



Baden-Württemberg International

The bw-i company pool

Your way to China

Baden-Württemberg International Economic and
Scientific Cooperation (Nanjing) Co., Ltd.
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Table of Contents

Baden-Wuerttemberg International in Nanjing	2
Concept of the company pool	2
Service offer of the company pool	4
Duration and development of the membership	5
Expenses	5
References	6
Advantages of Jiangsu Province and of Nanjing	8
Your contact person	9

Baden-Wuerttemberg International in Nanjing

Baden-Wuerttemberg International Economic & Scientific Cooperation (Nanjing) Co., Ltd. (bw-i Nanjing) is the subsidiary of Baden-Wuerttemberg International, the economic and scientific development agency of the state of Baden-Wuerttemberg. With more than 30 years of experience in the Chinese market, bw-i Nanjing competently supports German companies entering the Chinese market. Access to the Chinese market can be made more difficult by language, cultural and bureaucratic hurdles. Bw-i Nanjing supports you with its many years of experience in China, its specialist knowledge and its widespread network provide the necessary assistance.



Team at the office Nanjing

The service offers include the following areas:

- Company- and Representative Establishment
- Search for cooperation partners
- Market studies, sales analyses and procurement studies
- Support for trade fair attendance
- Translation- and interpreter services
- Search for staff
- Organization of china visits of German companies
(Transport and accomodation, interpreter service, conversation partner etc.)
- Translation, Brochure and catalogue typesetting and printing etc.
- Intercultural trainings
- Company pool for Baden-Wuerttemberg companies

Bw-i Nanjing has an excellent network of business and political contacts in Jiangsu Province and Liaoning Province, which have been partner provinces of Baden-Wuerttemberg for more than 20 years.

Concept of the company pool

Regardless of how you want to do business in a rapidly developing market such as China, local presence and the connected proximity to customers and suppliers is an essential prerequisite for

long-term success. For small and medium-sized companies, this is often not possible for organizational, personnel or financial reasons: a competitive disadvantage due to size!

Membership in the company pool is an excellent possibility of compensating this disadvantage. The company pool offers for the market entrance in China a

- fast
- cost-effective
- efficient
- controllable

possibility to get to know the Chinese market and to work target-oriented.

In the bw-i company pool, the companies share the office costs and benefit from the support and administration of the employees by Baden-Wuerttemberg International. They avoid lead times and costs for establishing their own representative offices and are able to start in the shortest possible time. We take care of the employees' employment and take on the administration. For instance, we also control working hours, travel expenses, reporting and much more. Together with your employees, you can fully concentrate on the operative business. In addition, you can rely on bw-i Nanjing to provide advice and support at any time.

Another advantage of the company pool is the shared and cost-effective use of office space and infrastructure. In July 2017, a new office with completely new equipment was opened in Nanjing.

The basic equipment of each work place includes a desk with roller containers, a computer, a lockable cupboard and space in the central warehouse. Furthermore, our office is offering a constantly busy reception, two conference rooms, a cafeteria, parking places in the underground car park, a welcoming team and a friendly atmosphere. Hence there is a great space for the realization of your individual business strategy.



Your daily contact person at the company pool is your own company pool employee. He will take on responsibility for your projects and will take care of your assigned areas and implements the tasks in cooperation with you. Whether sourcing, quality control and/or the establishment of a sales network, your company pool employee will be meticulously recruited, hired and trained if

necessary. Companies in the company pool come from various industries and our employees are specialists on diverse fields. All of them have at least a university degree and are highly qualified. English language skills are a matter of course, but a lot of them also speak German. The team character should not be underestimated. The pool employees support each other in their work, even if they work for different companies. Cooperation in our team is fairly important to us.

Your company pool employee, while he is working on his tasks, is supported by our company pool management. Additionally, the vast network of contacts and the experiences of Baden-wuerttemberg international in China are available for him. If your company pool employee has



any questions regarding export formalities, travel organization, search for suppliers or regarding to the development of a distribution network, he can always contact a well experienced colleague from bw-i Nanjing. We will support your company pool employee to the best of our abilities if he requires information of the Chinese authority or needs support regarding visa matters. Of course we guarantee that your business secrets are not passed to third parties.

All of our company pool employees have a contractual duty of confidentiality. The company pool is also open to non-Baden-Wuerttemberg companies but they have to pay a 15% higher monthly membership fee.

Service offer of the company pool

The company pool offers for your market entry in China:

- A multilingual company pool employee on site, he is at your full disposal. He is going to be selected according to your specifications and in consultation with you.
- Modern office infrastructure, consisting of a computer, fast internet, Backup storage space on our server, telephone, fax and much more.
- Contact initiation with business partners (customers, suppliers, cooperation partners) and contact initiation with authorities (ministries, chambers, associations)
- Procurement of market-related information, research of raw material prices and implementation of market study
- Implementation of goods control according to your specifications, from simple random samples to quality control during production.

- Preparation and support of business trips, including office use: your company pool employee organizes a hotel for you, transfer, communication partner and is as an interpreter at your full disposal.
- Support and control of your company pool employee is carried out by the company pool management.
- Comprehensible bookkeeping and monthly accounting.
- Monthly report about the activities of your company employee.

Duration and development of the membership

The membership in the bw-i company pool Nanjing is at least one year. After this period of time, the membership in the bw-i company pool can be terminated with a deadline of three months to the end of the quarter. Our aim in the sense of economic development is to enable you to develop your company within about three years and that your company is in a position to exist itself. However, the exact exit date depends on the individual development of the pool companies in China.

If a company leaves the pool to set up its own branch in China, the pool employee can generally be taken over from bw-i. Thereby the pool company does not lose any know-how and existing contacts will continue to be used. The perquisite of course is that the pool company and its employees must agree on a contract for continued employment.

Expenses

The monthly expenses consist of three components:

- Membership fee
- Salary of the company pool employee
- Individual third-party costs e.g. travel expenses

Membership fee from 01.01.2020 onwards

The fee includes the administrative services of bw-i Nanjing, the rent of the workplace and basic technical equipment. It is staggered according to the length of membership in the company pool.

Membership fee in the 1st and 2nd year: 12000,- CNY

From the 3rd year on of the membership: 13500,- CNY

From the 4th year on of the membership: 14280,- CNY

From the 5th year on of the membership: 15000,- CNY

Salary of the company pool employee

The concept of the company pool is that the employee's salary including ancillary wage costs on the employer side will be paid 100% by the pool company. A settlement of accounts will be transparent and without further surcharges via bw-i Nanjing's third-party cost accounting. We would like to point out that in China annual wage increases and an annual bonus of approx. one gross month's salary for the Chinese New Year are common. Bw-i Nanjing helps you to design and, if necessary, to develop your employee's salary in line with the market conditions. The actual wage costs depend on the employee's qualifications.

Individual third-party cost accounting

Third-party costs which are not included in the service offers will be charged after prior approval of your company. These costs include also:

- Travel expenses (train- and/or flight tickets, hotel expenses etc.)
- Catering for the company pool employee during business trips
- Expenses for (inter-) national postal service
- Special service charges of bw-i nanjing
- Costs apportioned by the system of shares telephone-, cellphone-, fax- and internet costs

There is a monthly transparent list of third-party costs in English provided.

Method of payment and further notes

The payment is monthly issued in Chinese yuan (CNY). You will receive the invoice and a copy of all receipts electronically by e-mail. To ensure that bw-i Nanjing does not have to pay in advance for each company, an amount will be jointly agreed upon which will be charged to you in advance for the following month. International transfer fees are to be paid by the company pool companies themselves. Bw-i Nanjing reserves the right to adjust the fees in the event of changes in the cost structure within China.

References

During the last years a lot of companies were able to establish themselves in China thanks to bw-i and additionally in connection with the company pool they were able to establish their own branch office. These companies include:





Part of current members:



If you are interested, we can put you in touch with current or former members of the company pool so that you can receive a first-hand report.

Advantages of Jiangsu Province and of Nanjing

The Jiangsu province is located at the eastern coast of China, fairly close to the economic centre Shanghai and is crossed by the Yangtse River.

With 102,000 km², Jiangsu is almost one third the size of Germany and with more than 80 million population Jiangsu is one of the most populous provinces of China. The gross domestic product per capita is more than twice as high as the national average.

Manufacturing industries such as electronics, telecommunications, mechanical engineering, light and construction materials, automotive and petrochemical industries are currently the economic pillars of Jiangsu Province. However, the focus is increasingly shifting to industries with great innovation and future potential, e.g. biomedicine, renewable energies, environmental technology, software and information technology, and aerospace technology. Jiangsu aims to become the leading province in the area of intelligent manufacturing and is also driving forward research regarding artificial intelligence.

Nanjing is the capital of Jiangsu province - a city with 8 million population, which is not only the financial and trading centre but also closely tied to China's culture and history. In the course of time, Nanjing was several times the capital of China. Therefore, Nanjing is the flourishing cultural centre and nationwide known for its universities and educational institutions, through which Nanjing has outstanding skilled employees. Several of China's biggest companies e.g. Suning, Sanpower, Nari, Panda, Sumec and Yurun have their headquarters in Nanjing, but also many foreign companies e.g. Bosch, BASF, Bosch Siemens Home Appliances, Ford and many others have invested in Nanjing.

Not only the economic strength but also the great geographical position makes Nanjing to one of China's best locations. The city is located at the lower part of the Yangtse River and belongs one of the biggest national container ports. Furthermore, Nanjing has a phenomenal access to the high-speed train network, thereby all of the most important cities in the country can be easily reached by train in a few hours.

The airport provides flights to all important domestic destinations as well as international direct flights, among others to Germany.

To sum up, Nanjing offers all advantages of a highly developed region in China:

- Economic growth above the Chinese average
- High inflow of foreign investment
- High-speed train to Shanghai (ca. 1,5 h) and to Beijing (ca. 4h)
- Largest domestic port of China, location directly at Yangtse River
- Direct flight connections to Frankfurt (Lufthansa, several times a week)
- Strongly diversified industrial structure and growing middle class
- Highly qualified specialists and managers
- Low costs compared to the Shanghai economic region

All these above-mentioned factors make Nanjing to an attractive location for market entry or investment. Last but not least bw-i has been present in Nanjing since 1986.

Your contact person

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