A Report on the 2008 New York State Legislators Trade Mission to China
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Acknowledgement

The 2008 State Legislators Trade Mission was organized with the support and assistance of the Chinese Consulate General in New York City. Once in China, the Trade Mission was hosted by the Chinese People’s institute of Foreign Affairs who also provided an interpreter throughout the seven day tour and made certain the experience was memorable and free of incident.

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About AABDC

Established in 1994, the main mission of the Asian American Business Development Center, Inc. (AABDC) is to assist New York-based minority and Asian-owned businesses to compete in the mainstream marketplace. Since 2000, AABDC has also been at the forefront, developing opportunities for a wider group of New York businesses and organizations to do business in China.
Greetings from New York State
Senator Malcolm Smith

I was disappointed to that I could not join AABDC's most recent legislator's trade mission to China, but I know that my five colleagues that did go were in for an eye-opening experience.

Since 2003, I have been to China on four trade missions to encourage greater business inter-action between New York and China. These trade missions are well organized, where participants not only meet government and business leaders in every city and economic zone, but eat in local restaurants, shop where the locals shop and go sightseeing. All these activities showcase the incredible development that is taking place in China, with participants not only sampling local culture, but experiencing the vibrant local economy and getting a real sense of the opportunities that China can offer New York.

While many of our sister states have offices in China, New York State has never had an official presence. Recognizing that this is a lost opportunity, I, and many of my colleagues, have been very supportive of AABDC's efforts over the last five years to establish a presence for New York, especially for small and medium size businesses. Last year, we announced the intention to open the New York in China Center in Beijing, which will be operated by AABDC. Today, I am thrilled that the New York in China Center has finally become a reality, with the official opening in Beijing on April 21, which kicked off the trade mission's week-long visit.

In this report you will read about some of the immediate opportunities that can be acted upon to bring investment and jobs to New York State. This is just the tip of the iceberg. Think of the possibilities. Now is the time to act.

Please join me in supporting John Wang, president of AABDC in his relentless effort to bring New York's businesses to China.

Sincerely,
Malcolm Smith
New York State Senator

• Skills exchange - FIT graduates and alumni who live and work in the city, particularly in fashion accessories, design and graphics, would benefit from investment in innovative manufacturing and back and forth pollination.

• Promote and develop uniquely New York concepts in China - Chelsea Market as an urban hub of incubator businesses, from food to media, in community spaces.

• Share technology – one of the largest boiler makers on the east coast, which supplies 80% of the boilers in NYC housing, is located in Schenectady. This would be an ideal opportunity to invite Chinese city planners to learn about this manufacturer and how they could use the technology in China, it also an opportunity for Chinese investors.

• Revitalize the North Country – there are 4-5 immediately obvious business potentials in alternative energy, agriculture and rea

• Replicate good business models – the Ikea model in China would have great potential in Buffalo - it's a great product, its corporate culture would work and it would bring in tourism from neighboring Canada.

• Immigrant Investor Program - take all these ideas to the governor and ESD people to get support for target areas and enhanced incentives for investors.

• New York State to support the New York in China Center in assisting New York business to get into the China market and attract investment and business from China.

• Persuade the Governor to make a trip to China to see the opportunities for himself – there has to be a commitment from the top.
Summary Findings

The seven-day itinerary which took the delegation to Beijing, Shanghai and Hangzhou, was packed with meetings with government and business leaders as well as entrepreneurs in each city. In Beijing, the first stop, the group officially opened AABDC’s New York in China Center, which helped to set the stage for the rest of the trip. Each legislator was interviewed upon return to New York, and the following is a summary of their impressions:

- There was a unanimous agreement that New York State needs to have a visible presence in China – “the diversity of business people we met was impressive, everyone was gracious and welcoming and it was apparent that there is definite interest in New York and the state needs to capitalize on the opportunities.”

- State government needs to take action – “We sit around in Albany, we talk and debate, meanwhile, the rest of the world is expanding and developing. I think we tend to have a myopic vision of the world and we need to have a broader vision and establish mutual partnerships.”

- There are an amazing amount of resources and investment in China that New York should seize upon to enhance economic development and increase jobs – “More people in positions of influence have to make a trip to China and when they come back, become ambassadors of doing business with China.”

- The New York in China Center, which is long overdue, will provide a greatly needed role – “a clearing-house for NY and Chinese businesses looking to do business in each other’s markets.”

It became apparent that New York has much to offer China in terms of know-how, technology, management, creative thinking, etc. and the state needs to take advantage of its strengths to gain inroads into China and partner with Chinese businesses. The following are some suggested actions from the trade mission delegates:

- Economic and cultural exchanges - work with/through Bronx and Harlem African-American chambers of commerce and more specifically, minority and women-owned business, which have great potential for partnering and joint ventures.

- Buses for New York City - could use Chinese investment to re-establish a bus manufacturing/assembly plant upstate and revitalize a community.

A Message from John Wang, President, AABDC

Since 2003, I have worked closely with Senator Malcolm Smith to organize New York-China trade missions specifically designed for New York State legislators and executives of small and mid-size New York businesses. AABDC trade missions have proven to be an effective way of introducing businesses opportunities for delegates to discuss and explore potential opportunities for their constituents and to solidify the political, business and economic ties between New York State and China. This is the fifth such mission and we had a delegation of New York State legislators who had never been to China, representing upstate and down state: Senator Thomas Duane, Assemblywoman Dede Scozzafava, Assemblywoman Crystal D. Peoples, Assemblyman Dennis H. Gabryszak and Councilman Larry B. Seabrook.

I think the group will agree that we had a very busy and productive week, but the highlight was the official opening of the New York in China Center in Beijing. With no official state presence in China, it became apparent as the legislators met with government commerce officials, business leaders and entrepreneurs in Beijing, Shanghai and Hangzhou, that there were obvious business opportunities for small and medium size businesses, and areas where New York had much to offer China in terms of know-how, technology, management and creative thinking, but there was no place for either side to go to get information and start discussion. The New York in China Center will now serve that purpose.

In fact, we have had a flurry of inquiries since returning, so if you have constituents or you are a business owner and you would like to talk about expanding business opportunities, give us a call!

Sincerely,

John Wang
President, AABDC
New York in China Center

The New York in China Center was officially opened in Beijing on April 21, 2008 by John Wang, President of the Asian American Business Development Center (AABDC) together with a delegation of New York State legislators representing upstate and downstate: Senator Thomas Duane, Assemblywoman Dede Scozzafava, Assemblywoman Crystal D. Peoples, Assemblyman Dennis H. Gabryszak and Councilman Larry B. Seabrook. On the China side to welcome the trade mission delegation and to celebrate the opening were a number of long-time supporters of AABDC's efforts to promote New York-China trade, of note were Ambassador Qiu Shengyun, former Consul General in New York who now heads up the Institute of Foreign Affairs, Zhang Wei, Vice Chairman, China Council for the Promotion of International Trade (CCPIT) and Xie Jingrong, Vice Chairman, All China Federation of Industry and Commerce (ACFIC).

In over 30 years of US-China trade, New York State has never had an official representative office in China. Recognizing the need to promote New York State products and businesses to the world's fastest growing economy, AABDC took the initiative to establish this first clearing-house to provide on-the-ground support in China to New York State businesses, especially small and medium size companies that are looking to enhance their competitiveness, but do not have the resources. The Center also offers consulting services for Chinese SMEs who are interested in setting up operations in New York.


Within days of returning to New York, the Center has already had calls from Westchester County, Genessee County and Nassau County; the City of Buffalo and southeastern Queens County are interested in immigrant investors; XTAZY Energy Drink is interested in manufacturing the drink in China and Culinary Arts Specialties would like to find a distributor for their cheesecake.

Trade Mission Overview

This is the Asian American Business Development Center’s sixth trade mission to China since 2001. In total, AABDC has introduced more than 30 New York State elected officials to China’s booming economy with the purpose of promoting greater business activity between New York State and China. One of the key supporters of AABDC’s efforts is Senator Malcolm A. Smith, State Senate Minority Leader, who has participated in four such missions. While Senator Smith was not able to join this delegation, the state was well represented by legislators from both upstate and downstate:

Itinerary

| Fri., Apr. 18 | Departure from Newark Airport |
| Sat., Apr. 19 | Arrival in Beijing |
| Sun., Apr. 20 | Sightseeing (Great Wall, Palace Museum) |
| Mon. Apr. 21 | Briefing at American Embassy; meetings with the China Council for the Promotion of International Trade (CCPIT) The New York Center Opening Reception Welcome Dinner |
| Tue. Apr. 22 | A.M. Depart Beijing for Shanghai P.M City tour and shopping in Shanghai |
| Tue. Apr. 23 | A.M. Personal time P.M. Depart Shanghai for Hangzhou Meeting with provincial leader of Zhejiang Province and dinner hosted by Zhejiang Provincial People’s Congress |
| Wed. Apr. 24 | Site visit with local entrepreneurs Sightseeing and shopping in Hangzhou |
| Fri. Apr. 25 | A.M. Sightseeing and personal time P.M. Farewell Dinner |
| Sat. Apr. 26 | Departure for Beijing and transfer flight to Newark Airport |