

STATE OF HAWAII
Offices in Taiwan and the
People's Republic of China
January 1, 2008 – December, 31, 2008



Strategic Marketing & Support Division
Department of Business, Economic Development & Tourism
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Offices in Taiwan and the People's Republic of China

January 1, 2008 – December 31, 2008

1.DBEDT'S OVERSEAS OFFICES

The Department of Business, Economic Development & Tourism has a wide range of responsibilities. Among these are energy conservation; planning; maintaining statistics to assist the visitor industry; and assisting Hawaii businesses. One of the principal activities of the Strategic Marketing & Support Division (SMSD) is to create export opportunities for both commercial enterprises and educational institutions, and also attract investment into the state. In recent years, that activity has focused on opening up markets in Greater China.

Long before economists and political leaders recognized the phenomenon of “globalization”, DBEDT had identified the need to expand its services overseas. An overseas office would provide such basics as how to start a business in Hawaii and what tax incentives are available, in addition to serving as a source of information on Hawaii products and investment possibilities. The office could also introduce business persons, legislators or political leaders traveling overseas to their local counterparts. Moreover, with the establishment of “Sister” relations with Fukuoka, Japan in 1981, and the subsequent addition of a new “Sister” every year or two after that, the idea of an overseas office to take advantage of both business and cultural opportunities took on added importance.

For these reasons, and others, in 1988, the Hawaii State Legislature passed Act 366 which gave DBEDT authority to “establish and operate offices in out-of-state locations, including foreign nations, to:

1. Develop programs to reach targeted companies or industries in the respective area and surrounding regions;
2. Monitor out-of-state government policies and regulations that have an impact on business, markets, sales, tourism and related activities;
3. Host government and business officials at conferences, meetings and social occasions, or other events on matters pertaining to business opportunities and attraction of investments or the State;
4. Develop and conduct advertising efforts, promotional events, media coverage and educational programs regarding commerce in the State; and
5. Conduct related operations as needed, such as hiring or contracting for consultants.

The legislation, furthermore, allowed these offices to carry out such functions as entering into contracts; establishing bank accounts and hiring personnel.”

The First Overseas Offices

DBEDT (then the Department of Business & Economic Development—DBED) saw opportunities to expand business—particularly tourism-related business—in two Asian markets: Japan and Hong Kong. The department was encouraged by the rapidly developing economies and overall prosperity of the two locations, in addition to Hawaii’s proximity to Asia and the long, close historical and cultural ties to both.

Following the passage of Act 366, DBEDT’s first overseas offices were opened in Hong Kong and Tokyo in 1988, sharing space with the Hawaii Visitors Bureau (HVB). The purpose of the offices was to:

1. Promote Hawaii as a site for the relocation and expansion of business;
2. Promote investment opportunities in Hawaii; and
3. Promote the export of Hawaii products, mostly related to tourism.

Representation in both offices was provided by private contractors: ODS Corporation in Tokyo, and Hawaii attorney Alan Ma in Hong Kong. The Japan office was convinced that there was great interest among Japanese business people in setting up short- and long-term business ventures in Hawaii. During 1991, the office received more than 350 inquiries regarding such opportunities.

The major focus of the Hong Kong office was to promote Hawaii as a site for business investment relative to the population’s interest in emigration. Hong Kong was important, as it was the financial center of Asia’s overseas Chinese community; the Asia regional center for most top U.S. and multinational corporations; and the leading city in Southern China.

It was also important, as the British would hand the territory back to China on July 1, 1997, and there were indications that a great many wealthy Hong Kong residents were looking for investment and immigration opportunities overseas, especially in Canada which was offering important incentives. The focus was, therefore, on attracting immigrants to the Federal Immigrant Investor Program, whereby investors and their families could obtain permanent U.S. visas by investing \$1 million or \$500,000 in a business that would create employment. The exact dollar amount and the number of jobs created depended on the location of the business.

To give the State additional exposure to Greater China, DBEDT opened up an office in Taipei, Taiwan in 1994. According to its *1995 Overseas Representation Annual Report*, “as a cost-cutting measure, the state decided to place its Chinese—speaking economic development specialist in Taiwan, where continued pursuit of export and investment promotion opportunities may more directly bear fruit.” DBEDT closed its Hong Kong office on June 30, 1994.

One year later, DBEDT closed the State of Hawaii Japan Office on June 30, 1995, due to cost-saving restructuring of the State's representation in Japan. Its only Asian office, then, was in Taiwan.

The Annual Report

Act 366 required DBEDT to submit an annual report on the operations of its overseas offices to the legislature. The Act stipulated that the report shall include a description of the major activities during the year, in addition to information on expenses. The 1992 report consisted of seven pages. The 1995 report expanded to 16 pages, while the 2006 report increased to 36 pages. The 2007 report was reduced to 31 pages, but added charts which indicated such items as "Hawaii Revenues Generated" and "Number of Persons" at certain events.

Over the years, the report has reflected the considerable increase in services that the Taipei and Beijing staffs regularly provide. It now describes accommodating trade missions; the hosting of businesspersons and educators from Hawaii; and participation at a large number of fairs and exhibitions. It also describes one of the most important responsibilities that has evolved: the facilitation of Chinese delegations' visiting the state. These have included persons' seeking investment opportunities; trainees at Hawaii's educational institutions; entertainers, such as the Blue Sky Children's Art Troupe which performed in 2007; and high-level officials, such as Vice Premier Wu Yi, who met with Governor Linda Lingle in 2006. In addition, the report is now illustrated with photos to enhance its overall effectiveness as a source of information.

The Procedures Manual

In 2007, DBEDT published the *Out-of-State Offices Procedures Manual* to systematize and increase the efficiency of the operations of the two offices. The procedures covered areas as requesting and transferring funds; travel; and computing *per diem* and meal allowances. The *Manual* also expanded the language of the enabling legislation to include four general objectives; namely:

1. Increase exports of Hawaii products and services to Greater China.
2. Improve and maintain relations among the State of Hawaii, the U.S. Government, the Governments of Greater China, and the private sector.
3. Inform Chinese business and investors of the state's economic viability and prospects for economic growth, and stimulate new interest in business partnerships and investments.
4. Stimulate Chinese interest in Hawaii's Innovation Initiatives, especially in STEM education and Global Links (a program to encourage greater global awareness and participation).

The *Manual* will be modified from time-to-time to accommodate changes in the Overseas Offices' situations.

Disclaimer

DBEDT wishes to emphasize that the two Overseas Offices do not represent all agencies and bodies of the State. There are other overseas offices, such as those established by the Hawaii Tourism Authority and the University of Hawaii, which accomplish this.

2. STATE OF HAWAII OFFICE IN TAIPEI: 2008 RESULTS

ACTIVITY	DATE	HAWAII REVENUES GENERATED	NUMBER OF PERSONS OR AUDIENCE
INCREASING HAWAII EXPORTS			
Product Exported			
Bottled water and foods		\$1,982,367	
Grandfather's Salt		\$64,000	
Big Island Bees' Honey		\$3,450	
Hawaii music CD and paintings		\$17,050	
Various products for promotion		\$27,056	
Bottled beer & Maui Ocean Vodka		\$32,059	
Beauty products		\$12,485	
Hula supplies		\$34,567	
Seminars/Promotions/Trade Shows			
<i>Taipei International Bakery Show</i>	3/6-3/9	\$4,672	32 potential buyers 20,000 participants
<i>U.S. Travel and Education Seminar, hosted by the National Kaohsiung Hospitality College</i>	3/14		200 attendees
<i>Food Taipei 2008</i>	6/18-21	\$3,900	72 potential buyers 42,000 participants
<i>Join Fun USA promotion in Shin Kong Mitsukoshi Hsin Yi Store.</i>	6/26-7/20	\$5,275	16,000 participants
<i>Taipei International EnPEC & Water Show</i>	7/5-7/9	\$8,900	19 potential buyers 30,000 participants
Taiwan International Travel Fair	10/31-11/3		215,125 participants
Hawaii firms supported on mission/visits to Taiwan	Year-round		26 firms
Consultation for Hawaii firms.			42 occasions
Promoting Hawaii Products And Services Through the Media			
Press conferences	11/17		30 reporters
Press releases issued	Year-round		11
<i>China Times</i> interview regarding Hawaii's successful tourism development experience	6/20		300,000 readers
Radio interview-Kaohsiung Broadcasting Station	3/24		65,000 est. listeners
Assisted Lehua's Hula Halau visits to	March	\$37,000	37 Hula dancers from

Hawaii	June November		Taiwan
Developing and Expanding Linkages with Government and Education			
<i>American Education Expo</i> . In Taipei, Taichung and Kaohsiung City	3/1-3/4		5,000 participants
Assisted Taiwan officials from the Nantou County Government in attending the Honolulu Festival	3/14-3/16	\$18,000	18 delegation included 5 department heads
Hawaii teachers visit Taiwan, sponsored by Pacific & Asian Affairs Council (PAAC)	3/18-3/22		14 Hawaii teachers
Participated in the <i>Pingtung American Higher Education & Travel Fair</i>	3/25		300 students
Courtesy call on Mr. Charles Tsao Chi Hung, the Magistrate of Pingtung County	3/26		6
Courtesy call on Ms. Li-Chen Kuang, the Magistrate of Taitung County	4/16		10
Assisted seven Taiwan government officials to attend a five-day training program at Shidler College of Business	May	\$10,000	7
Coordinated the visit of DBEDT Director Theodore Liu's and Chief-of-Staff Barry Fukunaga's visit to Taipei for the inauguration of newly-elected President Ma Ying-Jeou	5/19-5/22		Met with 30 Taiwan government officials from various agencies and organizations
Assisted 21 students from Hawaii public schools in visiting Taiwan, sponsored by the Pacific & Asian Affairs Council	6/26-7/1		
Met with Mr. Tom H.K. Lee, the Chairman of the Overseas Study Association, to introduce the Hawaii educational system and schools to him to promote study in Hawaii	August		
Facilitated Governor Lingle's visit to Taiwan and arranged dinner with prominent Women Leaders of Taiwan	11/16		10 attendees
Facilitated Governor Lingle's visit to Taiwan and arranged meeting with Taiwan Academia Sinica	11/17		20 attendees
Facilitated Governor Lingle's visit to Taiwan and arranged Business Roundtable Lunch with Taiwan business leaders	11/17		18 attendees

Facilitated Governor Lingle's visit to Taiwan to attend a dinner reception hosted by Deputy Minister of Taiwan Ministry of Foreign Affairs	11/17		15 attendees
Facilitated Governor Lingle's visit to Taiwan and arranged meeting with Deputy Minister of Taiwan Ministry of Economic Affairs and Deputy Director-General of Bureau of Energy, and President of Industry Technology Research Institute(ITRI)	11/18		45 attendees
Facilitated Governor Lingle's visit to Taiwan and arranged travel industry leaders luncheon	11/18		20 attendees
Facilitated Governor Lingle's visit to Taiwan and arranged meeting with the President of China Airlines	11/18		10 attendees
Facilitated Governor Lingle's visit to Taiwan and arranged a meeting with Taiwan President Ma	11/18		8 attendees
Meetings with government officials	Year-round		74 meetings

3.

3. STATE OF HAWAII OFFICE IN BEIJING: 2008 RESULTS

Beijing 2008 RESULTS

Activity	Date	Estimated Revenue Generated	Number
Helping Hawaii Businesses and increasing Hawaii exports			
Provided consultancy services and match-making to those Hawaii business for their engagements in China market, such as Wimberly Allison Tong & Goo (WATG) The East-West Center, UH, Brigham Young University/Hawaii Campus (BYUH), Hawaii Pacific University (HPU), Oceanit, Miles, Simple Green, Cavanah Associates, Hawaiian Chariots, Bank of Hawaii, Hawaii Convention Center, Hawaii Visitors and Convention Bureau, PAAC, Hawaii Department of Education, Hawaii Everlasting Energy, 1723 Kalakaua LLC, Hawaii Japan Travel Bureau, High Technology Development Corporation, Hawaii Galaxy, Pan Pacific, Hawaii China Travel Bureau, Hawaii Chinese Chamber of Commerce, Study Hawaii Group, et al.	Year-round		More than 25 Hawaii companies and agencies
Assisted in securing WATG's Kunming World Trade Center Conversion consultancy project	June	\$75,000	
Assisted Pan Pacific for Simple Green products exported from Hawaii to China	Year-round	\$60,000	
Assisted Hawaii Cavanah Associates for promotion of its extended car warranty	April		12 major car dealers in Beijing participated in the presentation
Promoted Hawaii music by securing a project for Hawaii musician Keith Olson	All year round	\$160,000	
Attracting Investment			

Assisted the principals of 1723 Kalakaua with an EB5 project. This is the only project involving Chinese investment in Hawaii. Two investors were qualified for the program with money released to Hawaii	All year round	\$ 2,000,000	
Promoting Hawaii Tourism			
Assisted Audi China Corp. with its incentive group of 300 people who will spend five days in Hawaii	February	\$360,000	300 people
Assisted the Beijing Tourism Administration and Hawaii Galaxy for the U.S.-China Tourism MOU. Inaugural Groups spent four days in Hawaii.	June	\$153,600	160 people
Other Chinese special groups which visited Hawaii were: a six-person group led by Guangdong Province Vice Governor Wan Qingliang; the 14-person Huazhong University Women's Basketball Group; an eight-person Chinese education group, led by Vice Minister Wu Qidi; a four-person CTS group for the Splendor of China Festival, et al.	Year round	\$86,400	120 people
Facing an economic downturn and drop in tourist arrivals, Governor Lingle visited the <i>China International Travel Mart</i> in Shanghai to promote Hawaii tourism. Facilitated arrangements, such as setting up meetings with Mr. Shao Qiwei, China's Minister of Tourism; with Madam Zhao Wen, Vice Mayor of Shanghai and Mr. Cao Jianxun, the President of China Eastern Airlines	November		Promote Hawaii as a destination to 100,000 visitors and potential tourists
Developing and Expanding Linkages with Government and Education			
Assisted the 54-member China America Scientific Expedition and Cultural Exchange group in their visit to UH Hilo	February and March	\$90,720	54 students

Assisted BYUH for ESL home stay program of 80 students from Shanghai for one week stay in BYUH	July & Aug.	\$120,000	80 students
Participation of CIEET (China International Education Exhibition Tour) & IIE (Institute of International Education)	March		Promotion of Hawaii education to 80,000 students and parents with 500 leads generated
Assisted HPU for its first joint under program with Beijing Jiaotong University, which resulted in five students and one teacher being sent to Hawaii to study for a year.	July	\$135,000	
Other groups to Hawaii to train included, but were not limited to: 51 Harbin EMBA student to UH Shidler College of Business and 15 officials from the Counselor's Office of China State Council to UH Outreach College	All year round	\$84,000	70 students and officials
Promoted Hawaii as a fine on-air destination for both travel and business through media with articles and programs and the followings: <i>Legend City Magazine</i> (article): <i>Golf Adventure Magazine</i> (article) <i>Vision Magazine</i> (article) <i>China Youth Daily</i> (article) CCTV Channel 9 (30-minute documentary) Beijing Radio FM 90.5 (30 minutes interactive talk to listeners) <i>Aviation Today Magazine</i> (article)	All year round	\$100,000	

4. FINANCIAL SUMMARY: 2008 OVERSEAS OFFICES EXPENDITURES

	<u>Taipei Office</u>	<u>Beijing Office</u>
Salaries	\$ 64,898	\$ 73,297
Office Rent/Parking/Management Fee	21,141	29,760
Bank Transfer Fees		12
Employee Mandated Benefits		728
Insurance	1,617	
Internet & Information Services	2,086	1,261
Copy Machine Rental	763	
Utilities	1,036	931
Phones/Fax/Mobile	4,268	6,571
Postage & Freight	723	1,325
Office Supplies	879	508
Office Equipment	697	10
Taxi Fare	558	169
Meetings/Protocol/Promotion/Gifts	281	4,961
Membership Fees	364	1,819
Printing	3,529	7,346
Travel Expense	2,642	11,873
Marketing	2,775	
Seminar & Mission	1,715	10,960
Translation Fees		600
Miscellaneous Expenses	1,778	3,375
Total	\$111,750	\$155,506

5. STATE OF HAWAII OFFICE IN TAIPEI: 2008 ACTIVITIES

Goals and Strategy

The State of Hawaii Office in Taipei opened in July 1994 to take advantage of the rise of investor interest in Hawaii, which was symbolized by a Taiwan's group's purchase of the Grand Hyatt Waikoloa in late 1993 for \$60 million. Taiwan was riding a wave of prosperity and, to many investors, the state looked like an excellent place to explore business opportunities. Coupled with this was the advent of Eva Air and China Air's non-stop flights to the Islands, making it much easier for tourists and businesspersons to visit.

Since the early 1990's, the Taipei office has continued to attract investors--through the holding of seminars to encourage residents to take advantage of the Immigrant Investor Program, and through encouraging Taiwan businesses to enlist the assistance of Hawaii companies for special projects.

In addition to investor attraction, the Office has expanded into two new areas: recruiting students for Hawaii educational institutions and marketing Hawaii products and, to a lesser extent, services. In both of these, the thrust has been participating in the wide variety of annual shows and exhibitions that take place in Taipei, whose audience is the increasingly affluent Taiwan population. This segment of the population has the means to purchase such higher-priced items as macadamia nuts, vodka, coffees, cookies, cooking oils and skin care products. In 2005, 2006, 2007, and again in 2008, "giant" shows and department store promotions attracted thousands of visitors, resulting in numerous opportunities for Hawaii exporters to gain a foothold in the Taiwan market.

Yet another area of importance for the Taipei Office has been maintaining—and increasing—linkages to Taiwan government entities, as a means of paving the way for business and cultural opportunities.

Finally, as noted earlier in this report, the Taipei Office has increasingly been called upon to assist the Beijing Office in developing markets for Hawaii companies in China.

For administrative purposes, the Office reports directly to DBEDT's Investment & Business Analysis Branch (IBAB) which reported to the Business Development & Marketing Division (BDM).

The remainder of this chapter describes the principal activities of the Office in 2008.

Developing and Expanding Linkages

Hawaii is undoubtedly among the leaders in states with strong linkages to Greater China. An important part of the work of the Overseas Offices is to establish strong relationships for future business and cultural development. This has often come in the form of “sister” agreements and Memoranda of Understanding or Agreements of Cooperation. The documents have often resulted in trade missions or exchanges of officials from government or universities, or increased opportunities for Hawaii businesses.

Staff assisted officials from the Nantou County Government in attending the Honolulu Festival from March 14 to 16, 2008. Mr. Chen Zhi-Qing, the Deputy Magistrate, led an 18-person delegation which included five department heads. The group offered eight performances from the Formosan Aboriginal Culture Village—a well-known theme park in Nantou.

On March 26, staff paid a courtesy call on Mr. Charles Tsao Chi Hung, the Magistrate of Pingtung County Government. The County is the largest county in Taiwan for tourism, agriculture and aquaculture, drawing some six million visitors annually. Pingtung has been a Sister of Maui Country since 1982. Executive Director Lei discussed IDG; the Environmental Development Group (EDG); and educational and cultural exchange programs. Magistrate Tsao wished to explore further opportunities Honolulu-based Oceanit’s shore protection and flood alert system, and EDG’s agriculture waste-water pollution control.

In April, staff met with Ms. Li-Chen Kuang, the Magistrate of Taitung County, and American State Office Association members to introduce the Office’s services and discuss opportunities to cooperate in education, travel and business. She expressed interest in visiting Hawaii to see deep sea water development.

Staff coordinated the visit of DBEDT Director Theodore Liu’s and Chief-of-Staff Barry Fukunaga’s visit to Taipei from May 19 to 22. They called on officials from such organizations as the Ministry of Foreign Affairs; the Bureau of Energy; the Taiwan Tourism Bureau; China Airlines and AIT.

On July 24, staff paid a courtesy call on officials of Taipei Country Government to introduce Hawaii’s Environmental Development Group, in addition to opportunities in Hawaii for education and training.



Governor Lingle and DBEDT Director Ted Liu meet with leaders of Academia Sinica and UH Hilo Chancellor Rose Tseng to sign a joint statement which shows the two parties’ interest and intent to cooperate in investing in a new astronomical telescope in Hilo, as well as exchange students.

Staff facilitated Governor Lingle's visit to Taiwan from November 15 to 19. The Governor's schedule included meetings with President Ma Ying-Jeou, the Deputy Minister of the Taiwan Ministry of Foreign Affairs (MOFA), the Deputy Minister of Economic Affairs (MOEA) and the Deputy Director General of the Bureau of Energy; a business round-table lunch hosted by the American Institute of Taiwan (AIT); a dinner with Taiwan Women Leaders; and meetings with representatives of Taiwan Academia Sinica and China Airlines.

Increasing Hawaii's Exports of Goods and Services

The Office has found that utilizing trade shows is an excellent strategy for marketing Hawaii products. The shows tend to be large and well-attended, with numerous buyers' looking for new items—especially for "high-end" consumers. For an article on Taiwan trade shows, please see "Thinking About Selling to Taiwan?" in the May issue of Hawaii Global Links (http://hawaiiiglobalinks.com/index.php?option=com_content&task=view&id=52&Itemid=63).

In January, staff met with Mr. Amigo Wang, the General Manager of Groundmat Taiwan a company that was working with Hawaii's Makai Ocean Engineering for a new turnkey project in Taitung County. Both companies submitted a bid.

Also in January, staff gave a presentation on the Integrated Development Group (IDG) and World Trade Center concepts, for a potential World Trade Center development in Vladivostok, Russia, where the Asia-Pacific Economic Cooperation (APEC) conference will be held in 2012. Russian officials attending represented the Russian Institute of Urban Development and Investment; the Russian APEC Committee; and the Russian Business Development Center in Taiwan.

Staff conducted a market survey for online English learning information in Taiwan for Honolulu-based English Solutions Asia/Pacific, Inc. which promotes technology-assisted language learning. The company offers on-line English learning courses to international students. They asked the Office to assist them in branching out to the Greater China region through identifying a local partner.

Staff assisted Dr. Iou-Zen Chen, Associate Professor at the Department of Horticulture at National Taiwan University to arrange his visit to Hawaii (along with two other Associate Professors and eleven students) to research Hawaiian fruits.

Mr. Manny Chen, the Commercial Specialist at the American Institute in Taiwan (AIT) contacted staff in regard to researching Hawaii products in Taiwan for RT-Mart, one of the largest retail stores in Taiwan.

On February 26, staff attended the Grand Opening of the second Maui Coffee retail shop in Shanghai. Taiwan businessman John Hsieh established a marketing partnership with Maui Coffee in 2001, with the Office's assistance, and then successfully opened up three locations in Taiwan with Maui coffee and Hawaii themes in 2006.

In March, staff assisted Mr. Kevin Kraft, the President of Honolulu-based Tradewinds Global in participating in an exhibit for Hawaii products at the American Café/USA Pavilion at the Taipei International Bakery Show (March 6 to 9). The company promoted Big Island Bees, a natural and organic honey from the Big Island, and Dr. Paulos' Kona Coffee Company, which markets coffee and macadamia nuts. In addition to Tradewinds' products, staff promoted Hawaii Premium Sea Salts, 100% Kona Coffee Bean & Powder, Hawaii Deep Ocean Water and Hawaii Volcanic Water. In addition, Mr. Jason Lee, the President of Ever Shine, Inc. (a graduate of Hawaii Pacific University) leased a booth to promote Hawaii products. For an article on the bakery show, please see "Bakery show coming up in Taiwan!" in the February issue of Hawaii Global Links (www.hawaii.gov/dbedt/global-links/blueline/events.html).



Kevin Kraft (center), President of Tradewinds Global, with Executive Director Alex Lei (L) and Office Manager James Lai.

Big Island Bees' honey on display.

Staff assisted Mr. Duggar Parrish, the owner of a Hawaii-theme store at a famous resort destination in Pingtung County. The store offers 52 different Hawaii products.

Mr. William Martin, the owner of Island X Hawaii, a factory store at the Old Sugar Mill in Waialua, presented samples of Waialua Coffee and Waialua Estate Hawaii Chocolate for display

at the Office. Staff briefed him on marketing and promotional opportunities, and introduced him to officials at the Agriculture Trade Office of AIT.

On April 22, Mr. Thomas W. Matthews, President of Trade West, Inc., visited the Office to discuss the export of Hawaii products to Taiwan. Trade West owns three brands in Hawaii: Forever Florals, Aloha Hawaii Lei and Nani Stuffs, which includes leis, skin products and accessories.

Staff reported that *Food Taipei 2008* (which ended on June 21) was a great success. Nine Hawaii companies participated: Big Island Bees; Deep Seawater; Dr. Paulo's Kona Coffee and Macadamia Nuts; Energy Essences of Kauai; Grandfather's Salt; Hawaii Roasters; Hawaii Eateries; Hibiscus Aloha; Lion's Gate Farms, and Malie Kai. In addition, two Taipei-based companies featured Hawaii products. A Taiwan company placed an order for 30 cases of Big Island Bees' honey. In addition, Three Shine Trading Company--another Taiwan firm—announced its intention to purchase a container of Grandfather's Salt. For an article on Big Island Bees' "success story", please see "Big Island Honey Firm Has 'Sweet Success'" in the July issue of *Hawaii Global Links* (http://hawaiiogloballinks.com/index.php?option=com_content&task=view&id=63&Itemid=65).



Hawaiian entertainment is often used at *Food Taipei* fairs to attract visitors to the DBEDT booth.



Executive Director Lei and Office Manager Lai at *Food Taipei 2008*. The booth featured a variety of Hawaii products.

The SKM Department Store "America Month" began on June 26 and continued through July 20. The store is known as a high-end franchise store and the event featured only U.S. products imported to Taiwan. Two Hawaii product importers--Rainboii International and Grand Volcano International—participated, and displayed more than 30 items. After the event, Rainboii President Jason Lee reported strong sales.

Also in July, staff assisted Ever Shine Company in participating in *2008 Bio Taiwan and Taipei International EnPEC & Water Show*, where the company exhibited Hawaii products and volcanic spring water from the Big Island. There were more than 1,000 exhibitors from six countries.

Staff also assisted Ever Shine in exploring opportunities for importing Hawaii beef to Taiwan.

Staff helped Mr. Gary Doi of Honolulu-based Doigroup Companies in verifying the company background of a pet food company that wished to import containers of dried dog food.

In August, staff met with Mr. H.T. Wang, the Taiwan marketing representative for Koyo USA Corporation, in regard to importing MaHaLo deep sea water into Taiwan.

Also in August, staff provided a tour of four major department stores for Ms. Ann Fan, the owner of Grand Volcano International and Ms. Olivia Lin, a representative of Tradewinds Global, to explore the possibility of importing Hawaii honey products into Taiwan.

Met with the Ms. F. L. Wong, the marketing representative of Dream Mall, the best-known shopping mall in Kaohsiung City to explore the possibility of Hawaii product promotional events in southern Taiwan. Dream Mall is owned by Uni-President Group, one of the largest corporations in Taiwan.

On October 16, former Big Island resident Tim Gillette visited the Office to request staff to support him in developing a Hawaii educational and cultural program to promote Hawaii in Taiwan. His program targets students and young adults. He is currently working with the University in Hawaii and Island Breeze Production Company to organize a special program for Winter and Summer sessions. Staff assisted Mr. Gillette by introducing him to Marketing Garden Director Jemy See, and Ms. Ann Fan, the founder of Lehua's Hula Halau. Staff also invited him to participate and promote his Hawaii program at the Taiwan International Travel Fair (ITF) from October 30 to November 2 at the Taipei World Trade Center. In addition, staff offered him the opportunity to display his program information and brochures at the Office and by posting his program on DBEDT's Chinese language website.

Also in October, staff assisted Ms. Chaoying Bossert, Vice President of Hawaii Pipeline Micro Company, in arranging meetings with the major corporations in Taiwan's consumer electronics industry. Five people from Hawaii, including Ms. Bossert, visited Taipei to attend an *AMD Forum* which ran from October 20 to October 25. Pipeline Micro has invented a cooling system for small mobile devices and consumer electronics. The purpose of her trip to Taiwan was to approach companies in Taiwan's electronics industry to market her technology and partner in large-scale production to bring the costs down on individual devices. Staff arranged for her to meet with Flextronics Corporation, one of the top three electronic manufacturing service (EMS) manufacturers in the world; Wistron Corporation, one of the top three notebook OEM manufacturers; and MiTAC Corporation, a publicly-listed company. Ms. Bossert visited the office on October 24 to report that the meetings were extremely successful and the companies

expressed their interests in partnering with Pipeline Micro. She also noted that Pipeline Micro is seriously considering opening a Taiwan office to strengthen the business relationships.

Ocean Energy Partnership Established

A highlight of the year was the announcement during Governor Lingle's November visit of a partnership between DBEDT, the Bureau of Energy's (BOE) Taiwan Industrial Technology Research Institute (ITRI), and Lockheed Martin Corporation of an Ocean Thermal Energy Conversion (OTEC) plant in Hawaii.

The agreement came after months of facilitation by Taiwan Office staff. On November 5, staff accompanied Dr. Ted Johnson and Ms. Kitty Wang of Lockheed Martin to a meeting with Director General Yeh and to invite his organization to participate in the 10-megawatt project. Deputy Director Yunn-Ming Wang expressed interest and also welcomed Lockheed Martin to participate in a feasibility study for an OTEC project in Taiwan. The next day, Dr. Johnson and Ms. Wang visited the Office to participate in a telephone conversation with DBEDT Director Liu to prepare a joint statement for DBEDT, the BOE and Lockheed Martin which would spell out all parties' interest in working together. On November 18, Governor Lingle signed the joint statement.

As part of the partnership, OTEC will provide clean renewable energy from the off-shore site which will be offshore from the Natural Energy Laboratory of Hawaii Authority at Keahole Point in North Kona. The ocean temperatures and the subsea terrain make the waters surrounding both Taiwan and Hawaii ideal locations for this technology.

According to an article in the November 18 *Honolulu Advertiser*, "This latest agreement with Taiwan complements the Hawaii Clean Energy Initiative, a partnership between the state and the United States Department of Energy, which is designed to move the state away from its dependence on fossil fuels and toward a clean-energy-driven economy that can be a model for other states and regions."



Governor Linda Lingle met with officials from the Taiwan Industrial Technology Research Institute (ITRI) and the Lockheed Martin Corporation in Taipei, Taiwan to announce a new energy partnership to develop a 10 megawatt (MW) Ocean Thermal Energy Conversion (OTEC) pilot plant in Hawai'i.

Promoting New Investment in Hawaii

In February, staff assisted Mr. Davis Peng of the Hsieh Chang Aquaculture Research & Advisory Center with his request for assistance in investing in an aquaculture firm in Hawaii. He told staff that he plans to invest \$2 million to set up a research center in Hawaii which will focus on seed cultivation and the export of seed to the Pacific Region and the U.S. Mainland.

In March, staff assisted Mr. Steve Terada, the Chairman of the Hawaii International Real Estate Council (HIREC), in regard to a joint program between HIREC and DBEDT whereby HIREC would form a committee to provide commercial real estate information to DBEDT, and the Overseas Offices would attract international investment to the state.

In April, staff assisted Ms. Chen Mei-Lin with information concerning investing in real estate and hotel businesses in Hawaii.

In July, staff contacted the Taiwan Bureau of Energy to explore opportunities to develop a corporate program which would share information on new technologies and attract direct foreign investment to Hawaii on new energy and renewable energy development. Taiwan is similar to Hawaii, which is dependent on imported oil for energy, and is urging the development of renewable energy.

In September, staff met with two Taiwan immigration investment companies: Global Wing International and United Immigration Consulting, to discuss possible investments in Hawaii under the EB5 program and the Hawaii Regional Center Authority.

Also in September, a delegation from the Taiwan Bureau of Energy (BOE) of the Ministry of Economic Affairs, headed by Director General Huey-Ching Yeh, visited Hawaii, to attend meetings and participate in a Hawaii Global Links Forum, organized by DBEDT. During the three days in the state, the delegation met with the DBEDT team, Lockheed Martin Company, the Hawaii Natural Energy Institute, Project Better Place, the Hawaii Agricultural Research Center, the UH College of Tropical Agriculture & Human Resources, the Hawaii Department of Agriculture, the Hawaii BioEnergy Company, the First Wind company and the Hawaiian Electric Company. Topics of discussion included the Hawaii Clean Energy Initiative; Ocean Thermal Energy Conversion; renewable energy; grid integration; electric vehicles; biofuels, wind energy, utilities; oil crops and sugarcane programs; algal development as a biofuel feedstock; bioenergy conversion and bioenvironmental projects; research and development; and corporation and investment.



DBEDT Director Liu speaks with Mr. Yeh.

(L to R) Dr. Robert Hu of Taiwan’s Industrial Technology Research Institute, Mr. Yeh, Mr. Liu and Mr. Lei.

A highlight of the BOE visit was when—on September 14--Director Yeh joined DBEDT Director Theodore Liu in signing an Exchange Note for the implementation of cooperative activities in the areas of energy planning and management; renewable energy; energy efficiency and conservation; technology for cleaner energy; enhancement of energy-related commerce and other areas to be agreed on. On September 15, the BOE delegation flew to the Big Island to visit the Natural Energy Laboratory of Hawaii Authority (NELHA) to discuss future cooperation. NELHA Director Ronald Baird welcomed the group, met with the delegates and provided a tour. For an article on the signing of the agreement, please see “Taiwan and Hawaii: Energy Partners” in the October issue of *Hawaii Global Links* (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=72&Itemid=66).

Also in November, staff worked on an opportunity to attract Taiwan telecommunication companies to invest in, and develop, a wireless internet facility and operation in Hawaii which would offer wireless internet access to residents statewide. Executive Director Lei met with Mr. Kun-Yoan Shih and Mr. Guang-Shiung from Chunghwa Telecom and Mr. Tony Do and Ms. Jessamine Li of Far Eastern Telecom—two of the largest Taiwan companies in this field. He presented an update on Hawaii's current situation and why high-speed broadband is needed. The company executive expressed interest in further exploring the opportunity.

Promoting Hawaii's Visitor Industry

In February, Mr. Steven T.T. Chen, the Vice Chairman of the International Chinese Tourism Education Institute, visited the Office to learn more about the tourism development of Hawaii's native people. Staff suggested a visit to Hawaii for members of the Council of Indigenous Peoples and members of the Executive Yuan, or inviting experts from Hawaii for further cultural exchanges.

On March 24, Executive Director Alex Lei was interviewed on Kaohsiung Broadcasting Station's weekly "Economic and Trade Chat Room. Mr. Lee discussed tourism in Hawaii, as well as topics relating to technology and business opportunities.

Staff offered a presentation at the *U.S. Travel and Education Seminar*, hosted by the National Kaohsiung Hospitality College, AIT and the American State Office Association. Close to 200 students attended the event.

On June 20, Executive Director Lei was interviewed by *China Times* reporter Hsieh Jin Fang regarding the successful tourism and business development of Hawaii.

In October, staff worked with Mr. Jemy See, the representative of Hawaii Tourism Asia, to participate in the *2008 Taipei International Travel Fair* in Taipei (October 31 to November 3). The Fair attracted 215,125 visitors—a record high for attendance. Mr. See promoted tourism and opportunities for study in Hawaii.

Promoting Educational Opportunities and Educational Exchanges

Staff worked with the American State Office Association and the See America Committee for the American Education Expo from March 1 to 4 in Taipei, Taichung and Kaohsiung City. Leeward Community College and the University of Hawaii at Manoa participated in the events. Staff displayed brochures' promoting school excursion programs.

In March, staff prepared 2,000 copies of the Study Hawaii brochure in Chinese for use in various educational exhibitions and promotions throughout Taiwan.

On March 18, staff accompanied a delegation of fourteen teachers from Hawaii, sponsored by the Pacific & Asian Affairs Council (PAAC) to various locations in Taiwan. The teachers met with principals and students; observed classes; and received briefings on Taiwan's educational system. Each year PAAC sponsors tours to Asian nations for groups of Hawaii public-school teachers and students. For an article on the teacher's tour to Taiwan and China, please see "Opening Doors to China and Taiwan" in the May issue of *Hawaii Global Links* (http://hawaii.globallinks.com/index.php?option=com_content&task=view&id=55&Itemid=63).



The Hawaii teachers group was greeted by members of the English Club at Songshan High School in Taipei. The students exchanged letters with students from Kapolei High School.

On March 25, staff participated in the *2008 Pingtung American Higher Education & Travel Fair*. Executive Director Lei offered a 20-minuted presentation on educational opportunities in Hawaii. In addition, staff set up a table which displayed various materials on education visitor attractions in Hawaii.

In May, staff assisted the UH Shidler College of Business Administration in coordinating the visit to Hawaii of Ms. Ya Wen Tsai, the Project Manager of the Executive Committee for Industry Cooperation Program of the Ministry of Economic Affairs (MOEA) and her six-member delegation. They participated in a special five-day training program.

On June 26, staff welcomed 21 students from Hawaii public schools. The students interacted with Taiwan students at We-Go High School and visited numerous places throughout Taiwan, including the famous Fo Guang Shan Monastery and Longshan Temple. They received a briefing on Taiwan's economy at AIT and also visited a building materials trade show. The tour was sponsored by PAAC. For an article on the students' visit to Taiwan and China, please see "Hawaii Students Visit Asia!" in the July issue of *Hawaii Global Links* (http://hawaii.globallinks.com/index.php?option=com_content&task=view&id=60&Itemid=65).



The Hawaii student group, in monk's attire, stayed overnight at the famous Fo Guang Shan monastery in Kaohsiung.

Enjoying the night market in Taipei.

In August, staff met with Mr. Tom H.K. Lee, the Chairman of the Overseas Study Association, to introduce the Hawaii educational system and schools to him to promote study in Hawaii. He wished to work with the state on promotional events and invited representatives from the state to attend seminars in Taiwan.

6. STATE OF HAWAII OFFICE IN BEIJING: 2008 ACTIVITIES

Goals and Strategy

The rapid economic development of China during the 1970's and 1980's signaled opportunities for Hawaii businesses. The successes and lessons learned from the Taipei Office paved the way for DBEDT's opening up a second overseas office—in Beijing, on August 1, 2001, which shared space with the Hawaii Visitor & Convention Bureau (HVCB). Not only would this office be able to take advantage of the Sister relationships that the State had formed with Guangdong Province in 1985 and Hainan Province in 1992, it could look forward to China's entering the World Trade Organization in November, 2001, and the substantial economic activity that was expected to develop in preparation for the Beijing Olympic Games in 2008 and the Shanghai World's Fair in 2010.

In addition, as in Taiwan, the development of a large affluent sector and the expansion of the educational system led to a significant increase in the number of parents' wishing to send their children overseas to further their education. Added to the great number of product fairs were education fairs, supported by both the Chinese and U.S. governments, where foreign nations and American states competed for students. The office was positioned to not only participate in these events, but serve as a source of information for mid-career professionals and students' wishing to study in Hawaii.

Further, the break-neck speed at which China's economy plunged ahead during the 1990's was often accompanied by enormous amounts of industrial pollution. This signaled yet another area where Hawaii businesses—environmental businesses--might want to offer their services.

Working Together

The Taipei Office and the Beijing Office often work together as a team to benefit both Taiwan and China. For example, in 2002, both offices played a key role in coordinating the participation of Hawaii's "Sister" cities, counties and provinces in Taiwan and China at *Sister Summit 2002*. *The Summit*, which was held in July, invited the State's sisters from throughout the world to Honolulu to discuss opportunities for business partnerships. In 2006, the two Offices worked closely together to present two investment seminars in Guangzhou and Beijing. And in 2007, the two Executive Directors presented a seminar in Honolulu on business and education opportunities in Taiwan and China. The two Directors regularly participate in conference calls hosted by the Honolulu office, where they discuss business strategies and mutual assistance.

The remainder of this chapter describes the activities of the Beijing Office in 2008.

Developing and Expanding Linkages

In August, staff met with Mr. Ian Chu, President of the Hong Kong Hula Association, with his plans to promote Hawaiian hula in Hong Kong, as well as spread the teaching of hula to

Mainland China. He is also interested in promoting Hawaii short-term educational programs for Hong Kong high school students.

Increasing Hawaii's Exports of Goods and Services

In January, staff facilitated a meeting between Mr. George Berean of Hawaii-based Wimberly Allison Tong & Goo (WATG), representing IDG, and Mr. Chen Jun, the Vice Chariman of China Sigma Corporation, to discuss new resort projects in Haitung Bay in Hainan Province. WATG will be invited to design a project that would include both the Marriott and Starwood Corporations.

In February, staff facilitated the final documentation for the Harbin World Trade Center formal approval by Heilongjiang Governor Li Zhang Shu.

Staff assisted Mr. Ron Parkhurst of Hanalei Nurseries in setting up a joint-venture company with a Shanghai plastic production company.

In February, staff continued to assist Mr. Jim Cavanah of Cavanah Associates in establishing his Extended Car Warranty business in Beijing. Staff helped him contact the Beijing Auto Association to invite car dealers to an introductory presentation on March 12.

Also in February, staff received an inquiry for the renovation of the Harbin International Hotel and passed this along to Wimberly Allison Tong & Goo.

In March, staff assisted Mr. Manabu Tagamori and Mr. Travis Hilton of Honolulu-based Oceanit to discuss their plans for entering the China market. Staff looked for Chinese partners for the company.

In April, staff met with Mr. Hubert Chan, the Director of Hawaii Everlasting Energy, and Mr. Sun Shangbin, the China Director, to discuss possibilities for helping their company set up contacts in China. Their technology is an alternative energy producer, which they plan to test in Hawaii, and then expand to China.

Staff provided Mr. Daniel Ward, President and CEO of Hawaii Chariot Wheelchair Motorbikes, with information regarding starting a business in China.

In July, staff assisted Ms. Dawn Kaniaupio, a Hawaii-based TV producer, who planned to cvome to the Beijing Olympics to film a story on Hawaii swimmer Daniel Kailikoa Coakley. For an article on Hawaii athletes at the Olympic Games, please see "Hawaii Olympians Make State Proud" in the October issue of *Hawaii Global Links* (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=73&Itemid=66).

In August, staff arranged a meeting for Ms. Dora Wu of Hawaii-based Pan Pacific Enterprises Group, Inc. with Mr. Fan Bo to discuss opportunities for sales and distribution of Simple Green cleaning products to the Beijing International Airport.

Also in August, staff assisted Hawaii businessman John-Heizer Enos with his plans to ship electrical cars manufactured in Tianjin directly to Hawaii.

In October, staff met with Ms. Becky Fernandez of Island Breeze Productions on the Big Island for possible China tours. The Polynesian culture performance company was interested in performing in China and sought opportunities to join Hawaii promotional events.

Also in October, staff worked with Mr. Paul Yu, the President of Kalakaua 1723, to promote investment in Hawaii. Staff has found six Chinese investors for Mr. Yu's multi-use condominium on Kalakaua Avenue. Each investor will inject \$1 million into the project.

Promoting Hawaii's Visitor Industry

Executive Director Bo Wu was interviewed by two tourism magazines, *Great Travel Magazine* and *Bang Magazine* regarding the promotion of Hawaii's tourism industry and the U.S. China Approved Destination Status Agreement. For a story on the historic agreement, please see "Tourism Agreement Could Produce Great Benefits for Hawaii" in the February issue of *Hawaii Global Links* (www.hawaii.gov/dbedt/global-links/blueline/index.html), "Chinese Group Leisure Travel to the United States to Begin in June, 2008" in the May issue (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=55&Itemid=63), and "First Chinese Group Tour Visits Hawaii" in the July issue (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=67&Itemid=65).



Promoting Hawaii tourism in China.

In February, Executive Director Bo Wu spoke at a luncheon hosted by the US Embassy in Beijing on possible cooperation with the Embassy and the Foreign Commercial Service (FCS)

for full application of the 2007 ground-breaking tourism initiatives, as well as foreign direct investment initiatives impacting Hawaii. FCS also invited Mr. Wu to a round-table discussion with other state representatives for a workable agenda for the new initiatives. For an article on Hawaii's new FCS Director, please see "New Commercial Service Director Looking Forward to Challenges" in the October issue of *Hawaii Global Links* (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=75&Itemid=66).

Staff facilitated the inaugural group of Chinese tourists which arrived in on June 24. The group was led by Madame Gu Xiaoyuan, the Vice Chairwoman of the Beijing Tourism Administration. The delegation consisted of 160 people.

In June, Executive Director Bo Wu was interviewed by *Beijing Youth Daily* regarding Hawaii's readiness to welcome Chinese tourists.

Also in June, staff assisted a group of 65 Chinese tourists, organized by Maple Leaf Travel, a Canadian travel company, with routing and attractions in Hawaii.

In July, staff assisted *Global Hotel Magazine* in including Hawaii hotel listings in their publication.

In November, staff worked on arrangements for Governor Lingle's visit to China, from November 19 to 22. The purpose of the visit was to encourage Chinese tourists to visit Hawaii. The Governor's itinerary included participation at the China International Travel Mart (CITM); media interviews; a meeting with Mr. Shao Qiwei, the Chairman of the China National Tourism Agency; and a meeting with representatives for One China Airways.

Promoting Educational Opportunities and Educational Exchanges

There are currently 5,645 international students studying in Hawaii, with most from Japan. Among the 241,791 foreign students in the U.S. in the 2006-07 school year, China was in the top four nations, showing an increase of 25.3% over the previous year. For an article on the importance of the international education industry to Hawaii's economy, please see "International Education: Big Business in Hawaii" in the February issue of Hawaii Global Links (www.hawaii.gov/dbedt/global-links/blueline/intl-education.html) and "Attracting Chinese Students to Hawaii" in the May issue (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=56&Itemid=63) and "Visa Assistance Will Bring More Chinese Students to Hawaii" in the July issue (http://hawaiiigloballinks.com/index.php?option=com_content&task=view&id=61&Itemid=65).

In January, staff facilitated the drafting of a Memorandum of Understanding between the Hong Kong World Trade Center Association and the China National Foreign Experts Bureau regarding the training of ten tourism officials each from Yunnan, Guizhou and Sichuan Provinces at

Hawaii travel industry management schools. The training would be for three to six months, effective from 2008 through 2010.

Also in January, staff assisted Ms. Montine Hansl of the China/Us Environmental Education Project in providing her with contacts that can help recruit students in Hong Kong for her program. She is working with the Asia Foundation in Hong Kong to establish a China/US Environmental project in the Pearl River Delta. Chinese students would be sent to Hawaii and, following this, Hawaii students would be given the opportunity to study in China.

Staff drafted an MOU between the State of Hawaii Department of Education and the Guangdong Province Board of Education to establish relationships, promote student/teacher/administrator exchanges, and develop training opportunities between the two parties.

Also in January, staff met with the Beijing Municipal UNESCO Clubs Association to discuss future collaboration with the State of Hawaii. Future activities could include visits by Chinese students to Hawaii; short-term training opportunities in the state; and the possibility of Hawaii students' visiting China.

Staff assisted Ms. Judy Christensen, Assistant Director for Executive Programs at Shidler College of Business, in locating schools or organizations in China that are willing to support a U.S. Department of State Bureau of Education & Cultural Affairs *International Sports Programming Initiative* grant. For an article on Chinese business executives at Shidler, please check www.hawaii.gov/dbedt/global-links/blueline/shidler.html in the February issue of *Hawaii Global Links*.

Staff met with Mr. Frank Mok, the US-China Education Resources Coordinator at the Institute of International Education (IIE) to discuss upcoming IIE Fairs and how the IIE can help to promote Hawaii educational opportunities in China.

In February, staff facilitated discussion of an MOU between the State Department of Education and the Guangdong Provincial Government Education Committee for future sister-school relationships, cooperation and exchange.

In February, staff met with Madame Wang Zhaosui, the Vice President of Chinese POLY Property Company, and Ms. Gao Hongmei, the General Manager of Shanghai POLY Property Hotel Management Company, on initiatives for acquiring training services in Hawaii, including hotel management.

In March, staff assisted a group of 14 Hawaii public school teachers in setting up their itinerary in China. The delegation was sponsored by the Pacific and Asian Affairs Council.



Gabrielle Finn, a Windward District resource teacher with a student from the Beijing Foreign Language University’s attached elementary school.

Iva Tiave of Farrington High School visits the Beijing Practical Skills Training Center for Rural Women.

In March, staff represented the Study Hawaii Group, a consortium of more than 15 educational institutions located in Hawaii, in two well-known Spring educational recruitment fairs in China. The larger fairs, which incorporated hundreds of international educational institutions, were the China International Education Exhibition Tours (CIEET). They took place from March 1-2 in Beijing and from March 15-16 in Guangzhou. The smaller fairs, which were focused on recruitment for American educational institutions, were organized by the Institute of International Education (IIE). They were held on March 9 in Shenyang and on March 13 in Chengdu. At the Beijing fair, staff reported speaking to approximately 1,500 students and parents.



Beijing staffer Niki Shishido waits to greet students and parents at an educational fair in Guangzhou.

The CIEET Fair in Guangzhou featured colleges and universities from around the world.

Staff assisted Ms. Trinh Nguyen, the Director of the Freeman Foundation Scholarship Program at PAAC to discuss possible internship placements for the eleven Hawaii students that will arrive in Summer, 2008.

In March, staff introduced Mr. Devin Ehrig of Hawaii's AM Partners to the School of Management at Zhongshan University in Guangzhou. Mr. Ehrig wished to create a "Hawaii Culture Week" at Zhongshan for staff and students in the USIMBA and CIMBA programs.

Also in March, staff met with Mr. He Zheng, the General Manager of Global Hongxing Chinese Language Culture Dissemination Company, to discuss possibilities of working with Hawaii colleges and universities. His company would bring his Chinese staff to Hawaii for training and possible internships.

In May, staff assisted Dr. Jay Maddock, the Director of Public Health Sciences at the UH School of Medicine; Dr. Yuanan Lu, Associate Researcher at the UH Pacific Biosciences Research Center; and Dr. Gary Ostrander, the UH Vice Chancellor for Research in the visit to Shanghai and Wuhan to finalize and sign agreements with various universities, including Fudan and Wuhan Universities. They planned to invite Chinese researchers to the Manoa campus for a summer study program.

Also in May, staff participated in the Hawaii Educational Exchange Consortium to brief members about the Global Hongxing Chinese Language & Culture Dissemination initiative. A program was proposed that would enable Chinese teachers to teach for three months at Hawaii schools—most likely community colleges.

Staff met with Dr. Diane Perushek, International Liaison at UH Manoa, to discuss future collaboration with certain Confucius Institute programs, including one that would enable Chinese teachers to teach Chinese language in Hawaii for two years.

Staff assisted a group of 21 Hawaii public-school students and their teacher escorts in their visit to various locations in China, from June 16 to 21. The group took Chinese lessons at Huiwen Middle School; visited a school for the training of rural Chinese women; visited Beijing's tourist attractions; and had meetings and briefings by the US Embassy, Reuters News Agency and the Beijing Organizing Committee for the Olympic Games. PAAC organized the visit. For an article on the students' visit to China and Taiwan, please see "Hawaii Students Visit Asia!" in the July issue of *Hawaii Global Links*

(http://hawaiigloballinks.com/index.php?option=com_content&task=view&id=60&Itemid=65).



Hawaii students and chaperones at Tien Anh Minh Square. The Office assisted with scheduling activities in China. Visiting the Great Wall.

Staff also assisted the PAAC Freeman Scholar Program students, studying Chinese at the Beijing Foreign Studies University, with visa problems. The group's visas were set to expire on August 2, which would not have allowed them to participate in an internship program that staff had helped to facilitate.

In July, staff met with Mr. Kenny Thomasian of World Link Enterprises, a Hawaii company that is trying to market the University of Hawaii/Hilo's "Adventure" program in China. The program includes a 10-day study tour in Hilo where students would study English, as well as tour the Big Island.

Also in July, staff helped Ms. Carol Hoshiko, the Dean of Culinary Arts at Kapiolani Community College in her request to set up meetings with the China Ministry of Education and Foreign Experts Bureau to discuss the possibility of having KCC listed as a training provider for the overseas training of government officials.

Staff met with Dr. Tung Bui of the UH Shidler College of Business to bring MBA students from a university in Harbin to the UH campus.

Staff also met with Dr. Li Wenliang, Director of Foreign Affairs at the Counsellors' Office of the State Council to send a group of 21 members to Hawaii for training in the field of Art and Culture Management.

At the end of July, staff assisted State Representative Ryan Yamane with his trip to Hong Kong where he would attend a conference on public affairs in the Asian region. He asked staff to set up business meetings that could improve Hawaii's presence in Hong Kong, support the state in both tourism and business and attract and sustain Asian companies in Hawaii.

In August, staff met with Ms. Huirong Shen, the General Manager of Beijing High-Wing International Travel, Ltd., who wished to receive Hawaii travel information for high-end, well-travelled Chinese tourists. The information would focus on golf, apartment rentals, water sports, et al. The first group would visit Hawaii at the end of the year.

Also in August, staff were successful in helping to obtain visas for 19 members from the Harbin Institute of Technology who will be studying at the UH Shidler College of Business.

Staff assisted Mr. Tim Slaughter, the UH/Manoa Outreach College Arts Division representative, to bring 15 officials from the Counselors' Offices of the China State Council to train at UH for three days in October, 2008.

Staff also assisted Guangdong Province Lieutenant Governor Wan Qingliang in his visit to Hawaii in December to sign an MOU with the State Department of Education, DBEDT and the Guangdong Provincial Foreign Affairs Office.

In September, staff assisted DBEDT's Anne Smoke, the Event Organizer of the U.S.-Green China Business Exchange, with meetings with the China Society of Science and Technology and the China Wind Energy Equipment Association.

Also in September, the UH Shidler College of Business asked staff to facilitate the Qinghua University CEO Club's travel to Hawaii this year. The group had a total of 34 people.

In October, staff facilitated training arrangements for a group from the Zhejiang Provincial Tourism Bureau who wished to visit Hawaii in January, 2009.

Also in October, staff assisted Mr. Eddie Lam—a UH alumnus—in promoting UH at the Institute of International Education (IIE) fair in Beijing. Approximately 50 schools participated, with approximately 1,200 students' and parents' attending.

On October XXXX, staff accompanied Ms. Elizabeth Turner-Fox, the organizer of the U.S.-China Green Business Exchange, to the first meeting of the U.S.-China Environmental Industries Foru, organized by the U.S. Department of Commerce and Foreign Commercial Service in Beijing. Approximately 150 members from environmental industry companies, government bodies and media attended the event.

Also in October, staff assisted the Beijing Water Authority with their plans to train for 15 days at UH and leave another five days for site visits.

Staff met with representatives from the China Council for the Promotion of International Trade (CCPIT) to discuss promoting the East-West Center's Asia-Pacific Leadership Program to their staff.

Staff helped the Tianjin University of Finance and Economic's women's basketball team in obtaining visas for their participation in the 7th Annual Asia-Pacific Invitational Basketball Classic at Brigham Young University/Hawaii (BYUH) Campus from November 7 to 8.

In November, staff met with Mr. David Hao, the Assistant General Manager of China Youth Travel Service Company to discuss a 500-person group from Taikung Insurance Group that would visit Hawaii in April, 2009. Taikung is one of China's leading life insurance companies, with 120,000 corporate agents. The company holds an annual "Century Grand Ceremony" at high-end venues around the world, and wanted to hold the 2009 event in Hawaii.

Also in November, staff coordinated with Mr. Victor Tan of the U.S.-China Consulting Group to send students to the BYUH Winter English as a Second Language camp for the January 19-25 session.

Attracting New Investment to Hawaii

In January, staff coordinated a meeting between four Shandong investors and Dr. Rosita Chang, the Director of the Confucius Institute at the University of Hawaii to discuss how her institute was established. The investors wished to visit Hawaii in late February.

On January 27, staff assisted in the signing of an MOU which details cooperation between Ms. Annie Wu's World Trade Professional Education Institute and Kapiolani Community College to organize a culinary training center project. The MOU includes a training component, whereby Ms. Wu's institute would send students to KCC to study food safety, preparation, cost control and other topics.

In March, staff met with Mr. and Mrs. Jon Yamaguchi of REMM Pacific, a real estate services company in Hawaii, to plan organizing golf tours to Hawaii from China.

In April, staff contacted foreign investment agents in China for Maluaka Residence & Club at Makena, Maui. Maluaka wished to utilize the EB5 program to acquire \$6 million.

In June, staff worked with the US Foreign Commercial Service (FSC) in Beijing to help promote the *2008 Asia-Pacific Homeland Security Summit*, to be held in Hawaii from October 8 to 10.

In July, staff assisted Ms. Zhao Jing of Vango Tour China who created a proposal to bring Chinese honeymooners to Hawaii. The plan was to bring 25-30 newly-weds to the state for a week.

In August, staff arranged a meeting for Dr. Rosita Chang, the Director of the UH Center for Chinese Studies and Dr. Raymond Yeh, the former Dean of the UH School of Architecture, with Mr. Ji Shanrong, a Shandong investor relating to purchasing a piece of land near the UH Manoa campus for construction of the Confucius Institute.

7. CONTACT INFORMATION



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