

The new: Nanjing Library ...



...the Metro...



...and the old (Sun Yatsen memorial)



Nanjing 南京

NEWS: ON THE GROUND

Express railway to open

The Huning (Shanghai-Nanjing) inter-city high-speed railway will open on July 1 this year, providing services for Shanghai Expo, and completing the rail network of the Yangtze River Delta. The railway runs in parallel to the north of the current line from Shanghai to Nanjing via Suzhou, Wuxi and Changzhou. The new 300 km line will reduce travelling time from Nanjing to Shanghai to 50 minutes. In 2011, it will only take four hours to reach Beijing after the Beijing-Shanghai high-speed railway is completed.

Hexi attracts attention

Nanjing Municipality is promoting the development of a new central business district in Hexi New Town, which is intended to be the new

centre and symbol of the modern city of Nanjing. The district will focus on attracting new investment in the fields of insurance, hotel management, technological R&D, and start-up companies. During a recent business week, financial organisations such as China Merchants Bank, Metrobank, and Hilton agreed to set up their regional headquarters in Hexi, and contracts were also signed for hotel projects, software R&D and biological medicine.

Tesco goes in

Tesco is to open a store in Nanjing's Hexi New City in 2011.

'Liquid Crystal Valley' proposal

Nanjing expects to attract US\$10bn of investment into the LCD industry over the next three to five years, turning it into China's 'Liquid Crystal Valley.' Sharp will build its

global research centre for LCD and China Electronics has also signed up to invest there. Sixth-generation production lines are currently under construction.

Nanjing wins Olympics bid

The International Olympic Committee (IOC) has selected Nanjing, as the host city of the Summer Youth Olympic Games to be held in 2014. Some 3,600 athletes aged between 15 and 18 are expected to compete in 26 sports.

Airport expansion

Nanjing's Lukou International Airport is handling over 10 million passengers a year, and capacity is being expanded, with phase 2 project under construction. A new runway and Terminal 2 are scheduled to open in time for the Second Youth Olympics Games in 2014.

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Liu Hao

The acid test

THE REVIEW INTERVIEW

BP YPC Acetyls Company (BYACO) is a joint venture between the British energy giant BP and Sinopec. Jenny Jiang spoke to general manager Liu Hao.

What does the company do in Nanjing?

BYACO is a 50:50 joint venture between BP and Yangzi Petrochemical Co (YPC), an affiliate of Sinopec. We manufacture and market annually 500,000 metric tons of acetic acid, a raw material widely used for products such as PTA, esters and MCA.

As of today, BP has a total investment of US\$4.7bn in China, with over 30 wholly owned companies and joint ventures and more than 4000 employees.

When did it set up in Nanjing and why?

The joint venture was established in 2005. BP is a world leader in the acetic acid industry, and China has the highest growth of demand for acetic acid, so it is an important place for BP to operate. The Yangzi River Delta and South China are the two areas with the majority of acetic acid demand. BP has already an acetic acid JV with Sinopec in Chongqing [southwest China]. BYACO was established to better serve our customers and to enhance BP's leading position in this industry.

Where are your customers?

All over China but quite a lot are located in East China (Jiangsu and Zhejiang provinces and Shanghai) and South China.

What is your responsibility in the company?

While being fully responsible for the profit and loss of the company, I also make sure that BYACO operates in a safe and environmentally friendly way. Our company does not only work to create financial value for our shareholders but also strives to be a responsible corporate citizen in terms of job creation, environmental protection and social responsibilities.

Why did you choose to work for the company, and how are you finding it?

While growing its business scope and size in

China, BP provides good opportunities for people who want to progress in their career, and tremendous support and resources for people development. I am proud of being able to work for such a great company.

What contact do you have with the local authorities? How is your relationship with them?

There are a lot of things going on with the Commission of Foreign Trade, Customs, the municipal and tax authorities, the Industry and Commerce Administration Bureau, and the Chemical Industry Park Management Committee etc. We enjoy a very good relationship with them and this is another reason why we chose to invest in Nanjing.

What are the advantages and disadvantages of being in Nanjing?

We see a lot of advantages, for instance, the location is ideal to serve customers in both East China and South China, it has a well developed chemical industry park with good infrastructure. Furthermore, the large YPC petrochemical complex creates substantial synergies for the JV. Transportation is convenient by road, river and railway. Costs are much lower in Nanjing than in the first-tier cities, and last but not least, the local authorities are quite efficient.

Any other comments?

CBBC has been helpful in supporting UK companies through information sharing, bridging communication between the authorities and British companies. I hope that CBBC will organise more events to provide more opportunities for us to communicate with other UK or European companies to share our experiences and knowledge.

Jenny Jiang is chief representative, manager, Nanjing of CBBC

Medical giant of Nanjing

Nanjing Medical Group is one of Nanjing's biggest companies, a state-owned enterprise with a wide range of pharmaceuticals-related activities, from R&D to manufacturing and distribution. The group makes some of China's famous old brands of Western as well as traditional Chinese medicines, such as 'Baijingyu,' 'Mailuoning', and 'NanjingTongrentang.'

Nanjing Medical Group is a part owner of two companies that are listed on the Shanghai Stock Exchange (with a 23 per cent share in Nanjing Pharmaceutical Co (the next largest shareholder has 10 per cent) and 53 per cent in Jinling Pharmaceutical Co). Nanjing Pharmaceutical is among China's four leading pharmaceutical distributors, and represents many international names (GSK, Pfizer, Squibb and Johnson & Johnson among them).

NMG is an experienced exporter: some of their active pharmaceutical ingredients have been sold worldwide for more than 30 years. Sales of medical products to Asia, South America began 10 years ago. NMG is now preparing to apply for GMP (good management practice) accreditation to the WHO and the drug administrations of the USA and Europe.

Chief engineer Yin Zhong is responsible for ensuring progress in manufacturing, medicinal technology, quality control and aspects of R&D. Dr Yin, whose background is in pharmaceuticals research, has broadened the scope of biochemicals research, taking it into many new areas. A seven-strong team is working on finding new anti-cancer and anti-viral compounds. R&D is a matter of concern – Dr Yin describes Chinese R&D as 'more manufacturing than research.' The whole country needs a lot more investment in this area, he says. "If I had the opportunity, I would like to cooperate with overseas laboratories and universities. We do have contacts there, but do not have good projects, and the project is the basis for research."

NMG does not currently have any joint ventures with foreign partners. Two previous manufacturing joint ventures (one with Pharmacia and another with Organon), although going well, were terminated when the overseas partners wanted to pursue their own strategies, says Dr Yin.

Dr Yin describes the main challenges facing the group as "R&D, and enlarging our share of the Chinese and international market." The company has a three-year strategy of becoming one of the top five Chinese medical companies, which Dr Yin says it will tackle through acquisitions, product development, and building a better qualified sales team.