



GERMANY



Taking relations well beyond business

Zhang Qian

Peter Rothen has been deeply impressed by the positive energy and optimism in Shanghai since starting his new job and life in Shanghai last year.

"Shanghai is very much like its traffic on the streets. It never seems to stop and always finds a way forward," Rothen says. "The speed of change within the city is dazzling and — sometimes for a European — breathtaking."

Starting his career as a diplomat in 1980, Rothen has worked in many different countries including the United Kingdom, South Africa, the Czech Republic, Switzerland, and the United States. He has been the consul general at the German Consulate in Shanghai since September 2014.

Though he admits he had to adjust to Shanghai's astonishing speed, the German consul general says exchanging ideas with China on a number of issues has been straight-forward due to the very open and positive attitude among people in Shanghai and the Yangtze River Delta region in general. He says Sino-German relations are extremely strong and have deepened as well as broadened over the years.

"The very-well developed relations between China and Germany — from business to cultural exchange and academic cooperation — are a big advantage for us," Rothen says. "I would say that the people of the two countries take a strong interest in each other and there is a willingness to cooperate."

German businesspeople, of course, are among those keen to work in China. There were more than 3,500 German companies operating in the Yangtze River Delta Region in 2014, up 6 percent annually.

According to a report released by Ernst & Young in June 2014, Germany has become one of Chinese investors' favorite target countries. Chinese enterprises have directly invested in 68 projects in Germany in 2013, a rise from 46 in 2012. China is now the third largest investor in Germany following the US and Switzerland.

The long history of fruitful exchanges of scientists and students between partner universities in Germany and China is the basis for a broad and comprehensive



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Consul general of Germany in Shanghai

bilateral cooperation in various academic fields, in particular in engineering, natural and economic sciences.

As one of the largest projects in the education field between China and Germany, the Sino-German University (CDH) at Tongji University has been developed into an important platform for linking education, research, and business in the two countries in the past more than 15 years.

More Chinese students are studying in Germany than ever before. About 28,000 Chinese students were studying in Germany last year, the largest group of international students in the country.

"Chinese students are known for their determination to seek high quality education, and we are proud so many Chinese students are choosing Germany as their destination," Rothen says.

Most of the Chinese students studying in Germany are in scientific fields since the country has a strong tradition of providing good education and research, he says. Interestingly, the presence of hard-working Chinese students in German universities has proven beneficial to locals by pushing them to do better.

"It is a win-win situation for students in both countries," Rothen says. "And more importantly, it will also benefit the relationship between the two countries in the long run. I believe that nothing creates so much good will between two people than to live, work or study for a while in the other country. It is a wonderful way to

bring people together, help them understand one another and create friendship between the two countries in a concrete sense."

Though hoping to get more German students to China for the same reason, the consul still finds the language barrier a big obstacle.

"Yet still, I believe that things are developing in the right direction," Rothen says.

In August, KMK president Brunhild Kurth and Chinese Vice Education Minister Hao Ping signed a joint statement on educational cooperation including promoting Mandarin-German language study among primary and middle school students in Germany.

"The solid Sino-German relationship did help pave the way for much of our work, yet also posed a great challenge — how do you improve the relation further from the already high-level?" Rothen says. "An area that I think may allow much more cooperation to occur lies in cultural exchanges."

Already, cultural exchanges between the two countries continue to grow.

The Cologne Symphony Orchestra will come in October, followed by Staatskapelle Dresden in November. And German jazz musicians will participate in the annual JZ Festival in October.

"Shanghai, in my view, is such a big place with so many well-educated, culturally interested people. I believe more German cultural groups will find good partners here," says Rothen.

German firms praise city's business environment

Ji Xiang

Over recent decades, many of the world's largest multinational businesses have set up operations in Shanghai. Central among this group are those from Germany.

Indeed, German companies began establishing themselves in Shanghai as early as the late 19th century. Now, 37 years after the start of China's reform and opening up era, many of Germany's largest and most successful companies have set up regional offices in the city.

In the past, Shanghai's geographic location was the main attraction for foreign enterprises that sought to expand their business activities in China. Located at a tributary of the Yangtze River, Shanghai is a convenient staging point for both inland and outbound transport.

Electronics and heavy-equipment conglomerate Siemens was among the earliest German companies to set up shop in Shanghai. Its positive experience here reflects on the city's unique character. The company's first order in China came in 1879, when the local government purchased a ten-horsepower steam engine with a generator to light the port of Shanghai.

In 1904, Siemens established its

first permanent representative office in China in the city, marking a major milestone in the company's engagement with China.

But for Siemens, Shanghai's uniqueness goes beyond its economic strength.

According to statements from Siemens China, Shanghai's favorable investment and policy environment, as well as its abundance of domestic and overseas talent, have contributed much to the city's economic development.

Shanghai is a key market for Siemens in China. The company's east China regional headquarters is located in the city. What's more, Shanghai plays host to more than 20 of the company's business units as well as multiple R&D centers.

Meanwhile, German specialty chemical company LANXESS believes the city's openness and relatively free business environment have done much to lure investors from Germany.

"Shanghai has developed into a cosmopolitan city, with efficient infrastructure, a dynamic business environment, highly professional support from the government, and a large international business community," said Ming Cheng Chien, CEO of LANXESS China.

"In addition, with its openness and acceptance of different cultures, the



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Ming Cheng Chien
CEO of LANXESS China

city attracts a large talent pool of local employment candidates as well as great talent from around the world."

Shanghai's development is further backed by the China (Shanghai) Pilot

Free Trade Zone, established in 2013. LANXESS has already registered in the zone, which is offering various administrative and financial benefits for foreign multi-nationals.

"We appreciate the efforts Shanghai has made to continue driving the country's economic growth. LANXESS has confidence in the Chinese market and is committed to further investment here," said Chien.

LANXESS has its China headquarters in Shanghai and operates a number of plants in the area, including an inorganic pigments plant in Jinshan District.

In the automotive industry, tire-maker Continental is also attracted to the advantages Shanghai is able to offer. The company established its first joint venture some 20 years ago in the Chinese mainland with Shanghai Automotive Brake Systems Co.

"Shanghai is a large metropolis and one of the most historically significant cities in China. Continental chose to set up its regional headquarters here because of its innovative spirit, high-efficiency government, easy access to talent, convenient transport and high quality-of-life," according to statements from the company.

Continental has its regional headquarters on Dalian Road, near several other multinational businesses.

Fissler Academy blends art and cooking

Jiang Xinhua

FISSLER, one of the world's leading brands for high-quality cookware, unveiled its sixth cooking studio in China recently in Qingdao, a port city in Shandong Province. The Fissler Academy hopes to create the joy of cooking and adds art to the life of Chinese families.

"With a 170-year history, the company entered the China market in 2004. We focus much on creative marketing methods such as cooking events and educational programs," says Markus H. Kepka, CEO and managing director of Fissler GmbH. "Fissler Academy brings people together to cook and share experiences."

The academy aims to instill a passion for cooking into people and make children interested in cooking at an early age. Fissler Studio is designed like a home where people can relax after a day of work, smell and taste food prepared using Fissler products. It is also a place for young chefs to learn from each other.

In addition to learning preparation of Chinese and Western dishes, people are also taught table manner, knowledge of coffee, tea and wine, and nutrition. The Fissler Academy also offers space for team building, birthday party and private cooking session for friends.

Children will be delighted to hold a birthday party there by cooking food themselves based on a menu that includes orange radish salad, bruschetta Bolognese, mango pudding, chocolate cookie, fruit tart and fresh squeezed juice. Parents can offer a hand and share their joy.

"We have made great effort in



From left: Paul Pairet, chef of Ultraviolet and Mr & Mrs Bund; Markus H. Kepka, CEO and managing director of Fissler GmbH; Lebenslauf Harald Wüsthof, managing director and CEO of Wüsthof; Jacky Yu, famous Hong Kong chef; and Loo Tun Seng, managing director of Fissler China Ltd pose for a group photo before attending the 10th anniversary celebration of Fissler.



Two installations made of Fissler's cookwares are on display at an exhibition at Three on the Bund to mark the 10th anniversary of Fissler.

running the Fissler Academy with our retailers. Our team is still exploring and learning," says Kepka. "The academy put its headquarters in Shanghai after considering factors of location, partners and chef resources. Quality is the top priority."

Famous Hong Kong chef Jacky Yu, one of the academy's advisors, told

Shanghai Daily that the academy is all about life attitude, fashion and happiness.

"We share the same goal for fine food," said Paul Pairet, chef of Ultraviolet and Mr & Mrs Bund. "Although I have attended many cooking schools around the world, the Fissler Academy shows the joy of cooking rather

than boring you with rules and recipe books. I use Fissler cookware everyday and they always give me surprises."

Wüsthof Knife, a brand with history of more than 200 years, has cooperated with Fissler for four years. Lebenslauf Harald Wüsthof, managing director and CEO of Wüsthof, believes that knife and fire are the basics of cooking.

"Fissler has much more marketing experiences and gives us fresh ideas," he said.

Last week, Fissler marked its 10th anniversary in China with an exhibition at Three on the Bund. The show, lasting from September 17 to 26, displayed Fissler cookware alongside musical instruments, fashion bags and aircraft models to show the art of living and high fashion.

As a market leader in creative, high-class cookware, Fissler tries to add value to the life of its customers through good service.

“Shanghai has a transport network leading to other parts of the country. The railways, highways, ports and airports of Shanghai connect it with different countries and regions,” according to the company. “Shanghai’s local public transport system around Dalian Road is also quiet convenient. Metro Line 4 and the Dalian Road Tunnel provide an easy commute for our employees, customers, business partners and other stakeholders. The new Metro Line 12 enhances the convenience of transportation here.” In 2014, the Shanghai government announced that it would accelerate work on building a technology innovation center with global influence. The government has already published a series of measures aimed at supporting such plans.

These measures aim to offer an innovative approach to institutional reforms in a variety of fields and areas — including science, education, fiscal policy and taxation. Specifically, authorities hope these measures will pave the way toward a more “start-up friendly environment” for young companies as well as new investment options for domestic businesses.

“Shanghai is an ideal city for research and development activities due to its sound regulatory environment, outstanding talent resources and its closeness to real market needs. Its vitality and inclusiveness make Shanghai an ideal destination to develop cutting-edge technologies,” according to Siemens China.

During its 2014 fiscal year, Siemens

had an R&D workforce of about 4,500 people in China. The company says it continues to attract partners and customers in Shanghai through continued investment in its R&D capabilities in the city.

Continental, for its part, has capitalized on Shanghai’s abundant intellectual resources when it comes to boosting innovation. These include resources offered from well-known colleges and universities, such as Fudan University, Jiao Tong University and Tongji University.

Also with its regional headquarters in Shanghai, German chemical giant BASF is also stepping up efforts to boost innovation.

In late July, the company broke ground on the second phase of its Innovation Campus Asia Pacific in the Pudong New Area. The 90 million euro (US\$100 million) expansion project includes an R&D center and auxiliary facilities. The project is scheduled for completion by the end of the year.

“By 2020, around 25 percent of BASF’s R&D employees will be located in the Asia Pacific. The expansion reinforces BASF’s commitment to globalizing its R&D activities and capturing growth opportunities in China and the Asia Pacific,” said Andreas Kreimeyer, member of the Board of Executive Directors of BASF SE and research executive director.

The Innovation Campus is BASF’s most important R&D center in the region and is expected to become one of its largest R&D sites outside of Germany. With the expansion, BASF’s regional



Researchers at the Innovation Campus of German chemical giant BASF test the foaming process of a polyurethane block foam.

research capabilities will be further strengthened, focusing primarily on advanced materials and systems as well as new areas like the automotive, construction, health and nutrition, home and personal care industries.

“The Innovation Campus Asia Pacific in Shanghai has proven to be an effective platform that not only responds quickly to market needs in

China and the Asia Pacific, but also connects BASF with the science community across the Asia Pacific. The enthusiasm for innovation among our colleagues, customers and partners is the cornerstone of a sustainable future in the region,” said Martin Brudermüller, vice chairman of the Board of Executive Directors of BASF SE, responsible for Asia Pacific.

Bosch contributes to strengthening the manufacturing industry

THE Bosch Group is leading the way to the next industrial revolution, which has been named Industry 4.0, by piloting complete smart technology and wireless automation supply chains at some of its 250 factories across the world. The group is in the unique position of being both a leading operator and a leading provider of Industry 4.0 solutions. Bosch also develops and offers automation products, sensors, software and services for Industry 4.0.

For the programming, commissioning and operation of machine control systems, Bosch has developed a new technology, the open core interface. Previously, all major manufacturers of control technologies had defined “corridor” of functions available to original equipment manufacturers, or OEMs. If they wanted to achieve functions outside this predefined corridor, OEMs had to turn to manufacturers for help. With the open core interface, Bosch has changed this. The group created an app that makes it possible for programming to be done on a standard tablet computer, in the language of the OEM’s choice and using core functionalities, even in real-time applications.

Connected industrial operations will consume less energy, as they are organized to optimize machine usage, labor and product and service delivery. In a pilot project, the company has reduced energy consumption by approximately 25 percent per year. By using an intelligent software function for energy peak management and recuperation, the company achieved an additional reduction of 10 percent.

Industry 4.0 will also change traditional ways of doing business and



Dr. Volkmar Denner, chairman, board of management of Robert Bosch GmbH

lead to entirely new business models. It is expected to attract new players, especially from the IT world, to the manufacturing industry to change customer-supplier relationships. On the basis of data from the manufacturing process, these new players will be able to offer customers new solutions, such as predictive maintenance. If data analytics can be used for condition monitoring, they will allow not only wear and tear to be detected at an early stage, but also spare parts to be ordered in good time.

Implications for China

Such a major shift in manufacturing philosophy will affect the global industry for years to come and China will not be immune to this development. Bosch expects Industry 4.0 will lead to improvements in productivity and resource efficiency, but its potential benefits are even greater if it is extended to include all stages of the value chain — suppliers, manufacturers and customers, as well as international manufacturing networks. Higher productivity will allow higher wages and may help to alleviate labor shortages.

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广告

Raising a glass to German beer ... and cuisine

Ruby Gao

Many local people choose a German restaurant for the beer rather than the food, which is dismissed by many foodies as heavy and too simple.

"German food here is always about mashed potato, sausage and pork knuckle," said Jason Liu, a local food writer.

"Ingredients used in German cuisine are all about meat, different kinds of meat, which is so boring. Plus the cost of a German meal is high," added Lily Jiang, a local food writer, who nonetheless chooses German restaurants to entertain German friends.

Such comments are probably because most German restaurants in town are usually limited to Bavarian flavors, which are only part of German culinary culture.

Bavarian cuisine, developed by Bavarian dukes, tastes similar to Austrian and Czech cuisine, in which meat, flour and fermented cabbage play dominant roles.

Meat is often marinated in vinegar to soften the texture and then braised, roasted or pan-fried with spices. Most popular are bratwurst sausage and schweinshaxe, roasted pork knuckle.

Meat dishes are usually served with sauerkraut — fermented finely



German beer has a solid reputation among Chinese people.

chopped cabbage, characterized by a distinctive sharp sour taste and long shelf life. The sour taste cuts through the fattiness of the meat.

The colder climate in many regions of Germany contribute to such hearty culinary traditions.

Ulrich Jablonka, formerly a German cuisine chef, now director of food and beverages at Kowloon Shangri-La, Hong Kong, stresses that Bavarian flavors are not the whole story of German cooking.

"German cuisine is actually very flavorful and tasty, but is often mistaken or labeled as very heavy and fatty. As with other cuisines, German dishes range from light and fresh to heavy and substantial," said Jablonka.

"We like light options with simple preparation in summertime, but richer and heavier food that require a longer preparation in winter — such as stews, braised meats with abundant cabbage and local vegetables.

"The essence is the use of fresh and seasonal ingredients," Jablonka added.

And while often dismissed as "simple" German cuisine can in fact have some of the most sophisticated flavors in the world, say fans.

The emergence of Baden cuisine highlighting seasonal produce gives German cooking haute cuisine status, said Guo Ying, chief sommelier at Four Seasons Hotel, Shanghai Pudong.

Baden, a famous wine region in the upper Rhine valley lies in western Germany, next to Alsace in France and Switzerland. A warm climate and diverse local produce have seen it attract one of the highest densities of Michelin-starred restaurants in the world.

However, at least for now, Shanghai foodies will have to look beyond the city to sample this branch of German cuisine.

Compared with German food, German beer has a solid reputation among locals.

"German beer is my first beer option. Frankly, it's only when I need a glass of beer that I will consider a German restaurant. Paulaner (a famous German restaurant chain in town) is the only German place I go to for the food," said food writer Liu, expressing a view shared by many locals.

Digital transformation pays off at Mercedes-Benz

Anna Lu

INDUSTRY 4.0, the concept of cyber-physical integration in manufacturing, has become a new trend and a national strategy in China as the nation pursues industrial upgrade. German carmaker Mercedes-Benz is a role model in introducing Industry 4.0.

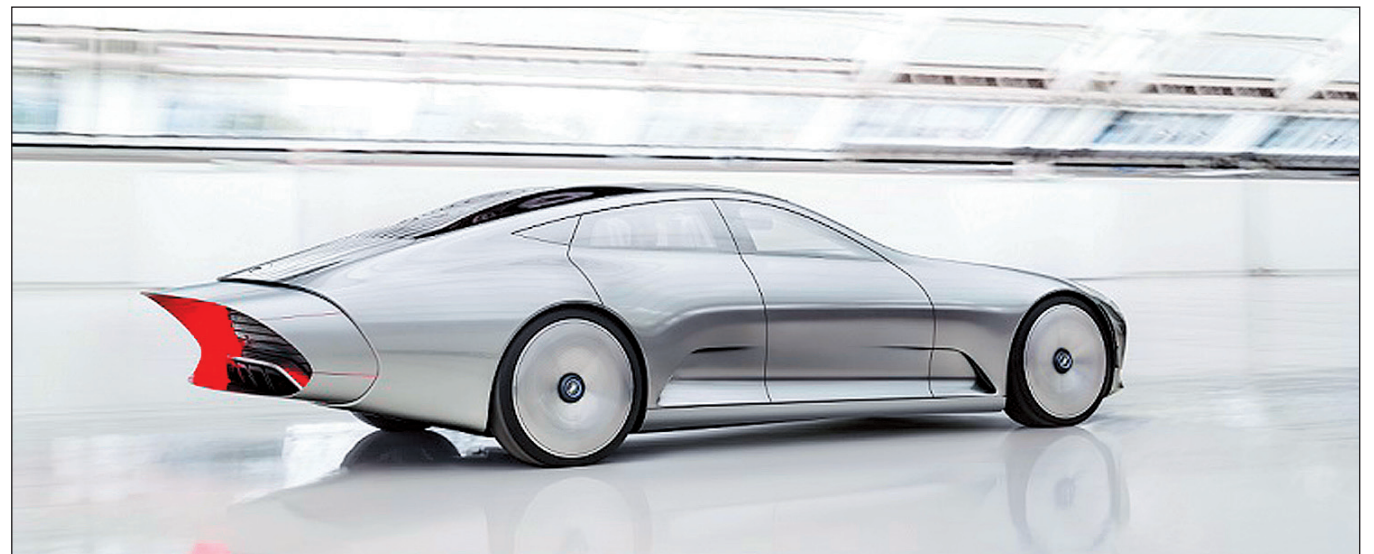
"Digital transformation is in full swing at Mercedes-Benz. We are transitioning from car manufacturer to networked mobility provider," said Dr Dieter Zetsche, chairman of the board of management of Daimler AG and head of Mercedes-Benz Cars, before the recent Frankfurt Motor Show.

"It's about nothing more and nothing less than the complete networking of the entire value chain — from research and development, through production to marketing and sales," he said.

Digital prototyping started in the 1970s with about 1,000 elements for computer renderings. It now can handle 80 million elements with faster speed, more precision and more diversity for new cars. Through digital simulation, passive safety can be improved; aerodynamics performance can be evaluated even before wind-tunnel experiment.

Concept IAA, an intelligent aerodynamic concept car Mercedes-Benz presented at the auto show, took less than 11 months to design, compared with two years in conventional method. It is a record holder in aerodynamics with a Cd figure of 0.19 in the form of a four-door coupé. The car can automatically switch between its two characters when speed reaches 80km/h and triggers a large number of aerodynamic measures to alter its form.

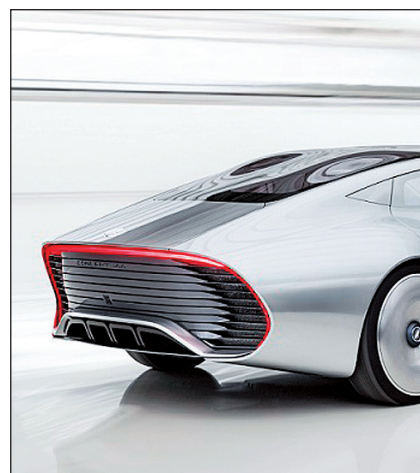
The company said digitalization also makes production more flexible and more connected. Mercedes-Benz uses multi-



tasking mobile robots on the assembly lines to perform different tasks without the need to modify or stop the production line. In the future, holistic automation and control technology and company-wide standard modules will enable better communication between plants and bind them into a close-knit network for greater efficiency.

Retailing, too, is embracing digitalization. One of the latest innovations is Lifestyle Configurator, an enhanced version of the classic vehicle configurator for consumers to enter their individual preferences in furnishings, travel destinations or sporting disciplines to find a Mercedes-Benz car as the best match.

"In marketing and sales, digitization brings us first and foremost the opportunity to address our customers' desires even more individually. The new Lifestyle Configurator shows us that the digital and real customer worlds will continue to merge at Mercedes," he said.



Concept IAA, an intelligent aerodynamic concept car of Mercedes-Benz, is a record holder in aerodynamics with a Cd figure of 0.19 in the form of a four-door coupé.



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Chairman of the board of management of Daimler AG and head of Mercedes Benz Cars

Mille Meng, chief brewer of The Brew, Kerry Hotel Shanghai — one of a few craft breweries in town — explains the popularity of German beer in Shanghai.

“German beer distinguishes itself through its clean and pure malty aroma, which is created through the reinheitsgebot (German beer purity law), regulating that only water, hops, malt and yeast can be used. In many other countries, corn, even sugar, are used to enhance sweetness and reduce cost,” explained Meng.

Lager and weizen are the most representative German beers, said Meng.

Lager is fermented at low temperatures for a long time and is distinguished by its bright golden color and a malty, biscuit-like flavor.

Weizen is unfiltered beer made from a large quantity of wheat, sometimes with a darker color and a distinctive banana-esque aroma, the brewer explains.

Although German restaurants are not popular in Shanghai, German pastry shops and bakers are favorites of local people. Nearly all local German pastry shops sell the archetypal black forest gâteau — layers of chocolate cake, whipped cream and sour cherries. Meanwhile, German bread is known for its use of sour dough.

Here we highlight some of the most authentic German flavors in Shanghai: a restaurant featuring Bavarian food; a brewery known for its German craft beer; and a baker’s claiming to be the first traditional German bakery in Shanghai.



Roasted pork knuckle

Paulaner Brauhaus

This is food writer Liu’s only option for German dining in Shanghai. The chain opened its first branch in town in 1997, and currently has four outlets. Each features wooden panel decor and waiting staff in traditional Bavarian costume, creating a cozy yet bustling ambience. Its branches in Xintiandi and on Fenyang Road are especially recommended for their historical touches.

Dishes are in classic hearty Bavarian style, prepared by chefs from Germany and Austria. Signature choices include the famous pork knuckle with sauerkraut and sausage platter with more than four varieties. Apple strudel with vanilla ice cream also deserves a try.

Beers offered at the Fenyang Road branch are brewed on site, with Munich dark beer a popular choice.

The Sunday brunch buffet seems especially good value.

- Xintiandi branch
Address: No. 19, Lane 181, Taicang Rd



Bratwurst sausage

- Tel: 6320-3935
- Fenyang Road branch
Address: 150 Fenyang Rd
Tel: 6474-5700

The Brew

This craft brewery offers cozy, contemporary ambience complemented by live music. The area, including an outdoor patio, can accommodate 195 people and offers sports broadcasts and a pleasant view of Century Park.

Six handcrafted beers and one cider are available. These include Skinny Green — a gold medal winning low-sugar organic beer popular among German customers.

Skinny green, with high attenuation and dryness, has a beautiful light amber color, light body, low sugar content and pure malty aroma.

Pils, winning the gold medal of Pilsner Category, 2012 Beerfest Asia, features golden straw color and grassy hop aroma, with subtle sweetness and a long finish.

For first-time visitors, The Brew

recommends its tasting platter, featuring six beers and one cider served in 120 milliliter glasses. It also offers casual pub-style food, including grilled chicken wings, beefburgers and sausage served with mashed potato.

Address: 1/F, 1388 Huamu Rd
Tel: 6169-8888

Abendbrot

This baker’s shop follows traditional German recipes. More than half of the breads use German wheat or rye to ensure the authenticity in flavor. Some of their breads are organic, while others are seasonal. Potato bread has recently been launched for autumn.

Various rolls and brezels are popular — including small brezels, pumpkin rolls, poppy seed rolls and sesame rolls.

The Haubi’s organic collection features eight kinds of bread. Sample the organic Kaiser roll — soft on the inside and crispy outside. The organic seeded spicy roll also deserves a try. It’s sprinkled with seeds and spices to give a rich, nutty flavor.

Cake lovers can try the Frankfurter Kranzer, a marble cake filled with cream.

While Abendbrot is located on the first floor of the German Center in Zhangjiang High-tech Park, far from downtown, it offers a home delivery service, even delivering to neighboring cities.

Address: 925-5 Gaoguang Rd
Tel: 6923-3277

WTS taps untapped China market for tax consultancy

Leng Cheng

TAX consultancies should play the role of both a cushion and a supervisor to help build a financial ecosystem for the world’s second largest economy, Munich-based tax consulting network WTS told Shanghai Daily in an interview.

“The development of the consultancy sector is an important indicator of market maturity of an economy,” Martin Ng, managing partner of WTS China told Shanghai Daily.

“With China taking further steps to transform its economy and the city of Shanghai trying to develop into an international financial center, attracting more players into the tax consulting industry is crucial for China and Shanghai to reach their goals,” Ng said.

Representing clients, mostly German, American, British and Italian companies in China, WTS specializes in tax consulting services and stays away from auditing business to avoid conflicts of interest. Its services range from international tax solutions, tax litigation and tax consulting for cross-border mergers and acquisitions, to project management advice.

Having operated in China for nearly ten years, WTS aims to become an alternative specialist other than the Big Four audit firms by offering efficient and focused solutions and boosting its presence in the manufacturing sector, Ng said.

“WTS has witnessed an improvement in business environment in China and tax consulting firms have benefited from the city’s preferential policies,” Ng added.



The managing partner with 25 years of professional consultancy experiences said China’s regulations on foreign consulting firms are more relaxed and the threshold has been lowered for them to open subsidiaries in China.

“We admit that we are a new player in the field and we have a lot room for improvement,” he said, adding that WTS will form a new team in south China and Hong Kong to meet the needs of new customers there.

Though more and more Chinese enterprises want to invest overseas, many don’t treat tax consulting services as an essential part of their strategies to control risks. The idea hasn’t yet rooted in their mind.



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Martin Ng
Managing partner of WTS China



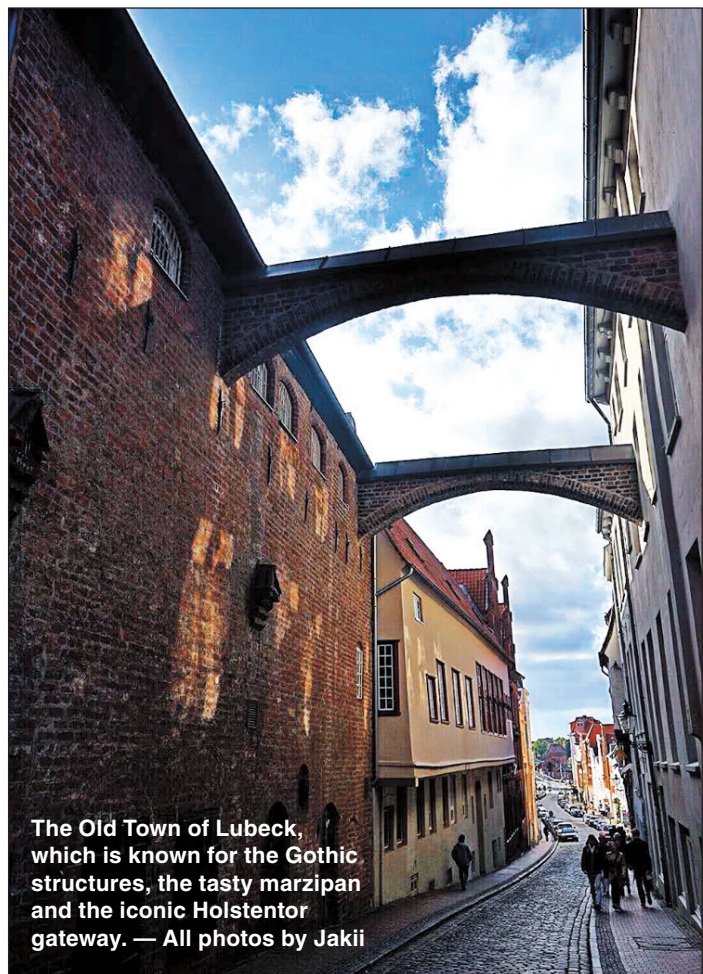
WTS specializes in tax consulting services and stays away from auditing business to avoid conflicts of interest.

Encouraged by the “go-out policy” initiated by the government in 1999, many Chinese companies are engaged in overseas mergers and acquisitions, which increased 17 percent to a record 174 deals in the first half of this year and their total value jumped 24 percent year on year, according to PricewaterhouseCoopers.

“M&A costs a big chunk of capital investment. There are follow-up costs to be considered, too,” Ng said. “Tax consulting and strategy advice should be included in a service package for Chinese state-owned and privately-owned enterprises planning to invest overseas. There is a huge market for our company.”

“If an economy is willing to pay 70 percent of its budget on consultancy services ... it won’t be hard to build a good financial ecosystem and become an international financial center founded on that ecosystem,” Ng said.

Strolling around medieval German port city



The Old Town of Lubeck, which is known for the Gothic structures, the tasty marzipan and the iconic Holstentor gateway. — All photos by Jakii

Yao Minji

European towns are among my favorite holiday destinations largely because they are pretty much the exact opposite of Shanghai. Most of them have a tranquil atmosphere, people live a chilled lifestyle, there are all kinds of small and grand churches and few skyscrapers.

I have often wondered what Lubeck looks like as the city was a major source of Thomas Mann's inspiration for his first novel "Buddenbrooks" even though it's never mentioned by name. The story chronicles the fall of the Buddenbrook family through more than four generations and is said to be based on his own family in Lubeck.

Easily accessible via train from Hamburg, Lubeck is a quintessential German port town on the Baltic Sea with buildings dating back to the 13th century. These brick Gothic structures have earned the city a spot on UNESCO's Cultural Heritage list. They give the city a medieval look

to it that makes for a nice stop when traveling around the country and you want a break from the bigger cities like Berlin, Munich or Hamburg.

Many tourists may have already seen the Gothic Holstentor, or Holsten Gate, two round castle-like towers with spires and arched entrance. The imposing structure is plastered all over postcards, souvenirs and stamps.

The Latin words "... Concordia domi foris pax," are inscribed on the gate, meaning "... harmony within, peace without," an idea

fundamentally rooted in the city's merchant traditions. It is the only gate left from the wealthy trade city's medieval fortifications that once included several gates to protect its inhabitants.

This mercantile tradition makes me think of Shanghai and its history of talented merchants and traders who have often been one or two steps ahead of the competition.

Holstentor now houses a museum inside to illustrate the city's history. Highlights include models of ships to highlight its significance as a trading city and the former capital of the free cities of the Hanseatic League in medieval times.

During the Industrial Revolution in the 19th century, Holstentor was almost demolished as it was considered unnecessary and blocking progress. A controversy raged for years in town with opinion split between those who wanted to keep it and those who wanted it torn down. Those voting to keep it won by a single vote.

A cab driver told me the



The narrow lanes are hidden with many intriguing shops.

Volkswagen bets future on green, connected cars

Anna Lu

VOLKSWAGEN, the largest carmaker in Europe, is reinventing itself with electrification and digitalization, two trends that will soon sweep its biggest market in the world, China.

By 2020, 20 more electric cars and plug-in hybrids — from compact cars to flagship models — will be added to Volkswagen Group's electric fleet, already the biggest in the world. And all of its new cars will be transformed into smartphones on wheels, the company announced at the 66th International Motor Show in Frankfurt earlier this month.

"At a time of major social and technological upheaval, people expect new answers, new solutions and new directions from us," the company said.

One of the strongest calls came from China which aims to sell 5 million new energy cars by 2020 as the country tackles worsening air pollution and raises fuel efficiency. The country is also known for its strong desire for connectivity with its 500 million smartphone users and counting.

Porsche Mission E and Audi E-Tron Quattro Concept presented by Volkswagen at the IAA are considered "a quantum leap" for the industry to go green.

One is the first all-electric, four-seat sports car in Porsche's history and the other is Audi's first large-series electric SUV. Both were on their world premiere and boast an all-electric range of more than 500 kilometers to effectively dispel mileage anxiety.

Also making its world debut at the car show was the new Volkswagen Tiguan GTE, a plug-in hybrid version of Volkswagen's best-selling SUV in



China, featuring a 50-kilometer electric driving range and a mere 1.9l/100km fuel consumption. It embodies the company's determination to systematically take the plug-in hybrid to further classes and segments.

Relying on both gas and electricity for power, Tiguan GTE is believed to be the most commercially viable when charging facilities are still scarce at the early stage of vehicle electrification.

But technological leadership is no longer solely defined in terms of horsepower and torque. Digitalization, the new synonym of smartening up, is opening up a whole new frontier for competition.

Digital operating concepts such as gesture control will soon be brought from auto shows like IAA into reality; the next-generation Tiguan will feature enhanced travel experience with



Above: Volkswagen Tiguan GTE, a plug-in hybrid version of Volkswagen's best-selling SUV in China

Left: Next-generation Tiguan

iPhones or Android-enabled smartphones connected with the in-vehicle infotainment system via App Connect and tablets linked as well through Media Control; and the autonomous driving once seen only in science fictions is being realized step by step.

"Audi and Volkswagen are making sure our customers benefit from this

technology as quickly as possible — on highways, in stop-and-go traffic, and in search of a parking space," the company said.

"At Volkswagen there is a sense that a new era is dawning. With 'Future Tracks,' we were the first in the auto industry to make the transformation and that is paying off now."

city looks like a fish bone if looking at it from above. I quickly understood what he meant when I walked from the gate into the merchants' quarter along the Trave River, where wealthy merchants once lived in red brick houses with backyard gardens.

Countless narrow lanes and paths extend from the main walkway like fish bones into the small old town, and I couldn't resist the seduction of the colorful shop logos and diverse styles of houses.

Lubeck started as a small island built along the river. Canals were built on all sides for defense purposes.

Marienkirche, or St Mary's Church, is another Gothic masterpiece that has been a long-time symbol of the city and its prosperity. It has set the standard for many surrounding churches in the region.

The cathedral's big claim to fame is its vaulted ceiling, the tallest brick vault in the world at 38.5 meters. It's also the tallest spot in the old town.

Built between the late 13th and early 14th centuries, it was almost completely destroyed in an air raid in 1942 during World War II. The damage was later restored. The old town features mostly low-rise buildings so all seven church



Above: Shipping is significant for Lubeck, once a prominent city in the former Hanseatic League.

Left: Lubeck has many red brick buildings, which were built for affluent tradesmen or to store salt.

towers stand out.

The Town Hall, not far from St Mary's, best exemplifies how major architectural and art styles in Europe mix in an ancient town. The pointy Gothic arch and flying buttress and the fluid and jocular Rococo colors and curves join forces to produce a look that is both traditional and contemporary at the same time.

Lubeck is also famous for its marzipan. Niederegger is one of the city's top marzipan brands and has a shop just behind the Town Hall.

Author Mann once made light of people attempting to

insult him by referring to him as a baker.

"If some ill-wisher can think of nothing else, he invariably thinks of connecting me with comic marzipan and representing me as a marzipan baker," Mann said in his keynote speech at a grand anniversary for the city in 1926. "I certainly do not feel in the least insulted about the marzipan."

The Nobel Prize winner then called it "a very tasty confection" and "anything but trivial" and described the sweet delight as "remarkable and mysterious."

The city has built a museum in honor of Mann and his older brother Heinrich, also a writer. Former West German Chancellor Willy Brandt was born in Lubeck, and the city has also built a museum as a tribute to the 1971 Nobel Peace Prize winner for his efforts to bring reconciliation between West Germany and countries of Eastern Europe. As for the marzipan, its main ingredients are almond, sugar and egg whites. Tourists often snatch up quite a bit of marzipan to give as gifts back home.

The Niederegger shop, one of the biggest in town, presents

the specialty dessert in a wide variety of shapes like animals, fruits and buildings, including the Holstentor, from which the company adopts its logo.

The shop has a museum on the third floor and shows how marzipan is made. There's also some rather huge marzipan sculptures.

Sweetness is not the only taste I carried with me when leaving Lubeck. It is a sophisticated sweetness that has a hint of salt, maybe it's rooted in the red brick warehouses along the river that merchants once used to store salt, their major trade.

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Federal Republic of
GERMANY

Germany consists of 16 federal states and covers an area of 357,022 square kilometers. With 81 million inhabitants, Germany is the most populous member state in the European Union and also its largest economy.

FACTS

Full name:
Federal Republic of Germany

Capital:
Berlin

National flag:


Coat of Arms:


National day:
October 3 (Unity Day)

Area:
357,022 square kilometers

Population:
80,854,408

Major languages:
Nearly 95 percent of population speak German as their

first language. Danish, Frisian, Sorbian and Romany are official minority languages.

Major religions:
Protestant 34%, Roman Catholic 34%, Muslim 3.7%

Type of state:
Federal Republic

Head of government:
Angela Merkel



Monetary Unit:
Euro (1 euro = 100 eurocents)



MAJOR CITIES



Berlin has a rich history as the capital of the country through several important historical periods, such as the Kingdom of Prussia and the Weimar Republic eras. Today, the city is not only the capital, but also an important educational and cultural hub of Germany.



Hamburg is the second largest city and the economic center of Germany. Famous for its harbor, Hamburg is also home to other attractions, such as the Speicherstadt and Binnenalster.



Frankfurt has a long history as Germany's trade center. It hosted the first German National Assembly in 1848. Today, it is the banking center of Germany, and the headquarters of the European Central Bank is also located here.

DO YOU KNOW?



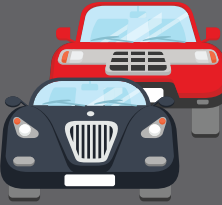
Castles

Germany is renowned for its spectacular architecture, particularly its castles. Located on mountain tops and hills, some of Germany's beautiful castles are still occupied. The beauty of these edifices has inspired generations of artists, including Walt Disney.



Das ist nicht mein Bier

Germans like beer so much that it even appears in expression like: "Das ist nicht mein Bier," (literally: "That's not my beer"), meaning "That is none of my business." Today there are approximately 1,300 breweries in Germany producing over 5,000 brands of beer. Oktoberfest is an important beer festival as well as a well-known German cultural event.



Automobile excellence

The origins of the German car industry can be traced back to the second half of the 19th century, and iconic figures like Karl Benz and Nikolaus Otto. Today, the country's automotive sector is crucial to the EU economy. Well-known German car brands include Porsche, Volkswagen, BMW and Audi.

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