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United States Investment in China

U.S. Investment Overview

- U.S. investment Characteristics
- Investment motives
- Goals and strategies
- Considerations of Investing in China
- Making decisions for investing in China
- Investment trend

U.S. Investment Statement

- 2009 U.S. FDI in China (Million \$)
- U.S. FDI status in China

U.S. Investment in Sectors and Regions of China

- Investment Sectors
- Investment Characteristics per Region

(Beijing, Shanghai, Guangdong Province, Jiangsu City, Liaoning Province, Shandong Province, Sichuan Province, Zhejiang Province, and Inner Mongolia)

Case Study

- DuPont Corporation

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U.S. Investment Overview

U.S. Investment Characteristics

- US enterprises that invest in China are mainly multinational companies – Through the global production, sales, purchases and R & D activities, American investments combine global economics together.
- Starting points are high – American companies emphasize on long-term strategies. They transfer technology and R & D centre while establishing production bases, in order to complete industrial upgrading.
- International purchasing – U.S. companies are the biggest buyers in China compared to other foreign companies. 30% of American companies purchase resources from China, while 70% of them purchase from other regions and countries, such as Japan, Taiwan, East Europe, North Korea and other nearby countries.
- China is not only a production base but also a sales market for American companies – the basic strategy of American companies is to sell in China market while producing in China. Most of the American companies consider

China as the key sales market and profit origin, 60% of total products from American companies are sold in Chinese market.

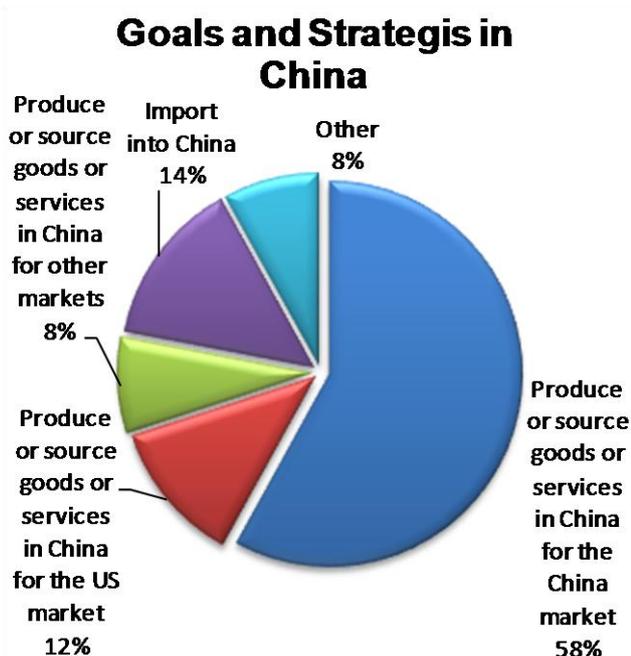
- Focus on localization – U.S. companies were initially localized to adapt to China's laws and regulations, avoid trade barriers and seize the market. However, with China's rapid and stable economic growth, more and more U.S. companies are determine to develop long-term strategies in China by enhancing the localization of talent, raw material supply, production, R & D and corporation culture.

Investment Motives

- Large market size
- Rapid economic development
- Tax incentives
- Foreign currency management
- Infrastructure development
- Transportation cost
- Land rental
- Language
- Labor quality
- Local resources
- Government efficiency
- Local competitors

Goals and Strategies

- In the past: The American companies invested in China to manufacture products to sell to other part of the world.
- Present: more companies tend to produce and sell products in Chinese market. According to American Chamber of China's *2010 business climate survey*, 58% of their companies claim that their main reason for investing in China is to produce or source goods and services in China for Chinese market.



Source: 2010 AmCham-China Business Survey

Considerations of Investing in China

- Market volume

China's consumer market volume is the major consideration for location selection of American investments. High retail consumption revenue of a certain location usually implicates the existence of a potentially smoother sales channel for the products of U.S. companies. The large market volume attracts more FDI input. For example, Guangdong, Jiangsu, Shandong and Zhejiang Province always top the national retail consumption and attract more foreign investments than any other areas.

- Labor cost

Although the average income increased rapidly in China, the annual average income of 4,283 USD in China is still really low compared to the annual average income of 47,132 USD in America. The low labor cost is another attractive component for American companies. Even in high labor cost city like Shanghai whose average income is 6,512 USD, it is still quite competitive while comparing with American neighborhood Mexico whose average income is 6,800 USD.

- Industry collection

The competitive advantages of manufacturing in China attract American manufacturing companies to explore businesses in Chinese market. Following by the enhancement of multinational

companies, supporting enterprises in manufacturing industry increased rapidly and helped American companies to decrease its production costs, increase productivity and adjust its production.

Decision-making Mechanism of Investing in China

- Investment scale and amount will be determined by global headquarters of the multinational corporations, based on their global strategy as well as the Chinese market status.
- The China headquarters of the multinational corporations are responsible for selecting location and processing the investment options, such as establish and maintain government relationship, human resources arrangement, etc.
- When investing in the R & D area, such as software or biopharmaceutical projects, American headquarters will make the final decision.
- Chinese office has more responsibilities of localizing the foreign products.

Investment Trend

- Manufacturing Industry shift

Due to the increase of multinational M & A activities and economy

development of America, there are more and more manufacturers shift to overseas countries, and China is one of their main destinations. Because of the low labor cost and large consumption market, they establish factories and R & D center in China and distribute most of their products to Chinese market at the same time. According to the statistics, by the end of 2009, there were more than 30,000 U.S. companies registered in China and their sales volume reached 150 billion USD, while the total exports from America to China were 70 billion USD. Furthermore, there are many American companies in services sectors occupied great market shares in China.

- M & A – Main investment manner of Multinational Companies

2/3 of American FDI is utilized through M&A. These M&A deals mainly occurred in resource development, advanced equipment manufacturing and service sector. Through directly and indirectly investing in Chinese Listed Companies, American companies participate in Chinese Listed Companies' businesses or hold domestic companies. In order to operate M&A, multinational companies generally process transaction by merger agreement, and dilute Chinese equity holding in joint venture

companies through equity transfer or increase.

➤ FDI mainly focus on service sector U.S runs about 2/3 of the total global service outsourcing businesses in the world while Asia undertakes about 45% of them, ranking first among all the continents. In 2010, more than 25% of traditional information industries transferred to China, India and Russia. American services companies investment in China increased more than 50%. In 2008, China was the third services outsourcing market to America.

➤ Rapid high technology transfer and R & D center growth in China Since the fast development of globalization and localization, American high-technology industry increases their transferring process in China. After 2003, there were more and more American multinational companies established R & D center in China and increased their output to these investments. According to a research, among these R & D investments, 41% of them approach to set up independent R & D center, 33% of them prefer introducing more hi-technology to China, 25% of them plan to expand researches in China, and 24% of them choose to cooperate with local organizations.

➤ More adoption of systematic investment

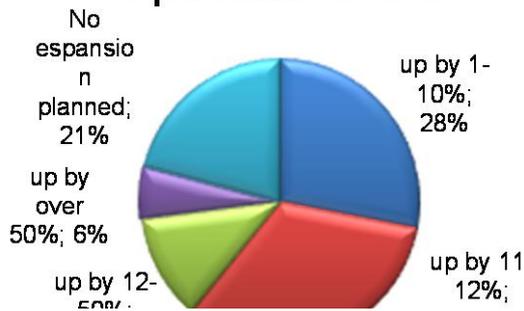
Capital transfer of the MNCs stimulates the whole industry chain to invest in China. They further develop supply chain, logistic services, SMEs and establish completed industry system in order to be initiative in the competition. This phenomenon upgrades the modern market competition from the battles between individual companies to the battles between global supply chains.

➤ Optimistic expectation of the Chinese market

Although the global economic crisis influenced the benefits of most American companies, most of their investments in China still gained rich profits. According to the 2010 AmCham-China Business Climate Survey, 65% of American companies received outstanding achievements, and 41% of them gained benefits more than their global operation margin.

Due to the rapid growing market and economy in China, most of American enterprises are optimistic about Chinese market. According to the survey, 79% of American companies would like to expand their businesses in China, while more than half of these companies would like to raise their investment by over 10%.

Estimated Increase in China: Operation for 2010



- Investment location transfer from the 1st-tier cities to 2nd-tier and 3rd

tier cities

American companies continually emphasize on expanding their businesses out of the 1st-tier cities (Beijing, Shanghai and Guangzhou). According to the 2010 AmCham-China Business Climate Survey, 39% of their companies plan to research or enter into at least one of the 2nd-tier cities. Expanding businesses out of traditional business centers is the major trend for American companies.

U.S. Investment Statement

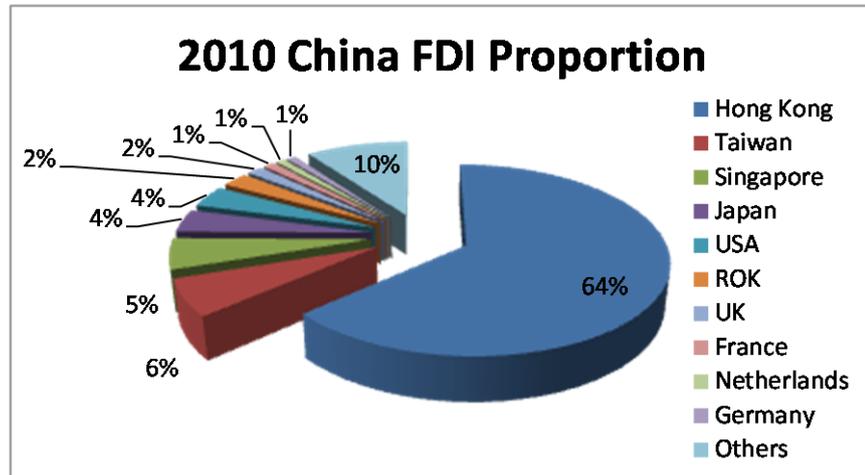
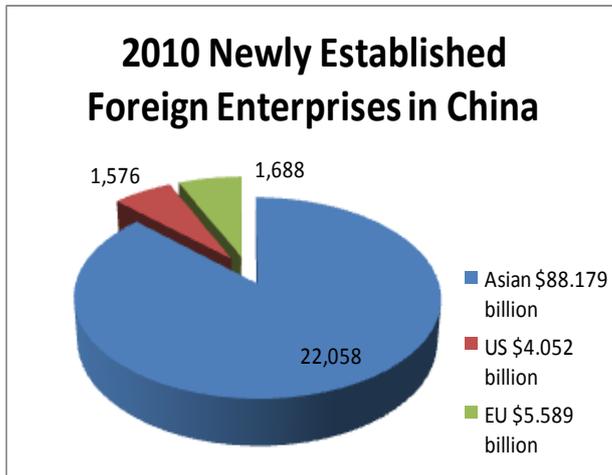
2009 U.S. FDI in China (Million \$)

All Industries		49,403
Mining		3,648
Manufacturing	Total	22,618
	Food	2,874
	Chemicals	4,987
	Primary and fabricated metals	691
	Machinery	1,186
	Computers and electronic products	5,745
	Electrical equipment, appliances, and components	493
	Transportation equipment	2,736
	Other manufacturing	3,904
Wholesale Trade		2,899
Information and Communication		459
Depository Institutions		10,856
Finance (except depository institutions) and Insurance		1,834
Professional, Scientific, and		605

Technical Services		
Holding Companies (nonbank)		3,882
Other Industries		2,602

Note: Around Asia and Pacific area, China is the No.1 destination of U.S. FDI that flow to manufacturing industry (Especially on Chemicals & Transportation equipment) and depository institutions.

U.S. FDI status in China



In 2010, the U.S. is the fifth largest FDI source in China with 4.052 billion USD investment and accounts 4% of total FDI in China.

U.S. Investment in Sectors and Regions of China

Investment Sectors

The main industries that U.S. companies invest in China are:

- Heavy Industry: Machinery & Electricity, Metals, Oil, Chemical industry, Telecommunication, Energy, and Transport;
- Basic Industry: textile, Food, medicine, cloth;
- Service Industry: retail, finance, real estate, bank, insurance, tourism, construction design, consulting, and law

Investment Characteristics in Regions

U.S. invested in 25 provinces of China among which the most popular places are eastern coastal cities, followed by the central cities and western cities. They majorly focus on centre economic areas in Pearl River Delta, Yangtze River Delta, and Circum-Bohai-Sea Region.

According to an investment research in 2007, the top five American FDI destinations are Jiangsu, Shanghai, Liaoning, Shandong, and Zhejiang

province, while Jiangsu, Shanghai and Zhejiang province locate in Yangtze River Delta, Liaoning and Shandong province locate in the Circum-Bohai-Sea Region.

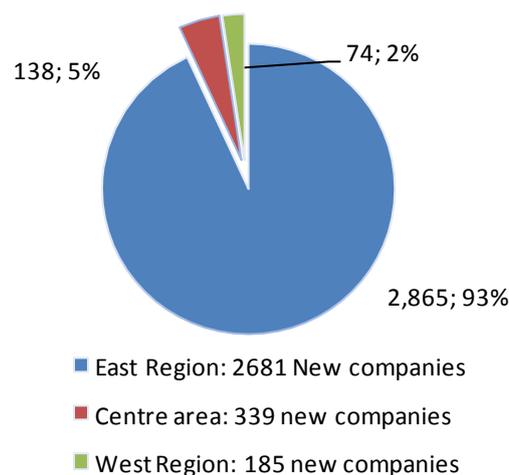
Pearl River Delta: Guangdong, Hong Kong, Macao

Yangtze River Delta: Shanghai, Jiangsu, Zhejiang

Circum-Bohai-Sea: Beijing, Tianjin, Hebei, Liaoning, Shandong, Shanxi, Inner Mongolia

The figure below shows the U.S. Direct Investment status in western, eastern and centre region of China.

The U.S Investment in Regions 2006 (\$ million)



Source: MOFCOM 2007 Foreign Investment Report

The information below shows the U.S. investment in key regions: (Beijing, Shanghai, Guangdong Province, Jiangsu City, Liaoning Province, Shandong Province, Sichuan Province, Zhejiang Province, and Inner Mongolia).

Beijing

Industry	Company	Product
Manufacturing	Terex Corporation Beijing office	Produce equipment on construction, infrastructure, quarrying, recycling, mining, shipping, transportation, refining, utility and maintenance industries
	Raytheon Company Beijing office	core manufacturing concentrations in weapons and military and commercial electronics
	John Deere (China) Investment Ltd.	Provide machinery and equipment for Agriculture, Golf, and landscape
	Texas Instruments	Designer and supplier of digital signal processors
	Bridgestone Corporation	Tire and rubber producing
	The Goodyear Tire & Rubber Company	tires for automobiles, commercial trucks, light trucks, SUVs, race cars, airplanes, and heavy earth-mover machinery

	MASCO Group	Produce home improvement and new home construction, installed products and services
	Boeing Corporation	Aerospace and machinery facilities, R & D
	GE Automotive	Automotive and equipments
	3M Company	adhesives, abrasives, laminates, passive fire protection, dental products, electronic materials, medical products, car care products
	Emerson Electric	Produce diversified electronic equipments and services
Technology	Honeywell Corporation	Provide Automation system to business, aerospace, and transportation industry, R & D, special chemical materials
	United Technologies	Provide diversified high technology products on control system, aerospace, business, construction and energy
	EPSON Corporation	Produce digital products for business and personal use
IT	Oracle	Provide business software and hardware system and services
	IBM	Computer and IT
	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	HP Corporation	Computer and IT
	Lockheed Martin	global security and IT support and services, systems integration for business and government
Telecom	American Telephone & Telegraph Corporation	Telecom support and services
	Mextel (Sprint Nextel)	Phone, Wireless Calling Plans, Telecom support and services
Energy	ExxonMobil Mobil Corporation	Produce and sell crude oil, natural gas and petroleum products.
	Dupont	Provide Chemical materials on Agriculture, animal health, construction, electronics, energy, enzymes, food and beverage industries
Chemical	DOW Corporation	Diversified chemical products on materials, infrastructure, healthcare and agriculture industry
Healthcare	Pfizer Incorporated	Pharmaceutical

	Kimberly-Clark	Personal health care, family use paper, commercial consumer products and medical health care products
	Johnson & Johnson Medical (China) Ltd.BJ office	Provide medical devices and technologies
Finance & Insurance	Morgan Stanley	Asset management and credit services
	Citibank	Banking and finance services
	American Express	Financial management and investment, international remittances, credit and trade finance, and covering foreign exchange, trade execution and interest rate risk management
	JP Morgan	Investment management and finance services
	Goldman Sachs	Investment banking and securities
	MetLife	insurance and other financial services
Tourism	CYTS Cendant International Travel Co., Ltd.	Joint venture by CYTS and Cendant TDS, provide international and domestic flight service and tourism products services
	Hilton	Hotel, restaurants and tourism services
Logistic	UPS Company	Logistic services
	FedEx Corporation	Logistic management
	United Airlines	Flight and logistic services
Food & Beverage	Nestle Company	Beverage and Food
	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
	PepsiCo, Incorporated	Beverage and food
	McDonalds	Fast food restaurant chain
Retail	Wal-Mart Stores Inc.	Supermarket Chains
	Procter & Gamble	Consumer products
Metal	Alcoa Ltd.	Primary & fabricated Aluminum production, miner of bauxite and refiner of alumina

American investments in Beijing are mainly in manufacturing, technology and services industries.

Manufacturing industry: Although manufacturing factories are not as many as other regions in south area, most of them set up offices in Beijing

to explore businesses and support its services. Due to its strategic location, large consumer market and rich human resource, Beijing attracts both domestic and foreign investors and provides a convenient platform for the business communication of various industries.

Technology industry: Haidian district of Beijing is the center of IT and hi-technology businesses. Zhong Guancun high technology industry area is the major government project that supports technology research and development. This area involves top technology R & D center and large business trade center. Therefore, from

the perspective of both vast resources and comprehensive infrastructure facilities, it is one of the best places for American companies to explore technology market in China.

Service industry: Since almost all the industries around the world are setting up businesses in Beijing, service industry developed rapidly in the past a few years. Progresses made in finance, banking, accounting, retail, logistics, IT, communication services and so on, along with high quality HR support, provide convenience and opportunities for American companies to develop service businesses.

Shanghai

Sector	Company	Products
Food	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
	PepsiCo, Incorporated	grain-based snack foods, beverages, and other products
	McDonald's Corporation	Restaurants
Chemicals	The Dow Chemical Company	Chemicals, Plastics, Agricultural products, Specialized products, Services
	E. I. du Pont de Nemours and Company	chemicals
Healthcare	Johnson & Johnson	pharmaceutical, medical devices and consumer packaged goods
	Pfizer Incorporated	Pharmaceuticals
	Merck & Co., Inc.	Pharmaceuticals
	Abbott Laboratories	Pharmaceutical products, Medical devices, Diagnostic assays, Nutritional products, Animal health products

	Wyeth	Pharmaceuticals, Healthcare
	Bristol-Myers Squibb	pharmaceuticals in several therapeutic areas, including cancer, HIV/AIDS, cardiovascular disease, diabetes, hepatitis, rheumatoid arthritis and psychiatric disorders
	Eli Lilly and Company	Pharmaceuticals
Computers and electronic products	International Business Machines (IBM)	Computer systems, Computer hardware and software, Information technology consulting, IT service management
	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	Intel Corporation	Semiconductors
	Motorola, Inc.	Tablet PCs, Mobile phones, Smartphones, Two-way radios, Networking systems, Cable television systems, Wireless Broadband Networks, RFID Systems, Mobile Telephone Infrastructure
Energy	Exxon Mobil Corporation	Fuels, Lubricants, Petrochemicals
Manufacturing	General Motors Company	Automobiles, Financial Services
	Ford Motor Company	Automobiles, Automotive parts
	Johnson Controls, Inc.	automotive interiors, car seats, batteries, climate control, facility management
	Honeywell International, Inc.	consumer products, engineering services, and aerospace systems
	Delphi Automotive LLP	Vehicle electronics, systems, modules, & components
	The Goodyear Tire & Rubber Company	tires for automobiles, commercial trucks, light trucks, SUVs, race cars, airplanes, and heavy earth-mover machinery
	Staples Inc.	Office supplies, electronics, furniture
	Whirlpool Corporation	Clothes washers and dryers, refrigerators, freezers, dishwashers, ranges, compactors, air conditioners, microwave ovens, counter top appliances
	The Home Depot	Home appliances, tools, hardware, lumber, building materials, paint, plumbing, flooring, garden supplies & plants
	Kimberly-Clark Corporation	paper-based consumer products
	Nike, Inc.	Athletic shoes, Apparel, Sports equipment,

		Accessories
Professional, Scientific, and Technical Services	Electronic Data Systems Corporation	Information technology services
	Accenture plc	Management consulting, Technology services, Outsourcing
	United Parcel Service, Inc.	Courier express services, Freight forwarding services, Logistics services
	FedEx Corporation	logistics services
	AT&T Inc.	Telephone, Wireless, Internet, Television
	Best Buy Co., Inc.	Consumer electronics
Electrical Technology	General Electric Company	Appliances, aviation, consumer electronics, electrical distribution, electric motors, energy, entertainment, finance, gas, healthcare, lighting, locomotives, oil, software, water, weapons, wind turbines
	Minnesota Mining and Manufacturing Company (3M Company)	adhesives, abrasives, laminates, passive fire protection, dental products, electronic materials, medical products, car care products (such as sun films, polish, wax, car shampoo, treatment for the exterior, interior and the under chassis rust protection), electronic circuits and optical films
	Emerson Electric Company	process control systems, climate technologies, power technologies, industrial automation, electric motors, storage systems, network power, professional tools
Finance	Citigroup Inc.	Consumer banking, Corporate banking, Investment banking, Global wealth management, Financial analysis, Private equity

Shanghai has been top choice for foreign enterprises to invest in China, and 6 major reasons could explain why foreign enterprises tend to choose Shanghai over other Chinese cities.

➤ **Policy:** Shanghai's foreign investment policy is the most liberal in China. In fact, various experimental forms of foreign investment, such as foreign

banking, insurance, and BOT projects, were first tried in Shanghai. As the central government making Shanghai the financial center of mainland China, more and more policies could be expected to further attract foreign enterprises to Shanghai.

➤ **Geography:** Shanghai possesses a unique geographical location, connecting mainland China and

foreign countries. Playing the pivotal role of the domestic and overseas markets, Shanghai offers many investment opportunities for foreign enterprises that are willing to enter the Chinese market. In addition, Shanghai is the regional economic radiation center: Being adjacent to Jiangsu Province and Zhejiang province, Shanghai has easier access to the large amount of small/medium manufactures in these two provinces. With this solid industrial base, Shanghai attracted many MNCs, especially the global manufactures.

- **Headquarters Economy:** Headquarters economy refers to radiating effect of certain regions that attract corporate headquarters clusters and attain the headquarters agglomeration effect, therefore realizing the division of labor indifferent regions to optimize regional labor coordination and resource relocation. By 2010, 74 Fortune 500 companies and other 227 MNCs have established their regional headquarters in Shanghai. There are also 210 foreign investment companies and 317 foreign research centers rooted in Shanghai. As a cluster of headquarters coming into the city,

Shanghai develops a more convenient and efficient commercial service system and thus creates a good commercial environment that forms a virtuous circle and helps attracting more MNCs to Shanghai.

- **Government:** Government service plays a very important role in the introduction of foreign capital. Shanghai government is known as “the government of a commercial city”. Unlike many Chinese cities, document approval procedures in Shanghai have clear timetable, this reflects the efficiency, service awareness and transparent decision-making mechanism of Shanghai government.
- **Economic Reform:** Acting as one of the pioneers of the reform, Shanghai has very sophisticated commercial system. During the Pudong Comprehensive Reform, government departments such as General Administration of Quality Supervision, Inspection and Quarantine and Shanghai Customs have issued supportive measures to boost international trade. Meanwhile, logistics continue to improve. In 2010, Pudong International Airport Air Cargo ranks third globally; Shanghai port overtook Singapore port to become the world's busiest

container port. In addition, infrastructure in Shanghai grows fast. The government encourages various financing methods, including BOT and PPP, to build highway, railway, telecommunication, etc. Last but not least, the pilot financial reform in the city creates an advantage for the city, resulting in better supply of the financial products and services.

- **Human Resources:** Shanghai owns one of the biggest talent pools in China. There are 59 universities in the city including

Fudan University and Shanghai Jiaotong University, which are top-tier universities in China. Shanghai is also considered one of the most important destinations for the returned talents from abroad. Meanwhile, Shanghai issued preferential policies, including Hukou, taxation and salary, to attract talents to live and work in Shanghai. Good quality of employees is also a big consideration for the MNCs when choosing which city to invest in.

Guangdong

Industry	Company	Products
Food	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
	PepsiCo, Incorporated	grain-based snack foods, beverages, and other products
	McDonald's Corporation	Restaurants
Chemicals	The Dow Chemical Company	Chemicals, Plastics, Agricultural products, Specialized products, Services
	E. I. du Pont de Nemours and Company	chemicals
Healthcare	Merck & Co., Inc.	Pharmaceuticals
	Wyeth	Pharmaceuticals, Healthcare
	Bristol-Myers Squibb	pharmaceuticals in several therapeutic areas, including cancer, HIV/AIDS, cardiovascular disease, diabetes, hepatitis, rheumatoid arthritis and psychiatric disorders
	Eli Lilly and Company	Pharmaceuticals
	International Business	Computer systems, Computer hardware and software, Information technology consulting, IT

Computers and electronic products	Machines (IBM)	service management
	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	Oracle Corporation	Oracle Database, Oracle Fusion Middleware, Oracle Applications, Oracle Enterprise Manager, Oracle Financials
	Intel Corporation	Semiconductors
	Motorola, Inc.	Tablet PCs, Mobile phones, Smartphones, Two-way radios, Networking systems, Cable television systems, Wireless Broadband Networks, RFID Systems, Mobile Telephone Infrastructure
	Xerox Corporation	Printers, Copiers, Scanners, Faxes, Projectors, Displays
Energy	Exxon Mobil Corporation	Fuels, Lubricants, Petrochemicals
	Texaco Incorporated	Gasoline, Convenience store, Carwash, Automobile repair shop
Manufacturing	Johnson Controls, Inc.	automotive interiors, car seats, batteries, climate control, facility management
	Harris Corporation	Defense and Communications
	Honeywell International, Inc.	consumer products, engineering services, and aerospace systems
	Delphi Automotive LLP	Vehicle electronics, systems, modules, & components
	Whirlpool Corporation	Clothes washers and dryers, refrigerators, freezers, dishwashers, ranges, compactors, air conditioners, microwave ovens, counter top appliances
	The Home Depot	Home appliances, tools, hardware, lumber, building materials, paint, plumbing, flooring, garden supplies & plants
	Kimberly-Clark Corporation	paper-based consumer products
	Nike, Inc.	Athletic shoes, Apparel, Sports equipment, Accessories
Professional, Scientific, and Technical	Accenture plc	Management consulting, Technology services, Outsourcing
	United Parcel Service, Inc.	Courier express services, Freight forwarding services, Logistics services

Services	FedEx Corporation	logistics services
	AT&T Inc.	Telephone, Wireless, Internet, Television
	A. Epstein and Sons International, Inc	architecture, interiors, engineering and construction
	AECOM Technology Corporation	Engineering and architectural design
	Wal-Mart Stores, Inc.	Retailing
Electronic Technology	General Electric Company	Appliances, aviation, consumer electronics, electrical distribution, electric motors, energy, entertainment, finance, gas, healthcare, lighting, locomotives, oil, software, water, weapons, wind turbines
	Minnesota Mining and Manufacturing Company (3M Company)	adhesives, abrasives, laminates, passive fire protection, dental products, electronic materials, medical products, car care products (such as sun films, polish, wax, car shampoo, treatment for the exterior, interior and the under chassis rust protection), electronic circuits and optical films
	Emerson Electric Company	process control systems, climate technologies, power technologies, industrial automation, electric motors, storage systems, network power, professional tools
Finance	Citigroup Inc.	Consumer banking, Corporate banking, Investment banking, Global wealth management, Financial analysis, Private equity
	CIGNA corporation	Health Insurance, Mail-order pharmacy, Expatriate benefits, HMO

By the year 2010, there are over 30 American Fortune 500 companies invested in Guangdong province.

➤ In terms of industry distribution, the biggest target industry of American FDI is manufacturing, especially machinery and electronics manufacturing; other major target industries include service and Fast Moving Consumer Goods (FMCG).

- Manufacturing: As one of the earliest provinces in mainland China to attract foreign investment, Guangdong has a comparatively long history of developing labor-intensive industries. As the low labor costs and the relatively complete infrastructure, big international light-industry manufacturers have established factories in

- Guangdong to reduce production cost.
- Service Sector: Responding to the national policy of vigorously developing the service sector, Guangdong issued preferential policies, including prioritize the land use and cut land price for big service companies, to encourage the service sector investment. As the regional center of south China, Guangdong attracted companies such as FedEx to build up logistics center to reduce operation cost and expand business scope. Being adjacent to Hong Kong also gives Shenzhen the advantage of being the financial center of the region. Banks such as Citi established branch in Shenzhen to open up the market.
 - FMCG: Procter & Gamble set up its China headquarters in Guangzhou because of the city's "flexible policy, open mind and government's pragmatic style". Coca-cola and Pepsi also set up factories in Guangdong in order to better cover the region and lower the operation and logistics cost. In fact, Pepsi just made an additional investment of 2.5 billion USD in Guangdong to enhance its market. Due to its geographic location, abundant labor supply and people's purchase power, Guangdong has been strategically important for the FMCG industry.
- In terms of geography, over 90 percent of the American FDI flow to the Pearl River Delta in 2010. At the early stage of its opening up, Guangdong mainly relied on the investment from Asia, especially Hong Kong, and the Pearl River Delta region became the "World Factory". As a consequence, FDI, including American FDI, tend to flow to this same region because of the investment inertia. Based on this situation, Guangdong government carried out new policies to stimulate foreign companies to invest in other parts of the province, however, due to the relatively lagging infrastructure, less capital stock and lack of supporting industries, the results of these policies are not yet significant. It's worth noting that the west and east side of Guangdong is planning to build a "moderately heavy industry base" to support the development of the

economy, American energy giant such as Exxon Mobil and Texaco as well as non-American ones such as BP and Shell have all invested in these areas. Since the heavy industry construction has

just started, east and west Guangdong could harbor many opportunities for certain foreign companies.

Suzhou City, Jiangsu Province

Sector	Company	Products
Chemical & Energy	Dupont	
	Mobil	
	FMC	Diversified chemical
	PPG	Coatings
	Chevron Corporation	Oil, gas, geothermal energy
	Dow Chemical Company	plastics, chemicals, and agricultural products , specialized products services
	Texaco	Gasoline, convenience store , carwash, automobile repair shop
Health Care	Pfizer Inc.,	Healthcare
	Daxte	Health care Equipment
	LLY	Pharmaceutical
	Warner-Lambert	Pharmaceutical
	Alcoa Inc.	produces primary aluminum, fabricated aluminum, and alumina combined, Non-aluminum products include precision castings and aerospace and industrial fasteners
Manufacturing	Eaton	Industry manufacturing
	Xerox Co.,	manufactures and sells a range of color and black-and-white printers, multifunction systems, photo copiers, digital production printing presses, and related consulting services and supplies

	3M Company	adhesives, abrasives, laminates, passive fire protection, dental products, electronic materials, medical products, car care products (such as sun films, polish, wax, car shampoo, treatment for the exterior, interior and the under chassis rust protection), electronic circuits and optical films
	Procter & Gamble Co.	manufactures a wide range of consumer goods
	Nike Inc.,	Athletic shoes, apparel, sports equipment, accessories
Automotive	TRW Automotive Inc.,	Auto part and equipment
	Delphi Co., LLP	Vehicle electronics, systems, modules, components
IT & Electricity & Telecom	Black & Decker	Electric tool
	Harris Corporation	Wireless equipment, electronic systems, and both terrestrial and space borne antennas for use in the government, defense, and commercial sectors
	Emerson Electric Company	Process control systems, climate technologies, power technologies, industrial automation, electric motors, storage systems, network power, professional tools
	Solectron Corporation	Consumer Electronics, Routers, Switches, TVs
	Accelerated Memory Production, Inc.	Designs and delivers memory and storage solutions for today's Networking, Communication, Enterprise, Defense and Embedded industrial market needs. Delivers a comprehensive line of products utilizing DRAM, SRAM and Flash Memory in both standard and proprietary form factors as well as providing support for customer legacy needs
Food	The Archer Daniels Midland Company (ADM)	Foods, Beverages, Feed, Ethanol, Bioenergy
	Nabisco	

American companies in Suzhou and Jiangsu province mainly invest in Manufacturing and IT industry.

Manufacturing: Suzhou is an export-oriented city and an important

manufacturing base. Over 44% of the total national manufacturing output is from Yangtze River Delta, which mainly distributes among Shanghai, Suzhou and Zhejiang area. As an export-oriented city, Suzhou's strong

manufacturing industry leads to large international trade quantity that accounts about 10% of total national international trade, and 92.5% of Suzhou exports are derived from foreign investments. Comprehensive supporting companies of manufacturing business and excellent labor market attract the most foreign factories selects Suzhou as their manufacturing base.

that provide facilitate infrastructure. IT manufacturing industry accounts the most of manufacturing output. There are more than 1500 IT manufacturing companies, and these companies formed Suzhou high tech and new industrial park, Kunshan Development area, and Wujiang Development area for IT industry which occupied more than 90% of total IT output in Jiangsu province.

IT: Suzhou completed the information system and net upgrade and reform

Liaoning

Sector	Company	Products
Food	PepsiCo, Incorporated	Beverage and food
	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
	Budweiser (Anheuser-Busch)	Beer
	Yum! Brands, Inc.	Yum! operates or licenses Taco Bell, KFC, Pizza Hut, Wing Street, and Long John Silver's restaurants worldwide, and A&W Restaurants
Healthcare	Pfizer Incorporated	It produces Lipitor (atorvastatin, used to lower blood cholesterol); the neuropathic pain/fibromyalgia drug Lyrica (pregabalin); the oral antifungal medication Diflucan (fluconazole), the antibiotic Zithromax (azithromycin), Viagra (sildenafil) for erectile dysfunction, and the anti-inflammatory Celebrex (celecoxib)
Manufacturing	The Goodyear Tire & Rubber Company	manufactures tires for automobiles, commercial trucks, light trucks, SUVs, race cars, airplanes, and heavy earth-mover machinery

	GE, The General Electric Company	Energy, Technology Infrastructure, NBC Universal, Capital Finance, and Consumer & Industrial
	Honeywell International, Inc.	Consumer products, engineering services, and aerospace systems for a wide variety of customers, from private consumers to major corporations and governments
Chemical	E. I. du Pont de Nemours and Company (DuPont)	DuPont developed many polymers such as Vespel, neoprene, nylon, Corian, Teflon, Mylar, Kevlar, Zemdren, M5 fiber, Nomex, Tyvek, Sorona and Lycra. DuPont developed Freon (chlorofluorocarbons) for the refrigerant industry and later, more environmentally friendly refrigerants. It developed synthetic pigments and paints including ChromaFlair.
Oil	Exxon Mobil Corporation	Oil and gas
Computers and electronic products	Emerson Electric Company	Process control systems, climate technologies, power technologies, industrial automation, electric motors, storage systems, network power, professional tools
	NCR Corporation	self-service kiosks, Point of sale, automated teller machines, data warehouses, retail store automation
	Hewlett-Packard Company (HP)	Computer hardware, Computer software, IT consulting, IT services
	Dell Inc.	Computer Systems, Computer Peripherals, Computer Software, IT consulting, IT services
	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	Oracle Corporation	Oracle Database, Oracle Fusion Middleware, Oracle Applications, Oracle Enterprise Manager, Oracle Financials
	International Business Machines (IBM)	Computer systems, Computer hardware and software, Information technology consulting, IT service management
Finance	American International Group, Inc. (AIG)	Insurance, Financial services
Retail	Wal-Mart Stores, Inc.	Retailing

Real Estate	AMB Property Corporation	a leading owner, operator and developer of global industrial real estate, focused on major hub and gateway distribution markets in the Americas, Europe and Asia
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US FDI in Liaoning province mainly distribute among three industries: IT, FMCG and heavy industry.

IT: In 2009, The State Council announced that 20 cities in China, including Dalian, will be demonstrative cities for outsourcing. For those enterprises with advanced technologies, there will be bundles of preferential policies waiting, for example, the corporate income tax rate will be lowered down from 25% to 15%. According to Dalian's development plan, IT will be the largest pillar industry within 10 years. IT companies like Microsoft, HP, SAP, Dell and Oracle all invested in Dalian, setting up technical support centers and manufacturing factories.

Fast Moving Consumer Goods (FMCG): The total population of Northeast China exceeds 100 million, making this area a large FMCG market. With tourism booming, the demand is even stronger. Considering the fact that there are currently over

70 colleges/technical schools in Liaoning, the human resource supply is abundant, meanwhile, cities like Shenyang and Dalian remain attractive for graduates to stay, and therefore cost of human resources is comparatively low but with guaranteed quality. Large FMCG companies, such as Coca-cola, Pepsi, Budweiser, set up its manufacturing factories and distribution centers in Liaoning to save logistics cost.

Heavy industry: Liaoning is one of China's earliest heavy industrial bases. Large heavy industrial enterprises are seeking opportunities to cooperate with foreign industry leaders and are willing to learn from them. The government encourages foreign industry leaders to set up research centers in Liaoning by offering preferential policies. It is natural that with the already-existing equipment manufacturers, larger streams of heavy industry FDI will flow to Liaoning rather than other provinces in China.

Shandong

Industry	Company	Production
Automotive	GM China	Automotive & Automotive parts

	Chevron Corporation	Automotive & Automotive parts
	Goodyear Tire & Robber Company	Various Tires producing
Machinery	Caterpillar Inc.	Producing project equipments, Building infrastructure
IT & Electronic	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	Hewlett-Packard	Computer hardware, Printer & all-in-ones, Software, IT consulting, retail stores
	Lucent	Design & Support telecom net system, services and softwares
	Accelerated Memory Production, Inc.	Designs and delivers memory and storage solutions for today's Networking, Communication, Enterprise, Defense and Embedded industrial market needs. Delivers a comprehensive line of products utilizing DRAM, SRAM and Flash Memory in both standard and proprietary form factors as well as providing support for customer legacy needs
	Tektronix Co.	Test, Measurement and Monitoring equipment & solutions support
	Resources Pro (RSP)	Insurance process outsourcing services, back office operations, IT solutions
Science and Technology	Dupont	Crop protection, Pooneer Hi-bred, Nutrition & Health, Performance Coations, Titanium Technologies, Electronic & Communications, chemicals & Fluoroproducts, Packaging & Industrial Polymers, Performance Polymers, Protection Technologies, Sustainable Solutions, Building Innovations, Applied Biosciences
Finance	Merrill Lynch	Finance management and advisory
	Morgan Stanley	Finance management and advisory
Food & Beverage	Pepsi Co.	Food & Beverage
	Coca-Cola	Food & Beverage
	Budweiser	Drinks
	McDonalds	Fast food
Agriculture	Bunge	Corn manufacturing
Metals	Alcoa Corporation	Primary & fabricated Aluminum production, miner of bauxite and refiner of alumina

Transportation	APL American President Lines	Ship transportation for goods
Biology	Shandong Round Biotech Co., LTD	Research, produce and sale biopharmaceutical production

The U.S. FDI mainly invests in Manufacturing, Hi-technology and Service industry.

Manufacturing industry: Manufacturing industry is one of their pillar industries. Being one of the top three largest retail consumption markets with mature and strong manufacturing industry background, Shandong attracted American investments to establish production base there. Additionally, in order to stimulate foreign investment to set up factory in Shandong, preferential policy is another investment incentive for American enterprises. For instance, protective tariff policy stipulates that for the purpose of foreign company production, the tariff of the imported equipment will be free; for directly exported goods from investment productions, value-added tax and consumption tax are free.

Hi-technology industry: Shandong provincial government majorly supports the development of hi-technology industry. Preferential policies, abundant human resource,

large retail market and vast supporting enterprises attract American hi-technology companies to invest in Shandong province. Investing in hi-technology industry development zone, hi-technology companies enjoy the corporation income tax rate of 15% instead of the general rate 25%; for these companies whose real business term is 10 years, the income tax is free for the first 2 years, and the income tax is reduced 50% in the third year.

Service industry: Major Factors that influence American services industry investment in Shandong province are: large market demand, mature infrastructure and facilities, human resources and opening international market. Qingdao is a seaside city in Shandong province, which provides convenient environment to foreign investors. Therefore, the opening market of this port city attracts more international business entering into mainland, which leads to advanced logistics and business services to locate in Shandong province.

Sichuan

Industry	Company	Production
Manufacturing	International Paper	Paper, packaging and forest products
	Emerson	Produce diversified electronic equipments and services
	Bridgestone Corporation	Tire and rubber producing
	Caterpillar Inc.	Produce infrastructure equipments
	Nike	Sport relevant products
	3M Company	adhesives, abrasives, laminates, passive fire protection, dental products, electronic materials, medical products, car care products
Technology	Honeywell Corporation	Provide Automation system to business, aerospace, and transportation industry, R & D, special chemical materials
	Apple Inc.	Computer, digital products, software, IT products and services
	United Technologies	Provide diversified high technology products on control system, aerospace, business, construction and energy
IT	Intel Corporation	Semiconductor chip and microprocessor
	Cisco Systems, Inc	networking solution supporter
	IBM	Computer and IT
	HP Corporation	Computer, and office relevant electronic products and IT
	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	Amazon.com	Online electronic commerce
Energy	DuPont	Provide Chemical materials on Agriculture, animal health, construction, electronics, energy, enzymes, food and beverage industries
	ExxonMobil Corporation	Produce and sell crude oil, natural gas and petroleum products.
Finance	Morgan Stanley	Asset management and credit services
	Citibank	Banking and finance services
	CIGNA	Insurance, medical and financial services companies

	JP Morgan	Investment management and finance services
	American International Group , AIG	Finance and insurance products and services
Logistic	UPS	Logistic services
	FedEx Corporation	Logistic management
Retail	Best Buy Group	consumer electronic products retail chain
	Procter & Gamble	Consumer products
Service	Manpower Inc.	HR services
	Johnson Controls Inc.	Support services and products to infrastructure, automotive and energy industry
Healthcare	Bristol-Myers Squibb	Healthcare products and
	EPSON Corporation	Produce digital products for business and personal use
	Wyeth	Healthcare products
	Pfizer Incorporated	Pharmaceutical
Food	Nestle Company	Beverage and Food
	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
	PepsiCo, Incorporated	Beverage and food
	McDonalds	Fast food restaurant chain

Sichuan is the first province in terms of foreign investment absorption, reaching US\$822 million and accounting for 35.3% of the total investment in western region in 2010. It is also one of the top ten FDI destinations in China. Due to the Advanced West Development Policy, American companies select Sichuan as the key investment area in western

China. They mainly invest in IT and manufacturing industries.

Electronic Information Industry: Sichuan province is one of the main Electronic Information industry base development areas during the first FYP. Through development of several decades, infrastructure facilities, supporting companies and labor quality now provide with advanced conditions for Electronic Information

industry. As the center area between west and east, Sichuan province is building International Electronic Information Industry Center to expand electronic information businesses. This International Electronic Information Industry Center is set up in Chengdu City, the capital city of Sichuan province.

Cutting the export tax rebate rate to 17% for IT products is one of preferential policies for foreign investment in Sichuan province. These IT products include integrated circuits, discrete devices (part), mobile communication base stations, Ethernet switches, routers, hand-held wireless phones, and other miniature digital automatic digital processor, system for microcomputers, LCD

monitors, CRT monitors, hard drives, unlisted digital automatic digital processor devices, other storage components, CNC machine tools.

Manufacturing industry: As the first economic development province in western China regions, Sichuan mainly drives its economy forward by developing manufacturing industry. Therefore, Sichuan province provides comprehensive supporting infrastructure and companies to manufacturing development. Additionally, Sichuan province is also the purchasing center for western regions and thus attracts more American manufacturing companies to establish their companies in Sichuan to expand business to all western regions of China.

Zhejiang

Industry	Company	Products
Food	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
	PepsiCo, Incorporated	grain-based snack foods, beverages, and other products
	McDonald's Corporation	Restaurants
Chemicals	The Dow Chemical Company	Chemicals, Plastics, Agricultural products, Specialized products, Services
	E. I. du Pont de Nemours and Company	chemicals
Healthcare	Pfizer Incorporated	Pharmaceuticals
	Merck & Co., Inc.	Pharmaceuticals

	Procter & Gamble Co.	Consumer goods
Computers and electronic products	International Business Machines (IBM)	Computer systems, Computer hardware and software, Information technology consulting, IT service management
	Microsoft Corporation	Computer software, Consumer electronics, Digital distribution, Computer hardware, Video games, IT consulting, Online advertising, Retail stores, Automotive software
	Intel Corporation	Semiconductors
	Motorola, Inc.	Tablet PCs, Mobile phones, Smartphones, Two-way radios, Networking systems, Cable television systems, Wireless Broadband Networks, RFID Systems, Mobile Telephone Infrastructure
Energy	Exxon Mobil Corporation	Fuels, Lubricants, Petrochemicals
Manufacturing	Johnson Controls, Inc.	automotive interiors, car seats, batteries, climate control, facility management
	Whirlpool Corporation	Clothes washers and dryers, refrigerators, freezers, dishwashers, ranges, compactors, air conditioners, microwave ovens, counter top appliances
	Otis Elevator Company	Elevators and Escalators
	Lear Corporation	manufacturing and distribution of automotive interiors systems
Logistics	FedEx Corporation	logistics services
Conglomerate	General Electric Company	Appliances, aviation, consumer electronics, electrical distribution, electric motors, energy, entertainment, finance, gas, healthcare, lighting, locomotives, oil, software, water, weapons, wind turbines
Finance and Insurance	Citigroup Inc.	Consumer banking, Corporate banking, Investment banking, Global wealth management, Financial analysis, Private equity
	Liberty Mutual Group	Property and Casualty Insurance

By 2010, over 20 American Fortune 500 companies invested in Zhejiang province. Generally speaking, American FDI in Zhejiang presents these features:

In terms of industry distribution, American FDI mainly flows to sectors such as FMCG, service, and machinery/electronics manufacturing.

FMCG: Being one of the most prosperous provinces in China, Zhejiang province is considered as a big market for FMCG companies. People in Zhejiang have above-average purchasing power (ranking 3rd after Shanghai and Beijing), therefore FMCG market has not only great potential but also sustainability. Global FMCG leaders such as Coca-cola, Pepsi, P&G, McDonald's have all invested in Zhejiang for years to develop the market.

Service Sector: To vigorously develop the service sector has long been one of the major policies in Zhejiang. Due to the needs of the small/medium manufacturing companies in Zhejiang, logistics industry has been booming in the last few years, American logistics companies like FedEx has entered the market by establishing the transit center in China. Also, financial service companies see Zhejiang as a big market with potential. Banks such as Citi and insurance companies such as Liberty Mutual have made their moves to first enter the market.

Machinery/electronics manufacturing: Zhejiang's economic development is mainly based on private enterprises, known as "Zhejiang Model". The existence of many private machinery and electronics companies in the province indicates that there are

comparatively sophisticated supply chains and workers in Zhejiang. The "Zhejiang Model" forms a good environment for FDI to flow to these industries.

In terms of geographical situation, Hangzhou city and Ningbo city are the major FDI destinations in China. Hangzhou and Ningbo are the two biggest cities in Hangzhou Bay Area. American companies choose to invest intensely in these two cities to enjoy the benefits of agglomeration economy. As Zhejiang's market keeps growing, other cities in the province, especially Wenzhou city, have also started to attract FDI.

Investment Forms: At the early stage, foreign investment in Zhejiang mainly took the form of setting up joint ventures, for example Zhongcui & Coca Cola, Eastcom & Motorola, CHINT & GE, Hisun & Pfizer, Enjoyor & Intel, etc. In addition, due to the fact that Zhejiang's development is mainly based on private economy, the local government carries out the new policy to promote the cooperation of foreign companies and local private companies by methods such as encouraging the mergers and acquisitions. This unique way to attract FDI gives Zhejiang development potential. In recent years, however, foreign companies

such as Citi and Walmart also began

to invest fully on their own.

Inner Mongolia

Sector	Company	Product
Food	The Coca-Cola Company	Coca-Cola, Carbonated Soft Drinks, Water, Other Non-alcoholic beverages
Retail	Wal-Mart Stores, Inc.	Retailing
Mining	Peabody Energy Corporation	Coal
energy	Clean Coal Technology	aim to reduce the environmental impact of coal energy generation
	First Solar, Inc.	thin film photovoltaic (PV) modules, or solar panels
Technology	Motorola, Inc.	Tablet PCs, Mobile phones, Smartphones, Two-way radios, Networking systems, Cable television systems, Wireless Broadband Networks, RFID Systems, Mobile Telephone Infrastructure
Finance	Quantum International	Plasma & Hazardous Waste, Industrial Seals & Valves, Construction, Government Projects and Programs, Low Income Housing, Joint Venture Commercial Projects, Finance, Mining Operations, U.S. and International Charities

US FDI in Inner Mongolia are mainly distributed among industries like Energy & Mining.

Energy & Mining: Inner Mongolia abounds with natural resources: 135 kinds of minerals have been detected in Inner Mongolia, among which 43 kinds of minerals rank top 5 in China in terms of reserves. These business potential attracted companies like “Peabody Energy” to invest in this region. With the policies that encourage the development of supporting industry clusters, companies like “Clean Coal

Technology” will also have optimistic investment future. Companies that involve with solar and wind energy, due to the low-pollution advantage, are welcomed by Inner Mongolia as well.

Other than Energy & Mining sector, US FDI also flows to some industries:

Stock Farming (Being the largest stock farming base in China, Inner Mongolia leads the relating domestic market. US investment could be traced in product packaging and woolen textile industries.), Tourism, FMCG.

Case Study – DuPont Corporation

Introduction

DuPont is a science-based products and services company which was founded in 1802 in America. Its businesses expand to approximately 90 countries and provide a wide range of innovative products and services for market including agriculture, nutrition, electronics, communications, safety and protection, home and construction, transportation and apparel industry.

Business:	Innovative chemical and energy products
History in China:	26 years
Size in China:	from 1 office with 7 employees, to 40 companies and over 6000 employees
Target Market:	Chinese Government projects and private businesses, and core business is clean energy

First China Experience

Originally, DuPont Corporation started their businesses with China by international trade. In order to communicate and negotiate with Chinese government easily, they chose Beijing as their first base in China.

In 1985 DuPont Corporation set up the first office in Beijing. In the following year, it set up the second office in Shanghai. In order to open a factory in Shenzhen, DuPont (China) Group Ltd. was established in Shenzhen. In 1990, DuPont Corporation signed its first big project and opened the first joint

venture corporation with Shanghai Asia & Pacific Agricultural Chemical (Group) Corporation and Shanghai Pesticides Research Institute. The joint venture company is Shanghai DuPont Agriculture & Chemical Ltd which was officially put into operation in 1992. Hence, Shanghai became their main business area.

Business Development

Pearl River Delta and Yangtze River Delta are important economic areas for China. Therefore, they are also the key business areas for DuPont Corporation. However, the core industries in Pearl River Delta are

different from the ones in Shanghai and Beijing. For instance, since the household appliances and communication manufacturers intensively distribute in Pearl River Delta area, DuPont's business is focused on supporting electronic-related products.

One of the strategies of DuPont Corporation is "to invest according to the market demand". Due to the business development in Western China area, they are going to invest in west area in the future.

Business Management

The investment of DuPont Corporation started, not by establishing factories firstly, but by establishing a holding company in China. DuPont accepted suggestions of the Chinese government to set up a holding company and this is a win-win decision for both sides: holding company made DuPont investment administration to be efficient, and the Chinese government would like to attract more foreign investment through the form of a holding company.

The form of corporation is not unique. DuPont Corporation has one holding

company, 22 WOFE and Joint Venture companies. They chose the form of company depending on the requirement of customer and future development of the company.

Directors in Management level are becoming localized. The manager of Shenzhen factory as well as 3 other branches' managers is Chinese. Due to the management localization, the employee mobility is low.

According to their advanced technology and characteristics of the Chinese market, they established WOFE Technology Company to introduce technology to local market and produce suitable products.

R & D Center

In 2005, DuPont Corporation established their third overseas R & D center in China. The total investment is about 20 million USD. It mainly focuses on Polymers and biological product research and development for Chinese market. This center located in Shanghai Zhangjiang High Technology Park has 100 employees and plans to expand to 400 scientists and technical staffs. The center provides technology services to China, Asia & pacific and the global market.

Future Strategies

Chinese Development Demand	DuPont Support
Diversified energy requirement;	They already developed Bio-fuels, photovoltaic solar energy technology and other innovative energy products;
Pay more attention to environment protection improvement of industries;	They developed environment protection technology;
Improvement on production security and health of the employees;	Their security and protection technology can provide professional security management training and advanced protection products;
Food security issue;	DuPont Pioneer provides stable and productivity corn seeds. They have advanced examination system for food security;

Technology Transfer

DuPont established IPR department to estimate all of their technology projects and transfer some of the high quality and high value-added technology to the world.

DuPont Corporation is a technology-based company. The company spends 1.5 billion USD on R & D projects and holds 17,000 Patents,

90% of their patents can be transferred. In the past, they preferred to hold more patents. At the present, they have to continually develop and promote technology to keep top status in the world. They upgrade and re-research current technologies by using the profit made from transferring technology, in order to push the company's development step forward.

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