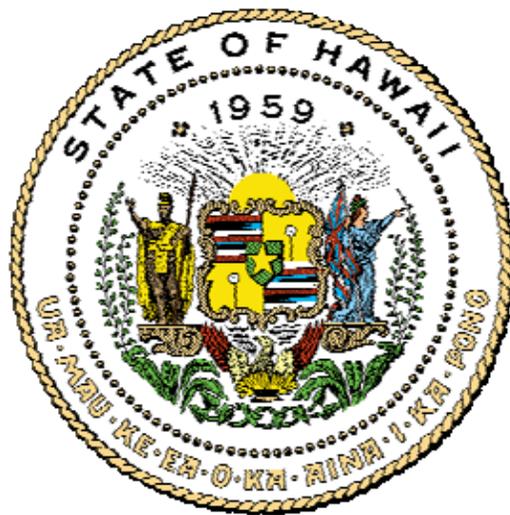


**STATE OF HAWAII**  
**Offices in Taiwan and Beijing**  
**January 1, 2010 – December 31, 2010**  
**Annual Report to the Legislature**



**Strategic Marketing & Support Division**  
**Department of Business, Economic Development & Tourism**

**December 2010**

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## **STATE OF HAWAII OFFICE IN TAIPEI: 2010 ACTIVITIES**

### **Government Relationship**

The Honolulu Taipei Economic and Cultural Office, the Taipei City Government and DBEDT's Taipei Office coordinated Taipei Vice-Mayor Lin's visit to Hawaii in April, 2010 to attend the Asian Pacific City conference hosted by East West Center.

Coordinated with the Taiwan Bureau of Energy, Industry Technology Research Institute and Lockheed Martin Corporation, for a feasibility study of Taiwan Ocean Thermo Energy Conversion (OTEC) project, and the possibility of Taiwan participation in the Hawaii OTEC Pilot project.

The State of Hawaii Taipei Office along with the Taipei City Government and Ministry of Foreign Affairs coordinated the 2010 International Taipei Green City Forum. DBEDT Director Ted Liu delivered the keynote speech on November 8. Director Liu also delivered a second speech at the 2010 Taiwan International Wind Energy Conference on November 9, which was hosted by Taiwan Bureau of Energy and Ministry of Economic Affairs.

Taipei Office Executive Director Alex Lei was invited by the Taiwan Ministry of Foreign Affairs to attend several meetings to further enhance Taiwan-Hawaii relations. Lei successfully sought and obtained Taiwan Government funding support in the form of a 33% rent reduction for the State of Hawaii Office space in Taipei.

Taipei office executive Director Alex Lei assisted the Taiwan Overseas Compatriot Affairs Commission, Executive Yuan with the celebration of the 100 year anniversary of the Republic of China honoring Dr. Sun, Yang Sun (Founder of Republic of China). The Taiwan Government will be inviting 100 Chinese community leaders from all over the world to Hawaii in 2011 for this centennial.

### **Business Tourism Promotion**

Alex Lei, Executive Director organized a delegation of 12 from Taiwan to participate in the, 2010 Asia Pacific Clean Energy Summit and Expo. The delegation included representations from the Taiwan Bureau of Energy, Industry Technology Research Institute and SL Energy Corporation; and was lead by Secretary General of the Taiwan Bureau of Energy, Ms. Linda Chen.

The Hawaii Tourism Asia and DBEDT's Taipei Office promoted Hawaii at the 2010 Taipei International Travel Fair from November 5 - 8. The four-day fair attracted over 210,000 private and trade visitors, the Taipei office promoted education in Hawaii and Hawaii products along with tourism.



Taiwan Council of Indigenous People, Executive Yuan invited the Taipei Office Executive Director Alex Lei to participate in the 2010 Asia Pacific Indigenous Forum from June 7 to 8 at the International Conference Center of Taiwan University. The two-day conference covered topics on indigenous social welfare, cultural preservation, education and economic development. Dr. K. Kapaanaokalaokea Oliveira, Assistant Professor, Kawaihuelani Center for Hawaiian Language, University of Hawaii at Manoa, presented a keynote speech on Hawaii's culture and education system.

The Taipei office successfully assisted Nan San Insurance Group to visit Hawaii for a series of incentive visits from September to November. A total of six thousand people visited Honolulu and Maui. This was the largest commercial incentive group from Taiwan. Efforts to attract this group included attending meetings on destination bidding with other Country and State representatives in Taiwan, arranging and participating in joint meetings with China Airlines for a special charter flight, and requesting a designated official from the American Institute of Taiwan (AIT) to handle all visa applications.

Director Ted Liu visited Taipei from November 7 – 10. The Taipei staff accompanied Director Liu to official meetings with Director Ou and Secretary General Linda Chan of Taiwan Bureau of Energy, and made site visits to two of Taiwan's renewable energy companies. Director Liu delivered keynote speeches at the "2010 International Green city Conference" and the "2010 International Wind Energy Forum."

#### **Hawaii Products & Services Promotion:**

Coordinated with Industry Technology Research Institute (ITRI) of Taiwan and Taiwan Bureau of Energy to assist Lockheed Martin Corporation's Dr. Ted Johnson and his team on Ocean Thermal Energy Conversion projects in both Hawaii and Taiwan. As a result of this effort, Lockheed Martin Corporation was awarded a six hundred thousand dollars contract. Services were completed by March 2010.

Assisted Ever Shine Company at the 2010 Food Taipei from June 23 – 26: the show drew 959 exhibitors occupying 1,822 booths and 50,000 + attendees. Ever Shine International participated and exhibited over twenty products made in Hawaii and reported sales of \$26,000.

Assisted the Hawaii Realtors Association to place their "Hawaii Condo Guide" on DBEDT's Chinese language website as a means to attract and promote investment in Hawaii.

Assisted Ever Shine Company in “Bio Taiwan 2010”, a major Bio trade show, from July 22 – 25 held at the Taipei World Trade Center Exhibition Hall. Ever Shine Company exhibited Hawaii bio products along with other made-in-Hawaii products. A total sale reported by Ever Shine was \$21,372.



Taipei Office Executive Director Alex Lei made presentations at five different Rotary Clubs in Taipei, reaching over 200 business leaders, on topics about Hawaii education, business, environment, culture and tourism.

The Taipei Office participated in the Taiwan International Green Industry Show from October 25 – 28 promoting Hawaii green industries as well as Hawaii organizations such as Natural Energy Laboratory of Hawaii Authority, Hawaii Agriculture Research Center, Oceanic Institute, Hawaii Natural Energy Institute and more.

### **Education Promotion**

Assisted Mr. Joshua D. Clark, Director of Admissions, at Hawaii Preparatory Academy in a student recruitment mission to Taiwan from March 28 – March 31. Taipei office introduced a number of reputable education consulting firms for Mr. Clark to meet.

Staff met with ten different overseas education center/consulting firms in Taiwan to promote education and training, and presented a speech at the Overseas Study Association annual conference.

### **Cultural Promotion**

Assisted Ms. Ann Fan, who is the director of the Hawaiian Cultural Center in Taipei, to conduct a Hula dance workshop for promoting Hula dance and Hawaiian culture in Shanghai, China.

Assisted the Taiwan Hula Association, to perform, at the 2010 Taipei International Flora Expo from November 6<sup>th</sup> 2010 – April 25, 2011. Association chairwoman Ms. Ann Fan is leading her students in performances every weekend.



Assisted Ms. Ann Fan in the Hawaii Ukulele and Hula Dance Festival in Hsin Chu on November 20<sup>th</sup>. Hsin Chu city is the base for high technology industry in Taiwan. The famous Hsin Chu Science and Technology Industrial Park is home to 360 high tech companies including Taiwan Semi, Philips, United Microelectronics Corporation, Holtek, AU Optronics and Epistar. As a result, the city has the highest income level in Taiwan. This strong Hawaii image event not only attracted hundreds of visitors on site but also promoted Hawaii tourism.



### **Creative industries and Film Production**

Coordinated and assisted Taiwan Hakka Television Company for their filming project named “My Brother Dr. Sun, Ying Sun”, scheduled to film in Hawaii in 2011. Taipei office assisted their study trip to Hawaii on April 9 – 16, arranging meetings with the Creative Industries Division of DBEDT, Taiwan Economic and Cultural office in Honolulu(TECO), and the Chinese and Taiwanese Chambers of Commerce. The Hakka TV is planning to film in three locations: Maui, Big Island and Honolulu for a total of 12 episodes.

Taiwan President Ma Ying-Ju presented to the State of Hawaii the Grand Prize for its indoor floral exhibit at the 2010 Taipei International Flora Exposition in November. The Hawaii tropical theme "The Eden" bested over 70 exhibits representing 25 countries across Europe, Asia,

the Americas, Africa and Oceania. The Taipei Flora Exposition is sanctioned by the International Association of Horticultural Producers (AIPH), an international organization dedicated to the promotion and development of the horticulture industry. Entries meet the highest of horticultural international standards, and are considered the Olympics of the flower industry. This was Hawaii's first entry in an AIPH expo. Exhibits are judged on both beauty and creativity. In addition to the Grand Prize, two Gold medals on flower arrangement and plant combination, and Silver medal on cut flowers was won by the state.

## Taipei Office Expenditures FY 2010

Description	Total
Director's contract	41,076.00
Assistant's salary	21,288.34
Office rent	11,097.45
Parking rental	1,240.98
Health insurance	2289.17
Labor insurance	657.51
Newspaper subscription	113.41
Copy machine rental	565.60
Reimbursement for Health Insur.	
Utilities	668.41
Phones/Fax/L-distance	2105.74
ADSL	--
Mobile phone	1546.38
Postage	160.80
Freight & delivery charge	52.12
Office supplies	429.17
Office equipment	8.72
Taxi fare	463.22
Lunch meetings	--
Miscellaneous exp.	889.59
Membership fees	--
Printing	247.81
Out/state travel exp.	84.38
Intrastate travel exp.	141.02
Travel per diem	--
Protocol/Gifts	--
Marketing/promotion/other	--
Seminar/missions	--
Advertisement	--
Chinese Website	--
Furniture rental	--
<b>Column total</b>	<b>85,125.82</b>

## **STATE OF HAWAII OFFICE IN BEIJING: 2010 ACTIVITIES**

### **Developing and Expanding Linkages**

In 2010, the State of Hawaii Department of Business, Economic Development & Tourism (DBEDT), State of Hawaii Office in Beijing (SHOB), continued to work on expanding Hawaii ties with China including, but not limited to sending a Chinese TV crew to Hawaii, facilitating Chinese governmental visits to Honolulu securing speakers for Hawaii events such as the “Global Links” series of forums and the Asia Pacific Clean Energy Summit and Expo (APCESE), and executing the Hawaii China Mission in 2010 headed by Governor Linda Lingle. The following is a brief description of those above mentioned events and other activities, and the benefits that they have brought and potentially can bring to the state.

In January 2010, a film crew from China Travel Channel visited Hawaii to cover the SBS Golf Championship Tournament and Sony Open Golf Tournament. While covering these events, the crew also visited and filmed the following golf courses and resorts for a TV-program focusing on the following Hawaii golf destinations: Wailea Golf Club, Kapalua Golf Course, Makalei Golf Course, Mauna Lani Golf Course, and Turtle Bay Golf Course. The crew was led by TV-host, Mr. Yan Ming, and interviews were conducted with general managers of the golf courses and resorts. The crew also interviewed Hawaii government officials who promoted Hawaii as a visitor and a business destination. The t.v. program aired in August, September and October nationally to an estimated viewer audience of 30 million.

With the announcement to build Hainan into the world’s top island destination by the Chinese central government at the end of 2009, and the friendly sisterhood relation between Hawaii and Hainan Island, SHOB worked with a group of seven officials from Hainan Provincial Urban-Rural Development Department to visit Hawaii in January to hold meetings on tourism development and land-use planning for a tourist destination. Led by the Hainan Provincial Foreign Affairs office, the group met with the Hawaii Tourism Authority, Group 70 and Hawaii WATG. The visit provided potential business on destination planning for Hawaii companies.

In February, SHOB arranged for a delegation of 55 high school students and teachers from Beijing to visit Hawaii in an exchange program with Punahou School. The delegation, led by Madam Li Xiaolin Vice President of the Chinese People’s Association for Friendship with Foreign Countries, is a strong advocate for programs and events involving Chinese and Hawaii student exchanges. SHOB also facilitated visits by Madam Li and the students with Governor Lingle, Senator Norman Sakamoto and Principals John Sosa (Kaiser HS) and Justin Mew (Niu Valley Middle School).

In March, SHOB secured a group from Beijing University’s Executive CEO Course on Private Equity and Venture Capital to visit Hawaii. The group of approximately 40 members represented some of China’s largest venture capital/private equity investment companies. The purpose of their visit was to establish links with the Shidler School of Business (University of Hawaii) and to learn about Hawaii’s investment environment and developing industries, such as

renewable energy. The visit of this group provided for potential direct investment from China to Hawaii and possible cooperation on joint training between UH and Beijing University.

Governor Linda Lingle's China trip in June of 2010 was a major event in expanding Hawaii's links with China. The purposes of this trip were to promote Hawaii tourism at the Shanghai Expo during Hawaii Day at the US Pavilion, reinforce sister relations with Guangdong Province, establish initial contacts with Chinese Yunnan Province for possible joint efforts on the promotion of the "Flying Tigers" airplane museum, maintain relations with Chinese National Tourism Administration for support of the Hawaii tourism industry. SHOB arranged official meetings in cities of Shanghai, Guangzhou, Kunming and Beijing. The visit resulted in a signing of an MOU between Governor Lingle and Governor Huang to insure cooperation between the State and Province for the next 30 years, joint initiative between the Hawaii Pacific Aviation Museum and Yunnan Province on "Flying Tigers" exhibits and an initiative for the first Chinese national team to participate in the TransPac Race from the west coast of the UH Mainland to Hawaii.

To increase communication between Hawaii and China in the area of arts, SHOB developed an exchange of four Chinese artists to visit Hawaii for the purpose of learning hula. Mr. Guo Wi, a celebrity in the Chinese Dance World, would like to establish a hula school in Beijing. He and three dancers spent a week visiting hula schools in Honolulu.

SHOB is currently working with the China National Baseball League on a Hawaii-China High School Baseball Tournament project to take place in 2011. Mr. Li Min Kuan, the present member of Standing committee of the Chinese People's Political Consultative Conference (CPPCC) and the former coach of China's national baseball team, promised participation from China. There will be 6-8 teams from various schools of south China, such as Fujian Province and Guangdong Province coming to Hawaii for the tournament in 2011.

Throughout 2010, SHOB attended meetings and events at the invitation of governmental bodies such as the US Embassy in Beijing, US Foreign Commercial Service, China National Tourism Administration, China Ministry of Commerce, China Friendship Association with Foreign Countries, Chinese Council for Promotion of International Trade, China Ministry of Education, etc., to maintain communication for further cooperative relationships.

## **Increasing Hawaii's Exports of Goods and Services**

Throughout the year, SHOB provided on-site, in-country support and assistance for the following Hawaii businesses in China: Bank of Hawaii's International Division in marketing their services to potential Chinese customers; Hawaii Pacific Group in locating distributors of Simple Green products; Polynesian Cultural Center in marketing in Beijing; Pacific Resources in governmental relations in Guangdong Province; DOHAWAII-DSH International in introducing deep sea water to China market; Study Hawaii Group in due diligence checks on China Study Abroad Center; Sturdivant Publishing in translation review and distribution of their "Hawaii Guide"; Mr. Charles Memminger in sponsorship assistance in his TV series named "Aloha Jiang Yuan"; PacRim Marketing for consultancy of Chinese market information; Hawaii Blue Surf in their soon to open stores in Shanghai & Beijing; Kahal Capital in finding Chinese investors and partners;

Hawaii Jamin Sales Inc. in sourcing of Chinese crystal products; Hawaii Huku for visa facilitation; UH Tim & Shidler School of Business in directing Chinese training groups to Hawaii and HPU for its ESL Summer program promotion and general student recruitment in China.

The highlight of the year regarding promoting Hawaii exports of goods and services to China was the “Hawaii House” initiative which was a program from China Import Products Solicitation & Promotion Center of the Ministry of Commerce (MOFCOM). SHOB and this Chinese governmental agency developed the concept of a “Hawaii” House which would be a display center of Hawaii-made products in Shanghai and Beijing. The showroom would be provided by the Chinese government and would eventually spread across 22 cities in China. A signing of an MOU will take place in 2001 during Chinese President Hu Jintao’s Hawaii trip as part of APEC in 2011.



Office of China Import Products Solicitation

## **Expanding Hawaii’s Energy Sector**

SHOB worked on organizing the Chinese participation at the Hawaii Asia Pacific Clean Energy Summit and Expo (APCESE) 2010. Serving as a bridge between Hawaii and Chinese governmental agencies such as National Development & Reform Committee (NDRC), China National Environmental Administration and China Academy of Engineering, SHOB recruited the Chinese official group of eleven headed by Governor Luo Baoming of Hainan Province to APCESE. SHOB also secured Dr. Zhou Fengqui, a famous Chinese scholar in the area of new energy and former chairman of China’s Academy of Energy, to APCESE as a key-note speaker.

The buyout of the Hawaii firm Hoku Group by the Chinese firm Tian Wei, resulted in the SHOB to serving as the point of communication between Hawaii and Tian Wei. This included proving the firm with information of ongoing projects in Hawaii in the area of clean energy, facilitating the visa application for executives and staff by communicating with the Visa Section of the US Embassy in Beijing, and arranging meetings between executives from Hawaii and the Vice president of Tian Wei. Tian Wei is part of a vast state-owned multinational enterprise.

SHOB arranged for a group from China North Grid to visit Honolulu for site inspections and to develop business contacts. China North Grid is a Chinese state owned company responsible for supplying electricity to four provinces in north China. The call from the Chinese government for new energy investment in wind farms in the Chinese Inner Mogolia region promoted the China North Grid to visit Hawaii. The visit was a learning trip and the delegation of seven had meetings with DBEDT, HECO plus site inspection of First Wind Hawaii.

SHOB also worked on a clean energy investment project to be located in Hawaii by China's Datang Energy Corp., a Hong Kong listed company regarded as the second largest energy supplier in the country. Datang is interested in wind, solar, and undersea cable projects in Hawaii and will be sending a group to Honolulu to learn more about the investment prospects in the State.

### **Attracting New Investment in Hawaii**

Foreign Direct Investment (FDI) was a newly emphasized program by the U.S. Department of Commerce and its branch as at the U.S. Embassy. SHOB participated in various events related to investment attraction including investment seminars in Beijing, Shanghai, and Hangzhou. As a state with tourism as its main industry, investment opportunities in the hotel, golf, restaurant, and tourism related sections were of interest to the China Market.

SHOB is also working with Can Am Enterprises – the State's contractor for Hawaii EB-5 immigrant investor program in China. SHOB has organized and supported CanAm's seminars in Shanghai, Guangzhou, Hangzhou and Beijing.

### **Promoting Hawaii's Visitor Industry**

In January of 2010, SHOB worked on an incentive group of 150 from Perfect China, a health products distribution company to Hawaii. SHOB worked with the group's travel agency for a site inspection, visa support, linking with Hawaii local tour operators, and inviting Hawaii celebrities to be at the theme party of "Perfect China" in Honolulu.

In April, SHOB worked on another incentive group of 114 employees from TIENS Group Co. Ltd., a multinational Chinese conglomerate based in Tianjin. SHOB communicated with the US Embassy for visa facilitation. The company's president, Mr. Li Jinyuan led the incentive group. Discussions are already being held for TIENS to organize another international incentive group of employees to visit Hawaii in the year 2011.

In October, SHOB successfully secured Soft Bank investment company to have its annual conference in Hawaii. The group consisted of 42 people arrived in Honolulu in early December.

SHOB is also working on an incentive group from China's Kia Corp. of 550 people to visit Hawaii in 2011. Management will site visit Hawaii in January 2011. Management will site visit Hawaii in January 2011.

Throughout the year, SHOB used various chances to promote Hawaii as a top leisure destination. Activities related with Chinese media were as follows: a live radio broadcast interview with Radio Beijing Fm 101.8, an interview with Tourism Insight Magazine resulting in a two page article, an interview with China Entertainment TV, a three page article in SIGHT Magazine to promote the Hawaii APCESE 2010 in October, and a live interview with China Economic Net (one of the 9 biggest Chinese government networks).

## **Promoting Educational Opportunities and Educational Exchanges**

In 2010, staff assisted nearly 200 Chinese officials and business executives to undertake short-term training in Hawaii. This year, training programs were hindered by several factors including tighter restrictions from the Chinese Government for official travel and the impact of the economic crisis. Staff continued to work on supporting Hawaii education institutions by attending events and activities to promote Hawaii's short-term training programs.

Following up on a request from the China Study Center of UH, SHOB assisted a group of 40 from the Tsinghua CEO Club for short-term training in April 2010. SHOB assisted with supporting letters for visa interviews at various locations of the US Consulates General in China and the U.S. Embassy in Beijing. SHOB briefed the group about Hawaii in preparation for the trip.

SHOB assisted Dr. Tung Bui of the University of Hawaii Shidler College of Business, to arrange the seventh group of 26 Executive MBA's from Harbin Institute of Technology for training at the UH Manoa Executive Training Center. Staff worked with the US Consulate in Shenyang for interviews and with CITS Harbin Branch for logistical arrangements.

Shu Hwa Lin, Assistant Professor at Department of Family & Consumer Sciences, Apparel Product Design & Merchandising program at the University of Hawaii at Mānoa, arranged a Chinese Study tour for 15 students from Hawaii to China from May 24-June 10. The group stayed 6 nights in Beijing and 7 nights in Shanghai. SHOB helped Professor Lin with arrangements for meetings and site visits to schools including a visitation to a Beijing fashion designer.

Also in August SHOB worked on Dr. Tung Bui's 8<sup>th</sup> group of 45 students from Harbin Institute of Technology to UH Manoa.

In September, SHOB worked on facilitating visa interviews for a group of 47 people from the CEO Club of Tsinghua University to UH for short term training. This was the second group from Tsinghua for training at UH.

In September, SHOB participated in a series of seminars put on by the U.S. Education Delegation at invitation of the U.S. Consulate in Shanghai. The visit of the U.S. Education Delegation was for promotion of US education system at Shanghai Expo along with more than 20 universities from US.

In October SHOB participated in the "12<sup>th</sup> Beijing English Speaking Week" on at Beijing Cultural Labor Park. Free booth was provided by Beijing Municipal Foreign Affairs Office from

which SHOB promoted education in Hawaii. According to the organizing committee, 15000 people attended the event. SHOB distributed around 4000 brochures of Study Hawaii, and Hawaii Official Travel Guides.



## Beijing Office Expenditures FY 2010

Description	Paid Via General Funds	Paid Via MDCP Funds	TOTAL
Director's Contract	21,063.37	30,780.07	51,843.44
Assistant's Salary	4,528.89	8,571.84	13,100.73
Office Rent	11,257.07	15,363.87	26,620.94
Office Management Fee	1,981.71	2,774.19	4,755.90
Office Storage	297.15	415.92	713.07
Internet Line Fee	352.16	704.25	1,056.41
Office Janitorial Services	1,056.36		1,056.36
Lunch Coupon	880.27		880.27
Bank Transfer Fee	4.86	5.81	10.67
Utilities	312.18	582.55	894.73
Phone/Fax/Long Distance	2,183.59	407.68	2,591.27
Mobile Phone	1,363.12		1,363.12
Postage	692.65		692.65
Freight & Delivery Charges			
Office Supplies	610.10		610.10
Office Equipment	12.18		12.18
Taxi Fare	353.74		353.74
Lunch Meetings	445.04	2,103.37	2,548.41
Miscellaneous Expenses	2,359.48	596.60	2956.08
Membership Fees	293.31		293.31
Printing	54.30		54.30
Out/State Travel Expenses			
Travel Expenses – Other		139.42	139.42
COFCO Parking Card	924.59	792.52	1717.11
China Mission Expenses	1,769.48		1769.48
Computer Purchase	1,159.40		1159.40
Governor's Trip Expenses		294.26	294.26
Advertisement			
Translation Fee	153.65		153.65
Per Diem (Bo Wu)	737.27	1,267.18	2,004.45
Phone Rental	352.22	352.23	704.45
<b>Column total</b>	<b>\$55,198.14</b>	<b>\$65,151.76</b>	<b>\$120,349.90</b>