

“G.P.S For Your Career”

13th MJAA Business & Technology Post-Trip Highlights (Hong Kong and Shenzhen)

By Eve He and Jonathan Chen

The 13th MJAA Business & Technology Tour, also known as Asia Trip 2007, was truly unique in many ways in comparison with previous trips. Not only had it brought us to Hong Kong and Shenzhen, two cities that we had never visited before, but also many trip members from outside of Silicon Valley: Vancouver, Taipei, Shanghai, Los Angeles, and San Diego, who joined the trip with different perspectives due to the various industries and regions they came from.

The trip was kicked off on the night of Sunday, April 1st, at Ramada Hong Kong Hotel, where



trip members gathered for a mandatory dinner and met for the first time. At dinner, trip

members, including our two senior advisors, Morris Young and Hong-Liang Lu, broke the ice and exchanged backgrounds, work experiences and motivations in joining the trip. Everyone got a glimpse of the talent pool assembled by fellow trip members and the leadership exhibited by the senior advisors. In the following five days, trip members visited eighteen companies, institutions or organizations in both Hong Kong and Shenzhen, and took a close look at some of the external and organic commercial powers behind China’s exponential growth.



Hong Kong

As one of the largest financial centers in the world, Hong Kong is home to many internationally recognized financial service and investment companies that we visited during this trip, including HSBC, Goldman Sachs, and Softbank. At HSBC, Associate Directors from both the Investment Banking and Equity Capital Markets Division prepared a special presentation highlighting the differential factors affecting enlistments of IPOs in HK stock exchange versus those in



mainland China. Questions raised by the trip members on the volatility of the Shanghai stock market as well as the recent buzz over Chinese banks' enlistments in Hong Kong were answered thoroughly. The Asia-Pacific Investment Research Group at Goldman Sachs shared their insights and concerns on the economic development momentum in China with us, and exchanged their work

knowledge and experiences with trip members over dinner. During our visit to Softbank, a publicly-traded investment company primarily invests in the internet and technology space, Dato' SJ Wong, Executive Co-Chairman and colleagues shared their unique investment insights from a venture capitalist's point of view over a detail presentation and lively discussions over lunch.





InvestHK and the Hong Kong Stock Exchange were proven to be two great institutional visits from which the trip members furthered their understandings of the unique advantages in starting up a business or going public in Hong Kong. The Managing Partner of McKinsey & Co. (Hong Kong Office), a global elite management consulting firm, greeted us with

an in-depth presentation on the opportunities and risks in China. Many myths and misperceptions of China's economic development were discussed and explored.



While the financial service and investment companies provided us with a solid understanding



of the overall business and funding environments in China, we also gained some first-hand insights on startups by visiting Cherrypicks, a mobile entertainment and content provider based in Hong Kong, who shared with us their

expansion plan, and held a dynamic discussion on topics such as business models, marketing strategies and penetration techniques. We also visited Octopus, the smart card maker for all of the major transportation systems in Hong Kong, whose products and technology consulting services have achieved a global customer base. Trip members toured around the compact yet efficient card center.

To attract more high-tech investments, the Hong Kong



government had invested funding and spaces to develop facilities such as the HK Science & Technology Park and Cyberport, which trip members toured with excitement. We visited the Cyberport along with board members from Monte Jade Hong Kong, who provided essential support in arranging our visits throughout the trip.

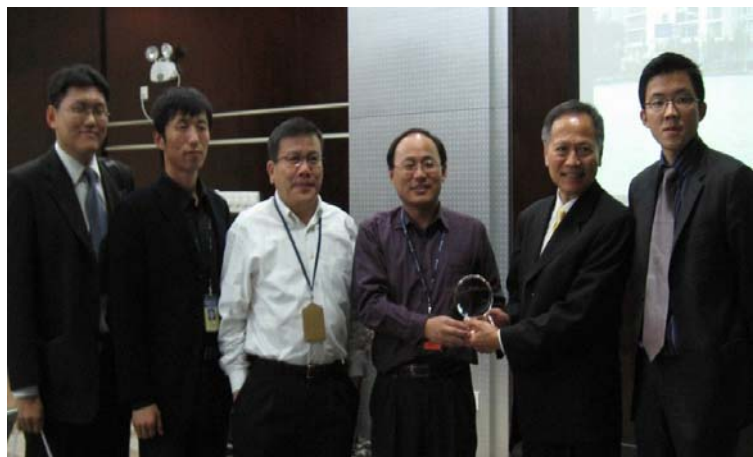


Shenzhen



Shenzhen had been the Silicon Valley of China with presences from various sectors in the high tech supply chain. Accompanied by CEOs, SVPs, and GMs, trip members visited top domestic brands such as ZTE (telecommunication equipment and network solution provider), Mindray (medical device developer and manufacturer) and Hasee (top domestic PC brand); young yet successful startups such as Xunlei (developer of download accelerator for videos and software) and A8 Music (mobile music developer); well-known Silicon Valley or Taiwan-headquartered companies with major manufacturing facilities in Shenzhen such as UTStarcom(IP access infrastructure products provider) and Universal Scientific Industrial (USI; DMS partner for various communication, computing products); as well as internationally recognized companies such as Wal-Mart China.

At ZTE, trip members were given a comprehensive tour of all of ZTE's product offerings, capacities and developmental histories, during which trip members' specific questions on CDMA, WCDMA, and TD-SCDMA were answered in detail. Mindray is a leading developer and manufacturer of monitoring, diagnostic and ultrasound devices, whose production facility is set to become the official standard for Chinese medical device companies. Trip members were particularly interested in Mindray's distribution channels and market penetration strategies, which were



discussed at length during a special presentation. At both Hasee and USI, we toured the production lines and learned about the challenges they faced in branding against internationally recognized competitors.

At Xunlei, whose technology and growth rate in customer base got the attention of Google—who recently bought a small stake in the company, trip members benefited from its CEO, Silicon Valley veteran Sean Zou’s entrepreneurial experiences in China, as well as his detail presentation on the



competitive advantages of Xunlei’s flagship web platform. At A8 Music, the Deputy Chief of Shenzhen Bureau of Science and Technology, Ms. Liu Jin, together with the senior management of A8, shared with us information on the overall digital music platform, trends and technology, as well as piracy control results.

As a nice deviation from the technology-focus tour, we got to spend half a day at the Super Center of Wal-Mart in Shenzhen, which resembles not only its siblings in the U.S., but also parts of Safeway, Macy’s, Walgreen’s, and Costco. The experience at Wal-Mart was unique in the sense that it provided trip members fresh take on the living standards and consumer needs in the retail space in an ever-growing metropolitan city like Shenzhen.





The MJAA Asia trip company visits concluded with the visit to UTStarcom, founded by one of our trip advisors, Hong-Liang Lu. Mr. Lu, together with fellow top executives, shared many insights on the development of UTStarcom, prospects and technicality on HDTV, as well as predictions on network development in the near future. Trip members were given a tour to the HDTV demo room as well. Passionate and lively discussions continued throughout dinner.

On Saturday April 7th, trip members gathered for a farewell breakfast at Shenzhen's Grand Mercure Hotel, and promised to reunite in the Bay Area soon after to share the fond memories of not only the company visits but also of all other bonding activities during the trip.



Acknowledgement

Our sincere appreciation shall be attributed to all the companies in Hong Kong and Shenzhen for their generous hosting of our visits. Monte Jade Hong Kong, our local sister chapter, and Monte Jade West offered dearest assistance in connecting us to the majority of the companies, and we truly



appreciate their efforts. The dedication and hard work from the trip committee was core in making the trip possible and successful. The committee includes (in alphabetical order) Erika Chen, Jonathan Chen, Luke Liu, Vanessa Ma, Frank Shieh, David Tang, Jerry Wang, Minny Wang, and Sabrina Wang, and all of them have contributed their best in marketing the

trip and organizing the logistics. Finally, the senior advisors, Morris Young and Hong-Liang Lu, who have offered valuable assistance throughout the trip and spent the entire week traveling with us. We learned so much from them on both a personal as well as a professional level; it was truly a pleasure to have their presence and leadership on the trip.



Quotes from Trip Members

Caroline Tsay: CherryPicks was the most memorable company visit, as it falls in the online advertising and social networking space, which is so prevalent in the U.S. and directly applicable to my career interests. It was very interesting to hear about the company's background and business strategy to understand the industry trends in Asia. Having visited CherryPicks and attended Asia Trip 2007, I am now aware of the challenges U.S.-based companies may face in determining their globalization strategies and specifically, in playing in China's burgeoning markets. I also have to mention that my Asia Trip experience was extremely rewarding not only from learning about the different businesses and markets in Asia, but also from meeting so many bright and



insightful people, broadening my network and forging new friendships.

Romeo Susanto: About the trip experience, I have very fond memories about the trip and I am fortunate to meet and know people in the trip. The trip was well organized. I learned a great deal from different companies in Hong Kong and greater China, as well as, from the diverse backgrounds of the trip member and the senior advisors. I believe that being able to learn from successful people in the industry is invaluable. In addition, our senior advisors are very down-to-earth, are humble and are willing to share their experiences with us.



Norman Nie: Before the trip, I was not particularly enthusiastic about working in China due to a number of reasons: complicated human relationships, corruption, pollution, rampant materialism, etc. The trip, along with my personal stay in other cities (1 month in total), has made me realize that despite all its problems, China offers lots of opportunities, either career-wise or for one to make a good impact to the society. In addition, previously I was quite pessimistic about China's ability in dealing with the problems arising from its rapid growth, e.g. energy consumption, pollution, corrupted morality etc. Now I have guarded optimism on that.

Jian Wang: I'm very impressed by ZTE's broad product line, the scale/size and the R&D capability of the company. ZTE can serve as a good example of the emerging Chinese big companies with global vision and outreach. China is rapidly moving along value chains. China is no longer a low-cost manufacturing hub. It has made significant progresses in technology-driven industries. China will become more competitive in technology and business innovation... The impact of the trip to me is more on perspective. It becomes clearer to me that the fast-growing China has offered many opportunities. As a Chinese living and working in US, I really should think of how to leverage my background, skills and experiences to take advantage of the opportunities. Another positive impact is to make a lot of new friends. These connections could be very beneficial in the long run, both



personally and professionally.

Philip Tsai: 第一天第一站的匯豐銀行令我印象非常深刻。兩位講員雖然都很年輕,但是在極短的時間內以暨精闢又完整的方式介紹了近來中國與香港資本市場的發展。更難得的是講員幾乎不使用艱深的術語,所以即便團員多數任職於科技業,對相關事務並不熟悉,仍能迅速建立起對資本市場的概念並理解近來其快速發展背後的原因。另外深圳高新技術廠區也讓我們印象深刻,實際體會到"世界工廠"的意義。

本次行程最大的收穫當然是能夠認識許多志同道合的朋友。雖然在一般人印象中,有非常多的華人與華裔子弟居住在舊金山灣區,其中更不乏優秀的高科技工程師與實業家,但受限於我們平日的工作環境以及缺乏適當的社交場合,平時並不容易結識與自己年齡相仿、志趣又相近的青年人。本次亞洲之旅的成員不但清一色介於 25 歲至 35 歲之間,屬於剛進入社會最有衝勁與前景的年輕世代,更重要的是團員們均經過嚴格的挑選,素質整齊劃一。能夠在一次旅行中就結識如此多優秀的儕輩,實在是非常寶貴的機會與經驗。

Warren Tsai: Of all the diverse companies we visited--home-grown high-tech start-ups, top-tier U.S. investment banks and consulting firms, VC firms, giant foreign multinationals, and Chinese multinationals with global ambitions--I found the visit to Wal-Mart China the most memorable. Many unexpected things happen when a foreign multinational does



business in China; for example, did you know that students go to Wal-Mart stores to learn English because their English labels and signage are all "authentic"? Examining Wal-Mart's experiences in China reminds me that successful multinationals do not automatically succeed in China because those multinationals' traditional core competencies and advantages in their home markets may not apply in

China due to its diverse geography, many institutional voids, and unique local culture. Just as this multinationals need to strategically adapt to the Chinese local conditions while leveraging their traditional core competencies to succeed in China, I also need to integrate into the local business environment while leveraging my competitive advantages to succeed in China, as I have career aspirations in China.

Andrew Maywah: Before leaving the US, I expected the trip to be a somewhat "light" introduction into business and technology in China. What I experienced was far more than that. I think many attendees would agree that the trip was truly



an intense whirlwind of information, sights, sounds, and sensations.

The hectic schedule had us listening to presentations, meeting people, and taking photos at what seemed like the speed of light. Normally I would balk at such an experience, but this one was definitely beneficial. It really has to be that way to get a good overall impression of what is going on beneath the surface of the giant dragon that is business and technology in China. From the complexity of "guan-shi" relationships to the subtlety of Chinese politics to the ultra high speed of business transactions one could potentially be overwhelmed in a short period of time. However, the MJAA 2007 trip afforded me the opportunity to get a taste of all this without getting overwhelmed. I sincerely believe that this trip was one of the critical influencers that have motivated me to return to China for employment in the future. If you are considering working in China, I strongly recommend checking out MJAA and its resources.

Benjamin Tsai: Visiting the companies of Shenzhen and Hong Kong in person has given me a personal understanding of the business environment in the greater Pearl River Delta region. Visiting the companies of the Pearl River Delta Region with a cohort of diverse people brought together by a common interest in the greater China region gave me the opportunity to hear different perspectives. The experiences gained from the trip have helped me better evaluate how the opportunities in the greater China region fit in with my future career path.

