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Viabile Models for Entry to the China Market

登陆中国生意模型

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Hong Kong Trade Department Council
Hong Kong: Turning China Into Opportunity
Denver, CO, November 10, 2006

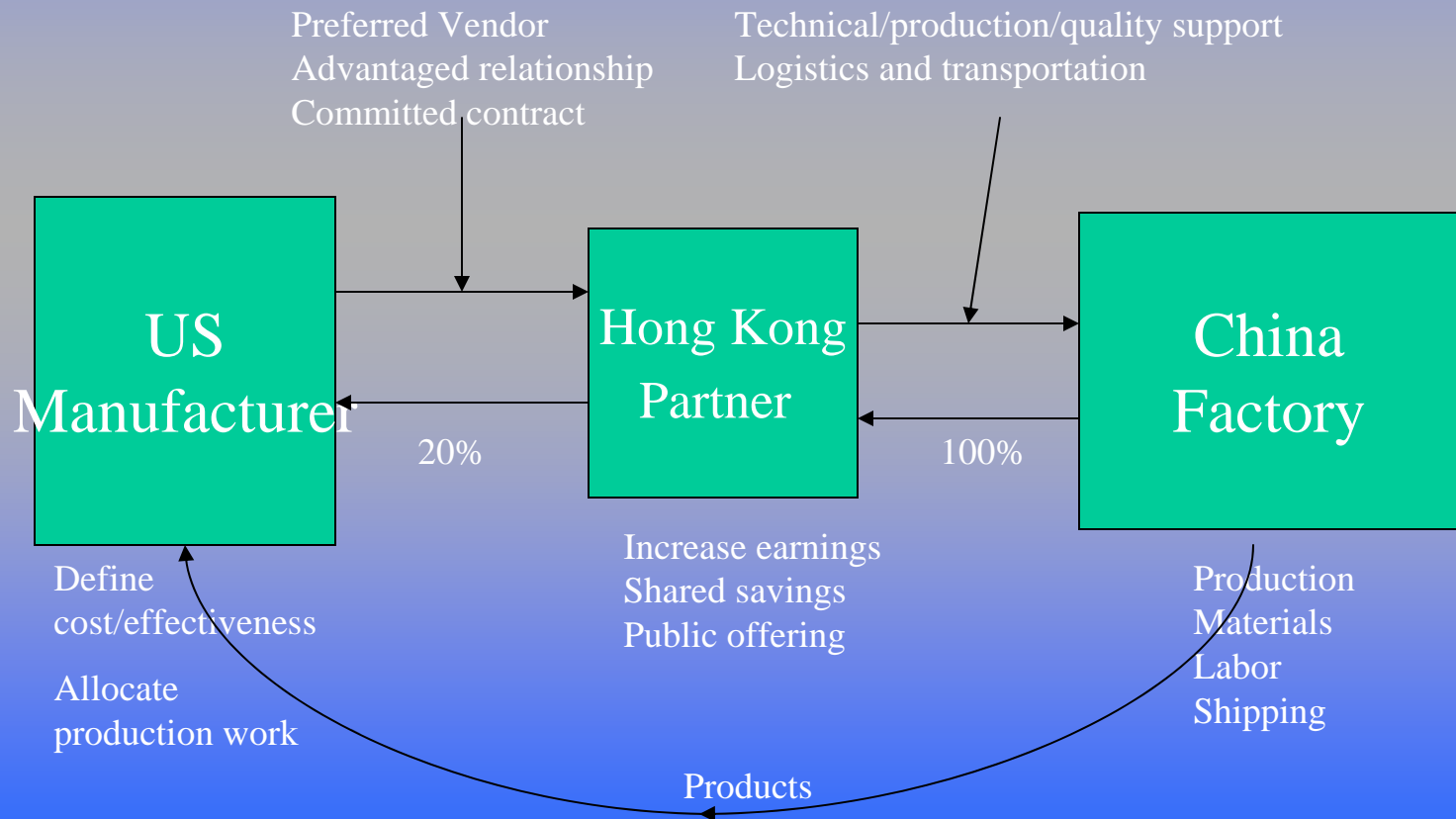


Sample Deals

- Outsourcing
- PhytoPharmaceuticals
- Medical device

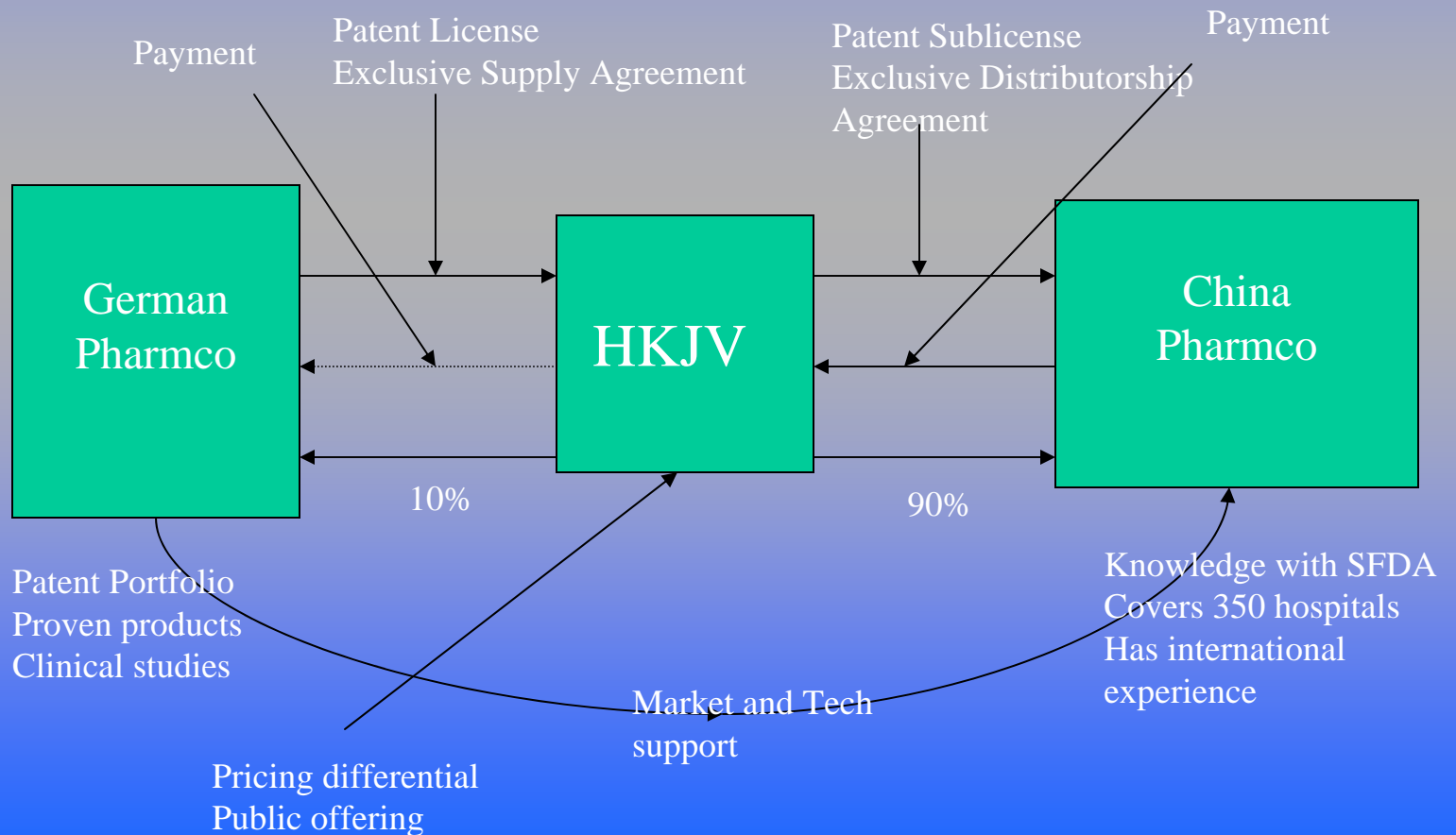


Outsourcing - Manufacturing



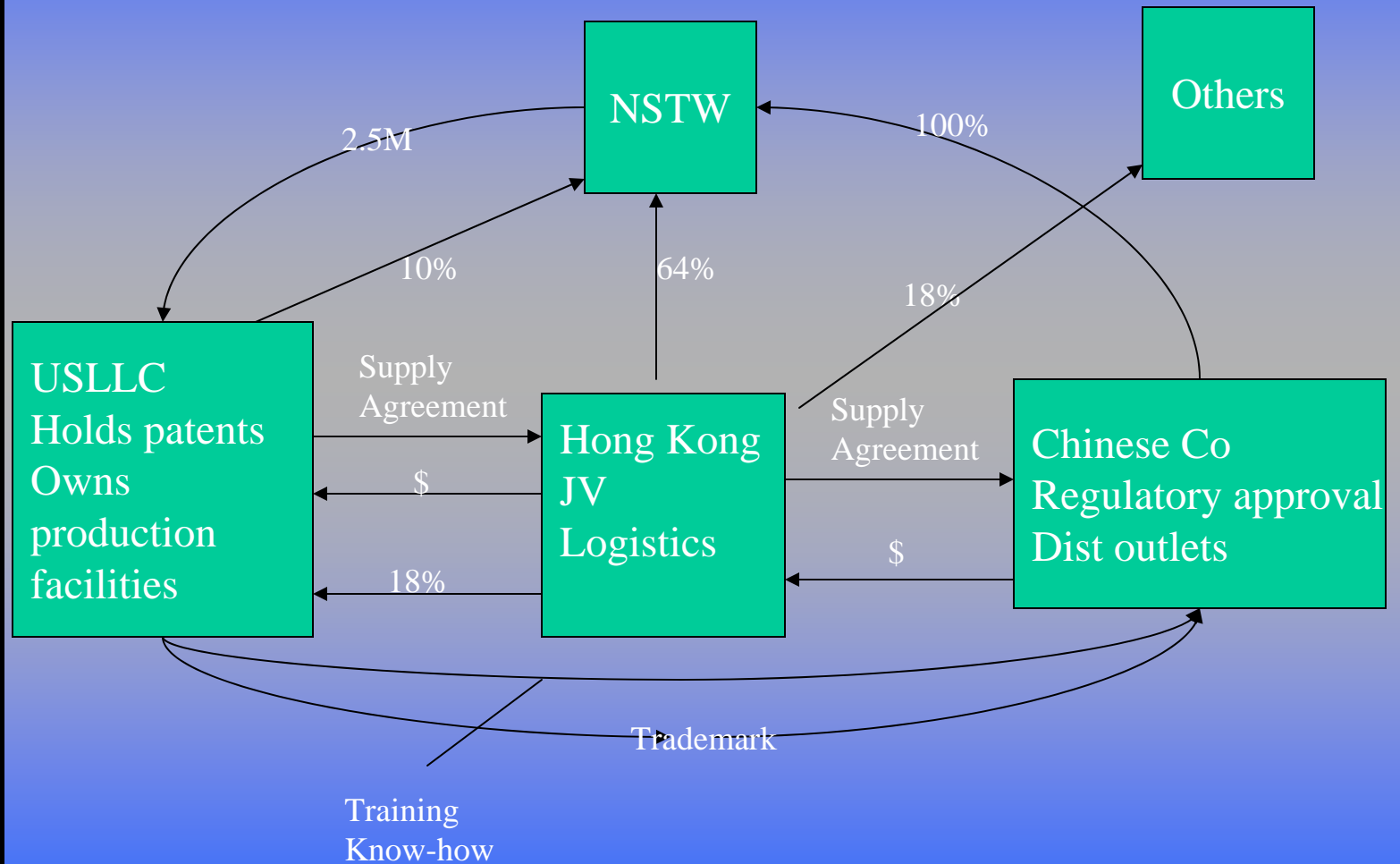


Patented PhytoPharmaceuticals





Medical Device





Common Concerns (Actual/Perceived)

- Lack of knowledge in the market, legal and regulation environment
- Lack legal protection
- IPR concerns
- Expatriation of profit
- Recouping investments



Strategic Objectives

- Local presence/strategic relationship/
market entry/share/penetration
- Fast product launch/expand marketing
channel
- Reduce regulatory and cultural risks
- Reduce management and financial
inefficiencies
- Ensure returns on investment
(payment for goods/licensing fees and
royalty)
- Reduce IP risks
- Appropriate exit strategy



Strategic Characteristics of Models

- Leverage on local partner's strengths, infrastructure, market access and channels, regulatory know-how, government relationships
- Protect IPR
- Adopt risk allocation techniques
- Perform due diligence
- Define exit strategy

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