



MEETING NOTES:

CRN Cleveland

**June/July
Friday Lunch
77 & Rockside**

Akron/Canton

**June / July
Friday Breakfast
77 & 18**

Details will be emailed a week prior to the meeting.

The easy way to lose...

Lately I have been using as an analogy that going to China is like losing weight. You can exercise, eat right or you can take a diet pill. The problem with a diet pill is that though you will lose the weight, you are very likely to gain it right back—because you haven't made changes in your life style to accommodate habits you need to maintain your new svelte figure.

It's the same for companies going to China. **They want the diet pill, the easy way to get the low price or into the Chinese market.** Many companies are convinced that things have changed...it just can't be as difficult as it was 10 years ago.

There must be an easy way!

And there are many companies: service providers, trading companies, consultants, who will tell you they have the easy way.

I recently met a company that had a great opportunity in China. They could put a deal together to sell equipment and technology to a major Chinese corporation and then become their agent in the US for distribution of the new line.

But...they were worried about their ability to put the deal together, to protect their interests.

So then a man showed up, just by chance at the same time, a Chinese national living in the US who was a previous employee of that same major corporation in China.

He claimed he could represent the Chinese company (a deal he already had in place—though the head office in China wouldn't confirm it) and then he offered to represent the US company in the

China Resource Network

PO Box 1157
Bath, OH 44210

TEL: 330-659-0835

SPECIAL INTEREST:

- *Companies are hiring—if you have a job to post or are interested—let me know.*
- *There will be a second conference in October 2005, watch for details.*
- *We need some referrals to get the Akron/Canton group going—so please forward the information to clients/suppliers in that area. Thx*

BOOK CHOICES:



Shop in the airports in China, they have the widest selection of books on doing business there—from the basic cultural tomes to one that said "How to Say—Make out in Chinese: and other real life experiences! " Obviously...things have changed.

negotiations. Because, with him it would be easy. And without him it would be impossible. So they signed up. The owner was worried about the legal implication of the “double representation.” I told him that was the least of his concerns.

Sometimes the guaranteed easy way...is not what it seems. Will they get their deal? Probably. Will it be the best deal they could have gotten, will it be sustainable and profitable over the long term? Maybe not.

A resident of Suzhou writes about opportunity in that city

Suzhou bears consideration when looking at where to place business, it is three separate areas: Downtown which encloses Suzhou’s past, the China Singapore **Suzhou Industrial Park**, an industrial complex to the east founded by foreign entrepreneurs, and the **Suzhou New and Hi-Tech Industrial Development Zone**, an outpost for many of the world’s IT providers. Suzhou is approximately 100 km from Shanghai, close to the Yangtze River, on the national rail line, and has recently built highways pointed toward Shanghai’s international airport. **With a population of 6 million as a base of both workers and consumers many businesses are investing in Suzhou.**

Old Suzhou

A combination of the very traditional and modern is mixed where silk can be purchased from a local vendor or banks of cases display the latest digital phones at a large department store. Though much of Old Suzhou has been torn down to make way for modern buildings, many old scholar gardens have been preserved.

Suzhou Industrial Park

The China Singapore Suzhou Industrial Park, SIP for short, is a joint development between the Singapore and Beijing governments. The area is a planned development of business, residential, and green spaces that are taking over farmland.

Foreign businesses are given many tax incentives as well as a support system. Almost 2000 foreign companies, of which 40% are from the U.S. and Europe, and over 7000 domestic companies operate in SIP. More than half are in the electronics or IT. Companies include AMD, Infineon, Samsung, Hitachi, Emerson, and Bosch.

Amenities for foreigners are also built into the park. Dining ranges from traditional Chinese to Southeast Asian to American

MEMBERSHIP FOR CRN

We are coming up to the one year anniversary for the group. Thanks again to the founding members! Its time for renewal!

Our goal this second year is to provide more resources for the members; conferences, additional groups will bring an expanded membership list, liaisons with resources/partners who can offer their technical expertise, etc.

We are also beginning the online forum—up and available for October 1st!

Chains. Auchan, a large French grocer provides familiar imported brands. Many of the new housing complexes were built with Western desires in mind. Though the rents, rising overall in Suzhou, certainly reflect this! The area is also child friendly with a large park space surrounding Golden Rooster Lake and the Singapore Suzhou International School providing instruction in English by certified teachers.

New District

The Suzhou New and Hi-Tech Industrial Zone, or New District, was developed by municipal supporters to compete with the SIP for foreign investment. The New District targets IT companies, currently 60% of business. Japan has a strong influence in the area with companies like Sony, Fujitsu, Fuji Film, Epson, and Canon dominating the landscape.

The New District offers similar tax and customs incentives to businesses and also has many of the same amenities that foreigners living abroad want.

The Future

Support from multiple parties offers many possibilities for Suzhou’s future. Both the national government and the municipal government support foreign business development. Many foreign businesses have successfully taken advantage of the offered business incentives and educated personnel base that Suzhou offers. **Moreover, Suzhou continues to develop roads, sewers, and other infrastructure to facilitate the growth of the city and of business.** Though Suzhou may be best known for its gardens and silk, its people are focused on economic development and building foreign relationships.

provided by: Julia Martin, MLS, MBA; business librarian and assistant professor at the University of Toledo



There is a Chinese saying: if you are going to act righteously (in anger) then you had better be right! Anger is a loss of control, not an act of controlling.