

## The Ox Power Keeps Us Going

Happy Chinese New Year of the Metal Ox!

While different parts of the world are still fighting the Coronavirus pandemic, life goes on and people are working hard to keep things going.

Chicago stays on top in a couple of the 2020 business-ranking reports. *Pitchbook* ranked Chicago #1 in the U.S. in tech investor ROI, a title the city held since 2016.

Cross-border U.S.-China activities continue to flourish – University of Chicago celebrated in January its Beijing Center’s 10th anniversary, and Universal Studios Beijing is scheduled to open its Park in May. The Third China International Import Expo was held Nov 2020 in Shanghai with huge success.

The ox is a hardworking, positive, and honest animal. Our ox effort will shine in 2021.

*Anita Tang, Managing Director*



*Photo by Eric Prouzet on Unsplash*

## Pandemic Slows China's Deal-Making While Gaining High-Level Foreign M&A

Baker McKenzie’s seventh annual survey of China’s deal-making, released this month, reveals that “completed Chinese outbound M&A fell globally to US\$29 billion in 2020.”

However, “foreign M&A into China rebounded strongly in second half 2020 and reached full-year levels similar to 2019.”

The Chicago-based, multi-national law firm’s survey, conducted in partnership with Rhodium Group, found China’s outbound M&A was down “almost half from US\$53 billion in 2019 and a record high of US\$139 billion in 2017.”

The pandemic “so far has not triggered a buying spree of distressed assets but further slowed the pace of outbound acquisitions by Chinese companies in 2020.”

That said, the survey revealed that Chinese FDI in Europe fell 44 percent to US\$7.5 billion but rose to more than a third in North America to US\$7.7 billion.

California, Ontario, Delaware, North Carolina, and Massachusetts were the North American regions seeing the most Chinese investment. Entertainment, health, and biotech were the top sectors.

China’s relatively early and rapid recovery from the impact of Covid-19 has made it an attractive target for foreign investors looking for near and intermediate-term economic growth, the survey concluded.

“We think 2020 is likely the low point for Chinese outbound investment if political and macroeconomic headwinds moderate,” said Michael DeFranco, global head of M&A at Baker McKenzie.

“The commercial incentives for Chinese companies to invest in European and North American markets remain strong and several variables – including high sustained levels of investment by Western companies into China – are moving in a direction that is supportive of great deal-making in both directions in 2021.”



## Chicago Leads In Business Rankings

Chicago Mayor Lori Lightfoot was joined with leaders of some of the City's crucial businesses in acknowledging the December 2020 announcements that Chicago had been ranked first in vital business activities.

In one report, from venture capital database *Pitchbook*, Chicago was again ranked the country's best city for venture capital investor returns.

In another report – of *fDi* intelligence, a service of *Financial Times*, Chicago ranks #1 in North America for Transport and Warehousing cities of the future 2020/21. The City's marketing partner, World Business Chicago, was awarded first place globally in *fDi*'s Transport and Warehousing Locations for FDI strategy in extending this current rankings and award.

*fDi* wrote “The City holds one of the most important ports in the U.S., in addition to two international airports,

making it a key transportation hub in the U.S.”

*Pitchbook* on December 10, 2020, announced that Chicago again leads the U.S. in tech investor ROI. It is a designation Chicago first earned in 2016 and has held onto in years since.

The *Pitchbook* report also found that despite the economic uncertainty caused by the coronavirus, Chicago startups have raised US\$1.6 billion in venture funding through the end of September 2020, which puts the City close to approaching its decade high 2019 VC funding of US\$2.2 billion with a quarter to go.

The report comes on the heels of Chicago's new startup database that aims to help connect investors to some of the City's promising startups that are looking to raise funding. Called *Startup Chicago*, the database has more than 100 startups that are preparing to raise their next round of funding in 2021.

## Chicago Fosters Startup For Students

Chicago Startup Week will focus virtually on helping students from throughout the nation connect with the City's entrepreneurial community for networking and learning.

“Chicago is home to one of the most vibrant and fastest-growing tech scenes in the world, and Chicago Startup Week will serve to inspire our best and brightest students to take part in our global startup hub,” said Samir Mayekar, Deputy Mayor, Economic Development & Neighborhoods.

Over five days, March 15-19, Chicago Startup Week will include events such as customer discovery, IP strategy, and women-in-entrepreneurship, surrounding topics such as entrepreneurial behavior.

Each day will be themed to bring cohesion to the programs. These include things like MythBusters Monday where

all the events will be either proving or disproving a common myth about entrepreneurship. Other programs will span the week to include a Pitch Competition, Startup Symposium, and mentorship program.

“Chicago Startup Week is a five-day celebration of our local community,” said Neal Sales-Griffin, Managing Director of Techstars Chicago, and local serial tech entrepreneur. “We're calling all students to join our community in a new type of conference that builds momentum and opportunity around entrepreneurship, led by an all student organizing committee. CSW 2021 is a reflection of Chicago's diverse and unique entrepreneurial identity.”

Chicago Startup Week is free and open to the public. Register via <https://chicagostartupweek.com>.

## University Of Chicago Celebrates Beijing Center

The University of Chicago celebrates the 10<sup>th</sup> anniversary of its Center in Beijing January 29.

The Center in Haidian District provides a physical presence to strengthen the University's traditionally strong ties to Chinese thought and culture.

Building upon more than a century of collaboration between scholars from Chicago and China, the Center in Beijing enables the University to expand existing activities and form new alliances and

partnerships with universities, businesses, medical centers, policy groups, government agencies, and cultural organizations in China.

The Center is open for student study use by appointment 10 a.m. to 6 p.m. Monday to Friday and all registered students are eligible for individual or group study purposes. For information, email Adrian Aldana, Program Coordinator, [aaldana@uchicago.edu](mailto:aaldana@uchicago.edu).

## Free Trade Zones Test New Policies

China has announced new pilot free trade zones in Beijing, Hunan, and Anhui, expands the Zhejiang zone, raising to 21 the number of such zones.

According to *China Briefing*, Beijing will focus on financial services opening-up and service trade innovation; Hunan will concentrate on biomedicine,

agritech, and e-commerce; Anhui will focus on high-end technologies, such as integrated circuits, artificial intelligence, smart cars and appliances. Zhejiang will provide smart logistics and e-commerce development to create an international trading hub.

## Shanghai Expo A Great Success

Some 2,600 masked traders took part in the third China International Import Expo held in Shanghai November 5-10, 2020, accruing US\$72.62 billion worth of tentative deals, an increase of 2.1 percent over 2019.

More than 50 Fortune Global 500 companies and leading enterprises, including Michelin, Abbott, Nike, ICONA and Uniqlo, were first time exhibitors and hundreds of new products, technologies and services were introduced to the Chinese market, more than half of which made their world debut, according to *Xinhua* news service.

“Aiming to turn the market into ‘a market for the world, a market shared by all, and a market accessible to all,’ Chinese President Xi Jinping has said

that the CIIE acts as a major platform for international procurement, investment promotion, cultural exchange and open cooperation.”

The Expo was attended by 674 exhibitors and 1,351 buyers.

“What attracted them is not only China's booming market and great potential,” noted *Xinhua*, “but also the power of trade itself. As the Covid-19 pandemic is raging across the world and crippling the global economy, face-to-face trading like what happens at the CIIE also means boosting people's confidence and pooling efforts for a post-pandemic recovery.”

10<sup>th</sup>

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Photo by Mikhail Nilov from Pexels



# Universal Studios Beijing And Resort Open In Spring, Expect 10 Million Tourists

The Universal Studios Beijing, a US\$3.3 billion theme park, is scheduled to open in Tongzhou District, in May 2021, as part of Universal Beijing Resort.

The Park will become the fifth Universal Studios-branded theme park in the world – others are at Hollywood; Orlando; Singapore; Osaka, Japan – and is expected to attract more than 10 million visitors a year.

Universal Studios Beijing will feature attractions themed primarily to Universal-owned movies, TV shows, animation and music, as well as licensed properties from other show-business companies such as Warner Brothers.

**All told**, the resort and theme park will spread over some 1,000 acres and include the Universal CityWalk retail/dining/ entertainment zone and two hotels with 37 recreational facilities and themed attractions, 80 restaurants and 30 shops.

Themed zones include “Kung Fu Panda Land of Awesomeness,” a multi-media indoor boat ride; “Transformers: Metrobase,” featuring a clone of Incredible Hulk Center at Universal’s Islands of Adventure;

“Jurassic World,” an all-new motion base ride, featuring Tyrannosaurus Rex; “Hollywood Boulevard,” featuring “Lights, Camera, Action!” film-making; “The Wizarding World of Harry Potter,” with Flight of the Hippogriff; “Minion Land,” with Despicable Me Minion Mayhem; “WaterWorld” stunt show.

**A description** of Jurassic Flyers: “Guests will hop aboard a high-tech glider and soar far above Jurassic World Isla Nublar for a Pteranodon’s eye-view of the spectacular prehistoric world below.”

“We and our local partners, including Beijing Tourism Group, are creating one of the most magnificent theme park destinations ever built,” said Tom Mehrmann, president and general manager of Universal Beijing Resort.

The resort and theme park is owned by Beijing Shouhuan Cultural Tourism Investment Co. Ltd., a consortium of four state-owned companies, and Universal Parks and Resorts.

See “Universal Studios Beijing Teaser Video Open in Spring” on YouTube.com.



*“The Park is the fruit of  
co-creation, merging  
Universal’s decades of  
global theme park  
experience with our  
partner’s deep insights  
on China.”*



**ROYAL ROOTS**

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