

China中国

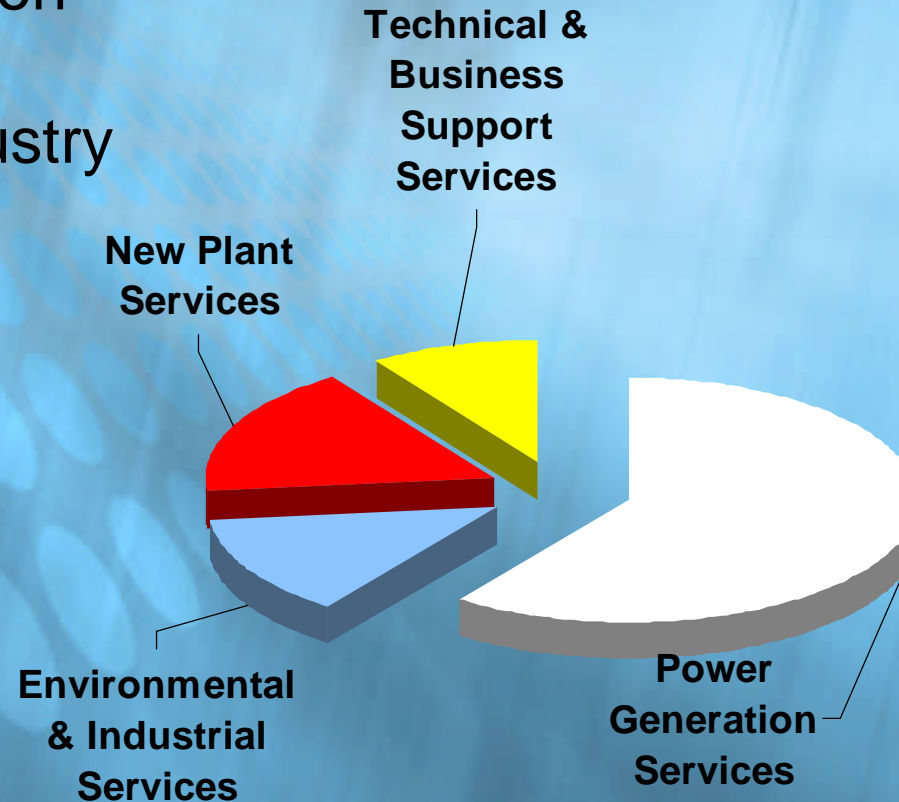
A Guide to Business Growth In
China



ENERCON SERVICES, INC

ENERCON Services

- Focus and Dedication to the International Nuclear Power Industry
- 2007 Revenues of \$130 Million
- Employee-Owned Company



The Top
500
Design
Firms

ENERCON Services

The Top
200
Environmental
Firms

Enercon Services, Inc. has consistently been ranked in the Top 500 Design and Top 200 Environmental Firms by Engineering News Record

- Enercon Services, Inc. ranked in the Top 25 Power Engineering Firms and Top 5 Nuclear Power Engineering Firms



ENERCON SERVICES, INC

*“It’s all fine and cool to be the Trail Blazer... to be that Pioneer that makes the path others will follow.
Just remember one thing...*



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ENERCON SERVICES, INC

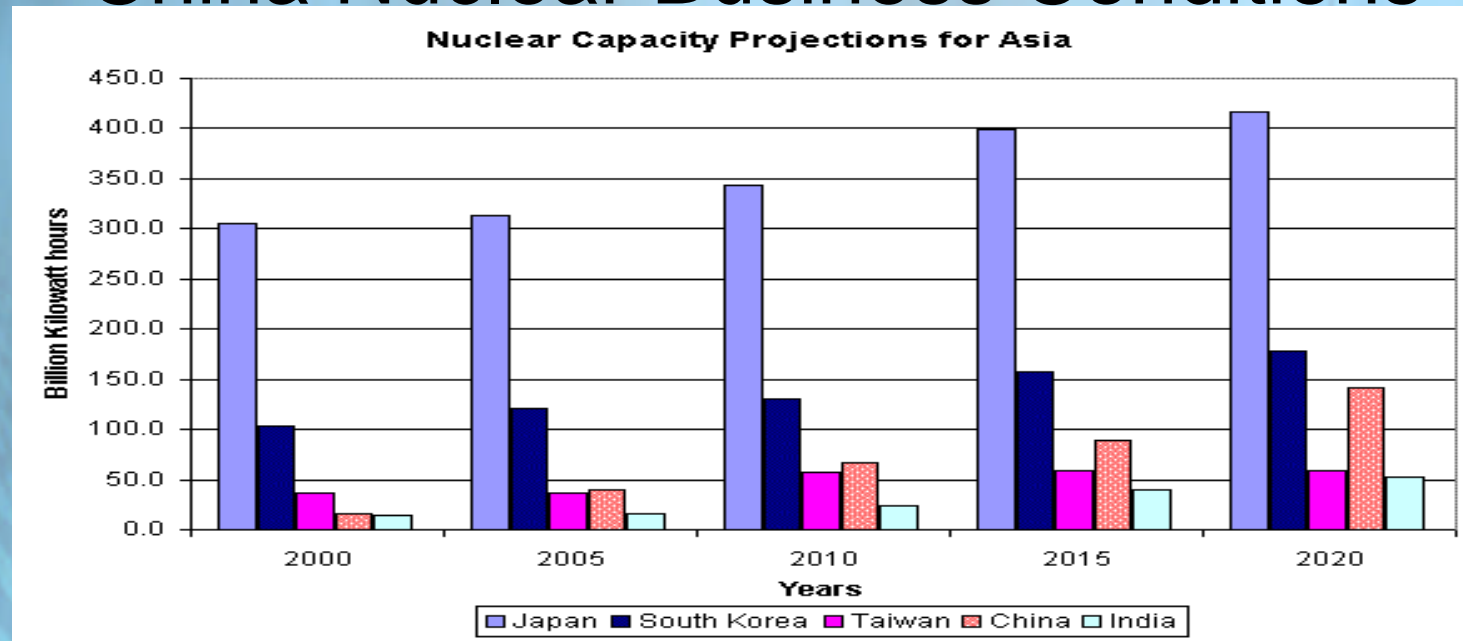
...More often than not, it's that Pioneer that ends up with the arrows sticking out of them by the end of the movie."



ENERCON SERVICES, INC

China Opportunities

- China Nuclear Business Conditions



China's nuclear power expansion "faster than planned"-Xinhua

Energy Information Administration

Sat Mar 8, 2008 9:50am EST

BEIJING, March 8 (Reuters) - China is expanding nuclear power construction plans faster than earlier planned, a senior energy official told state media on Saturday, saying installed power capacity by 2020 could be 50 percent above the initial goal.

China's nuclear energy development plan had called for operating power capacity to hit 40 gigawatts (GW) by 2020, enough to power Spain but feeding just 4 percent of total generating capacity for the voracious Chinese economy...



ENERCON SERVICES, INC

China Opportunities

- China Nuclear Business Conditions
 - Rapid development of the Chinese nuclear market has created a staggering demand for Engineering, Design, Project Management Services expertise and experience.
 - Limited depth of experience in China - few “grey beards” to teach the current managers.
 - China is already in “catch up” mode. The Chinese use up their capacity by building as fast as they can. Emergent issues which require creativity and problem solving are beyond the Chinese capacity to spend time on them.
 - Nuclear Power in China is seen by the Chinese as the remedy to both environmental and energy concerns. It is heavily supported by the Chinese Government.



China Opportunities

- China Business Goals

- Profit Center Development

- Leverage of international experience to US domestic projects
 - Expanded pool to draw talent from
 - Expanded opportunities to offer to the talent we have
 - China has 1.4 TRILLION Dollars to spend

World Class organization

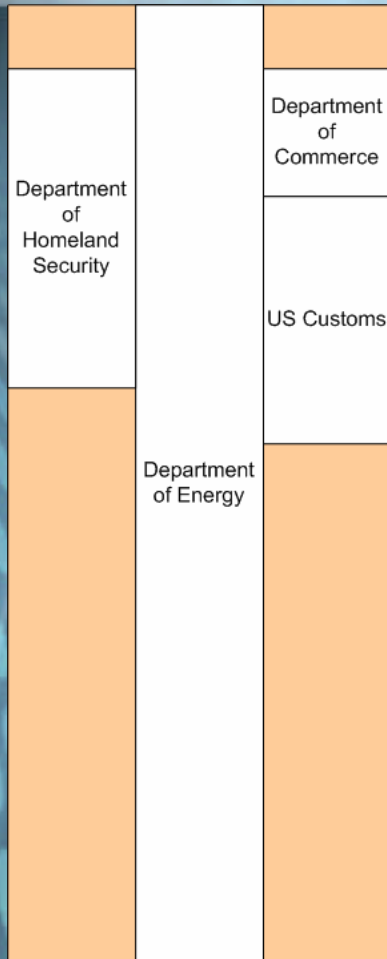


China Opportunities

- Business Growth Considerations
 - International Trade and Authorizations
 - Revenue Stream
 - Human Capital
 - Sales and Marketing



China Opportunities

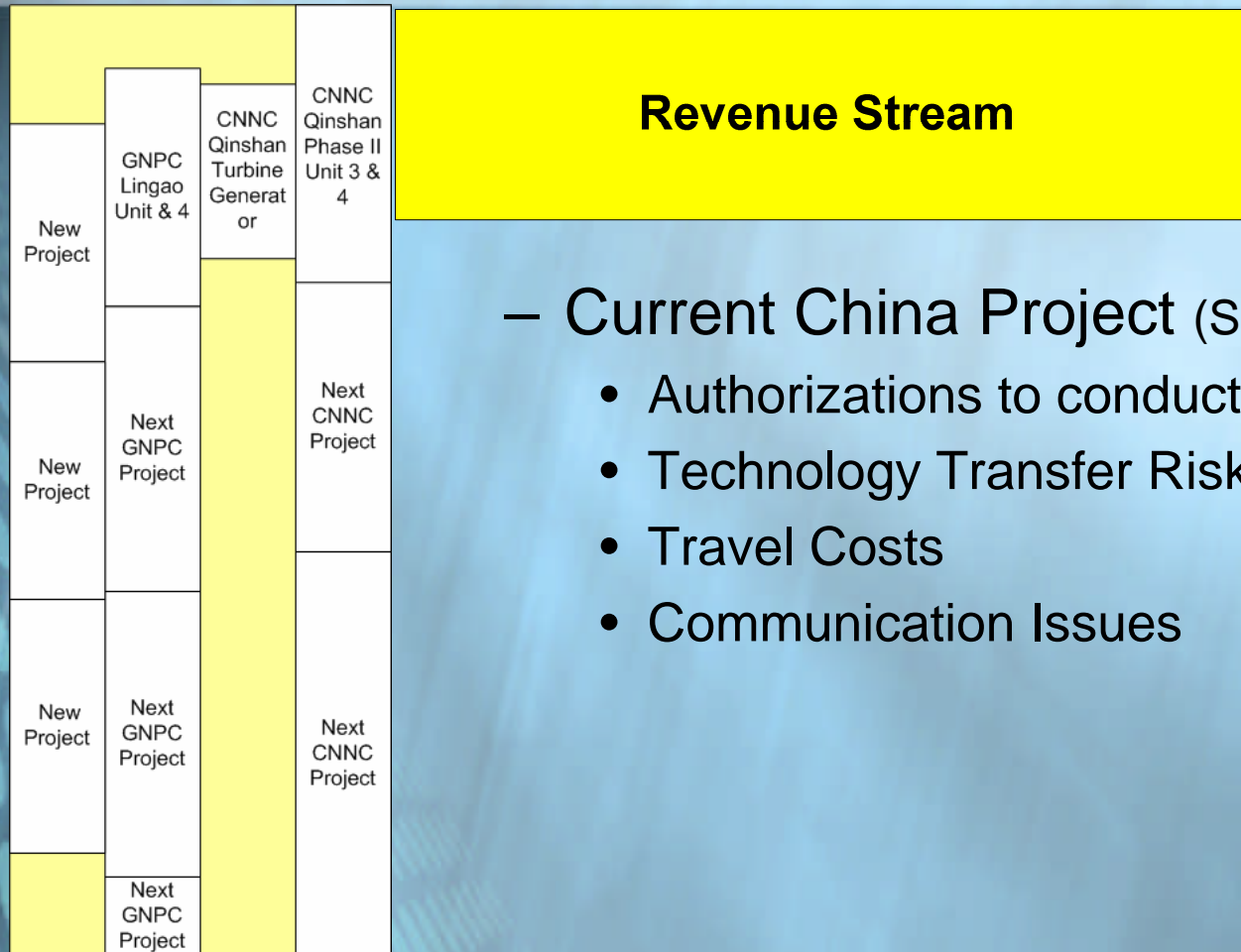


International Trade and Authorization

- Department of Energy
 - Authorizations to conduct work
- US Customs for Import & Export
 - Technology Transfer for tools and Equipment
 - HARM Code
- Department of Commerce
 - Dual Use Technology
- Department of Homeland Security
 - Immigration and Visa



China Opportunities

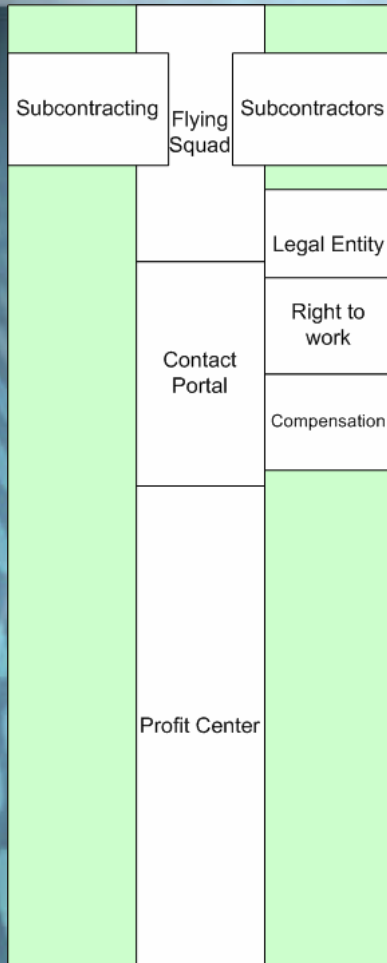


– Current China Project (Subcontractor Status)

- Authorizations to conduct work
- Technology Transfer Risk
- Travel Costs
- Communication Issues



China Opportunities



Business Development

- Subcontracting
 - The frog living in the well
- As Prime
 - Living in the full light of day



China Opportunities

Business Development

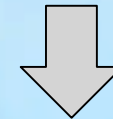
– The Flying Squad



– The Right to Work in China

- Legal Entity
 - Labor Laws and Requirements
 - Statutory Requirements

– Contact Portal



– The Profit Center

- Staffing
- Management



China Opportunities



Human Capital

- Current Employees
 - Chinese Income Tax
 - Insurance
 - Training
 - Emergencies
 - Family Support
 - Burn-out rate
- New Hires (US Domestic)
 - H1B Visa Costs
 - Costs
 - Training
 - Why would they go?
- Expatriates
 - 75% Failure Rate
 - Costs Average 3 to 5 Times US Domestic Employment Cost.
- New Hires (CN Domestic)
 - Compensation
 - Benefits



China Opportunities

	Teaming Arrangements	
	Sales Agent	
Project Assistant		
	Office Staff & Management	

Marketing and Sales

– Teaming Agreements

“Strategic Partners” are not partners.

Profit is an individual activity and a function of efficiency but failure is a team effort.

– Sales Agent

Compensation/ Commission Agreement

Scope of Services

Service Limit

Payment & Accounting

– Project Assistant

Facilitates Communication

On-the-ground in China contact.

Organizes travel & meetings

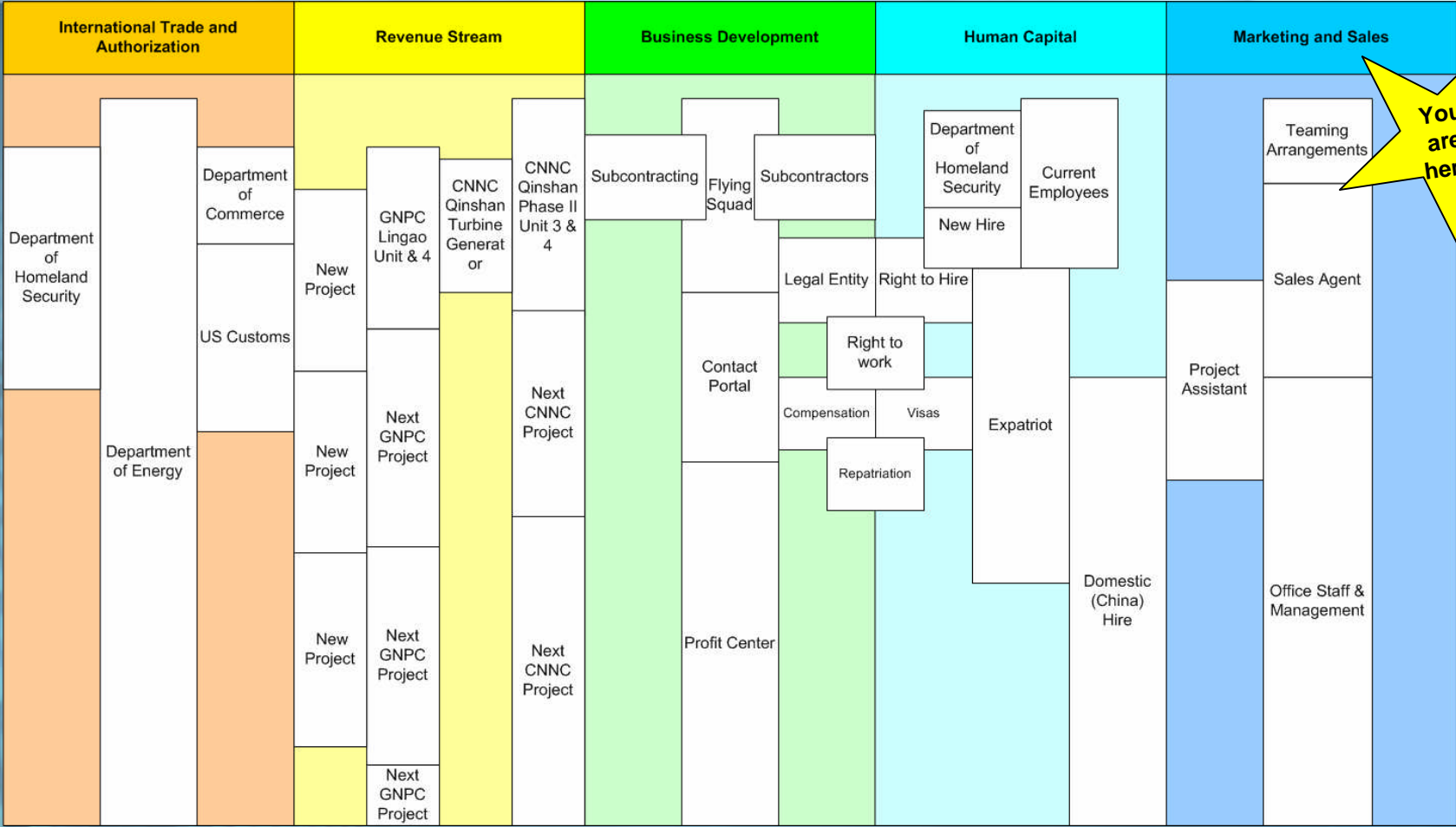
Reports Project Activities Payment and Accounting

Insurance and Liability

– Office Staff & Management



China Opportunities



**The Beginning
Thanks!**



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