

## Hong Kong / China opportunities

David Bennett

VP and GM International  
Attachmate Corporation



Shanghai Mid-Year Sales Conference - APAC



## Who is Attachmate?



- **Privately held by leading global equity firms**
  - Francisco Partners
  - Golden Gate Capital
  - Thoma Cressey Equity Partners
- **Combines Attachmate, WRQ, NetIQ and OnDemand**
  - Top 10 of the world's privately held software companies\*
  - Global leader of host connectivity solutions
  - Leading provider of systems and security management for distributed environments
  - Innovative provider of PC lifecycle management products

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## The Hong Kong advantage

- Rule of Law
- Integrated into Global / Western trading infrastructure
- Highly skilled labor force
- Transparency is very high
- Able to connect into business in Southern China in particular

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## China issues

- Regulatory compliance frameworks are weak
- Skilled labor is difficult to find and retain
- Transparency can sometimes be low
- For medium sized organisations – risks and costs can be high with uncertain return
- Business partners are easy to find – good business partners are much more difficult to find
- Licence compliance is an issue

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## Opportunities in Hong Kong and China

- **Massive potential market**
  - Second biggest PC Market WW after the US
  - Sustained economic growth for at least the next ten years or more
  - Big infrastructure investments by public sector
- **Hong Kong is an excellent base to exploit the China market while minimising risk**
- **Ultimately – Hong Kong can be used to enter the market once your knowledge levels are higher and your appetite for risk is defined**

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## Recommendations

- Establish a direct presence in Hong Kong
- Look for strong partners in China or Hong Kong companies with China presence
- Don't be hasty
- Make sure your products are Internationalised and Localised to the correct level
- Examine the level of competitive intensity in the China market for your products and services

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## Thank you



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