

# Wharton China Business Forum

GLOBAL CROSSINGS

**PAVING THE NEW SILK ROAD**

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Saturday, March 27, 2004

Four Seasons Hotel  
One Logan Square  
Philadelphia, PA

**FORUM.WHARTONCHINA.COM**

# Welcome to the WHARTON CHINA BUSINESS FORUM

Dear Conference Participant,

Welcome to the second annual conference of the Wharton China Business Forum, "Global Crossings: Paving the New Silk Road."

With the continual opening of its markets to ever-rising levels of international trade and growing presence in the global business community, China presents us all with an exciting opportunity to explore the unparalleled growth associated with its development. As the country progress down its path of economic development, China is positioned for dramatic change. The healthcare and pharmaceutical industries are poised for explosive growth within the next ten years, the ongoing debate over legal and trade reforms for WTO compliance will continue to be a hot domestic issue, and the escalating presence of foreign financial institutions in China's securities and debt markets could create unrivaled investment opportunities.

We seek to find direction in China's moving economy, and to consider the path of China's economic development. Through keynote speeches, panel discussions, and case studies by leading business professionals and academics on China's emerging industries and continuously changing business environment, we hope to bring you insightful discussions and a rewarding experience.

We at the Wharton China Business Forum are delighted that you could join us this year and hope to welcome you all again to our future events. We look forward to hearing your insights in discussions with participants and speakers through today's course of events.

Sincerely,  
The Executive Board

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## Agenda

8:00 am - 8:45 am	Registration and Continental Breakfast
8:45 am - 9:00 am	Opening Ceremony and Remarks
9:00 am - 9:45 am	Keynote Speech Mr. Rodney Ward, Chairman of UBS Asia
9:50 am - 10:35 am	Case Study Asia Optical, Inc.
10:50 am - 12:05 pm	Discussion Panel Breakout Session <b>Panel 1</b> Healthcare in China <b>Panel 2</b> The Business Environment
12:05 pm - 1:05 pm	Lunch Reception with Speakers & VIP
1:05 pm - 1:30 pm	Networking Session
1:30 pm - 2:45 pm	Discussion Panel Breakout Session <b>Panel 3</b> China's Financial Reforms <b>Panel 4</b> Credibility and Accountability in Business
3:00 pm - 3:45 pm	Keynote Speech George Feldenkreis, CEO of Perry Ellis
3:50 pm - 4:35 pm	Keynote Speech Robert Mundell, Nobel Laureate
4:35 pm - 4:45 pm	Closing Ceremony and Remarks

# About us

The Wharton China Business Forum (WCBF) seeks to provide participants worldwide with a conference that offers a unique opportunity for in-depth discussions and discerning perspective on key issues emerging in China's ongoing economic transformation. With China's changing role in the global business environment, the WCBF seeks to develop an accurate vision for the developments and trends in the coming future.

Since its founding by the students of the Wharton China Business Society in March 2001, the WCBF has grown into an organization with more than forty officers, with official recognition from by the Wharton School and personal endorsements from Dean Patrick Harker and the Associate Dean of International Relations, Jeffrey Sheehan. Over the course of its development, the WCBF also received praise from departments in the Central Government of China, Municipal Government of Shanghai and the Beijing Liaison Office of Hong Kong.

As an organization of the University of Pennsylvania, we engage undergraduates and graduates to bring respected business and academic leaders from China, the United States, and countries around the world. In 2004, the WCBF continues its mission to create an ever-expanding conference for participants to share dialogue and meet professionals with shared interests in China.

For more information about our programs,  
please visit our website at  
[WWW.WHARTONCHINA.COM](http://WWW.WHARTONCHINA.COM)

The Wharton China Business Society (WCBS) is a leading student professional Chinese business organization in North America. Based at the Wharton School of the University of Pennsylvania, the WCBS is comprised of 5 major programs and over 80 student officers, serving hundreds of global participants each year through an international network of liaison offices at numerous world-renowned universities. The Wharton China Business Forum is one of the five major program offerings provided by the Society.

# Message

## FROM THE DEAN



I am pleased to support the Wharton China Business Forum. China is of increasing interest to Wharton, and we will all benefit from this exposure to some of the world's leading thinkers and analysts on a variety of subjects involving the world's most populous country. I encourage students, faculty, alumni, the media and corporate executives to participate in this program.

**Mr. Patrick Harker**  
Dean of the Wharton School

# Keynote Speakers



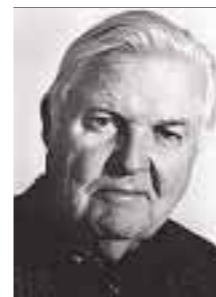
**Mr. George Feldenkreis**  
Chairman & Chief Executive Officer  
Perry Ellis International

George Feldenkreis, chairman and CEO, is the visionary who leads Perry Ellis International. George was born in Cuba, August 14, 1935 to Russian immigrants. He earned a law degree from the University of Havana Law School and in partnership with his brother, Isaac, became a manufacturer's representative for foreign-made products. George fled Fidel Castro's Cuba with his wife and infant son in 1961. He arrived in Miami new to the country and new to the language with just \$700 in his pocket.

George did bring to America his contacts with manufacturing companies in Japan and Europe. He began his import business by selling anything he could get his hands on - screws, glass, and automobile clutches. In the early days, George found his niche selling Japanese automobile and motorcycle parts. This led to the creation of his first company, Carfel. In his business travels to the Far East, he began establishing the network that would enable him to launch a global trading company.

In 1967, George and his brother Issac established Supreme International. They started first by importing children's school uniforms from Japan into Puerto Rico. Then, they focused on guayaberas - the four pocket embroidered tropical shirt that is one of the most authentic symbols of Latin culture. George expanded the business to Miami, where he became known as the Guayabera King. In 1993, Supreme International completed its initial public offering on the NASDAQ stock market. The infusion of cash enabled the company to move into a brand acquisition strategy. The company's key acquisition came in 1999 with the purchase of the rights to the Perry Ellis trademark. The company changed its name from Supreme to Perry Ellis International to better reflect the name recognition that the brand provided.

Today, Perry Ellis International is a company of over 1400 associates, with multiple offices on both coasts and sourcing operations all over the globe. It is one of the biggest men's sportswear companies in the world.



**Dr. Robert A. Mundell**  
Nobel Laureate in Economics  
Columbia University

Since 1974, Robert Mundell (born 1932) has been Professor of Economics at Columbia University in New York. After studying at M.I.T. and the London School of Economics, he received his Ph.D. from M.I.T. in 1956, and was the Post-Doctoral Fellow in Political Economy at the University of Chicago in 1956-57. He taught at Stanford University and the Johns Hopkins Bologna Center of Advanced International Studies before joining the staff of the International Monetary Fund in 1961. From 1966 to 1971 he was a Professor of Economics at the University of Chicago and editor of the Political Economy; and from 1965 to 1975, he was (summer) Professor of International Economics at the Graduate Institute of International Studies in Geneva, Switzerland. For 1997-98 he was the AGIP Professor of Economics at the Johns Hopkins Bologna Center of the Paul H. Nitze School of Advanced International Studies.

The author of numerous works and articles on economic theory of international economics, Dr. Mundell prepared one of the first plans for a common currency in Europe and is known as the father of the theory of optimum currency areas. He was a pioneer of the theory of the monetary and fiscal policy mix, the theory of inflation and interest and growth, the monetary approach to the balance of payments, and the co-founder of supply-side economics. He has also written extensively on the history of the international monetary system.



**Mr. Rodney Ward**  
Chairman  
UBS Asia

Rodney Ward is the Chairman of UBS, Asia, and is responsible for the development of UBS's business and top-level corporate and governmental relationships in Asia. He joined SG Warburg in 1972 and helped build the firm's business in the U.S. and Canada. From 1990 to 1994, he was the head of Global Corporate Finance. In 1994, he moved to Hong Kong as Chairman of SG Warburg's Asia Pacific operations, and following its acquisition by Swiss Bank Corporation, became chairman of the combined group's business in Asia Pacific and a member of the Group Executive Board of the Bank. In 1997, he took on new responsibilities in Zurich, and assumed his current responsibilities in February, 2000.

Mr. Ward was a government appointed member of the Board of Hong Kong Exchanges and Clearing Limited from 2001 to 2003. He is also a panel member of the Securities & Futures Appeals Tribunal of Hong Kong.

In addition, Mr. Ward is a member of the Advisory Board for the Executive Master of Business Administration Programme sponsored by the Bank of China, Shanghai University of Finance & Economics, and City University, London.

He was educated at Cambridge University and attended Yale Law School before joining Simmons & Simmons, the international law firm, which he left in 1972 to join S.G. Warburg. He has more than 30 years of experience in the securities industry.

## Moderators

### PANEL Healthcare in China



**Dr. Mark V. Pauly**  
Bendheim Professor  
University of Pennsylvania

Mark V. Pauly currently holds the positions of Bendheim Professor and Chair of the Department of Health Care Systems at the Wharton School of the University of Pennsylvania. Dr. Pauly is a former commissioner on the Physician Payment Review Commission and an active member of the Institute of Medicine. One of the nation's leading health economists, Dr. Pauly has made significant contributions to the fields of medical economics and health insurance. His classic study on the economics of moral hazard was the first to point out how health insurance coverage may affect patients' use of medical services.

Subsequent work, both theoretical and empirical, has explored the impact of conventional insurance coverage on preventive care, on outpatient care, and on prescription drug use in managed care.

He is currently studying the effect of poor health on worker productivity. Dr. Pauly is a co-editor-in-chief of the International Journal of Health Care Finance and Economics and an associate editor of the Journal of Risk and Uncertainty.

Dr. Pauly received the Ph.D. in economics from the University of Virginia. He is Professor of Health Care Systems, Insurance and Risk Management and Business and Public Policy, at the Wharton School and Professor of Economics, in the School of Arts and Sciences at the University of Pennsylvania.

### PANEL The Business Environment



**Mr. Jack Maisano**  
President  
China Institute

Jack Maisano, President of China Institute in America, brings a broad range of business and personal experiences in Asia to his position. Before joining the Institute in 2002, Mr. Maisano lived and worked in Asia as a journalist and a publisher for 28 years. He returned to the U.S. in 2000 to become the publisher of The Asian Wall Street Journal Weekly, a Dow Jones publication. In Hong Kong, from 1995-1999, Mr. Maisano was President of Asiaweek magazine, a Time Warner publication. From 1988-1995, he was a Director and eventually the General Manager of the Singapore-owned Times Publishing (Hong Kong). Mr. Maisano lived in Korea as a member of the U.S. Peace Corps between 1972 and 1974.

Mr. Maisano received his M.A. from the City University of New York in 1972 and his B.A. from New York University in 1969. He is a past board member of the Board of the American Chamber of Commerce in Hong Kong and the past chairman of the Society of Publishers in Asia.

### PANEL China's Financial Reforms



**Mr. Stephen M. Sammut**  
Venture Partner  
Burrill & Company

Mr. Sammut is a Venture Partner at Burrill & Company, a merchant bank and venture capital fund focused on the life sciences. Mr. Sammut has been involved in the creation or funding of nearly 40 biotechnology, Internet, and information technology companies globally. He is on numerous Boards of Directors and Advisory Boards, including NexMed, Inc. (NASDAQ), Mitsubishi International Corporation, the International Finance Corporation (World Bank Group), Women's Reproductive Health, Gentis, and Dynamis Pharmaceuticals.

Mr. Sammut is an acknowledged leader in the world of academic technology transfer and has extensive experience in corporate development and venture capital. He was managing Director of Access Partners, a seed stage venture firm focusing on the formation and funding of life science firms built around university technologies. Also, Mr. Sammut co-founded and served as Chief Executive Officer of the Delaware Valley Organ Transplant Program, and served as Vice President of Teleflex Equities, the corporate development and venture capital arm of Teleflex Incorporated, as well as S.R. One Ltd, a venture capital fund operated by SmithKline Beecham.

Mr. Sammut holds graduate and undergraduate degrees in biological sciences and humanities from Villanova University, attended Hahnemann Medical College, and holds an MBA from the Wharton School of the University of Pennsylvania.

### PANEL Credibility and Accountability in Business



**Mr. Roger J. Braunfeld**  
Attorney of Business Department  
Blank Rome LLP

Roger J. Braunfeld, an attorney at Blank Rome LLP, practices as a member of the Business Department, concentrating in mergers and acquisitions, general corporate transactions, corporate financing, venture capital and securities law. His practice has a specific emphasis on assisting emerging businesses.

Mr. Braunfeld is active in the community and serves on numerous boards that include: the Jewish Relief Agency, Greater Philadelphia Entrepreneurs Forum, and the Penn Wynne Civic Association. He recently served as a Committee Member for the Mid-Atlantic Venture Fair and Early Stage East.

Other notable achievements include serving as a Moderator for the Greater Philadelphia Entrepreneurs Forum, a Panelist for the Wharton Entrepreneurship Conference, and a Board Member for Entrepalooza in 2002. Additionally, Mr. Braunfeld was the 2003 recipient of the Philadelphia Business Journal's "40 Under 40 Award," which recognizes individuals in the greater Philadelphia region who are leaders in their professional fields and communities.

PANEL  
**Healthcare in China**  
*Capitalizing on Healthcare for Tomorrow's China*



While SARS no longer threatens China's modernizing market economy, a shadow has been cast on the relic that is China's antiquated healthcare system. With an exponential population growth rate, experts predict that China's total pharmaceutical market will become the largest in the world by 2020. New opportunities are emerging for international healthcare researchers, practitioners and service providing companies as the world's most populous country opens its healthcare system to the private sector. Speakers will analyze the tremendous opportunities, developments, and difficulties in establishing a healthcare system for China's 1.3-billion person population.

## Speakers



**Dr. Gregory Chow**  
 Author of  
*China's Economic Transformation*  
 Princeton University

Gregory C. Chow is the author of *China's Economic Transformation*. He is Professor of Economics and Class of 1913 Professor of Political Economy, Emeritus, at Princeton University. He attended Cornell University (BA, 1951) and the University of Chicago (MA, 1952, and Ph.D., 1955).

Dr. Chow was Assistant Professor at MIT, 1955-1959, Associate Professor at Cornell University, 1952-1962, a Research Staff member and Manager of Economic Research at the IBM Thomas J. Watson Research Center, 1962-1970, and Professor of Economics and

Director of the Econometric Research Program at Princeton University, 1970-1997. In 2001, the Program was renamed the Gregory C. Chow Econometric Research Program in his honor. He was Visiting Professor at Cornell University in 1964, at Harvard University in 1967, and at Rutgers University in 1969, and from 1965 to 1971, he served as Adjunct Professor of Economics at Columbia University.

Professor Chow is a member of the American Philosophical Society and of Academia Sinica and is a Fellow of the American Statistical Association and

of the Econometric Society. He has served as Associate Editor or Co-editor of the *Academia Economic Journal*, *American Economic Review*, *China Economic Review*, *Economic Modeling*, *Economics and Finance Computing*, *International Economic Review*, *Journal of Asian Economics*, *Journal of Economic Dynamics and Control*, *MOCT-MOST: Economic Policy in Transitional Economies*, and the *Review of Economics and Statistics*. His publications include eleven books and over 160 articles.



**Ms. Patricia Stanfill-Edens**  
 Assistant VP of Quality  
 Hospital Corporation of America

Pat Stanfill Edens, RN, MS, MBA, FACHE, FAAMA, is Assistant Vice President, Quality with responsibilities for Oncology, Transplants, and Stroke for HCA, Hospital Corporation of America, a multinational healthcare corporation based in Nashville, Tennessee. HCA is the nation's leading provider of healthcare services with 191 hospitals and 83 ambulatory surgery centers in 23 states, England and Switzerland.

Ms. Stanfill Edens, a Certified Healthcare Executive and Fellow in the American College of Healthcare Executives and a Fellow in the American Academy of Medical Administrators, has 30 years of experience

in healthcare administration. She has held positions at the Baptist Memorial Health System of Memphis, Tennessee, Lebonheur Children's Hospital, and the well-known cancer care provider St. Jude Children's Research Hospital in Memphis, Tennessee, where she was Assistant Director for Administration. She also worked at Salick Healthcare of Los Angeles, California where she was Vice President, South Florida. She joined HCA in 1994.

Ms. Stanfill Edens holds the M.B.A. degree with a concentration in Finance from the University of Notre Dame and the M.S. degree with a concentration in

Research Methodology and Statistics from the University of Memphis, and currently is completing her Ph.D. in Healthcare Administration from Kennedy-Western University. She completed her undergraduate degree at Stephens College and is a graduate of Baptist School of Nursing. She has presented internationally on subjects such as cancer, healthcare economics and quality related topics; she has published extensively including numerous articles and book chapters. Ms. Stanfill Edens has also been adjunct faculty in the College of Business at Indiana University, South Bend, Indiana.



**Mr. P Laxminarain**  
 Vice President  
 Cardiovascular Technologies  
 Cordis Cardiology

Mr. Laxminarain is Vice President of Cardiovascular Technologies with Cordis (a J&J company) in Miami. He took over this role recently, after serving for three years as the Managing Director of Johnson & Johnson Medical Korea, based in Seoul.

Mr. Laxminarain joined Johnson & Johnson Medical India in October, 1986 as the Product Manager responsible for wound management products. He was promoted to Senior Product Manager in 1989. Four months later, he was named Marketing Manager,

Hospital Division. In 1992, Mr. Laxminarain was promoted to the position of General Marketing Manager. In 1993, He took up the position of Franchise Manager, Hospital Supplies/Lifescan for Johnson & Johnson Medical S.I.M (Singapore/ Indonesia/ Malaysia) based in Singapore. In 1995, he assumed the position of Marketing Director in the same affiliate. In 1998, he was promoted to Vice President-Marketing of J&J Medical Asia Pacific with marketing responsibility for all Medical Device franchises in the Asia Pacific region (excluding Japan).

Prior to joining Johnson & Johnson, Mr. Laxminarain worked for Philips India (1978-1979), Union Carbide India (1979-1980) and also worked as a management consultant at AF Ferguson & Co., India (1982-1986). Mr. Laxminarain was born in India in 1957. He earned his Bachelor of Engineering degree from OU Engineering College in India with a Mechanical Engineering major and an MBA from Indian Institute of Management, Calcutta, India. He and his wife have two daughters.



**Dr. Bill Liang**  
 Managing Partner  
 China Healthcare Consulting

Dr. Bill Liang is the managing director of China Healthcare Consulting. Dr. Liang has 12 years of biomedical research and investment experience in the pharmaceutical and financial industries. Prior to joining CHCC, he worked at Convergent Venture LLC, a biomedical venture capital firm in Los Angeles. Before that, he was an equity research associate at Wedbush Morgan Securities, an investment-banking firm in Los Angeles, where he conducted equity research on biomedical companies in the United States.

Dr. Liang received a Ph.D. in Molecular and Cellular Biology from the University of Massachusetts at Amherst and a M.B.A. from the University of Southern California. He had a three-year postdoctoral training at the Harvard Medical School / Massachusetts General Hospital. Dr. Liang was also the recipient of the Best Ph.D. Dissertation award at the University of Massachusetts at Amherst and the Drug Discovery Fellowship in the Massachusetts General Hospital. His research experience ranged from plant biology, microbiology and immunology to gene therapy.

He is the first author of several research papers in leading biomedical journals and a speaker at several international science and industrial conferences. His China venture experiences include the formation of several million-dollar product co-development programs with Chinese healthcare firms.



**Dr. Marc Tang**  
 Managing General Partner  
 World Technology Ventures

Dr. Marc Tang has followed and invested in the biotech industry for over a decade. On Wall Street, Dr. Tang has been a senior biotech analyst, a biotech investment banker/venture capitalist, an investment advisor and the publisher of the BMTS (Bio/Medical Technology Stock) newsletter.

Dr. Tang has co-founded three ventures in the past and was recently a co-founder of Aegisoft Corp., a digital rights management (DRM) technology

company (acquired by RealNetworks Inc. OTC: RNWK). Dr. Tang has also worked for Morgan Stanley and PaineWebber. He has spoken at local and international conferences on a variety of investment topics concerning the United States and Asia.

He is the author of a number of financial articles including "Strategies for Managing Risk in Equity" and "The State of Asian Bioentrepreneurship" (Nature Biotechnology 7/2002 and 7/2003). Dr. Tang is also

the author of *The Essential Biotech Investment Guide, How to Invest in Biotechnology and Life Sciences Sector*, published in December 2002. Dr. Tang holds an MBA in Finance from New York University and a Ph.D. in Biochemistry and Molecular Biology from the University of California. He is also an alumnus of Columbia University Business School's Value Investing Program.

PANEL  
**The Business Environment**  
*Dynamic Interaction with Global Commerce*



Today's rapid economic developments are constantly changing the face of the Chinese business landscape. Whether one seeks to find employment, invest in new ventures, or maintain successful operations in China, it is essential to be aware of the interactive business forces which comprise the business environment. This panel will look at challenges encountered in various industries and examine their adaptive strategies and frameworks. Business and employment trends will also be discussed, including that of multinationals, and the private enterprise sector which has been projected to employ 60% of China's workforce by 2005.

## Speakers



**Mr. Terry Crossman**  
 Founder & Chief Executive Officer  
 CrossSearch International Inc.

Mr. Terry Crossman is the founder and principal of CrossSearch International Inc. and oversees their Beijing office. He has over eleven years of experience in executive search, eight of which have been in China. Mr. Crossman, a US native and a fluent Mandarin speaker for over 30 years, is an honors graduate with a BA degree in Chinese Studies from the University of Pennsylvania.

After working for 8 years in the executive search business in Beijing, Mr. Crossman has become a known authority on localization and the recruitment of PRC nationals in China for multinational companies and has extensive search experience in consumer products, telecommunications, aerospace, automotive, medical equipment, basic manufacturing, as well as with professional service firms. He has

previously established two offices for other overseas search firms and has trained and managed teams of local consultants and researchers who have successfully completed over 300 searches for multinational companies in over 15 locations throughout China.



**Mr. R. Mark Mechem**  
 Director of  
 Business Advisory Services  
 The US-China Business Council

Mr. Mechem is the Director of Business Advisory Services at the US-China Business Council in Washington, DC. Founded in 1973, The Council is the principal organization of US corporations engaged in business relations with the People's Republic of China. Since 1988, he has spent eight years working and studying in Beijing, Nanjing, Wuhan, Hong Kong, and Taipei. Prior to joining the Council, Mr. Mechem served as Senior Consultant/Director at Claydon Gescher Associates (Beijing) and as Deputy Director of

the US Information Technology Office (USITO, Beijing), in which capacity he contributed to the American Chamber of Commerce's White Paper on American Business in China. He has also served with the Center for Chinese Legal Studies at Columbia Law School and as a lecturer at Hubei University with Princeton-in-Asia.

Mr. Mechem holds a BA (East Asian Studies) and MBA (International Finance and Business & Public Policy) from the University of

Pennsylvania/Wharton as well as certificates from the Johns Hopkins (SAIS)-Nanjing University Center for Chinese & American Studies (Nanjing) and the Pushkin Institute (Moscow).



**Mr. Wu Po-Sum**  
 Chairman  
 Jianye (Construction Housing) Group

Mr. Wu Po-Sum, born in Puyang, Henan province in 1955, is now the Chairman of the Board of Directors and the President of Construction Housing Group (China) Co., Ltd.

Mr. Wu Po-Sum came back to the mainland of China from Hong Kong in 1992 by investing and starting his own business. Since then, Construction Housing Group (China) Co., Ltd. (hereinafter referred to as C.H.Group), with

the original registered capital of 1 million US dollars has been on a fast developing track. Up to 2002, its annual sales have reached \$50 million with the profit of \$10 million. While it is mainly in the realty development business, C.H. Group is also engaged in many other fields such as education, sports, IT, etc. Well supported by C.H Housing, C.H. Soccer, and C.H. Quality Education, the C.H. brand enjoys a good reputation all over the country.

Thanks to his marvelous performance in the real estate field in Henan, Mr. Wu Po-Sum was elected as one of the Top 10 Enterprisers in the Real Estate Field of China in 2002. In addition, he was listed as the 77th in the Top 100 Richest Men in the Mainland of China by Forbes in the same year. In 2003, he was also selected as one of the Top 10 Private-run Enterprisers in China.



**Dr. Nathan Zhang**  
 President  
 Shenzhen Chipscreen Biosciences Ltd

Dr. Zhang received his Ph.D. degree in pharmacology from the University of Pennsylvania and an MBA degree from the University of Chicago. He was a senior consultant for KPMG (New York), a senior manager of Boston First Bank, and the managing director of Delirium Technology (USA) in China. Dr. Zhang is experienced in company management, marketing, strategic alliance, merges and acquisitions.

Chipscreen Biosciences Ltd, established on March 21, 2001 in Shenzhen with an initial seed-capital

of 5.8 million US dollars from investors across Asia, is a drug discovery company specialized in novel small molecule therapeutics.

Chipscreen has developed a proprietary chemical genomics approach to accelerate the discovery of new medicines from its collections of natural products, traditional medicines, and synthetic chemical libraries. Central to its drug discovery platform is the company's capability of integration in silico design, chemistry, unique parallel multi-targets high throughput screening, global gene expression profiling, and informatics

to rapidly and effectively advance the drug discovery process. As the leading drug discovery startup company in China, Chipscreen focuses on lead discovery and optimization of transcription modulators for type II diabetes, cancer, and osteoporosis. Chipscreen also provides services, including assay development, microarray analysis and combinatorial chemistry, as a part of its drug discovery collaborations with other pharmaceutical companies and academic institutions.

PANEL

# China's Financial Reforms

*The Challenges and Changes Required for Growth & Financial Stability*



As China's new leadership carries out its bold financial reform policies, the world awaits the dramatic changes in China's financial markets and their global implications. Topics of note include effects of the planned creation of a new regulatory body which will oversee China's burgeoning financial markets, take on fiscal policy-setting roles and free national banks to focus on aligning themselves with the policies and practices of western countries. Liberalization of exchange rates for the RMB and easier regulations for security markets will also be addressed, as a panel of speakers offers insight on China's financial journey ahead.

## Speakers



**Mr. Jon B. Anderson**  
Partner  
ChinaLine, LLC

Mr. Anderson is a seasoned business executive with over thirty years of increasing responsibilities and diverse accomplishments in corporate development, human resources, and strategy planning and implementation in leading manufacturing companies. He has lived in Shanghai, China and has direct experience in the rest of Asia, Mexico and Europe.

His accomplishments include serving as General Manager in China for an electronics component manufacturer in the startup phase, culminating in a turnkey business, including a world class manufacturing facility. He has held leadership roles in two major electronics components companies and in the world's largest printing company.

Mr. Anderson holds a BS Degree from Purdue University, an MBA from Pepperdine University and a SPHR certification from the Society for Human Resource Management.



**Dr. Chao Chen**  
Founding Director  
Center for China Finance & Business  
Research of California State University

Dr. Chao Chen is a Professor of Finance and the Founding Director of the Center for China Finance and Business Research (CCFBR) at the California State University, Northridge. Professor Chen received his Ph.D. in Finance from the University of Maryland at College Park in 1988. He has been a visiting professor at the School of Economics and Management of Tsinghua University in Beijing since 2000. In addition to

books and professional journal articles, he has published extensively in academic journals concentrating on financial topics relating to corporate finance, derivatives, portfolio management, and emerging capital markets. Recently, he presented and published numerous papers related to China's IPO, capital structure, corporate restructuring, SME financing, convertible bonds, government bond futures

markets, and financial services industry. He has served on advisory boards and executive committees of institutions in asset management or business consulting, and non-profit organizations.



**Dr. Zhiwu Chen**  
Professor of Finance  
Yale School of Management

Dr. Zhiwu Chen is an expert on finance theory, securities valuation, emerging markets, and China's economy and capital markets. Dr. Chen is a frequent contributor to top economics and finance journals with research papers ranging from novel means of valuing stocks and pricing options, to studies of foreign exchange, market integration, mutual funds and profitable investment strategies. In the last few years, Dr.

Chen has been actively conducting research on market development and institution-building issues in the context of China's transition process and other emerging markets. What institutions are necessary for markets to develop? What roles do financial innovations play in a country's economic development process? These are some of the focusing issues in Dr. Chen's research. Dr. Chen's work has been featured in The Wall Street

Journal, The New York Times, The Boston Globe, Barron's, Far-Eastern Economic Review, and many newspapers and magazines in Hong Kong and China. He is also a frequent contributor to newspapers and magazines in China on economic policy and legal reform issues.



**Mr. James E. Shapiro**  
Senior Managing Director  
Galileo Global Advisors, LLC

Mr. James E. Shapiro joined Galileo Global Advisors LLC as Senior Managing Director in 2003. Galileo offers CEOs, Boards of Directors and Governments independent strategic advice on international business development, restructuring, compliance and capital market access.

Prior to joining Galileo, Mr. Shapiro worked at the New York Stock Exchange. From 1988 until 1996, as a Senior Economist, Director and then Managing Director in the research and planning department

of the exchange, he played a key role in developing the NYSE's research capacity in market microstructure and securities regulation.

Mr. Shapiro was a founding member of the NYSE's international department in 1996, assuming responsibility for the Asia Pacific region. In 1998, as Senior Managing Director and Vice President, Asia Pacific, he relocated to Asia to open the Tokyo and Hong Kong offices of the exchange. Under his leadership, the NYSE's Asia business grew from

47 listed companies with a market capitalization of approximately 500 billion, to 79 companies with a market capitalization of over 1 trillion.

Jim has an undergraduate degree from Harvard and graduate degrees in economics from Yale University. He lives in New York City with his wife and two children.

PANEL

# Credibility and Accountability in Business

*Progress in Chinese Policy*



Modern China continues to grapple with a series of legal and constitutional reforms. This panel will explore the ongoing changes to Chinese economic policy since joining the WTO, and examine how reforms and implementation of business policy and corporate law will impact both foreign investment and domestic businesses. Topics include enforcement of copyright and intellectual property rights, and increasing corporate transparency and accountability. Panelists will also discuss the effectiveness of current measures, present ideas for further improvement, and comment on the far-reaching social and political effects incited by these new reforms.

## Speakers



**Dr. James Chan**  
Founder & President  
Asia Marketing and Management

James Chan founded Asia Marketing and Management, an independent consultancy that has worked with more than 100 companies including Kodak, Lucent Technologies, 3Com, Nationwide Insurance, the American Management Association and mid-market firms in doing business in China and other Asian countries since 1983. He is the author of *Spare Room Tycoon*, a book on the biographical stories of 40 men and women

who succeeded in starting and running their own businesses and the key lessons they learned as successful entrepreneurs. His book has been translated into Chinese.



**Mr. Neil C. Hughes**  
Author of  
*China's Economic Challenge: Smashing the Iron Rice Bowl*  
World Bank

Mr. Neil C. Hughes is the author of *China's Economic Challenge: Smashing the Iron Rice Bowl*, which was published by M.E. Sharpe in 2002. He has published articles on China's economic reform in *Foreign Affairs*, *The Fletcher Forum of World Affairs*, and the *Asian Wall Street Journal*. Mr. Hughes has had extensive experience in China during 1992 - 2002 as a World Bank official working with Chinese economic planners, government officials and enterprise managers. His main responsibilities were to design and implement

projects furthering state enterprise reform and environmental pollution control, and for a joint World Bank - Global Environmental Facility project that would enable Chinese boiler manufacturers to import foreign boiler technology.

During a long career with the World Bank, Mr. Hughes worked in 24 other countries in Asia, Africa and Latin America. His responsibilities included the privatization of state enterprises, the restructuring of state banks, provision of

investment financing for the private sector, and post-disaster reconstruction. Prior to joining the World Bank, he worked with Bankers Trust Company. He served in the US Navy Atlantic Fleet Destroyer Force, as main propulsion officer and engineering officer of the USS Mills (DER-383). He has an M.A. in international economics and politics from the Fletcher School of Law and Diplomacy, Tufts University, an M.A. in anthropology from George Washington University, and a B.A. in history from The College of Wooster.



**Mr. Jason Sprong**  
Co-Founder  
Vital Sourcing

Fluent in Mandarin and Cantonese, Mr. Jason Sprong is the bridge between Vital Sourcing's US customers and Chinese manufacturing partners. His extensive knowledge and experience in manufacturing techniques and consumer product development sets him apart from the global sourcing community.

Mr. Sprong's entrepreneurial drive, insight and understanding of Chinese business practices and negotiation skills effectively guide and support Vital Sourcing's customers through the sourcing and manufacturing process.

His international business experience began when he was employed by a major toy manufacturing firm to help with the acquisition of a Hong Kong trading company. After completing the take over, he ran the operations side of the business and was promoted as Director of Products for the company in 1996 where he was successful in generating \$2 million dollars in sales to Toys R' Us.

In 1999, Mr. Sprong transitioned on his own to start two new businesses: the first being his own toy company, and the second, Turning Stone Pottery. He sold the toy company in

2001 and focused on Turning Stone where he successfully created, designed and sold products to Home Depot, Kmart, Wal-Mart, Target Stores and other mass market retailers.

Mr. Sprong received his BA in Asian Studies and Chinese from Connecticut College, is a graduate of Nanjing University foreign students program, and winner of the Senior Award for Excellence in Asian Studies from Connecticut College. He is currently a member of the Colorado Chapter of Young Entrepreneurs Organization.

# Case Study

## Asia Optical Co., Inc



**Mr. Robert Lai**  
Chairman & Chief Executive Officer  
Asia Optical Co., Inc

Mr. Lai was born and raised in Taichung, Taiwan.

After graduating from the National Taichung Commercial College, he entered Ability Enterprise in 1973, a joint venture between Taiwan and Japan, producing leather cases and pouch bags for global camera companies. Within 10 years, Mr. Lai moved his way up to become the president and a major shareholder of the firm. In his presidency, Ability Enterprise established two successful overseas factories, one in Manila and another in China.

Following business success with his Japanese partners, Mr. Lai founded Asia Optical together with his family members and close friends in 1981. The company positioned its core technology and main business with Optical fabrication. For over two decades, under Mr. Lai's excellent leadership and marketing skills, Asia Optical has taken over the leadership position in the global optical industry with a large-scale production of 10 million optical components per month. In addition, Asia Optical has expanded its business into the production of Digital Cameras, DVD Players, Sports Optical Products, Laser Optical Products, and Multi-Function Printers, as well as many other optical and imaging products.

Asia Optical went IPO in 2001 and became a publicly traded company in 2002. With its outstanding performance and steady growth, Asia Optical has become one of the most profitable and reliable companies on the Taiwanese Stock Exchange.

In 2001, Mr. Lai started the campaign of "Project 1030" in which the company is targeting a 30% growth within the next 10 consecutive years. While more research and development centers and factory sites are being added, Asia Optical is confident that "Project 1030" will be a great success.



## Asia Optical Co., Inc



**Mr. Albert Lin**  
Chief Marketing Officer  
Asia Optical Co., Inc.

Mr. Lin was born in Taichung and graduated from the National Taichung Commercial College.

He started his first career with TI Taiwan in July 1972 as a production planner and was trained with PC/MC skills for three years. He was then promoted to become the production manager and handled IC production with electronic module assembly for four years.

In March 1979, Mr. Lin joined BASO Optics, a subsidiary of Bosch, Germany in Taiwan, and was employed as an optical factory manager for five years. While Asia Optical was rapidly growing, Mr. Lin was invited to join the company in March 1985 as a factory manager. In four years, he assisted Mr. Lai in transforming Asia Optical into a large-scale manufacturer and entering into the production of high precision riflescopes, compact binoculars and medical microscopes.

Mr. Lin went to Dallas, Texas and lived there for seven years in order to assist Asia Optical's expansion into the U.S. market. He returned to Taiwan in 1999 to lead the newly established Imaging Products Division. In three years, more than 5 million pieces of high mega pixel digital cameras were produced. This success made Asia Optical one of the most recognized names in the industry.

With his solid experience in international marketing, Mr. Lin was appointed as Chief Marketing Officer in November 2003. Mr. Lin will continue to assist Mr. Lai to achieve all corporate business plans and strategies for many years to come.





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# The Leading Brand of Optics- ASIA OPTICAL

Incorporated in 1981, Asia Optical has been insisting innovation, quality, reliability, and service as its core competence to keep itself competitive. As the leading optical component supplier in the world, we are contributing 1/8 of the optical lens in the world and DEMOUM digital still cameras for world leading brands. The primary products include optical components, digital still cameras, DVD pick-up heads, OA equipments, and laser range finders, etc. Under a global planning and operational strategy, over 20,000 employees worldwide possessing dynamic and stable attitude keep Asia Optical always containing sharp technique and competitive cost structure in the field of optical design, manufacture, and integration. These advantages always spur Asia Optical running in front of others in optical industry.



## Asia Optical CO., INC.

**Founded :** Oct. 1981

**Capital :** NTS\$1.58B billion ( US\$47.64 millions )

**Chairman & CEO:** Robert I.J. Lai

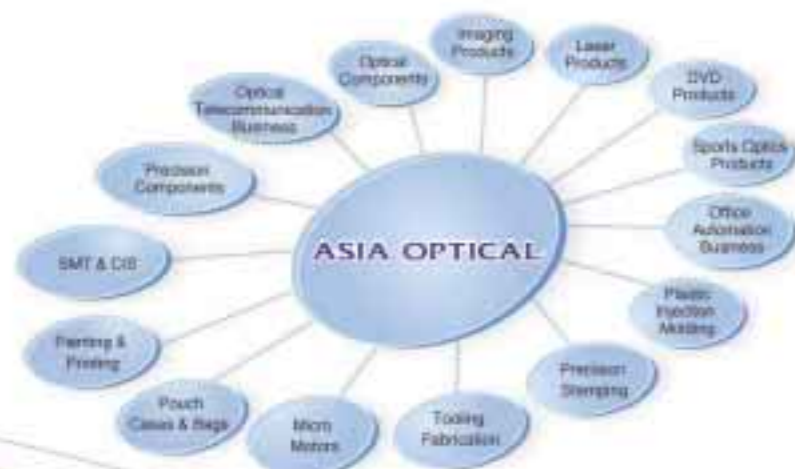
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