



中美總商會

China Alert

BUSINESS NEWS SUMMARY

October 31, 2003

UPCOMING EVENTS

Fourth Annual U.S.-China Trade Conference

October 30-31, 2003, Chicago. Meet at one conference hundreds of professionals and companies from different parts of the world who are specifically engaged in U.S.-China trade and are decision makers. Capitalize on the unprecedented opportunities: trade with a country that is projected to become the world's largest economy with an import requirement in excess of one trillion in 2050. VHS tapes, DVD, and Conference Proceedings covering all the activities will become available after the conference. In addition, all articles will be posted on our website for limited downloads.

RECENT AND UPCOMING U.S. INTERNATIONAL TRADE COMMISSION INVESTIGATIONS HEARINGS

A. Refined Brown Aluminum Oxide from China (Investigation No. 731-TA-1022, Final)

On October 22, 2003, the Commission held a briefing and vote in the final phase of this anti-dumping investigation. The product subject to this investigation is refined brown aluminum oxide, defined as "ground, pulverized or refined artificial corundum, also known as brown aluminum oxide or brown fused alumina, in grit size of 3/8 inch or less. The subject product includes brown artificial corundum in which particles with a diameter greater than 3/8 inch constitute less than 50 percent of the total weight of the batch. The Commission had already determined that there is a reasonable indication that a U.S. industry is materially injured by reason of imports of refined brown aluminum oxide from China that are allegedly sold in the United States at less than fair value. The meeting was open to the public. The Commission is currently scheduled to transmit its determination and Commissioners' opinions to the Secretary of Commerce on or before November 3, 2003.

B. Certain Ductile Iron Waterworks Fittings from China (Investigation No. TA-421-4)

On November 6, 2003, the Commission has scheduled a hearing to determine whether certain ductile iron waterworks fittings from China are being imported into the United States in such increased quantities or under such conditions as to cause or threaten to cause market disruption to the domestic producers of like or directly competitive products. The products subject to this investigation are cast pipe or tube fittings of ductile iron (containing 2.5 percent carbon and over 0.02 percent magnesium or magnesium and cerium, by weight) with mechanical, push-on (rubber compression) or flanged joints attached. Ductile iron waterworks fittings are used to join pipes, valves, and hydrants in

straight lines or to change, divert, divide, or direct the flow of water or sewage in municipal utility and industrial piping systems. Included within this definition are fittings of all nominal diameters and of both full-bodied and compact designs. The hearing is open to the public, and a witness list is expected by November 5, 2003.

For more information, please visit the U.S. International Trade Commission's website:
<http://www.usitc.gov/>

UPCOMING TRADE FAIRS/EXHIBITIONS (NOVEMBER 2003) IN CHINA

- The two autumn sessions of *Chinese Export Commodities Fair*, also known as the "*Canton Fair*," were held in Guangzhou, China, this month. The first session ran from October 15 to 20. It featured industrial raw materials, electronics, machine tools, textiles, garments, food, medicine and health products. The second session ran from October 25 to 30. It featured light industrial products, arts and crafts, gifts, office articles and materials for interior decorating. The next spring sessions will take place in April 2004.
- 4-7 November: Petro-Chem Expo China, Beijing, <http://ejkcn.com>
- 5-7 November: Paper Pack Asia 2003, the 3rd International Exhibition & Conference for China's Paper Packaging Industries, Beijing, <http://ejkcn.com>
- 5-7 November. The 8th China International Exhibition for Coatings, Printing Inks & Adhesives, Shanghai, <http://www.sfchina.net>
- 5-7 November. China Paper/China Forest, Beijing, <http://www.ejkrause.com/chinapaper>
- 5-7 November: Hong Kong Optical Fair, Hong Kong, <http://www.tdctrade.com>
- 6-9 November: China International Business Environment and China International Property Management Exhibition, Beijing
- 6-11 November: 2003 China Plastic Expo, Yuyao, <http://www.cityshanghai.com/expo/Plastic.pdf>
- 6-11 November: Shanghai International Industry Fair - Information & Industrialization 2003, Shanghai, <http://www.sif-expo.com>
- 12-14 November: The 6th China International Aerosol Exhibition & Seminar, Shanghai, <http://www.packexhi.com.cn/index.htm>
- 12-14 November: Yiwu International Exhibition on Hosiery & Garment Industries, Zhejiang YIWU, <http://www.adsale.com.hk>
- 12-14 November: The Asia beauty event, Hong Kong, E-mail: fairsystem@fairsystem.it
- 12-15 November: China International Metals Industry Fair, Guangzhou, <http://www.metalsfair.com>
- 12-16 November: PT/Wireless & Networks Comm China, Beijing, <http://www.adsale.com.hk>
- 12-16 November: 2003 Exposition on China International Resources Recycling Industry & the 1st Exposition on International Tire Resources Comprehensive Utilization, Beijing, <http://www.china-resource.net/2003.htm>

- 12-16 November: International Medical Instruments and Equipment Exhibition, Beijing, <http://www.chinamed.net.cn>
- 14-18 November: Shenzhen International Automobile Exhibition, Shenzhen, <http://www.adsale.com.hk>
- 18-21 November: CeMAT ASIA 2003, Shanghai, <http://www.cemat-asia.com>
- 18-21 November: ENERGY ASIA 2003, Shanghai, <http://www.energyasia.com.cn>
- 18-21 November: International Exhibition on Construction Equipment and Building Materials Machinery, Shanghai, <http://www.adsale.com.hk>
- 18-21 November: The 5th Shanghai International Exhibition on Building Materials, Building Services and Interior Decoration, Shanghai, <http://www.adsale.com.hk>
- 26-29 November: The 8th China International Welding & Cutting Fair, Shanghai, <http://www.cmes.org>

* The USCCC offers comprehensive arrangement services to assist those who wish to attend any of these trade fairs/exhibitions. From time to time, USCCC will organize Trade Delegation to visit potential business partners and factories in conjunction to attending the trade shows. For further information, please feel free to contact us by email at info@usccc.org or by telephone on (312) 368-9911.

NEW REGULATIONS

- China's central government has allowed the establishment of Sino-foreign joint-venture professional recruitment agencies under a newly issued interim agency regulation. In effect, it allows foreign headhunters to recruit expertise ("talents") in China. Foreign companies, however, cannot recruit Chinese expertise without prior approval if the Chinese fall under one of the following categories: engineers or managers engaged in key infrastructure projects or scientific or technological research; active civil servants; experts assigned to western China development projects; or any Chinese serving in a special capacity requiring security clearance.
- On October 1, 2003, the restrictions that designated certain hotels for foreigners staying in Beijing were lifted by the Beijing Public Security Bureau to better serve the increasing number of overseas visitors to the capital. In the past, foreigners from overseas could only stay at star-class or designated hotels while in Beijing.
- Wal-Mart has become the target of the All-China Federation of Trade Unions (ACFTU) for refusing to establish trade unions in its branches in China. According to the ACFTU, participation in trade unions is a basic right of employees in all enterprises in China. Wal-Mart contends that, according to Chinese law, a trade union may be instituted only at the request of its employees, and since there have been no requests to date, there is no need to establish a union. According to the ACFTU, however, employees of foreign-funded companies wish to have their own trade union but have not raised the issue for fear of losing their jobs or other benefits.

- China has promulgated a set of administrative rules governing auto financing companies (AFCs) under its WTO obligations. The rules were issued by the China Banking Regulatory Commission (CBRC), with approval from the State Council. Upon its entry into the WTO in December, 2001, China was committed to allowing the establishment of non-bank financial institutions to provide auto financing services. The new rules, containing five chapters with 42 articles, set forth an AFC's functions, conditions for incorporation, change and termination, the business lines permitted to it, and penalties for non-compliance.

RECENT COURT DECISIONS

- The Beijing No. 1 Intermediate People's Court ruled against the Beijing New Oriental School in a copyright and trademark infringement lawsuit brought against it by ETS and GMAT. The New Jersey-based Educational Testing Services (ETS) develops and sponsors the widely recognized "Test of English as a Foreign Language" (TOEFL) and "Graduate Record Examination" (GRE), two examinations that students from non English-speaking countries must take before applying to graduate schools in the US. It holds copyrights for the tests in the US and has registered "TOEFL" and "GRE" as trademarks in China. The Virginia-based Graduate Management Admission Council (GMAC) develops and sponsors the "Graduate Management Admission Test" (GMAT), which is similarly registered. The New Oriental School, a well-known private English training center, had been selling pirated copies of the TOEFL, GRE and GMAT tests. The Beijing court ordered the school to cease its illegal activities, turn over all illegal copies of the tests, and to pay 10 million yuan (US\$1.21 million) in compensation. In addition, the school must pay an additional 8.9 million (US\$1.1 million) and 410,000 yuan (US\$49,580) to ETS and GMAC respectively for economic losses, as well as pay legal fees of 1.016 million yuan (US\$122,900).

For further information, or if you have any questions or comments, please feel free to contact us at:

United States of America - China Chamber of Commerce
55 West Monroe Street, Suite 630, Chicago, IL 60603
Tel: (312) 368-9911 Fax: (312) 368-9922
Email: info@usccc.org

Attention: Paul Nash or Siva Yam, CPA, CFA

** The information provided herein has been obtained from sources deemed to be reliable and is purely for informational purposes.*