

It is important to be mindful of different legal and business systems too. Good legal advice is vital and an understanding that culturally, Chinese do business differently. A Chinese interpreter can be your eyes and ears and cultural 'interpreter' as well when having discussions or negotiations with Chinese.

Victoria's Premier Ted Baillieu summed it up well at an Australia China Business Council Gala Dinner in August: "We've only just scratched the surface."

The Premier, on his recent visit to China, has announced plans for Victoria's biggest ever mission next year. Now is the time to start planning your China entry.

HUBEI PROVINCE

CAPITAL: Wuhan

WUHAN POPULATION: 9.8 million

PROVINCE POPULATION: 57.24 million

*Wuhan GDP growth from 13.7% in 2009 to 14.7% in 2010
GDP: RMB 1.58 trillion (2010); Wuhan 551.6 billion*

PER CAPITA GDP: AUD\$8500.00

Usually the tenth largest economy in China, important industrial base and producer of quality grains and cotton; key automotive area and home to Wuhan Iron and Steel – China's fourth largest; China's largest producer of optical fibre cables and optoelectronics, and petrochemicals, and moving towards higher value-add industries.

Urban renewal covers eight cities and Wuhan itself with resource-effective and environmentally friendly cities.

HUNAN PROVINCE

CAPITAL: Changsha

CHANGSHA POPULATION: 8.85 million

PROVINCE POPULATION: 71 million

*Changsha GDP growth from 14.7% in 2009 to 15.5% in 2010
GDP: RMB 1.59 trillion; Changsha 454.7 billion*

PER CAPITA GDP: AUD\$7700.00

Hunan usually ranks between 10th and 13th largest GDP in China. In 2010 it grew at 14.5% (ranked 10th) and is known for its mineral resources as well as manufacturing construction equipment, research facilities (construction machinery technology), tobacco and culturally-related works.

Sustainable development and environmental services figure strongly here too and Australian companies are already active in design, remediation and with strong education links. Also identified were ICT and emerging media, finance, insurance and legal services and higher-tech manufacturing.

SICHUAN PROVINCE

CAPITAL: Chengdu

CHENGDU POPULATION: 14 million

PROVINCE POPULATION: 80 million

*Chengdu GDP Growth of 14.7%
GDP: RMB 1.69 trillion; Chengdu 555 billion*

PER CAPITA GDP: AUD\$5700.00

Traditionally agriculture, chemicals, textiles, fertilizer, military equipment; becoming a hub for financial and technology organisations – ANZ Bank's global services and operations centre opened in February 2011. More than 130 of the top 500 companies have offices here; the NDRC has approved a national bio industry; also a space and aviation technology park is being developed.

CHONGQING

CHONGQING POPULATION: 30 million

GDP of 789.4 billion RMB

Chongqing GDP growth from 14.3% in 2009 to 17.1% in 2010

PER CAPITA GDP: AUD\$4043.00

A City that ranks at the same level as a province: China's second highest growth rate. An old industrial base dominated by heavy industry and major automotive; also produces iron, steel and aluminium; agriculture and tobacco.

Targetting railway, power generating equipment, new energy sourced cars, IT and energy saving materials, infrastructure, green building, urban planning, environmental services, modern logistics and financial services (a number of major banks have offices here).

(Sources: Kevin Rudd Aust-China 2.0 launch speech
China's second- and third-tier cities Opportunities for Australia, EIU 2011)

How Can Feng Shui Help You?

Chin Communications chose an auspicious day for moving to its new office (China's National Day 1 October). We thought about Feng Shui in our move – could you benefit from it too? We have put together some commonsense tips to assist.

Feng Shui dates back centuries and is a critical component of Chinese culture. Feng Shui literally translates to "wind and water". Wind and water are both considered life essentials and the Chinese believe that Feng Shui can bring peace, harmony and prosperity to your life.

What Exactly Is Feng Shui?

Feng Shui was first practiced by the Chinese to bring prosperity to those who had passed on, for example burial sites were laid out according to Feng Shui principles. Through the centuries Feng Shui has grown and is now a way of life for many Chinese people and those who embrace it are thought to live a more healthy and prosperous life.

Chinese believe that all things are connected by an energy force that is always changing. While many outside Chinese culture might look at Feng Shui and consider it a religion or superstition, the Chinese believe it is a means of empowerment, a way to bring positive energy into your life. Feng Shui is built on the fundamental properties of the elements and when Feng Shui practices are followed, the Chinese believe you are able to remove negative energy from your life and bring in positive energy.

In ancient times, as soon as a new emperor took over the throne, one of the first things he would have to do was find a suitable Feng Shui site and build his own tomb. This would be one of the largest projects during his rein (think Terracotta Warriors).

Feng Shui is both physical and mental. While Feng Shui does have some very specific guidelines when it comes to designing and constructing buildings and arranging and decorating your space, it also has a strong mental and emotional component. By placing items in certain places in your home or designing a building in a certain pattern the physical aspects of Feng Shui can be met. By mentally removing the bad "qi" or energy from your life you can replace it with positive "qi" and change yourself from within – so they say, anyway!

How Feng Shui Is Used In Your Home and Office

While many of us cannot totally reconstruct our homes or offices to fully conform to Feng Shui criteria we can do a number of things when it comes to decorating and creating good Feng Shui flow in our living and working spaces. Some people who practice and believe in Feng Shui report amazing changes in their lives when they follow its practices.



Some of the modern architecture on display in Guangzhou - natural light is important in Feng Shui

The first step to adapting Feng Shui both at home and in your office is to clear out the clutter. Getting everything out of your home or office that you don't absolutely love is a cleansing process and is considered a therapeutic step in Feng Shui and one that changes your home or office's energy to positive "qi". Next, Feng Shui calls for high quality air and light. Natural light is considered best, so large unblocked windows are highly recommended. When natural light is not available your next best choice is full spectrum lighting. When at all possible, opening the windows in your home and office every day is a critical part of practicing Feng Shui. Air purifiers and an abundance of plants can also help add to the air quality.

Practical Feng Shui Tips You Can Adapt In Your Home

Here are just a few of the more popular tips you might take on board and potentially enhance your life:

- There should be no clutter in the entrance of your home. This means removing everything from the area especially shoes.
- There should be no TVs or computers in your bedrooms. If you must, cover it for sleeping.
- Beds should be placed on a wall and not next to or in front of a window in order to allow for good quality sleep.
- Mirrors, while considered a symbol of wealth, should not be placed in the bedroom at the end of any bed as it is believed that doing such can hurt your relationship.
- Kids rooms should not contain bunk beds as the child sleeping on the bottom bunk will not have access to fresh "qi".
- An indoor water fountain strategically placed brings good "qi".
- Your stove and refrigerator should not be across from each other as they represent fire and water which will clash and might cause disharmony between family members.
- Your furniture should be placed so it flows easily in order to create harmony and good "qi".
- Using mirrors in your home (except in the bedroom as already described) can help clear out negative energy and bring in wealth. For example, placing a mirror behind your stove is thought to bring cash flow to your family.
- Wind chimes can also be used to help protect and purify. Small wind chimes hung in the entrance way are thought to create good "qi".

Practical Feng Shui Tips You Can Adapt In Your Office

- Just as in your home, the front entrance way of your office should be completely free of clutter. It should be inviting to anyone who visits your office.
- As in your home, wind chimes in the entrance can help to purify and protect.
- A mirror hung in your office is said to help create wealth.
- A water fountain is recommended as it can bring peace and is also considered cash flow.

- Your back should not face the door of your office as this is considered a waste of energy.
- Putting crystals on your desk can help to remove negative energy.

Stories of Tremendous Luck after Adapting Feng Shui

A quick Google search leads to numerous stories of wealth and prosperity even when just some principles are applied. You can read accounts of people who just made simple Feng Shui changes in their home, or business and how their luck turned. At times of dire straits many people who made changes report finding a great job, getting a pay rise, receiving bonuses at work, receiving things for free and more.

Feng Shui in the Asian World

Besides China, Feng Shui is practised in other Asian countries, and is not just accepted by the wealthy or elite as some might think.

Cities across the Asian world embrace Feng Shui practices and many areas even require Feng Shui in building design. Hong Kong is known as the premier city when it comes to buildings that are built on Feng Shui principles. In fact tourists can even take a tour of the city, stopping at many locations to check out Feng Shui designed buildings and get a better understanding of how they were designed and built using Feng Shui principles. The Bank of China Tower in Hong Kong is perhaps the best known Feng Shui building in the world.

Feng Shui is Migrating World Wide

As Asians have migrated to other parts of the world, so too have their traditions and customs. Many people in the Western world, for example, have embraced and use Chinese medicine including acupuncture, and martial arts is practiced in the West.

Feng Shui has also made its presence well known in the Western hemisphere and other parts of the world. Australia has also adopted some Feng Shui principles and design. Numerous buildings were designed under Feng Shui principles including the Sydney Casino and the Crown Casino Melbourne (something about casinos and luck!).

Feng Shui Trends

With information so widely available today and more and more people being open to learning, understanding and immersing themselves in other cultures, Feng Shui practices are spreading. Today, you can find a wealth of information on the internet, in books and if you want help bringing Feng Shui into your life you can hire a Feng Shui consultant or 'Master' for assistance.

Other Chinese Superstitions

You don't have to travel very far to see the preoccupation Chinese have with the number 8. Westerners have taken to it with great enthusiasm too: number plates and phone numbers being two obvious indicators. But why number 8? And why is number four unlucky? Not to us, we've moved to the 4th floor!

Both are connected to the pronunciation of the words in Chinese – in the case of 8 – in Cantonese – it is a homophone for wealth; in the case of 4 – a homophone in Mandarin for death. This wasn't always the case. Four was traditionally regarded as lucky. Many Chinese phrases of luck are related to four. Eight has become more widely embraced since Cantonese culture and Hong Kong business practices have strengthened.

Surprisingly, some buildings in China now do not have level 4 or level 13 (putting western superstition into Chinese culture too).

So we've taken the traditional view of the number 4 to our new office at Level 4, 221 Queen Street!

The Lowy Poll – Are Australians apprehensive about China's rise?

While many commentators worry that Australian politicians and the media are overly obsessed with running polling and focus groups, several recent surveys on China should offer Australian business serious food for thought.

As China's economic profile continues to rise and Australia's economic future becomes increasingly entwined with that of China, a recent poll of public attitudes reveals interesting trends in Australian public perceptions of China. Each year the Lowy institute conducts a public opinion survey of Australian attitudes to the world and our major trading partners and allies – including China. In our previous newsletters we have tracked the major findings of this annual survey, which offers one of the few public insights into popular attitudes toward China.

Speaking to the media in early 2011, Lowy Institute Director Michael Wesley revealed some key results of the poll (which surveyed 1002 Australians): "Three-quarters of Australians see China's growth as good for Australia, but at the same time almost half the adult population say that it is likely China will become a military threat to Australia within the next 20 years." Of the 44 per cent polled who said it was likely China would become a military threat, 87 per cent said it would be because China and the US would come into conflict - and Australia would be drawn in. The Lowy poll also confirmed public unease about increased levels of direct investment from China, with 57% of respondents saying there was too much Chinese investment in Australia.

A fascinating counterpoint to the findings of the Lowy Poll is the 2010 survey of US attitudes conducted by the Chicago Council on Global Affairs. The survey finds that three-quarters of Americans believe it is likely that someday China's economy will grow to be as large as the US economy; half of Americans think that if China's economy were to grow as large as the US economy this would be equally positive and negative – while the rest lean heavily toward the negative, thinking this would be "mostly negative." Americans surveyed believe that China is the second most influential country in the world after the United States and that China is the most important country to the United States. Only a minority see the growth of China as a world power as a "critical" threat. Very few Americans are "very worried" that China could become a military threat

to the United States in the future, while nearly half are "somewhat worried."

(Sources: AAP 25 April 2011, the Australian 25 April 2011, AFP 26 April 2011, The Lowy Institute, The Chicago Council on Global Affairs)

US firms are upbeat about the China market

What do American businesses think about doing business in China? The overwhelming answer from a recent survey of US firms by AmCham Shanghai suggests - "very well, thank you very much" – and that US firms in China are optimistic about the business outlook. The survey results should make fascinating reading for Australian businesses working in China or looking to get established.

Each year AmCham surveys US firms in the China market. In the 2010-2011 survey the report found that that 87% of polled firms had increased revenue – a major jump from 47% in the 2009 survey. In 2010-2011, 79% of polled firms said they had been profitable or very profitable (up from 65% in 2009) and over 60% had experienced a growth in market share. The key results of the survey suggest that domestic business and economic conditions in China have stabilised and improved since the GFC. The survey also offers an insight into how US business views the future of the China market. 71% of surveyed firms said they are confident about the future and more than 70% expect revenue growth of more than 10% in 2011.

How important is the China market in the overall business strategy of US firms? Twenty percent of those polled said China is their number one market priority, while more than 60% said China is in their top three. Importantly more than 40% said they expect to increase their investment by 15% or more in 2011.

The survey reveals that US firms are focused on winning business and competing for new market share in the expanding domestic market. And causing headaches – apart from intense competition from rival foreign and Chinese firms – the number one issue remains the problem of securing and retaining quality staff. Other problems identified include uncertainties in the business regulatory framework and intellectual property rights (IPR); over 70% of surveyed firms said they have not seen any improvement in the IPR environment in the last year. One final item from the survey is notable – US services firms generally found doing business more challenging than their cousins in manufacturing and retail.

(Source: 2010 – 2011 China Business Report by the American Chamber of Commerce Shanghai www.amcham-shanghai.org)

Translation Bloopers they didn't want you to see

China Eastern Airlines: "Please wait outside rice-flour noodle."
What they meant to say: "Please wait behind the one-metre line."
The hungry travellers queued on...

**THE CHIN TEAM HAS MOVED TO NEW PREMISES AT 221 QUEEN STREET.
DID YOU NOTICE OUR NEW BANNER? IT HERALDS OUR
20TH ANNIVERSARY IN 2012 - AN AUSPICIOUS YEAR OF THE DRAGON!
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