“New Majority”  Trade Mission to China

September 16-24, 2006

Trade Mission to China

Hanzhou
Shanghai
Beijing
New York

AABDC wishes to thank the American International Group, Inc. for its support in making this report possible.
What “New Majority” Delegates are saying...

Going to China was extraordinary! New York State and the northeast corridor do the majority of trade with China, and it was a great opportunity to both learn about China’s economy and build bridges for balanced trade with both government and business leaders.

William Boyland, Jr.  NYS Assemblyman, 55th District, Brooklyn

This Trade Mission was a defining experience for me because I realized the critical importance of cross-cultural exposure and understanding for both the Chinese and American people. AABDC is an essential link for this type of learning and communication.

Earlene Hooper, NYS Assemblywoman, 18th District, Long Island

AABDC is creating an environment for all different groups and organizations to understand different cultures and ways of doing business. I recommend that AABDC keep up its hard work and expand the number of Trade Missions.

Jimmy Meng, NYS Assemblyman, 22nd District, Flushing, Queens

The economic development of China is remarkable. What stood out for me in all three cities was that even though they are ancient urban areas, I never had the sense that I was in an old city; everywhere, new construction and building is happening!

Nick Perry, NYS Assemblyman, 58th District, Brooklyn

This was an amazing and eye-opening trip! I went to see another country and culture, and to learn how New York can do business with China, especially Harlem and East Harlem. The East Harlem Chamber of Commerce also brings people from the Chinese Consulate through AABDC to visit our Chamber of Commerce on Trade Missions to the U.S.

Adam Clayton Powell IV, NYS Assemblyman, 68th District, Harlem/East Harlem

Names and Business Affiliations of Trade Mission Delegates

Mr. William Boyland, Jr.
NYS Assemblyman, 55th District, Brooklyn

Ms. Earlene Hooper,
NYS Assemblywoman, 18th District, Long Island

Mr. Jimmy Meng
NYS Assemblyman, 22nd District, Flushing, Queens

Mr. Nick Perry
NYS Assemblyman, 58th District, Brooklyn

Mr. Adam Clayton Powell IV
NYS Assemblyman, 68th District, Harlem/East Harlem

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AABDC 2007 Business Tours to China

<table>
<thead>
<tr>
<th>Tour</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Shopping Tour</td>
<td>April 13-24, 2007</td>
</tr>
<tr>
<td>Manufacturing Products in China</td>
<td>July 6-17, 2007</td>
</tr>
<tr>
<td>Private Label Design</td>
<td>September 16-27, 2007</td>
</tr>
<tr>
<td>Made in New York</td>
<td>November 9-20, 2007</td>
</tr>
</tbody>
</table>

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Greetings from New York State Senator Malcolm Smith

It is my great pleasure to provide some introductory comments about the New Majority Trade Mission to China that took place from September 16-24, 2006. Four years ago, I began working with AABDC to encourage both New York State government officials and business people to learn about business opportunities with China—by participating in Trade Missions and experiencing China’s economic progress and prosperity, culture, history, and the remarkable determination, tenacity and friendliness of its people.

Since 2003, I have promoted and participated in four such Trade Missions myself. Given that the majority of U.S. trade with China occurs with New York/New Jersey and the northeast corridor, it is critical that our own elected officials and business leaders become acquainted with the China of the 21st century. Several of these trips were organized specifically for “New Majority” legislators, and provided us with a foundation to build friendship and an ongoing dialogue with Chinese government officials and business leaders. In 2004, I Co-Chaired a delegation of 16 business entrepreneurs.

AABDC’s Trade Mission Reports capture the perspectives and experiences of the Trade Mission delegates themselves. As such, they provide a unique vantage point for readers to learn about China. In addition to this current 2006 “New Majority” China Trade Mission Report, a second report entitled 2006 “Outstanding 50” Trade Mission Report focuses on a Trade Mission in October 2006 for a group of New York business leaders.

It is most satisfying to me as a New York State Senator that I am an informed and articulate advocate for both my constituents in Queens, and New York State as a whole in terms of the issues and promise of developing both balance of trade and enhanced cross-cultural understanding between the people of two great countries. My office is always eager to assist the people of New York State in expanding business opportunities that will benefit both countries.

As you read this report, I hope you enjoy your own “trip to China”!

Sincerely,
Malcolm Smith, New York State Senator
New York State Assembly members (from left to right): Jimmy Meng, Nick Perry, Arleen Hooper, William Boyland and Adam Clayton Powell IV attended the AABDC Hangzhou office opening ceremony.

John Wang, President of AABDC, presented a gift to Mr. Yu Zhihong, Party Secretary of the Haining Municipality.
Sightseeing, Shopping, Golf ... and Chinese Cuisine!

Throughout the Trade Mission tour, planned and impromptu opportunities for sightseeing in each city also gave participants an exposure to important aspects of China’s culture and history as well as a chance to relax and even play golf. In Hangzhou, delegates were the first golf players on a brand new 36 hole course located in one of the city’s resort areas. Haining provided opportunities for participants to visit the world’s largest Leather Market ... and purchase beautifully made leather goods such as shoes, jackets, coats, purses and other items for much less than they would cost in the United States.

For some delegates, visiting historic sites was a highlight of the Trade Mission. These included sailing on beautiful West Lake in Hangzhou, visiting a 4th century Buddhist Temple as well as seeing ancient hanging gardens and attending a theater performance featuring Chinese acrobats in Shanghai. Likewise, nearly everyone noted that visiting the Great Wall was one of the most impressive moments of the entire trip. Nick Perry perhaps best captured the group’s sentiments:

While I was quite impressed by China’s tremendous economic development, I must say that visiting the Great Wall was extraordinary. It is quite something to imagine what people must have gone through in terms of the tasks of transporting stones and putting them together... people did that without the kind of equipment we have today!

Finally, throughout the trip, delegates experienced a wide variety of China’s best cuisine, usually served on rotating lazy susan platters that allowed each individual the opportunity to select their own menu from an extraordinary range of dumplings, vegetables, meats, fishes, shrimps, scallops, chickens, ducks, goose, fruit ... and other delicacies.

A Message from John Wang, President, AABDC


A special highlight of the 2006 “New Majority” Trade Mission was the official opening of AABDC’s office in Hangzhou, China on September 21, 2006, making it the first New York-based business development center in China. We are deeply grateful that five New York State Assembly leaders were there to commemorate this important New York-China connection. In the words of Assemblywoman Earlene Hooper, “With the opening of this AABDC office, there will be no break in the conversation between New York and China.”

This report also captures the benefits of visiting China first-hand in terms of experiencing its people, culture and customs, economic development and business opportunities. Likewise, we have intentionally tried to reflect the experience our five distinguished delegates. We hope you enjoy reading it.

Sincerely,

John Wang, President of AABDC
2006 “New Majority” Trade Mission to China
September 16-24, 2006

What do the communities of East Harlem, Harlem, Flushing, Brooklyn, and Long Island all have in common?

Answer: Five New York State legislators passionately interested in cross-cultural understanding; U.S.-China trade opportunities; Chinese architecture, golf, food, economic development—and, the 2008 Olympics in Beijing!

The 2006 “New Majority” Trade Mission delegation to China consisted of five New York State Assembly members representing the following Districts:

- William Boyland, (55th) Brooklyn;
- Earlene Hooper, (18th) Long Island;
- Jimmy Meng, (22nd) Queens/Flushing;
- Nick Perry, (58th) Brooklyn; and
- Adam Clayton Powell IV, (68th) Harlem/East Harlem.

This report captures the perspectives of these legislative professionals, whose vision and commitment to cross-cultural dialogue, balanced Chinese-American trade opportunities, as well as a keen appreciation of China’s culture, people and extraordinary economic development provided the impetus for their nine-day visit to the cities of Beijing, Hangzhou, Haining and Shanghai. Likewise, the delegates’ first-hand experience of China gave them an enhanced understanding of the Chinese government’s role in the country’s economic development and growth. This, in turn, has provided these New York State legislators with a greater ability to effectively address their own constituents’ interests and concerns regarding doing business with China.

Trade Mission Itinerary

From September 16-24, 2006, the AABDC Trade Mission delegation visited the cities of Beijing, Hangzhou, Haining, and Shanghai. Their intensive nine-day itinerary included a combination of meetings with government and business leaders in each city visited, tours of economic development zones, as well as sightseeing and visits to important cultural and historic sites. The complete itinerary is highlighted on the following page.

Adam Clayton Powell IV noted:

“Currently, China has the majority of trade with the U.S. We must make sure the trade is balanced. Otherwise, people will not be happy about trade with China. U.S. labor is not happy. From their view, jobs are being taken away. Likewise, the Federal government, President and Congress want the RMB (currency) to go up. In China, however, it is not allowed to fluctuate with the market. The U.S. Secretary of the Treasury recently visited China to discuss this issue. China is a very modern state, based on the three beautiful cities that we visited. The Chinese people mean well … and we must continue to have dialogue on these issues.”

AABDC Office Opens in Hangzhou

As noted earlier, Hangzhou, the capital city of Zhejiang Province, is a major city in the Yangtze River Delta and a traffic hub in southeast China. Established as a county over two thousand years ago, Hangzhou is also one of the cradles of Chinese civilization. Today, it is the political, economic, science, technology, and cultural center of the Province as well as the key tourism city, with a population of nearly 6.5 million people. Recently, it was awarded “Best Human Residence Prize” by the United Nations, “International Garden City Title,” by the World Recreation Organization, and “Securest City Title” by the Ministry of Public Security.

On September 21, 2006, AABDC opened an office in Hangzhou, making it the first New York-based business development center to have a presence in China. As part of the Trade Mission, all of the New York State Assembly delegates were also guests at the opening. The choice to locate the office in Hangzhou is its key location. It is one of the most entrepreneurial cities in China with a concentration of information technology, software and integrated circuit manufacturing companies. By high-speed highway, it is only two hours from Shanghai. Hangzhou has its own airport, rail and port, making access to the rest of the country convenient and efficient.

To coincide with the new office opening, AABDC signed an exclusive representation agreement with the Jianshan New Economic Development Zone, described earlier in this report. National, provincial and municipal officials as well as local business leaders attended the new office opening to show their support for AABDC’s commitment to promoting trade between New York and the Yangtze River Delta economic belt. Assemblywoman Earlene Hooper noted during the opening event, “With the opening of this AABDC office, there will be no break in the conversation between New York and China.”
As Americans, the Chinese people were also curious about us. As a woman of African American descent, I stood out to many Chinese. They simply had never met anyone from an African American background. One man just stopped peddling his bicycle and stared! I even took my forefinger and rubbed it across my cheek to show him that this was my skin. On the whole trip, I saw one American woman from Chicago and one man who were Black. This trip was a defining experience for me because I realized the critical importance of cross-cultural exposure and understanding for both the Chinese and American people.

U.S.-China Balance of Trade

All delegates expressed a similar passion for getting to know the people of China and ensuring continual dialogue. Likewise, Trade Mission delegates stressed the critical importance of realizing a balance of trade between the United States and China. In the U.S., the majority of trade with China actually takes place with New York State and the northeast corridor. John Wang noted, “Given the ups and downs in trade relations between the U.S. and China, the New Majority Trade Missions provide a stabilizing influence in terms of ongoing dialogue between American and Chinese leaders.” This was also reflected in the views of the New Majority legislators. Assemblyman William Boyland Jr. remarked:

“The opportunity to go to China was extraordinary. We had a very diligent schedule. We got educated! We worked hard and were greeted by top officials. Once you’re there, the educational aspects of the Trade Mission and how much there is to learn hits you. In terms of what I observed, we are all in the same game. Understanding of cultures on BOTH sides is the key. If we work together, I am almost sure that we can do trade equally on both sides. You have to keep talking ... everything exists inside of conversation and communication.”

While trade issues between the two countries are complex, developing channels for innovative solutions to long-standing issues of international trade between the U.S. and China, is progressing. Examples include:

- IBM’s innovative model for the sale of its personal computer business to Lenovo; and

In every city visited, New Majority legislators met with Chinese government officials to discuss trade issues, as well as learn about China’s economic development plans, as detailed in the Trade Mission Itinerary. Given that China is still in its infancy in terms of developing consistent and enforceable statutes nationally, numerous trade issues are still works-in-progress.
China’s Long-Term Economic Development

Traveling from one city to another by plane and bus also offered opportunities to observe the vast amount of construction underway in China’s urban areas: apartment buildings, skyscrapers, manufacturing sites, universities—to name just a few examples. And everywhere, one could see the people of China busy in daily life—e.g., sidewalk vendors, street cleaners with brooms, bicyclists riding to and from work, parents chasing energetic toddlers … with 1.3 billion people, China offers a never-ending opportunity to “people watch”.

As part of the Trade Mission itinerary in each city, delegates also had numerous occasions to visit several of China’s economic development zones on the East Coast. For example, JianShan New District is an economic development zone just southeast of Haining City in Zhejiang Province located on China’s east coast. It is 75 miles (120 kilometers) from Shanghai and 35 miles from Hangzhou, two already well-developed cities, with their own airports and express highways, making JianShan New District very accessible. The District covers 12,000 acres and a third of the area (4,000 acres) is allocated to industrial development. Over fifty percent of the industrial area has become a sofa manufacturing zone; the other fifty percent is divided into two zones focused on attracting non-polluting machinery and electronics manufacturing for instrument, precision optical, bio-medical, automobile and auto parts. Reflecting on the development also taking place in other urban areas along the eastern seaboard, Assemblyman Nick Perry noted:

“I was quite impressed by the huge amount of development taking place in China; likewise, there are so many entrepreneurial opportunities in this country. China also seems to be superb at planning for the future—they are able to create economic development plans 20 years out and have a real possibility that they will be built, even with a change in leadership!”

Architectural Innovation

Likewise, delegates noted how impressed they were with the comprehensive coordination and planning for the 2008 Olympic Games; including the building of Olympic Village facilities which will continue to be used after the event is over. Delegates also remarked on the enormous number of high-rise apartment buildings going up, with hundreds of cranes dotting the skyline in every city. Similarly, new infrastructure systems—highways, bridges, high-speed rail trains, and even 100 new subway stations in Shanghai—are being built to accommodate visitors who will be attending the Olympics in 2008 and the World Expo in 2010.

Environmental Concerns

At the same time, delegates also noted that addressing environmental and pollution concerns such as smog and polluted rivers pose a serious challenge to the sustainability of China’s economic progress, if not quickly addressed. Chinese officials acknowledged that this as a high priority in terms of integrating sound environmental practices into economic policies and regional plans. At the same time, sustained development requires ongoing expansion in jobs for its citizens; however, if regulatory, legal and environmental protection expenses increase considerably, the Purchase Power Parity (PPP) of its currency will decline, and China’s ability to sell its manufactured goods at lower prices than other countries could be jeopardized.

Cross-Cultural Understanding

While every member of the 2006 Trade Mission could immediately mention at least ten invaluable perspectives they gained from visiting China first-hand, one area that stood out for each person was the importance of cross-cultural understanding between people from different historical heritages and cultural backgrounds. Noted Assemblywoman Earlene Hooper:

“When I was in college, I read many of Pearl Buck’s novels … and especially loved The Good Earth. However, I was born in the South in Maryland and had had no opportunities to interact with people from Asia. I simply had no acquaintance with individuals from the many different countries of this huge continent. This trip to China gave me a first-hand opportunity to deepen my appreciation and understanding of the people of China. We climbed the Great Wall with families from both urban and rural areas of China. We enjoyed the politeness and friendliness of people in Shanghai. And everywhere we went, gifts, tea and the red carpet were pulled out and showered upon us. Noted William Boyland, Jr.:

“I am a builder, and for me, the architecture stood out. There is a huge variation in terms of different architectural styles in buildings that you just don’t see in the U.S. All shapes and sizes of facilities exist in China. In Shanghai, there are so many skyscrapers with different shapes and materials, unlike the U.S., where it’s mostly perpendicular, rectangular design. We also saw the Olympic Stadium in Beijing, and with its intertwining metal parts, you can see directly into the field from wherever you are sitting!”