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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.

Embracing 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

Chief Editor German Chamber Ticker
Senior Communications Manager
German Chamber of Commerce in China | Shanghai
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Electro Culture May Lead the Way in Future Food Production

Researchers of the Chinese Academy of Agricultural Sciences have made a potential breakthrough in discovering food production: the use of electro culture in growing vegetables could be a key contribution to more resource-saving, sustainable food production. As the world's first city to operate an all-electric bus fleet of more than 16,000 vehicles, Shenzhen is set to even further increase its commitment to electric means of transport. By the end of this year, the Southern Chinese megacity 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 has 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. Among the total 110 Chinese joining the super-richest, 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 of five global billionaires are Chinese, the figures for the world’s richest businesswomen are even more skewed. According to the recently published Hurun Rich List, 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 superrich 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 65 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 2025. 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 uptake, 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 2017 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.

China Economy

Winter 2018

Winter 2018
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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 have also 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 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 with 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 losing 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 difference 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 be also 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). 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.

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 pace with technological evolution and overcome technological bottlenecks that are limiting the real impact of AI performance (Ford 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.

If no other variables intervene to relent this process, China, whose labor force is still mainly employed in low skill-low salary jobs, is the country where more workers will need to move from old paradigm occupations to new occupations (12% of the work force by 2030). 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 Nuremberg created in 2016 Job-Futuromat (https://job-futuromat.iab.de/), an online system where to check the risk that your own job has to be automated.
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).

As proof that the topic is not a fixed reality but something still on definition, it is sufficient to compare the set of top ten skills identified by the World Economic Forum Future of Job 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 best adequately skilled workers is an existing or emerging barrier to digital transformation of their companies. Worldwide, people that are now 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).

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

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 on automation and other required skills (OECD, 2018). Productivity and Jobs in a Globalized World: (How Can All Regions Benefit?).

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 furniture 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 offer a wide range of options to adapt to the needs of the employees.

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.

nora 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 floors do not contain any plasticizers (phthalates) or halogenides, have very low emissions and promote good indoor air quality. The made-in-Germany rubber floor coverings aid modern office design while 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. nora rubber floor coverings not only provide a diverse range of design options, they also contribute to sustainability.

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nora systems develops, produces and markets high-quality, elastic floor coverings, as well as shoe components under the nora brand. The company, which has its headquarters in the German town of Weinheim, was created from Freudenberg Bausysteme KG in 2007 and, as the global market leader, has shaped the development of rubber floor coverings for many years. With more than 1,000 employees, nora systems generated a turnover of €229 million in 2017.

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

Manuel Koller, Dirk Wilhelmy

Winter 2018

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About nora systems

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Rosanna Terminio

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Fulfilment of the rising demand in German companies for qualified Chinese graduates. A survey of 218 data records from German companies operating in China revealed that the recruitment of Chinese graduates is a major challenge. The survey, conducted by SEDLÁK & PARTNER International Consulting and East China Normal University (ECNU), 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 the Overall Evaluation of Young Professional Satisfaction**
In the overall evaluation of young professional satisfaction, most of the surveyed German companies being are satisfied. Only 23% of the companies stated that they were somewhat dissatisfied or very dissatisfied with hired Chinese graduates. Furthermore, in the overall evaluation of satisfaction, no significant differences could be observed between different business areas (Figure 2). However, the recruitment of qualified young people remains a major challenge for the surveyed companies. One third of the companies surveyed have not been able to fill all the vacancies advertised to graduates in the last two years.

**Difficulties in Recruitment**
The recruitment of suitable young people in technical and R&D sectors seems to be difficult. The main reasons mentioned are based on candidates’ insufficient methodology and lack of technical knowledge, as well as a lack of practical experience (Figure 3). The functional and methodological skills were insufficient, insufficient practical experience, insufficient international competency, limited experience abroad, language skills, and the personal skills were not suitable.

**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 (Eyu, 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 work place; 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 education system to 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).
Gap between expectations and fulfillment

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. 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 the educational attainment level is (Figure 4).

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 combating 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-Dörn, 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 intentions, 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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典型案例
Track Records

ABB Phase I
ABB Asian Headquarters Project
GFA: 24,000 sqm

GE Beijing Technology Park Project (BTP)
GFA: 57,000 sqm

Janapanese KDDI Company Data Centre
Headquarters Project
GFA: 26,000 sqm

Cummins Emission System Assembling & Logistic Centre
GFA: 7,723 sqm

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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

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

By JESSICA DOWNER, GERMAN CHAMBER TICKER

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, Attmer, 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 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. Nor 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
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 ReBuilding 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 processes. Operations are still dominated to a major extent by classic hierarchies and the small, central leadership team. Since, however, many managers and company leaders in China have enjoyed excellent training, their openness to significantly differing approaches and to linking them optimally with local circumstances is growing. Back to your question: In my opinion, it is important within the context of New Work as well to make optimal use of the diversity of cultures and to learn from one another. The Chinese are often superior to us, especially when it is a matter of willingness to learn.

You also talk about democracy as part of this concept, but how does a company balance democracy, management, and order while integrating New Work concepts, especially in the culture of China, where Chinese employees are fearful of speaking up or sometimes respect the top executive as the initial, interim, and final word?

As I previously mentioned, Chinese companies have their difficulties with democratic structures. This not only affects open feedback, including constructive discussion with supervisors, but also relates to the clear, hierarchical management structures in Chinese companies. Consequently, the establishment of agile concepts that depend on roles instead of hierarchies and a team approach with extremely frank feedback structures is no easy task. We need to differentiate here, however. Haier, for instance, has succeeded in eliminating a large part of its middle management and in orienting almost all its employees in the direction of market and customer centricity. As I see it, the credit for this goes to a strong leadership team that has been determined in establishing the required framework. The result is a mix of strongly hierarchical and simultaneously efficiently customer-centric structures. I observe similar tendencies in Chinese technology companies, by the way. And finally: We sometimes find it extremely difficult even in German corporations to turn away from hierarchies, to implement participative structures, or to rigorously introduce activity-based working approaches. Ultimately, the objective of New Work is at its heart to make the company as adaptable and innovative as possible and, in particular, to orient it to the needs of customers and markets. This is exactly where I believe we can learn from Chinese companies.

In this new age of digitalization, in what ways can companies continue to prize their human capital while utilizing new digital methodologies (i.e., artificial intelligence)?

This is my creed: “Talented people, not technology, make the difference in the digital age.” In today’s world, technology is a virtually free commodity and no longer suitable for use as a barrier to market entry. People are what make the difference; their ideas in conjunction with the intelligent combination of technologies serve relevant customer needs. The skills required for this differ significantly from what was still relevant just 20 years ago. Today, creativity, emotional intelligence, and the ability to communicate decide between success and failure. The World Economic Forum regularly issues an overview on this subject. Many activities – and I am not revealing anything new here – will be lost completely and taken over by machines. At the same time, added-value structures will become possible because interconnectivity and communication complexity will be reduced to the greatest possible extent by technology (especially AI). When viewed in this setting especially, New Work is so very relevant and the following question is essential: How can I attract the coveted talented people and offer them a “best place to grow” in the company? In short: I need a working environment that offers employees the opportunity to concentrate exclusively and long-term on the activities that generate maximum value. New Work has a decisive contribution to make here. Thank you for your time, Mr. Wagner.
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 savvy; 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 background, 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 Enabler" 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.

Leaders-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 knowledge was doubling every 25 years. 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.

"As technology transforms the workplace, the need for innovation in learning and development is urgent" – McKinsey

The case has been made about the importance of learning as a foundational element in effective leadership. Peter Vaill (1993) 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

Smooth sailing has turned into white water rafting for many in today’s turbulent corporate world.

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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 learning 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 mindsets. Manage learning well. Live long and prosper.
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 delve 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, market demand is growing and attracting major Chinese industry players. However, the discussions quite often focus on the hardware side of automation that promises a quick result in terms of lower dependency on labor. Priority is often given to the best-looking equipment by focusing on the details of the equipment while processes are rarely evaluated, and the software needed to deal with data is neglected or ignored. So even when a concept is initially accepted, it often turns out differently when designed and implemented. Moreover, fully automated sub-processes are sometimes presented and promoted as an investment into a smart future. As a result, the understanding of a truly smart solution in the Chinese market greatly varies.
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, success depends 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.

Trends are Industry Driven

The trend from mass production to mass customization seen in the Western world can also be recognized in China. The Pharma industry, for example, has recently shown higher interest in robots that are more flexible in handling smaller batches and a higher variety of products. This new requirement appears to be a shift from the need for huge Pharma production lines to produce higher volumes to a need for more sophisticated, smart solutions. Driven by the international GMP guidelines, Pharma 4.0 and serialization that requires seamless trace and tracking from production to the end consumer, smart solutions will become the key to fulfilling these requirements.

While digitalization on the end-user side is very well developed in China, the industrial area is not as far advanced; but is increasing with support of imported knowledge from abroad. Some local companies are opting for a dual strategy in terms of their portfolio and offer advanced as well as simple products to allow them a smooth startup of smart solutions for one aspect of their business. Other companies are embracing virtual reality to see their production or distribution solution simulated before it’s built. By using this digital tool, companies develop a deeper understanding of processes and software, and their excitement for big data grows as they see the possibilities in monitoring processes in real time.

The trend towards smarter solutions continues as customers are eager to implement advanced technologies and the government supports automation. The management of local companies wants to be perceived as pioneering the use of automation. Many companies, however, perceive the replacement of conveyors with automated guided vehicles (AGVs) as very innovative and smart.

Mobile robotics are currently of greatest interest to Chinese companies and they are being rapidly developed in all forms and sizes. The technology, originally invented in the 1960s, is experiencing a rebirth in China. This new generation of AGVs are designed to look extremely advanced, but the market is often confusing these vehicles with smart distribution or even smart factory. Ongoing education will ultimately change the focus away from just sexy-looking hardware to software and the connectivity between sub-systems.

Challenges and Opportunities for Foreign Companies in China

Fierce competition, the legal environment and rising labor costs are all real challenges for foreign companies in China now, but they may also be seen as opportunities.

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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).
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 of 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.

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 convenient options to inquire, correct and delete consumer’s information;
- If providing search results regarding goods and services to consumers according to their 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 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

b) Service Agreements and Transaction Rules

- Cross-border E-Commerce Operators shall comply with the laws, administrative regulations and relevant state regulations of import and export supervision and management.
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 provision 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 system;

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

- be free of charge provide users with statements of account and transaction records for the last three years;
- bear responsibility 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 identify the cause 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 reconciliation through consultation, mediation by a consumers’ organization, 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 operators, 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 and further promote the development of 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, such as 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 facts 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. Ensuring 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 right holder's rights and the work that the right holder needs to do including arranging qualified and competent staff to conduct the 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 recommendation is to apply to the AIC for 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 on 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. Either 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 ‘beat 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 abovementioned 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 previous inspection matters, the infringer 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 recommendation is to apply to the AIC for 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.

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 entrusting 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. Under this condition, 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 has 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 813.5 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 in 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. However, reforms to the hukou system that acts as a barrier of entry due to the criteria established by the high compensation levels in Shanghai and Beijing. Liaoning, Jilin and Heilongjiang provinces constitute what the NBS refers to as Northeast China. Combined, they present the most moderate wage increase in 2017: 8.9%. Still, that is a 1 percentage point uptick from the previous year. Northeast China currently holds the lowest average salary among the four regions, with RMB 59,514.

China National Wages Rebounding to Double Digit Growth

According to data from the National Bureau of Statistics (NBS), in 2017 wages returned to double digit-growth, with a nominal increase of 10.0% year-on-year. The average wage was RMB 74,318 in 2017, versus RMB 67,569 in the previous year. Since 2011, when salaries rose by 14.4%, the pace at which salaries grew declined steadily until 2014, dropping to a growth rate of 9.5% in 2014. From 2015 onward, salary growth rates have been swinging between double-digit growth rates (10.1% and 10.0%, in 2015 and 2017 respectively) and single-digit growth (2016, 8.9%).

With the country’s transition to a more value-added production-based model, talent for specific industries remain scarce. As a result, China’s wage levels are accelerating and in certain provinces are nearing those of some European regions. China’s labor force, after years of catching up, is finally “getting paid”. This results in upward pressure on productivity and opens the door to the relocation of lower-end activities to countries with lower labor costs.

Looking at regional distributions, central regions in China (Anhui, Henan, Hubei, Jiangxi, Shanxi, etc.) present the highest wage increase in 2017: 10.7% growth, for an average annual salary of RMB 61,193—the second lowest at the regional level. Following central regions, the second highest wage increase is in the most developed coastal provinces in the east with a 10.1% year-on-year increase in 2017. The average annual salary in East China is RMB 84,809, mostly influenced by the high compensation levels in Shanghai and Beijing. Liaoning, Jilin and Heilongjiang provinces constitute what the NBS refers to as Northeast China. Combined, they present the most moderate wage increase in 2017: 8.9%. Still, that is a 1 percentage point uptick from the previous year. Northeast China currently holds the lowest annual average salary among the four regions, with RMB 59,514. China’s wage levels are accelerating and in certain provinces are nearing those of some European regions. China’s labor force, after years of catching up, is finally “getting paid”. This results in upward pressure on productivity and opens the door to the relocation of lower-end activities to countries with lower labor costs.

The upward trend of wage developments at German companies in China is reflecting the evolution from 2017 to 2018 of effective national wage increases, minimum wages and regional wage guidelines (issued by provincial governments). Growth of national wages picked up to 6.0% in 2018 (+0.23 p.p. in comparison with last year’s mark). In North China, all the locations for which results have been segmented (Beijing, Tianjin, other North) present a slowdown in expected wage growth for 2019: 5.54% (0.17 p.p.). A very similar picture occurs in South China, where Shenzhen and Other Pearl River Delta areas will also put forward lower wage increases in 2019 (5.00%) than what they had reported for 2018 (6.03%); only Guangzhou heads in the opposite direction, with expected wage growth increasing to 6.09% (+0.93 p.p.).

The mild uptick in the evolution of the overall results for China, with wages expected to grow 5.89% next year versus 5.50% in 2018, does not reflect a China-wide phenomenon. When looking at the developments by region, it shows that the major part of the acceleration in wage increases is expected in the Yangtze River Delta areas and Guangdong.

Combined, Shanghai, Suzhou, Taicang, Kunshan and other locations in the Yangtze River Delta produce an expected wage increase of 6.16% in 2019 (+0.23 p.p. in comparison with last year’s mark). In North China, all the locations for which results have been segmented (Beijing, Tianjin, other North) present a slowdown in expected wage growth for 2019: 5.54% (0.17 p.p.). A very similar picture occurs in South China, where Shenzhen and Other Pearl River Delta areas will also put forward lower wage increases in 2019 (5.00%) than what they had reported for 2018 (6.03%); only Guangzhou heads in the opposite direction, with expected wage growth increasing to 6.09% (+0.93 p.p.).

Wage Growth to Pick Up for the First Time at German Companies in China Economic Outlook Q2 2018

By THE GERMAN CHAMBER OF COMMERCE IN CHINA | SHANGHAI

Average Wage and Wage Growth 2008–2018

Expected Wage Growth at German Companies Picking Up

For the first time since the German Chamber of Commerce in China started measuring salary data among its member companies on a China level, the expected salary growth for the upcoming year has picked up. The forecasted a salary increase of 5.99% for 2019 is 0.09 percentage points above last year’s forecast. Although only a very mild increase, this year’s mark represents an end to the downward trend of salary growth rates reported during the last seven years.

Region Wage Increases

The mild uptick in the evolution of the overall results for China, with wages expected to grow 5.89% next year versus 5.50% in 2018, does not reflect a China-wide phenomenon. When looking at the developments by region, it shows that the major part of the acceleration in wage increases is expected in the Yangtze River Delta areas and Guangdong. Combined, Shanghai, Suzhou, Taicang, Kunshan and other locations in the Yangtze River Delta produce an expected wage increase of 6.16% in 2019 (+0.23 p.p. in comparison with last year’s mark). In North China, all the locations for which results have been segmented (Beijing, Tianjin, other North) present a slowdown in expected wage growth for 2019: 5.54% (0.17 p.p.). A very similar picture occurs in South China, where Shenzhen and Other Pearl River Delta areas will also put forward lower wage increases in 2019 (5.00%) than what they had reported for 2018 (6.03%); only Guangzhou heads in the opposite direction, with expected wage growth increasing to 6.09% (+0.93 p.p.).
Greater Shanghai Innovation Survey 2018/19

BY PROF. DR. ZHENG HAN & CAROLIN HAN

Barriers to Innovation and Implications for Management

Attracted by a multitude of opportunities, foreign companies in China also face a myriad of challenges. For many years, one challenge has stood out and continues to worry organizations: the availability and retention of personnel. And the pressure is intensifying: while foreign brand reputation used to lend recruitment advantages, more and more Chinese university graduates prefer working for a Chinese employer over being hired by a foreign company. Especially R&D positions in Chinese technology companies are more attractive than ever. In addition, in an era where the technological revolution 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).

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. Only 44% 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:
- Managers should develop genuine efforts to understand the local market (depth of visits by top management to the Chinese entity)
- Autonomous entities should be more important than frequency of visits
- Managers should encourage employees to think outside the box

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 (CSL) that came into effect in June 2017. 46% of surveyed German manufacturing companies in Greater Shanghai expect the CSL to have a negative impact on their innovation performance, while one third of respondents are unsure. The new CSL 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.

According to the survey, German manufacturing companies in Greater Shanghai region see corporate culture as a top challenge 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 entity to develop and demonstrate 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

The survey was conducted by the Sino-German School for Innovation and Entrepreneurship at the Sino-German School for Postgraduate Studies of Tongji University in cooperation with Tongji University and goetzpartners Management Consultants. In Q2 2018, more than 100 valid responses 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 collaboration, and characteristics of innovation activity. The research results will be integrated into the Asian-German School for Postgraduate Studies of Tongji University, Shanghai.

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Carolin HAN (MSc Organizational Psychology) is Head of Learning & Development at the Asian-German School for Postgraduate Studies of Tongji University, Shanghai.
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 still satisfied with the growth potential in its primary market segment. Nevertheless, the three largest German industries in China are less optimistic about the year 2018 and see their last year’s expectations about their industry development not fulfilled. For 2019, no significant improvements are forecasted. However, China still ranks among the top three markets for most companies. The share of those considering China as top-one market increases compared to last year.

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 furthermore 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.

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.

Significance of Chinese Market for German Companies

What is the status of your company’s China business within your parent company’s global business?

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<th>Year</th>
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Operational Business Challenges - Top 10

Operational Business Challenges:
1. Preferential treatment of local companies / protectionism
2. Bureaucracy/Administrative hurdles
3. Intellectual Property Rights infringement
4. Competition from non-compliant competitors
5. Currency risks
6. Deficient access to government information
7. Turnover
8. OECD business climate indicators
9. 30% growth
10. Staff development

Trade Conflict, Reactions and Consequences

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. Among 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.

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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 such as increased productivity, reduced turnover, and 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 – Engaging 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 – 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.

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

Moving Forward

While impressive steps in worker well-being are underway, there is still much more to do. Consumer pressure on businesses to operate ethically and pursue sustainable practices are increasing. Consumer campaigns and boycotts target companies that do not meet ethical standards.

Supply chain strategy is no longer about mitigating risks, but about an operational change in the way in which companies gain and maintain competitive advantage in profit, society, and the environment.

In the future, creating a holistic strategy will be a critical success factor.

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.
Building a Smart Future
at the 16th APK in Jakarta

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 (DIHK). 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-Bezanin, Managing Director and Regional Representative of the Asia Freudenberg Group and Chairwoman of the German Chamber of Commerce in China (DIHK), 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 Kaefer, CEO of Siemens, concluded on the difficulties of mapping out a future trade system.
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HALFEN Attends Xiong’an PBE Exhibition

From 3rd to 6th 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 HALFEN finished the scheme deepening design in July 2018. The project will be built in two phases, first phase with total GFA of 220,000m².

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 relocation 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 RMC’s. His main responsibilities included sales and business development, daily operations, managing business relationships, partner management, 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.

EDDIE MA JOINS AGS BEIJING

The joint venture between the Heilbronn-based die-manufacturer Marbach and the Chinese machine manufacturer Masterwork, Marbach Masterwork (Tianjin) Die Cutting Tools Co., Ltd., has successfully started production since July 2018. Tools in Marbach have been manufactured at the plant in Tianjin. The joint venture starts with a special portfolio adjusted to the needs of Chinese customers. The target group in China are primarily customers from the paperboard packaging and tobacco industry. The portfolio in China was specifically defined for this target group. Therefore, Marbach Masterwork offers not only tools for die-cutting packaging, but also stripping and blanking tools as well as special technologies.

“G4A SHANGHAI 2018” SUCCESSFULLY HELD BY BAYER CHINA

Recently, Bayer China successfully held the “G4A Shanghai 2018” kick-off event, providing a platform for the four selected startups to showcase their innovative solutions to the public. This is the third year that G4A Shanghai is running in China and just like the success of the past two years, new ideas spark in this year’s open innovation collaboration between the start-ups and Bayer. The 4 chosen finalists are Metabonose (providing a platform for the creation of biopharmaceuticals), Grandbiotech (utilizing genetic technology to contribute to disease analog, drug screening and toxicity assessment), LINK HEART (developing implantable biological energy supply system) and FARMSIMIZE (exploring Farming-as-a-service business model). Focusing on health and nutrition, the four winners leverage advanced technologies and innovative business models to help create a better life. Bayer will share its rich experiences and further guide the startups to promote the evolution of healthcare and agricultural fields in China.

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 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 & 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) FACILITY TECHNOLOGY MANAGEMENT CO., LTD., had an interview with the local magazine “Modern Property Management”. As a professional journal in the field of Chinese property & facility management,
More than 150 manufacturing professionals played a significant role in winning the certificate. Project Yi’s leader explains, “IQAir’s solution guarantees of indoor air quality meeting safe working environment, in supporting Daimler attain WELL Gold certification.” As Daimler’s reliable partner for more than 15 years, IQAir introduced and discussed the pollution and monitoring solution, helping Daimler employees enjoy a healthy, safe and fun-filled work environment.

IQAir Supports Daimler Greater China to Win WELL Gold Certification

The globally renowned automotive 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 IQAir’s support, the company elaborately planned a special family day for their employees.

For the first time, DRAÎLMAIER Shenyang plant celebrated with more than 1,200 people. The China management team attended and spent a night full 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 DRAÎLMAIER China.

New Director in Beijing at EY

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

Business Delegation from Brandenburg Visits North China

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, Tianjin and Zhangjiakou. Participating delegates were German companies and institutions from a broad range of industries such as energy, IT, environmental technology, mobility & 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 “Green Industries”, “Railroad 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.

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 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.

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 6,488m² and a developed SAP system, will further enhance the logistics delivery efficiency in order processing, packaging and shipping.

HÖRMANN Attends “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 31st October to 3rd November 2018. In an exhibition hall that covers about 100,000m², HÖRMANN maintained around 4,000m². 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 its professional experience, integrating multiple functions like new product displays, industry science popularization and case sharing for the guests.

HÖRMANN’s delegation included Ms. Frauke Steiner, Managing Director of EY in Beijing and the responsible partner of the Business Administration from the Technical University of Nuremberg. The delegation visited the cities of Beijing, Shijiazhuang, Tianjin and Zhangjiakou. Participating delegates were German companies and institutions from a broad range of industries such as energy, IT, environmental technology, mobility & 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 “Green Industries”, “Railroad 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.

Berlitz Corporation Signs Master Franchise Agreement with Shanghai CIIC

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

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Ms. Yue Ma | Consultant at CPC Unternehmensmanagement AG

Speakers:
Mr. Yue Ma | Consultant at CPC Unternehmensmanagement AG
Venue: Fehrer Automotive (Shenyang) Co., Ltd.
Event: Member Training in Shenyang
Topic: Project Management Essentials
Venue: Fehrer Automotive (Shenyang) Co., Ltd.
Speakers: Ms. Wendy Yu | Senior Consultant at CPC Unternehmensmanagement AG
Mr. Yue Ma | Consultant at CPC Unternehmensmanagement AG

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Mr. Yue Ma | Consultant at CPC Unternehmensmanagement AG

Venue: German Chamber of Commerce in China - North China - Beijing
Event: Special Event in Beijing
Topic: Welcome Reception - Meet the New Delegate and Board of Directors
Venue: Bistro Tan Room | Jing Guang Centre | Rosewood Beijing

On 9th 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 Willenstein, Vice Chairperson Mr. Susanne Rudemacher, Mr. Xingliang Feng, Dr. Matthias Gibling, 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 Beijing 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”.

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. Kempinski’s management experience and understanding of the Chinese market led to the Kempinski taking up the opportunity. Kempinski Hotel Beijing Lufthansa Center was opened in 2006, now it’s the company’s 60th property.

What is your personal and business background?
Almost 30 years of experience, aligning with a company’s global scale, a brand’s global reach and a president’s global vision, where my expertise is the same entrusted to the brand’s CEO. From the time-honored Beijing way from the traditional practice of drinking and brewing tea to rediscover the rare traditional tea ceremony to taste the fresh leaves from the “Kempinski Tea Garden” and partake in a 4,500-year-old tea ceremony to taste the fresh leaves from the “Kempinski Tea Garden” and partake in a 4,500-year-old tea ceremony to experience the world-famous Beijing way from the comfort of our beautiful lobby lounge.

The 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 Wenchang’s Shifu 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.

**Advertorial**

**IN PERSON**

**Company:** Kempinski Hotel Beijing Lufthansa Center  
**Job Title/Position:** Managing Director of Kempinski Hotel Beijing Lufthansa Center  
**Year of Foundation:** 1992  
**HQ (location):** Geneva

**Main Business:** Hospitality

**IN PERSON**

**Brice Péan**

**Director of Kempinski Hotel Beijing Lufthansa Center**

**Main Business:** Hospitality

**IN PERSON**
20th August 2018
Event: Special Event in Beijing
Topic: Verabschiedung des deutschen Botschafters in China, Michael Claus
Venue: Kempinski Hotel Beijing Lufthansa Center

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

As the third stop of the new member-only event series: “Walk It Talk in The Zones”, the German Chamber of Commerce – North China in Tianjin invited its members to visit the ELCO - XEDA Intelligent Manufacturing Operation Platform based in Tianjin, Xiqing Economic Development Area on 21st August 2018. The event officially started with a welcome remark by Mr. Zhang Xin, General Manager at ELCO (Tianjin) Electronics Co., Ltd., and Ms. Zhang Xiaolei, Regional Manager Tianjin at the German Chamber of Commerce. After that, the ELCO - XEDA Intelligent Manufacturing Operation Platform was introduced to all visitors. After the tour, Mr. Zhang Xin held a speech on the topic of “How to Adopt Intelligent Manufacturing Practices in China?”

24th August 2018
Event: Member Training in Liaoyang
Topic: Total Productive Maintenance (TPM)
Venue: Evonik Tianda (Liaoyang) Chemical Additive Co., Ltd.
Speaker: Mr. Denzel Fang | Project Manager of Business Unit Lean at STAUFEN Shanghai

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 Shenyang hosted an informative and interactive seminar about the “11th Labor Market & Salary Report 2018/2019” at the Kempinski Hotel Shenyang. 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 20th 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 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.
Regional Social Events in North China

Beijing:
- January 23rd-24th: Leadership: Coaching to Engage Teams (CN)
- February 15th: Standard Time Management with REFA (CN/EN)
- February 18th: Communication, Influencing and Negotiation Skills (CN)
- February 25th: MS PowerPoint Design Ideas for Business (CN)
- March 15th: Intercultural Conflict Management - German & Chinese Perspectives (EN)
- March 29th: Cross-Cultural Training - Virtual Communication (EN)

Tianjin:
- January 17th: Leadership: Coaching to Engage Teams (CN)
- February 15th: Communication, Influencing and Negotiation Skills (CN)
- March 15th: MS PowerPoint Design Ideas for Business (CN)

Shenyang:
- January 23rd: Leadership: Coaching to Engage Teams (CN)
- February 15th: Standard Time Management with REFA (CN/EN)
- March 15th: Communication, Influencing and Negotiation Skills (CN)

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

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 as 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.

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 as 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.

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For more information please contact:
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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/
Platinum group metals, which are used as is one of the world's largest consumers for the company's capacity to refine and recycle. Technology Park, will significantly enhance Nanjing Jiangbei New Material Science and 84,000 square meter facility, located in the approx. USD 120 million including expansion, metal chemistry, including precious metals also inaugurated its new factory for precious On September 12, Heraeus Precious Met- tals expanded production capacity in Changshu, confirming its long-term vision. ADEN Group announced that it closed a growth equity investment round and welcomed Dassault, the European industrial group known for its software and aeronautical ac- tivities, will further drive ADEN’s rapid global expansion, including new market develop- ment, 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 logistic services throughout the world. By this investment round, Stags also joined as a shareholder of ADEN. Mousse Partners Limited is a private institutional investor based in New York with offices in Beijing and Hong Kong. As a long-time backer of ADEN, Mousse Partners also participated in this round, confirming its long-term vision.

In October 2018, ALBIS PLASTIC (SHANGHAI) CO., LTD expanded compounding capacity in its Changshu plant for technical and sophis- ticated solutions for the plastic processing market from 12,000 mttons to 36,000 mttons a year. ALBIS’ product-range and compound- ing expertise is resonating more with the Chinese market. As a matter, ALBIS will in- vest 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.

On September 12, Heraeus Precious Met- als inaugurated its new factory for precious metal chemistry, including precious metals recycling. With its strategic investment of approx. USD 120 million including expansion, Heraeus has solidified its position as a lead- ing 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, es- pecially Platinum Group Metals (PGM). China is one of the world’s largest consumers for Platinum group metals, which are used as emission and process catalysts for major in- dustries such as the automotive, electronics, glass, chemicals, petrochemicals and pharmaceuticul sectors.

ADEN Group Closes Growth Equity Investment Round ADEN Group announced that it closed a growth equity investment round and welcomed Dassault, the European industrial group known for its software and aeronautical ac- tivities, will further drive ADEN’s rapid global expansion, including new market develop- ment, 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 logistic services throughout the world. By this investment round, Stags also joined as a shareholder of ADEN. Mousse Partners Limited is a private institutional investor based in New York with offices in Beijing and Hong Kong. As a long-time backer of ADEN, Mousse Partners also participated in this round, confirming its long-term vision.

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Sinophila’s Spread of Knowledge Through Workshops and Webinars 2018 has been a tremendous success for Sin- ophila Consulting Ltd. Overall, Co-Founder Stephan Mayer conducted twelve workshops and three webinars in Shanghai, Changshu, Kempen, Stuttgart, Munich and Heidelberg. The topics included ‘Western Online Market- ing for Chinese Companies’, ‘Chinese Online Marketing for the Chemical Industry’ and ‘Digital Culture’. As in the previous years, some of Sinophila’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 Swiss German start-up com- pany 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 Dony Hu, GM for Nord- Lock China, joined the school’s panda draw- ing activity, sponsored by Nord-Lock, where Yixuan Wang, one of Sunshine House’s stu- dents, 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!

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Advantages for Trailblazers of the Industrial Revolution 150+ manufacturing professionals with pas- sion for improvement met on the 16th of November at the Global Smart Factory Sum- mmit in Shanghai to hear about the why and how – six companies managed to win in the 2018 round of the ROI Industry 4.0 Awards China. The Awards are a competition for digital pioneers who want to push their own performance. The Awards have been held in Germany since 2013 and in China since 2017. The 2018 Winners of a Gold Award were Beijing Benz, Bosch Wuxi, IBD, and Bosch Rexroth. Hsianian and JT Times received a Sil- ver Award. For the highest degree of fairness, the evaluation from the Jury is based on the Industry 4.0 reference model from ROI, which gauges capabilities in nine different areas “While we love technology, what we look for is capabilities”, says Timo Schneemann, Vice General Manager of ROI in China.

Rhineland-Palatinate Business Delegation Participates in GAG Business & Technology Cooperation Fair From 17th to 21st September 2018, a busi- ness delegation from the state of Rhineland-Palatinate participated in the EU-China Business & Technology Cooperation Fair in Qingdao and Chengdu – a yearly event organ- ized 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 matchmakings during the event. Part of the delegation also pre- sented with a joint booth a 17th Western China International Fair in Chengdu.

DEPRAG Holds New Promises Celebration Ceremony in China DEPRAG new promises 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 said “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 commit- ted to this dynamic market.”

CPC AG Starts Business Expansion to Yangtze River Delta and Partners with Digitalization Specialist With Dr. Nils Seibert join- ing as Regional Manager East China, in July 2018, CPC Con- sulting Beijing – recognized as “Hidden Cham- pion 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 in an international law firm in Frankfurt and has worked for the 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 busi- ness software specialist, to strengthen the firm’s capabilities in digitalization projects.
New GM for Viscom AG in China

Viscom has appointed Mr. Mert Samer as new General Manager to drive its further expansion and future growth in the China Market. Mr. Samer, who has previously been with Viscom’s Asian operations has extensive experience in East-and South-East Asia and has served for more than ten years in various industries in China. Mr. Samer has assumed his new responsibilities within Viscom Machine Vision (Shanghai) Trading Co. Ltd. as of 1st July.

Knauf Greater China Wins ‘China Gypsum Industry Advanced Enterprise Award’

On 20th August 2018, Meilitta Group, an international coating brand with 110-year history, announced the appointment of Byron Chang as new General Manager of Melitta China. Mr. Chang will lead all Melitta coating 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 Diateqo and National Marketing Director at Henkel 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 Piet van Haltwijk, member of Chief Corporate Management at Melitta.

Property Passbook Closes Fundraising Round

Property Passbook is proud to announce the closing of its seed fundraising round. The investment round was led by SOSV and Artesian Venture with participation from DrumTower Ventures. Proceeds from the round will be used to strengthen the firm’s technical infrastructure and deepen its AI and machine learning capabilities.

Colin Bogar, CEO of Property Passbook, stated regarding the recent fundraising: “Property Passbook is at the cutting edge of predictive analytics with regards to the real estate investment sector. Our mission is to help individual investors invest and manage their investment property with confidence from their mobile phone using the same tools that institutional investors use.”

New German Business Group Director at PwC in Shanghai

In September 2018, Mr. Christian Koenig joined the German Business Group of Price-waterhouseCoopers LLP in Shanghai. He is a Director within the markets and assurance 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 to 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 Würzburg.

Lohmann Acknowledged for its Achievement in Environment Protection

Lohmann Adhesive Tapes Technologies, represented by Ms. Han Hui - Safety Health Environment and Facility Manager, attended the Outstanding Enterprise Press Conference 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 governmental 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.

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Poclain Hydraulics Extends Shanghai Plant

On 18th b 19th October, LPKF China held the 2nd Institute Seminar in Chengdu. The seminar mainly focused on presenting 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 is Kelly Zhang presented the “Laser Processing TVG (through glass via) and “In house Rapid PCB Prototyping” respectively. This technical seminar attracted not only the visitors to the high-education exhibition nearby, but also the research firms and Who department of companies. LPKF believes "Precision is our Passion" and continuously deliver high technologies to fit China customers’ demand.

Poclain Hydraulics’ Shanghai Plant was established 8 years ago to support increasing business demand in China and Asia. 2018 has witness a continuous growth in sales and the expansion of Poclain Hydraulics’ industrial base. Besides their existing building, they have rented out an additional building. A new layout is currently under design, taking the costs constraints and flow optimizations for the different lines and stations (lean principle) into consideration. The new phase of PHSHA will be launched early in 2019 with larger premises, state-of-the-art WIND pump line and fully equipped Training Center for Asia.

LPKF Chengdu Seminar Held Successfully

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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, held in Yichang City, Hubei Province from 5th - 8th September 2018. The award was given in recognition of its outstanding contribution to the china gypsum industry. In the competition for various awards, award-winning enterprises not only represent the frontier level of gypsum industry but also indicate the innovative development direction of the industry. "Thanks for the professional review of the ‘Gypsum Association of China Building Materials Federation’. This award is a kind of recognitions of our group culture. It not only greatly enhances our employees’ senses of mission to belonging, but also makes us an industry’s pride," stated Mr. Richard Yoo, Managing Director of Knauf Greater China.

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 Dahlhhausen

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-Dahlhhausen. 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 creating 2,500 t steel.

Melitta Appoints New General Manager

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NOK-FREUDENBERG Participates in 3rd China International Hydrogen and Fuel Cell Conference & Exhibition

From 26th to 28th July 2018, NOK-FREUDENBERG (CHINA) [NFC] participated in the 3rd China International Hydrogen and Fuel Cell Conference & Exhibition (CHFCE) in Beijing with its sister companies from Freudenberg Nanswines & Filtration Business Area. Hosted and supported by leading industrial associations and institutions, as a leading professional platform for hydrogen and fuel cell industries, the trade show has attracted a considerable number of exhibitors and visitors.

The Hoffmann Group Appoints New Senior Vice President and Interim General Manager China

The Hoffmann Group has appointed Dr. Christian Kober as Senior Vice President Asia and Interim General Manager China. Dr. Kober has been living and working in Shanghai for 20 years and has held leadership positions in various industries.

Dr. Ulrike Glueck Receives Silver Magnolia Award

Dr. Ulrike Glueck, Managing Partner of CMS Shanghai Office on September 12, 2018 received the Silver Magnolia Award granted by the Foreign Affairs Office of the Shanghai Municipal government. Dr. Glueck was honored for her contributions to Shanghai. Ulrike Glueck has been working on-site in China since 1998 and has over 20 years’ experience in China-related works. She has been recognised as a renowned China expert and one of the leading lawyers advising international companies on M&A transactions and restructuring projects in China.
**New Members Shanghai**

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Mr. 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 application 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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17th August 2018

Event: Valentine’s Special: DIY Your Life & Find Your Love Coffee

Venue: Jiahui Wellness Center

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.

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HR Manager
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Mr. Tao Wang
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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 Democracy 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 key note 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.

On 1st September 2018, 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 had harvested great applause 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!
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 of 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, 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 of Schaeffler Greater China and 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.

The 6th installment 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.

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 PRIMUS Hotel Shanghai, discussing the question "How to Develop the Leaders of the Future: New Challenges in Talent Management." Dr. Thorsten Bauer, Executive Director of Russell Reynolds Associates, Grace Liu, HR Director of SAP China, and Qian Wu, HR Director Asia at Freudenberg Regional Corporate Center Asia, were the panelists 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 panelists 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. Particularly as regards the task of educating entrepreneurs, allowing for self-driven work or job rotations, and how to retain them. Particularly as regards the task of educating entrepreneurs, allowing for self-driven work or job rotations, and how to retain them.

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.

On September 27th, the German Chamber of Commerce in China – Shanghai organized a workshop entitled, "Get Ready for China’s Individual Income Tax Reform." At the beginning of the workshop, Mr. Philipp Xue, Director of Strategic Innovation & Government Relation at SAP, got straight into the main topic: "What is blockchain?" He introduced three elements of blockchain technology: cryptocurrencies, architectural concept and distributed ledger. To eliminate the confusion, Mr. Xue interpreted the distinct steps of the blockchain application clearly and divided them into three patterns. He also introduced what should be considered when applying blockchain, including technical applicability, business value and integration. The participants participated actively during Q&A, and Mr. Gary Sheng, a colleague of Mr. Xue at SAP gave them some suggestions for their company regarding to the topic of the workshop. All participants enjoyed the insights and learned a lot in this event.

Due to the complexities of tax categories and changeable tax policy, Ms. Fuchs thinks it is therefore necessary to consider making some actions to deal with it, for example having internal training for HR teams on new policies and process, doing executive compensation tax planning under current new IIT law or communicate with employees on implications e.g. tax transfer on annual bonus, severance pay etc. In the following discussion, Ms. Fuchs answered participants’ questions and offered solutions to their actual concerns. All participants enjoyed the insights and learned a lot from this event.

Event: Chamber Meeting
Venue: PRIMUS Hotel Shanghai Hongqiao
Panelists: Dr. Thorsten Bauer | Executive Director at Russell Reynolds Associates, Grace Liu | HR Director of SAP China, Qian Wu | HR Director Asia at Freudenberg Regional Corporate Center Asia
Moderator: Titus von dem Bongart | Partner | Tax/Head of GBN Greater China, ASEAN and Korea at EY

Event: Workshop IT
Topic: “Blockchain – Deliver Boundless Collaboration for Intelligent Enterprise”
Venue: German Chamber Office
Speaker: Mr. Philipp Xue | Director of Strategic Innovation & Government Relation at SAP
Moderator: Mr. Ahmed Tombul | Vauman Information Technology Consulting (Shanghai) Ltd.

Event: Workshop Legal & Tax  Topic: “Environmental Regulation in China – Impacts to Manufacturing Companies”
Venue: Gustav Wolf Suzhou
Speakers: Mr. Xiaoxiong Hu | Partner, Managing Director at UNITY Business Consulting (Shanghai) Co., Ltd
Mr. Jan Michael- Hahn | Foreign Legal Consultant at Burgkardt & Partner
Mr. Thomas W. Scholz | General Manager at Gustav Wolf Wire Rope (Suzhou) Co., Ltd
Mr. Robin Zhang | Operations Director of PETER-LACKE Shanghai Ltd.

This workshop was held at the Gustav Wolf factory with the German Chamber of Commerce in cooperation with DUSA and Unity. Following a warm welcome speech, Mr. Thomas W. Scholz, General Manager of Gustav Wolf, gave the participants insights about the factory’s set-up, followed by a plant tour. Mr. Scholz and Mr. Jan Michael- Hahn, Foreign Legal Consultant at Burgkardt & Partner, gave a presentation on the current state of environmental regulations in China and the impact on companies. The event concluded with an experience exchange, where every participant was able to present their problems and gain insights on how other companies deal with their challenges and how to solve new challenges.

Event: Workshop Production & Logistics
Topic: “Environmental Regulation in China – Impacts to Manufacturing Companies”
Venue: Gustav Wolf Suzhou
Speakers: Mr. Xiaoxiong Hu | Partner, Managing Director at UNITY Business Consulting (Shanghai) Co., Ltd
Mr. Jan Michael- Hahn | Foreign Legal Consultant at Burgkardt & Partner
Mr. Thomas W. Scholz | General Manager at Gustav Wolf Wire Rope (Suzhou) Co., Ltd
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Moderator: Titus von dem Bongart | Partner | Tax/Head of GBN Greater China, ASEAN and Korea at EY
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, Reiner 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, Ms. Bethany Jeaneu and Andrew Jeanfreau set the scene from the beginning by making sure the food was healthy and by taking away the chairs. By making everyone stay after the event, it enabled all the participants to be more active. The main objective was to distract the participants, and therefore forcing participants to actively concentrate, like the 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 first pointed out eight client points of the amendments, for example the new definition for tax residency, the new tax system and rates, monthly standard deduction, etc. He also mentioned three uncertainty items to be clarified and gave some observations from his company points of view. He used a table to explain the new categories of individual income tax, the comprehensive income and the business income. At the end of the presentation, participants asked actively questions and exchanged their personal experiences with the speaker. Every participant was satisfied with the content, the presentation and the discussion.

Stefan Dattenberger

Company: Ingenics Consulting (Shanghai) Co., Ltd.

Job Title/Position: General Manager

Year of Foundation: 2005 (in China), 2005 (in Germany)

HQ (location): Ulm, Germany

Main Business: Consulting on strategic matters, improvement of processes and organization efficiency, project planning and industrial engineering across the entire value chain.

Number of Employees: 540 worldwide
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 in China | North China; Prof. Han Zheng | Professor at CDHK, Tongji University and Chinese companies’ strategies on the international markets.

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.
"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 enough. This training program will make use of different approaches to help you through that process to be a good leader.

Complex Problem Solving Skills and Big Data Analysis New

According to Klaus Schwab, Chairman World Economic Forum. The most important skills for top managers are Complex Problem Solving and Big Data Analysis. Presentations at WEF by Professor David Christian, one of the creators of this specialization, have included 'Interdisciplinary Approaches to Solving 21st Century Challenges' (Davos 2012), 'Big History for Big Picture Thinking' (Davos 2014), and 'Big History, Big Decisions' (Tianjin 2014).

• Case Studies of top companies methods (using Big Data
• Reduce and waste reductions (7S)
• Problem Solving Paradigms via Qualitative Research Methods
• Systems Thinking & Design Thinking
• Team Building using OKS setting & Planning

The impact on high management and foreign expats of Chinese new individual income tax law New

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.

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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 range of services of the sponsors on site, among them main sponsor DirectHR, who have been loyally 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.
“Meet Germany” at the First CIIE

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 Wenzer, Member of German Parliament, Simone Poli, Delegate and Chief Representative of the Delegation of German Industry & 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 Delegation, 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 Dressler, 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.

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 in cooperation with CEMAFON (The European Foundry Equipment Suppliers Association) and LZA (International Zinc Association). A group of industry experts were engaged as a team of judges, tasked with selecting winners according to Euroguss standards and processes. In total, 65 companies and 127 component parts joined the competition. Most of the participants are well-known manufacturers from the automotive industry, like BYD and Dicatal. Bock chose three pieces of components to join the competition. Finally, Bock China Ltd. won the competition. Finally, Bock China Ltd. won the

EXCELLENT AWARDS for both part and mold for its outstanding technology and quality, as the only company from the furniture industry.

Leuze Electronic Headquarters in China Relocation

Over 200 guests joined Leuze electronic headquarters relocation opening ceremony in Shenzhen on 18th October 2018. Mr. Ulrich Balbach, 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

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.

We should also note that the company will move its image to the market by being active in the region. 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.

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 terrorist financing and money laundering risk. WorldCompliance Data includes comprehensive databases of companies and individuals associated with sanctions, enforcement, 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 Sichuan 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 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, introduced by Deputy Consul Alexander Malcolm Fowles 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, Kempinski Hotel Chengdu. On a Friday evening, 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 German Industry & Commerce Guangzhou, Mr. Maximilian Butek, to Shenzhen. The discussion about the business environment in 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 in Guangzhou 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-refreshing 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.

Delegate Change in Guangzhou

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 Beijing. Mr. Butek served as Delegate of German Industry and Commerce in Ghana since January 2017. His previous postings include the Southern Africa-
The Second Discover Germany Festival in Guangzhou

After the successful organization of the first Discover Germany Festival last year, the German Chamber of Commerce in China | South & Southwest proudly presented the second Discover Germany Festival with the General Consulate of Germany in Guangzhou and Grandview Mall on 29th September 2018. The festival was dedicated to promoting German brands, design, innovation and culture. The Festival attracted over 15,000 visitors, including Guangzhou locals as well as international friends.

A Fun Day with the Family

The day started with a cooling autumn breeze, but the atmosphere was soon heated up by the wide range of interactive experiences provided by the exhibitors; from advanced technology, user-friendly home products, international education and healthcare to refreshing imported beer, traditional ham and jam, sweets and spirits. Many were drawn by the pure fragrance of the fresh rye bread provided by Breaking Bread and the rich bubbles of the fresh beer provided by German Beer Garden, which helped visitors cool down on the sunny day. Both grown-ups and children had fun interacting with mascots from R&F, VfB Stuttgart and Trolli. They also received sweets and souvenirs to commit this day to their memories. At the German Chamber of Commerce booth, visitors could try on traditional Bavarian dirndl dresses and take pictures.

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 Reischer, 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 Chamber 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 of Frankfurt and how to better realize and boost soft power in Guangzhou.

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

2018 Guangzhou International Shopping Festival

The shopping festival showcased German products, culture and tourism to the spectators. As one of the core themes of the shopping festival, the German brands exhibition was held on the fourth and fifth floor at Grandview Mall. Bosch, Siemens, Zeiss, Asbach and many other world-class famous brands participated showcasing products with long established brand histories, confirming Germany’s high-quality impression. Entering in the Grandview Mall, it seemed to be originally in Germany, and many representative buildings and famous spots were appearing: the beautiful Neuschwanstein Castle, the medieval Frankfurt Römer, the wonderful chess town and the philosopher Marx’s house. Beyond the beautiful sceneries, from 1st to 3rd October, at the atrium of the fourth floor at Grandview Mall, spectators had the chance to appreciate German music, Bavarian songs and special beer dancing. The wonderful combination of scenes and performing arts let the visitors indulge in the rich German-style environment.

Through this 16-day carnival, Grandview Mall, as the main venues of the Shopping Festival, truly realize the mixture of offline commercial-entity and spiritual experience, invigorating Guangzhou with new economic vitality. Special thanks also go to the spectators for taking part and witnessing such a wonderful Sino-German carnival.

As the service provider of the German Chambers of Commerce Worldwide Network (AHK) in Greater China, we support you with your market entry and business development in Greater China and Germany. With more than 250 specialists in Beijing, Shanghai, Guangzhou, Hong Kong, Taipei and Karlsruhe we tailor customized solutions for your business success.

www.china.ahk.de/services

DEinternational is the service unit of the German Chambers of Commerce Worldwide Network.
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-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 Potie 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 connection with the ‘German Industry 4.0’ strategies.
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