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Bay Area Council setting up shop in Shanghai

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If you're looking to do business in Shanghai, the **Bay Area Council** will soon be on the ground there to help.

The council, the 275-member business and public policy organization, is set to open a permanent office there as soon as April. The "core purpose" is to help small- and medium-size Bay Area businesses set up in the Shanghai region, as well as attracting Chinese businesses and investment here, said CEO **Jim Wunderman**, who made the announcement at a breakfast gathering of Bay Area executives Wednesday.

The office will be in Shanghai's high-tech zone, known as Knowledge Innovation Community, in the city's Yangpu district. Redwood City's **Oracle Corp.** already has a presence there, as does **Silicon Valley Bank**, which recently received \$50 million in local government funds to manage and invest in local companies, and is looking "toward having a full banking platform" in China's financial center, said spokeswoman **Carrie Merritt**.

"I've told all our clients in the Bay Area, 'You must be in China in the next 10-15 years, given the changes that are taking place,' " said **Mark Edmunds** of **Deloitte LLP** in San Francisco. Deloitte, which has 8,000 employees in China, is looking to open an office in KIC, he said.

The office opening "is a game-changer for Bay Area businesses looking to enter Shanghai," said **Leland "Skip" Whitney**, executive VP at San Francisco commercial real estate firm **GVA Kidder Mathews**, who, along with Edmunds, was instrumental in putting the deal together. "We've created a concierge there to facilitate it."

Interfering factors?: Any thoughts at the breakfast on the current tensions between the United States and China? "These differences will continue for a long time, especially on the three T's: trade, Taiwan and Tibet," said **Vincent Lo**, one of China's biggest developers, who gave the keynote address at the gathering.

Lo's **Shui On Group** developed KIC, and Lo, an influential figure in Shanghai, has long worked with both the Bay Area Council and **ChinaSF** to develop business ties between the two metropolises. Lo doesn't think tensions will escalate significantly. "Both sides will realize they have to work together," he said. "And the best way to do that is through the business side."

Asked the same question, and noting **Google Inc.** in the crosshairs, Wunderman said concerns about cybersecurity issues are well taken, "and Chinese companies should be worried about it, too," he said. The council hasn't taken a public position on the Google affair, and Wunderman said "we don't want to be hamstrung" by the broader differences between the two nations. "Our model is continued engagement," he said.

Snowed under: Hamstrung might be a good way to describe the council's recent trip to Washington.

Transportation funding for the Bay Area was at the top of its agenda, but, in the wake of the political turnabouts there, "everybody just didn't know what money might be available," said **Michael Covarrubias**, CEO of San Francisco urban developer **TMG Partners**, who sat in on meetings at the White House, with federal department heads and Bay Area lawmakers.

Regard for the Bay Area remained strong, he said, but the political situation was most certainly distracting. "Committed but confused," said one delegation member.

Snowed under (2): As GOP rising star, Wisconsin Rep. **Paul Ryan**, the ranking Republican on the House Budget Committee, was being interviewed on **MSNBC** Wednesday morning, two headlines flashed consecutively across the bottom of the screen.

First: "**President Obama** backs part of Rep. Ryan's budget plan." Followed by: "GOP leaders backing away from Rep. Ryan's budget plan."



Wisconsin Rep. Paul Ryan's budget plan gets mixed reviews.