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Business Confidence Survey 2018/19

China Industry Report: Smart Manufacturing—Increasing Awareness and Ongoing Education
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Picturing the Workspace of Tomorrow

China’s economic growth during the past 20 years has led to a rapid increase in wages. At the same time, automation, artificial intelligence and digital platforms are transforming the Chinese labor market. By 2030, the Chinese working-age population is expected to shrink by almost 38 million people and a rapid automation scenario depicts more than 200 million workers displaced due to new technology and automation. Socio-economic and operational challenges are intertwined with business opportunities for both young start-ups and established market players.

Following the current trends of increased automation, steady growth in sales of industrial robots and demand for high-intelligence innovations, there is little doubt that the future of work will be strongly shaped by artificial intelligence and that it will take place in both virtual and actual reality. The extent that the contemporary workforce will be affected by job displacement and automation scenarios highly depends not only on the macro-economic environment, but equally on individual micro-economic choices and the ability of organizations and individuals alike to embrace change.

As new technologies are beginning to penetrate the workplace, leaders need to rethink how to adjust the ways their businesses are run. In this issue of the Ticker, we will look into how organizations can adjust by implementing “New Work” structures or how executives can recognize and foster learning-centric leadership in their own organizations.

Embarking on new pathways and adapting to an increasingly digitalized environment, the German Chamber Ticker itself has engaged into a digital transformation. With more content published through the official German Chamber WeChat accounts of Shanghai and North China, the German Chamber Ticker magazine has been adapted to the demands of today’s “on the go” lifestyle.

We hope you enjoy reading!

Olivia Helvadjian

Ms. Olivia Helvadjian
Chief Editor German Chamber Ticker
Senior Communications Manager
German Chamber of Commerce in China | Shanghai
Regulatory Business Challenges: Top 10

1. Obtaining required licenses
2. Preferential treatment of local companies / protectionism
3. Restrictions due to environmental protection regulation enforcement
4. High tax burden compared to other markets
5. Capital transfer and cross border payments
6. Customs regulations and procedures
7. Internet access restrictions
8. Slow cross-border internet speed
9. Legal uncertainty and unclear regulatory frameworks
10. Bureaucracy/Administrative hurdles

The 2018/19 Business Confidence Survey:

- Professional installation and assembly of machinery and production equipment
- Machine and plant relocation – on-site / domestic / international
- Turn-key mechanical, electrical and piping installations
- Provision of qualified Personnel, Engineering Services, Project Management
- Delivery and installation of machine parts, accessories and materials

China News:
Hong Kong – Zhuhai – Macao Mega Bridge Opens

Industry Report:
Smart Manufacturing in China

Chamber Affairs:
“Meet Germany” At the First CIIE

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more information:  www.sinoserv.biz
Electro Culture May Lead the Way in Future Food Production

Researchers of the Chinese Academy of Agricultural Sciences have made a potential breakthrough discovery in food production. The use of electro culture in growing vegetables could increase crop yields by 20% to 30%. At the same time, such new technology could reduce the use of pesticides by 70% and the consumption of fertilizers by 20%. During large-scale experiments in greenhouses, researchers set up copper wires three meters above ground level. The wires carry rapid pulses of positive change up to 50,000 volts, which positively impact the greenhouses’ internal ecosystem by killing bacterial and viral plant diseases in the air and soil and supplementing the plants’ internal ecosystem by killing bacterial and viral plant diseases in the air and soil and enhancing the plants’ internal ecosystem.

Shenzhen – The Pioneer City of Electric Vehicles

As the world’s first city to operate an all-electric bus fleet of more than 16,000 vehicles, Shenzhen is set to extend further its commitment to electric means of transport. By the end of this year, the Southern Chinese metropolis will have replaced and complemented its 13,000 taxis with only electric vehicles. The rapid advances in the use of electric vehicles have been part of the “Made in China 2025” industrial strategy, which allowed for large government funding support of RMB 8 billion per year and subsidies granted to companies whose technology and equipment have already been exported to other countries. A large-scale adoption of the new technology could produce RMB one trillion worth of vegetables each year, which would be a key contribution to more resource-saving, sustainable food production.

Social Media in China: Trends of Diversification

With more than 800 million users, the Chinese internet population presents a key target group for brand promotion and personalized marketing. Tracking netizens’ attitudes towards the digital landscape, especially towards social media channels, is thereby crucial to not only improve marketing strategies, but equally better comprehend trends and dynamics in China’s society. In the fifth China Social Media Impact Report, marketing data and consultancy company Kantar has published its most recent findings on the Chinese digital behavior in 2018. Drawing on behavioral data from more than 280,000 online users, the report found that generally positive sentiment towards social media channels. Increasing from 78.8% in 2017, 80.6% of respondents in 2018 referred to a positive impact of social media had on their lives. Although WeChat has now reached an activeness rate of almost 100% across all city-tiers, the multi-app usage was the only one which scored a lower rating of satisfaction in comparison to 2017. In terms of risks and benefits, health-related issues such as worsening eyesight and lack of sleep as well as privacy and data protection presented the respondents’ main concerns. Meanwhile, more than half of them mentioned stress-release as a key benefit of using social media. 61% of users also declared that online platforms helped them make better shopping decisions. Key trends in the current Chinese digital landscape thereby hint at diversification: Users demand increased customization, platforms become more and more diversified and offer new opportunities for supply of tailored social media services.

Number of Chinese Billionaires Grows Significantly

A report published by Swiss Bank UBC and consultancy PwC has revealed that China ‘made’ two billionaires each week last year, which scored a lower rating of satisfaction in comparison to 2017. In terms of risks and benefits, health-related issues such as worsening eyesight and lack of sleep as well as privacy and data protection presented the respondents’ main concerns. Meanwhile, more than half of them mentioned stress-release as a key benefit of using social media. 61% of users also declared that online platforms helped them make better shopping decisions. Key trends in the current Chinese digital landscape thereby hint at diversification: Users demand increased customization, platforms become more and more diversified and offer new opportunities for supply of tailored social media services.

Among the total 106 Chinese joining the super-wealth category, 51 people dropped the circle within the same year, indicating a high turnover. Yet, the added-value of the 55 billionaires alone added up to a joint wealth of USD 1.12 trillion. Whilst now nearly one out of five global billionaires are Chinese, the figures for the world’s richest business women are even more skewed. According to the recently published Hurun Rich Women in China report, four out of five most successful women in business worldwide come from China. Among the latter, the largest share (77%) present ‘self-made’ business women. Given the current rates of growth, Chinese billionaires will outnumber the American super-rich within the next four years. This trend can mostly be attributed to the boom of technology entrepreneurship, including the development of viral apps or high-intelligence solutions. Aside from their focus on similar fields of investment, Chinese billionaires share further key characteristics: At age 55 on average, the Chinese entrepreneurs are significantly younger than the global mean, they create money at faster speed and take higher risks.

Online Education Boom in China

After a long day at school, increasing numbers of Chinese students now attend additional online classes, contributing to an explosive growth of the Chinese e-learning market. A recent UBS Securities report expects the market scale, currently worth USD 29 billion, to exceed USD 104 billion by 2023. The market’s potential is closely connected to traditional education-oriented values and current trends: Only 30% of current Chinese netizens use online education, which leaves significant room for growth. Meanwhile, parents are the key drivers in market upsurge, as both high expectations on their children’s academic performance and the quest for high-quality education increase their willingness to spend extra money on after-class courses. The online education boom may thereby benefit from new developments in AI and provide lucrative market opportunities: Former methods of Massive Open Online Course (MOOC) platforms are increasingly replaced by more personalized teaching-styles based on students’ needs and demands. In this context, new AI technology may help to recognize and analyze the student’s responsiveness in front of their screens and institute automatic feedback systems.

THE FUTURE OF WORK

NUMBER OF BACHELOR’S GRADUATES

| SECTORS WITH BIGGEST GROWTH IN JOBS (2016 – 2020) |
|-----------------|-----------------|-----------------|
| Germany:        | China:          | Germany:        |
| Customer            | +19 million    | Care professors:    | +1.1 million |
| Care               | +600           | Educators:        | +400,000    |
| Professionals      | +1.1 million   | IT professionals: | -400,000    |
| Educators          | +000           | Educators:        | -400,000    |

WORLDWIDE ANNUAL SUPPLY OF INDUSTRIAL ROBOTS AT YEAR-END MARKETS (IN 1 000 OF UNITS)

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AUTOMATION POTENTIAL: % OF CURRENT WORK ACTIVITY HOURS TO BE AUTOMATED BY 2030

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DEVELOPMENT OF WORKING-AGE POPULATION BY 2030

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China News
China–Germany (Weihai) SME Core Area

Industry Development Orientation
- Carbon fiber and new materials applications
- Electro-mechanical equipment and intelligent manufacturing industry
- High-end medical devices and biotechnological industry

There are 5 international sea ports around the zone
- 10 KM from Weihai Port
- 25 KM from Longyan Port
- 40 KM from Shide Port
- 70 KM from Yantai Port
- 200 KM from Qingdao Port

There are 3 international airports around the zone
- 20 mins’ drive to Weihai Airport
- 90 mins’ drive to Yantai Airport
- 120 mins’ drive to Qingdao Airport

- 1 hour from Shanghai, 30 minutes from Nanjing.
- State Level Hi-Tech District since 1992.
- Strong industrial clusters with German-investment atmosphere.
- International airport, high-speed railway, high-speed railway, ocean-going port within district.
- AMK Dual System Training in vocational schools for German companies with CNC machining, molding, welding, and related training centers.
- Competitive operation cost among the cities in great Shanghai area.
- Classy living environment with German community.
Intelligent Robots, AI and the Future of Work

Through different technological shifts, the human race has always been able to adapt by acquiring new skills thanks to education. The ongoing 4th industrial revolution, however, poses new challenges for the future of employment: How susceptible are jobs to automation? And which is the skill cocktail for human capital in the 21st century?

By ROSANNA TERMINIO

From the theatre play in the 20s by the Czech play and movie director, Karol Capek – to whom the origination of the word robot is attributed – the topic of labor, slavery and robots has never abandoned the movies and the popular imaginary. Economists too have discussed, under different perspectives, about the risk of technological unemployment. In his 1930s essay, “Future Possibilities for our Grandchildren” Keynes is the first among them to introduce the same concerns about technology that people have nowadays...

He realized then how “the increase of technical efficiency has been taking place faster than we can deal with the problem of labor absorption; the improvement in the standard of life has been a little too quick. The economic problem, the struggle for subsistence, always has been hitherto the primary, pressing problem of the human race. What can we reasonably expect the level of our economic life to be a hundred years hence? What are the economic possibilities for our grandchildren?” According to his essay, people will be freed from the need of working and this will cause the fact that they will have to finally face their own existence and discover how to spend the vast amount of time at their disposal.

Since the first industrial evolution, we have seen that new jobs and new positions have been created and there has been improvement in quality of life (Pinker S., 2011, Better angels of our nature). Through the different technological shifts, the human race has always been able to adapt by acquiring new skills thanks to education. However, the “4th industrial revolution” is once again reviving the sentiments we have already experienced in other stages of industrial industrialization, increasing automation and change. Is it just change that scares us or is there a real possibility that this time it will be different?

In order to answer this question, the author would like to start with the assumption postulated by Keynes that there won’t be any more jobs left for humans 100 years from 1930, which will be in 2030. What can be a reasonable expectation for 2030? Will Keynes be proved wrong? Will work still be generated by the new technological paradigm? Or, will people receive a basic income and dedicate their time to pleasant activities fighting against boredom?

About the ongoing 4th industrial revolution, the first to start the debate on whether this time the risk for unemployment is real or not were Frey and Osborne in 2013 (Frey, C. and M. Osborne, 2013, The future of employment: How susceptible are jobs to computerization?). In their most quoted research, they estimated that 47% of jobs in USA where at risk to disappear in 10 to 20 year from then. Following their findings, in 2016, new research (Brougam D. and Haar J., 2016) found out that the majority of the people potentially affected by the job loss due to the advent of intelligent robots and artificial intelligence are not aware of the transformation going on and thus aren’t planning for their future career.

Because of these premises, the author, along with Dr. Eva Rimbau Gilabert from the Universitat Oberta de Catalunya, embarked on a scoping review (Rosanna, T. & Eva, R. G., 2018, The digitalization of the working environment: the impact of Robotics, Automation, and Artificial Intelligence (RAAI) at the employee level) to discover how much was already studied on this topic and what where the main findings. Based on available information, there is apparently a dearth of research on how employees perceive working with an increasingly automated environment where RAAI (Robots, Automation and Artificial Intelligence) can carry out non-routine tasks and interact with human workers at different levels. In some situations, even outperforming human workers. Despite the significant debate on whether there is a real risk of job losses or simply a need of re-skilling, the impact of RAAI on the individual employee has received little attention. RAAI and their cognitive abilities have a potential impact on employees’ sense of self-worth and career satisfaction and, in turn, on organizations and society as a whole.

With regard to the perception of RAAI impact on work, according to Pew Research centre and other analyzed sources, the majority of workers around the world are generally worried about the negative impact of technology on work. Based on
the results of a Eurobarometer survey from the EU Commission, Europeans are especially pessimistic and less likely to accept a robot assisting them. Employees from developing economies are more optimistic, but less aware of its negative sides. This finding is important because, according to the 2017 Randstad Employer Brand Research, people being more positive towards the impact of RAAI are more willing to re-train their skills. Even though employees are aware of this trend and react with negative or positive feelings, most of them around the world are not conscious of the impact that this will have on their own job. The extreme case in the USA is that the majority of workers believe that their work will still exist in 50 years. Generally speaking, workers are more worried about losing their benefits than loosing their job.

More targeted researches on how the interaction with RAAI will affect human work, organizations, and society as a whole are needed. The Frey & Osborne model already depicts some differences in the impact on jobs between USA and UK, and Randstad’s survey points out a significant difference of perception comparing USA and Europe to APAC and LATAM employees. Country-specific analysis should also be developed. Both McKinsey and OECD questioned Frey & Osborne’s approach and consider that it is not jobs to be automated, but tasks OECD, 2018, Job Creation and Local Economic Development 2018: Preparing for the Future of Work. By 2017, McKinsey (A Future that Works, Executive Summary, McKinsey & Company) identified which kinds of tasks can compose a job (based on USA data) and which part of each job could be more subject to automation. The higher the percentage of automatable tasks in one job, the higher the chance for that specific position to be automated up to a certain percentage.

China’s labor force is still mainly employed in low-skill, low salary jobs, is the country where more worker will need to move from old paradigm occupations to new occupations (12% of the work force by 2030). If not, other variables intervene to relent this process. Regarding advanced economies, USA, Japan, and Germany will be among the most affected. These findings are confirmed by OECD and will account up to one-third of the 2030 workforce, estimates McKinsey. Aware of this trend, in Germany lab Nukimberg created in 2016 Job-Futuromat (https://job-futuromat.lab.de/), an online system where to check the risk that your own job has to be automated. OECD estimated in 2016 that the risk for job losses is in average about 9% for OECD countries. There are different experts’ positions on whether there is a real risk of technological unemployment or simply the need for up-skilling trainings. The most pessimistic view upholds that education won’t be able to keep the pace with technological evolution and overcome technological bottlenecks that are limiting the real impact of AI performance (Frid M., 2015. Rise of the Robots: Technology and the Threat of a Jobless Future). As mentioned before, current studies have not reached a common consensus on RAAI impact on labor markets.

What is most likely to happen is that Intelligent Robots and AI will be commonly used to cover low-wage service occupations and an increasing number of manual tasks in standard environments (including non-routine tasks) and middle-wage services occupations (such as analysts). Humans will be highly employed as experts and in technical and managerial occupations, as well as very low-level manual services that require high precision manipulation. Human workers will be valued for their ability in problem solving, intuition, persuasion and creativity and will need to
turn themselves in “new artisans” or “augmented workers”, who will be requested to be more proactive, dedicated, creative and able to assume increasing levels of responsibility (Rosanna, T. & Eva, R. G., 2018). The digitalization of the working environment: the impact of Robotics, Automation, and Artificial Intelligence (RAAI) at the employee level.

To show that the topic is not a fixed reality but something still in definition, it is sufficient to compare the set of top ten skills identified by the World Economic Forum Future of Jobs report in 2015, versus the ones listed in the updated report in 2018.

Additionally, based on 2017 Global Digital IQ Survey: 63% of executives says that the lack of adequately skilled workers is an existing or emerging barrier to digital transformation of their companies. Worldwide, people that are new 30 to 40 years old are those more exposed to the risk of future unemployment due to lack of digital and other required skills (OECD, 2018, Productivity and Jobs in a Globalized World: How Can All Regions Benefit?).

### How to Turn This Challenge into an Opportunity

The European Commission acknowledged the need to invest in people to facilitate transition between jobs through vocational education and access to training and lifelong learning. To reach these goals, the International Federation of Robotics 2017 reports advocates for more coordination between the public and private sector, i.e. industry, government and education. Company leaders face the challenge to consider which kind of approach they will take in their automation strategy; whether to focus only on costs or whether to consider their corporate social responsibility. But the biggest challenge will be for the traditional primary and high education systems, that prepare people for the past. “Universities and other academic institutions should revise their programs according to necessary new skills and update their teaching processes to including a more diverse curriculum and standards definitions. For leaders, this means the ability to coordinate people, processes, and instruments. This requires executives with the ability to master the human dimension, starting from their own. For the rest of employees, being able to build experience with others and with the machine. Because the human, by “wearing” the machine, will be able to perform tasks otherwise impossible to achieve.

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### Rosanna Terminio

Rosanna Terminio is a consultant, contributor and lecturer specialising in innovation and strategy for the organization, as well as human resources strategies. After a few years of working in Spain, she moved to China in 2008 as a General Manager for AsecorpChina, of which she became co-owner in 2011. In 2012 they developed AsecorpChina/Shanghai, a division dedicated to Organizations and Human Resources strategy for the Chinese market. Ms. Terminio can be reached by email at rterminio@asecorpchina.com.cn

### Rubber floor coverings for sustainable office environments

In 2014, the Fraunhofer Institute conducted the Green Office study for the second time. Even then, it clearly showed that, without exception, the participating companies considered the issue of sustainability to be of high or very high importance. A total of 86 percent of the surveyed companies stated that sustainable and ecological design of office environments will be even more important to them in the near future and that they are prepared to invest in environmentally friendly interior furnishings. For this reason, the use of ecologically sound, healthy and authentic materials such as rubber is on the rise in the office sector. rubber floor coverings not only provide a diverse range of design options, they also contribute to sustainability. The less often an interior floor has to be replaced, the more positive the effect on the sustainability rating. nora rubber floor coverings do not contain any plasticizers (phthalates) or halogenes, have very low emissions and promote good indoor air quality. The made-in-Germany floor coverings also have excellent acoustic qualities. The permanently elastic rubber significantly reduces footfall noise and creates a pleasantly quiet working atmosphere, even in openplan offices. Timeless, seamless and permanently prestigious: Rubber floors are an excellent choice for modern office design.

### Versatile, authentic, practical: nora floor coverings aid modern office

An idea that was born of necessity for small, rapidly growing startups in the early 2000s has now developed into a popular concept for office design: Shared workspaces with office furnishings that are practical and not only functional, but even inviting. Studies show that multifunctional workspaces will be the dominant type of office in the future. These are office landscapes that also offer areas of privacy and a wide range of additional options such as childcare, leisure activities and fitness facilities. Office designs of this kind demand flexibility as well as coordinated acoustic. This makes the interior design requirements very different and varied, especially with regard to floor coverings. They must be robust and hard-wearing to withstand modular, frequently changing furnishings because where a desk is today could be used as a hallway tomorrow. The floor must also be environmentally friendly, sustainable and must satisfy the very different demands made by the various areas: extremely resistant in the foyer, sound absorbing in offices and meeting rooms, easy to clean and visually attractive in the cafeteria. Rubber floors made by nora systems unite these differing requirements perfectly, making them the ideal choice for modern office design.

*Image: © Daniel Vieser*
Education in China: Analysis of Expectations of German Companies Regarding Chinese Graduates and Their Fulfilment

By BORIS WESEMANN & ROBERT A. SEDLÁK

Surplus of Graduates Versus Shortage of Talents

Since the Chinese government launched the Reform and Opening-up policy in 1978, an increasing number of German and Western companies are looking for qualified graduates in China to meet the growing demand for skilled employees. Meanwhile, the quality of education in China is constantly improving. The popularity of higher education has helped ensure talent competency in our society.

In recent years, the talent surplus caused by the expansion of universities has resulted in increasing competition in the job market. Oddly, companies can’t find graduates that meet the requirements and expectations of the many job vacancies available. In the blue book of the College Student Employment Report released by Max in 2009-2012, it pointed out that the structural imbalance in Chinese graduate employment was serious (Lou, S. 2013). Although there are many scholars in China, recent studies have also shown that there is a considerable shortage of talent.

This study compares the skills required by multinational companies and the skills acquired by Chinese university graduates to find the gap between them. Then, with a comparative analysis of advantages and disadvantages between academic and vocational education, the report has revealed the weaknesses in the Chinese education structure as well as the requirements for curriculum development. Based on the analysis, this report has pointed out the positives and negatives of Chinese graduates in the workplace; confronting different situations and some suggestions for the current education and curriculum system.

Through the reform of curriculum system, content of courses and teaching methodology, a diversified multi-level education system with better adaptability can be constructed. This will help improve the quality of education, graduates’ employability, conform the requirements of economic transformation and upgrading the industrial structure, as well as bridge the gap between employers’ expectations and graduates’ competences.

This study is based on expectations of western, particularly German, companies with regard to Chinese graduates. The study was carried out by SEDLÁK & PARTNER International Consulting and East China Normal University (ECNU). The conduction of the study was supported by the German-Chinese Business Association.

Respondents of the Survey

3,500 German companies operating in China have been involved in our research regarding the qualifications of young Chinese professionals. 218 data records have been collected from German companies based in China and have been included in the analysis.

In relation to the distribution by region, company size and industry, the data set meets all requirements to be considered as a representative and provides statistically significant analysis of German companies in China (Figure 1).
In the analysis of the collected data, the expectations of the companies involved in the development of Chinese young professionals are compared with the corresponding degree of fulfillment. The study analyzes which competencies are important and which are required by the companies surveyed. The study compares the extent to which these competencies are brought into the job by school and university graduates. The greatest development requirements regarding the curricula of Chinese educational institutions can be identified based on the difference between the importance of competencies and the degree of fulfillment.

A total of 37 competencies out of the following four clusters were identified based on the difference between the importance of competencies and the degree of fulfillment:

1. Professional and methodical competences
2. Social skills
3. Personal competences
4. Experiences and additional qualifications

The companies' demands on the level of competence development vary not only regarding different functions and positions, but also in relation to different organizational areas. It also appears that the companies surveyed have higher demands on the qualifications of graduates; the higher their educational attainment level is (Figure 5).

Gap between expectations and fulfillment

The results of this study are to point out that expectations regarding the level of competence development of young professionals are rising with the level of formal education degree. Although expectations of graduates of vocational schools are by far the lowest, the mismatch of the competencies being contributed is the greatest.

Vocational education has a bad reputation in China. Despite the clear oversupply of practice-free educated academics and a simultaneous shortage of skilled workers, students and parents still prefer higher education to vocational training.

This cannot be only reasoned with the desolate Chinese vocational education system. Moreover, the deeply rooted educational ideals in Chinese culture has an impact. Vocational education in China has the least value among all types of education and is only seen as a last resort if general educational routes are blocked. In the time of Confucius, manual work was considered inferior. In China, “brain work” has traditionally held a high reputation.

These cultural influences have massively boosted university expansion since the beginning of the millennium. However, China’s economic and labor markets have not developed at the same pace as the expansion of the higher education sector. The social-economic conditions are not yet established in China. As a result, the Chinese labor market, which is still highly production-oriented, is flooded with partially incorrectly educated academics despite the strengthening of the growing tertiary sector during the last few years.

Impact on the Sino-German Economy

On one hand, since China issued the strategic plan of “Made in China 2025”, this slogan is deeply rooted in Chinese thought. This comprehensive upgrade of Chinese industry requires a corresponding reform in education, especially in post-secondary education that helps train qualified workers in high-tech field. Chinese leadership has recognized the misguided development in education and is combatting it with a 28-point plan to accelerate the development of modern vocational training. As part of this reform, up to 600 universities from the academic sector are to be converted to special bachelor’s degree universities for vocational training (Vgl. Schmidt-Dörr, T. 2014).

On the other hand, China has become the third most important trading partner of Germany, as well as one of the biggest markets for German products. Meanwhile, Germany is among the largest sources of foreign direct investment for China outside of Asia, second only to the USA. Sufficient and qualified technical manpower support is also critical to the production and servicing of German companies in China. As previously stated, the recruitment of suitable young people in technical sectors and R&D turns out to be difficult. Since this strategy is fully based on quality, the shortage of skilled workers may have a direct impact on the quality standards of the products/services, thus on the reputation of “Made in Germany”.

The labor market still needs shop floor and skilled workers. Aside from government’s intention, is there anything else could be done to relieve this manpower shortage? Could German companies become more active in their connection with local vocational schools in China, and look for more cooperation regarding the training of skilled workers? A deep and thorough Chinese vocational education with collaboration of different social components would be beneficial for both German and Chinese economy.
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GFA: 7,723 sqm
The German Chamber of Commerce had the opportunity to talk to Mr. Marc Wagner, New Work & Company ReBuilding expert. He is responsible for the “Company ReBuilding” (CRB) practice, newly founded in 2017, whose goal is to strengthen the innovative ability of companies & to bring the “Beyond Consulting Vision” to life. He is co-author of the best-practice book “New Work: On the Way to a New Working World” (Springer/Gabler) and editor of a study on new-work and innovation culture. For more than 20 years, Marc has led companies in the design of digital transformation, be it from a financial or cultural perspective. He continues to draw new inspiration from his own projects and from the exchange with his outstanding network of international top experts and leaders.

Interview with Marc Wagner, New Work & Company ReBuilding Expert

You describe yourself as a “New Work Evangelist.” What exactly is a New Work Evangelist (NWE)? Do you see a lot of NWEs popping up in this new age?

I recently dropped the title “evangelist” because it is not completely appropriate. When all is said and done, I am no longer interested in traveling around as a “missionary” and converting the world to the doctrine of New Work. Instead, I want to show people why New Work is necessary and, by doing so, alleviate their fears of this topic. My goal is to find realizable and meaningful solutions for clients. It is just as true in China as elsewhere: Ideas are cheap, implementation matters. And when there is doubt, it means that a customized New Work solution can be adapted to a company’s specific situation and its people. I believe New Work is highly relevant, whereby the form it takes in any specific situation can vary greatly.

If you can, please describe the top 5 ideals of New Work.

In our book “New Work – Auf dem Weg zur neuen Arbeitswelt (Hackl, Wagner, Attnér, Baumann, Zünkeler)”, we structured the term “New Work”, (which until that time was used generically and in need of interpretation), in terms of success factors and concrete implementation instruments. In doing so, we took the following question into consideration: What concrete needs and objectives do I want to meet with New Work? Once an answer to this question was found, the priorities for the introduction of specific New Work instruments were easy to determine. In my view, the following elements are especially fundamental for its implementation:

1. Maximum flexibility and adaptability of resource use along the dimensions of People, Places, Tools and Regulations
2. Introducing participative and role-based organizational structures and involving employees in strategic topics
3. Strict orientation of the organization in the direction of measurable customer and employee values
4. Job rotation and flexible movement between professional and management careers
5. Support of employees’ creative activities through an appropriate working environment

As previously mentioned, the concrete features of the specific case are dependent on the circumstances in any given company.

How can companies incorporate the ideals of New Work into their everyday functions? How can companies foster a “New Work” environment in their offices?

First of all, New Work as I see it primarily means giving optimal consideration to the changes triggered by digitalization during the design of the way the work is done. This does not even necessarily require the realization of highly complex measures by individual employees. Small changes at various positions are what count. Companies that would like to realize quick wins on their road to full-scale New Work implementation can, for example, do very well by concentrating on the topic of meeting culture and sharply focusing on employee and customer communication. Not only is it essential for the structure of the working environment to undergo a “Big Bang”;

a jointly designed creative room that makes agile working possible can be a good start. Ultimately, however, one thing is decisive: Does the management and leadership team visibly live and practice New Work? Unless this is the case, the changes will fizzle out.

To answer the second question: The working environment should be an enabler in the direction of a New Work organization. Flexible work structures can be supported spatially as well by the dissolution of hierarchical single workplaces or by the deliberate creation of flexible work areas. We speak here of activity-based working because the environment follows the activities of the companies and not those of a rigid structural organization. A mix between areas for creative, concentrated, and collaborative work and special areas for mindfulness activities or the work of agile project teams has proved to be effective.

What if things are “working”? Is the integration of New Work concepts into the current business structure then really necessary?

Fascinating question! Frequently, especially in large structures, the principle of “Never change a running system” is slavishly followed – and that is wrong! The New Work principle requires making a decision about the introduction of New Work structures from a

A Whole New Work: An Interview with Marc Wagner on New Work Concepts

By JESSICA DOWNER, GERMAN CHAMBER TICKER
strategic perspective. Consequently, both work structures as well as the corporate culture must be oriented to the long term and based on anticipatory planning. Prerequisites for achieving this are a “New Work final vision” and the definition of a transformation path that purposefully leads to the realization of the objective that has been determined. There is no one-size-fits-all approach. On the contrary, an ambidextrous strategy offers the assurance that current business will continue to develop while disruptive innovations can also arise. The successful implementation of New Work generally has significant impact on the corporate culture and entails a correspondingly lengthy change process in larger structures. The process can be accelerated significantly when the modeling is carried out in small decentralized and autonomous units, as is the case of the Company RefBuilding approach.

Do you feel companies can find a balance between new and old ways of working?

An important point. Just as is true for the topic of “ambidexterity,” this is not a case of “either/or”; the aim is a meaningful utilization of various forms of work and the creation of optimal working conditions. Many companies are overwhelmed and attempt to copy what they believe to be best-practice examples. For instance, many companies today are imitating organizational structures drawn from Spotify involving chapters, squads, etc. or are trying to apply holacracy approaches to corporate structures. Since these best-practice examples are taken from a completely different context, however, very few realizations are truly successful. Ultimately, every enterprise needs to find the ideal mix of working methods and structures (optimal way of working) that best suits its particular situation.

The ideas of Chinese business are constantly changing, but there are obvious traditions and standards that are upheld. How can foreign companies with a lot of Chinese employees incorporate New Work structures and still maintain Chinese corporate cultural values?

I do not see any real contradiction between New Work structures and Chinese values. Ultimately, our aim in introducing New Work is to strengthen the innovation capability and the adaptability of companies and to orient their activities closely to customer needs. Chinese companies such as Haier, Tencent, or Alibaba are clearly demonstrating how this can be accomplished successfully. I am convinced that foreign companies can learn a lot from Chinese companies when there is a question of organizational structures. Just think about the micro-enterprise structure or the innovation networks of Haier – examples of genuine best practice! As I see it, this also has roots in Chinese culture, which is based on an enormous work ethic, the view of the company as a kind of family, and the willingness to devote maximum effort to this community. Moreover, Chinese companies are accustomed to dealing with enormous competitive pressures and innovation speed, so they are extremely fast when introducing products to the market. In addition, the aversion to risks is significantly lower than in German companies, for instance, which still spend a lot of time preparing their decisions.

There is a tendency, however, for traditional Chinese companies to resist the idea of introducing and realizing highly participative approaches to corporate structures. Since these best-practice examples are taken from a completely different context, however, very few realizations are truly successful. Ultimately, every enterprise needs to find the ideal mix of working methods and structures (optimal way of working) that best suits its particular situation.

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Learning-Centric Leadership – Innovation Imperative

Today’s business setting is fundamentally different: Its fast pace, complex networks, the development of Industry 4.0, virtual reality and AI technology all make new ways of learning necessary. Leaders hence need to provide a clear vision for incorporating innovation into company initiatives, support organizational development and invest in people to be successful with operating in an environment of continual change.

By PAUL VON WITTGENSTEIN

Due to the pace of change, companies have no choice; they need to innovate to stay in business. Innovation requires change. Change requires learning. Effective learning requires managing Social and Emotional Intelligence. There is a relationship in leading people towards business success that goes far beyond technical strengths and business savviness; and China is a rich garden for growing these skills.

Innovation management involves learning to deal with changes brought on by advances in technology. Successful adaptation to change is crucial for the survival of every individual and every organization. Adaptation will always involve learning.

The hands-off approach of sending people to training courses that they can return from after they’ve been ‘fixed’ won’t work anymore... It never did.

For leaders to be successful against a high innovation backdrop, key leadership success factors include:

• Using mindfulness, self-reflection and other techniques to maintain constructive and resilient emotional intelligence, and
• Demonstrating effective lifelong learning in capturing the opportunities presented by innovation and meeting the challenges of change.

In considering skills development, senior learning leaders tend to think of Return on Training Investment (ROTI). However, those leaders would be better served to focus on Return on Learning Investment (ROLI).

Training is an activity. Learning is an outcome. You can “spend” on training; or “invest” in learning instead. Leaders who adopt the mindset of “Chief Learning Enablers” for their teams take on the responsibility to ensure that learning priorities are managed as well as any other KPI.

In fact, they ensure that all team members (including themselves) have learning goals included in performance planning. These leaders are “Learning-Centric Leaders.” On behalf of their teams, they participate at a leadership role in the following learning and development activities:

- Needs Identification
- Learning and Development Plan
- Forecasting and Budgeting
- Monitoring and Participating
- Evaluation and Feedback (ROLI)
- Program Improvement

We Can All Improve Our Learning & Leading.

We need to improve how we learn and lead in this environment of rapid change and innovation. We all need to make a shift more toward supporting learning and leading if we are to remain successful in the future. Because today’s business setting is fundamentally different (faster, more networked, gig economy enabled, Industry 4.0, virtual reality, artificial intelligence … new ways of learning are also necessary) leaders need to:

- Provide a clear vision for incorporating innovation into company initiatives
- Support organizational development
- Invest in people to be successful with operating in an environment of continual change.

Learning-Centric Leadership also means demonstrating by example that learning is important to you, personally; and that you are not above the law when it comes to making learning a top priority in your role. You need to practice what you preach.

Leaders must also be able to learn and develop new skills and capabilities. They need high learning competencies, including contributing to an atmosphere where learning is seen as a top organizational priority, and treated as such. Further, leaders need to ensure that the benefits gained from important learnings are shared to maximize the ROLI.

As the “internet of things” develops, total world knowledge is predicted to eventually double every 12 hours.

Rate of Pace of Change – the Knowledge Doubling Curve

Buckminster Fuller created the “Knowledge Doubling Curve”; he noticed that until 1900 human knowledge doubled approximately every century. By the end of World War II knowledge was doubling every 25 years.

Today things are not as simple, because different types of knowledge have different rates of growth, but on average human knowledge is doubling every year.

“Learning-Centric Leadership means demonstrating by example that learning is important to you, personally; and that you are not above the law when it comes to making learning a top priority in your role. You need to practice what you preach.”

Leaders must also be able to learn and develop new skills and capabilities. They need high learning competencies, including contributing to an atmosphere where learning is seen as a top organizational priority, and treated as such. Further, leaders need to ensure that the benefits gained from important learnings are shared to maximize the ROLI.

The case has been made about the importance of learning as a foundational element in effective leadership. Peter Vaill (1999) for example, explains how the importance of learning is underscored by the exceedingly turbulent and unpredictable organizational environments within which corporate managers and executives are working. There is basically no limit, he says, to the kinds of learning a contemporary leader may have to engage in:

“All leaders are feeling a dramatic quickening in the pace of change, an increasing complexity to their choices and a greater and greater cost of being wrong. There is a continual stream of things managers have to learn in order to thrive in this environment.”

— Peter Vaill, Retired Professor of Managerial Leadership, Antioch University

“Leadership – Innovation” Learning-Centric Leadership – Innovation Imperative

The Consortium for Advancing Adult Learning & Development (CAALD) – a group of learning authorities who mem-
The “innovation & learning equation” is compounded when you add in the elements of culture, language, and the other aspects of diversity and considerations for inclusion into the mix. As the learning equation becomes more complex, it also becomes increasingly more important to manage well.

Here are some key characteristics of an Emotionally Intelligent and Learning-Centric Leader who can cope better with change and innovation. These ‘switched-on Learning-Centric Leaders’ tend to be:

- Open-minded and curious,
- Future focused on life and work,
- Effective lifelong learners,
- Ready to embrace change, and
- Able to balance work and life.

You may be wondering if you can adapt to changing technologies. The answer is yes. There is a kind of Moore’s law at work, in which the capacities of these information tools are doubling every couple of years or less. You can’t “fire and hire” your way to success if you have to turn over people every 9 to 18 months to bring in new skills. You can’t “fire and hire” your way to success if you can’t cope better with change and innovation. These ‘switched-on Learning-Centric Leaders’ tend to be:

- Open-minded and curious,
- Future focused on life and work,
- Effective lifelong learners,
- Ready to embrace change, and
- Able to balance work and life.

At the US telecommunications company AT&T, they have taken all their job categories, mapped them onto competencies, and aligned them to learning opportunities. Individuals can go onto a personalized-learning system and see if their jobs are on the decline or on the rise. They can discover jobs that they are interested in, see the associated competencies, and take advantage of learning opportunities that will enable them to make a transition. The transparency of AT&T’s system is remarkable and empowering to employees.

So, how then do we put Learning-Centric Leadership into practice on a daily basis? We begin with ourselves, by:

1. Recognizing our preferences, habits, strengths and weaknesses.
2. Thinking about how we really feel and by being honest with ourselves and others about our feelings.
3. Being aware of how those feelings affect our moods, behaviours and attitudes towards ourselves and others.
4. Accepting that we will make mistakes and that owning our mistakes helps us learn from them.
5. Building and rebuilding ourselves through constructive self-talk and effective self-improvement.
6. Helping our team to develop strengths in these competency domains.

You can’t “fire and hire” your way to success if you have to turn over people every 9 to 18 months to bring in new skills.

— McKinsey, "Putting lifelong learning on the agenda"

**The Learning-(-Centric) Organization**

The term “learning organization” was popularized by Peter Senge. It describes an organization with a model learning environment, totally aligned with the organization’s goals. In this ideal organization “…people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole [really] together.” (Senge 1992)

**Two Learning-Centric Leadership Competency Domains**

2) Team Learning: team members think together to achieve common goals. It builds on shared vision, adding the element of collaboration.

Senge emphasized three learning focused leadership roles:

A) Leader as Designer: leader being the designer of a ship rather than its captain:
- Creating a common vision with shared values and purpose.
- Determining the “policies, strategies, and structures that translate guiding ideas into business decisions.”
- Creating effective learning processes that enable continuous improvement.

B) Leader as Teacher: leader as a coach that works with the mental models present in the organization.

C) Leader as Steward: leader feels part of something greater; whose desire is first and foremost not to lead, but to serve this greater purpose of building better organizations and reshaping the way.

Lastly, I’d like to share an experience I had with a company that was number one with mobile phones in the late 1990’s to early 2000’s. I was asked to travel to Beijing to help this company align their training efforts to better meet the needs of the business. The first thing I did was map out the learning process from learning need identified, until required learning needs were met.

Their system was taking up to 18 months to meet critical learning needs. They felt that their platform for “self-help e-learning” would be enough to ensure people would get the learning they needed in time. It was not. They could not respond quickly enough to learning needs brought by innovations in their industry and they did not make the necessary changes in time. They went from being number one to last place and have still not recovered. Don’t be like that.

Incorporate more Learning-Centric Leadership practices and models present in the organization.

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So, how then do we put Learning-Centric Leadership into practice on a daily basis? We begin with ourselves, by:

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30 Winter 2018
How can we define the concept of “Smart Manufacturing?” According to the entry in Wikipedia, “The objective of smart manufacturing is to implement flexible processes that respond rapidly to changes in demand at low cost without damage to the environment. It includes the creation and use of data and information throughout the product life cycle. Therefore, the concept requires a life-cycle view, where products are designed for efficient production and recyclability. When all information about a whole manufacturing process is available when it is needed, where it is needed, and in the form that it is needed across entire manufacturing supply chains, complete product lifecycles, multiple industries, and small, medium and large enterprises, we talk about an entire manufacturing ecosystem.”

While this definition is accurate as far as it goes, we can dive deeper into its meaning in the context of intralogistics.

Smart, automated warehousing significantly contributes to smart manufacturing by supplying raw material to production before the manufacturing process starts or handling the storage and distribution of finished goods after manufacturing.

Whether we talk about smart manufacturing or smart warehousing, data is the underlying driver. Data is collected in China by companies that have direct access to end-consumers. These companies are pushing their suppliers to implement smart solutions based on that data in both manufacturing and distribution. However, in order to realize truly smart solutions, standardization will be necessary. Once the suppliers of smart manufacturing and warehousing collaborate to understand the order profile of the customers, a positive impact on production and distribution can be achieved.

Companies Vary Widely Along the Journey to Smart Manufacturing

The national initiative Made in China 2025 motivates companies to take the next step in smart manufacturing and warehousing. Depending on the geographical location of companies within China,
China offers vast opportunity for marketing smart manufacturing and warehousing solutions. The willingness and even eagerness to automate is quite high. Since the country is raising quality standards and guiding companies to place quality as their top priority, the motivation has increased. Efforts are being made to attract and recruit talent from home and abroad, and greater financing support will be given to the real economy to increase resources for industrial upgrades. Taking an educational approach and guiding the customer into the right solution by considering the overall system and its processes offers a tremendous opportunity to grow with the customer. The journey may take time but will be worth the effort in the long term. Joint learning and the accumulation of positive experiences can provide both parties with valuable learnings. However, successdepends on the availability of resources and the flexibility for localization and simplification.

Finally, smart manufacturing and distribution in China is still more idea than reality. The wave of automation enriched by learning from big data is in the early phases and the smart solution we will see in the future may be different from what we expect but we can be certain that it will evolve to meet the growing demands of this unique market.

Martina Suter is Business Development Manager & Head of Marketing APAC at Swisslog. She has a master’s degree in service marketing and management from the University of Lucerne, Switzerland. She has been working for Swisslog for more than 20 years in different pioneering and leadership roles, and has been based in Shanghai since the beginning of 2015.

Swisslog designs, develops and delivers best-in-class automation solutions for forward-thinking health systems, warehouses and distribution centers worldwide. The company is present in China for over 20 years and since 2016 a member of the KUKA Group, a leading global supplier of intelligent automation solutions. For more information visit www.swisslog.com or email wds.cn@swisslog.com (for China) and info@swisslog.com (for global).
The New PRC E-Commerce Law – A New Era for Operators and Consumers?

By DR. LURIKE GLIECK, MICHAEL MUNZINGER, AND PANPAN TANG

In the few past years, the development and growth of e-commerce in the PRC has been staggering, and it is expected that such development will continue in the near future. While it offers promising business opportunities and more freedom and flexibility for consumers, it also brought along numerous legal issues and uncertainties due to the lack of specific laws and regulations. In response to the need for more guidance and legal certainty in this area, on 31st August 2018 the Standing Committee of the 13th National People’s Congress has finally adopted and promulgated the E-Commerce Law of the People’s Republic of China (the “EC Law”). The new law will enter into effect on 1st January 2019. The EC Law contains stipulations for many different aspects of e-commerce. In the following, we will provide a brief overview on certain key aspects:

1. Scope of Application

The EC Law applies to e-commerce activities in the territory of the PRC. “E-commerce” is defined as business activities of selling goods or providing services through the internet or any other information network.

The EC Law mainly applies to the following three types of E-Commerce Operators:

(1) “Operators of E-Commerce Platforms” refer to legal persons or unincorporated associations which provide services in respect of business related online sites, trading matchmaking and information release for two or more parties to facilitate their efforts to conduct trading activities independently (e.g. the operators of online platforms such as Taobao);

(2) “Operators on Platforms”, namely the operators of the platforms of the aforementioned E-Commerce Platforms, refer to natural persons, legal persons or unincorporated associations which sell goods or provide services through an e-commerce platform (e.g. operators of online shops on platforms such as Taobao);

(3) “Other E-Commerce Operators” refer to natural persons, legal persons or organizations which sell goods or provide services through their own websites or other network channels.

2. Statutory Obligations and Liabilities of E-Commerce Operators

The EC Law contains statutory obligations for all three types of E-Commerce Operators. E-Commerce Operators shall bear civil liability if they provide goods or services which are inconsistent with the respective agreement or cause damages to others. The EC Law further strengthens the administrative supervision on the e-commerce industry by stipulating administrative liabilities for E-Commerce Operators.

(a) All E-Commerce Operators shall comply with the below general obligations. Otherwise, they may be punished according to relevant laws and administrative regulations:

- Apply for registration at the competent Administration for Industry and Commerce (“AIC”) and obtain relevant administrative approvals and licenses (if necessary);
- Fulfill their tax obligations and issue invoices and other purchase vouchers or service receipts;
- Not sell or provide any goods or services prohibited by laws and administrative regulations;
- Protect personal information and cyber security;
- Not perform any unfair competition or to abuse their dominant market position;
- Not commit infringements upon intellectual property rights;
- Not commit infringements upon consumers’ rights and interests, such as the right to be informed of comprehensive, true, accurate and timely information regarding the goods or services which are provided by the relevant E-Commerce Operators;
- Cross-border E-Commerce Operators shall comply with the laws, administrative regulations and relevant state regulations of import and export supervision and management.

(b) All E-Commerce Operators shall further comply with the below obligations. Otherwise, they shall be ordered to take corrective actions and may be fined up to RMB 500,000:

- Fulfill information disclosure obligations, including making publicly available the AIC registration information in a prominent position on the front page of the website, and announce relevant information in advance in a prominent position if they decide not to engage in e-commerce business any longer, and provide relevant information as required by competent authorities;
- Provide reasonably consistent options to inquire, correct and delete consumers’ information;
- If providing search results regarding goods and services to consumers according to personal characteristics, they shall also provide consumers with options not referring to their personal characteristics;
- Not to offer tie-in goods or services as the default option, i.e. if a seller offers popular and demanded products or services on the condition that together with such products or services less popular products or services are bought; Promptly refund to the consumer any deposit, the consumer has paid upon the consumer’s reasonable request.

3. Specific Obligations and Liabilities of Operators of E-Commerce Platforms

Public attention specifically focuses on the obligations and liabilities of the Operators of E-Commerce Platforms. The main aspects are as follows:

(a) Authenticity and Truthfulness of Information

Operators of E-Commerce Platforms shall:

(1) Verify the qualification information of operators on their platforms.
(2) Record and retain the information on goods, services, and transactions at least for three years;
(3) Clearly distinguish their self-operated business from the business conducted by the operators on their platforms in order not to mislead consumers;
(4) Not delete any comment made by a consumer on the goods or services provided on their platform;
(5) Clearly indicate “advertisement” for goods or services ranked at the top of the result page due to the fact that operators on their platforms have paid a related advertising fee.

Operators of E-Commerce Platforms who fail to perform the above obligations shall be ordered by the administrative authorities to take corrective actions and may be fined up to RMB 500,000.

(b) Service Agreements and Transaction Rules

The EC Law stipulates that each e-commerce platform shall have a service agreement and transaction rules for the operation of the platform. The Operators of E-Commerce Platforms shall:

(1) Publish the information regarding their platforms service agreements and transaction rules, request public comments on the amendment of the transaction rules in advance, and not to prevent an operator on their platforms from leaving the platforms;
(2) Not set unreasonable conditions regarding the transactions of the operators on their platforms.

Operators of E-Commerce Platforms who fail to perform the above obligations shall be ordered by the administrative authorities to take corrective actions and may be fined up to RMB 2,000,000.

(c) Liability for Infringement upon Personal and Property Safety

Where Operators of E-Commerce Platforms fail to take necessary measures, if they know or should have known that an operator on their platform sells goods or provides services incompitant with the requirements for guaranteeing personal and property safety, or otherwise infringes the lawful rights and interests of consumers, such Operators of E-Commerce Platforms and the relevant operators on their platforms shall bear joint and several liability.

Where Operators of E-Commerce Platforms fail to fulfill their obligations to examine the qualifications of the operators on their platforms which sell goods or provide services in relation to consumers’ life and health, or fail to fulfill their obligations to safeguard the safety of consumers, which results in damages to consumers, the Operators of E-Commerce Platforms shall bear the corresponding liability.

In addition, the Operators of E-Commerce Platforms shall be fined by the administrative authorities up to RMB 2,000,000.

(d) Protection of Intellectual Property

The EC Law stipulates rather comprehensive notice-and-takedown procedures for the Operators of E-Commerce Platforms to deal with disputes related to intellectual property (“IP”).

(1) Upon receipt of a notification from the IP right owner which includes prima facie evidence proving an infringement, Operators of E-Commerce Platforms shall take timely and necessary measures such as deletion, blocking or disconnection of links and terminations of transactions and services, and then forward the notification to the concerned operators on their platforms;

(2) Concerned operators who hold that no infringement has been committed shall give a declaration including the prima facie evidence proving no infringement exists to the Operators of E-Commerce Platforms;

(3) The Operators of E-Commerce Platforms shall forward the declaration to the IP right owner;

(4) If within 15 days after the forwarded declaration reached the IP right owner, the Operators of E-Commerce Platforms have not received a notification that the IP right owner filed a complaint or litigation, they shall promptly terminate the measures they have taken;

(5) The Operators of E-Commerce Platforms shall publish the received notice, declaration and disposition results in a timely manner.

Where Operators of E-Commerce Platforms fail to take necessary measures as required by the law against the infringement of IP rights committed by an operator on their platforms, in addition to be ordered to take corrective actions, they shall be fined no less than RMB 50,000 but not more than RMB 500,000, or, if the circumstances are serious, not less than RMB 500,000 but not more than RMB 2,000,000.

Where Operators of E-Commerce Platforms fail to take timely and necessary measures after having received a relevant notification from the IP right owner, or the Operators of E-Commerce Platforms
4. Formation and Performance of E-Commerce Contracts

The EC Law also contains stipulations on the formation and performance of contracts by means of e-commerce (“E-Commerce Contract”):

a) The Parties to an E-Commerce Contract shall be presumed to have capacity for civil conduct when a party uses an automatic system to form or perform a contract, and the act shall be legally binding on the party using the system, unless proven otherwise;

b) Unless otherwise agreed, where the information on any goods or service released by an E-Commerce Operator meets the conditions of an offer, and a consumer selects the said goods or services and successfully submits an order, the E-Commerce Contract is concluded. If standard form clauses contain a provision that a contract is not concluded after the consumer pays the price of the goods or services, such provision shall be deemed as invalid;

c) E-Commerce Operators shall clearly, fully and explicitly inform the consumers on how an E-Commerce Contract will be concluded;

d) Unless otherwise agreed, regarding the time of delivery of goods or provision of services, the following applies:

- Time of delivery of goods by courier shall be the time of signature by the consignee;
- Time of delivery of services shall be the time specified in the created electronic document or hard-copy document. If such documents do not specify the time, or the time specified is not the same as the time of the actual provision of the services, the time of the actual provision of the services shall be the time of provision;
- Delivery time of the subject matter delivered by means of online transmission shall be the time when the subject matter enters the particular system designated by the opposing party and can be retrieved and identified in the system.

e) The parties to an E-Commerce Contract may agree upon the delivery of goods by courier and the payment of prices in an electronic manner;

f) The EC Law also contains stipulations on the obligations of electronic payment service providers, including:

- be free of charge provide users with statements of account and transaction records for the last three years;
- bear compensation responsibilities for damages caused to users by providing electronic payment services contrary to the requirements for payment security management issued by the State;
- where payment instructions include any mistake due to the electronic payment service providers’ fault, the electronic payment service providers shall find out the reason in a timely manner and take relevant measures for corrections. The electronic payment service providers shall bear compensation responsibilities for damages caused thereby to users;
- upon making the electronic payment, provide users with timely and accurate information indicating the payment has been completed in a manner as agreed upon;
- be responsible for damages resulting from any unauthorized payment, and take necessary measures to prevent any increase of damages if they discover any unauthorized payment or received notice of an unauthorized payment from users. Otherwise, they shall be responsible for any increase of the damages.

5. Disputes Settlement

Operators of E-Commerce Platforms shall develop an easy and effective complaint and report mechanism for accepting and handling complaints and reports in a timely manner. They are also encouraged to establish an online dispute settlement mechanism for settling disputes.

During the handling of an e-commerce dispute, the Operators of E-Commerce Platforms shall actively help consumers to protect their lawful rights and interests, and they shall provide the original contract and transaction records for the needs of settling the dispute. E-commerce disputes may be settled by reconsiliation through consultation, mediation by a consumers’ organisation, an industry organization, or any other mediation organization, complaint with the relevant authorities, as well as arbitration and litigation.

6. Measures on Promotion of the Development of E-Commerce

The EC Law also contains a chapter regarding measures on promotion of the further development of the e-commerce industry. Inter alia, the State shall promote the construction of e-commerce infrastructures and logistic networks, promote the development of a public data sharing mechanism, support credit rating institutions in rating e-commerce credit and provide the public with e-commerce credit rating services, and promote cross-border e-commerce development.

7. Conclusion

The new EC Law is expected to have significant impact. It will likely improve the protection of consumers’ and brand owners’ rights and interests, bring more regulation and legal certainty into the e-commerce industry. On the other hand, it will bring additional compliance requirements for E-Commerce Operators. Operators of E-Commerce Platforms and Operators on Platforms should be aware of such new requirements and adopt necessary measures for compliance.

As always, there is still room for improvements. Some aspects of the law still need further clarifications. They include, for instance, the unclear standards of evidence required for the IP owner to initiate notice-and-takedown procedures, the unclear definition of the corresponding liability of the Operators of E-Commerce Platforms for infringement upon personal and property safety, etc. It is to be hoped that further clarifications will be provided through supplemental and implementation regulations in the near future.

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How to Better Cooperate with the AIC to Crack Down on Trademark Infringement

By DR. WENBAO QIAO

In China, the implementation of trademark protection is based on a so-called “dual track system”, namely through judicial and administrative protection. When a trademark infringement act is discovered, the trademark owner often chooses to seek administrative protection because of the efficiency and fact that the administration department for industry and commerce (although it has been renamed, the customary name of “AIC” is still used here) has the investigation power, by way of reporting to AIC and requesting the same, to investigate the infringement and punish the infringer. How to better cooperate with the AIC to achieve the best result during this process is a problem that many trademark owners are interested in. The author hereby shares the following aspects and lessons learned from his own experience.

1. Ensure Accurate Identification of Infringement Case Type through Good Communication

Firstly, for the purpose of seeking administrative protection, communication with the AIC shall be conducted smoothly and accurately. After receiving a report or request, the AIC will, when accepting the case, identify the alleged infringement and determine whether it is a trademark infringement or an unfair competition activity, in particular in the case of the logo used by the infringer being not exactly the same as the registered trademark of the right holder. This identification process involves determination of applicable law, which will directly affect the scope and intensity of the burden of proof by the right holder, the right holder’s failure to provide evidence in a timely and comprehensive manner to assist the AIC in determining the nature of illegal behaviour accurately.

In a recent case handled by the author’s team, the trademark registrant was a German company. Due to communication problems at the very beginning, the AIC tends to identify a relatively clear trademark infringement case as a case of unfair competition. Consequently, DeBund assisted the trademark owner in providing evidence of relevant trademark registration materials in a timely manner and convinced the AIC to identify the case as a trademark infringement case.

Having reviewed the above, one may ask why the trademark owner did not directly submit its trademark certificate to the AIC? In most cases, this is not a problem. However, when the trademark owner is a foreign company and the trademark is protected in China through territorial extension, the China Trademark Office will not proactively issue the official trademark registration certificate to the trademark applicant. If the trademark owner submits a printed copy in a foreign language (in most cases printed from a foreign official website) or a printed page of the “China Trademark Website” (http://sbj.saic.gov.cn), the AIC may not recognize it as evidence of owning the trademark right, without the official trademark registration certificate mentioned previously. This practice of the AIC is justifiable in the following two aspects: on one hand, the “China Trademark Website” clearly states that the information contained in its database is available for public survey “does not have legal effect”; on the other hand, the information contained in the publicly available database on the “China Trademark Website” is indeed often inaccurate. If the trademark registrant provides evidence in a foreign language, leaving the translation problem aside, it may be required by the AIC to go through the notarization and legalization formalities first, which will delay the whole process.

In the extreme case where a trademark owner does not hold a formal trademark registration certificate at hand, one quick solution is to apply to the China Trademark Office for a “trademark registration proof”. This proof will be issued very quickly and can be received on the same day of submission of the application if all application documents are sufficient and acceptable.

2. Proactively and Sufficiently Conducting Preliminary Investigation

One of the common mistakes made by trademark owners when seeking protection from the AIC is that they do not actively conduct preliminary investigations. Though some right holders collect certain preliminary evidence of infringement (often online information or one or two infringing products obtained from customers), they are reluctant to conduct deeper investigations. Doing so will likely end in a result that is far from the trademark owners’ expectations. When facing such results, trademark owners often complain that the AIC did not invest enough manpower or time, while they rarely consider that there was insufficiency of their preparation work.

Here, one should consider the matter from the perspective of the AIC and try to find out the considerations of AIC officials. Although in the case is accepted, the AIC does have a statutory duty to investigate the case in a timely manner. However, questions such as: “Is the information provided by the trademark owner accurate?” “Will a rash action ‘heat the grass and frighten away the snake’ remain? These are all issues that the AIC officials would consider. In extreme cases, the AIC officials may have other concerns. In a case handled by DeBund, a senior AIC enforcement officer told DeBund on the way to a raid inspection, “If you do not come, we will not go (to the infringing company for inspection).” What if we are accused of leaking information to them?”

Also, in the aforementioned case, the trademark owner’s local staff only conducted a preliminary investigation through online search and telephone call but did not go to the infringing company for an on-the-spot investigation. When DeBund representatives arrived at the office address with the AIC officials, there was only an empty office. Although the AIC officials successfully found the infringer’s phone number and finally obtained the new address by reference to some identification matters, the AIC first had enough time to prepare for the AIC raid inspection. In the end, the result of the raid inspection was far from the trademark owner’s expectation.

Therefore, trademark owners shall actively do their own “homework” before seeking the AIC’s protection. For serious cases, it is suggested that one hires a third-party investigation company to provide assistance. At minimum, trademark owners shall ensure that the information and clues they provide are accurate. For this, it is quite necessary to pay an advance on-site “visit” to the infringing sites.

3. Identification

In the case of trademark infringement of products, a key issue is identification. There are different opinions on the nature of the identification conducted by trademark owners. The author, however, does not intend to elaborate on this issue herein. The only reminder the author would like to make here is that when initializing the AIC protection procedure, the trademark owner should be well prepared for the identification in advance. In this regard, the minimum work that the right holder needs to do includes arranging qualified and competent staff to conduct the identification and issuing power of attorney to clearly authorize them to conduct the identification.

The identification of some complex products may require special tools and instruments, and sometimes there are requirements for the site (such as voltage or workbench). Therefore, the right holder should communicate in advance with the AIC regarding whether these conditions can be met at the sites of the AIC. If such special requirements cannot be fulfilled, alternative solutions should be prepared in advance. In case identification work may be affected by the limitation of tools and sites, the AIC is generally open to work with the right owners for seeking alternative solutions.

4. Notarization and Legalization

For evidence provided by the right holder, which is originated from abroad, the AIC usually requests the right holder to explain the source of the evidence and complete the formalities of notarization and legalization. The legal basis for this is Article 27 of the Regulations on Administrative Punishment Procedures for Industrial and Commercial Administrations (2011 Revision).

Since notarization and legalization conducted overseas usually takes a long time, in the case where the trademark owner is a foreign company and it has a subsidiary in China, it may consider trusting its domestic subsidiary to go through the AIC protection procedure through issuing an authorization letter to the subsidiary or executing a license agreement with the subsidiary. This way, it is possible to reduce the quantity of documents and evidence that may require notarization and legalization, and to facilitate communication with the AIC.
China’s 2018 second quarter GDP grew at 6.7% year-on-year (yoy), 0.1 percentage points (p.p.) below the previous quarter. While the economy experienced a modest slowdown, the second-quarter figure was mostly in line with market expectations and still above the 6.5% annual growth target.

Since late 2017, a series of financial regulations have been put in place to rein in financial risk and reduce shadow banking activities. The stricter financial stance has resulted in increased borrowing costs and weighed on the country’s GDP growth. Faced with some downward pressure on the economy triggered by China’s deleveraging (reduction of debt burden) campaign and a potential escalation of the ongoing trade conflict with the US, Chinese policymakers are softening their stance on deleveraging. The People’s Bank of China (PBOC) has cut banks’ reserve requirements three times this year— and another cut has been announced already— to allow for more liquidity for lenders in the market.

**Slow Advancement in Hukou Reform and Aging**

By the end of 2017, the urban resident population in China totaled 833.5 million, 58.5% of the country’s total. Since 2011 more than half of China’s population lives in urban dwellings. Growing at the current pace, the urban population could reach 61% by 2020, above the 60% target established by the 13th Five Year Plan (FYP). China’s current urbanization rate is 2.5% higher than the world’s average, however, it is still far from rates developed countries (about 80%).

As a means of rebalancing the economy and steer consumption the Chinese government has pledged to give urban residency to 100 million migrant workers by 2020.8 However, reforms to the hukou system remain limited: the places where people want to go are pros-perous urban centers, big cities that one way or the other have engi-
Attracted by a multitude of opportunities, foreign companies in China continue to worry organizations: the availability and retention of personnel. And the pressure is intensifying: while foreign brand reputation is changing the world of work, skills are becoming the only way to differentiate from competitors and talent is the resource most sought after.

**Talent – A Top Concern for Innovation**

With the above in mind, the following result of the Greater Shanghai Innovation Survey 2018/19 among German manufacturing companies does not come as a surprise: human resources represent the biggest barrier when it comes to innovation. More than 60% of surveyed companies perceive human resources as a large or very large barrier to innovation (Figure 1).

To what extent are these barriers issues for innovation for your Chinese entity?

For example, the survey data indicate a correlation between innovation training and innovation performance, i.e. innovative companies provide more internal innovation-related trainings than less innovative companies.

In addition to formal skill training, innovation must be informally and continuously encouraged through the behavior of superiors. The survey results suggest that management in many organizations focuses more on reactive problem-solving than on active generation of original ideas. 60% of respondents (strongly) agree that managers in their Chinese entity encourage employees to solve problems; 46% (strongly) agree that managers encourage employees to think outside of the box; 41% (strongly) agree that original ideas are highly valued in their Chinese entity.

Managerial implications:

- Headquarters need to demonstrate genuine efforts to understand the local market (depth of visits by top management to the Chinese entity) should be more important than frequency of visits.
- Autonomy of the Chinese entity should be increased in a controlled process, for instance by giving the Chinese entity the chance to independently complete selected projects.
- Headquarters should provide the Chinese entity resources necessary to respond to the local market situation and become innovative.
- Open communication about what resources are needed by the Chinese entity is a prerequisite.
- The Chinese entity should take initiative to develop and demonstrate own distinct capabilities.
- Both parties should work on building trust through open communication and open flow of information, knowledge and resources.

**A Need for an Improved Regulatory Landscape**

The results of the Greater Shanghai Innovation Survey 2018/19 further suggest that German manufacturing companies see the regulatory environment in China as a barrier to innovation. Data protection, cybersecurity, the protection of intellectual property, and restricted internet access are all issues that put German manufacturing companies in Greater Shanghai at a challenge when it comes to innovation (Figure 1).

A major concern is the new Cyber Security Law (CFL) that came into effect in June 2017. 46% of surveyed German manufacturing companies in Greater Shanghai expect the CFL to have a negative impact on their innovation performance, while one third of respondents are unsure. The new CFL also puts constraints on the use of Virtual Private Networks (VPN). This is a worrisome development for German manufacturing companies in Greater Shanghai, with 46% of respondents considering a VPN an essential part of conducting their daily business in China.

The regulatory environment is part of the circle of compliance in an organization (Figure 2), meaning that it cannot be directly managed or influenced, but organizations have in most cases no choice but to comply with new rules and regulations.

However, to deal with challenges posed by the regulatory environment in China, more than half of surveyed manufacturing companies consider support from the German government important or very important for their entity’s ability to innovate in China. German manufacturing companies in Greater Shanghai particularly wish for governmental support to achieve equal opportunities for foreign invested enterprises under China’s Economic turbulence and to push for improved market access for German companies.

German manufacturing companies in the Greater Shanghai region see themselves confronted with challenges in doing innovation. While they have some options to deal with the challenges, they cannot do this alone. Headquarters are advised to review the governance of their Chinese entities to identify potential ways to support local innovation in China, and be aware of the local market situation and become innovative. In China 2025. They further voice the opinion that the German government should also act upon restrictions issued regarding cybersecurity and push for improved market access for German companies.

Following its launch in 2017, the innovation survey among German manufacturing companies in the Greater Shanghai area was conducted for the second time by the German Chamber of Commerce Shanghai in cooperation with Tongji University and goetzpartners Management Consultants. In Q2 2018, more than 100 valid answers were collected from executives and managers from the automotive and machinery / industrial equipment industries. Focal areas of the research are innovation orientation, characteristics of innovation activity, innovation barriers, innovation culture and influencing factors of innovation performance, as well as the innovation conducive regulatory environment could also lead to more support from headquarters which in turn facilitates innovation performance. This would not only benefit German companies, but also enhance collaborative innovation with Chinese partners that will eventually benefit China’s economic growth and ongoing transformation towards an innovation-driven economy.

**About the Greater Shanghai Innovation Survey 2018/19**

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**By Prof. Dr. Zheng HAN & Carolin HAN**

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**Prof. Dr. Zheng HAN**

Prof. Dr. Zheng HAN is goetzpartners Chair Professor of Innovation and Entrepreneurship at the Sino-German School for Postgraduate Studies of Tongji University, Shanghai.

Carolin HAN (SfG Organizational Psychology) is Head of Learning & Development at Han Executive Advisory & Development (H-EAD). H-EAD provides solutions for executive development and management diagnostics.
The 2018/19 Business Confidence Survey:
Dampened Business Outlook and
Challenging Regulatory Environment for
German Business in China

The German Chamber of Commerce in China conducted its annual Business Confidence Survey between 27th August and 22nd October 2018 and collected 423 valid responses from its member companies. The representative sample allows for a comprehensive overview on developments and business sentiments of German companies in China. In total, the survey comprised 52 questions, focusing on business outlook and performance, investment climate, China’s reform efforts and deficits, the trade conflict and its consequences as well as Made in China 2025.

German business in China covers a broad range of sectors. The two largest industries are machinery and automotive, making up 29.3 percent and 19.5 percent, while business services rank third at 11.4 percent of German companies in China. The majority of German businesses in China are located in coastal areas, thereby concentrating in the main economic clusters of the Yangtze Delta (East), the Bohai Economic Rim (North) and the Pearl River Delta (South). More than 70 percent of German companies in China are organized as Wholly Foreign Owned Enterprise (WFOE) and the majority are small and medium sized enterprises.

Stable assessment of the current economic situation, cautious outlook for 2019

China remains a significant market to German companies, but the momentum of recent years has diminished. Merely 40 percent of German companies rate the current development of the Chinese economy as positive - 14 percentage points less than in 2017. The less optimistic outlook of German companies stretches into 2019: Almost 30 percent expect a worsening in the development of the Chinese economy. A similar picture can be observed on industry level: Around half of German companies in China are less optimistic about the year 2018 and see new industrial challenges. Additionally, rising operational costs, general economic slowdown and domestic competition also challenge German companies in China.

Made in China 2025

China’s “Made in China 2025” strategy is a good opportunity for joint business development, but the image of China’s industrial policy is perceived negatively, and it does not convince the majority of surveyed German companies in China as a revenue opportunity. A few German companies benefited from tax relief, direct financial support from municipalities and investments from special funds. But the large majority of German companies in China still ranks among the top foreign and Chinese companies alike. Around 50 percent of the surveyed companies believe in the Chinese government’s commitment to further open the market.

However, the market opening rhetoric in previous months has failed short of the expectations of German companies in China. Around one in two respondents rate the Chinese government’s efforts in the areas of economic reforms, the creation of a level playing field for foreign companies, the reform of state-owned enterprises and the liberalization of the financial sector as insufficient. Roughly 45 percent of the surveyed German companies in China are dissatisfied with the efforts on the rule of law and the improvement of the regulatory framework.

In the field of tension between enormous market opportunities, uncertain regulatory conditions and growing competition, German companies still face various challenges on the Chinese market: Bureaucracy, administrative hurdles, legal uncertainty and an unclear regulatory framework are evaluated as regulatory business challenges. Internet-related challenges such as slow cross-border internet speed and internet access restrictions hamper German businesses in China.

Economic Outlook

By Lisa Fischbach

Further Investments planned

Around two thirds of the German companies plan to further invest in China within the upcoming two years. Investment in staff development and training are the main areas of investment. A notable share of respondents further plans investment in sales, marketing and business development, new manufacturing facilities, as well as Research and Development.

The main reasons for the one third of respondents who do not plan to invest in China within the next two years are the increasing labor costs. Furthermore, the expectation of slower growth in China, the lack of regulatory transparency, predictability and impartiality as well as increased domestic competition were also often stated as the reason. In addition to slower growth expectations in their China-business and rising costs, regulatory barriers to investment are relatively more significant to surveyed German companies than last year.

Reform Efforts, Deficits and Business Challenges

40 years ago, China’s economic opening-up and reforms began, leading to an unprecedented and successful economic development for the benefit of foreign and Chinese companies alike. Around 50 percent of the surveyed companies believe in the Chinese government’s commitment to further open the market.

In 2018, the bilateral relations between China and the US were characterized by the ongoing trade dispute, resulting in mutual implementation of punitive tariffs. In general, relatively few German companies in China are dependent on exports. The majority of German companies in China produce for the local market. Only few companies have larger exports to the USA. The effects of the trade conflict have nevertheless become noticeable for surveyed companies. Around one third of the respondents stated that they were directly or indirectly affected. Among the directly or indirectly affected companies the majority do not consider changes to their business. And those that do consider changes, shifting focus on other markets – along with production site relocation and product portfolio changes – were considered as the most likely strategic consequences.

Overall, subdued business prospects and a challenging regulatory environment shape the business climate of German companies operating in the Chinese market. These challenges include bureaucratic and administrative hurdles, legal uncertainty and unclear regulatory framework conditions, as well as slow and limited internet. Nevertheless, China remains an important market with good business opportunities for the majority of German companies.
Worker Well-Being: Moving Beyond the Audit

Supply chains are the backbone of our global economy; they deliver the goods and services we use around the world, spanning geographic, industry and cultural boundaries. As these interconnected webs of supply and demand become more complex, how they are managed has major implications for the well-being of the workers that produce those goods, as well as society and the environment at large.

Consumers now hold manufacturers, brands and other stakeholders accountable more than ever for their impact on society and the environment. This accountability causes businesses to risk losing their social license to operate due to single case of labor abuse. Therefore, managing risk and transparency in supply chains has become critical to business’ legitimacy and success. But further than this, emerging trends suggest that tangible and lasting improvements in working conditions and investment in workers not only mitigates risks, but also contributes to driving business success.

Beyond the Business Case

Rather than focusing on the business case for the benefits of worker well-being such as increased productivity, reduced turnover, and a more stable workforce, we instead look at the benefits of worker well-being from the perspective of factory management. Engagement from factory management, particularly the HR team, is a great opportunity to not only relieve the pressures for factory managers, but to also build culture on site. However, be it for space constraints or other reasons, we have seen best in class manufacturers invest in 8-12 week on-site summer camp programs.

Challenges and Opportunities

From our work, and insights gained through interviews with brands, factory management, and workers, five key areas of challenge and opportunity for brands engaging in worker well-being have been identified:

- Alignment to existing worker well-being projects
- Factory buy-in and brand senior leadership buy-in
- Reach to subcontracted factories and tier two suppliers further along the supply chain
- Programs embedded into the company’s strategy so that efforts generate true value
- Measuring impact in terms of scope and reach and carrying out continuous, long-term improvements

As more companies and brands position themselves as leaders in the area of worker well-being in supply chain evolution, there is much more work to be done.

Keys to Success

To overcome the challenges that are embedded in management practices, we find there are five keys to developing (and delivering) a successful program:

1. Long-term vision – Regardless of how the specific vendor relationships are structured, and how much flexibility that structure allows for, a long-term vision for how the program will be delivered across the supply chain must be at the core.
2. Local approach – While global standards are vital to help set the overall direction, ensuring that these programs are aligned with local needs is vital to the short- and long-term success of the program. Without it, firms may find resistance within their local teams and vendors, or worse, may find at the end of the year that the results fell short of expectations.
3. Vendor engagement – Compelling vendors, particularly those who are already participating in multiple programs, can be difficult, but it is essential. Starting small, with only a few key vendors, and then building a business cases around the success of those programs, will help provide an incentive to others along the way.
4. Partnerships – Organic growth at the speed and scale required is a difficult proposition, which is where the partnerships with other brands, government agencies, and industry associations can help amplify the impact across the industry.
5. Monitoring & Evaluation – Measuring the impact, on the factory floor as well as at the factory level, is vital to the long-term success of the program and the ability of the program to grow and iterate as needed.

Driven by the belief that change begins with a single step, Richard Brubaker has spent the last 15 years in Asia working to engage, inspire and equip those around him to take their first step towards sustainability. Currently, as Founder of Collective Responsibility and Executive Volunteer of HandsOn, Rich focuses on building platforms that promote long-term organizational capacity to address the economic, environmental and social hurdles that are faced in Asia as the region’s economic growth accelerates. He can be reached under rich@coresponsibility.com.
From 1st to 3rd November 2018, the 16th Asia-Pacific Conference (APK) was held at the Fairmont Hotel in Jakarta, Indonesia. Hosted by the local AHK in cooperation with the Asia-Pacific Committee of German Business (APA) and the German Federal Ministry for Economic Affairs and Energy (BMWi), the event brought together more than 900 participants, among them many business leaders, executives and government representatives from Germany and the Asia Pacific. Running under the theme ‘Building a Smart Future’, the 16th APK presented a platform for networking, discussion on recent economic trends and promotion of the regions’ economic cooperation.

After the welcome reception on the first evening, participants could attend various events with different key topics over the course of the two conference days. On 2nd November, the program started with a choice of ‘breakfast sessions’, each focusing on specific Asian Pacific countries and their economic outlook. At the opening ceremony, Eric Schweitzer, President of the Association of German Chambers of Commerce and Industry (DIHK), Hubert Lienhard, former Chairman of the APA, and Peter Altmaier, Federal Minister for Economic Affairs and Energy, stressed the importance of open markets and economic ties between Germany and the Asian Pacific region, whose contribution to global growth now accounts for 62%. “Rule-based multilateral trade is no longer a formal conclusion. It is something that we need to proactively promote”, said Schweitzer.

Industrial policies and trends of economic growth were further discussed in a minister dialogue on “the EU and Asia in the world economy.” In a number of afternoon panels, speakers then elaborated on innovation in Asia, the impact of digitalization and sustainable urbanization. A session on Industry 4.0 was chaired by Mr. Clas Neumann, board member of the German Chamber of Commerce | Shanghai. Questions on process standardization, education in the digital age or mobility and logistics were thereby supplemented by the discussion of increasingly pressing issues such as environmental concerns and dealing with big data.

On 3rd November, another set of breakfast sessions on Indonesia and China drew attention to the two countries’ market opportunities and German businesses’ challenges respectively. The well-received “China Breakfast”, moderated by Jens Hildebrandt, Delegate and Chief Representative of the Delegation of German Industry and Commerce Beijing, covered a range of key issues concerning Sino-German relations in 2018. Among other compelling speeches, German ambassador to China Dr. Clemens von Goetze briefed the audience about political bilateral developments, whilst Bettina Schoen-Bezanzin, Managing Director and Regional Representative of the Asia Freudenberg Group and Chairwoman of the German Chamber of Commerce in China | Shanghai, gave an impulse speech on the current business environment of German businesses in China.

A second round of panels included discussion of Asia’s consumption patterns, AI trends in Asia and a tech talk on ‘cyber vs security’, at which Mr. Neumann and two other panelists analyzed different data security strategies and stressed the importance of smart encryption implementation. Afterwards, an Oxford-style debate was held on the topic of trade policy. Having listened to a heated exchange, 52% of the audience disagreed with the initial thesis of a broken global trade system. Ending on the theme of political stability and security in the Asia-Pacific, the conference left the participants with new perspectives on the current economic environment, new business connections and more attention to the joint efforts of building a “smart future.”

Lienhard, who handed over his chairmanship of the APA to Joe Kaeser, CEO of Siemens, concluded on the difficulties of mapping out a future trade system.
North China

SAE Asia Co., Ltd - Beijing Office

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Jinqiao Branch
Add: 600 Lantian Lu, Pudong Xinqu (New District), Shanghai
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HALFEN Attends Xiong’an PBE Exhibition

From 3rd to 5th September 2018, HALFEN was invited to attend the PBE Exhibition in Xiong’an. This exhibition focused on new construction methods and materials for prefabricated buildings, which are being promoted by the Xiong’an development committee. The innovative HALFEN solutions for pre-cast concrete connections attracted the attention of experts in the jury in October 2017 and OBERMEYER finished the scheme deepening design in July 2018. The project will be built in two phases, first phase with total GFA of 220,000m². The building complex will include a conference center, professional exhibition, a 150m tall hotel built according to four-star standards, and commercial facilities. The exhibition center is expected to become a landmark, state-of-the-art venue within China, which will meet the needs of large-scale exhibitions and top-class conferences in Taiyuan.

OBERMEYER Wins First Prize at Taiyuan International Convention and Exhibition Center Conceptual Design Competition

OBERMEYER was invited to participate in the Taiyuan International Convention and Exhibition Center Conceptual Design Competition. Their innovative concept with well-balanced functions won first prize and unanimous endorsement of experts in the jury in October 2017 and OBERMEYER finished the scheme deepening design in July 2018. The project will be built in two phases, first phase with total GFA of 220,000m². The building complex will include a conference center, professional exhibition, a 150m tall hotel built according to four-star standards, and commercial facilities. The exhibition center is expected to become a landmark, state-of-the-art venue within China, which will meet the needs of large-scale exhibitions and top-class conferences in Taiyuan.

Eddie Ma Joins AGS Beijing

Eddie Ma recently joined the AGS family and has been managing the Beijing office from July 2018. Mr. Ma brings a wealth of experience – over 17 years within the moving and relocations industry. He has held key positions in international removal companies in both Beijing & Shanghai, as well as senior management positions within global mobility teams with US corporate BMC’s. His main responsibilities included sales and business development, daily operations, managing business relationships, partner recruitment, mobility policy and supplier management for APAC. His strong communication and relationship management skills will be invaluable to his new role.

“I am very excited to join the AGS Group and take on this challenging position at Beijing branch. As an international moving company with branches worldwide, I have confidence that AGS Beijing will achieve its targets with my enthusiastic and experienced team on both service improvement and revenue increase,” said Mr. Ma.

EMA Induction Technology (Beijing) Co., Ltd. Successfully Moves into New Factory

On 1st July 2018, EMA successfully moved into a new factory area. The 3,000-square-meter production workshop is equipped with assembly area, quality inspection area, in-disk test area, metallurgical laboratories, converter test bench, machining area, storage and spare parts area and process development test area, etc. The factory also realized more reasonable and efficient resource utilization and enabled annually delivery capacity of 10 sets of complete machines, as well as 15 sets of IGBT converters.

FOCAC Meets Regent Beijing

The 2018 China Africa Cooperation Summit was held in September 2018. Regent Beijing had the honor of hosting four international heads of states and their delegations, including the President and First Lady of the Republic of Malawi, the Prime Minister of the Federal Democratic Republic of Ethiopia, the Prime Minister of the Republic of Cape Verde, as well as 18 ministers of abovementioned four countries and the Republic of Ghana. The delegations were welcomed by Managing Director of the hotel, Mr. Nicholas Emery. He commented on the “outstanding teamwork and dedication of the hotel colleagues during a time of high importance both for Beijing and the hotel,” and how proud he was “to be part of such a wonderful group of compassionate people.” The visiting dignitaries expressed their appreciation and thanks to the team for the gracious welcome and excellent service during their stay.

New German Desk at Dezan Shira & Associates Beijing

Dezan Shira & Associates (DSA) has appointed Mr. Marco Förster as the Head of German Desk. Mr. Förster is based at DSA’s Beijing office and manages all accounts from Germany, Austria and Switzerland. Furthermore, he is responsible for German publications and business partnerships. Mr. Förster advises on pre-entry strategies, corporate structuring and matters for both foreign investors doing business in China and Chinese investors going abroad. Prior to joining DSA, Mr. Förster gained consulting experience throughout Germany, China and Southeast Asia. Mr. Förster originally is from Berlin and holds a Bachelor of Science in International Economics and Trade from Zhejiang University of Finance and Economics (Hangzhou). He has been living in China since 2014, and speaks German, English, Mandarin and Vietnamese.

DBEST’s Expertise Sharing with Local Professional

In August 2018, Mr. Lukas Funk, the CEO of DBEST (BEIJING) FACILIT Y TECHNOLOGY MANAGEMENT CO., Ltd., had an interview with the local magazine “Modern Property Management”. As a professional journalist in the field of Chinese property & facility management,
"Modern Property Management" paid attention to DBEST’s expertise in industrial building technical management and public facilities. During the interview, Mr. Funk took Siemens "China Indoor Air Quality Improvement" project as the example, which DBEST has been responsible for the complete implementation & maintenance for three years and shared his experiences intensively in how to refine technical facility management. Main differences between the Chinese and European facility management markets, as well as advanced digital management tools from Europa were also introduced and discussed. At the end of the interview, he shared his opinion on how to improve the training of Chinese facility management talents.

IQAir Supports Daimler Greater China to Win WELL Gold Certification

The globally renowned automobile manufacturer, Daimler, recently unveiled its ambitious new Beijing headquarters named “Project Yi”. As Daimler’s reliable partner for more than ten years, IQAir designed an entire air purification and monitoring solution, helping Daimler attain WELL Gold certification, which recognizes exceptional buildings for their commitment to a sustainable and healthy environment. In this groundbreaking award, Project Yi became the largest project in China to achieve this honor. To acknowledge DBEST’s support, IQAir CEO Mr. Frank Steiner based in Beijing and has been in China since 2013 and in China since 2017. The 2018 Winners of a Gold Award are Beijing Benz, Bosch Wuxi, Iko, and Bosch Rexroth. Haitian and Ji Times received a Silver Award. For the highest degree of fairness, the evaluation from the jury is based on the Industry 4.0 reference model from IQAir, which gauges capabilities in nine different areas. “While we love technology, what we look for is capabilities,” says Timo Schnieemann, Vice General Manager of ROI in China.

FAL-Asia, Tianjin Celebrates 10th Anniversary

It has been ten years since the inauguration of FAL-Asia in Tianjin, China. The first A320 aircraft assembled in Tianjin was delivered in 2009. Since then, production has increased, with a forecast rate of six (month by month) by the end of 2019. This increase is associated with consistent and predictable performance through on-time and on-quality manufacturing and deliveries. The first A320 was delivered in September 2017. In the first ten years, through the end of August 2018, 385 aircraft were delivered from Tianjin to various local and international airlines. “We’re confident of the Chinese market. We’re committed to China and are bullish on its growth potential,” said Francois Mery, CEO of Airbus Commercial Aircraft China.

FAL-Asia, Tianjin Celebrates 10th Anniversary

New Director in Beijing at EY

On 1st October 2018, Ms. Frauke Steiner was promoted to Director. She is seconded from Germany and responsible for the Assurance and Audit Business of EY in Beijing and Northern China. Ms. Steiner is a German CPA and tax advisor based in Beijing and has been in China since 2016. She is successfully providing audit services to one of EY’s largest clients globally with significant investments in North East Asia. Additionally, she provides advisory services with regards to GAAP transitions for Chinese companies and investing in Germany. She holds a diploma in Business Administration from the Technical University of Nuremberg.

Dräxlmaier China Celebrates Family Day with All Employees

Since Dräxlmaier opened its first plant in Shenyang in 2003, family day has been celebrated as a traditional event. This year is the 15th anniversary of Dräxlmaier China. On this special occasion, the company elaborately planned a special family day for their employees.

For the first time, Dräxlmaier Shenyang plant celebrated with more than 1,200 people. The China management team attended and spent a full day of interesting and fun-filled activities with all employees. “In the past 15 years, we have made remarkable achievements with business growing in China. Thank you all for your 15 years companionship and contribution!” said Lily Zhu, CEO of DRÄXLMAIER China.

Dräxlmaier China Celebrates Family Day with All Employees

In September 2018, Far Eastern Consulting organized a trip for a business delegation from the German State of Brandenburg. The delegation visited the cities of Beijing, Shijiazhuang, Tangshan and Zhangjiakou. Participating delegates were German companies and institutions from a broad range of industries such as energy, IT, construction, logistics, automation, construction, food processing, etc. in each of the aforementioned four cities, Far Eastern Consulting orchestrated matchmaking events as well as technical workshops with a focus on topics such as Cleantech, Railroads Technologies or Renewable Energy. Furthermore, the economic region of Brandenburg was introduced to potential Chinese investors during several promotional events, which were each frequented by more than 100 guests. Because of the delegation visit, eight bilateral cooperation contracts in total were signed and many new projects were initiated.

450 Participants Witness Claas and Chunyu Product Show 2018 and Oktoberfest in Gaomi

Two weeks before the CIAME, the biggest agricultural exhibition in China, an exclusive in-house event was held on 13th October 2018 at CLAAS factory in Gaomi for focused customers and dealers. The main products of the CLAAS and CHUNYU brands were presented to an audience of 450 participants.

In the evening, the second part of the event started – a typical Bavarian Oktoberfest. Bavarian music, German style food, plenty of German beers and fresh beers from the nearby famous Qingdao Breweries.

Häfele Launches New Logistics Center

On 10th September 2018, Häfele Hardware China held a grand opening ceremony to celebrate the launching of its new logistics center. Management headed by Mr. Attorre, President of Häfele China, attended the ceremony. Many VIP partners were also invited to share this precious moment. On the same day, Häfele China also introduced several new hardware products and discussed the exquisite German craftsmanship and the integration of current advanced technology with the goods. So far, Häfele has formed four distribution centers in China, which radiate a nationwide logistics network. The new distribution center, with a total of 6,486m² and a developed SAP system, will further enhance the logistics delivery efficiency in order processing, packaging, and shipping.

Hörmann Attend “FENESTRATION BAU China 2018”

HÖRMANN attended the trade fair “FENESTRATION BAU China 2018”, which focuses on high-quality design, planning and construction. The fair will be held in the New China International Exhibition Center (NCIEC), Beijing, from 23rd October to 30th November 2018. In an exhibition hall that covers about 100,000m², HÖRMANN maintained around 400m². For the opening of the annual event, HÖRMANN prepared a full range of products like hinged doors, fire-rated doors, steel tubular doors, security doors, partition walls, industrial sectional doors and rolling shutters, etc. HÖRMANN took this opportunity to present a professional experience, integrating multiple functions like new product displays, industry science popularization and case sharing for the guests.

Berlitz Corporation Signs Master Franchise Agreement with Shanghai CIIC

Shanghai CIIC International Training Center, an affiliate of China International Intellectech (Shanghai) Corporation Ltd, and Berlitz enter into a partnership to open more than 100 new Berlitz Kids & Teens Learning Centers across China over the next five years, with the first opening on 21st October 2018, in Shanghai.
New Members North China

For full contact information and company profiles of our new and existing members, please visit www.german-company-directory.com

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Mr. Thomas Roseler
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Ms. Sabine Palmreuther
Private Membership
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Event: Member Training in Shenyang
Topic: Project Management Essentials
Venue: Fehren Automotive (Shenyang) Co., Ltd.
Mr. Yue Ma | Consultant at CPC Unternehmensmanagement AG

Mr. Reinhard Roth
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Mr. Marc Gerth
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m.gerth@steam92.eu

Venue: Café Zarah, Beijing
Event: Intern’s Regulars’ Table in Beijing
Venue: Cafe Zarah, Beijing

On 8th August 2018, the new Delegate & Chief Representative of the Delegation of German Industry & Commerce Beijing, Mr. Jens Hildebrandt, hosted a Welcome Reception at Rosewood Hotel in Beijing. This Welcome Reception took place for the first time and thus constituted a new event format of the German Chamber of Commerce in China – North China. All guests were granted the opportunity to connect with Mr. Hildebrandt and the newly elected members of the Board of Directors Beijing, which included Chairperson Dr. Stephan Wöllenstein, Vice Chairperson Mr. Susanne Rademacher, Mr. Xingliang Feng, Dr. Matthias Göbel, Mr. Jochen Goller, Mr. Christoph Kaiser, Mr. Björn Lindemann and Mr. Yongxin Wu. After Mr. Hildebrandt was assigned as new Delegate of German Industry & Commerce on 23rd July 2018, the event, attended by around 40 guests, was the first opportunity to get in touch with all new board members as well as various member company’s representatives.
Almost 60 people joined the 7th German Chamber Oktoberfest in Tianjin on 17th August 2018, at the Paulaner Beer House for a typical German style evening. There was a lot of singing, dancing, original Bavarian food and free flow beer. The German Chamber of Commerce in China – North China in Tianjin invited its members and friends to the Oktoberfest, which is one of the major social events for the German Community in Tianjin. All the participants enjoyed this unforgettable night with traditional music played by the German festival band “Edelweiss-Power”.

**What is your personal and business background?**

Through my various management positions and assignments in internationally known hotel brands, I’ve cultivated a worldwide approach to personalized experiences, hospitality and a fusion of transnational culture. True hospitality is more than just a job; it’s a lifestyle. European hospitality enforces a unique blend of music, art and taste. Now, with over 30 years of experience, aligning with a company, where my expertise is the same entrusted DNA with which Kempinski is known for, has given me first-hand experience into pioneering the European hospitality brand in China.

**Tell us a little about your company and activities in China?**

Kempinski Hotel Beijing Lufthansa Center marked Kempinski Hotel’s debut into China. Having opened in 1992, Kempinski was the city’s first international five-star hotel to pioneer the European hospitality spirit at a time when China was in the first stages of opening its doors to foreign entities. Kempinski, representing European luxury, rose to symbolize the rising economy and demand for luxury living in China by tailoring and making unique and authentic services to each guest a priority.

Today, Kempinski Hotel Beijing is known as the preferred diplomatic center, a cultured community and host to some of the capital’s biggest national day celebrations, galas and heads of state visits.

**What are your aims and hopes for the future of the company?**

In trying to go above and beyond the average luxury stay, we aim at providing equally opulent experiences. In an effort to stay true to our continued commitment to our guests, Kempinski Hotel Beijing saw itself undergo a comprehensive renovation of all 480 rooms and suites as well as a brand-new Executive Floor and lounge, known as Lounge 15. To offer guests and visitors an unforgettable and truly local Beijing lifestyle experience, the hotel acquired its own private tea reserve in Hengbao’s Shileng Mountain, renowned by Chinese as the most coveted tea land reserves in China. Every Kempinski Discovery member has the exclusive opportunity to taste the fresh leaves from the “Kempinski Tea Garden” and partake in a 4,500-year-old tea ceremony to rediscover the rare traditional practice of drinking and brewing tea the time-honored Beijing way from the comfort of our beautiful lobby lounge. From the moment new-age business travelers walk into our property, they’ll know it’s a Kempinski, not just because of the service, but also from its commitment to elegant, well-rounded performances in everything we do.
20th August 2018
Event: Special Event in Beijing
Topic: Verabschiedung des deutschen Botschafters in China, Michael Claus
Venue: Kempinski Hotel Beijing Lufthansa Center

On 20th August 2018, the German Chamber of Commerce in China – North China invited its members and friends to bid farewell to Mr. Michael Claus, Ambassador of the Federal Republic of Germany in China at the Kempinski Hotel Beijing Lufthansa Center. The evening with more than 60 guests, started with a warm welcome by Ms. Susanne Rademacher, Vice Chairperson of the Board of Directors Beijing. She emphasized the close cooperation between the German Embassy in China and the German Chamber of Commerce in China and sincerely thanked Mr. Claus for his strong support of the German business community in Beijing during his five years as the German Ambassador to China. Following the opening speech, Mr. Claus gave an overview on the current economic developments in China as well as the challenges that German companies may face in the next few years. Mr. Jens Hildebrandt, Delegate & Chief Representative of the Delegation of German Industry & Commerce Beijing, concluded the official part of the evening with handing over farewell gifts to Mr. Claus. Afterwards, all the guests enjoyed a delicious dinner buffet.

23rd August 2018
Event: Special Event in Beijing
Topic: All Chamber Networking
Venue: Beijing Marriott Hotel Northeast

On 23rd August 2018, the German Chamber of Commerce in Beijing organized a member networking event at the Beijing Marriott Hotel Northeast. The event aimed to provide a platform for members to connect and discuss relevant topics. The venue was well-received by the attendees, who enjoyed the networking opportunities provided.

24th August 2018
Event: Member Training in Liaoyang
Topic: Total Productive Maintenance (TPM)
Venue: Evonik Tianda (Liaoyang) Chemical Additive Co., Ltd.

On 24th August 2018, the German Chamber of Commerce – North China in Shenyang organized a Member Training at the facilities of Dr. Schneider Automotive Parts in Liaoyang, which focused on Total Productive Maintenance (TPM). TPM is a LEAN improvement approach that aims to support increasing capacity without buying additional machines and helps to increase quality without increasing inspection. The training was well attended by production managers, line leaders and engineers from member companies in Liaoyang, Shenyang, Dalian and Changchun. The trainer, Mr. Denzel Fang from Staufen Shanghai, provided the attendees with insights into the challenges and benefits of TPM and shared his experiences in this highly practical training, which was partly organized on the shop floor.
The German Chamber of Commerce – North China in Shenyang organized the “EHS Day - Implications of Environmental Policies on your Manufacturing Activities” on 28th August 2018 at Wuerth Industrial Park in Shenyang. The event was designed to better understand environmental policy enforcement in the Northeast region and to discuss and exchange about China’s emerging and increasingly strict environmental policies as well as their impact on local manufacturing companies.

Several external guest speakers provided deep insights into risks and challenges resulting from the application of new governmental regulations on environmental protection, particularly in the Northeast region of China.

EHS managers from selected German companies such as Volkswagen Automatic Transmission Dalian and Arnold Fasteners Shenyang shared their experiences and presented the successful implementation of EHS projects to the audience as well as giving insights on how to implement these best practices in any production facility.

Each presentation session was followed by a Q&A where participants had the chance to share experience and to discuss the short and long-term consequences for their manufacturing activities.


The event aimed to provide a platform for members to collect and exchange information on the reform, since the extensive changes of the tax law are perceived as highly relevant for many German companies operating in China. Speakers of major companies such as KPMG and Volkswagen presented the most relevant changes that companies will face when implementing the new tax brackets. In total, around 40 guests attended this event.
On 18th September 2018, the German Chamber of Commerce – North China in Tianjin hosted an informative and interactive seminar about the “11th Labor Market & Salary Report 2018/2019” at the Executive Centre in the World Financial Tower Tianjin. The Annual Wage and Salary Survey of the German Chamber of Commerce in China, in cooperation with Direct HR Group, aims to provide a timely benchmark of general trends regarding wage and salary developments as well as other HR related issues for German companies in China. It is an important tool for all Sino-German HR executives to get an overview about the HR situation and to plan their budgets for 2019. A group of HR professionals from different industries joined the seminar on that day and took the chance to discuss some core topics like general labor market environment and expected developments, wage developments of German companies in China, and wage and productivity developments across Asia.

On 19th September 2018, the German Chamber of Commerce – North China in Shenyang invited officials from the Firefighting Department of the Fire Prevention Bureau in Shenyang to exchange on “Firefighting Regulations in China” with local German Chamber member companies.

During the briefing, the representative of the Fire Prevention Bureau in Shenyang Section Chief Bing Yu, introduced the responsibilities of the central fire protection department and the requirements for enterprises stipulated by the Fire Protection Law. The second part of the exchange was led by Mr. Hongliang Mi, Manager at HaoCheng Fire Fighting Engineering, who held a lecture about fire control requirements of an enterprise and related regulations. The briefing was well attended by representatives from member companies in Shenyang, Dalian and Changchun. Most importantly, participants were able to consult with firefighting officials on the new regulations and protection policies, which have been applied in recent years.

On 20th September 2018, the German Chamber of Commerce – North China in Beijing hosted a Young Professional Workshop on “Career Transitions: Are you Management Material?” at Inn Cube Coworking Space.

Speakers: Adam Lajoie | Deputy GM at Thinkwell
Samantha Wang | HR Head at Canva

On 26th September 2018, the German Chamber of Commerce – North China in Shenyang invited officials from the Firefighting Department of the Fire Prevention Bureau in Shenyang to exchange on “Firefighting Regulations in China” with local German Chamber member companies.

During the briefing, the representative of the Fire Prevention Bureau in Shenyang Section Chief Bing Yu, introduced the responsibilities of the central fire protection department and the requirements for enterprises stipulated by the Fire Protection Law. The second part of the exchange was led by Mr. Hongliang Mi, Manager at HaoCheng Fire Fighting Engineering, who held a lecture about fire control requirements of an enterprise and related regulations. The briefing was well attended by representatives from member companies in Shenyang, Dalian and Changchun. Most importantly, participants were able to consult with firefighting officials on the new regulations and protection policies, which have been applied in recent years.
Beijing Training Calendar January - March 2018

5th - 6th January  
Key Talent Management (Ch)

7th-8th January  
Management Transition & Managing Performance (CN/EN)

10th-11th January  
Global Leadership & Talent Development (CN/EN)

23rd-24th January  
Leadership: Coaching to Engage Teams (CN)

14th-15th February  
Standard Time Management with REFA (CN/EN)

1st March  
Best-Practice Logistics Planning Tools (CN/EN)

14th-15th March  
Intercultural Conflict Management - German & Chinese Perspectives (EN)

14th-15th March  
Communication, Influencing and Negotiation Skills (CN)

14th-15th March  
MS PowerPoint Design Ideas for Business (CN)

21st March  
Deep Work: How to Become More Focused and Successful in a Distracted World (CN)

22nd March  
Hiring for Success (EN)

23rd-28th March  
Cross-Cultural Training-Virtual Communication (EN)

28th March  
Advanced Excel Training in Data Management (CN)

30th-31st March  
Sales Mind Reading - 8 Steps to Close a Deal (CN)

Regular Social Events in North China

Beijing:  
Praktikantenstammtisch – every second Tuesday of the month at 7:00 pm in varying locations (Please visit the event calendar on our website or subscribe to our Newsletters and Invitations)

Tianjin:  
Kammerstammtisch – every last Wednesday of the month at Drei Kronen 1308 Brauhaus, Tianjin 7.00 pm

Shenyang:  
Kammerstammtisch – every second Tuesday of the month at 7.00 pm in varying locations.

Note: Please always find the latest event calendar on our website: https://china.ahk.de/membership/north-china/

Leadership: Coaching to Engage Teams  
Date: 23rd-24th January 2019

Leading to Engage Teams first comes with understanding our own motivators at work and in our personal lives. Together, you will explore the complex dynamics of individuals, understand how to further acknowledge identifying motivators within teams, and the fundamentals of management.

You will also learn how to manage people and give you the crucial foundational skills to shift from being an individual contributor to a well-respected manager who can achieve team success and drive bottom-line performance.

• Definitions
• Assessing roles
• Your role as a manager
• Communication
• REFA vs. MTM
• Coaching for performance
• Creating a motivational climate
• Delegation for growth and Development

Target Group
Managers and Leaders new to their position, Top performers seeking a learning opportunity to enhance skills.

Standard Time Management with REFA  
Date: 14th-15th February 2019

Industrial process times comprise both manual labor and equipment related times such as assembly work: set-up, and machining. Processing times are the basis of successful industrial production, forming the basis for costs, wages, and thus, your product pricing on the market.

This course gives an overview on how to determine industrial standard times that are realistic and fair for the involved workers. The course introduces the principles of the German REFA method alongside the American MTM method.

• Basics and terminology of standard time management
• Assessing human process performance
• Conducting process time measurements (time studies)
• Determining contingency allowance times (personal, fatigue, delay)
• Using available templates and software
• REFA vs. MTM

Target Group
Industrial Engineers, Process Planners, Logistics Planners, Industrial Supervisors and Executives

New Manager Business Development and Membership at the German Chamber of Commerce in China | North China in Beijing

In September 2018, Kathrin Wolfsgruber joined the German Chamber of Commerce in China – North China as Manager Business Development and Membership. Kathrin previously served as Head of Media and Communication of German Industry & Commerce Greater China in Beijing for more than two years and has lived in China for almost ten years. In her new position, she will further develop membership services and support, as well as plans to broaden social media outreach for the German Chamber in North China. She can be reached at: wolfsgruber.kathrin@bj.china.ahk.de or +86-10-6539-6661.

New Project Manager for Building, Energy & Environment at the German Industry & Commerce Greater China | Beijing

As of August 2018, Ms. Xu Conghua has been appointed as Project Manager for the Department Building, Energy & Environment at the German Industry & Commerce Greater China in Beijing. Ms. Xu holds a diploma in German Foreign Language Philology from Heidelberg University and has previously worked at the German Academic Exchange Service (DAAD) in Beijing, where she was responsible for the promotion of studying in Germany, and organization of a range of marketing and social media activities. In her new position, Ms. Xu will be responsible for liaising with companies and institutions in the field of building, energy and environment, editing the “Econet Monitor” magazine, as well as organizing events and trade missions. Please feel free to contact her at: xu.conghua@bj.china.ahk.de or +86-10-6539-6653.
On 8th September 2018, the 6th German Chamber Soccer Cup took place on the grounds of the International School of Tianjin (IST). This event, which has been the highlight of the German Chamber of Commerce – North China in Tianjin for five years in a row, brings the Sino-German business community together.

German Chamber Soccer Cup Tianjin Key Facts:
- 10 teams competing for the German Chamber Trophy
- Additional trophies for best player, keeper and scorer
- Wide range of kids’ entertainment
- “Torwandschiessen” (target shooting) with prizes of over 50,000 RMB in value
- Food and Drinks including Chinese Food, German BBQ, beer etc.

This year’s tournament started with a performance by the Hard Rock Cafe live band. After an opening speech by Ms. Jana Kumpf, Executive Chamber Manager of the German Chamber of Commerce in China – North China, the tournament began timely at 10 am. The teams came highly motivated and well prepared.

After the first rounds, a circle of favorite teams slowly took shape. While there were some new faces, the dominance of team Volkswagen remained the same as the years before. They were cruising through the group phase with six wins and two losses. Alongside VW, Zapi, Fender and Wellington advanced to the next round. Finally, after a day full of turbulent and exhilarating soccer matches, Fender competed in the finals against Volkswagen for the championship trophy. The players were exhausted, but that wouldn’t hinder them to go the extra mile, both teams had several chances to score but both goalkeepers kept catching the ball. The game was finally won by Volkswagen who broke the deadlock. The two sides ended the thrilling match with a score of 1:0.

Even though VW won again for the fifth time in a row, one could see clear improvements in the other participating teams. Besides the games, the various sponsors of this year’s tournament offered a wide range of entertainment activities for all ages. The children had a great time at the kids’ entertainment area. Another highlight of the day was the soccer goal contest (Torwandschiessen), where all guests had the chance to try their luck by kicking a ball into a net. Throughout the day, delicious German BBQ, Chinese food, and refreshments were served as well.

A grateful thank you goes out to all teams, event partners, sponsors and volunteers who made this tournament a memorable and enjoyable day.

http://china.ahk.de/chamber/events/north-china/tianjin/soccertianjin/
REGIONAL NEWS | Shanghai | Member Affairs

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ON REGIONAL NEWS:

Heraeus Opens the World’s Most Advanced Precious Metals Factory in Nanjing

On September 12, Heraeus Precious Metals inaugurated its new factory for precious metals recycling. With its strategic investment of approx. USD 120 million including expansion, Heraeus has solidified its position as a leading trader, processor and recycler of precious metals for Chinese growth industries. The 84,000 square meter facility, located in the Nanjing Jiangbei New Material Science and Technology Park, will significantly enhance the company’s capacity to refine and recycle precious metals and chemical products, especially Platinum Group Metals (PGM). China is one of the world’s largest consumers for precious metals, including precious metals recycling. With its strategic investment of approx. USD 120 million including expansion, Heraeus has solidified its position as a leading trader, processor and recycler of precious metals for Chinese growth industries. The 84,000 square meter facility, located in the Nanjing Jiangbei New Material Science and Technology Park, will significantly enhance the company’s capacity to refine and recycle precious metals and chemical products, especially Platinum Group Metals (PGM). China is one of the world’s largest consumers for precious metals, including precious metals recycling.

ADEN Group Closes Growth Equity Investment Round

ADEN Group announced that it closed its growth equity investment round and welcomed Dassault Group and Stags amongst its shareholders. Terms of the investment were not disclosed. The investment and additional support from Dassault, the European industrial group known for its software and aeronautical activities, will further drive ADEN’s rapid global expansion, including new market development, product innovation and acquisitions. Stags, the investment company of Philippe Louis-Dreyfus and his family, is also the owner of Louis Dreyfus Amateurs, a shipping company engaged in maritime transportation and logistics services throughout the world. By this investment round, Stags also joined as a shareholder of ADEN. Mousse Partners also participated in this round, confirming its long-term vision.

German Plastics Distributor and Compounding ALBIS PLASTIC Expands Production Capacity in Changshu

In October 2018, ALBIS PLASTIC (CHANGSHA) CO., LTD expanded compounding capacity in its Changshu plant for technical and sophisticated solutions for the plastic processing market from 12,000 mtos to 36,000 mtos a year. ALBIS’ product-range and compound expertise is resonating more with the Chinese market. As a reaction, ALBIS will invest in two new extrusion lines significantly expanding compounding capacity, just five years after starting this activity in mainland China. By doing this, ALBIS will be ready for the future and the ongoing trend towards high quality materials in all relevant market segments.

Sinophilia’s Spread of Knowledge Through Workshops and Webinars

2018 has been a tremendous success for Sinophilia Consulting Ltd. Overall, Co-Founder Stephan Mayer conducted twelve workshops and three webinars in Shanghai, Changshu, Kunshan, Stuttgart, Munich and Heidelberg. The topics included ‘Western Online Marketing for Chinese Companies’, ‘Chinese Online Marketing for the Chemical Industry’ and ‘Digital Culture’. As in the previous years, some of Sinophilia’s workshops were open to the public, whereas others restricted to particular clients such as the Chamber of Commerce Stuttgart or Levaco Chemicals. In 2019, the young Sino German start-up company from Changshu plans to intensify its cooperation with Akademie Marketing from Munich and conduct a three-day leadership workshop at the German Centre Shanghai. The workshop will be part of the academy’s award-winning MBA program and probably take place in the first quarter of the coming year.

Nord-Lock China Secures Commitment to the Community

Nord-Lock China secured a teaching position at Sunshine House, a school for adults with special needs, located in Shanghai. Norbert Hentschel, Regional MD for the Nord-Lock Group in APAC and Donny Hu, GM for Nord-Lock China, joined the school’s panda drawing activity, sponsored by Nord-Lock, where Yixuan Wang, one of Sunshine House’s students, presented his artwork. Mr. Hentschel stated that Nord-Lock wants to be present not only for their customers in China but also to be engaged with the local community. “We want to do our part as a globally conscious enterprise, extending our help to all parts of society especially those who need the most assistance,” he further stated. This was an amazing visit for the Nord-Lock team.

Rheinland-Palatinate Business Delegation Participates in B2B Trade Fairs in China Business & Technology Cooperation Fair

From 17th to 21st September 2018, a business delegation from the state of Rhineland-Palatinate participated in the EU-China Business & Technology Cooperation Fair in Qingdao and Chengdu – a yearly event organized by the EU Project Innovation Center, Enterprise Europe Network and Chinese local governments. For the third time, the Ministry of Economic Affairs, Transport, Agriculture and Viticulture of Rhineland-Palatinate joined this event with business delegation to strengthen regional collaborations with East and Southwest China. 13 representatives of environmental technology, manufacturing, health industry, wine making, and business consulting took part in various conferences, roundtables and B2B matchmaking during the event. Part of the delegation also presented with a joint booth on the 17th Western China International Fair in Chengdu.

DEPRAG Holds New Premises Celebration Ceremony in China

DEPRAG new premises celebration ceremony was successfully held on October 11. The new facility covers an area of 12,000m2, of which 7,400 m2 are for office and production. Dr. Erik Hallmann, CEO of DEPRAG GmbH, stated that “Our business in China has been growing with astonishing rates of over 60 % p. a. and incoming orders are very strong again in the current fiscal year. Moving to a much larger and ultra-modern facility is a logical step in serving our customers the best way. We are resolutely positive on the further prospects of our activities in China and are fully committed to this dynamic market.”

CPC AG Starts Business Expansion to Yangtze River Delta and Partners with Digitalization Specialist

With Dr. Nils Seibert joining as Regional Manager East China, in July 2018, CPC Consulting Beijing – recognized as “Hidden Champion for Change Management and Implementation” by the business magazine “Capital” – is ready to better serve its customers in the Yangtze River Delta, further expanding into East- and South China. Dr. Seibert, who has been living in Beijing and Shanghai for almost a decade, is an experienced advisor and manager, who started his career as an international law firm in Frankfurt and has worked for the German Chamber of Commerce (AHK) Greater China as well as for a Chinese listed real estate company, inter alia. Dr. Seibert advocates a focus on digitalization projects. He initiated a partnership with P-CATION, a German business software specialist, to strengthen the firm’s capabilities in digitalization projects.
Knauf Greater China Wins ‘China Gypsum Industry Advanced Enterprise Award’

Knauf Greater China won ‘China Gypsum Industry Advanced Enterprise Award’ at the 13th China Gypsum Technology Congress & Expo, industry Advanced Enterprise Award’ at the 13th China Gypsum Technology Congress & Expo, on 24th July. The program participants came from state-owned companies, which are facing the challenges to create conditions conducive to innovation and upgrade new- and high-technology industries. Knauf has developed a program from the different perspectives of intelligent manufacturing and innovation. The participants could benefit from not only listening to ESMT professors and exchanging with specialists of Industry 4.0 such as Fraunhofer Institute, but also visiting German corporations like Bayer, Siemens, thyssenkrupp and RWE, and discussing management problems with German executives. ESMT Berlin will continue to develop customized programs based on Chinese executives’ needs in leadership, social responsibility and innovation.

ESMT Organizes Study Program

How does China accelerate the upgrading of manufacturing industry and enhance China’s capacity for independent innovation? These questions concern many Chinese executives. Cooperating with China Business Executives Academy Dalian, ESMT organized the study program “Intelligence Manufacturing and Innovative Global Competitiveness” from 8th to 18th October. The program participants came from state-owned companies, which are facing the challenges to create conditions conducive to innovation and upgrade new- and high-technology industries. ESMT has developed a program from the different perspectives of intelligent manufacturing and innovation. The participants could benefit from not only listening to ESMT professors and exchanging with specialists of Industry 4.0 such as Fraunhofer Institute, but also visiting German corporations like Bayer, Siemens, thyssenkrupp and RWE, and discussing management problems with German executives. ESMT Berlin will continue to develop customized programs based on Chinese executives’ needs in leadership, social responsibility and innovation.

Electroplating System Goes into Operation in Dahlingenhausen

Kesseböhmer has reached a milestone in the company’s history - one of the largest and most advanced electroplating systems in the world is now operating in the small town of Bad Essen-Dahlingenhausen. The new electroplating unit takes up an area of 16,500 m², which is more than two football pitches. Building it required moving 17,000 m³ earth, pouring 6,200 m³ concrete and using 1,000,000 steel t.

Melitta Appoints New General Manager

On 20th August 2018, Melitta Group, an international coffee brand with 110-year history, announced the appointment of Byron Chang as new General Manager of Melitta China. Mr. Chang will lead all Melitta coffee business in China market. Before joining Melitta, Mr. Chang gained 15-year substantial experience in marketing and sales from various positions in different international brands, e.g. Marketing Director at Diageo and National Marketing Director at Henikea Asia Pacific. “We are very pleased that Byron Chang joined us. During his career in previous companies, he has consistently achieved good marketing results. We are happy that he will lead Chinese team going forward and we look forward to a better future of Melitta China”, stated Pieter van Halwijn, member of Chief Corporate Management at Melitta.

Lohmann Awarded the 7th of Outstanding Environment Protection Enterprise from Tianjin Economic Technological Development Area (TEDA) Government

Lohmann Adhesive Tapes Technologies, represented by Ms. Han Hui - Safety Health Environment and Facility Manager, attended the Outstanding Environment Protection Conference & Exhibition of TEDA 2018 on 19th July. With the press conference, the Top 100 enterprises, Top 50 enterprises in technology and best 30 enterprises in environment protection development of TEDA were honored. The Lohmann Tianjin plant was recognized as “the 7th Outstanding Environmental Protection Enterprise”. “Lohmann is very supportive of the TEDA government, commits to respect the environmental regulations, invests in safety and environmental protection equipment, maintains transparency in report and data, and works on training and drill,” said by Hans E. Hendrickx, Vice President and General Manager, Asia Pacific for Lohmann.

New German Business Group Director at PwC in Shanghai

In September 2018, Mr. Christian Koenig joined the German Business Group of Price-waterhouseCooper LLP in Shanghai. He is a Director within the markets and assurance practice of PwC and will succeed Mr. Juergen Berghaus, who moved back to Stuttgart to take a new role within PwC Germany. Prior to his assignment in Shanghai, Christian Koenig worked in the Nuremberg office focusing on assurance services of multinational companies, primarily in the automotive and industrial products sector. With more than 14 years of professional experience, Mr. Koenig provides services to multinational companies especially German clients on their investments in China. Mr. Koenig is a German CPA and tax advisor and holds a degree in economics from the Julius-Maximilians-University of Wuerzburg.

LPKF Chengdu Seminar Held Successfully

On 18th to 19th October, LPKF China held the 2nd Institution Seminar in Chengdu. The seminar mainly focused on introducing the latest technology development for institute market and give chances to engineers to experience these new technologies directly. Howard Li, Managing Director LPKF China welcomed customers from all over China. Ralf Wang & Kirby Zhang presented the “Laser Processing TGV (through glass via)” and “In house Rapid PCB Prototyping” respectively. This technical seminar attracted not only the visitors to the high-edition exhibition nearby, but also the research firms and WP customers’ demand.
Ruhlamat Sponsors 2018 Industry 4.0 Application Conference

The 2018 Industry 4.0 Application Conference was successfully held in Suzhou on October 25. Nearly 300 experts, scholars and business representatives from the governments of China and Germany, the German Chamber of Commerce, the Fraunhofer Research Institute of Germany, the Institute of Advanced Manufacturing Technology of Tongji University, the Hong Kong Productivity Council, the Bose Asia-Pacific Headquarters and many more attended the forum. They made a thorough analysis and discussion about the application and future direction of Industry 4.0 in China manufacturing industry. The forum was sponsored by ruhlamat Automation Technology (Suzhou) Co., Ltd. Aimed to promote the development of intelligent manufacturing in the manufacturing industry, to improve the level of competition in the upstream and downstream industry chain, strive to build the integrated development of intelligent manufacturing industry and related industries, to promote the extensive exchanges and cooperation between intelligent manufacturing enterprises in the fields of design, production, management and service.

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The Special Event: DIY Your Life & Find Your Love Coffee was hosted by the German Chamber of Commerce, Melitta and Jiahui Wellness Center, during Chinese Valentine’s day. By limiting the number of participants, the event had a cozy atmosphere, where everyone could get familiar and escape from the heavy rain with a nice cup of coffee. The participants had fun learning about and how to make filtered coffee. The event ended with learning how to tell your special someone you love them in German, and with everyone receiving a gift.

17th
August 2018
Event: Valentine’s Special: DIY Your Life & Find Your Love Coffee
Venue: Jiahui Wellness Center
On 30th August 2018, the German Chamber of Commerce in Shanghai hosted their Chamber Meeting at the Shanghai Tower Conference Center on the topic “Globalization at Stake: Exhaustion, Systemic Competition and Disintegration of the Transatlantic West” – Globalization and Challenges of Liberal Democracies with Prof. Michael Huether, Director of the German Economic Institute as keynote speaker of the event.

After a short introduction of the speaker, Prof. Huether introduced the event’s discussion theme by contextualizing the title of his presentation: Over the course of the past 40 years, living standards have been improving all around the world, yet capital allocation is still mostly concentrated in the Northern hemisphere. Meanwhile, an increasingly negative sentiment has been adopted towards what Prof. Huether described as the “globalization dilemma” – concerns about the “diffusion of knowledge and migration [as well as] interference in domestic policies by the outside world.”

In his speech, Prof. Huether analyzed the German, Chinese and American economic interconnections and trajectories in world trade. He attributed the German export success to its reliance on the European single market, the importance of manufacturing-shared GDP and value-added joint production. Whilst China’s economic boom and the establishment of other new competitors have enabled the German industries to export more products to the global market, such developments have adversely impacted the US market by shifting high-paid manufacturing jobs to low-paid jobs in the service sector. Tracing different developments to a “new world order of deal making”, coined by a backlash of disintegration and lack of innovation, Prof. Huether called for a renewed “focus on basic rules and values of European integration”, to successfully “create the next phase of globalization.” Following the keynote speech, Ms. Schoen and Mr. Wenniges opened the discussion and guided a Q&A session. Event participants had the opportunity to dig deeper into the subject, among others, questions focused on the importance of liberal values in the current trade system and global perspectives on economic integration. By the end of the evening, Prof. Huether had provided interesting insights and answers to current challenges of globalization to over 120 participants who joined the event.

Every year the German Chamber of Commerce in China Shanghai in cooperation with the German-French school, hosts a large “Welcome Back Party”. This year’s “Welcome Back Party” welcomed around 650 guests from German and French families. Despite the heavy rain, the wide selection of German and international food and drinks have entertained all visitors. At the event, families shared their experiences during the long summer break and caught up with old friends. Of course, everything was accompanied with an entertainment program for all ages. Activities varied from face painting, lucky draw, cartoon drawings to VR car driving. The student band has harvested great applauds from the guests. The DJ’s music rounded off a relaxing and enjoyable afternoon and early evening. The German Chamber wants to thank all guests for this unforgettable end of summer party!
The 6th installation of the Sino-German Controlling Forum was jointly organized by the German Chamber of Commerce in China | Shanghai and Shanghai De Chen Enterprise Management Consulting Co. Ltd. The forum was supported by the International Association of Controllers (ICV) and CA Controllers Akademie from Germany as well as, among others, by the Taicang Round Table TRT, DUSA European Association Suzhou, Changzhou International Manager Forum. Schaeffler Greater China, KERN-LIEBERS-China Group, and Dorsey & Whitney LLP were official sponsorship partners for the event.

More than 80 finance & controlling managers and professionals as well as controlling-minded non-financial executives from the Sino-German business community participated in the 2018 Sino-German Controlling Forum in Suzhou on 7th September 2018. The Forum, under the motto “Controlling for Sustainability”, provided a good platform for both controllers and non-controllers on how to keep an economic, ecological, and social bottom line for their business in China.

Key note speakers were Mr. Carsten Amtz, Head of Finance at SAIC Volkswagen and Mr. Alexander Tobert, CFO of Kern Liebers China. Six separate workshops provided the opportunity to the participants to discuss business sustainability and controlling. Besides the traditional topics, such as plant / project / cost controlling, as well as planning & budgeting, other workshops focused on specific issues, such as environmental compliance and IT-/data security-related issues in China. In the afternoon hours, Mr. Francesco Ingarsia, CFO at Schaeffler Greater China & Leader of ICV Work Group East China showed results of ICV Studies on Green Controlling in German speaking countries and shared his ideas with the audience for enhancing controlling for sustainability in China. The event ended with an in-sight panel discussion on controlling for sustainability with selected VIP speakers.

On 11th September 2018, a joint Workshop Marketing & Sales / IT entitled “WeChat for B2B” took place at German Chamber Office, which attracted around 30 people attending. During Mr. Ahmet Tombul’s speech, he explained how B2B companies can create additional value to their users by designing and developing solutions and mini programs on the WeChat platform. He also showed participants what type of information is available using the WeChat API and WeChat payment API. After that, he let the audience on a journey through WeChat’s security, an aspect in which companies should care about. Finally, Mr. Tombul used real life cases of B2B companies to show not only why these solutions create an additional value for users but also the barriers that companies must conquer while using this platform.
On 14th September 2018, the German Chamber of Commerce held its monthly Chamber Meeting at the PRIMUM Hotel Shanghai, discussing the question “How to Develop the Leaders of the Future: New Challenges in Talent Management.” Dr. Thorsten Bauer, Executive Director at Russell Reynolds Associates, Grace Liu, HR Director of SAP China, and Qian Wu, HR Director Asia at Freudenberg Regional Corporate Center Asia, were the panellists of the evening.

The moderator, Titus von dem Bongart, guided the discussion on future leaders’ qualities. Referring to a rapidly changing world, Dr. Bauer highlighted the “flexibility, agility and mind-set to perceive change as an opportunity as key elements of future success.” Openness, team-orientation and inclusiveness were mentioned as other qualities characterizing future leaders. Elaborating on the climate of change, Wu Qian presented Freudenberg’s strategy “Innovation Together”, which allows for bottom-up innovation under strategic guidance. She furthermore emphasized the importance of a proper follow-up, closely connected to the specific company culture, of such bottom-up drives. Whilst Mr. von dem Bongart depicted slow decision-making at German headquarters as one of the key concerns for Chinese employees, Dr. Bauer shared his observation of an actual decentralization of decision-making power by enabling smaller teams to collaborate and take decisions without compromising on quality.

The panellists then discussed internal and external strategies to identify and attract new talents, for example via social media channels or job rotations, and how to retain them. Particularity as regards the new generation of “millenials”, German companies should realize their task of educating entrepreneurs, allowing for self-driven work and recognizing their individual contribution to the company.

Following the discussion, a Q&A session was held. A broad range of topics were raised by the audience, including the importance of diversity, motivation and incentives for senior professionals as well as challenges of digital leadership. Around 100 participants attended the event and enjoyed an insightful discussion on the opportunities and challenges in talent management.
The German Chamber of Commerce Shanghai had the pleasure of hosting the 9th Sino-German Communication Forum at the German Center in Pudong. The event, partnered with Unity, the German Center, Unicepta and Storymaker, focused on innovation communication. Speeches from Martina Suter, Rainer Becker, and Rosanna Terminio engaged the guests to reconsider the way we traditionally think about communication and look at the ways that digitalization in China and the development of new technologies such as AI, are being implement through communication. After the speeches, participants interacted with the speakers and moderators during the panel discussion, which gave insights on the future of how we will communicate from business to our daily lives. We thank our event partners and participants for attending and look forward to next year’s Communication Forum.
The Young Leaders Workshop on the evening of Wednesday, 17th October was well received by the participants. Although the event was held in the evening, many of the young professionals were very eager to learn how to focus better. The speakers Bethany Jeanfreau and Andrew Jeanfrau set the scene from the beginning by making sure the food was healthy and by taking away the chairs. By making distractions we face in our daily lives. The workshop gave a good insight on how to regain focus, by setting objectives as well as by using breathing techniques. Like most GCC events, the participants loved to stay after the event to network and even learn more about other participants and the speakers.

On 18th October, a workshop Legal & Tax (Chinese) entitled “Analysis on Policy Changes of the New Individual Income Tax Law” was organized by German Chamber of Commerce in China – Shanghai. Mr. Peter Law, who has over 20 years’ experience in providing tax and advisory services at Deloitte, served as moderator for the session. Mr. Liu Zexiong, Director, Foreign Affairs Section of Commerce Department, Zhejiang Province; Mr. Chen Zhihong, Director, Foreign Trade Management Division of Commerce Department, Zhejiang Province; Mr. Yuan Xiaojing, Deputy Director, Commerce Affairs Commission, Hanzhong District; Mr. Wu Qing, Director, Consular Section of the Foreign Affairs Office, Anhui Province also attended the workshop.

17th Event: Workshop Wirtschaftsjunioren | Young Leaders  
October 2018  
Topic: “Pay Attention, Gain Control”  
Venue: German Chamber Office  
Moderator: Mr. Vivien Noverczula | APAC Account Manager & Facilitator at Celemi Consulting (Shanghai) Co., Ltd.  
Speakers: Mr. Bethany Jeanfrau | Co-founder of Paradigm Fitness Consulting  
Mr. Rainer Becker | Co-founder of Paradigm Fitness Consulting

18th Event: Workshop Legal & Tax (Chinese)  
October 2018  
Venue: German Chamber Office  
Moderator: Ms. Vivian Yao | Partner | RödI & Partner China  
Speaker: Mr. Peter Law | Tax Advisory Services at Mazars China

19th Event: Special Event  
October 2018  
Topic: CIIE Information Event - What is the current status and how is Germany represented?  
Venue: German Chamber Office  
Speakers: Ms. Christine Müller | Deputy General Manager at German Industry & Commerce Greater China | Shanghai. Mr. Wu Hui | Director, Foreign Affairs Section of Commerce Department, Jiangsu Province; Mr. Chen Zhihong | Director, Foreign Trade Management Division of Commerce Department, Zhejiang Province; Mr. Yuan Xiaojing | Deputy Director, Commerce Affairs Commission, Hanzhong District; Mr. Wu Qing | Director, Consular Section of the Foreign Affairs Office, Anhui Province  
Moderator: Ms. Christine Müller | Deputy General Manager at German Industry & Commerce Greater China | Shanghai

What is your personal and business background?  
Within my more than 12 years of international work experience, I have developed a deep understanding and broad knowledge of the Chinese market in the automotive field, especially for projects on LEAN production processes and the ramp-up of new products in existing production facilities and greenfield plants. I studied Business Economics with a major in Logistics in Germany. In 2004, I had the opportunity to take part in the 14th Chinese Business Program at the Ocean University in Qingdao. In that year, I gained working experience in Sutheau, witnessed the country’s rapid development, and built up the base for my future career in China. After graduation, and the first China related plant extension project, I started working at Ingenics in November 2010, which finally brought me back to China, where I have been living for eight years now.

Tell us a little about your company and activities in China?  
Ingenics AG is a worldwide operating consultancy, which has successfully positioned itself for about 40 years. Our service portfolio focuses on the entire value chain, covering consulting on strategic matters, improving efficiency in processes and organization, as well as project planning and industrial engineering. Besides the Site Selection and Process Planning for Green-field projects, we have strong expertise in the optimization of processes on the shop floor and logistics network in China.

How long has your company been active in China?  
Have there been any major shifts in strategy in that time and why?  
After our first successful project in China in 2003, Ingenics Consulting (Shanghai) Co., Ltd. was founded in 2005 with a team of Chinese and international Consultants. Up to date more than 360 projects have been successfully completed. Due to the challenges of the digital transformation that many companies are facing in their logistics and production systems, Ingenics is constantly developing new and future-oriented Industry 4.0 solutions to bring digitalization to full development and ensure that measures can be implemented quickly, without any productivity losses. We believe that a solid foundation of LEAN processes, where we support our customers in China, is the key to digitalization.

What is your competitive advantage/selling point, what kind of benefits can companies using your products/services in China get?  
Our clients benefit from our experienced team of consultants who work together with our Center of Competences in Germany. We support our customers from the design of strategic concepts to the on-site implementation of LEAN solutions.

Ingenics is a worldwide operating consultancy, which has successfully positioned itself as a strategy and project partner for mid-sized and large corporations for about 40 years. Ingenics sees itself as an expert and a driving force in the field of digital transformation, constantly developing new and future-oriented Industry 4.0 solutions.
On 24th October 2018, the German Chamber of Commerce held its Chamber Meeting on the topic “Automotive Industry Quo Vadis? The Dawn of the Chinese Era” at the Intercontinental Hotel Pudong. The Chamber was honored to welcome Dr. Stephan Woellenstein, CEO of Volkswagen China Passenger Cars Brand, as key note speaker of the event, which was moderated by Bettina Schoen, Regional Representative at Freudenberg Group and Chairwoman of the Board.

The meeting started with the traditional warm welcome of all new members, followed by Prof. Han Zheng, Professor at CDHK, Tongji University, who introduced the topic of regional news.

Questions of innovation and international competition were also taken up by Dr. Woellenstein in his keynote speech. Following a well-received buffet dinner, the speaker discussed the current state of the Chinese automotive market as well as its outlook. Highlighting the recent growth of Chinese local brands, Dr. Woellenstein traced the success stories of a few exemplary Chinese car models and commented on current trends: “Beyond simply copying, there is now a lot of product substance in local Chinese brands. Focusing on design quality, they inject innovative features which are key to Chinese customers, namely big screens, connectivity and automated driving.” The technology and innovations of local, often government-related players, are thereby contributing to the build-up of a future infrastructure, in which intelligent connected vehicles become part of a fully connected, highly digitized environment. In the context of its “Made in China 2025” initiative, the Chinese government has set ambitious goals and high standards to implement its envisioned China-only navigation transportation system. After the speech, several questions were raised by the audience, who were interested in the Chinese impact on global innovation, solutions for more effective German competition and the role of investment and Chinese companies’ strategies on the international markets.

On 7th November 2018, high representatives of the German industry and government visited automotive supplier HELLA Electronics to receive newest insights on HELLA’s progress in product innovation and on the company’s operations on the Chinese market. Amongst the 18 visitors were Mr. Christian Hirte, State Secretary at the Federal Ministry for Economic Affairs and Energy, Mr. Volker Treier, Deputy CEO of the DIHK, Ms. Claudia Spahli, German Vice Consul General in Shanghai and Ms. Simone Pohl, Delegate and Chief Representative of the German Industry & Commerce Shanghai.

Mr. Frank Petznick, Executive Vice President of the Business Division Electronics China, introduced the visitors to HELLA’s innovative technologies in the fields of connectivity, digitalization and smart future. Guided by Mr. Zoltan Nemeth, General Manager of HELLA Electronics China, the delegation then visited the firm’s production facilities and got a preview of HELLA’S worldwide largest automated electronics warehouse, which is currently still under construction.
Training Calendar Shanghai

12 - 14 December IATF 16949:2016 Internal Auditor Course
13 - 14 December Working Smart with Excel
14 December Digital Shopfloor Management
16 - 17 December Working Smart with PowerPoint
17 - 19 December ISO 9001:2015 Internal Auditor Course
18 December Data Management and Analysis with Excel
19 - 20 December Visualp® basics – your entry into the world of visual language
20 - 21 December Working Smart with MS Project
21 December Analyze Your Product Cost Structure Systematically
23 - 24 January Essential AutoCAD skills: 2-D Drafting Basics
24 - 25 January Essential AutoCAD skills: 2-D Drawing Basics
25 - 26 January Essentials of Risk Management (EDP)
26 - 27 January Navigation through Changes: The Four Rooms of Change® new
28 February - 1 March Based on a DISC Model: What Is a Behaviorial Interview?
1 March Design your production line lean and intelligent
1 March Essentials of Risk Management (EDP)
3 March Smart factory THE FUNDAMENTALS
4 - 5 March Working Smart with Word
4 - 5 March Six Sigma Green-Belt Training
5 - 7 March ISO 9001:2015 Internal Auditor Course
5 - 6 March Complex Problem Solving Skills and Big Data Analysis new
6 March Time and Stress Management
7 March Shop Floor Management
11 - 12 March MS Office Advanced Skills for HR
11 - 13 March Essential AutoCAD skills: 2-D Drafting Intermediate
11 - 13 March IATF 16949:2016 Internal Auditor Course
11 - 14 March Lean Toolbag
12 - 13 March Practical operation of import and export customs clearance and its risk control
13 March The impact on high management and foreign expats of Chinese new individual income tax law
14 - 15 March Effective Selling Skills
14 - 15 March Working Smart with Excel
14 - 15 March Introduction to Effective Facilitation new
15 March Penetrate Quality Assurance – Design and Process DMA
19 - 20 March Field Sales Management new
20 March Successful Design with PowerPoint
20 - 21 March Bridge the Culture Gap-Living, Working and Leading in China
21 - 22 March Building High Performance EMA (PA) Assistants Training

“Managers are people who do things right, while leaders are people who do the right thing.” – Warren Bennis, PhD

Good leaders are made not born. If you have the desire and willpower, you can become an effective leader. Good leaders develop through a never-ending process of self-study, education, training, and experience. Effective leadership does not necessarily require great technical or intellectual capacity. These attributes might help, but they are not pivotal. This training program will make use of different approaches to help you through that process to be a good leader.

Training Highlights - Shanghai

On August 31, 2018, the 7th Amendment of the Individual Income Tax Law passed the voting by the standing committee of the People’s Congress; September 1, 2018, China released the first batch of tax related information exchange according to CRS—the international automatic exchange rule which was formulated by OECD. The new domestic tax law as well as the international anti-tax avoidance actions required a new higher level of tax compliance. This training would clarify the main differences between the old and new tax laws, the impact to high management and foreign individuals working in China, and makes recommendations on tax compliance to help high-income group and foreign individuals’ tax arrangements.

On 18 October 2018, The German Chamber of Commerce in China was invited to participate in a forum on Corporate Social Responsibility (CSR) and Decent Work in Shenzhen. The forum was jointly organized by the Embassy of Sweden, together with the Embassy of the Kingdom of the Netherlands and Beijing Caring Little Bird Cultural Communication Center. Founded in 1999, Little Bird Hotline is a non-governmental organization which specializes legal services, trainings, and non-laoducts for migrant workers, also providing trainings on occupational safety and urban integration.

AHK Plant Tour at World Rollin Stock and Bombardier Qingdao and the 18th German Business Community Get together in Qingdao

On 14th September 2018, the German Industry & Commerce Qingdao Office organized local German companies at the World Rolling Stock Town and visit Bombardier Sifang (Qingdao) Transportation Ltd. The Qingdao World Rolling Stock Town is located in the western Chengyang District (including Jiaozhuang Subdistrict). Every year, 60% of China Railway High-speed (CRH) trains and 25% of urban rail and metro cars in China pull out from this town. There are over 180 rail transit industry companies in Qingdao World Rolling Stock Town, including CRRC Qingdao Sifang and Bombardier. Bombardier Sifang (Qingdao) Transportation Ltd. is a Sino-foreign joint venture enterprise located in Qingdao, jointly invested by Sifang and Bombardier Corporation of Canada in 1998. The main products in China are 25T passenger cars, CRH1 EMUs, CRH380B EMUs and other locomotive products. After the visit, all the participants returned to Qingdao’s downtown to participate the 18th German Business Community get together at the the 4th German Wine Festival in Qingdao. Any interest on this gathering held every two months in Qingdao? Please contact Mrs. Yunlin Shi via shi.yunlin@sh.ahk.china.de
On September 13th the 8th China HR Tomorrow – The Summit for German companies in China was successfully held at the Qube Hotel Hongqiao. Around 100 HR practitioners and seasoned business leaders attended the full-day event. The audience again comprised mostly of HR or management-level participants with a low-level of consultants. This helped to bring to light practical issues and questions from the audience. This year’s topic was “New World, New Work – How to Attract New Talents”, which provided insights into key elements of how to cope with a changing work and talent environment.

After an inspiring keynote speech by Christian Kuhna, Artgym Head of APAC, that spotlighted risks and opportunities of technology and human-centered organizations and their influence on the future of work, one of the main focal points in the morning session were millennials. Among the questions discussed were what motivates them, how to best integrate them into the workplace and how to keep and develop them. A panel that included 4 millennials and 1 HR Manager, moderated by Prof. Han Zheng, was among the most well received elements of the summit. Another highlight was the official presentation of the German Chamber’s Labor Market and Salary Survey 2018. An array of various workshops focused on topics ranging from current legal updates to how performance assessment from a legal point of view to HR operations to how AI can influence the talent game and recruitment.

Participants took advantage of several networking opportunities and got introduced to the wide arrange of services of the sponsors on site, among them main sponsor DirectHR, who have been loyal supporting the HR Summit for the 3rd year in a row. The event was again well received by the participants and they left mostly satisfied and armed with new knowledge and ideas for the coming year.
The China International Import Expo (CIIE) was held from 5-10 November 2018 in Shanghai, China. Germany joined as one of the 12 guests of honor, on both the state and company level. Next to 170 German companies, Germany’s National Pavilion ran under the theme of “Meet Germany”, displaying a selection of Germany’s most innovative and high-quality products as well as several other aspects of Germany, such as food and soccer. Both the National Pavilion as well as a joint participation of about 35 companies were organized by the Shanghai office of AHK Greater China. During the CIIE, the Pavilion also offered a platform for a series of events, including a Start-Up Day and a CSR panel.

At this occasion, a high-ranking delegation of Mr. Christian Hirte, Parliamentary State Secretary at the Federal Ministry for Economics and Energy, as well as top management from the Association of German Chambers of Industry and Commerce (DIHK) came to Shanghai. At the opening ceremony the ribbon was formally cut (from left to right) by Dr. Juergen Friedrich, CEO of German Trade and Invest (GTAI), Sandra Weeser, Member of German Parliament, Simone Pohl, Delegate and Chief Representative of the Delegation of German Industry & Commerce Shanghai, Christian Hirte, Parliamentary State Secretary at the Federal Ministry for Economics and Energy, Dr. Eric Schweitzer, President of the Association of German Chambers of Industry and Commerce (DIHK), and Dr. Clemens von Goetze, German Ambassador to China.

The German National Pavilion on CIIE was well-received by visitors with constant visitor levels throughout the fair and an array of VIP visitors, including Former Vice Premier Liu Yandong and the Governors of Zhejiang and Jiangsu.

On 8 November 2018, Jan Jovy, General Manager of the German Industry and Commerce Shanghai and Deputy of the Delegate, spoke on behalf of the Delegation of German Industry & Commerce at the “Shenzhen Sourcing Matchmaking Meeting” during the China International Import Expo (CIIE). This event connected over 100 purchasers from Shenzhen with international suppliers. At the event, 20 agreements were signed; among them were the German companies Trumpf China Co. Ltd., Siemens AG and Toennies Food China Ltd.

Another event held on 8 November 2018 was the Sino-German Startup Day at the German National Pavilion. German & Chinese startups were given a chance to present themselves to a diverse audience. Accelerators and corporations showed how cooperation in the start-up realm can create a win-win for all. The day helped to forge new connections and contacts between traditional business and start-ups.

The German Chamber of Commerce also took CIIE as an opportunity to showcase German best practices in corporate social responsibility and how German corporations are leaving their footprint in a positive way in China. On November 9th representatives from the leading German companies Bayer, Lanxess, Evonik, and TÜV Rheinland came together for a panel discussion at the German Pavilion to share their experience and best practices from their companies’ CSR projects in China. The distinguished panelists were Ms. Celina Chew, President of Bayer Greater China Group, Mr. Ulf Dresler, VP Corporate Communications APAC at Lanxess Chemical China, Ms. Grace Li, Head of Communications at Evonik North Asia Pacific, and Mr. Tao Li, VP Strategy, Marketing, Business Development at TÜV Rheinland Greater China. The audience learned about the panelists’ CSR strategies and the roles that different stakeholders such as employees play in CSR projects.

Overall CIIE seemed to be a versatile platform for German companies. Preliminary first-hand feedback suggests that companies had various reasons for attending the fair and that visitor flow was quite satisfactory. An analysis of the actual outcome for companies has yet to be conducted.
Bock Receives Excellence Award

From 18th to 20th July 2018, China Diecasting 2018 opened at the Shanghai New International Expo Center. For the first time during the exhibition, the special event “2018 China Excellent Diecasting Part Selection and Presentation” was held. The event was organized by China Diecasting 2018 & China Nonferrous Metals Association (The European Foundry Equipment Suppliers Association) and IZA (International Zinc Association). A group of industry experts were engaged as a team of judges, tasked with selecting winners according to Euroguss Association (IZA) and IZA (International Zinc Association).

The Business Forum of Chinese and German Enterprises, which is sponsored by the government of Birkenfeld in Germany and the Oak Garden (CNDE) Holdings GmbH, was successfully held on 13th-15th September 2018 in Shenzhen, Guangzhou, Shanghai, Taiwan, and Beijing. The Business Forums aimed to provide opportunities for Sino-German cooperation. Oak Garden (CNDE) Holdings GmbH is planning to hold an International Business Forum in October 2019 with Shanxi Provincial Department of Commerce to help enterprises get more information about the business development situation in both China and Germany.

Organizational and Personnel Changes at ZAMA

The manufacturer of extrusion blow molding machines, Kautex Maschinenbau has opened its own representative office for the South-East Asian area in Kuala Lumpur. “The number of customers in South-East Asia is growing and we foresee an increasing need to develop both sales and service teams in this economically important region. Customer proximity is an important factor,” explained Andreas Lichtenauer, Managing Director at Kautex Maschinenbau. “Our new office will make customer contact easier for the companies located here. At the same time, processes can be accelerated so that we can help customers quicker.”

With Louis Koay, Regional Office Manager, Kautex now has an experienced sales professional for the customers in the region. He also serves as primary contact for potential new customers. In addition, the new regional office manager will provide the existing representatives with more support. Over the mid-term outlook, two service technicians and a marketing assistant will join the team.

Leuze Electronic Headquarters in China Relocation

Over 200 guests joined Leuze electronic headquarters relocation opening ceremony in Shenzhen on 18th October 2018. Mr. Ulrich Balthasar, CEO of Leuze Group and Mr. Matthias Höhl, Vice President Sales Asia of Leuze Group participated at the ceremony by delivering welcome speeches. Leuze electronic achieved a two-digit growth rate in the past years, and the employees are one of the most important driving forces for this achievement. The new headquarters aims to offer an office environment that can attract and retain talent. Sharing experience is one of the elements Leuze electronic tried to install into this new office. Therefore, the meeting rooms and office areas are designed to facilitate experience sharing, to encourage collaboration, and support office communication.

Kautex Office in Malaysia Provides Proximity to Customers

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Oak Garden (CNDE) Holdings GmbH Held Business Forums

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Organizational and Personnel Changes at ZAMA

Following the growing importance of battery engines in the outdoor power-tool industry, ZAMA Group recently announced its decision to implement organizational and personnel changes. Being a leading company in the global market for fuel-management components for small engines, ZAMA decided to establish additional business units to develop and produce high precision parts and electronic components for the outdoor and automotive industries, enabling this change with a new management structure to strengthen its base and accelerate growth in each business unit. To allow closer management attention to the manufacturing operations, Mr. William Yang has been appointed as President of ZAMA Precision Industries (Huizhou) Co. Ltd. and reports directly to Mr. Jan Grigor Schubert, President of ZAMA Group, who has been leading the Huizhou operations. Being released from the tasks of factory operation, Mr. Schubert will focus on ZAMA Group tasks as well as business strategies in market expansion, product expansion and diversification.

LEHVÖSS Group Celebrates 35 years of LUVOCOM®

This year LEHVÖSS Group is celebrating 35 years of LUVOCOM® compounds. The product range of Polymer Material com- prises thermoplastic compounds. Focal areas are applications in the field of tribology, structure, high temperature and conductivity. In the past six years, the company launched LUVOSINT® and LUVOCROM® 3F products for 3D printing, LUVOTECH® technical compounds for industrial applications, and the LUVOCROM® R-Product line, with powders for electrocoating steels.

CRIF and LexisNexis Risk Solutions Form Alliance to Help Drive Financial Transparency

CRIF SpA, a global provider of business information, and LexisNexis® Risk Solutions, a global big data, technology and analytics company, started a partnership whereby CRIF will integrate LexisNexis® Risk Solutions WorldCompliance™ Data product into its SkyMinder platform. By integrating WorldCompliance Data into its SkyMinder platform, users will now have access to comprehensive financial crime compliance data for the mitigation of terrorism financing and money laundering risk.

WorldCompliance Data includes comprehensive databases of companies and individuals associated with sanctions, enforcements, Politically Exposed Persons (PEPs) and state-owned entities, with over 35,000 news sources monitored for adverse media records.

New General Manager, New ICCS

On 1st April 2018, Mr. Achim Pluecker joined ICCS as General Manager. Mr. Pluecker joined Lufthansa cargo in 1998. Since July 2014, he served as Senior Director of Lufthansa Cargo Frankfurt Ground and Regional Service and was responsible for mad supply area, inbound and outbound operation and customs. Since Mr. Pluecker joined ICCS, he has actively pushed e-Freight and e-AWB, strengthened infrastructure construction, and improved the working environment and employee welfare, which effectively promoted the continuous and steady development of ICCS business. Under Pluecker’s leadership, ICCS achieved a historical high score in its customer satisfaction survey in the first half of 2018. Moreover, a V project launched in June, which is leading ICCS towards becoming more modern and digital in the future.
On 28th August, the German Chamber of Commerce jointly organized a plant visit to the SSAMC Saffan Aircraft Engines repair workshop together with CCI France Chine and European Chamber in the Chengdu Shuangliu Pilot Free Trade Zone. The participating members and guests had the chance first to listen to a speech about the Pilot Free Trade Zone and later to see how SSAMC manages the repairs of hundreds of Chinese Airline turbines. The head of engineering at SSAMC kindly introduced the company’s profile and showed the visitors through a complex of high-end engineering in the middle of Sichuan.

On 11th September, the Chengdu based China Knowledge Café, part of the Partner Support Program, invited interested members of the GEC in Chengdu to discover the myths and customs of the Chinese Mid-Autumn Festival. The event was held at the Café Kempinski. Participants had the chance to engage with an expert in the field and celebrate the Moon Festival together.

On 12th September, 2018, the German Chamber of Commerce | South & Southwest China, in cooperation with the British, Australian, French, Spanish and other chambers in Guangzhou, invited their members and friends to an InterChamber event at Grand Hyatt. During the InterChamber, more than 120 guests from different industries enjoyed the evening with great talks, along with free flow snacks and drinks.

On 28th August, the German Chamber of Commerce | South & Southwest China organized another successful Manufacturing Roundtable, in cooperation with Herrenknecht (Guangzhou) Tunneling Equipment Co., Ltd. In the morning, Mr. Kai Fleischmann, Deputy Managing Director presented a brief introduction of the company and TBM (Tunnel Boring Machine) Technology to the 25 participants. Afterwards, Mr. Bernd Leuthner, Managing Director brought the group to visit the TBM workshop to gain insights into the production process and construction highlights.

In the afternoon, two parallel workshops on the topics “Account Receivable Issues” and “Staff Recruitment & Retention” took place. Within the workshop of Account Receivable Issues, the guests talked about how to achieve better AR outcomes, as that the current business environment yields very late AR collection. In the second group, the participants had an in-depth discussion on how to find and retain workers in the manufacturing industry during the rapid transformation of the Chinese economy. Finally, the workshop was rounded off by a detailed result presentation by the workshop hosts and a Q&A session. This event was an excellent opportunity for the guests to network with other industry experts during the TBM workshop visit and to catch up on the latest developments in the topics of Human Resources and Account Receivable issues through the parallel workshops.

The Manufacturing Roundtable is designed to provide a platform for managers and experts from the manufacturing industry to share experience, information, and ideas.

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Mr. Kai Fleischmann | Deputy Managing Director
Speakers: Mr. Bernd Leuthner | Managing Director of HTE
Topic: Accounts Receivable Issues & Staff Recruitment in the Manufacturing Industry
Venue: Herrenknecht (Guangzhou) Tunnelling Equipment Co., Ltd.
Event: Manufacturing Roundtable
Location: Guangzhou

On 2nd August, the German Chamber of Commerce | South & Southwest China organized another successful Manufacturing Roundtable, in cooperation with Herrenknecht (Guangzhou) Tunneling Equipment Co., Ltd. In the morning, Mr. Kai Fleischmann, Deputy Managing Director presented a brief introduction of the company and TBM (Tunnel Boring Machine) Technology to the 25 participants. Afterwards, Mr. Bernd Leuthner, Managing Director brought the group to visit the TBM workshop to gain insights into the production process and construction highlights. In the afternoon, two parallel workshops on the topics “Account Receivable Issues” and "Staff Recruitment & Retention" took place. Within the workshop of Account Receivable Issues, the guests talked about how to achieve better AR outcomes, as that the current business environment yields very late AR collection. In the second group, the participants had an in-depth discussion on how to find and retain workers in the manufacturing industry during the rapid transformation of the Chinese economy. Finally, the workshop was rounded off by a detailed result presentation by the workshop hosts and a Q&A session. This event was an excellent opportunity for the guests to network with other industry experts during the TBM workshop visit and to catch up on the latest developments in the topics of Human Resources and Account Receivable issues through the parallel workshops. The Manufacturing Roundtable is designed to provide a platform for managers and experts from the manufacturing industry to share experience, information, and ideas.

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On Thursday evening, 13th September, the German Chamber of Commerce held the Autumn Interchamber Mixer in Chongqing with the Italian Chamber of Commerce, the European Chamber of Commerce, the Hungarian Trade & Cultural Center in China, the Singapore Chamber of Commerce and the British Chamber of Commerce. On the relaxing autumn evening, communication with companies from all the participating chambers and their members built new friendships and celebrated the Inter-Chamber evening with plenty of networking opportunities and cold drinks in the late summer heat of Chongqing.

On 14th September, members of the German Chamber and European Chamber of Commerce were invited by the German General Consulate, gathering in their conference room for an Environmental Seminar. The objective of the seminar was to listen and discuss environmental protection in Sichuan and China. The engaging speeches by Prof. Xie of the Sichuan University and Dr. Gerd Leipold, Program Director, Climate Transparency Initiative; Mr. Alexander Malcolm, Deputy Consul, German Consulate General Chengdu were highly welcome by the audience. The speakers raised some more in-depth interest in the development of environmental protection in modern China and connected the members in a concluding mingle with drinks and snacks provided by the host.

On 14th September, the German Chamber of Commerce invited members to Oktoberfest in the Paulaner Bräuhaus at the Kempinski Hotel in Chengdu. The fully booked venue provided the festivities with German and local food, as well as the highly welcome free flow of Bavarian beer underlined by music of two German-speaking bands. After the welcome speech by Mr. Wen Xiaofei, Regional Director of the German Chamber of Commerce in Chengdu, the traditional Oktoberfest beer barrel was opened, starting a row of interactive games. The members and guests of the chamber that night enjoyed the community evening and celebrated the beer festival until the early morning.

On 23rd September, the German network group “Deutsches Treffen Dongguan” gathered for a family-friendly meeting on a little farm outside of Dongguan. The pool and barbeque attracted over 100 people, including Mr. Martin Fleischer, Consul General of Germany in Guangzhou and his wife. A big thank you goes to Mr. Tim Leitschuh, board member of the German Chamber of Commerce in China | South & Southwest for organizing this event.

On 20th October, Mr. Juanjo Cardona, Marketing and Information Solutions Manager at Direct HR, presented the results of the 11th Labor Market and Salary Report in the German Chamber offices in Guangzhou and Shenzhen. Thanks to all member companies who took part in the survey, Direct HR were able to provide detailed information on the developments of the challenging labor market in China, especially of the characteristics of Guangdong province.
The bi-monthly GM Roundtable on 9th October welcomed the new Delegate and Chief Representative of the Delegation of German Industry & Commerce Guangzhou, Mr. Maximilian Butek to Shenzhen. The discussion about the business environment of Shenzhen included the handling of new fire safety regulations and the influence of trade war on the long-term strategy of German companies in China. The intense discussions were sweetened by the breakfast snacks from Thomas Bakery.

On Thursday evening, 11th October, the German Chamber of Commerce held the Autumn Interchamber Mixer in Chengdu together with the Italian Chamber of Commerce, the European Chamber of Commerce, the Australia Chamber West China, Hong Kong Chamber, American Chamber, French Chamber, the Singapore Chamber of Commerce and the British Chamber of Commerce. On the relaxing autumn evening, there was communication with the companies from all the participating chambers and their members, and celebrated the evening with plenty of networking opportunities and cold drinks in the early autumn-refresher of Chengdu.

On 18th October, the Embassy of Sweden organized an international forum on Corporate Social Responsibility and Decent Work supported by GIC and four German chambers in eastern China. The discussions focused on how the private sector can contribute to and benefit from ensuring decent working conditions through CSR, Enterprise managers were invited to share their experience in CSR and work safety, and professional institutions shared policy information to exchange on how different stakeholders can work together to strengthen the capacity of workers and enhance the work efficiency.

Trainin Calendar Chengdu

As of September 2018, Mr. Maximilian Butek assumed the role of Delegate and Chief Representative of the Delegation of German Industry and Commerce Guangzhou.

He is the successor of Mr. Jens Hildebrandt, who filled the role since January 2016 and has recently taken over the position as Delegate and Chief Representative of the Delegation of German Industry and Commerce in Beijing. Mr. Butek served as Delegate of German Industry and Commerce in Ghana since January 2017. His previous postings include the Southern Africa-

Delegate Change in Guangzhou

German Chamber of Commerce and Industry, the German-Baltic Chamber of Commerce in Estonia, Latvia, Lithuania and the German-Thai Chamber of Commerce.

Before his career in the German Chambers Network Abroad, he gained experience in a multinational ICT company and a German strategy consulting firm. While welcoming Mr. Butek, the German Chamber team thanks Mr. Hildebrandt for his dedication and great work during the last two years and wishes him all the best for the future.

On 11th October, the German Chamber of Commerce and Industry, the German-Baltic Chamber, the German-Thai Chamber of Commerce, and Industry, the German-Baltic, and the German-Thai Chamber of Commerce, staged an Autumn Interchamber Mixer in Chengdu together with the Italian Chamber of Commerce, the European Chamber of Commerce, the Australia Chamber West China, Hong Kong Chamber, American Chamber, French Chamber, the Singapore Chamber of Commerce, and the British Chamber of Commerce. On the relaxing autumn evening, there was communication with the companies from all the participating chambers and their members, and celebrated the evening with plenty of networking opportunities and cold drinks in the early autumn-refresher of Chengdu.

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Breakfast snacks from Thomas Bakery were served to the guests.

On 11th October, the German Chamber of Commerce hosted the Autumn Interchamber Mixer in Chengdu, together with the Italian Chamber of Commerce, the European Chamber of Commerce, the Australia Chamber West China, Hong Kong Chamber, American Chamber, French Chamber, the Singapore Chamber of Commerce, and the British Chamber of Commerce. The evening was filled with networking opportunities and cold drinks in the early autumn-refresher of Chengdu.

On 18th October, the Embassy of Sweden organized an international forum on Corporate Social Responsibility and Decent Work with Beijing Caring Little Bird Cultural Communication Center. The German Chamber of Commerce in China contributed with hosting a panel with the German companies TÜV Rheinland, Deutsche Telekom, and Trolli Guangzhou Confectionery, and the local partner epi Consulting. The discussions focused on how the private sector can contribute to and benefit from ensuring decent working conditions through CSR. Enterprise managers were invited to share their experience in CSR and work safety, and professional institutions shared policy information to exchange on how different stakeholders can work together to strengthen the capacity of workers and enhance the work efficiency.

On 25th October, the German Chamber of Commerce in Shenzhen hosted the Stammtisch event at George & Dragon British Pub.
The Second Discover Germany Festival in Guangzhou

The Discover Germany Festival was more than just a festival; it offered the perfect opportunity for an intercultural exchange between Chinese and German spectators outside the office in a pleasant and relaxed atmosphere, accompanied by a beautiful sunny day. Families gathered together and new friendships were made.

A Taste of German Industry 4.0

German design is so much more than just automobiles. This was well depicted at the Discover Germany Festival. German industrial success and its international acknowledge is a result not only of its precise production and high quality, but also its modern design that dates back to the Bauhaus era. Home appliances from Leifheit presented all the possibilities for modern housework, while products from Duravit, DS German Lifestyle, Othello and Zeiss confirmed the general impression of Germany’s high standards. With a presented prototype, Herrenknecht astonished the visitors with their one-of-its-kind high-end innovation.

Of course, the German industrial development goes hand in hand with education and culture, which were demonstrated by the event partner DAAD, Goethe Sprachlernzentrum and Utahloy International School. The visitors could learn about German language, studying and researching in Germany or experience an international education right here in Guangzhou.

Unforgettable Memories

In the evening, accompanied by colleagues from the German Chamber of Commerce in China | South & Southwest, Mr. Martin Reisecher, Consul General of the Federal Republic of Germany in Guangzhou visited the Discover Germany Festival and had pleasant conversations with the exhibitors and visitors. Glowing on the venue in the evening was the inspirational light installation provided by United Family Hospital. Couples, friends and families went inside the installation and took pictures of their shadows projected on the wall, marking this a night to remember.

The German Chamber of Commerce in China | South & Southwest would like to thank all spectators of Discover Germany. A special thank you goes to the co-organizers: General Consulate of Germany in Guangzhou, Grandview Mall and That’s PRD. Furthermore, the German Chamber would like to thank all the sponsors of Discover Germany who provided great support and played a big part in the success of this event. Diamond sponsors: Leifheit, Trolli and United Family Hospital. Gold Sponsors: Utahloy International School Guangzhou. Silver Sponsors: Duravit, DS German Lifestyle, Herrenknecht, Othello, VfB Stuttgart, Zeiss, Breaking Bread, German Beer Garden, DAAD and Goethe Sprachlernzentrum. Also, a special thanks to Guangdong Radio and Television as media partner.
2018 Guangzhou International Urban Commerce Forum

After a great day of experiencing German culture, education, tourism and delicious food at “Discover Germany”, 2018 Guangzhou International Urban Commerce Forum fell on the second day of the Shopping Festival at Guangzhou Marriott Hotel. The forum focused on the theme “Integration of Culture, Business and Tourism in Business District – Boost the Soft Power”. During the forum, scholars and professionals from China and abroad explored how to accelerate the integration of business and tourism, and examined the development of the Tianhe Road Business district with a broader perspective.

At the beginning of the forum, Mr. Max Xie, President of Tianhe Road Chamber of Commerce, Vice Chairman of the Board and Executive Director of Grandview Group, expressed his prospects of building diverse offline shopping environment with a focus on tourism and cultural attractions. Mr. Marc Piesbergen, Executive Manager of the German Chamber of Commerce in South & Southwest China, introduced the combination of technical infrastructure and cultural diversity as a success factor for the soft power of public space. He especially underlined the opportunities of Sino-German cooperation.

Afterwards, a keynote speech given by Ms. Sonja M. Müller, Director of the China Competence Center, Frankfurt and Darmstadt, introduced the Soft Power of Frankfurt and how to better realize and boost soft power in Guangzhou.

Mr. Marc Piesbergen, Executive Director of Grandview Group, expressed his prospects of taking part and witnessing such a wonderful Sino-German carnival.

Special thanks to Tianhe Road Chamber of Commerce and Grandview Mall for making this Forum a successful event.
Introduction

The Sino-German (Cixi) SME Cooperation Zone is a Sino-German economic cooperation zone approved by the Ministry of Industry and Information Technology. The Cooperation Zone is located on the coast of the East China Sea and the south bank of the Hangzhou Bay Bridge. It is the golden node of the Hangzhou Bay Economic Zone. It faces Ningbo to the east, Hangzhou to the west, and Shanghai to the north across the sea. Within 1.5 hours, from the Cooperation Zone, 4 international airports and 2 international deep-water ports can be reached. The soon-to-be-completed Shanghai-Jiaxing-Ningbo High-speed Cross-sea Rail and Hangzhou-Ningbo High-speed Double-track Line will be opened to traffic, and it will be more convenient to travel to and from Shanghai, Hangzhou and Ningbo, with outstanding traffic advantages.

Important Pillar

Industry is an important pillar of Cixi. There are more than 18,000 industrial enterprises in the whole city, and there are 1,401 enterprises with annual sales over 20 million yuan. It is one of the three major home appliances manufacturing centers in the country, with 37 characteristic industrial clusters and more than 10 domestic largest manufacturing centers. There are a number of industry champion companies such as Cixing Group, Bull Group, and the Feitile Group. The developed private economy makes Cixi rank the fifth in the top 100 counties and cities in the overall strength of small and medium-sized cities in the country, and rank the second in the top 100 counties and cities with the most investment potential in China.

Core Area

The core area of Sino-German (Cixi) SME Cooperation Zone is located in the Cixi High-tech Industrial Development Zone, with a planned area of 22 square kilometers. The plan will focus on autos and auto parts, smart equipment, new materials, as well as life and health industries. Gathering high-quality scientific and technological SMEs to form an international industrial agglomeration zone, the Cooperation Zone will be built into an important platform for the introduction of advanced technology, management experience and high-quality talents. It will cooperate fully with Germany in areas such as intelligent manufacturing and industrial internet in connection with the “German Industry 4.0” strategies.
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