



China-Britain
Business Council
英中贸易协会

Engineering Newsletter

Produced by Vince Cunningham
Tel 01484 325320
E-mail vince.cunningham@cbbc.org

Spring 2009 Issue

In this issue:

Click to jump to top
of relevant page

Headlines – Growth and opportunities in China

[Page 2](#)

How (not) to succeed in China

[Page 2](#)

A company breaks the rules – an uncomfortable story, but valuable lessons to be learned.

Can UK SMEs Succeed in the Chinese Aerospace Industry?

[Page 4](#)

An ex-Rolls Royce senior executive has spent months identifying where they can and shares his knowledge.

Sourcing of Critical Components in China – how to get it right.

[Page 5](#)

Setting up good quality suppliers as part of your supply chain in China can be done – and there is a methodology to success.

IP Balance Shifts East

[Page 7](#)

IP is often top “FAQ” when CBBC talks to companies with limited China experience. But – in a recent survey of 140 UK companies actively engaged in China it ranks ninth. Why?

Access to China’s top Talent for Free with Guaranteed Visas

[Page 8](#)

Too good to be true? No! Often a way to build up market knowledge at low cost.

Negotiating in China – Opportunity to Participate in Research Opportunities for UK Companies / Engineers

[Page 9](#)

[Page 9](#)

Company opportunity and job links.

An MBA assignment that may be of interest.

From CBBC’s China Offices

[Page 9](#)

A roundup of news with an engineering flavour.

Upcoming Events

[Page 11](#)

Links to events calendars

Useful Websites for Engineering in China

[Page 12](#)

Links to websites covering standards to contracts. So how many Mu are there in a hectare?

Announcements

[Page 13](#)

This newsletter has benefited from several generous and informative contributions – we are really grateful for this and would like to thank the contributors. If you have something to contribute or say, please contact: vince.cunningham@cbbc.org.

Headlines – Growth and Opportunities in China

Current figures show China's growth has slowed from the low teen heights of late 2007 to just over 6% (Q1 2009). The impact is very uneven, with exports currently down 17% (year-on-year March – but an improvement on February's figure of 25%). However, many areas of China are still seeing high levels of activity, normally linked to internal – rather than export – activity.

There is evidence that China's fiscal stimulus package is having a positive effect, with capital investment up nearly 29% and a six fold increase in bank lending (Q1 2009 – all figures FCO Beijing). This is supported by anecdotal indications. Last month CBBC's Giles Blackburne visited Shaanxi Heavy Truck factory in Xi'an, where management reported that orders for new trucks are now being received as a result of an upsurge in construction projects across China – a significant improvement on the situation in the last quarter of 2008, where no orders had been received at all.

The reports from the CBBC offices below also show a continued succession of initiatives in sectors like aerospace, rail and infrastructure – see page 9.

The weak pound obviously helps by reducing the cost of UK goods and services in China, but can put importers between "a rock and a hard place". CBBC has seen evidence that Chinese suppliers can be persuaded to "share" cost rises and pass on reductions in input costs – but this normally requires intervention at senior level by the UK company. Equally, it is a time for additional diligence in dealing with suppliers, to make sure that they are actually in a position to supply.

One effect of the downturn is to make Chinese event and exhibition promoters "sharpen their pencils" and these incentives should come through in the costs of attendance – for links to events please see page 11.

[Return to Index](#)

How (Not) To Succeed In China

I have worked many years in China and seen many companies "get it right" - and others that have not. Here is one that is not succeeding ... and some of the reasons why!

Background

European based "ABC Company" manufactures low margin components. They had three plants at home and were using 3rd party manufacturers in China. They decided to close one of the home plants and move to China – opening a wholly owned "WOFE" – "ABC (China)".

A plant was built and became operational in 2007. An organisation developed, procedures installed and operations began at 100% capacity.

Two years later activity is down to just 20%. As sales have dropped, losses have increased. The work force has been significantly reduced. No taxes are paid. The company is technically bankrupt and attracts unwanted interest from tax bureaux.

Here are 5 key areas where ABC did not get it right.

1 Location

China's economic successes can in part be attributed to the creation of economic zones. While the recent removal of some benefits has reduced their attractiveness a little – they still offer plenty of benefits to any planned WOFE. ABC chose to go outside these zones, into the countryside - 10 kilometres from an unsophisticated city. While land was cheap and the labour seemingly plentiful – there is

- .. no protection from the local bureaux. ABC (China) got trapped with "gifts" and are now caught in a never ending spiral.
- .. unreliable electricity.

- .. Nepotism. ABC (China)'s entire work force was hired from two separate family groups – each in competition with the other.
- ... significant additional freight costs – both from suppliers and their own exported products to port.
- ... nobody to compare notes with. Example – it is impossible to get any comparative salary / wage information.

The lessons ? Look closely at Economic Zones and their benefits. There are significant hidden costs and risks involved in not using them.

2 Use of Third Parties

ABC continues to use 3rd party manufacturers in China. They view and treat their own subsidiary as simply another 3rd party supplier - as orders are given to China, they are given to whichever company appears to be the cheapest.

The underlying motive is to force ABC (China) to be competitive. The manufacturing processes that ABC installed in this new plant combined old equipment from Europe with new "state of the art" equipment. The old equipment is inefficient, the "state of the art" equipment needs higher spec. materials. Combine this with the freight issues and the end result is that ABC (China) cannot compete on cost.

Business continues to be given to outside companies, and the reduced volumes exacerbate the unabsorbed overhead situation in ABC (China), accelerating the downward spiral.

The Lessons ? Look closely at why you are setting up in China. Try and identify the processes and costs of other Chinese manufacturers – then use that information and make sure you can match them.

3 Trusting the Chinese

Senior management of ABC openly state that they "do not trust the Chinese". Not just with financial issues – but in the entire decision making process. Local managers are told what to do on a daily basis – by email. None of them has authority to spend money without prior head office approval, nor make any business decisions – even with the local bureaus. They are told what to do ... daily. The end result is an organisation that is paralyzed and unmotivated.

The Lessons ? Chinese people want to learn and feel part of their organisation, there is normally a desire to contribute and have pride in working for a foreign company. Certainly there have to be financial checks and balances, but the Chinese are efficient people, they can deal with problems, and they take ownership in their work and teams.

4 Training and Development – and Rewarding

ABC (China) provides good on the job training of their manufacturing processes. They also have a good paper flow, QC controls and internal audits. Where they go wrong is that when there are mistakes the work force is chastised and threatened - publically. "Improve or be fired". There are no rewards for getting it right.

There is no training or development in any discipline outside the manufacturing process.

The lessons ? Threatening rarely works in China - certainly not publically. Development of Chinese managers is not an expense – it is an investment, and if carried out properly - will return high yields. Chinese people place great value on the opportunity to grow in their jobs.

5 Correct reporting

In an attempt to cut costs and reduce taxes, ABC (China) has avoided full disclosure to government departments in both operational and financial reporting.

This is leading to the threat of investigation from various bureaus, the company is now trapped and risks exposure by local senior managers who have been placed in a compromising situation.

The Lessons ? Report properly from the start. Compromises will inevitably catch up with you.

Summary

Sadly, ABC (China) is on the verge of closing down. It has been a very expensive exercise for the parent company and the Chinese workforce will be laid off. But it could have been very different if common sense and respect for the local business culture had been exercised. ABC are the exception, rather than the rule, and hopefully this experience will be of use to others.

Footnote from Vince Cunningham. This article has been contributed by a long standing consultancy who has worked successfully with many companies in China. For reasons of confidentiality I have withheld the name, if you wish to make contact please email me, vince.cunningham@cbbc.org, and I will forward your email.

[Return to Index](#)

Can UK SMEs Succeed in the Chinese Aerospace Industry?

Background

Symbolised by the Large Aircraft Project announced in February 2007, commercial aircraft manufacturing is rapidly developing in China. Significant restructuring and consolidation has occurred at all levels of the aviation sector to strengthen the country's manufacturing capabilities. In March 2009 the Chinese National People's Congress reviewed a proposal of "expediting release of lower air space and promoting development of general aviation sector". This would open a completely new market for all companies in the sector. Every aviation business we meet in China is crying out for technology, knowledge and expertise from western countries – and this is set to increase. Chinese companies intend a very flexible approach to achieve this objective, and this will range from full acquisition of UK companies, to procurement of technology, to setting up joint ventures in China and abroad.

"the rewards are huge..... UK companies will have to be more proactive"

Opportunities for UK SMEs

Big players such as Boeing, Airbus, and Rolls-Royce are well established in China, but, as the new strategy is rolled out, it will open further opportunities for SMEs. Manufacturing facilities in China we have visited frequently express a willingness to deal with British SMEs – who, they believe, can offer specific improvement on technologies, processes, knowledge and services - and who are willing to develop business in China to mutual benefit. Here are some of the key areas:

Management Consultancy

Most of the companies under AVIC (China's "Aviation Industry Corporation") have brought in international and domestic consultancies, but these have not helped them achieve customer satisfaction. The key issue is the appreciation of cultural and management differences – plus the ability to deliver a consultancy service based on practical knowledge and experience, not just theoretical knowledge, which is needed to bring true improvements in efficiency and quality.

Technology or knowledge transfer

Due to the short time scale available to the Chinese to capture the market, there is a clear procurement requirement of technology from all levels of companies and organisations. The message is that hunger for technology overrides financial concerns. The legal environment is also improving, with more emphasis on IP protection and further patent laws will be introduced during 2009.

Joint venture and contract manufacturing

Joint Venture and contract manufacturing are still considered by Chinese companies as a major path of enter the international market and obtain management best practise. Different to other sectors, financial injection from potential western partners doesn't seem to be the most important criteria in joint venture partnership. Instead, access to new technology, skills and capabilities carry much more weight. For UK companies, this goes beyond reducing current manufacturing cost, it offers a potential entry into the largest growth market in global aviation sector in the next ten years.

Supplying parts and materials to the Chinese

At first sight this may seem strange, and reverses the norm of sourcing "cheap and cheerful" from China. Due to the current lack of manufacturing capability the aviation sector in China is looking to purchase parts, components and materials from the global market - including the UK.



Grasp the opportunities

Despite the massive opportunities China is not for faint hearted! There is no guarantee of success and , without real understanding of this market, it is easy to waste money and time. Sitting in the UK will not capture any opportunities, as there has to be continuous direct communication with Chinese clients - in this fast moving market things can move very quickly. Conversely, on some occasions, the decision process can take months due to the state controlled status of the industry and the tradition of collective decision making, even at top level. Patience, resilience, tenacity and a degree of bloody mindedness are essential.

To succeed, you need a good understanding of Chinese culture - especially the distinctive business approach and management style in this sector. The Chinese aviation industry has developed and grown for the last 50 years within a state owned framework, under a planned economy with military focused production and management. People can be very amicable and promise success at nice banquets, but don't kid yourselves that this concludes the deal – you will have to fight tooth and nail to do that!



The rewards are huge, but to successfully capture the opportunities many UK companies will have to be more proactive and move faster to match the pace of the Chinese. The service level required by our Chinese clients will surprise most UK companies and requires the highest customer focus.

This article is based on ground observation and information obtained through numerous site visits discussions with different organisations by Asian Star Ltd. It is provided to our best knowledge with the intention of information exchange only.

Asian Star Ltd is based in North East England. This article was prepared by Managing Director John Morton (30 years experience in aviation - 27 years with Rolls- Royce) and Lei Huang (a Chinese national with a background in capital equipment procurement and contract management in China).

(Email: info@asianstarltd.co.uk;

Mobile: 07773183256 John Morton; 07794464326 Lei Huang)

[Return to Index](#)

Sourcing of critical items in China – how to get it right

China is fast becoming an important player in aircraft manufacture whilst developing capabilities in value and quality for components and sub assemblies. So what can UK companies do to make sure their sourcing projects work for them in the long term and avoid the pitfalls?

This case study shares some practical 'best-practice' and shows how **cost savings of around 50%** were achieved by a UK company as well as covering the key areas of challenge to deliver this.

A leading UK company supplying sensors that measure flight critical systems on aircraft was under pressure to reduce costs. They needed to establish whether low cost locations such as China could offer vendors capable of the demands of tolerances, safety and traceability required in the aviation industry.

**“paid back the investment...
in the first year”**

The steps were to identify vendors in China and Taiwan, screen them, then arrange meetings to assess their potential to make finished products and components. Following meetings we held with the vendors and the client we had to advise that, as technology was not sufficiently advanced, sourcing finished parts was not an option but components were a viable alternative. To set up a robust supply route there were four key challenges. The **first challenge** was to develop a process to ensure that all the component standards could be easily understood by the potential vendors.



The **second challenge** was to reduce an initial list of over 100 potential vendors to a final 12. This required detailed analysis of costs and overall capability and was a vital step to ensure subsequent work was not wasted on vendors who were not up to standard. Visits were arranged to assess the shortlisted vendors and identify what development, if any, their manufacturing processes and quality systems would need. The **third challenge** was to audit each vendor against internationally recognised aviation standards to understand their ability to meet the required level.

This process led to the selection of a single vendor in China. The **final challenge** was to develop an agreed action plan to produce sample components and address the issues identified during the audit. When samples had been evaluated, a final qualification visit was arranged followed by confirmation that all processes were up to standard and signature of supply contracts.

The 50% cost savings achieved paid back the investment in finding and establishing a low cost vendor in the first year. Outsourcing components ensured the company could achieve the savings without negative impacts on either quality or profitability.

Through a full 'knowledge transfer' programme the company team was fully trained in how to identify, assess, choose and work with vendors in China. In addition, processes were established to ensure future quotation requests were easily understood. The end result was a high quality vendor, with growth capability, that could meet all of the demands for fine tolerance components – plus the in-house capability of repeating this exercise.

So the message is clear: plan well, be diligent in your research, understand and learn from the challenges you will most certainly face, be committed and patient and don't be afraid to use and learn from expert help in the UK and China to help build the right long term relationships.

The Consultancy Company is a provider of supply chain consultancy and 'knowledge transfer' on sourcing across a number of sectors including aerospace, construction, engineering and furniture. For over 15 years we have been helping UK companies reduce their cost base and access new markets by establishing a presence in China.

For further information please e mail: china@the-consultancy.co.uk , see www.the-consultancy.co.uk or contact Peter Broxton on 07768 021655 or Graham Barker on 07780 523126.

[Return to Index](#)

IP Balance Shifts East

Despite its strong history of innovation – paper, printing, gunpowder and the compass being the four Great Inventions of Ancient China, the long held perception of China has been that of the world's low-cost, high-volume "factory" for products invented in the west. However, this clichéd view is becoming increasingly inconsistent with a country aiming to make the transition from "*Made in China*" to "*Invented in China*".

A prerequisite for an economic revolution on this scale required China to recognise mental labour as personal *intellectual property* (IP) having a potential economic and tradable value. The establishment of the Chinese Patent Office in 1980 and the subsequent establishment of the country's first Patent Laws – laws largely borrowed from Europe – marked a major turning point in this regard.

Home Grown Innovation

China's patent system has played an important role in allowing the country to absorb foreign technology and attract overseas investment on an unprecedented scale. However, having recently displaced the United Kingdom as the world's 6th largest filer of international patent applications under the Patent Cooperation Treaty (PCT), it is likely that the number of European patent applications originating from China will increase markedly in the next few years.

Foundations for Future Success

Over two thirds of patent applications filed in China are now filed by indigenous applicants, a complete reversal of the statistics of ten years ago. A raft of other statistics supports the notion that China is well on the way to laying the foundations of its future success. For example, the number of graduate and undergraduate students has tripled since 2002 with 48% being in the engineering, manufacturing and construction disciplines. Having already topped the list of internationally indexed engineering publications in 2007, by 2010 China is projected to have more PhD engineers and scientists than the US.

Opportunities for UK Engineering Sector

China is home to 1.3 billion potential consumers with rapidly rising aspirations. Targeted investment coupled with a strategic patenting focus in several core engineering fields - new materials, advanced manufacturing, new energy, oceanography, modern agriculture, modern transportation, aeronautics and astronautics - is sure to result in new high-growth markets and market opportunities in the future. Recent trade agreements signed between the UK and China mean that conditions have perhaps never been better for licensing, joint ventures, collaborative research or otherwise expanding into the Chinese market.

Avoid Self-Inflicted Problems

Many fears surrounding IP issues in China are borne out of misconceptions, outdated information, or based on the hearsay of those whose failure to seek professional advice caused self-inflicted problems. Frustratingly, it is still widely believed that inventions cannot be protected in China, or that IP enforcement is very difficult or even impossible.

Not only are these beliefs unfounded, but it is generally accepted that Chinese patent law and, importantly, its enforcement mechanisms and IP judiciary have matured to the extent that they now compare favourably with those of many developed nations. Whilst counterfeiting does remain problematic in China, this is an area being actively addressed by the authorities.

In short, many IP problems encountered in China are avoidable and investing in professional IP advice at an early stage can go a long way to maximising opportunities whilst minimising problems.

IP Audit

Every company in the engineering sector owns or uses some form of IP (e.g. patents, utility models, trademarks, design rights, copyright, know-how etc.) and it is advisable to capture these in an IP Audit. It is strongly recommended to enlist the services of an IP professional to oversee this process to ensure IP and business strategies each complement one another. Failure to obtain registered protection in China for core technologies and brands can seriously compromise efforts to tackle any infringement or counterfeiting problems that may arise.

Patents

Focussing in on patents, China grants three types:

- Invention Patents
- Utility Model Patents
- Design Patents

Chinese Invention patents are similar to patents granted in the United Kingdom insofar as they protect new inventions that involve an “inventive step” over known technology. Chinese Utility Model patents have a lower “inventive step” requirement, a reduced term and hence are cheaper, quicker and easier to obtain. Chinese Design patents are similar to registered designs in the UK and protect features of shape, pattern and colour.

It is essential to note that premature disclosure of an invention or design anywhere in the world (including the UK) can be fatal to obtaining enforceable patent protection in China and so it is advisable to seek professional advice at an early stage.

If Things Go Wrong

Even if protections are put in place, the unexpected can still happen. If infringement or counterfeiting problems arise there are several enforcement mechanisms available including an administrative procedure where complaints are filed at a dedicated local administrative office; and a judicial procedure where full legal proceedings are initiated before the courts. The most appropriate route to follow will depend on various factors and professional advice should be sought.

Take Home Message

China’s inexorable economic rise is sure to provide both opportunities and challenges for the UK Engineering sector. Seeking professional IP advice and making effective use of China’s IP system can help maximise the former and minimise the latter.

Prepared by: Steven McIlroy, European Patent Attorney, Murgitroyd & Company
Contact: Email: steven.mcilroy@murgitroyd.com
Tel: +44 (0) 141 307 8400
Fax: +44 (0) 141 307 8401

[Return to Index](#)

Access to China’s Top Talent for Free with Guaranteed Visas! UK and China government supported programme.

The UK-China Graduate Work Experience Programme is a joint initiative between the UK and Chinese Governments aimed at strengthening cultural and business links between the UK and China through making connections with tomorrow’s business leaders. The programme provides between 12 and 50 weeks work experience with UK employers for up to 200 of the most promising final year and postgraduate students in China; all of whom are ranked top students by their university professors and heads of faculty.

Since the programmes launch in 2007 hundreds of internships have been secured for students taking part in the programme; with past interns been offered full-time roles with their employers at the end of their internship. For more information: www.ukchinagrad.com

[Return to Index](#)



Negotiating in China – Opportunity to Participate in Research

Have you negotiated in China? If so, Joanna Haigh, a postgraduate at Sheffield University would like to talk to you briefly. She is researching this area for her Masters degree and her key questions are:

- What three tips might you consider to be most important for British companies newly pursuing business interests in China?
- In your opinion, what was the most difficult point encountered in your negotiation with the Chinese firm/partner?
- What was an easier point to negotiate?
- Do you consider British firms may be at a disadvantage when negotiating in China, compared to firms who may 'share' the Chinese culture such as those from Singapore, Taiwan or Hong Kong?

If you can help please email Joanna: jpp06jh@sheffield.ac.uk. Note that all individual comments will be treated in confidence and not attributed to any specific source.

[Return to Index](#)

Opportunities for UK Companies / Engineers

All opportunities are now uploaded to the UK Trade and Investment site by our China team. You will find them at <https://www.uktradeinvest.gov.uk/>. Follow the links for trade, China and opportunities. Please note you will need to register to use this website.

Engineering Jobs in China. Unlike most websites promising this – this website does actually seem to have some!

<http://jobs-in-china.linksseo.com/categories/Engineering-Jobs/>

Assignment Sought (2 months): A finance and administration manager with 17 years experience in the manufacturing sector in the Far East, currently studying for an MBA at The University of Hull, seeks an opportunity for a work placement in China for 2 months to support research into cultural influence on organisational structure. Full confidentiality will be assured, and it is intended that the company will benefit from this insight into cultural influences on business performance and human resource management strategies.

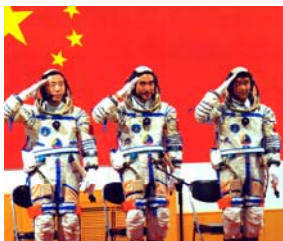
Contact Eng-Kiat Lau: Email: E.K.Lau@2008.hull.ac.uk, Mobile: +44 (0) 7809604264



[Return to Index](#)

From CBBC's China Offices

Beijing – Cherry He cherry.he@cbbc.org.cn



Aerospace becomes new growth area for China's economy. With the launch of Shenzhou- 7, China has achieved a spacewalk using Chinese-made equipment. This shows that China's technology and industry chains have extended to the world's upper end of science and technology.

Source People's Daily Online:

<http://english.people.com.cn/90001/90778/90857/90860/6620775.html>

China to buy 350km/h high-speed trains. China's Ministry of Railways (MOR) signed a deal with state-owned vehicle producer CNR Corporation Limited (CNR) here Monday to purchase 100 high-speed CRH trains for 39.2 billion RMB (about \$5.74 billion).

Source People's Daily Online:

<http://english.people.com.cn/90001/90776/90884/6615381.html>



China issues new rules to promote and regulate outbound investment. On March 16 the Chinese Ministry of Commerce issued regulations of overseas investment in a bid to encourage Chinese companies to be more ambitious on "going international" and improve their compliance with laws of host countries and their performance on corporate social responsibility.

Source People's Daily Online:

<http://english.people.com.cn/90001/90778/90857/90861/6615294.html>

Shenyang – Lisa Liu lisa.liu@cbbc.org.cn

China to compete with Boeing, Airbus for jumbo passenger planes Passenger plane manufacturers Boeing and Airbus will soon be facing intense competition from China, which has one of the largest aviation markets in the world. China will bring out its own jumbo passenger planes in 2017. The high-capacity Jumbo-jets that are made to carry 200 to 800 passengers has so far been monopolised by Boeing's 747 and the new Airbus's A-380 aircraft. China will soon be entering this lucrative market with its own version called the C919, which will have an initial capacity of 190 seats..... China has already finished with the preliminary technical design plan and commercial feasibility study.

Source and Full story: http://www.domainb.com/aero/aero_mfg/20090309_china_compete.html

Dalian Plans Industrial Upgrade

Liaoning province's coastal city of Dalian will reform and upgrade its industrial structure to stave off the impact of the deepening global financial crisis. The city's 2008 GDP was estimated to have reached 385.8 billion RMB (\$56 billion), a 16.5-percent year-on-year increase. The city is striving to construct leading global bases for equipment manufacturing, shipbuilding, ocean engineering, petrochemicals and international logistics. In accordance with China's 4 trillion RMB stimulus plan, Dalian will also construct China's largest wind-power and nuclear-facility manufacturing bases.

Source and Full Story:

<http://english.people.com.cn/90001/6614500.html>



Chengdu – Sophie Bao and Wendy Wei chengdu@cbbc.org.cn

CaterPillar to build Western China Production Center in Longquanyi: CaterPillar, the world's biggest mechanical engineering company, will invest with \$25 million in Longquanyi district. The project was signed on February 27th and construction started construction in March, Sales revenue is expected to be over 1.2 billion MB pa.

Source: Chengdu Invest www.chengduinvest.gov.cn/EN/htm/detail.asp?id=7135

Chongqing – Kevin Du Chongqing@cbbc.org.cn

Following the recent 600 million RMB suspension module project in Chongqing by China Wanxiang Group, the biggest automotive components company in China, Automotive Components Group (IAC) opened a branch in Chongqing and plan to set up an automotive components production base in three phases with an initial investment of 50 million RMB.

IAC Chongqing will provide interiors for the Volvo S80. Initial sales amount are expected to be 50 million RMB for this first contract. Source: CBBC Chongqing

Wuhan - James Liu and Mavis Yang

wuhan@cbbc.org.cn

The new Wuhan Yangtze Tunnel is fully operational. It is the only tunnel completed in the Wuhan area of the Yangtze River. Located between the Wuhan Yangtze Bridge and the No 2 Yangtze Bridge, it has twin double lanes and a length of the tunnel is 3.6km.

Source and photo: James Liu.



Shanghai – Fu Yue and David Zhang shanghai@cbbc.org.cn

First batch of electric light commercial vehicles sees mass production In March Nanjing IVECO Motor Company (Naveco), China's leading light commercial vehicle producer, held a delivery ceremony in Nanjing for China's first batch of electric light commercial vehicles, introducing 10 zero-emission and zero-pollution electric light commercial vehicles.



This batch of vehicles will be put into operation as electrical power service vehicles for the State Grid Corporation of China (SGCC). This is the first time that China's domestic light commercial vehicle industry has realised mass production and commercial use of electric vehicles and the vehicles will have a range of 220 kilometers. Naveco is developing special purpose electric vehicles for Shanghai Expo 2010.

Source: China Daily, 16th March

Hangzhou – John Zhou john.zhou@cbbc.org.cn

Zhejiang Car Manufacturer to pay up to \$40 Million in DSI purchase: Zhejiang car maker Geely Automobile Holdings will pay up to A\$58 million (\$40.22 million) to acquire Australian automatic transmission supplier Drivetrain Systems International (DSI).

Geely, which is trying to shake off its image as a purveyor of low-priced cars, is one of several ambitious Chinese automakers keen on expanding into developed markets.

Source – Rafael Nam, Reuters Hong Kong, March 28

Shenzhen – Simon Shen simon.shen@cbbc.org.cn

Design work for HK-Zhuhai-Macao Bridge starts: The design and investigation work of the Hong Kong-Zhuhai-Macao Bridge's main body started on March 13.

This 29.6 km bridge links the artificial island off Macao and the eastern artificial island of Hong Kong, and will house both seabed tunnels and a six-lane highway. "It is the most complicated project in communications construction in China at present" said Lin Ming, Chief Engineer of China Communications Construction Co., Ltd, "a total of 400 holes need to be drilled, with a deepest one of 120 meter. The work needs 50 ships and 20 sets of equipment." The bridge will shorten the Hong Kong to Zhuhai drive from four hours to half an hour.



Source and more information:

http://www.newsgd.com/prdcorner/hkmacaoexpress/content/2009-03/16/content_4989866.htm

[Return to Index](#)

Upcoming Events

UK: List of upcoming China focused events in the UK: <http://www.cbbc.org/events/index.html>
Click on the relevant month on the webpage.

China

Market Visits Exhibitions etc – These depart at all times of the year, some are regional, some sector focused. For an up to date list please follow this link:

<http://www.cbbc.org/events/china.html>. Click on the relevant month on the webpage.

Or visit the UKTI website: www.uktradeinvest.gov.uk You will need to register to gain full access to this website – registration is a simple process and gives access to a large amount of information. Look at "All Events" to the right of the China Home Page.

[Return to Index](#)

Useful Websites for Engineering in China

Chinese Academy of Engineering:

www.cae.cn/swordcms/html/images/english_main.htm

Chinese Association for Science and Technology

<http://english.cast.org.cn/>

Chinese Mechanical Engineering Society

www.cmes.org/cmes_en/index.html

Industrial Engineering Institute of China

www.ieic-cn.cn/Index_EN.htm

Chinese Journal of Chemical Engineering. Bound 2008 Volume €379

http://www.elsevier.com/wps/find/journaldescription.cws_home/707628/description#description

Website has links to downloadable articles in English in .pdf format.

List of associations and institutions for engineering in China (Golden Lantern):

www.goldenlanterns.com/china-engineering_resources.html

Common unit conversions:

<http://www.onlineconversion.com/>

Chinese Standardisation Administration

<http://www.sac.gov.cn/templet/english/>

China General Machinery Industry Association (look for the English version link mid page then follow links to other Engineering trade Associations) www.cgmia.org.cn/

Engineering manufacturers – databases to find suppliers:

<http://www.alibaba.com/countrysearch/CN-suppliers/Engineering.html>

www.made-in-china.com

Chinese Contract Law

<http://www.chinaiprlaw.com/english/laws/laws2.htm>

Please let us know of any additional websites you find that could be of interest to engineers, we will add them to future editions. vince.cunningham@cbbc.org

[Return to Index](#)

DISCLAIMER: Every effort had been made to ensure that the information on this newsletter is accurate, but the China-Britain Business Council accepts no legal responsibility for any errors or omissions in that information and no legal responsibility is accepted in regard to the standing of any firms, companies, authorities or individuals mentioned.

China-Britain Business Council

The China-Britain Business Council (CBBC) is the UK's leading source of practical services to British companies doing business in China.

CBBC supports British companies of all sizes - new entrants and established operations - providing business services, practical in-market assistance and industry initiatives. Services offer access to the potential of the China market and to develop a sound business strategy. Working closely with UK Trade & Investment, CBBC's services are delivered through a network of seven offices in the UK and eleven in key Chinese cities. Membership offers further benefits including specific services to develop your China business, local support, access to delegations, key information, discounted prices for services, special member-only events and information.

CBBC on-line Service Providers' Directory

We are pleased that this is now operational – the link is at the top left of CBBC's home page, www.cbcc.org.

The directory is fully searchable, giving many useful contacts. Entries are free to Corporate Members – have you registered? If you have registered for this service please check how your entry appears – are you in all the right sectors? For additions or amendments please contact Kerrie Dyer on kerrie.dyer@cbcc.org.

China-Britain Business Review

April edition out now

To advertise in the China-Britain Business Review contact fiona.huo@cbcc.org



[Return to Index](#)