

THE Bulletin

A Hong Kong General Chamber of Commerce magazine

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FEBRUARY 1994



COVER STORY

The HKGCC study mission that went to Pearl River Delta towns in January were impressed with the "Man in the White Shirt at Zhuhai." He is the Mayor Liang Guang-da, who the study mission thought has produced the best infrastructure for new industrial investors from Hong Kong. 8

本會於一月份籌組代表團訪問珠江三角洲多個城鎮，期間，他們拜會了珠海市市長梁廣大。代表團認為梁市長為香港的工業投資者提供了理想的基建設施。

HONG KONG IN THE YEAR OF THE DOG 37

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INTERNATIONAL TECHNO MARKETING. LTD.



CORPORATIONS HEED GLOBAL CALL 50

企業關心全球發展動向

Corporations heed global call

Hong Kong companies capitalise on regional expertise

At a time when an increasing number of corporations in America, Australia and Europe have begun to wake up to the profit potential which China and other rapidly developing Asian markets represent, Hong Kong-based companies with hands-on Asia experience are finding themselves well placed to sell their PRC/regional expertise to uninitiated newcomers.

One Hong Kong company which has recently benefited from its PRC knowledge is, American-owned marketing and trading company, International Techno Marketing Ltd (ITM). ITM has recently completed a contract to manage the complete set-up of an Australian corporation - specialising in the sale and lease of re-conditioned and used earth moving equipment (Emeco Pty Ltd), into the PRC and has signed a further 'Distribution Agreement' with the Australians to market their equipment in China and other countries in the region.

Commenting on the ever growing number of foreign companies which are breaking into the PRC, ITM Chairman/CEO, Mr John J Craciun says, "Emeco, and companies like them, have good reason to look to China and other Asian countries for growth. In common with numerous industries in developed countries, the Australian construction and mining industry is mature but with proper insight and planning, expansion into China offers excellent opportunities to boost sales."

Using Emeco as an example of the guiding role which Hong Kong companies can play, Craciun explained, "Companies like ITM, which have been operating via Hong Kong into China for ten years-plus, offer incoming companies the benefit of knowledge and expertise which has been garnered from our own years of investment. This is what enables us to save our clients valuable time and money in set-up and what then puts them in a position to gain a quicker return on investments which they make."

As an example says Craciun, "With one of our most recent clients, we had the official government documents in place for their company's Beijing office registration two and a half months before we had even completed the signing of our own

contract of representation. And in this case, not only was the client saved a substantial amount of executive time but we also saved them a good deal of money as it is not uncommon to have to pay a small fortune to get even basic business procedures completed in China."

But for Craciun such things are all par for the course. "As China specialists, it's our job to ensure we cut through the red tape for our clients. The only draw back to efficiency," he says, "is that people often just don't appreciate the time it takes to build relationships and knowledge."

He adds, "Executives with little or no overseas experience are often under the impression that everything should operate in the same way it does 'back home' and so when you achieve something effectively on their behalf they can think that it

came too easy. At such times the attitude can be one of 'we could do the job just as well ourselves.' They don't realise that even large multinationals have found themselves floundering in China.

But then with the current rate of overseas interest and investment in China and other emerging Asian nations, there is little chance of a shortage of customers for Hong Kong companies like ITM.

At last count the figure for aggregate US investment in the PRC alone stood at US\$469 million, Sino-Australian joint ventures in the PRC came in at around the one hundred mark, and (perhaps an equally valuable indicator) the availability of air line tickets on all major carriers moving in and out of China was almost nil. ■



ITM chairman/CEO, Mr. John Craciun, (fourth left) establishing sales and distribution networks in the PRC.