

# Celebrating CBI member success in China

## November 2011



### Architecture and design

- **CBI member [Benoy](#)** received four retail design awards at the 2011 ICSC Asia Pacific Shopping Centre Awards in Shanghai. Benoy was recognised for its Shanghai ifc mall, Central Festival in Thailand, Palace 66 in northeastern China's Shenyang, and Yueda 889 in Shanghai. Read more [here](#).

In addition, Benoy's design for the Hong Cheng Plaza in Guangzhou in southern China was named the 'Best Chinese Futura Project' at the 2011 MIPIM Asia Awards. Developed in collaboration with Sun Hung Kai Properties, the 110,000 square metre Hong Cheng Plaza aims to set new international standards for sustainability in the retail sector, with the design blending highly sustainable technology with a new pedestrian and public transport interchange. The Hong Cheng Plaza is scheduled to open in 2014. Read more [here](#).

- **CBI member [Mott MacDonald](#)** is currently designing a 145,000 square metre mixed-

use development in Guilin in southern China, which is worth 2.5 billion yuan (£237 million). Known as the Guilin Hua Yang Cheng development, the site will comprise a luxury shopping mall, a Wal-Mart supermarket, a five-star Sheraton hotel, serviced apartments, a cinema, and sports facilities. Scheduled to be opened by the end of 2013, the development will be the first high-class, mixed-use development in Guilin. Read more [here](#).

## Automotive

- In late October, **CBI member Bentley** secured a conditional grant allocation of £3 million from the UK Department for Business Regional Growth Fund (RGF), marking the second time this year that the British luxury automaker was successful in securing funding from the RGF. The new grant funding will help support the development of a new powertrain application, which will enable Bentley to exploit new export markets such as China where customers are increasingly showing interest in the new two-door Continental GT and GTC.

Bentley's China sales to September 2011 increased 84%, with the number of vehicles sold exceeding 1,000 units for the first time ever. China is the second largest global market for Bentley. Read more [here](#).

- **CBI member Jaguar Land Rover (JLR)** is celebrating the 8<sup>th</sup> anniversary of Land Rover's partnership with China Exploration & Research Society (CERS), one of Land Rover's six Global Humanitarian and Conservation Partners. Together with Land Rover, the partnership with Wong How Man, a world-renowned Chinese explorer, the founder of CERS, and fellow of the Royal Geographic Society, has expanded his exploration work to conservation of some of China's most endangered natural and cultural heritage.

In additional news, JLR announced plans to recruit more than 1,000 employees at its advanced manufacturing facility in Solihull, near Birmingham in the UK. The new posts are being created to support JLR's goal of delivering 40 significant product actions over the next five years.

JLR also announced that its revenues reached £2.9 billion in the third quarter this year, boosted by booming Chinese demand. JLR's retail sales in China surged an impressive 87% in the third quarter. China is JLR's third largest market, behind only Britain and the U.S. Read more [here](#).

## Aviation

- **CBI member Airbus** opened Airbus (Tianjin) Logistics in the Tianjin Free Trade Zone Comprehensive Bonded Area in northeastern China. Through the establishment of its new logistics company in Tianjin, Airbus aims to optimise all transport and logistics activities related to Airbus in China as part of its worldwide supply chain. A number of Chinese companies are directly involved in manufacturing parts and components for Airbus aircraft. Located in different cities across China, including Harbin, Shenyang,

Tianjin, Xi'an, Chengdu, and Shanghai, these companies each have separate supply chains. Airbus' new logistics company in Tianjin will help create a more harmonised and streamlined supply chain that will reduce logistics costs and increase the efficiency of the Airbus production lines. Read more [here](#).

- **CBI member [Boeing's](#)** Inventory Locator Service (ILS) launched a Chinese language version of the ILS website. Airlines, MROs (Maintenance Repair and Overhaul providers), and parts suppliers that use Chinese as a primary language will now be better able to take advantage of the benefits and growth opportunities available with ILS products. Customers can access the ILS Chinese website at [www.ilsmart.com/cn](http://www.ilsmart.com/cn). Read more [here](#).

## Chemicals

- **CBI member [Bayer](#)** announced plans to further expand its production, distribution network, and research activities in Asia, and significantly increase its sales in the region in the coming years. Bayer plans to achieve a more than 60% increase in its sales in Asia by 2015, reaching well over €1 billion at today's exchange rates. Of this, Greater China is planned to account for around €6 billion. Greater China is now Bayer's largest market in Asia, and represents a major focus of the company's activities in the region. Bayer aims for all of its subgroups in China to continue their rapid growth. Of Bayer's targeted sales increase in Greater China to reach approximately €6 billion by 2015, MaterialScience will account for about €3 billion of this figure, HealthCare for €2.5 billion, and CropScience for €300 million.

Bayer also inaugurated a new production facility for TDI—a raw material for the production of flexible foams—with a planned capacity of 250,000 tons per year at the Bayer Integrated Site Shanghai. The plant is based on a new process technology that reduces solvent use by about 80% compared with plants of a similar size that use the conventional process. In addition, the plant lowers energy consumption by up to 60%, and will reduce carbon dioxide emissions by about 60,000 tonnes per year. Read more [here](#).

- In mid-October, **CBI member [INEOS](#)** licensed its Innovene PP process to the Sinopec Maoming Company for the manufacture of polypropylene homopolymers, random copolymers, and impact copolymers at Sinopec's planned manufacturing facility in Maoming in southern China's Guangdong province. Scheduled to open in 2013, Sinopec's new plant will serve the South China markets, including the Pearl River delta region, and bring Sinopec's total capacity based on INEOS Technologies Innovene process to 1.2 million tons of polypropylene. Sinopec is the largest polypropylene producer in China, and produces a range of premium and speciality products using the Innovene PP platform. INEOS Technologies has now signed four PP licenses in China this year. Read more [here](#).

## Communications

- **CBI member [Burson-Marsteller](#)** agreed to acquire a majority stake in Arcay

Communications, a leading South African consultancy. The extensive network resulting from Burson-Marsteller's acquisition will provide Chinese companies operating in Africa with experienced public relations and corporate communications services. Read more [here](#).

- **CBI member** [WPP](#) and the Shanghai Art & Design Academy (SADA) launched the WPP School of Marketing and Communications on SADA's campus in Shanghai in late October. The WPP School marks China's first professional marketing and communications three-year diploma programme. WPP and WPP companies will work closely with SADA to develop the new School's curriculum and hire full-time faculty. Read more [here](#).

## Construction

- Earlier this fall, **CBI member** [Lafarge](#) opened its first Sustainable Construction Lab in Chongqing in southwestern China. Located at Lafarge Shui On's Nanshan plant in Chongqing, the new lab develops new and advanced construction materials and products and solutions for its customers in China. The 1,000 square metre facility is an extension of Lafarge's R&D Centre in Lyon and the first of its kind opened worldwide in Lafarge Group. Lafarge also signed an alliance agreement with Chongqing University, which will focus on developing innovative construction materials and final products. The new partnership will include training and research programmes with PhD students. Read more [here](#).

## Education

- **CBI member** [Pearson](#) agreed to acquire Global Education and Technology Group, a leading provider of test preparation services for students in China who are learning English. With a network of approximately 450 test preparation and training centres in 60 cities across China, Global Education helps Chinese students and professionals prepare for internationally-recognised English language assessments. Pearson estimates that around 500,000 Chinese people take these tests each year, a four-fold increase over the past five years, which has produced rapid growth in spending on related teaching and preparation services. The acquisition will combine Global Education with Pearson's English teaching resources and technologies and its existing networks of English language centres for professionals (Wall Street English) and children (Longman Schools) in China. Pearson will see its reach in China expand from eight cities to 60, and will also enjoy a platform to develop beyond English language learning. Read more [here](#).

## Electronics

- In late October, **CBI member** [Siemens](#) opened the Siemens Centre Shanghai (SCS), the Siemens China regional headquarters, adding a new green landmark to Shanghai. Representing a total investment of 710 million yuan, the SCS covers an area of 35,000 square metres with three main office buildings. Designed to accommodate over 2,000

workspaces, the compound will house functions including general management, administration, sales and marketing, service and training, and R&D. Employing Siemens' green building technologies, the SCS is recognised as one of the greenest office building compounds in Shanghai, and has been awarded the LEED Gold certification. Siemens also launched a corporate showroom, called the Siemens Forum Shanghai, that will showcase the company's green portfolio and innovative culture. Read more [here](#).

## Financial and professional services

- **CBI member [Deloitte](#)** opened its 16<sup>th</sup> office in China. Located in Harbin, the capital of Heilongjiang province, the new office will support Deloitte's continued expansion in the country, and help the firm meet growing demand for professional services in northeastern China. Read more [here](#).
- In late October, **CBI member [Ernst & Young](#)** launched the *EY Academy* (EYA), which aims to develop socially responsible future business leaders. Open to first year students in finance and business-related disciplines in local universities in Hong Kong, the EYA will have participants join the programme as EY Cadets, and they will gain invaluable experience through mentoring, skills training, teaming, networking, and internships in Ernst & Young's Hong Kong, mainland China, and overseas offices. The *EY Academy* programme will place a particular emphasis on the importance of corporate social responsibility (CSR), with EY Cadets taking up the "CSR Challenge—Together we make a better world" to work on CSR projects. Read more [here](#).
- **CBI member [HSBC](#)** announced in mid-October that it has rolled out Renminbi (RMB) cross-border trade settlement services to all of its branches across 24 cities in China. HSBC currently has the widest geographic coverage of RMB cross-border trade services among all foreign banks in mainland China. Read more [here](#).
- **CBI member [J.P. Morgan](#)** acted as the exclusive sponsor of a new contemporary art exhibition at the Today Art Museum in Beijing, which recently featured 14 leading Chinese artists. The exhibition was a major art event to commemorate J.P. Morgan's 90<sup>th</sup> anniversary in China this year. Read more [here](#).
- London-based reinsurer [Catlin Group](#) formed a strategic partnership with China Reinsurance Corporation, the country's largest reinsurer, that will see the first Chinese direct investment into **CBI member [Lloyd's of London](#)**. Catlin, which runs one of the biggest underwriting syndicates at Lloyd's, will form a new entity called "Syndicate 2088", which China Reinsurance will provide the capital for and Catlin will manage. The partnership with China Reinsurance will allow Catlin to expand its knowledge of insurance and reinsurance practices in China, allowing the Group to increase its presence in the Chinese market. China Reinsurance, in turn, will gain a better knowledge of Lloyd's and benefit from its global network as well as increase its experience in international reinsurance operations and management. Read more [here](#).

## Food and beverage

- **CBI member [PepsiCo](#)** and leading Chinese food and beverage company Tingyi Holding Corp. entered into an agreement to form a strategic alliance in China. Under the terms of the agreement, Tingyi's beverage subsidiary, Tingyi-Asahi Beverages Holding Co. Ltd. (TAB), will become PepsiCo's franchise bottler in China. Read more [here](#).

## Hospitality

- **CBI member [InterContinental Hotels Group \(IHG\)](#)** is driving the brand performance of Holiday Inn with an innovative marketing strategy in China. At the end of 2010, IHG completed the relaunch of Holiday Inn, the world's largest mid-scale hotel brand. As one of the first international hotel brands to establish a presence in China in 1984, Holiday Inn is now one of the most recognised hotel brands in China, with more than 80 Holiday Inn and Holiday Inn Express hotels operating in the region. Nearly one year after the completion of its brand relaunch (the largest of its kind in the industry), Holiday Inn is adopting an innovative marketing strategy in China with new media channels to build more platforms for consumer conversation. For example, prior to this year's National Day Holiday in China, Holiday Inn debuted a feature movie called Holiday Story to be played on thousands of high-tech flat screen monitors in Shanghai's taxis and office buildings as well as on major website portals in China. Holiday Inn received overwhelmingly positive feedback for the movie, and used it to launch an interactive campaign on the brand's official Sina Weibo channel to encourage fans to share their holiday fantasies. As a blend of drama and advertising, the movie represents a unique departure from conventional marketing, and is proving to be very effective. Read more [here](#).

## Information systems

- **CBI member [Thales](#)** received approval from China's top economic planner, the National Development and Reform Commission (NDRC), to establish its joint venture company with Shanghai Electric Corporation (SEC) and Shanghai Automation Instrumentation Co. (SAIC). Dedicated to the Chinese market, the new urban rail signaling company, known as Thales SAIC Transportation System Limited Company, will be ideally fitted to design, test, and deploy the Thales SelTrac Communication Based Train Control solution (CBTC) in China. Already deployed in 30 major cities worldwide, the SelTrac CBTC system improves the capacity of lines while also enhancing safety. Read more [here](#).

## Mining

- **CBI member [Rio Tinto's](#)** joint venture with Chinalco, the largest aluminum producer in China, had its registration approved by China's Industrial and Commercial Administration. The regulatory approval will allow the joint venture, known as

Chinalco Rio Tinto Exploration Co. Ltd. (CRTX), to begin conducting its business in China and exploring mineral deposits. CRTX will initially focus on copper, with plans to expand into resources such as coal and potash in the future. Rio Tinto and Chinalco signed the official joint venture exploration agreement in June 2011. Read more [here](#) and [here](#).

## **Power and automation**

- **CBI member [ABB](#)** launched a three-year anti-desertification programme with Inner Mongolia Power (IMPC) and the Ordos Power Supply Bureau (OPSB), marking the second time that the partners have carried out an anti-desertification campaign. The programme aims to curb drift sand along high voltage transmission lines in Ordos in Inner Mongolia, ensuring safe and reliable power transmissions throughout the region while lowering the environmental impact. With ABB and IMPC each pledging to donate one million yuan to support the project, the programme is expected to reforest hundreds of acres of desert along high voltage transmission lines in Ordos. The reforestation will help eliminate the threat to nearby high-voltage power lines, improve land conditions, and control the pace of sand drift. In addition, the reforestation will help improve the ecological environment around Beijing. Read more [here](#).

## **Retail**

- **CBI member [Tesco](#)** received the prestigious ‘Green Supply Chain Award’ from The Global Supply Chain Council in China. The Council praised Tesco for demonstrating strong environmental leadership and a firm commitment to promoting green business in China. Tesco’s new ‘green’ logistics centre in eastern China’s Zhejiang province received particular recognition for having “set and exceeded” its own high standards for environmental friendliness. Launched in July this year, the 55,000 square metre facility forms an important part of Tesco’s commitment to become a zero carbon business by 2050. For example, the innovative design of Tesco’s logistics centre uses 45% less water and electricity in comparison to a normal warehouse, and carbon emissions have also been reduced by at least 15%. Read more [here](#).

## **Telecommunications**

- In mid-October, **CBI member [BT Group](#)** opened its second Customer Innovation Showcase in mainland China, making China the only country outside the UK with two BT showcase centres. Located in Shanghai, BT’s new Customer Innovation Showcase is part of BT’s ongoing investment in the Asia Pacific region, and brings the latest video conferencing equipment and networked IT applications all together under one roof, allowing BT to demonstrate how it enables business customers expanding in China to interact directly with advanced technologies and services that they already rely on elsewhere. The Showcase Centre in Shanghai will also play an important role in helping Chinese companies expand overseas.

The opening of BT's latest Showcase Centre in Shanghai follows the launch of BT's showcases in Hong Kong in September 2010, Beijing in November 2010, Sydney in January this year, Singapore in March, and New Delhi in July. Read more [here](#).

- **CBI member [Huawei](#)** announced that it will open a dedicated European design centre for its Mobile Device business in London, indicating that the city will serve as Huawei's European hub for innovation in smartphone design. Expected to be launched in the first quarter of 2012, Huawei's new London Design Centre (LDC) will play a critical role in helping drive growth of the company's market share in smartphones across Europe. Huawei will recruit a team of world leading designers to drive new product conception, design, and development in order to deliver highly innovative design thinking and solutions to the European smartphone market. Read more [here](#).

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