinese tech companies.

In the book, I highlight that the Chinese actively pursue partnerships as a core part of their global expansion strategy. However, I might add that Chinese companies would do better if they developed committed, longer-term partnerships that were more mutually beneficial. This

attitude will help accelerate a similar cross-border collaborative spirit as other nations will reciprocate.

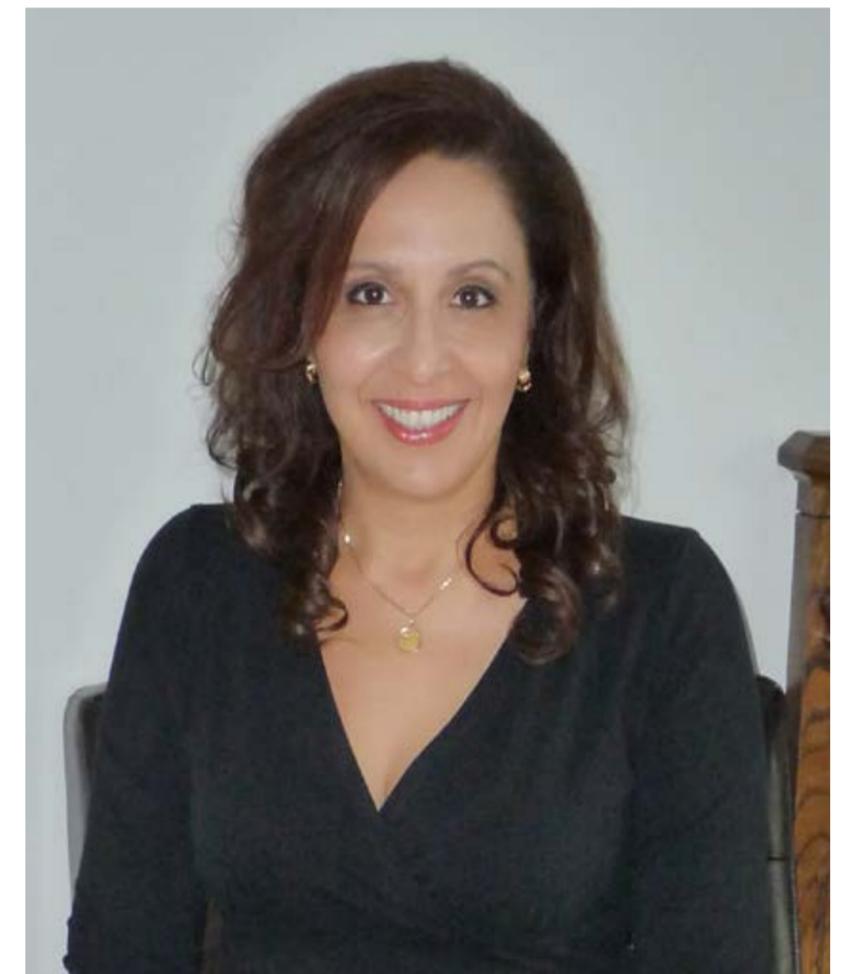
What are the most important strategies and actions that Western companies must learn from Chinese corporations?

Western companies need to adopt a longer-term approach and commitment to their global expansion strategy, especially into emerging markets. They need to understand that business in and with emerging markets is no longer a novelty but a necessity. And Western companies need to understand that business is done differently there – oftentimes, customer relationships and local cultural knowledge are much more effective and important to customers

than product superiority. The Chinese get this. They demonstrate longevity by assisting with socio-economic development goals, as we've seen particularly in Africa. Westerners need to get better at not just flying in for a few days of meetings and still expecting emerging markets customers to buy their product. **E**

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High-Return Opportunities In a Low-Return Environment

By Michael Dow



Although geopolitical risk has caused many investors to stand on the sidelines with cash in hand, a substantial return cannot be made without accepting a degree of risk in the market given the current investing climate. The recent risk-accepting equities growth on a macro scale seems to have hit equilibrium as a desire for stability and liquidity increases and risk resilience appears to be decreasing. This appears to especially be the case for Chinese equities. All major East Asian indices were up for the month including Hong Kong's Hang Seng which garnered a noticeable +7.69% return while the Shanghai and Shenzhen indices both ended up losing less than 1% respectively. This appears to suggest that Hang Seng offers a better opportunity for less risk-averse investors looking for returns in an equities environment characterized by its lack of palpable gains.

A few of the best performers in the Hang Seng over the past month include China Resources Land Limited (1109.HK) which was up 10.69% for the month, Sun Hung

Hang Seng offers a better opportunity for less risk-averse investors looking for returns in an equities environment characterized by its lack of palpable gains.

Kai Properties Limited (0016.HK) up 14.43% for the month, and AIA Group Limited (1299.HK) up 8% for the month. Other more hedged equities options include modestly

performing Hang Seng mutual funds such as iShares MSCI Hong Kong ETF (NYSEARCA: EWH) up 7.62% for the month which includes a mix of small-, mid-, and large-caps with holdings in real-estate, energy and finance. Because this fund is one of the most traded, it is extremely liquid with a dividend yield of 2.51%.

For an investor who is bullish on the global economy looking for a long-term investment, this fund remains a safe bet for those looking beyond the horizon. However, those seeking a more interesting risk-oriented fund should look to the newly formed CSOP China CSI 300 A-H Dynamic Index ETF (NYSEARCA: HAHA). It is based on algorithms that regularly adjust as per equities that are most likely to become the highest performers in the Shenzhen and Shanghai exchanges. The fund mainly includes financials, but also

includes a diverse array of other sectors including industrials, utilities, consumer staples, health care, and information technology. The fund is up for the month by 6.78%.

Although equities remain a staple for basic investing in a medium to low returns environment, other more complex options may be considered for those feeling a bit more bearish on the markets. The Wall Street Journal recently reported that traders may soon have the option to trade a credit-default swap if the government approves the final operationalization of the derivative. This may create promising opportunities for portfolio diversification as well as an option for market hedging in an economic environment in which Chinese defaults are increasingly accepted as the slow and steady progress towards market liberalization marches forward.

The National Association of Financial Market Institutional Investors, a subsidized central bank that overlooks lending between banks, suggests that these "credit risk mitigation tools" will be in demand as the market progresses. However, an anonymous official from J.P. Morgan has claimed that if the International Swaps and Derivatives Agreement



(ISDA) is put into place, a substantial investment (think hundreds of thousands of dollars) would need to be made in order for the investment to be profitable. Nonetheless, this is still an option that should be taken into consideration if fluctuations in the housing market become more noticeable.

Other alternatives are still numerous regardless of the economic climate. In spite of the losses traditional boons to the Chinese economy continue to be lower, for example companies with risk exposure to China such as Blackmores Limited (BKL.AX) whose stock took a hit with the end of July's were lower than expected PMI data. Furthermore, overall commodities prices including precious and industrial metals like copper and gold while agricultural commodities

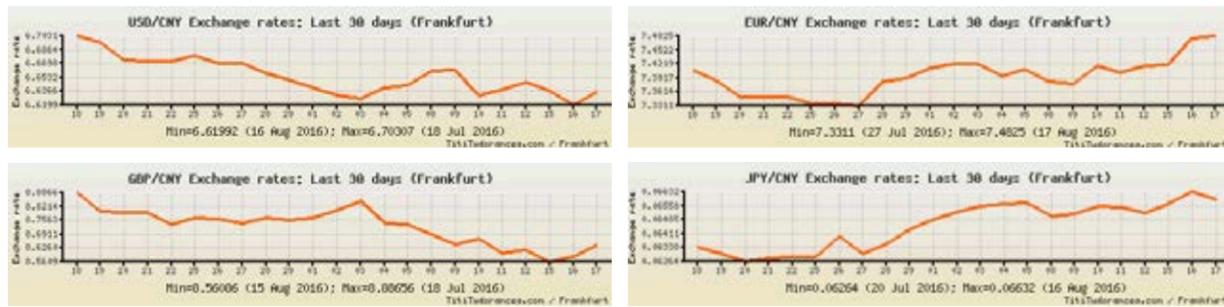
like corn were down 10% on a lack of Chinese demand according to Bloomberg Markets. This is in the face of increasing iron ore prices, but tends to trend along the price of oil and petroleum-based equities like CNOOC Ltd. (CEO) which was down 3.23% for the past month to date.

Overall, commodities trades should be treated like all other trades on a fundamental level: buy low, sell high. Now, commodities across the board have yet to recover from the slowdown which should suggest that a move into the sector whether it is with Chinese-based commodity equities, Chinese commodity-based mutual funds, or even commodities options is a prudent move. Yet, not all commodities are created equal. A number of analysts suggest that a move into oil is better now at around \$40 a barrel over a year from now when it may be closer to \$50 if market disruptions arise again or if global growth stabilizes as well making Chinese oil companies more appealing. Even so, the general investing climate appears to be a wait and watch scenario with investors holding their money on the sidelines to see how geopolitical and economic events play out over the next several months. **B**



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Stocks and Shares



Uber Gives Up on Chinese Market by Selling Off Its Chinese Division to Rival



Uber Technologies Inc., the ride-hailing service disrupting the taxi industry, is giving up on independently operating within China by selling its undertakings within the country to its Chinese rival Didi Chuxing. Both companies lost an extensive amount of capital competing against one another in a bitter turf battle to control the market, but in the end Uber decided to end losses amounting to upwards of \$2 billion over just two years in China

alone. While Didi will invest \$1 billion into Uber's global firm, the overall deal gives Uber a 20% stake in the combined Chinese assets of Didi and Uber. The deal still must be approved by the Chinese government raising regulatory and competitive issues of such a large single firm controlling virtually the entire Chinese market. In spite of its 20% equity, Uber will only have a 5.9% voting share in the venture.

Source: Forbes

Insurance Industry Continues Merger and Acquisition Push

Chinese firms are continuing to buy up foreign assets with the insurance industry leading the charge. In July, the Singapore-based Asia Capital Reinsurance Group was targeted by three Chinese bidders, but is most likely to be bought up by Foresea Life Insurance based in Shenzhen. The deal may ultimately pit Foresea to purchase Asia Capital for a total of \$1 billion. The idea behind this trend emanates in cash-rich Chinese firms, who primarily operate in China, to develop their presence in

more developed markets which tend to be more stable economically and in terms of regulation. Furthermore, purchasing insurance companies creates opportunities for reinvestments on monthly premiums earned virtually created cost-free borrowing, a tactic most notably forwarded by billionaire Warren Buffet. On a related note, the Chinese firm Taikang Life Insurance Co., purchased a 13.5% share in the US-based auction house Sothebys for \$233 million.

Source: The Wall Street Journal



LeEco Buys Second Largest US Television Seller



China's LeEco purchased the California-based Vizio Inc. for \$2 billion. Vizio controls the second largest amount of market share in the US for televisions, smart televisions, and other electronics behind the South Korean firm Samsung Electronics Co. LeEco's strategy behind the large investment is dual-pronged approach towards focusing on electronic hardware including smartphones, televisions, and maybe even driverless cars in addition to content involving movies, sports, and other

forms of entertainment. Overall, the acquisition is the continuation of LeEco's outward projection into new markets which is as diversified as cloud computing, real estate, and ecommerce. While some detractors suggest the strategy is becoming incoherent and without a vision, CEO Mr. Jia reassured investors that LeEco's vision is sound and the acquisition of Vizio plays right into its business stratagem.

Source: Financial Times

Ray Sim

Director of Food & Beverage
The St. Regis Tianjin

The St. Regis Tianjin is pleased to announce the appointment of new Director of Food & Beverage. With over twelve years of experience in the food & beverage industry, Ray will helm the food & beverage team of this hotel to elevate the dining experience for guests and exert leadership while planning and overseeing operations of the hotel's coveted venues and banquets.

A Malaysian native, Ray has the experience of heading the food & beverage teams of high volume hotel, restaurant and catering operations. His last posting was Director of Food & Beverage of Sheraton & Four Points Shenzhou Peninsula Resort and The Dunes Golf Club, where he conducted tremendous changes to all of the F&B offerings and caused the revenue to jump by a sizable increase. Ray's dedication to the food & beverage field is clearly seen from his vast experience. His personal strength lies in creativity and the passion to change.



Karen Ma

Director of Human Resources
Sheraton Tianjin Binhai



Sheraton Tianjin Binhai hotel is pleased to announce the appointment of Karen Ma as Director of Human Resources.

With over 15 years of experience in the hospitality industry, Karen possesses an extensive background in Human Resources, Training and Operations gained across a variety of luxury 5 star hotel brands and most recently as Learning & Development Director at St Regis Tianjin.

In her new role, Karen will be responsible for planning and implementation of the overall human resources function, including administration of recruitment, compensation & welfare structure, employee learning & development and employee relations. With her positive and enthusiastic mindset, her strong Human Resources background and committed team player approach, Karen thrives on responsibility and nurturing associate's career development and is a valuable addition to our hotel management team.

Jeffrey Lawrence

Director of Food & Beverage
Tangla Hotel Tianjin

Tangla Hotel Tianjin recently appointed Mr. Jeffrey Lawrence as Director of Food & Beverage and he will oversee the entire management of the Food & Beverage Team.

Mr. Jeffrey Lawrence has been with the Hotel industry for more than 18 years with a vast experience in Food and Beverage. Prior to this appointment he worked with New World Wuhan Hotel Rosewood Group of Hospitality as Director of Food and Beverage.

With his ability and experience in the current market trends we are convinced that he will be able to bring up the standards and quality in the Food and Beverage outlets with Tangla Hotel Tianjin.



Strata-title buildings

A danger worse than empty buildings



By Michael Hart and Sean Linkletter



A wave of supply is coming

Casual observers have noticed a rapid increase in construction of large office buildings in Tianjin in recent years and some have raised concerns about where the demand will come from for these buildings. Some, including the media, have cautioned of raising “ghost cities” but there may be a bigger danger than just big, empty buildings lining the horizon.

En-bloc versus strata-titled

If you have ever been impressed when visiting an office building, what was it that made such a good impression? Some buildings stand out because they have clean lobbies, attentive staff manning the reception desks, nice landscaping or nice amenities like coffee shops or convenience stores on the ground floor. Lobbies of other buildings are poorly lit, appear to be abandoned,

have elevators that do not work well or lobbies that are dirty and full of a variety of advertising and questionable characters. One major reason for the difference may be property management, but a more important factor might be the ownership structure of the building.

Buildings that are well run and maintained often have a single owner who is either the majority user of the space – it could be

the corporate headquarters, for example – or it could be owned by an institutional investor such as an insurance company or property investor who may have no physical presence in the building. In both cases, these owners pay to maintain the facilities and staff, knowing that long-term value comes from a well-operated building with a good image and full of rent-paying tenants.

As some of these retail strips have started to show, the actions or lack of action by one owner can influence that of his neighbour.

China’s commercial real estate market is still developing and in addition to these wholly owned or “en-bloc” buildings mentioned above, much of the office and retail space in the country is owned in a form that is known as “strata-title”. This means the ownership structure has been stratified, or split into layers. It may be that literally a different owner owns each floor or

that each floor is split into various units, each with a different owner. These investors often have little day-to-day interaction with the property and almost never pay their property management fees. It is very common in office buildings, but even more visible in retail strips where, for example, a single street may be fronted by ten different retail units with some open and many others closed, each with a contact number for a different owner or leasing agent.

What has happened here is that the developer looking to quickly recover his investment has sold the units to investors and no one, neither the original developer nor the new owners, are working around a common theme to ensure that they all open at the same time or do not overlap in terms of use. This can be seen in several retail areas of Tianjin, where one area might have 100 shops, 25 of which will not survive for even a year. It is happening in office buildings too, but most people do not see it because it is not at eye level.



▲ Individually owned shops line the hallways of many of Tianjin’s retail projects, like this one in Chengji Mansion located on Nanjing Road. Source: JLL Research

So what is the danger worse than empty buildings?

As some of these retail strips have started to show, the actions or lack of action by one owner can influence that of his neighbour. If buildings are empty, eventually they can be sold or tenants can be found again when demand grows for retail or office space. The problem is that these properties are sold strata-title and the individual owners do not pay their property management fees so the building can be maintained or coordinate their efforts to brand and lease the property. Even if there is demand for the space, few tenants will want to lease in a building that is not maintained – and few investors will want to buy into the same scenario. This will leave the initial investors stuck with a property that no one wants to use and that they cannot sell. We believe that many developers and investors may not be aware of the situation because if the property sells well in its initial launch, small investors appear to have blind faith that the property will be saleable again in the future and the price will increase, because “it always has in the past”.

Why has this happened?

One way to understand the development of the market is that Chinese developers, nearly all of whom started in the residential market, have been building and selling office and retail property the way they sold residential property – by the unit. In most cases, they have been doing so with no ongoing interest in how the property is leased or managed in the long term.

Government policy might play an indirect role in facilitating growth in strata-title commercial stock throughout Chinese cities. In Tianjin, for example, in order to establish commercial tax bases, district governments often mandate

that land purchased for residential development also include a commercial component. This has given rise to the construction of several mixed-use projects that feature office towers and retail centres by developers who wish to profit from residential sales but lack the experience or expertise to develop commercial real estate and prefer to sell strata-title.

Furthermore, the government has placed restrictions on land banking – the practice of buying land and holding it for future development – meaning that developers must begin

developing all land within two years of purchase or face a penalty. While this policy ensures that buildings sprout up at a faster pace, it prohibits property developers from delaying projects until there is a real market need for them. Developers that purchase land in a distressed market may be further incentivised to sell commercial projects quickly strata-title for a faster return on their initial investment.

The large market for strata-title sales is made possible by abundance of individual investors willing to buy commercial space in China. Home purchase restrictions (HPRs),



▲ This strata-title residential project in Nanjing is largely being used for office purposes by small companies. Source: JLL Research

Government policy might play an indirect role in facilitating the growth in strata-title commercial stock throughout Chinese cities.

which were released in 2010 across several Chinese cities limited individuals to the purchase of three residential properties. While HPRs were aimed at curbing speculation to cool down residential prices, one side effect was that demand just spilled over into the commercial market, fuelling demand for strata-title space in commercial buildings from individuals who had already reached the residential limit. However, investment demand for strata-titled commercial space is still strong even in cities that have rolled back HPRs. While there remains a general mistrust in financial assets, such as stocks, commercial real estate can often be purchased at a discount compared to its residential counterpart.

Unfortunately, institutional investment demand that typically drives the en-bloc sales market has been comparably small, especially outside of Tier I cities such as Beijing and Shanghai. Nascent service sectors and an oversupply of commercial space make it difficult for institutional investors to achieve reasonable returns in many of China's Tier II markets. Meanwhile, institutional investors generally are not willing to purchase empty buildings and their expectations on price often differ greatly with developers, which makes it hard to get en-bloc deals done and further incentivises strata-title sales. Another reason for lack of institutional investment is that until recently, the market for en-bloc



▲ Over 80% of the total existing office stock in Zhengzhou was sold "strata-title." Source: JLL Research

properties was largely dominated by foreign buyers. However, we have noticed that more number of domestic institutions have become interested in long-term commercial real estate assets.

What are the alternatives?

One positive sign for the market is participation of big, domestic insurance companies. In other markets, insurance companies have developed property for long-term holding or have bought large blocks of office and retail property with an eye to operating and maintaining it long term. The problem is that insurance companies, like many other investors, prefer to buy property with income, which means developers need to not only build the space but also lease and operate it for a few years before they sell it. The government could also create smaller single-use commercial projects, reducing the financial pressure on developers willing to develop commercial space.

Conclusion

The current land sales system is supposed to encourage developers to build office and retail space, creating a tax base for the local government at the same time as they build residential space to generate development profit for themselves.



The irony is that when developers who do not have the interest or experience in developing stable commercial property are forced to, they try and exit as early as possible, creating a large pool of strata-title property. This property has proved to be a drag on the economy instead of a boost. Although the initial intentions of these plans were good, we fear that continued development and sale of strata-title office space will not only create empty buildings, but empty buildings that, thanks to their stratified ownership structure, will be difficult to lease and operate in the short-term. It will be nearly impossible to rehabilitate these buildings later on, leaving them not only empty but also unusable. We are encouraged that the government appears to be aware of the situation and efforts in larger cities may provide to officials locally with ideas about how to resolve the issue, but we see this as an issue that needs attention and soon. **E**

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Keeping a Trade Secret

(Part II)

By China IPR SME Helpdesk



Nearly all businesses in all industries and sectors possess trade secrets. Trade secrets are a valuable and highly useful form of intellectual property right (IPR). As the name suggests however, trade secrets are a non-registrable form of intellectual property; they only enjoy legal protection as long as they are not disclosed publically. It is therefore crucial to prevent your trade secrets from being divulged in the first place. Once out, there is usually very little you can do about it. This concluding piece of a two-part article describes measures you can take to help ensure that your trade secrets aren't lost through employees and third parties as well as options available to you should your secrets be disclosed. Check the last issue of Eurobiz for part I of this series which outlined how to identify a trade secret and the physical, technical and contractual barriers you can put in place to protect them.

Don't Forget Your Employees

Most thefts of trade secrets cases involve current or former employees, disgruntled or otherwise. A typical theft of trade secrets case generally involves an employee leaving the company for a competitor and the company discovering shortly after that its competitor is selling a product that looks suspiciously familiar.

Most thefts of trade secrets cases involve current or former employees, disgruntled or otherwise.

The best way to avoid such a situation is to have an employment agreement with non-disclosure provisions. In addition, you should periodically remind your employees about their confidentiality obligations. For employees who are leaving the company, be sure to hold exit-interviews, have them return documents, materials, computers, and files. For new employees, you should ask them whether they have a non-disclosure agreement with their former employer and to take appropriate steps to make sure you do not misappropriate their former employer's trade secrets. For an important or senior-level employee who is intimately knowledgeable about your business, you may want to consider also having a non-compete agreement of a reasonable duration that complies with China's Labour Contract Law.

Trade secrets may also be inadvertently disclosed by employees. For example, an overzealous engineer may give away too much technical information when giving a conference presentation. Also, in particular for China, your employees may not

have the same understanding of IP rights and proprietary information or expectations about protecting such information as you do. For example, your employees may not immediately understand that a project proposal or marketing proposal may contain valuable sensitive information.

Dealing with Third Parties

Another common way trade secrets are disclosed is during business dealings or negotiations with potential partners, suppliers, contractors, licensees, customers, etc. Generally, you should insist that both parties sign a mutual non-disclosure agreement before any discussions begin or documents are transferred. After the negotiations have reached a certain stage, both parties should enter into a Memorandum of Understanding (MOU) outlining the structure of the deal, what information will be shared, and the respective non-disclosure obligations of both parties. Finally, once an agreement has been reached, the final agreement should identify who owns what information, what information was exchanged, and

the respective non-disclosure obligations of both parties. Explaining that it is your policy to have a non-disclosure agreement in place before negotiations begin is a good way to demonstrate your professionalism and respect for your counterpart's IPR. Having the agreement already drafted also helps to minimise the issue so that you can move forward with your negotiations.

Many foreign small and medium-sized enterprises (SMEs) operating in China find it difficult to insist on a pre-negotiation non-disclosure agreement when dealing with Chinese parties who often claim that such requests are "hostile" or "unnecessary". The prospect of losing a potential business opportunity often leads many SMEs to move forward with negotiations without an agreement. However, this may prove costly when the other party starts using the information to compete against you. Therefore it is important to know before you enter negotiations when to walk away. The party that refuses a reasonable request for a mutual non-disclosure agreement is also the party that is most likely to misappropriate



your trade secrets. Finally, being business savvy is also important. For example, if the Chinese party requests to see your designs, you can request that they view them at your business premises or send only rough sketches.

Even after an agreement is signed, it is important to make sure you continue to monitor your partners, suppliers or licensees. You may wish to negotiate the right to make unannounced visits and to conduct periodic audits in your agreement.

What to Do When Your Secret is Out

The key to protecting your trade secrets is prevention, but if you find that your trade secrets may have been stolen, the first step is to conduct an internal investigation and to preserve as much evidence as possible, including documents and e-mails. It may be necessary to engage the services of an external investigator to gather all the information, after which you and

your lawyer can decide the best course of action.

The key to protecting your trade secrets is prevention.

Litigation is the primary means to pursue a remedy for misappropriation of trade secrets in China. If you are successful, the court can require the infringer to pay you damages and order them to stop using the trade secret. In order to be successful in a theft of trade secrets case, you need to prove with sufficient evidence that:

(a) You have and own the trade secret in question, including that it is tangible, has commercial value, and you have taken measures to protect it.

(b) The defendant possess information that is identical or substantially identical to your trade secret.

(c) The defendant used improper means to obtain it.

The court will place a heavy burden on you to prove these three elements with direct evidence, which in a Chinese litigation scenario is almost exclusively in form of documents as a court will usually not permit witnesses to testify. Although you can request the court to go to the defendant's business premises to obtain evidence, there is no guarantee that the court will find the evidence that you need. Because of these reasons, it is very important to have sufficient record and proper documentation already in your possession.

In addition to litigation through the court system, unlike in many other countries, China provides for administrative enforcement in trade secret cases. Through the local Administration for Industry and Commerce (AIC) it is possible to stop the sale of products manufactured using your trade secret and to obtain administrative



penalties against the infringer ranging from RMB 10,000 to RMB 100,000. However, in practice, it can be difficult to get the AIC to accept your case, particularly if complex technology is involved.

You should insist that both parties sign a mutual non-disclosure agreement before any discussions begin or documents are transferred.

Theft of trade secrets is also a crime in China where the loss to the injured party is more than RMB 500,000. If the Public Security Bureau conducts a criminal investigation, infringers may be fined and/or imprisoned for

up to three years, or in very serious cases, such as those involving a loss of more than RMB 2.5 million, for up to seven years.

Take-away Messages

- As with most IP, the best way to protect trade secrets is a prevention strategy that ensures your employees have a clear understanding of what constitutes a trade secret and are

aware of their role in protecting it. Your business should also take extra steps to create clear contractual clauses to prevent leakage via employees and business partners.

- Whilst a prevention strategy is the best way to protect your trade secrets, if you find your trade secrets have been stolen then the first step is to conduct an internal investigation while preserving as much information as possible. It also may be necessary to consider hiring an external investigator.

- It is important to remember that in China, litigation is the main way to pursue a remedy for misappropriation of your trade secrets. However, you must ensure that enough evidence has been collected for your case or else it can be very difficult for you to prove trade secret infringement. **E**

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The China IPR SME Helpdesk is a European Union co-funded project that provides free, practical, business advice relating to China IPR to European SMEs. To learn about any aspect of intellectual property rights in China, visit our online portal at www.china-iprhelpdesk.eu. For free expert advice on China IPR for your business, e-mail your questions to: question@china-iprhelpdesk.eu. You will receive a reply from one of the Helpdesk experts within three working days.



Top 10 Mistakes in Social Media Marketing that you need to avoid

By Anne Shore

You can't overlook the power of social media. Social media is very important to increase your business exposure. But most businesses are struggling hard to get the result that they are looking for. Are you also working hard but not getting any results? If the answer is yes, then have you ever wondered why? The reason is the mistakes that most people or probably you could have been making in social media marketing.

To help you out here are the list top 10 mistakes that most businesses commonly make when it comes to social media marketing – and also some helpful tips to avoid them.

1. Jumping into Social Media without any Strategy

This is the most common mistake that most businesses make and you could be one of them. They jump into social media marketing without any strategy regarding how it is going to add value to their business. They join social media, make their profile, post great stuff to attract visitors and then disappear. This is a huge loss of energy and time. If you really want to get results, be strategic.

Tip: First make a strategy of what you want to achieve from it, and follow that strictly.

2. Spamming

Another big mistake that people make is to post their links everywhere on social networks to get quick results. But they forget that everyone hates spam. So it never works.

Tip: Don't overdo it. Be patient and post value-added content.

3. Fake Followers

The number of followers is of no importance. Of course, a huge number of followers look good but they don't add any value to your business if they are fake followers. So, stop spending your money and time on fake followers. You will get much better results if instead of wasting your money on paid followers you target and spend more time on increasing your fan base that is really interested in your business as fake followers only serve to hurt your business in the long run.

Tip: Make slow and steady followers who are real people. Focus on real consumer relationship rather than numbers.

4. Creating too many profiles and trying to join every platform

This is another mistake where businesses make more than one profiles on popular social sites with link to the main website. But it's not only legally wrong but also a waste! Also they join every social media platform because they feel that it is important to be on every social media platform to get exposure. But they end up neglecting them all. And the results suffer!

Tip: Put your efforts in one place and master it. Do a few things, but do it well instead of doing many things poorly.

5. Not connecting with people

Some businesses join social media and do posting only. They spend a lot of time to prepare and post

their content to their networks. But what's next? They do not respond to the comments and messages which makes the audience move on to other sites. Make sure to be social in social media, so interact and engage with people. This is one of the best ways to build relationship with your audience.

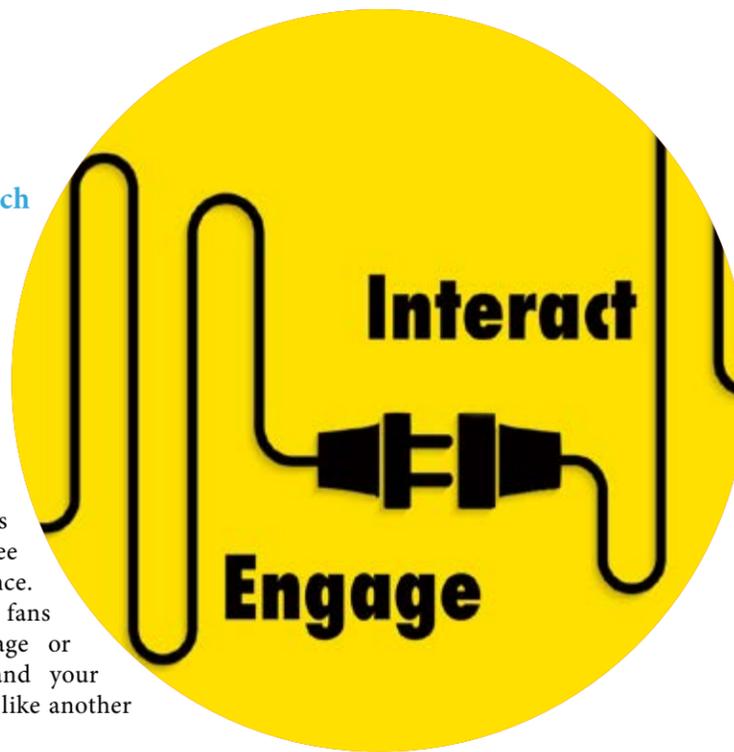
If you really want to get results, be strategic.

Tip: Set aside some time to respond to all messages and comments, even if they are negative comments. Try to connect and engage with the people. And if they have any issue, try to find a solution. Remember, interacting is as important as posting.

6. Too much automation

Another mistake is automation of your posts. Of course, automation eases out your efforts, but it needs to be structured. As no one likes to see 10-20 posts at once. This would cause fans to unlike the page or hide the posts and your webpage will look like another spamming site.

Tip: Automation should be should be done in limits. Rather than posting automatically it is good to schedule your posts.



7. Not Spending Wisely

The greatest charm of social media is that it is affordable. People spend



YOUR BRAND



Customers
Joe Dana Sue

so much on social media ads that they are left with nothing to spend on other things like SEO, which is equally important for your business. Also spending too less is not good as it will not generate any results. So strike a balance and spend your money wisely.

Tip: Set a weekly or monthly budget for social media ads and don't exceed the limit.

8 Inconsistency Social media marke

Social media marketing is not a onetime work. Like any other marketing strategy - it also requires time, consistency and patience. The success doesn't happen overnight. After a few months of active participation, most businesses forget to update it or don't have the time. And finally, all your work and effort becomes a waste.

Tip: Set aside 15-20 minutes every day for social media. Don't try to complete it all in a day. Be consistent and keep your followers coming back. This will generate results.

9. Talking too much about brand

The biggest mistake that most businesses often make is talking too much about their brand. You might be over excited to promote your brand on social media but don't be restless. Resist the temptation; don't spend too much time and effort without getting any results.

Tip: Don't be overly promotional. Share some valuable content to show the consumers that you care about them regardless of whether they buy your product or not. This will create a loyal fan base.

10. Not knowing your target audience

Spending time and money without knowing your target audience is not at all a good idea. Marketing without focusing on your target audience may seem like you are working very hard, but at the end, you will not get any results.

Tip: Rather than aiming in the dark, know your target audience.

Finally,

The idea of gaining popularity and getting thousands of likes and shares can be overwhelming and exciting but businesses should avoid the above mistakes to get the maximum result. So, we hope that you can learn from the above mistakes that businesses make in social media marketing.

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Discussion on Legal Issues of Internet Advertisement from the Perspective of E-commerce



Manuel Torres
(Managing Partner of Garigues China)



Rachel Zhou
(Corporate Associate)



Ever since the arrival of the 21st century, mankind has entered the Internet era. The popularity of the network has not only speeded up information dissemination, but also promoted rapid development of e-commerce. According to the UN estimates, 1/3 of international trade around the world will be completed through the Internet during the next decade. And Internet advertising plays an indispensable role in e-commerce.

1. Introduction to Internet Advertising

Literally, Internet advertising refers to advertisements being released on the Internet. In essence, Internet advertising is a new advertising-operating mode to use advertising space, text links or multimedia on websites to publish or release advertising on the Internet, and use the Internet as a new media to disseminate information to users. Compared with the

traditional newspaper advertising, magazine advertising, TV advertising and radio advertising, Internet advertising enjoys unique advantages, such as a wide range of audiences, strong interaction, high time sensitivity, flexibility and low costs.

2. Development history of the Internet advertising

In history, Internet advertising has undergone 3 stages of development. The first stage was the rudimentary stage of Internet advertising. In 1900, Prodigy in the United States became the world's first enterprise which attempted to provide Internet advertising services. At the second stage, Internet advertising suffered a setback. Canterior and Siegel, two lawyers of Arizona, repeatedly published an advertisement concerning green-card services, but the advertisement aroused great resentment of users and produced poor marketing results. At the third stage, Internet advertising has developed and become mature. In 1994, Hot Wired in the



United States published Internet advertisements for AT&T and other 13 companies, and won recognition from the audience. Since then, Internet advertising has gradually embarked on the set track. In 1997, the first piece of commercial Internet advertising appeared in China. Intel and IBM are the earliest advertisers in China. In the Chinese market, the first Internet marketing appeared in form of 468x60 pixels animated banner ads. After years of explorations and tests in practice, the Internet advertising industry has been gradually maturing in China.

3. Important role of the Internet advertising in e-commerce

E-commerce refers to the new commercial model which is based on the Internet, takes two parties of transaction as the subject, adopts banking e-payment and settlement and relies on customer data and information. Along with its rapid development, e-commerce has changed the traditional trading modes, provided business opportunities to operators, and brought convenience to consumers. According to UN estimates, 1/3rd of international trade around the world will be completed through the Internet in the next decade. E-commerce will become an

important part of the trading environment under the new context. However, Internet marketing is indispensable in e-commerce. Along with the continuous development of e-commerce trading model, a new way of advertising has been created. Internet advertising has developed into a major source of revenue for many websites, and the scale of Internet advertising has expanded with every passing year. According to financial reports disclosed by enterprises, industry interviews and iResearch estimates, the size of Chinese Internet advertising market will reach 285.2 billion yuan in 2017, with an increase of 17.8% over 2016.

4. Legal issues of Internet advertising under the e-commerce model

In the context that e-commerce has developed constantly, Internet

advertising, as an emerging industry, faces a series of legal issues in practice, which are mainly reflected by the following aspects.

4.1 Difficulty in distinguishing pure information dissemination from Internet advertising

In Article 3 of the "Interim Measures for the Administration of Internet Advertising", it is clearly defined as "commercial advertising released through websites, webpage, Internet applications and other Internet media to directly or indirectly recommend products or services in text, image, audio, video or other forms". However, in actual operation, it is quite common that advertising information is included in slogans, factual narration and essays for praising, owing to the diversity of network communication and the admixture of false and true information on the Network. Therefore, there is difficulty in distinguishing pure information dissemination from Internet advertising.

4.2 Difficulty in determining legal liability owing to fuzzy positioning of the advertiser, advertising operator and advertising publisher

In the "Advertising Law of the People's Republic of China", clear definitions are given to the advertiser, advertising operator and advertising publisher of traditional media advertising. However,





before July 2016, positioning of the advertiser, advertising operator and advertising publisher was unclear. For example, the ISP (Internet Service Provider) and ICP (Internet Content Provider) serve as the advertising agent, advertising maker and advertising publisher. In this case, it is difficult to apply concepts and standards in existing laws to comprehensively understand and regulate the advertiser, advertising operator and advertising publisher in Internet advertising. In addition, many enterprises build their own homepages or websites for publicizing or releasing advertising, which poses new challenges to determine legal liabilities.

4.3 Difficulty in administrating Internet advertising: easily triggering conflicts of jurisdiction

Because distributors and distribution channels of Internet advertising are diversified and wide-ranging, there is difficulty in the administration of Internet advertising. Moreover, the spread of Internet advertising is not subject to time and space limits, which usually leads to conflicts between application of law and jurisdiction. At present, traditional media advertising of China is generally regulated by the domestic law, while cross-border advertising is

Internet advertising enjoys unique advantages, such as a wide range of audiences, strong interaction, high time sensitivity, flexibility and low costs.

administered by law of China or other countries. Conflicts of legal applicability rarely occur. However, Internet advertising may touch upon more than one country, and contents of Internet advertising are hard to separate. Worse still, various countries bear some differences in legislation, so it is difficult to apply some foreign laws in China. As a result, some Internet advertisers and advertising publishers deliberately use this loophole to circumvent the law and publish illegal Internet marketing.

4.4 Acts of unfair competition

Acts of unfair competition refer to acts of two or more producers or traders for competitive purpose and in violation of the principle of good faith or recognized business ethics to hurt interests of other

competitors of other competitors or consumers and disrupt the social and economic order, and for which, producers or traders should bear legal liability. Acts of unfair competition in Internet advertising mainly include: Internet bait advertising, price fraud, misuse of keywords, application of linkage technology, plagiarism and information dissemination of prize-giving sales.

4.5 False Internet advertising

While bringing considerable economic benefits, Internet advertising, spurred by e-commerce, also brings problems. False advertising is one of the problems. False advertising refers to advertising which is false or misleading. As one kind of false advertising, advertised items are not consistent with actual items provided. As the other kind of false advertising, advertising information misleads consumers to produce wrong associations for items advertised, thus affecting their purchasing decision-making. False advertising is usually inconsistent with facts, ambiguous in meaning and misleading. For example, on the outer packaging of the product Jianyi PM2.5 protective mask, it is declared that "with the upgraded micro-filtration technology, this protective mask can effectively block PM2.5 in air (a PM2.5 filtration rate of over 99%) and effectively block virus in air (a virus filtration rate of 99.9%). However, according to test results, the Jianyi protective mask did not reach a filtration rate declared in its advertising, so it was liable to a fine of 100,000 yuan.

4.6 Fraud Internet advertising

Advertising Fraud refers to the act that the advertiser, advertising operator and advertising publisher deliberately create a false impression of advertised goods or services, or conceal the truth, which may

mislead consumers to make wrong consumption decisions. Virtuality of the Internet has promoted development of fraud Internet advertising. However, the imperfect market regulatory mechanism of Internet marketing makes it difficult to supervise fraud Internet advertising. Fraud advertising directly hinders the development of Internet advertising and even e-commerce, causes damage to legitimate interests of other operators and consumers, leads to distrust over Internet advertising, hurts foreign exchange and cooperation of China. For example, a domestic group-purchasing website published an advertisement that consumers can buy iPhone6 with just 1380 yuan. Mr Liu purchased an iPhone 6 through this website, but the phone turned out to be a fake.

4.7 Abuse of the celebrity image in Internet advertising

With high visibility, celebrities hold a great affinity and persuasiveness

on consumers. Goods, which are recommended and publicized by celebrities, are more easily accepted by consumers. Celebrity advertising produces better effect of publicity. Therefore, at present, many companies take advantage of high visibility of celebrities, to expand the public awareness of their products. It should be noted that when using celebrity image in Internet advertising, companies must first obtain the consent of the celebrity, or it would violate the right of portrait and would be deemed to be an unlawful act. At present, with no adequate financial support, some small and medium Chinese websites use portraits of celebrities for publicizing enterprises or products without content or authorization, in order to expand their influence and obtain maximum economic benefits.

4.8 Infringement of consumers' rights and interests in Internet advertising

Driven by economic interests, some unscrupulous businesses use e-commerce loopholes to deceive consumers through virtual space of the Internet. Internet advertising's violation of consumer rights and interests is mainly reflected by the following two aspects. On one hand, Internet advertising violates consumer privacy. For example, some Chinese websites do not effectively protect transaction and personal information of consumers, or even sell information to other websites or individuals. On the other hand, consumers are annoyed by spam advertising harassment. Since e-mail can be automatically forwarded and its cost is low, some businesses use e-mail for Internet advertising and constantly send spam e-mails to consumers, thus causing lot of annoyance. **B**

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Interviews by Remote Control

Written by Helen Taylor / Copy Edited by Annie Ly



The officious growth of technology has brought forth an unprecedented increase in the efficiency of HR work. More and more job interviews are now conducted online as most HR professionals show a preference for conducting the first interview by distance when choosing amongst pools of candidates. Despite the plethora of benefits that they offer, face-to-face interviews are becoming more and more outdated as video conferencing seems to be the new norm in human resources. The intention of professionals in doing this is to separate those who are serious about the job from those who are not even qualified to apply. A significant number of applicants tend to be unqualified for jobs and yet they apply.

Both types of interviews come with pros and cons, therefore it would be unfair to think that one is better than the other. Still, there are differences worthy of being mentioned and taken into account when designing a successful interview process.

Video-Interviews versus Face-to-Face

Although video interviews are on the rise with advances in technology and the natural way in which technology fits into our daily lives, there are of course drawbacks which cause recruiters to stick to the traditional method of face-to-face interviews.

A study by Degroote School of Business at McMaster University of

Ontario suggested that applicants who were interviewed through video conferencing were less likely to get the job as compared to those who underwent face-to-face interviews. However, the same research showed that candidates were more likely to turn down a job offer due to the lack of personable rapport or trust which can be more easily established with potential employers in face-to-face interviews. If the hiring process is to be made easier and more convenient for the recruiter through video interviews, the pros are seemingly made null if the candidate does not want the job in the end.

It is also clear that there are certain technological barriers such as the inability to establish proper eye contact through a screen, poor

video or sound quality and software issues, which can impede the hiring process. This leads the employers to opt for the traditional approach despite clear advantages of video interviews which are leading more and more employers to embrace technology when it comes to recruitment.

Benefits of Video-Interviews

The benefits of video-interviewing are numerous, especially to hiring managers and job candidates. They include:

- Transcending geographical barriers - Employers can easily reach out to an international pool of candidates to find the best person for the job.
- Reduces travel expenses associated with flying candidates in for interviews
- Being recorded so that candidate interviews can be re-reviewed and

shared with colleagues. Likewise, it is easier to compare one interviewee to another.

Although face-to-face interviews are unlikely to disappear from the hiring process any time soon, the time and cost benefits of video interviews are clear.

- Improving candidate experience - Candidates no longer have to rush away from work to attend interviews.
- Saving the hiring manager's time - They no longer have to meet with candidates they might otherwise eliminate within 5 minutes of meeting them.

Although face-to-face interviews are unlikely to disappear from the hiring process any time soon, the time and cost benefits of video interviews are clear. Technology will continue to advance and become more integrated within our working lives so finding those that are digitally savvy and comfortable using technology will be important to many job sectors to ensure that we all keep up with times.

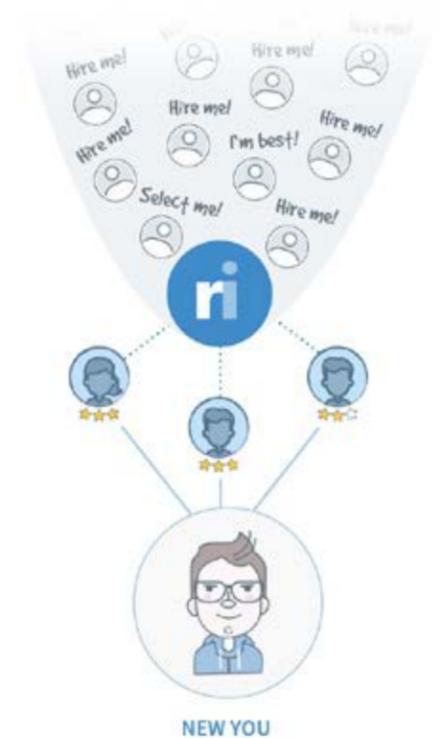
Tips for Conducting a Successful Video Interview

For those not familiar with video conferencing or interviewing, use a free trial to familiarize yourself with the process and find out how it can work best for you. This allows you to try many different platforms until you find the best one for you and your company. There are many platforms out there, Skype being one of the most renowned and easily accessible. But recruiters

THE OLD WAY



THE NEW WAY



may consider others such as the all Swiss army knife of social media in China, WeChat, FaceTime, Google Hangouts, Adobe Connect or Citrix GoToMeeting. Once you have found the platform which works for you and your company, ensure the following to conduct a successful video-interview:

- Take your time - Video interviews afford you the benefit of saving time but rushing through an interview could cause you to focus on getting the interview done rather than focusing on the person you are interviewing. Having time to listen, asking probing questions and observing body language between taking notes requires more time but these are important to do when you are not in the physical proximity of the candidate. The interview is not about notes and nor is it the questions. It is about the person and why they make the choices that they make. This takes time to decipher.

- Get rid of interruptions - These can be a distraction for the interviewer and the candidate. Make sure the phone is not ringing, outside noises are quieted and you are not trying to multitask while asking the questions. This is time for you both to decide if you are making a right or wrong decision in the consideration of your company's future and the candidate's career.

- Be contactable - In case of any technical hitches, make it clear to the candidate how to make contact with you or how to re-establish the connection. Ensuring both sides are comfortable and knowledgeable about how the software works is crucial to carrying out an efficient video interview.

- Don't focus on quality - It is unfair to judge a candidate on the quality of their Internet connection or the pixels in their webcam. Many candidates are likely to be new to

the concept of video interviewing so remember to take a fair approach on those who do not look natural on screen or tend to miss eye contact.

All of the above tips ensure that both candidate and interviewer are comfortable with the process which will in turn ensure maximum engagement to counteract the lack of physical proximity. Live video interviewing is poised to become a norm in the screening and recruitment process. Employers may not quite be ready to embrace it as a new trend but technology used hand in hand in conjunction with traditional practices will certainly shape the future of work. **B**

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Entry ban lifted for WFOEs and JVs engaging in private securities investment fund management business



Kelvin Lee, PwC Tianjin

that consider entering the Chinese private securities market as a fund manager should assess the impact of this development and make commercial adjustments to fulfil the criteria where necessary.

In detail

Background

In the past, foreign financial institutions were only allowed to engage in private securities investment fund management business through JVs, with a 49% ceiling on foreign shareholding. After several rounds of dialogues with US and UK during 2015 and 2016, China has made a commitment to fully open up this market to foreign capital.

In brief

On 30 June 2016, the Asset Management Association of China (AMAC) released the 10th FAQ Regarding the Registration and Record-Filing of Private Funds (FAQ No.10), confirming that foreign financial institutions are permitted to engage in private securities investment fund management business in China via setting up wholly foreign-owned enterprises (WFOEs) and joint ventures (JVs). The FAQ No. 10 also elaborates the qualification criteria for WFOEs and JVs participating in such business as well as the registration and record-filing requirements.

In this article, we will highlight the background of FAQ No. 10, summarise the criteria for qualified WFOEs and JVs, and share our observations on some practical issues. Foreign financial institutions

The open-up of China's private securities investment fund management market will attract more elite foreign fund management institutions.

Following that, Mr. Zhang Xiaojun, the spokesperson of China Securities Regulatory Commission (CSRC) reiterated in a recent press conference that China welcomes qualified WFOEs and JVs to commence private securities investment fund management

business, including trading of securities in secondary markets.

Meanwhile, Mr. Zhang also emphasised four general principles to comply with for the purpose of carrying out private securities investment fund management business in China, i.e. (1) the qualified WFOEs and JVs should be incorporated as companies in China; (2) the fund-raising should be conducted in a non-public method; (3) the business scope should be limited to investing in China's domestic capital market and providing asset management service to qualified domestic investors, and (4) no cross-border fund should be involved.

To implement this commitment, the CSRC has authorised the AMAC to release FAQ No. 10 for clarification to the qualification criteria and administration requirements.

Qualification criteria

According to FAQ No. 10, in addition to the common requirements provided by relevant laws and regulations on general private fund managers, WFOEs and JVs applying to engage in private securities fund management business in China should register as a private securities fund manager with the AMAC by satisfying the following qualification criteria:

(1) **Form of incorporation:** The WFOE or JV should be incorporated as a company in China;



▲ Mr. Zhang Xiaojun, the spokesperson of China Securities Regulatory Commission (CSRC)

PwC Observation

Obviously, the opening up of China's private securities investment fund management market will attract more elite foreign fund management institutions. Thus, it helps nurture the competitiveness of market players and uphold the management capacity of China's private securities sector while more asset management experience and investment strategies are learned from foreign players. While it is a good opportunity for WFOEs and JVs to engage in private securities investment fund management in China, they should also consider the following three critical issues:

(2) **Requirement on foreign shareholders:** The foreign shareholders of the WFOE or JV are financial institutions approved or licensed by the financial regulator of the country or region of where they have the domicile; and the securities regulatory authority of that country or region shall have entered into a Memorandum of Understanding for Securities Regulatory Cooperation with CSRC or other institutions recognised by the CSRC;

(1) The WFOE or JV should comply with relevant foreign exchange regulations;

(2) The WFOE or JV should make independent decision for its securities and futures trading business, and should not place trading orders according to the instruction of foreign institutions or foreign systems.

(3) **Having a clean record:** Neither the WFOE/JV itself nor its foreign shareholders have been subject to any material punishment by any regulatory authority or judicial authority in the preceding three years;

(4) **Requirement on foreign effective controllers:** The foreign effective controllers (if any) of the WFOE or JV should also satisfy the aforementioned criteria (2) and (3).

Additional requirements on business operation

Besides, the WFOE or JV should also note the following requirements on its business operation:



Impact on global trading models

As said, FAQ No. 10 requires WFOEs and JVs to make independent decision on placing trading orders rather than following foreign institutions or systems' instruction. We anticipate it will be a crucial issue for those foreign asset management institutions which carry out asset management business globally, and it may ultimately impact those institutions' global trading systems

and models if they participate in the private securities investment fund management sector in China.

What's more, the payment of investment consulting service fee or similar kind to overseas from China may also be affected. Under such an arrangement, the regulatory authority may challenge that the trading decision is not independently made by the domestic entities if a large portion of investment consulting service fee is paid to overseas.

Transfer pricing

Foreign asset management institutions which are planning to participate in China's private securities investment fund management market should also consider the transfer pricing issues when determining the service fees to be charged by offshore entities to WFOEs and JVs.

Practical issue for the company name registration

China welcomes qualified WFOEs and JVs to commence private securities investment fund management business, including trading of securities on the secondary markets.

We also notice that there is a conflict on company name registration between the requirement of AMAC and the practice of Administration for Industry & Commerce (AIC) with regard to private securities investment fund management business. Practically,

AIC does not allow foreign private securities fund managers to include Chinese characters such as "fund management (基金管理)", "investment management (投资管理)", "asset management (资产管理)", into their company name while AMAC does require so. In light of the new development at the policy level and the release of FAQ No. 10, some local governments, i.e. Shanghai and Tianjin, are actively studying this matter and seeking a solution to facilitate the set-up of WFOEs and JVs engaging in private securities fund management. **B**

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Tianjin's Infrastructure Godsend

Metro Line 6 Begins Partial Operations

By Richard J. Cook

6 号线
Line 6



August 6th of last month saw the opening of the long-awaited Metro Line 6 for public use. Currently, 8 stations are operational allowing passage from Chang Hong Gong Yuan, which is now a transfer station from line 2 to line 6, to Nan Cui Ping, roughly a kilometer away from Aocheng. In addition, passengers will also be able to transfer onto metro line 3 at Hong Qi Nan Lu. Currently metro operations are available from 9:00am to 6:00pm whilst the line is operating in a trial period. Running time between Changhong Gongyuan and Nancuiping is 14 minutes, accounting for 88 journeys per day with the 10 minute waiting time between trains, also highlighting the new brisk capabilities of the latest automotive metro-trains.

Currently the 6-car automotive Type-B metro-trains can reach a whopping 80km/h, requiring minimal human helmship for operation. The new automotive features, which

are currently under trial, also provide a new range of security features to assist the helmsman oversee the completion of each journey. The latest technology in metro line circuit breakers is present, as well as a full range of thorough computer sensors placed throughout the track. Upon the completion of the full extent of the line, the operational capacity can be increased by a further 2 metro cars, certainly handy for the rush hour.

The line 6 stations will also showcase a theme, displaying the industrial prowess and heritage of Tianjin's past whilst showcasing the rapid development as modern China has established itself. Furthermore, the Tianjin Metro Authority will be showcasing its 100% punctuality, supplementing China's global rail transit reputation.

Towards the end of the year, phase 1 of metro line 6 is expected to be fully operational, with journeys from

Nan Sun Zhuang station in the north to Shui Shang Gong Yuan Dong Lu station at Aocheng. Phase 2 will follow roughly around this time next year, corresponding to the opening of metro line 5, wherein both metro lines will be linked at Zhong Liu Yi Yuan, Tianjin Bin Guan and Wen Hua Zhong Xin stations. Phase 2 of line 6 will see operations extended to Mei Lin Lu in the south of the city. Acting as a semi-circle, line 6 will arch over the west flank of Tianjin whilst metro line 5 will arch to the east, forming a circular system, essentially Tianjin's first metro ring. More so, line 5's construction progress is not far behind that of line 6, so the full circular network may well be up and operational by this time next year.

Falling Short?

The original plan for metro line 6 has been somewhat elusive over the years, with as many alterations as metro stations. A major aspect of the original plan has effectively been

announced in a somewhat unclear manner regarding the metro line stretching to the newly ordained Haihe Education Park.

Following premature reports of the metro's progression at the beginning of the year, Baidu, Google and A Maps all removed the "line under construction" markers from their maps displaying the original intention of metro line 6 running to Tianjin University's and Nankai University's new campus. This will be seen as a blow to Tianjin's bustling higher education community in the short term as both universities seek to capitalize on their successful brand. However, it's not all doom and gloom as the door has been left open for extensions at both sides of line 6 in the coming years, as well as the potential for tram line Z1 to be constructed in other parts of Jinnan District.

Increasing Tianjin's Livability

Once completed and implemented line 6, as well as line 5 will be a crucial factor to everyday life in Tianjin. Both lines will operate as Tianjin's first sub-ground ring transportation mode, effectively taking on the role of coordinating population flow around the districts of Tianjin. Not only that, this major expansion of sub-ground transportation in the city will create a whole range of new urban linkages within the city as well as easing



commuter congestion on the already established lines 1, 2, 3 and 9 as well as bus services. These collective factors are going to usher in a new urban layout for the city as a whole, as more and more people will have greater travel time flexibility and efficiency, meaning increased livability.

A city's livability is always a crucial factor when attracting major businesses and showcasing an urban brand for further economic development. As such, sub-ground transportation is a critical factor for this, because it increases urban accessibility and thus livability. Take Shanghai and Beijing for instance, both bustling metropolis complete with a vast subterranean metro network. In terms of transportation these cities are ranked as some of the most livable places in the world.

When Tianjin's urban and rural population stats, metro network plans and other commercial/residential development zones are collectively analysed, there is a pretty interesting picture. As the analysis shows, different interlinking zones of Tianjin are going to form a matrix of sectors, each to their own corresponding purpose. In plain speaking, it is a citywide division of labour which conforms to a trend of suburbanization. The indicators are pretty clear and conform to Tianjin moving away from a monocentric city model towards a polycentric city model, or "edge city model" as some would term it.

The concept behind this so-called "division of sector responsibility" falls into the pretense of, "what makes a city livable?" Considering Tianjin's population and its population distribution between the two primary urban polarities, Tianjin City Centre and Binhai, there is a need to redistribute residential and commercial zones. If a



monocentric model were continued the two urban polarities would be overcome with over population problems and lack of viable space, a major stumbling block for ensuring growth.

The eventual completion of the project is going to usher in a new era for the city, without a doubt. The accessibility that will be made available will bolster workforce movement, redistribute resources and reveal the new afore mentioned polycentric urban model. Stemming from the metro network will be a redesigned surface transport network as well. These transport network components include bus services and green transport spaces, all in all, trying to reduce car-commuting dependency. A polycentric urban layout ultimately requires an efficient mode of commutability and considering the outstanding congestion problems, it is critical to implement this new surface transport network as well. Commentators and analysts have taken to the plans relatively well, stating that Tianjin will be one of the most livable cities once many of the new metro lines are completed. Perfect, for a city aiming to be at the apex of the Chinese, Asian and global economies by the early 2020's. **B**

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Raising the Required Capital



Marwan Emile Faddoul
(Managing Partner
NFG Consulting LLC)



Guillaume Michael Lange
(Marketing Analyst
NFG Consulting LLC)

We were glad when a reader from last month reached out to us to share opinions and also asked a few questions. Hana enjoys reading the different articles published in Business Tianjin, regarding Finance and Management as it helps her learn and apply certain concepts to her own company. She has a small cooking operation, where she sells to certain retailers and outlets in Tianjin area. Her annual sales reach \$65,000, and after costs and staff she was able to make a \$25,000 profit last year.

To get to this level, she had to bootstrap her company with her own resources by starting in her own kitchen, making Baozi like her grandmother had taught her. She has since moved her operation to a bigger kitchen, and employs 2 of her cousins to help with the cooking. Having increased her orders, and now not being able to supply the potential demand, she needed investment to open and operate a bigger operation, outside of her home.

After analysing her needs, and understanding her company's foundation and structure, we shared the different options, which she could utilise in her expansion plan.

The first option which we shared and advised Hana against included the use of credit cards as a mean of financing her expansion. Its edge is the liability as is the

speed at which the cash can be accessed if the accounts have already been established. The important point we warned our reader about was the high level of interest with this financing method which would make it an expensive way to access cash. There is also a need to repay the advance, and if for any reason Hana delays a payment, it can ruin her personal credit score. We advised that this can be used as a method for short-term cash flow improvement, but it was not a viable financing choice.

To continue on a similar path, we explored the possibility of using another banking service - a bank loan. It is a standard way for companies to get initial funding externally from banks, and compared to credit cards, it can offer a more advantageous interest rate. A major downside however, and reason why this was not our initial recommendation to Hana, is the paper work and the fact that the difficulty to obtain these in China has increased dramatically.

The level of Bad Loans in China has soared to a total of \$196 billion (1.27 Trillion Yuan). A percentage of these loans are expected to default, and even if the government is supporting these banks, and has put money aside for it, future loans are now stricter. This is to limit the growth of Bad Loans, which have grown more than 48 percent across the 18 major listed banks in China in the past year. Our recommendation was to formulate a business plan, which she would use to

inspire confidence, thus improving her chances of receiving a loan with many financial institutions. Should the bank loan application become successful, her financing issues would be solved, but Lange advised Hana not to depend on this source of financing for survival and growth.

With a much more creative and non-conventional source of financing, we shared what the founders of ThinkImpact have attempted to do. Through a website they have created, young innovators can sell their future earnings. On a personal level, these three entrepreneurs have pledged the future of their personal earning in exchange for an upfront sum of money. Erickson is currently selling 6% of his lifetime earnings for \$600,000 and his two partners are following suit with different amounts. They are raising money for their non-profit start-up, but an important aspect of this financing method to keep in mind is that the legality and enforceability has yet to be tested.

Showing a clear long-term plan, and budget allows contributors to feel a sense of direction, and trust in the project.

NFG Consulting decided to advice against this due to the high level of unknowns and continued searching for an optimal funding option.

Going back to a more traditional way of raising money for creating and expanding a small business, family and close friends was our next topic of discussion. The reason this is one of the most common way to finance expansion is because family has an emotional connection to one's goals and does not invest with a sole goal of an important ROI. They wish to see their family's business successful, thus

they are likely to do what is in their power to support the dream you are trying to build. The major problem with this financing method is that family will invest without looking at the potential and risks involved, making for a very uncomfortable family dinner, if the business goes through slow economic periods.

Family must understand that when they become creditors, there is a financial risk to their placement and that should not jeopardize important personal relationships. However, once money is involved, emotions are hard to control for most. To avoid this as much as possible, supplying formal financial projections and evidence-based assessments can limit the uncertainty. Due to the risk of having negative impact on family relations, Hana decided against this avenue and our discussion continued.

By utilising the community and those who believe in us, without risking





family relations, we suggested for Hana to look into Crowd Funding. Western websites such as kickstarter.com and Indiegogo.com have redirected hundreds of millions of dollars from personal investors to entrepreneurs and business people with different projects. Kickstarter.com has alone allowed over 100,000 projects to be funded and Hana's expansion could be another success story.

In China, one of the main competitors to these Crowd Funding websites is Jing Dong

Crowd Sourcing, currently one of the biggest locally and since 2014 it has funnelled 1,034.370 million RMB to project managers. Project managers must set a monetary goal to achieve as well as set a period of time, entrepreneur must set their objectives and start the campaign. Entrepreneurs will only obtain funds if the goal is reached. Friends, family, and eventually strangers pledge money to projects in exchange for incentives such as a certain product or even naming rights to products and projects. Projects like RideNGo received 1489% of their goals and Forever Spin World Famous was funded at 5283% of its objective.

Mr. Faddoul advised Hana that in order to raise money and achieve her objectives, it was important to offer good perks, create a video explaining the product and allow pledgers to know the project manager on a more personal level. Showing a clear long-term plan and budget allows contributors to feel a sense of direction and trust in the project.

This venue for fundraising is easier than banks and venture capitals in terms of documentation required and time resources. Moreover, there is no dilution of the company which is sometimes important to many entrepreneurs and allows the project manager to retain control over the direction of the project.

Another advantage of Crowd Funding is its ability to test the market for the viability of the product or idea. A project with many backers and which can raise an important amount of capital is a clear sign of demand, showing that the public is willing to stand behind the idea. It can predict a future long-term demand and if funding is successful it gives the entrepreneur the confidence required to move forward.

Another financing method which Hana wanted to explore with us was the possibility of bringing on board a Venture Capitalist. This is a firm regrouping capital from many investors and it is their responsibility

to invest and redistribute it to create reasonable and profitable returns. Hana could give up a part of her company as equity in exchange for an influx of capital. Having shares within the company allows them to take control and to a certain extent dictate the new direction of the firm with profit and expansion being their main objectives. VC have a reputation to have little loyalty and respect for the initial values and directions with which the company started as long as quotas and returns are being met.

Many argue the advantage of having a small share of a big pie versus a large share of a small pie, however this is a decision that each entrepreneur must take. Certain advantages of VC which should not be overlooked include the absence of having to payback the capital and certain VC will have the ability to open doors and opportunities with others in the right

Certain VC will have the ability to open doors and opportunities with others in the right industries to facilitate growth.

industries to facilitate growth. This method of financing is particularly important to look into in China due to the government investing \$300 billion into different VC funds to redistribute among start-ups across the nation. This important influx of capital in Venture Capital market can lower barriers for entrepreneurs and facilitate opportunities of financing.

When it really comes down to it, no source of financing is optimal; each

company follows different objectives and varies as per circumstances. We advise every company to take the time, and analyse different options and not jump at the first chance due to being cash squeeze. Bad foundation can lead to dangerous ends.

Our final suggestion to Hana and the one we believe would most suit her need would be an angel investor which we will discuss in our next edition of Business Tianjin.

For more information on funding and financing opportunities, please do not hesitate to contact NFG Consulting to explore possibilities.

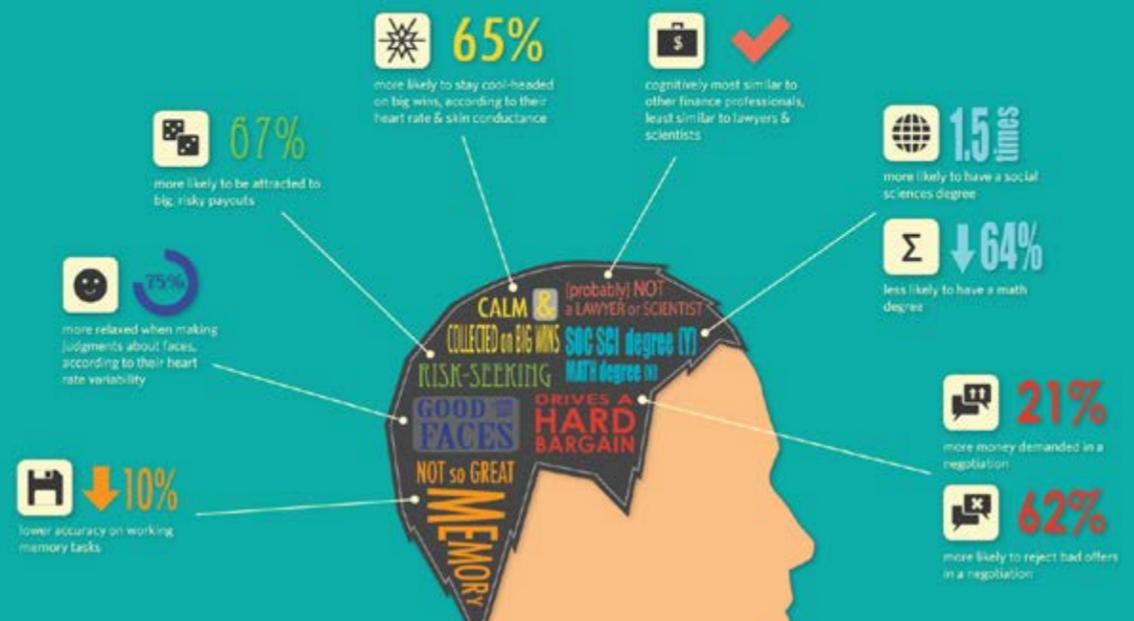
Story and names have been created to illustrate the information. **E**

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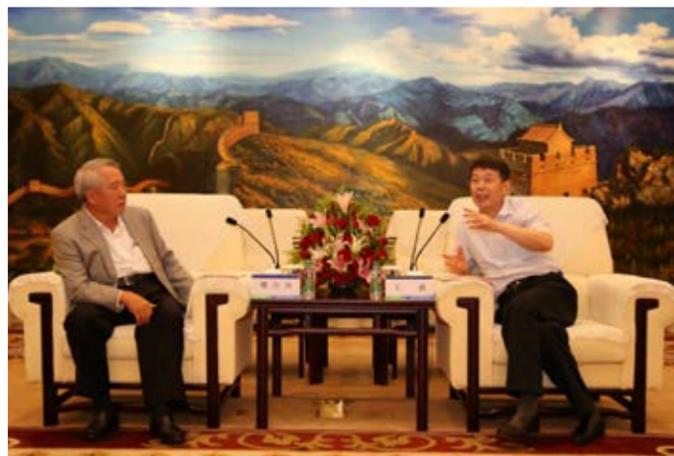
The Mind of a VC

Prophecy Sciences uses a neuroscience-based assessment to measure the cognitive factors that predict performance. Results are achieved through a combination of cognitive games, biometric signals, and machine learning algorithms. The data used in this graphic come from a sampling of VCs in Silicon Valley and San Francisco. Comparisons are made versus the rest of the data set, which is composed of elite performers at top tech companies, start-ups, media outlets, universities, athletic organizations, and more. To read about how these results can work for you, visit blog.ProphecySciences.com





Master Kong Holdings Headquarters settled @ TEDA MSD



According to the framework agreement, Master Kong Holdings will buy whole F3 & F4 two office buildings of TEDA MSD (approximate 38.5 thousand square meters) which to be used as new Headquarters at Tianjin TEDA. After these two buildings have been handed over, they are meant to hold Comprehensive administration, R&D, Exhibition and other functionalities of Master Kong Holdings, meanwhile attracting more “large & powerful” companies to settle in Tianjin TEDA.

Master Kong stationed in TEDA in 1992, after 24 years of continuous development and has already invested and established more than 25 enterprises. Its business range covers instant noodle, convenience foods, beverage, catering, super market, food packing, relevant supporting industry chain and many other fields, it has already become the symbolic catering enterprise and has made outstanding contribution to the economic development of TEDA. This time, buying new office buildings at TEDA shows their confidence in using TEDA as their Headquarters of this country.



24.08. 2016 2016 Business Confidence Survey Launch and Mid-year Cocktail Reception

The European Chamber Tianjin Chapter launched the 12th edition of European Business in China – Business Confidence Survey 2016 (The BCS 2016) on Wednesday, 24th August, 2016.

The Business Confidence Survey 2016 brings together the input of over 500 senior representatives of European Chamber’s member companies to provide an annual overview of their performance and outlook from within the Chinese market in terms of China’s business and regulatory environment. The Secretary General of European Chamber in China, Adam Dunnett and the Chair of Tianjin Board, Christoph Schrempp, led the launch event and presented key findings of the Business Confidence Survey 2016 in addition to answering questions that were of interest to the audience.

The launch event covered not only the general results nationwide, but also specific local findings of Tianjin. The Tianjin related questions showed that our members trust in the long term potential of Tianjin and the Jing-Jin-Ji merger and some areas to foster more of Tianjin’s potential are identified such as vocational education, public transportation system and new free trade zones’ viability. On behalf of Tianjin Board, Dr. Schrempp sent special thanks to our local member companies for the support of BCS and the chamber work and also gave the commitment of contributing towards Tianjin’s further development.



41F, The Executive Center, Tianjin World Financial Center, 2 Dagubei Lu, Heping District, Tianjin 300020.
Tel: +86 22 5830 7608
Email: tianjin@european-chamber.com.cn
Website: www.european-chamber.com.cn

15.10.2016 , 10:00 – 20:30
Golf Tournament Venue:
Tianjin Panshan Golf Club
Awards Banquet Venue:
Jixian Marriot Hotel

The golf tournament will be held at Tianjin Panshan Golf Club. Located at the foot of the Panshan Mountain, this is an international standard 36-hole park-style golf course.



Tianjin's Second Joint Chamber Golf Tournament



There are more than 5,000 trees in the A&B Course, including persimmons, apricot, peach, walnut, plum, apple, pear, etc. While teeing off, you can also enjoy the harvest of these trees in autumn. With the exception of 27th hole, the whole C Course is adjacent to lakes with precious stones dotting the bed. Spreading through the original fruit trees at the foot of Panshan Mountain, the D Course makes full use of the original terrain. This is the only park-style golf course in Tianjin.

The rule of this tournament will be Two Person's Best Ball. Awards will be given for the following: top three teams, longest drive, most accurate longest drive, nearest to pin, and best putter.

In addition to an excellent day of golf and all-day free flow drinks, the event will also feature a buffet dinner and lucky draw prizes during the Awards Ceremony at the Jixian Marriot Hotel. AmCham have designed different packages which include hotel rooms at the Jixian Marriot hotel, golf on October 16th and activities for all family members. Details of the packages will be sent out soon. Don't miss your chance to enjoy a round of golf, meet new and old friends and take home your trophy and bragging rights.

Sponsorships now available!

AmCham China hope that in addition to joining them for an exciting round of golf, you will also consider sponsoring the event to promote your company to AmCham China and HK Chamber's extensive membership of Tianjin and Beijing's top business leaders ranging from Fortune 500 companies, SME's, entrepreneurs and individuals. They have developed a number of sponsorship packages designed to meet a range of marketing budgets and these are listed as follows -

Exclusive Platinum Sponsor:	Cash RMB40, 000 (Limit exclusively to one company)
Golden Sponsor:	Cash RMB20, 000
Silver Sponsor:	Cash RMB10,000
Souvenirs / Beverages Spo	Cash RMB8, 000 or in-kind equivalent
Hole Sponsor:	Cash RMB4, 000
Game Sponsor:	Cash RMB4,000 + gifts for participants
In-kind / Prize Sponsor:	In-kind or prize values over RMB500



Exclusive Company Tour to Tianjin Custom Wood Processing Co., Ltd.

Date: September 8th
Time: 13:30-17:15
Venue: Tianjin Custom Wood Processing Co., Ltd.

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



09.08.2016
Breakfast Seminar – What is the Best Way to Enter the E-Commerce Market in China from a Foreign Company's Perspective?



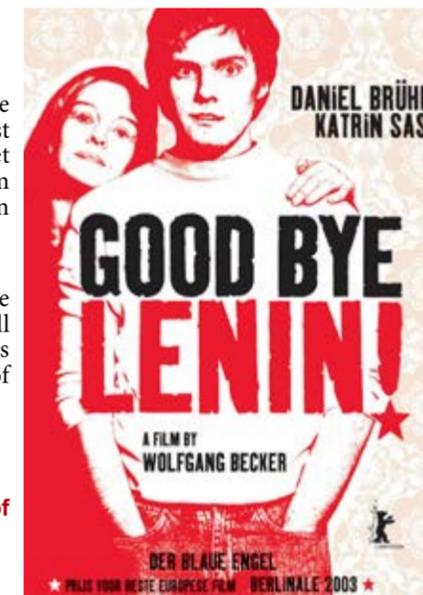
On August 9th, 2016, the German Chamber of Commerce organized a seminar about the growing E-commerce market in China in the Astor Hotel Tianjin. The seminar was arranged to provide an overview about the topic for Western enterprises that might be considering joining the increasing cross-border e-commerce.

In his presentation, Mr. Jakob Loibl, Associate Business Advisory at Ecovis in Beijing, introduced the main aspects of the internet market in China and explained the most important steps for the entry, especially for foreign companies, along with marketing, legal and tax basics. In addition he gave some practical insights by sharing several case studies from foreign company's perspective. 12 participants joined the event to share their expertise and for networking.

22.07.2016
Special Event – Movie Night: "Goodbye Lenin!"

The German Chamber invited to a Movie Night and showed one of the best-known German films in China "Goodbye Lenin!". Hailed as the Best European Film at the 2003 Berlin Film Festival, "Goodbye Lenin" is set in East Germany around the time of collapse of the Berlin Wall. The film provided a fleeting glimpse into one of the major events in modern European history, touching many important political and social issues.

The purpose of movie night was to bring together German and Chinese colleagues and friends and provide a platform of cultural exchange as well as an insight into the historical background of Germany. In total 11 visitors watched the movie together and enjoyed German food from the menu of Paulaner Restaurant in Tianjin.



Upcoming Events:

Seminar - Finance, Law and Tax: A Brief and Practical Explanation of the Most Important Chinese Regulations for Foreign Managers
Date: September 1st **Time:** 14:30 – 17:00 **Venue:** GCC Office Tianjin

Seminar - Influence and Risk: Nationwide completion of Value Added Tax (VAT) Reform
Date: September 13th **Time:** 15:00 - 17:00 **Venue:** GCC Office Tianjin

Plant Tour and HR Round Table at Volkswagen Automatic Transmission (VWATJ)
Date: September 20th **Time:** 10:00 – 17:00 **Venue:** Volkswagen Automatic Transmission (VWATJ) Tianjin

Interchamber Match - Making Evening
Date: September 22nd **Time:** 18:30 – 20:00 **Venue:** Paulaner Tianjin

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

DINING

TIANJIN

Chinese

Tian Tai Xuan

A: 1st and 2nd Floor, The Ritz-Carlton, Tianjin, No. 167 Dagubei Road, Heping District, Tianjin
T: +86 22 5809 5098
 天泰轩中餐厅
 和平区大沽北路167号天津丽思卡尔顿酒店一楼和二楼

Din Tai Fung

A: No. 18, the junction of Zi Jin Shan Lu and Binshui Dao, Hexi District
T: +86 22 2813 8138
W: dintaifung.com.cn
 鼎泰丰
 河西区滨水道与紫金山路交口18号

New Dynasty

A: 2F, Renaissance Tianjin Lakeview Hotel No.16 Binshui Road, Hexi District, Tianjin
T: +86 22 5822 3388
 天宾楼
 河西区滨水道16号万丽天津宾馆2层



Qing Wang Fu

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 +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



Bazndei Yunnan Food

A: Joy City IF Street - B3, Nankai District, Tianjin
T: +86 22 87897222
 坝美云南菜
 南开区南门外大街大悦城if如果街IF-B3

YU FEI YU Roast Fish

A: No. 59, 3F, North Area, Joy City, No.2 Nan Men Wai Street, Nankai District
T: +86 22 86665282
O: 11:30 - 21:30
P: 80 - 100

Wechat: haoshuihaoyu

weibo: 鱼非鱼官方微博

鱼非鱼 (天津大悦城店)
 南开区南门外大街2号大悦城北区3层59号

Japanese

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

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: 2 F, 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

Bowbow Sushi Japanese Restaurant

A: Xiannong Area, Intersestion of Hebei Road and Luoyang Road, Wu Da Dao, Heping District, Tianjin
T: +86 22 58352860
 宝寿司
 和平区河北路与洛阳道交汇西北角先农大院内

SóU

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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)

Always Thai Restaurant

A: Tian Xi 22/23-133.Ao Cheng Plaza, Nankai District, Tianjin
T: +86 18602289919
 泰香来东南亚主题餐吧
 南开区奥城商业广场天玺22/23-133

Western

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(哈密道正对面)



Riviera Restaurant

A: 1F, The St. Regis Tianjin. No. 158, Zhang Zizhong Dao, Heping District
T: +86 22 5830 9962
 蔚蓝海餐厅
 和平区张自忠路158号天津瑞吉金融街酒店一层



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

Zest

A: 1 F, The Ritz-Carlton, Tianjin, No. 167 Dagubei Road, Heping District, Tianjin
T: +86 22 5809 5109
 香溢 - 全日餐厅
 和平区大沽北路167号天津丽思卡尔顿酒店一楼

Element Fresh Restaurant

A: 1F Joy City, Nanmen Wai Dajie, Heping District
T: +86 22 8735 3372
 天津新元素餐厅
 天津市南开区南马路大悦城一楼



blue frog (Riverside 66)

A: Unit 3009, Riverside 66, No.166 Xing ' an Road, Heping District
T: +86 22 23459028
 蓝蛙(恒隆广场店)
 和平区兴安路166号恒隆广场3009室

blue frog (Joy City)

A: 1F-J02, Joy City, No.2 Nanmen Wai Dajie Street, Nankai District
T: +86 22 27358751
 蓝蛙(大悦城店)
 南门外大街大悦城如果街1F-J02

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

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

Spectrum All-Day Dining

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

Maxim's De Paris

A: No.2 Changde Dao, Heping District
T: +86 22 2332 9966
 马克西姆法餐厅
 和平区常德道2号

Pizza Bianca

A: No.83 Chongqing Lu, Min Yuan Stadium, Heping District
T: +86 22 8312 2728
 比安卡意大利餐厅
 和平区重庆道83号民园体育场内

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

DINING



Trolley Bar & Grille

A: Aocheng Plaza, Tianjin 22/23-119, Nankai District, Tianjin
T: +86 15222091582
 乔尼西餐厅
 南开区奥城商业广场天玺22, 23号楼底商119



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

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

Cholito Spanish Cuisine and Bar

A: Crossing of Hebei Lu and Luoyang Dao, Heping District
T: +86 22 5835 2833
 西班牙餐厅&酒吧
 和平区五大道河北路与洛阳道交口

Le Loft

A: Cross of Nanjin Lu and Jinzhou Dao, Heping district
T: +86 22 2723 9363,
 +86 18702200612
 院
 和平区南京路与锦州道交口

Glass House

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

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



Inasia Restaurant

(Olympic Stadium Store)
A: 4F, A-Hotel, Olympics Gym, Nankai District, Tianjin
T: +86 22 2382 1666/2233
 美科亚餐厅 (水滴店)
 南开区水滴体育馆A-Hotel四楼

Browns Bar & Restaurant

A: No.108-111, 1st Floor Min Yuan Stadium, Heping District
T: +86 22 88370588/88370688
E: info@browns-tj.com
 勃朗斯英式酒吧餐厅
 和平区重庆道83号民园广场西楼一层108-111号

Bars

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

Flair

A: 1 F, The Ritz-Carlton, Tianjin, No. 167 Dagubei Road, Heping District, Tianjin
T: +86 22 5809 5099
 Flair酒吧
 中国天津市和平区大沽北路167号天津丽思卡尔顿酒店一楼

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

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

SERVICES

WE Brewery

A: 4 Yi He Li, Xi An Road Heping District, Tianjin
T: +86 18630888114
W: www.webrewery.com
WE Brewery酒吧
 和平区西安道怡和里4号

He Beer

A: Weihua Li, Tong An Road, Heping District, walk 20m after you turn right from old Alibaba.
T: 15522186426
O: From 4pm till late.
 和喝精酿啤酒吧
 和平区同安道卫华里小区内底商见云霄餐厅右转20米

Education



NEW YORK KIDS CLUB

A: 2nd Floor, Happy City Center, Hexi District, Tianjin
T: +86 22 8827 5200
 +86 22 8827 0200
Hotline: 400 666 0522
W: www.nykidsclub.com
 www.nykidsclub.com.cn

Wechat:

纽约国际儿童俱乐部天津文化中心
 纽约国际儿童俱乐部
 河西区乐园道9号彩悦城阳光乐园二层

Hopeland international kindergarten Meijiang Campus

A: No. 7 Huandao East Road, West side of Jiefang South Road, Tianjin
T: +86 22 5810 7777
 华兰国际幼稚园 (梅江园)
 解放南路西侧环岛东路7号

Hopeland international kindergarten Shuishang Campus

A: No. 46, Xiaguang Street, Weijin South Road, Tianjin
T: +86 22 2392 3803
 华兰国际幼稚园 (水上园)
 卫津南路霞光道46号

Hopeland international kindergarten Haiyi Campus

A: No. 5 Cuibo Road, Meijiang Bay, Tianjin
T: +86 22 6046 2555
 华兰国际幼稚园 (海逸园)
 梅江湾翠波路5号

Jeff's House Kindergarten

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

SmartKidz International Tianjin

A: 5F, Building C, He Zhong Building, You Yi Bei Lu, Hexi District
T: +86 186 2230 2923(English)
 +86 186 22303272(English)
 +86 186 2235 9571(Chinese)
 +86 186 2230 3926(Chinese)
E: thai.enc_cn@yahoo.com
W: Smartkidz-tj.com
Fax: +86 22 8386 0969
 天津童慧国际学校
 河西区友谊北路合众大厦C座5层

International Schools



International School of Tianjin

A: Weishan Lu, Jinnan District
T: +86 22 2859 2001
w: www.istanjin.org
 国际学校天津分校
 津南区津南微山路



Wellington College International Tianjin

A: No. 1, Yide Dao, Hongqiao District
T: +86 22 8758 7199 ext. 8001
M: +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

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



SERVICES

Hotels

★★★★★Hotels



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



The Ritz-Carlton, Tianjin

A: No. 167 Dagubei Road, Heping District, Tianjin
T: +86 22 5857 8888
天津丽思卡尔顿酒店
和平区大沽北路 167 号



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 WESTIN
TIANJIN

天津瑞隆威斯汀酒店

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



HYATT REGENCY
TIANJIN EAST

A: 126 Weiguo Road, Hedong Dist. Tianjin, 300161
T: + 86 22 2457 1234
F: +86 22 2434 5666
W: tianjin.regency.hyatt.com
天津帝旺凯悦酒店
天津市河东区卫国道 126 号



Sheraton
TIANJIN HOTEL

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 Astor Hotel,
A Luxury Collection Hotel, Tianjin

A: No. 33, Tai'er Zhuang Lu, Heping District
T: +86 22 5852 6888
天津利顺德大饭店豪华精选酒店
和平区台儿庄路 33 号



BANYAN TREE
TIANJIN
RIVERSIDE

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



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



Holiday Inn Tianjin Aqua City

A: No. 6, Jieyuan Dao, Hongqiao District
T: +86 22 5877 6666
天津水游城假日酒店
红桥区芥园道 6 号



天津香格里拉大酒店
Shangri-La hotel

TIANJIN

Shangri-La Hotel, Tianjin

A: No.328 Haihe East Road, Hedong District Tianjin, 300019 China
T: +86 22 5863 8888
T: + 86 22 8418 8801
天津香格里拉大酒店
河东区海河东路 328 号

PAN PACIFIC TIANJIN HOTEL

A: No. 1 Zhang Zi Zhong Road, Hong Qiao District
T: +86 22 5863 8888
E: info.pptsn@panpacific.com
天津泛太平洋酒店
中国天津红桥区张自忠路 1 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



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



TANGLA
TIANJIN

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



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

Shan Yi Li Boutique Hotel

A: No.55 Chongqing Road, Heping District.
T: +86 22 87135555
E: info@qingwangfu.com
山益里精品酒店
中国天津市和平区重庆道 55 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

Tianjin Goldin Metropolitan Polo Club

A: No.16, Hai Tai Hua Ke Jiu Lu, Bin Hai Gao Xin Qu, Tianjin
T: + 86 22 8372 8888
W: www.metropolitanpoloclub.com
天津环亚国际马球会
滨海高新区海泰华科九路16号

SERVICES

HEALTH

Serviced Apartments



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



Fraser Place Tianjin

A: No. 34 Xing Cheng Towers Ao Ti Street, West Weijin South Road, Nankai District
T: +86 22 5892 0888
E: sales.tianjin@frasershospitality.com
天津市招商辉盛坊国际公寓
南开区卫津南路西侧奥体道星城 34 号楼



Somerset International Building Tianjin

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

Somerset Olympic Tower Tianjin

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

Somerset Youyi Tianjin

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



Ariva Tianjin Binhai Serviced Apartment

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

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

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

IT



NNIT (Tianjin) Technology

A: 20 F, Building A, JinWan Mansion, No.358 Nanjing Road , 300100 Tianjin
T: +86 22 58856666
W: www.nnit.cn
天津恩恩科技有限公司
南开区南京路 358 号, 今晚大厦 A 座 20 层

Real Estate



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

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: cbre.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

Associations

TICC (Tianjin International Community Centre) Association

Association and meeting place for foreign passport holders and their families in Tianjin. Organises monthly coffee mornings, luncheons and social/fundraising events, supporting local charities.
E: ticc_09@hotmail.com
W: tianjin.weebly.com

Chamber of Commerce

European Chamber

A: 4108, Tianjin World Financial Center, 2 Dagubei Lu, Heping District
T: +86 22 5830 7608
E: tianjin@european-chamber.com.cn
W: european-chamber.com.cn
中国欧盟商会天津分会
和平区大沽北路 2 号天津环球金融中心 4108 室

American Chamber

A: Room 2918, 29F, The Exchange Tower 2, 189 Nanjing Lu Heping District
T: +86 22 2318 5075
F: +86 22 2318 5074
W: amchamchina.org
中国美国商会天津分会
和平区南京路 189 号津汇广场 2 座 2918 室

German Chamber

A: Room 1502, Global Center, No. 309 Nanjing Road, Nankai District,
T: +86 22 8787 9249
E: tianjin@bj.china.ahk.de
中国德国商会天津办事处
南开区南京路 309 号环球置地广场 1502 室

Serviced Office



The Executive Centre

Asia-Pacific's Premium Serviced Office Provider
A: 41F, Tianjin World Financial Center 2 Dagubei Road, Heping District
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: 8 F, Tianjin Centre, No.219 Nanjing Road, Heping District
T: +86 22 2317 0333
雷格斯天津中心
和平区南京路 219 号天津中心 8 层

Regus Golden Valley Centre

A: 11F, Floor, Block One, Golden Valley Centre, Heping District
T: +86 22 5890 5188
W: www.regus.cn
雷格斯金谷大厦中心
和平区金谷大厦一号楼 11 层

Hospitals



Raffles Medical Tianjin Clinic

A: 1F Apartment Building, Sheraton Tianjin Hotel, Zi Jin Shan Road, He Xi District, Tianjin 300074
T: +86 22 23520143
河西区紫金山路喜来登饭店公寓楼一层, 300074



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



Women's and Children's Specialized Health

A: No.21, ShuiShangGongYuan East Road, Nankai District
T: +86 22 5898 2012
400 10000 16
W: amcare.com.cn
美中宜和医疗集团天津美中宜和妇女儿童医院
南开区水上公园东路 21 号

Arrail Dental Tianjin International Building Clinic

A: Rm 302, Tianjin International Building, No. 75 Nanjing Rd, Heping District
T: +86 22 2331 6219/10/67
24Hr Emergency Line:
150 0221 9613
W: arrail-dental.com
瑞尔齿科
和平区南京路 75 号
天津国际大厦 302 室

Gyms

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

Leo GYM

A: 3 Floor, Olympic Center Stadium Swimming Diving Hall, Binshui Xi Dao, Nankai District
T: +86 22 6097 6681
W: leogym.com.cn
力奥健身
南开区滨水西道奥林匹克游泳跳水馆

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

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

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

Kasumi

A: 1F, Crowne Plaza Tianjin Binhai No. 55, Zhongxin Da Dao Airport Industrial Park
T: +86 22 5867 8888 ext. 2322
 霞日式料理
 空港中心大道55号天津滨海圣光皇冠假日酒店1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里 16 号(中心酒店对面)

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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



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

SERVICES

Hotels



Renaissance Tianjin TEDA Convention Centre Hotel

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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
W: sheraton.com/tianjinbinhai
 天津滨海喜来登酒店
 开发区第二大街 50 号



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W: tianjin.ecocity.hilton.com
 天津生态城世茂希尔顿酒店
 天津市中新生态城动漫中路 82 号

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



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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TEDA, Tianjin – Marriott Executive Apartments

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T: +86 22 6621 8888
 天津泰达万豪行政公寓
 天津经济技术开发区第二大街 29 号

HEALTH



Ascott TEDA MSD Tianjin

A: No.7 Xincheng West Road, Tianjin Economic-Technological Development Area, Tianjin
T: +86 22 5999 7666
 天津市经济技术开发区新城西路 7 号

Office Space



TEDA MSD

A: 6F, TEDA MSD-C1, No.79, First Avenue, TEDA, Tianjin, China.
T: 400 668 1066
 泰达 MSD
 天津经济技术开发区第一大街 79 号
 泰达 MSD-C1 座 6 层

Spas

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



Raffles Medical Tianjin TEDA Clinic

A: 102-C2 MSD, No.79 1st Avenue, TEDA Binhai Area, Tianjin 300457
T: +86 22 65377616

天津经济技术开发区第一大街 79 号泰达 MSD-C 区 C2 座 102 室, 300457

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(营城湖半岛)

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
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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

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TJ ~ BJS (¥55 - ¥93)

Train	Tianjin	Beijing
C2002	06:18	06:53
C2108	22:52	23:27

BJS ~ TJ (¥55 - ¥93)

Train	Beijing	Tianjin
C2001	06:01	06:36
C2107	23:05	23:40

TG ~ BJS (¥66 - ¥93)

Train	Tanggu	Beijing
C2584	09:04	09:58
C2594	20:26	21:21

BJS ~ TG (¥75 - ¥239)

Train	Beijing	Tanggu
C2281	07:23	08:20
C2593	20:26	21:31

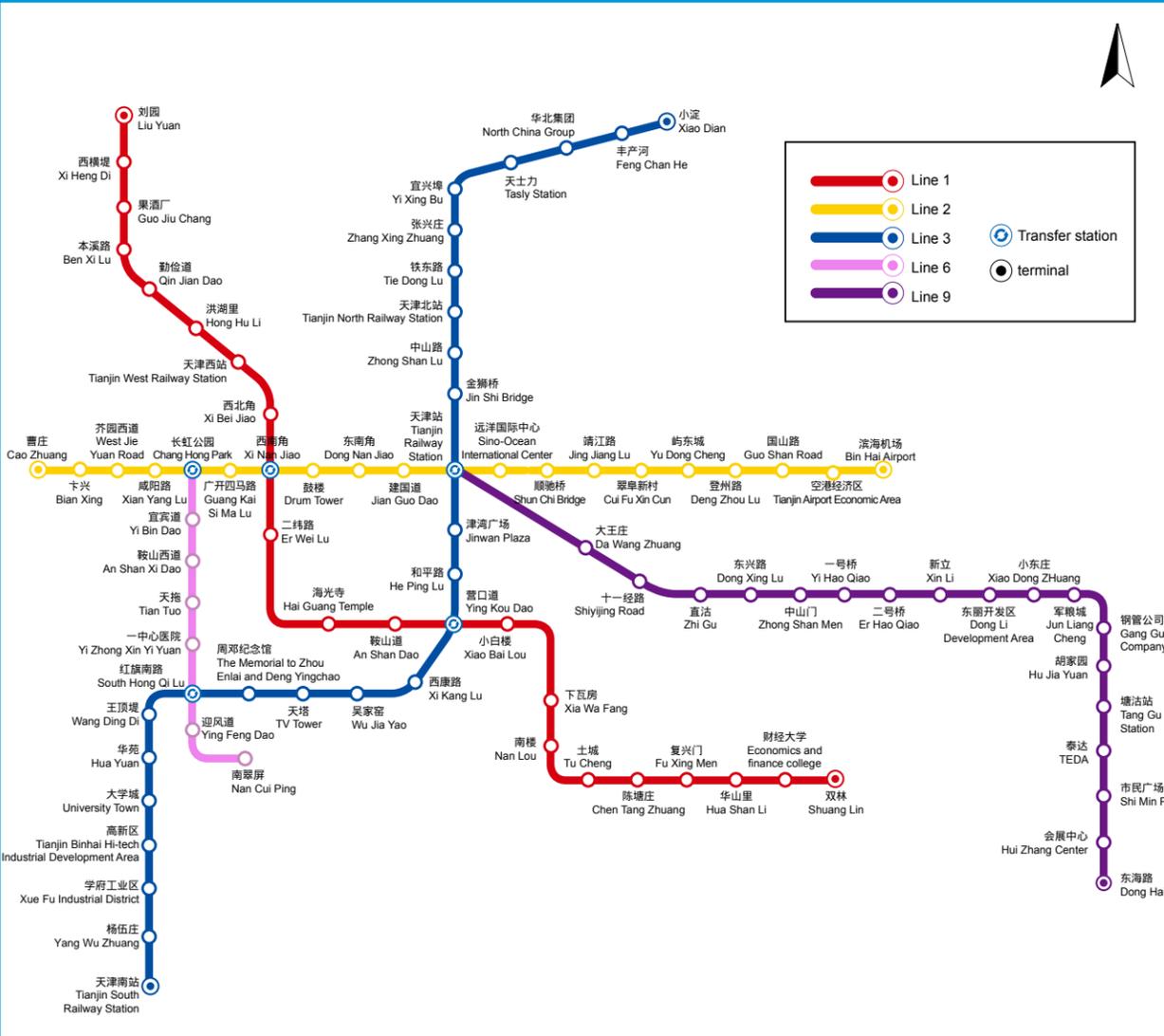
Wuqing ~ BJS (¥39 - ¥66)

Train	Wuqing	Beijing
C2202	06:54	07:19
C2246	21:27	21:52

BJS ~ Wuqing (¥39 - ¥66)

Train	Beijing	Wuqing
C2203	07:31	07:55
C2245	20:56	21:20

TIANJIN SUBWAY





Mooncake Standing for Togetherness

By Nadia N.

It is hard to imagine China and Mid-Autumn festival without its traditional treat - mooncakes. Among vast variety of tastes (and many times unexpected), foreigners usually don't risk eating or buying them, though mooncakes are definitely worth at least trying. Traditional Mid-Autumn Festival dessert can be very far from the usual dessert taste - sweet or fruity - but can be made from traditional Chinese ingredients making mooncakes very different from what we are used to eating.

As the matter of fact, mooncake or yuebing (月饼) is traditionally eaten during the Mid-Autumn Festival not only in China but also in many other neighbouring Asian countries like Hong Kong, Vietnam and even the Philippines. Due to its popularity, a lot of bakeries – both Chinese and Western - don't set limits for customers and sell mooncakes throughout the year. Mid-Autumn Festival, a celebration for worshipping

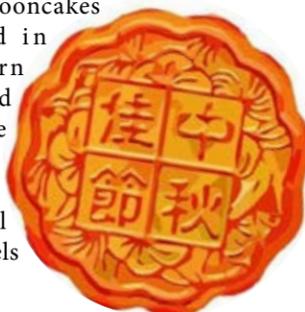
the moon and expressing gratitude to it is the equivalent, according to some culture experts, to American Thanksgiving in terms of saying thanks, having a family gathering, appreciating this union and sharing a celebration meal. However, doubtlessly, has absolutely nothing to do with Indians but connected to the ancient traditions, myths and legends of China.

Mooncake is a round-shaped pastry measuring usually 10cm or so in diameter, that is offered and shared during celebration meals among family members. The shape of the mooncake represents unity of family and friends - beautiful symbolism that even now makes busy modern family members spend an evening together.

Traditionally, eating mooncake is not the only significant tradition - preparing and baking mooncakes is considered to be even more essential. Similar to Spring Festival's making of

dumplings among family members in order to bring luck and peace to the family, making mooncakes has a spectacular meaning for traditional Chinese families. However nowadays, due to the fast pace of life and busyness of modern people, more and more people prefer to simply buy them. Consequently, almost every restaurant is taking part in this mooncake craze. You can buy differently shaped and ready-to-go mooncakes on almost every corner. Sadly, but conveniently, the tradition became a good period for small businesses to spread more and more in major cities like Tianjin, Beijing, Shanghai and so on.

Now various mooncakes can be found in famous Western restaurant and cafe chains like Haagen Dazs, Starbucks, Costa Coffee, as well as branded hotels



and companies not related to the dining industry who are now trying to keep up with the fashion! It has its advantages for busy and more open-minded people. Today, presenting mooncakes to clients and customers has become a “must” and an important trend, helping to fuel high demand of first class mooncakes in luxury packaging. But unfortunately, giving mooncakes can be a waste as Wall Street Journal's China Edition estimates that over 2,000,000 mooncakes are being thrown away and even more of them passed to the next friend or acquaintance as generous gifts every year!

Well, there is something about mooncakes that attracts and scares foreigners away at the same time. For mooncakes fillings (which is traditionally the most exciting and delicious part of every cake) Chinese people usually use jujube paste (枣泥, zǎo ní), lotus seed paste (莲蓉, lián róng), sweet bean paste (豆沙, dòu shā), egg yolk and it can even contain (God be merciful) durian. But in contrast with fillings which can be unpredictable, the crusts are more or less always the same everywhere in China - chewy, flaky or tender. One

of the most symbolic and significant ingredients for Chinese mooncakes is the whole salted yolk and it's not hard to see why - the yolk reminds us of a full moon, everything that this festival is about.

The shape of the mooncake represent unity of the family and friends - beautiful symbolism that even now make busy modern family members spend an evening together.

Tianjin and Beijing mooncakes are very close in style and can vary only from family to family. It is traditional style of Northern mooncake, which is quite different from Suzhou or Shanghai versions. It is usually moderately sweet, features a good proportion of crust and filling (rich in the latter) and traditionally has elegant decoration. Decoration is a very important part of the mooncake. It is usually an ornament

and comprises of some characters that stand out from the top. Usually the characters explain what filling is within the mooncake or the name of the bakery where the delicacy has been made. Moreover, it can contain an ancient idiom or saying.

Just like Chinese cuisine which has countless number of dishes and flavours, mooncakes can vary from place to place. They can be made with meat or fish fillings, the crust may be made of jelly with sweet potato filling. But, as time and trends don't stand still, mooncakes nowadays can fit any taste. In major cities they can be prepared as ice cream dessert, have fruit and creamy fillings, a chocolate or nutty crust or even be pink, golden, yellow or transparent.

Chances of receiving a mooncake during the Mid-Autumn Festival are truly high, and before saying no to this ancient dessert and symbolic treat, try to find your favourite one and pour some tea (or coffee maybe) to accompany it! ☑

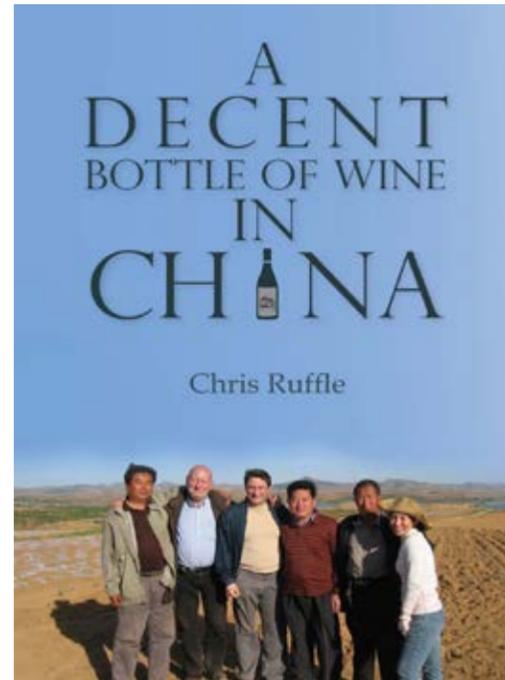
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A DECENT BOTTLE OF WINE IN CHINA

Author: Chris Ruffle

With Chinese wine on the up and up, and vineyards in Ningxia, Xinjiang and Shandong producing bottles that can compete with the best, there are surely many stories pertaining to the nascent wine industry's fledgling steps, occasionally ungainly as they might be. This book, *A Decent Bottle of Wine in China*, is a fine example of that as a Yorkshireman decides after business success in China to set up a winery from scratch in a valley in Shandong province. That in itself might be brave enough. But author Bradford - born Chris Ruffle, and wife Tiffany from Taiwan, also decide to build a Scottish style castle (rather than the usual French chateau), having had experience of renovating a crumbling castle in the Scottish Highlands and wishing to also make the winery a destination for weddings and events. But as they were starting from scratch, with only a taste for wine and a perhaps fortunately minimal idea of the obstacles they would face, endless difficulties and roadblocks lay ahead.



The book is therefore filled with endless business missteps and pitfalls, of staff disputes and interactions with officialdom, of inclement bureaucracy and weather, and misapprehension, bungling and coaxing. *A Decent Bottle of Wine in China* thus is a sort of Year And A Half In Province travelogue of the Ruffles' struggles in a strange land. Readers will enjoy a certain schadenfreude as every sort of misfortune seems to bedevil their ambitions, while anyone with more than a passing interest in wine will greatly enjoy the struggle to bring their ambitions to fruition.

As the book is a memoir of building the winery and castle, it is organised by time rather than by theme. This makes it episodic, which can work well when there is dramatic stuff going on (such as the failed first harvest), but perhaps less interesting at other times (such as discussions of yields). Also, while well edited, the writing is clearly by a keen amateur rather than a professional. This doesn't inhibit the book but sometimes you wish for greater scene setting and characterisation.

Quotes of the Month

Success is getting what you want, happiness is wanting what you get. ~W.P. Kinsella

The best way to predict your future is to create it. ~ Peter F. Drucker

The simple things are also the most extraordinary things, and only the wise can see them. ~ Paulo Coelho

The Two Smartphone Markets

Which One Are You?

By Mike Cormack



I've just recently bought my first ever Chinese brand mobile phone. It's a Huawei P9 phone and I'm very pleased with it: my previous model was a HTC One M8, which was okay, if marred by a few annoying flaws, like the inferior camera and the way that scrolling downwards (for example when reading lengthy news articles) would too easily swipe left or right, so that you then went onto a different page. The Huawei phone though has no such flaws (or none that I've managed to identify as yet). It's thin, the screen moves crisply, stores plenty music, has a dual-lens camera and a great display that makes reading a pleasure.

As I update my phone every two years, the latest models always seem impressive, but this is just a sign of

how fast the technology is developing. I've never been what marketers call "an early adopter", the kind of person who always has to have the latest phone, or computer. Nor do I need the top of the market - or, more accurately, I can't justify to myself paying the top market prices for whatever difference in performance. I prefer to let a consensus build and then survey my friends and family to see what they recommend. Smartphones are too expensive an outlay to come away disappointed or unable to do the functions you really need. I have a cousin who works in tech who does buy up all the hottest items, and I can still vividly remember his frustration when he bought an Amiga CD32 (okay, this was a long time ago) and realized that it was a piece of junk.

My wife on the other hand is a dedicated iPhone fan. Though she's Chinese, she displays no nationalism when it comes to tech products. She sticks to Asus when it comes to laptops, and is now on her fourth iPhone. (A sneaking part of me thinks it just because they're small enough to fit in her jeans pocket). She likes the convenience, the style, and the usability of the iPhone. She's happy to pay a premium to get a high-end model that she knows will be good quality. Yet, oddly, she is utterly indifferent to camera quality and hard-drive capacity (neither using her phone for music or photography - I know, crazy!), caring only for reliability and usability. She also has no interest in downloading all the latest apps, which is odd, because she's a software engineer. But then she

just wants to use things, not to have to work on them. So the iPhone is perfect for her.

One will pay more for perceived superior quality, while the other is happy with however much phones have advanced in the period since their last purchase, and just wants a good deal.

It's funny that I end up buying a Chinese phone and my wife prefers a US company. But tech products carry no flag. They either fulfill user expectations, or they don't. I'm old enough to have seen former favourites fall by the wayside when their products got sloppy, such as Amstrad and Commodore in the 1980s (despite the Commodore 64 still being the biggest selling home computer model ever – oh, how I loved mine), and Sega in the 1990s. The tech market



moves fast and it's ruthless. Products live or die based on their merits. And on that level it is good to see a Chinese tech product getting it right.

Huawei, accordingly, is no longer content with the domestic market: it's now gunning for dominance of the international smartphone market. Already the world's third largest manufacturer, it's aiming to rise rapidly in developed markets. In the UK, for example, it has gone from ninth (1.3%) of sales volumes, to seventh (2.1%) in the last year, and is aiming for 20% within the next five

years. That's some serious ambition. The goal is clear, and the strategy simple: just make some great phones at lower prices than everyone else. (No-one said it would be easy).

In our own way, my wife and I personify the two different markets for smartphones: one will pay more for perceived superior quality (however defined), while the other is happy with however much phones have advanced in the period since their last purchase, and just wants a good deal. The former make up, I would guess, maybe 20% of the market, the latter the remaining 80%. But here's the thing: that 20% of the market generates 80% of the profits: a true Pareto Principle in operation.

So while Huawei and Samsung and HTC are scrapping it out for dominance of the mass market, Apple's ascendancy over high-end phones means it makes far more doing far less. Hence, though it would be good to see Huawei demonstrate that China can build a great smartphone company, the really impressive move would be to knock the iPhone off its perch, which would mean making a fantastically brilliant smartphone for which everyone would go crazy. That's the real goal for any phone manufacturer. **B**

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