MAR 26 1979



Nine Mini Vendors Making Pitches to the Chinese

By Mary Rosenberg CW Staff

SAN FRANCISCO — Representatives of nine U.S. minicomputer manufactuers left for China last week to make product presentations to the Chinese Electronics Society, an organization responsible for evaluating electronic imports to the country.

The companies participating in this trade mission are Burroughs Corp., Control Data Corp., Data General Corp., Four-Phase Systems, Inc., Honeywell, Inc., Inforex Corp., MSI Data Corp., Qantel Corp. and Univac.

For these mini makers, the mission will serve as a vehicle to look into the market potential in China, according to Sandra Mardigian, associate director of California Trade Delegations, Inc., organizer and sponsor of the mission.

The two-week "shopping expedition for the Chinese" is a "preliminary step for the U.S. companies to talk about what they have to offer, but ultimately they are interested in getting customers," Mardigian said.

As in most trade missions, the individual firms are picking up their own tabs for basic travel and accommodations plus an undisclosed commission paid to California Trade Delegations, she noted. The Chinese arrange for travel within the country, which includes visits to Hong Kong, Peking, Shanghai and Canton.

Each company sent one to three representatives, including engineers and managers in such areas as international marketing, new business development and systems and software support. Each firm will make its own slide presentations, and some are bringing equipment.

This is California Trade Delegations' first mission to China. The company, a private (Continued on Page 87)

Mimi Makers Pitching to China

(Continued from Page 81) organization here that organizes foreign trade missions for U.S. businessmen, discovered from its research that China was interested in minicomputers and sent a proposal to the Chinese government.

According to Mardigian, China's need for minicomputers centers around several government development projects. These include plans to double the output of the steel industry, develop oil resources for domestic use and export and improve agricultural development.

In addition, a major project to improve the quality of education and add more educational institutions will require computer technology for such applications as keeping track of materials and staffing schools, she added.

Since China usually deals with foreign companies on an

individual basis, Mardigian said the government was "enthusiastic" about the proposal to speak to a group of manufacturers in one product area.

It took eight months, however, to receive an invitation. The Chinese government had to evaluate the proposal and its relevance to the country's overall development plan, she explained.

Some Vendors Declined

Once the mission was approved, California Trade Delegations contacted some 30 to 40 U.S. manufacturers. Mardigian would not reveal the firms which declined to participate, but noted "a few already had an entree into China and most weren't at an export level to consider China a feasible market."

Participating companies did not need U.S. government approval to join the trade mission, but they will have to apply to the Commerce Department for an export license to sell equipment to China.

In Peking, members of the mission will conduct product seminars before the Chinese Electronics Society, a consulting agency that screens technical products for the China National Instruments Import and Export Corp. — also known as Instrimpex — which is the government agency responsible for purchasing electronic equipment.

Instrimpex is one of a network of trade corporations controlled by the Ministry of Foreign Trade to conduct China's international business activities.

Mardigian expects the current trade mission, slated to return to the U.S. on March 29, to be the first of many her firm will organize to China

中国机械进出口总公司 CHINA NATIONAL MACHINERY IMPORT & EXPORT CORPORATION

Hsi-chiao Er-Li Kou, Peking, China Cables: MACHIMPEX Peking P. O. Box: 49, Peking Our Ref. No. M903/1115

Date: may 3, 1978

California Trade Delegations, Inc 530 Jackson Street Suite 303 San Francisco California 94133

Gentlemen:

Reference is made to your letter of April 19, 1978.

We note your proposed computer delegation to visit the People's Republic of China, and deem it beneficial to make proper arrangement for mutual visits in this respect.

Computers are one of the main import items handled by our corporation. Therefore, you are welcome to forward us product manuals of the main companies in California with company background. We will be glad to make necessary recommendations to the end users in our country.

However, we wish to advise you that the China Council for the Promotion of International Trade (CCPIT) is a specialized organization in carrying on international economic and trade activities between China and other countries. Therefore, you may contact the referred organization for your proposed computer technical exchanges. The address is 4 Tai Ping Chiao Street, Peking, the People's Republic of China.

We wish to express our appreciation to wood letter.

CHINA NATIONAL MACHINERY IMPORT & EXECRT CORPORATION



February 27, 1979

Mr. Tung Ying-Chieh Chinese Liaison Office 2300 Connecticut Avenue N.W. Washington, D.C. 20008

Dear Mr. Tung:

It was nice talking with you again on the telephone last Saturday.

The attached cable from CITS says to obtain the 25 visas for our minicomputer trade mission to Peking from you in Washington.

Attached is our updated list of the delegates going on the mission. The names from the Prime Computer Company will be forthcoming soon.

Enclosed are visa applications for the following:

BURROUGHS CORPORATION

Herbert Hayde

Kenneth Stokes

Ming Tung

HONEYWELL CORPORATION

Nelson Chu Richard Hein

INFOREX INCORPORATED

Joseph Guerrero

OANTEL

Dallas Talley

CALIFORNIA TRADE DELEGATIONS

Douglas Burck Herb Newman

Nid Newman

Allen Newman (infant)

Mr. Horgan of Raytheon will bring his visa application to you in person in Washington on March 8 or 9.

I am very sorry to require so much speed in returning these passports to us, but the mission departs San Francisco March 15. Mr. Herb Newman, his wife and baby leave March 14. We greatly appreciate your assistance.



February 27, 1979

Minicomputer Trade Mission to China

March 1979

BURROUGHS CORPORATION Herbert Hayde

Kenneth Stokes

Ming Tung

DATA GENERAL CORPORATION Henry Steinberg

Donald McDougall

DIGITAL EQUIPMENT CORPORATION Bernard LaCroute

Jerry Stanley

FOUR-PHASE SYSTEMS INCORPORATED Donald Larson

Martin Toomey

HONEYWELL CORPORATION Nelson Chu

Richard Hein

INFOREX INCORPORATED Joseph Guerrero

MSI DATA CORPORATION William Brail

QANTEL Dallas Talley

RAYTHEON DATA SYSTEMS COMPANY Thomas Horgan

SPERRY UNIVAC COMPUTER SYSTEMS Alfred Fera

Angus McLagan

Rocky Kwok

CALIFORNIA TRADE DELEGATIONS

Douglas Burck Peter Machen Herb Newman Nid Newman

Allen Newman (infant)

PRIME COMPUTER CORPORATION

Two names to be submitted

TOTAL: 25



February 14, 1979

Dear China Minicomputer Delegate:

Our mission has been approved for March, 1979 by the China Council for the Promotion of Trade (CCPIT) in Peking. They have designated the Chinese Electronics Society as our host. Mr. Sun Shum Hsing, Secretary of the Society, is handling the arrangements for our group's Technical Seminars in Peking.

The Chinese Electronics Society includes the top people in China in the field of electronics. Their responsibility will be to try to decide from a technical point of view how your company's computers would fit in to China's development plan in the near or distant future. They will then advise MACHIMPEX, the government trade corporation responsible for purchasing computers, who will contact your company directly. There will also be representatives from MACHIMPEX at our Technical Seminars.

Our Director of China Projects, Herb Newman, who is in Peking now making arrangements for our visit, reports that Peking and Shanghai are overwhelmed by the results of normalization between the U.S. and China. The two cities are overflowing with foreigners trying to get in on the "China Boom". We have been allocated only twelve double rooms for our group so the two delegates from your company will be sharing a room in China. In Hong Kong each delegate will have a private room at the Peninsula Hotel.

Meeting rooms for the Technical Seminars are also scarce in Peking these days so we have been allocated only four rooms. This means organizing the mission into four groups of three companies each. We can decide in Hong Kong prior to entering China which companies will use the same room. Translators will be provided. Visual presentations (slides, etc.) are recommended.

Each company will need at least 50-100 sets of materials to distribute at the seminars. These can be carried with you or shipped ahead to Peking using PanAm Air Freight and allowing at least one week for delivery. Use the enclosed labels and the following address:

Chinese Electronics Society P.O. Box 139 Peking, China

Attention Mr. Yuan: Please hold for arrival of March Minicomputer Trade Mission



Although we could obtain no details on exactly what China is looking for in minicomputers, the CCPIT did mention special interest in microprocessors and integrated circuits. This would suggest that in your presentations you might want to emphasize the smaller end of your company's minicomputer line.

The basic itinerary for the trade mission is as follows:

Thursday, March 15 -Depart San Francisco at 2:30 pm aboard Pan American #5 to Hong Kong, arriving Friday at 9:10 pm.

Friday, March 15 to -Peninsula Hotel, Hong Kong. Sunday, March 18

Sunday, March 18 -Leave Hong Kong at 8:12 am by train to Canton; fly to Peking acriving 8:05 pm.

Monday, March 19 to -Peking for Technical Seminars. Saturday, March 24

Saturday, March 24 -Leave Peking at 10:00 am by plane to Shanghai arriving 11:45 am.

Sunday, March 25 to -Shanghai. Tuesday, March 27

Tuesday, March 27 -Leave Shanghai at 3:45 pm by plane for Canton; thence by train to Hong Kong.

Tuesday, March 27 to -Peninsula Hotel, Hong Kong. Thursday, March 29

Thursday, March 29 -Depart Hong Kong at 1:45 pm on Pan American #6 to San Francisco, arriving 9:15 pm.

We will be sending you a more detailed itinerary and a fact sheet on traveling in China. If you plan to make any other travel arrangements to or from Hong Kong, please let me know. Final briefing will be conducted on Saturday, March 17 in Hong Kong.

To enter China you need current innoculation against smallpox and cholera.



June 9, 1979

Memorandum

Microprocessor Trade Mission to China

May 19 - June 4, 1979

Following up on the Minicomputer Trade Mission to China in March, California Trade Delegations, Inc. led a group of ten delegates to China in May 1979 to present Technical Seminars on U.S. microprocessors and integrated circuit technology. Three companies presented the seminars:

Intel Corporation RCA Corporation, Solid State Division Pertec Computer Corporation

The mission was hosted by the Chinese Institute of Electronics (formerly the Chinese Electronics Society) in Shanghai and was considered very successful by the delegate companies. The itinerary was the same as the Minicomputer Mission except that the Technical Seminars were given in Shanghai rather than Beijing.

official meetings were held in Beijing with the delegate companies as a group and individually to meet high officials of the Chinese Institute of Electronics, the 4th Ministry of Machine Building, Instrimpex, the Chinese International Travel Service, and the Beijing Technical Instruments Research Institute.

Forty engineers from all over China attended the seminars in Shanghai, including representatives from the following organizations:

- 4th Ministry of Machine Building, Beijing
- Hunan Radio Factory, Changsa, Hunan
- Nanking Institute of Aeronautics
- Liaoho Experiment Factory, Shenyang, Liaoning
- Yongchuan Institute of Solid State Circuits, Szechuan
- Kiangnan Radio Devices Factory, Wusi, Kiangsu
- Kiangsu Radio Factory, Manking, Kiangsu
- Radio Factory No. 15, Shanghai Radio Factory No. 14, Shanghai
- Electronic Computer Company, Shanghai
- Componenet Factory No. 5, Shanghai
- Research Institute of Semiconductor Devices, Shanghai
- Institute of Computers, Shanghai



Microprocessor Trade Mission to China, continued:

- First Research Institute, Ministry of P & T
- Telecom Devices Factory, Shanghai
- Huangpu Instrument Factory, Shanghai
- East China Research Institute of Computers, Shanghai
- Changchiang Radio Factory, Shanghai
- Shanghai Teacher's University
- Shanghai Chiaotong
- Section of Science and Technology, Shanghai Bureau of Instrumentation
- Research Institute of Industrial Automation, Shanghai
- Chongshin Radio Factory, Shanghai

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Pan Chen Institute of Computer Shaybaic Yan Anai'en 1st Research Institute, Ministry of P&T Par Heihman Telecom, Devices Factory, Shanghai Page Chueshen Chongshin. Radio Factory Wang Parchang Haangpu Instrument Factory Pan Shuyun Chang Kenlin La Chitching East Chiena Research Institute of Computer, Shongland Changeheaug Radio Factory

Shanghai Teacher's University

Shanghai Chiao Tong Li Chenrong Chang Chunghai Section of Science of & Technology Shanghai Bureau of Instrumentation Ting Rainwan Shen Ranfang Research Institute of Industrial Automations Chin Shatang Keri Minhang Tan Chieh Interpreter. Address. Sloanghai lustitute of Electronics. 47" Nanchang Road, Shanghai, Clina.