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How (and Why) to do Business With China

by Daniel Tsang

As trade between the United States and the People's Republic of China begins to flow beneath the uplifted bamboo curtain, American businessmen face a rickshaw - full of challenges and opportunities. In this article, China-watcher Daniel Tsang puts Nixon's recent trade-with-China relaxation into realistic perspective; examines Chinese policies that could work for - or against - freer trade; analyzes the thinking of American businessmen toward trade with China, and offers some useful procedural guidelines for capitalizing on the no-longer-sleeping giant potential of the Chinese market.

"We will not be able to supply so much maotai." - Chou En-lai, commenting on the import market in the U.S. for the clear, 160-proof sorghum liquor.¹

The first shipment of foodstuffs from China in 21 years arrived in San Francisco this year to herald the end of the American trade embargo with the People's Republic of China. But officials of the Food and Drug Administration impounded the 11,359-lb shipment, for carrying allegedly misleading advertising on its labels. For example, a tin

of vegetable soup read: "for strengthening the stomach and expelling rheumatism;" Chrysanthemum tea was labeled: "a sedative, eye brightener, liver soother, anti-inflammatory and heart reliever to human health," and sugar-cane tea was for "refreshing and soothing the lungs." An FDA investigator said all the misleading labels must be removed before the shipment could be released.²

On April 14, 1971, President Nixon announced the following measures to facilitate freer trade between the U.S. and Red China:

- U.S. currency controls would be relaxed to permit the use of dollars by the People's Republic of China;
- restrictions would be ended on

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¹ Quoted in despatch from New York Times Service, in *South China Morning Post* (Hongkong), June 24, 1971.

² *Sing Tao Wan Pao* (Hongkong), July 10, 1971, and *South China Morning Post*, July 14, 1971.

American oil companies providing fuel to ships or aircraft proceeding to and from China, except on Chinese-owned or Chinese chartered carriers to and from North Vietnam, North Korea or Cuba;

- U.S. vessels or aircraft could carry Chinese cargoes between non-Chinese ports and U.S.-owned flag carriers could call at Chinese ports;

- the U.S. would expedite visas for visitors or groups of visitors from China to the U.S.³

These financial and commercial controls relaxations became effective May 7, implemented by the Departments of Treasury, Commerce and Transportation.⁴

Then on June 10, Mr. Nixon announced the end of the trade embargo with China. A large list of non-strategic U.S. products could now be freely sold to China under open general license, without the need to obtain prior Department of Commerce permission for each specific transaction.⁵

³ For text, see U.S. Information Service (Hongkong): *Documentation*, April 15, 1971.

⁴ For texts, see U.S. Information Service: *Documentation*, May 8, 1971.

⁵ For text, see U.S. Information Service: *Documentation*, June 11, 1971. The list of commodities is published in Export Control Bulletin Number 46, a supplement to *Export Control Regulations*. The Bulletin is available for 40 cents from any U.S. Department of Commerce Field Office; or by mail from the Department of Commerce, Sales and Distribution Branch, Room 2119, Washington, D.C., 20230, or in person from the NTIS Sales Desk, Room 1043; or free from the Commercial Unit, U.S. Consulate General, Hongkong.

The commodities are listed by the Export Control Commodity Number and Commodity Description. If there is any question on a particular item, you may wish to refer to the *Export Control Regulations* and the 1971 edition of Schedule B numbers available in any Department of Commerce Field Office, or in the Commercial Unit, U.S. Consulate General, Hongkong.

Effective June 11, such goods could be legally exported to China, including most farm, fish and forestry products; tobacco; fertilizers; coal and selected chemicals; rubber; textiles; certain metals; agricultural, industrial and office equipment; household appliances; electrical apparatus in general industrial or commercial use; certain electronic and communications equipment; certain automotive equipment; and consumer goods.

Still banned were locomotives, petroleum products, navigational equipment, and machinery for welding large pipes, even though these may be sold to Russia.⁶ These and other restricted items, such as civilian jet aircraft, could only be sold under special license, with applications considered on a case-by-case basis and reviewed "on their merits." An official stated, "We will be able to add more and more items to the general list as we develop more experience."⁷

Mr. Nixon also announced the end of the need to obtain Department of Commerce permission for the export of wheat, flour and other grains to China, East Europe and the Soviet Union, suspending the 50 per cent U.S. shipping requirement for these items.

Chinese Exports Not "Most Favored"

Under this new arrangement, the Chinese can now export anything they like to the U.S., although such exports will be subject to tariff rates - based

⁶ Michael Malloy, "Wooing the Pink Lady", *Far Eastern Economic Review*, July 3, 1971, p. 20.

⁷ Ambassador Winthrop G. Brown, White House Press Conference, June 10, 1971, in U.S. Information Service: *Background*, June 11, 1971, p.4.

on 1930 rates – which are generally higher than those applicable to Hong Kong or other countries enjoying “Most Favored Nation” treatment by the U.S. In addition, they will be subject to the normal conditions governing U.S. imports from all sources, such as cotton textiles controls, anti-dumping and countervailing duty legislation, and federal advertising laws.

To assess the reaction among American businessmen in Hong Kong to the end of the embargo, the author talked with Mr. Monroe E. Aderhold, Deputy Chief, Regional, of the Commercial Unit, U.S. Consulate General, Hong Kong. Mr. Aderhold said the response from American businessmen was great, but from Peking, the response was “absolutely nill”.* He felt the Chinese were waiting for the solution of the Taiwan problem before making any official trade moves.

He said that Americans wanted to sell “everything” to China, and import mainly fabrics, silver, furs, Chinese handicrafts and mercury. He foresaw a long period before the export list would be on par with the list for the Soviet Union, and expressed little faith in the vision of 800 million potential customers. The present nominal \$4 million two-way Sino-American trade would change slowly. He predicted most trade would be conducted through third countries.

Chinese-U.S. Contacts Grow

In late June a Hong Kong newspaper reported that negotiations had been held between representatives of Boeing and the Chinese in the Bank of China in

**This interview was conducted before Nixon revealed his plan to visit Peking.*

Hong Kong over purchases of jet aircraft by China.⁸ A Boeing spokesman subsequently denied there had been talks.⁹ Reacting to Mr. Nixon’s proposed trip to China, the manager of the Hong Kong branch of the Chase Manhattan Bank predicted the normalisation of trade relations between the U.S. and China, provided outstanding political issues could be settled.¹⁰ However, a director of the pro-Peking Chinese General Chamber of Commerce in Hong Kong, while describing the proposed visit as a move to remove world war tension, said he could not foresee trade developing on any significant scale. He noted that while the U.S. had been imposing the embargo on China, the Chinese were able to buy practically everything they wanted to import.¹¹

In Peking, on the same occasion when he jokingly referred to the market for maotai, Premier Chou declared that “if American businessmen raise a request to visit the (Canton Trade) fair which meets twice a year, the Chinese Government is willing to consider this matter.”¹² When the latest fair ended in May, its chairman proclaimed: “We firmly believe that with the establishment of relations with more countries, there will be ever-growing friendly contacts between the Chinese people and

⁸ *Sing Tao Jih Pao* (Hongkong), June 29, 1971.

⁹ *South China Morning Post*, June 30, 1971.

¹⁰ *South China Morning Post*, July 17, 1971.

¹¹ *Ibid.*

¹² Quoted in despatch from New York Times Service in *South China Morning Post*, June 24, 1971.

the other people of the world. There will be new growth in friendly trade between China and other countries."¹³ Radio Peking noted that among the foreign visitors to the fair were "businessmen from countries which have no relations with China. They expressed their strong desire for establishing trade contacts with China."¹⁴ It remains to be seen whether Sino-American trade must await the establishment of formal diplomatic relations, or the settlement of the question of American presence in Taiwan and Southeast Asia, although the past history of Chinese trading behavior suggests otherwise.¹⁵

China as A Customer

One American firm in Hong Kong has actually concluded some business with the Chinese, and 24 other firms have tried to initiate business since the U.S. first relaxed trade restrictions back in December 1969, according to a survey of member firms by a China Trade subcommittee of the American Chamber of Commerce in Hong Kong.¹⁶ The 25 firms represent 21 per cent of 112 firms which replied, up to June 1, to a questionnaire sent to the Chamber's 223 voting members — a 50 per cent response rate. Details are given in Appendix A; the re-

¹³ Quoted in *South China Morning Post*, May 17, 1971.

¹⁴ *Ibid.*

¹⁵ See Winberg Chai and Daniel Tsang, "U.S. and China Trade Relations: Past Problems and Future Alternatives", *Business Review*, Spring, 1971.

¹⁶ American Chamber of Commerce in Hongkong: *Newsletter*, June, 1971

sults are summarized here:

Of the 25 firms which said they had made efforts to initiate business, five (20 per cent) received a direct response, six (24 per cent) an indirect response, and one actually reported having conducted some business.

Eighty-nine per cent of the total respondents expressed interest in trading with China; a majority (53 per cent) felt that their firm's interests would be affected if trade with China would have disruptive effects on their trade with or investments in countries such as South Korea or Taiwan.

Fifty-one respondents named product areas in which they saw China as a potential market, while only 19 respondents named product areas in which they saw China as a potential competitor. On the other hand, 20 respondents named product areas in which they saw China as a potential supplier.

China as A Competitor

China was regarded as a potential competitor in the following areas: textiles and garments, foods, consumer goods, and electronic equipment and components.

Mentioned most as items which could be sold to China were: pharmaceuticals and medical supplies, industrial machinery and equipment, metals, electronic equipment and components, technology and know-how, food and chemicals.

Raw materials, foods, and textiles and garments were named most often as items which could be supplied by China.

Five respondents (4 per cent of all respondents) said they had received direct or indirect inquiries from China indicating that China was interested in doing business.

Almost all respondents (92 per cent) said they favored further liberalization of current U.S. regulations concerning trade with China.

Respondents expressed greatest interest in learning more about what trade opportunities existed, guidance regarding regulations, and assistance in travel — such as chartered flights — to China.

How To Trade With China

What then, is the procedure for trading with China? The following information is gleaned mainly from an article written by Commerce Department international trade specialists.¹⁷

First, some information on the country — China comprises an area of 3.8 million square miles (slightly larger than the U.S.) with an estimated population of around 800 million and a GNP estimated in 1970 at \$80-\$100 billion. About 80% of the labor force is employed in farming.

According to the Commerce Department specialists, China's strategy for industrialization stresses modernizing agriculture and those manufacturing industries most directly related to processing agricultural raw materials. Otherwise investment is directed mainly toward consolidation and strengthening of its current industrial position and developing its scientific and technical resources.

Its policy of economic self-sufficiency causes China to depend on its own resources and industrial capability whenever possible. Virtually every item available to consumers is domestically produced, thus restricting the prospect

of selling domestic goods there. Central planning is used to focus the nation's rapid economic development. This indicates a prospect for exporting capital goods to China which will expand over the next decades, mainly in agricultural machinery, complete plants (especially for producing chemicals), machinery and equipment for the steel, mining, transport, construction and petroleum industries, and industrial raw materials.

Chinese Trade Policies

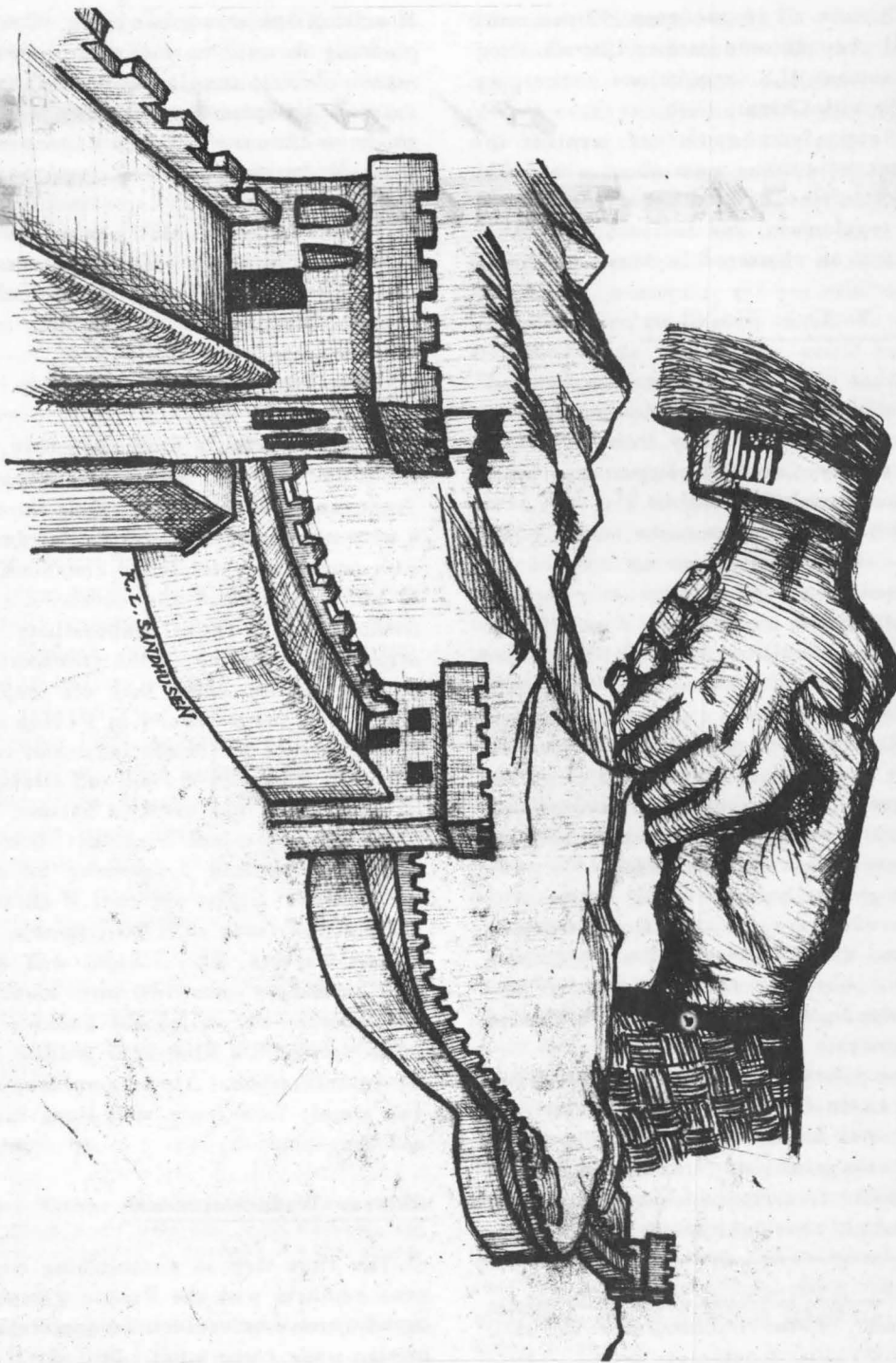
Foreign trade, a state monopoly, is controlled by the Ministry of Foreign Trade, and conducted exclusively through a network of corporations in accordance with priorities established considerably in advance through the country's economic plan. These corporations are organized according to the commodities or services for which they are responsible, with main offices in Peking and branch offices in various industrial centers (see Appendix B for a full listing).

China does not seek to balance its trade with individual countries. It tries to avoid complete dependence on any one country. Eighty per cent of China's \$4.3 billion trade in 1970 (imports, \$2 billion; exports, \$2.3 billion) was with non-Communist countries with whom it has maintained an annual balance of trade surplus of \$100-\$250 million for the last 20 years. These surpluses result mainly from trade with Hong Kong and Singapore.

Chinese Trade Procedures

The first step in establishing business contacts with the People's Republic of China is to select the appropriate foreign trade corporation. Initially it is

¹⁷ "Procedures in Trading with Mainland Chinese Detailed", *Commerce Today*, June 14, 1971, pp. 33-36.



best to contact the main office in Peking, though responsibility for the trade may be delegated to branch offices, and negotiations may ultimately be with one of them. It is rare to have contact with end-users.

The initial proposal should be detailed and comprehensive enough to enable the Chinese to evaluate it commercially. Price quotations should not be included, but full information about the firm, its activities and products, is essential. The proposal might mention a willingness to provide further information, answer any questions, and arrange personal follow-up meetings.

Correspondence may be conducted in English, quantities expressed in metric terms. At least 10 to 20 copies of the proposal and accompanying literature should be sent.

If the Chinese are interested, they will respond. Often it takes a long time for the proposal to be processed and assessed. A reply may sometimes include an invitation to meet, a request for more information, or a statement that there is no import requirement for the goods in question. There may also be no reply at all.

Following Up Proposals

Firms might wish to follow up their initial proposal with additional materials and samples. These should be accompanied by a covering letter referring to the original proposal. Samples, however, may only be sent after prior approval from the relevant foreign trade corporation. They should be sent via the corporation's principal Hong Kong agent: China Resources Company, Bank of China Building, Hong Kong; or via China Travel Service (H.K.) Ltd., 6 Queen's

Road, Central, Hong Kong.

While foreign trade corporations prefer to deal directly with foreign firms, an alternative method of initiating business is through the China Resources Company in Hong Kong. The Company, which represents China's interests in Hong Kong and Southeast Asia, will explain the current situation and usually report fully to their principals in Peking. But only rarely does this company conclude trade deals.

Before entering talks, U.S. businessmen should be sure that U.S. law permits the export of the desired goods, or that a special license will be granted.

Chinese Astute Bargainers

Communication is easier once an interest is expressed. The initial response is a request for price quotations (f.o.b. at a major west coast port, and c.i.f. at Shanghai), followed perhaps by a request to come to Peking or an invitation to the Canton Trade Fair, where many foreign deals are made.

Invitations are only given to those in whom the Chinese have a genuine business interest. Interpreters are provided; the talks are in English. Negotiations are thorough and protracted, emphasizing rigorous detail. Preparation is essential; the businessman must have copies of all previous correspondence, and be able to meet astute bargaining.

The Chinese may be expected to exploit the keen competition among Western businessmen and extract the best possible terms. For instance, a state corporation may immediately demand a discount but will not accept service under a guarantee clause. This must be considered when deciding how

far one will go in acceding to Chinese demands. The Chinese are not known to give discounts for large orders or pay a premium for quick delivery. They can be expected to insist on their own terms.

The language of the contract must be chosen carefully to avoid any misunderstanding; for example, "we would be able to provide" may be construed as "we will provide". All aspects of the agreement must be included in the contract, as the Chinese will adhere strictly to the terms.

Success requires patience, persistence, experience and sensitivity to and respect for Chinese customs and temperament. The process may be time-consuming and tedious, but Chinese orders are often large when they come.

Social Aspects of Trading

A Western businessman should conduct himself with quiet dignity and reserve. Talks are usually preceded and followed by tea, and sometimes a short lecture on communist ideology. Tipping is not allowed, although gifts can be given to official bodies, but never to individuals.

Most contracts are negotiated in Western currencies, although an increasing number are negotiated in Renminbi (RMB2.46=\$1). Typically, the Chinese require an irrevocable letter of credit with payment in a Western currency, usually Swiss francs or Pound sterling. But contrary to accepted international practice, they may refuse to have the letter of credit confirmed with a bank in the seller's country. Nonetheless, the Chinese have a reputation for paying promptly and in full.

The question of claims is negotiable and usually cited in the contract.

Imported goods are thoroughly inspected, and claims for compensation or cost of repair may be levied. Penalty clauses for delay in delivery will be enforced. The Chinese are fair with claims, and invariably produce fully-documented evidence to back up their claims. However, the process may be involved and time-consuming.

China has various agencies handling services related to foreign trade. The Sinofracht National Chartering Corporation handles shipping. The Chinese have a large fleet of charter vessels and often insist on arranging their own shipping. Insurance is handled by the People's Insurance Company of China. Banking service is provided by the Bank of China, which has offices throughout China and in large cities abroad, such as Hong Kong, Tokyo and London. It maintains correspondence relationships with several Western banks. These agencies are well-versed in Western business methods and provide services in accordance with usual commercial practice.

Firms should enquire about Chinese import controls and documentation requirements in the course of their negotiations, and incorporate these in their contracts.

Businessmen wishing to attend the Canton Fair, or the Chinese Export Commodities Fair, as it is officially called, should request an invitation from the appropriate state corporation in the normal course of their correspondence. An invitation might also be obtained by writing directly to the Chinese Export Commodities Fair, Pearl River Square, Kwangchow, People's Republic of China. The Fair is held semiannually (April 15-May 15 and October 15-November 15), during which the Chinese nego-

tiate between 30–50 per cent of their total trade. 4,500 businessmen, including 1,300 Japanese, attended the 1971 spring Fair, representing over 60 countries.

Transportation to China

Three American airlines technically still hold certificates to fly to China. Pan American, Northwest and Trans World Airlines were issued the certificates in the 1930's and 1940's. American and United Airlines have asked for permission to fly to China.¹⁸ However, at present, only two non-Communist airlines fly to China: Air France and Pakistan International Airways (the latter took Dr. Kissinger on his secret trip to Peking). Additionally, Aeroflot flies to Peking from Moscow.

The most frequented method is probably via Hong Kong. Businessmen cross the Sino-Hong Kong border at Lowu, and make the trip to Canton (90 miles northwest of Hong Kong) or Peking on a modern, air-conditioned train. Or one can fly to Peking from Canton.

From March 15, 1971, when the restrictions against travel to China expired, Americans can legally travel to China on their U.S. passports. One may have the restriction deleted from his passport on request at any Passport Agency in the U.S., or any U.S. Embassy or Consulate abroad.

To apply for a visa to visit China, write to an Embassy of the People's

Republic of China. The closest one for Americans is in Ottawa. The address: Juliana Apartments, 12th floor, 100 Bronson Ave., Ottawa 4, Ontario, Canada. You may also apply through China Travel Service (H.K.) Ltd, whose address was given earlier in this article.

A smallpox vaccination certificate is required. A yellow book issued by the World Health Organization is acceptable. Travelers arriving from South Asia, Southeast Asia, Hong Kong and Macao must have valid cholera inoculation certificates. If a traveler comes from or through an area where yellow fever is prevalent, he must have a yellow fever immunization certificate.

There is no limit on the amount of foreign currency that may be brought into China, although it must be declared at the point of entry. Latest reports indicate that a large number of Western-style hotels are being built in many of China's major cities.¹⁹ Plans are underway for a large group of 252 Americans, and another group of American businessmen, to tour China.²⁰

Information on the trade and economy of China is available from the Office of International Commercial Relations, BIC-898, U.S. Department of Commerce, Washington, D.C., 20230.

The Office of Foreign Assets Control, Department of the Treasury, Washington, D.C., 20220, is responsible for matters pertaining to the import of goods into the U.S. from China.

¹⁸ *South China Morning Post*, June 19, 1971.

¹⁹ *South China Morning Post*, July 14, 1971.

²⁰ *South China Morning Post*, July 20, 1971.

APPENDIX - A

DETAILS OF RESPONSES MADE TO
CHINA TRADE QUESTIONNAIRE

Q: Is your firm interested in trade with the People's Republic of China (PRC)?

	Respondents	
	Number	%
Yes	100	89
No	10	9
NA/Other	2	2
	112	100

Q: Would the interest of your firm be affected if the possibility of trade with the PRC might have disruptive effects upon your trade with or investment in other countries such as South Korea and the Republic of China (Taiwan)?

	Respondents	
	Number	%
Yes	59	53
No	36	32
NA/Other	17	15
	112	100

Q: Has your firm made any efforts to initiate business with the PRC since the relaxation of the U.S. Government Regulations on trade with the PRC in December 1969?

	Respondents	
	Number	%
Yes	25	22
No	85	76
NA/Other	2	2
	112	100

Q: (Continue question) Did you receive a direct response? Did you receive an indirect response (i.e., through third country or other intermediary) Has any business been concluded?

	Respondents	
	Number	%
Of those making effort to initiate business:		
Yes: received a direct response	5	20
Yes: received an indirect response	6	24
Yes: business concluded	1	4
Total making effort to initiate business with PRC	25	

Q: Has your firm received any direct or indirect inquiries from the PRC indicating that they would be interested in doing business?

	Respondents	
	Number	%
Yes	5	4
No	104	93
NA/Other	3	3
	112	100

Q: In what specific product areas do you see the PRC as a potential market?

	Mentions	
	Number	%
Pharmaceuticals & medical supplies	8	11
Industrial machinery & equipment	8	11
Metals	7	9
Electronic equipment & components	7	9
Technology & knowhow	5	7
Food	5	7
Chemicals	5	7
Tourism and travel	4	5
Petroleum products	3	4
Consumer goods	3	4
Minerals	2	3
Transport equipment	2	3
Others	15	20
Total number of mentions:	74	100
Total number of respondents to this question:	51	

Q: In what specific product areas do you see the PRC as a potential competitor?

	Mentions	
	Number	%
Textiles & garments	4	13
Foods	4	13
Consumer goods	3	10
Electronic equipment & components	3	10
Machinery	2	7
Pharmaceuticals	2	7
Raw materials	2	7
Rubber products	2	7
Others	8	26
Total mentions:	30	100
Total number of respondents to this question:	19	

Q: In what specific product areas do you see the PRC as a potential supplier?

	Mentions	
	Number	%
Raw materials	9	25
Food	7	19
Textiles & garments	4	11
Components & parts	2	5
Pharmaceutical goods	2	5
Others	13	35
Total number of mentions	37	100

Q: (Continue question) Were they direct inquiries? Were they indirect inquiries? Were there any concrete results?

Of those receiving a direct or indirect inquiry:	Respondents	
	Number	%
Direct inquiries	2	40
Indirect inquiries	3	60
Concrete results	0	—
	<u>5</u>	<u>100</u>

Q: Do you favor further liberalization of current U.S. regulations concerning trade with the PRC?

	Respondents	
	Number	%
Yes	103	92
No	6	5
NA/Other	3	3
	<u>112</u>	<u>100</u>

Q: What additional topics regarding trade with the PRC do you think this Committee should be concerned with?

	Respondents Mentioning	
	Number	%
How to establish contacts	8	15
Market information & data	7	13
Promote travel and assist in arranging visits	7	13
Evaluation of opportunities	6	12
Information regarding payment terms and trade financial arrangements	6	12
Urge change in U.S. policy and regulations	4	8
Help in making trade and tariff agreement with PRC	3	6
Assess current trends in PRC attitudes	3	6
Others	8	15
	<u>52</u>	<u>100</u>

Source: American Chamber of Commerce in Hong Kong: *Newsletter*, June, 1971

Appendix B*China's Foreign Trade Corporations*
Their principal exports and imports

China National Chemicals Import
and Export Corporation
Erh Li Kou, Hsi Chiao, Peking
Cable: SINOCHEM PEKING

Rubber, rubber tires and other rubber products, petroleum and petroleum products, chemical fertilizers, insecticides and fungicides, pharmaceuticals, medical apparatus, chemical raw materials, dyestuffs, pigments, etc.

China National Native Produce and
Animal By-Products Import and
Export Corporation
82 Tung An Men Street, Peking
Cable: CHINATUHSU PEKING

Tea, coffee, cocoa, tobacco, bast fiber, rosin, feedingstuffs, timber, forest products, spices, essential oils, patent medicines and medicinal herbs, as well as other native produce, bristles, horse tails, feathers, down, feathers for decorative use, rabbit hair, wool, cashmere, camel hair, casings, hides, leathers, fur mattress, fur products, carpets, down products, living animals, etc.

China National Light Industrial Products Import and Export Corporation
82 Tung An Men Street, Peking
Cable: INDUSTRY PEKING

Paper, general merchandise, stationery, musical instruments, sporting goods, toys, building materials and electrical appliances, fish nets, net yarns, leather shoes, leather products, pottery and porcelain, human hair, pearls, precious

stones and jewellery, ivory and jade carvings, lacquer ware, plaited articles, furniture, artistic handicrafts and other handicrafts for daily use, etc.

China National Textiles Import and
Export Corporation
82 Tung An Men Street, Peking
Cable: CHINATEX PEKING

Cotton, cotton yarns, raw silk, steam filature, wool tops, rayon fibers, synthetic and man-made fibers, cotton piecegoods, woolen piecegoods, linen, garments and wearing apparel, knitted goods, cotton and woolen manufactured goods, ready-made silk articles, drawn works, etc.

China National Cereals, Oils and
Foodstuffs Import and Export
Corporation
82 Tung An Men Street, Peking
Cable: CEROILFOOD PEKING

Cereals, edible vegetable and animal oils and fats, vegetable and animal oils and fats for industrial use, oil seeds, seeds, oil cakes, feedingstuffs, salt, edible livestock and poultry, meat and meat products, eggs and egg products, fresh fruits and fruit products, aquatic and marine products, canned goods of various kinds, sugar and sweets, wines, liquors, spirits of various kinds, dairy products, vegetables and condiments, bean flour noodles, grain products, canned goods, nuts and dried vegetables, etc.

China-National Machinery Import
and Export Corporation
Erh Li Kou, Hsi Chiao, Peking
Cable: MACHIMPEX PEKING

Machine tools, presses, hammers,

shears, forging machines, diesel engines, gasoline engines, steam turbines, boilers, mining machinery, metallurgical machinery, compressors and pumps, hoists, winches and cranes, transport machinery (motor vehicles) and parts thereof, vessels, etc., agricultural machinery and implements, printing machines, knitting machines, building machinery, machinery for other light industries, ball and roller bearings, tungsten carbide, electric machinery and equipment, telecommunication equipment, electric and electronic measuring instruments, scientific instruments, complete industrial plants, technical knowhow, etc.

China National Metals and Minerals

Import and Export Corporation
Erh Li Kou, Hsi Chiao, Peking
Cable: MINMETALS PEKING

Steel plates, sheets and pipes, steel sections, steel tubes, special steel, railway materials, metallic products, pig iron, ferro-alloys, non-ferrous metals, precious rare metals, ferrous mineral ores, non-ferrous mineral ores, non-metallic minerals and products thereof, coal, cement, hardware, etc.

Sinofracht Chartering and
Shipbroking Corporation
Erh Li Kou, Hsi Chiao, Peking

The chartering of vessels and booking of shipping space required for Chinese import and export cargoes. Also, similar business on behalf of principals abroad. Canvassing cargoes for ship owners.

Complete Plant Export Corporation
Fu-Wai Street, Peking

Exporters only: of complete factories, works and production units, usually, but not exclusively, as part of an economic-aid agreement.

Publications Centre Guozi Shudian
P.O. Box 399, Peking

Import and export of books and periodicals in Chinese and foreign languages. Arranges subscriptions to Chinese newspapers and periodicals on behalf of foreign readers.

Foreign Trade Transportation
Corporation
Erh Li Kou, Hsi Chiao, Peking

Arranges Customs clearance and delivery of import/export cargoes by land, sea and air, or by post. May act as authorized agents clearing and delivering goods in transit through Chinese ports. Arranges marine and other insurance, and institutes claims on behalf of cargo owners on request.

Source:
U.S. Consulate General, Hong Kong