



## REPORT TO Economic Development Committee

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**TO:** Mayor and Members of Council

**FROM:** Jim Baird, Commissioner, Development Services  
Stephen Chait, Director, Economic Development

**PREPARED BY:** Christina Kakaflikas, Manager Special Projects

**DATE OF MEETING:** November 6, 2007

**SUBJECT:** Participation in the Richmond Hill Markham Chinese Business Association/Markham Board of Trade Business Mission to China

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### **RECOMMENDATION:**

That the report entitled “Markham’s Participation in the Richmond Hill Markham Chinese Business Association/Markham Board of Trade Mission to China” be received,

That the Town be represented by a four person delegation composed of the Mayor, the Chair of the Economic Development Committee, the Director of the Economic Development Department, and the Manager Special Projects, Economic Development,

And that the cost of the mission not exceed \$42,000.00 and be expensed from within the proposed 2008 “China and India Investment Attraction Program” Capital Budget,

And Further that Council pre-approve the 2008 “China and India Investment Attraction Program” Capital Budget.

### **DISCUSSION:**

The Richmond Hill Markham Chinese Business Association and the Markham Board of Trade have invited the Town of Markham to participate on a business mission to China in 2008. The mission is designed to promote investment and trade between the Greater Toronto Area (GTA) and key cities in China. The Markham delegation will include members of Markham’s business community and will be led by Mayor Frank Scarpitti. Business missions have been part of the Economic Development Department’s economic strategy since 1990 and focus on building international relationships for the purpose of developing investment and trade opportunities for Markham and its business community.

Successful international relationships require two-way communication and are best nurtured through a combination of regular email, tele/videoconference and face-to-face communication.

The Town of Markham receives numerous international business visitors and formal delegations throughout the year including those from the City of Wuhan and the Zhongguancun Science Park in Beijing with which Markham maintains formal relationships. The Town also engages in outbound business missions in partnership with local business and industry associations, and foreign consulates and trade offices.

The Economic Development Department has had detailed planning discussions led by Regional Councillor Tony Wong with the Richmond Hill Markham Chinese Business Association and the Markham Board of Trade. Economic Development staff have also met with York Region and with representatives of major post-secondary institutions to solicit interest in this business mission. Together we have determined the objectives, preliminary agenda, and sector focus for the mission. They are as follows:

Objectives of the mission:

1. Strengthen economic ties between Wuhan, Beijing, Shanghai, Hong Kong and Markham
2. Build business links with the Zhongguancun Science Park and other established centres of high tech
3. Create opportunities for Markham businesses to develop business partnerships leading to jobs and opportunity for Markham
4. Further identify opportunities to increase investment and trade
5. Raise awareness about Markham's competitive advantages and investment opportunities

Preliminary Agenda:

The mission will go to Shanghai, Wuhan, Beijing and Hong Kong. An outline of the mission itinerary is enclosed. Some of the key program elements will include: participation in China MED, a medical devices trade show taking place in Beijing; site visits to leading Science Parks such as the Zhongguancun Science Park, with which Markham has a formal relationship; sector-focused business meetings; meetings with Canadian Foreign Affairs staff; and official meetings with key government and business association contacts in each city.

Sector Focus:

The focus of the mission will be on the following sectors: Information and Communication Technology, Life Sciences and design/architectural/engineering/construction companies. Other business and investment sectors may be added upon receipt of confirmed participating companies and organizations.

Business/Delegate Recruitment:

Business recruitment for the mission is underway. The Richmond Hill and Markham Chinese Business Association, and the Markham Board of Trade have announced their plans to host the mission to China. Both of these business associations will be actively drawing on their respective members and networks/contacts to recruit business delegates. Upon receipt of Council approval, the Town will commence its own marketing and recruitment program. Economic Development staff have generated a database of companies that are either doing business in China or are interested in pursuing the Chinese market. Subject to Council approval, staff will be contacting the identified companies to invite them to join the mission.

**FINANCIAL CONSIDERATIONS:**

The Richmond Hill and Markham Chinese Business Association, and the Markham Board of Trade are managing the planning and logistics for the mission. Their estimated cost for four Markham representatives to participate on the mission including Mayor Frank Scarpitti, Regional Councillor Tony Wong and two staff from the Economic Development Department is \$6,750 each. This includes the cost of airfare, accommodations, ground transportation, and most meals.

Economic Development staff estimate that an additional \$16,000 will be needed for production of marketing materials, pre-mission meeting arrangements, in-market events and presentations (in Beijing, Shanghai, Wuhan, and Hong Kong), and post-mission business follow-up. In total, the cost of the mission will not exceed \$42,000.

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| Travel, meals and accommodations (@ \$6,750/person)    | \$27,000.00     |
| Design, translation, production of marketing materials | 2,500.00        |
| Telecommunications and videoconferencing               | 3,500.00        |
| In-market events and presentations                     | 7,500.00        |
| Post-mission follow-up meetings and presentations      | <u>1,500.00</u> |
|  | \$42,000.00     |

Staff recommend that pre-approval be granted by Council for the proposed 2008 “China and India Investment Attraction Program” Capital Budget (budgeted for \$50,000).

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Stephen Chait  
Director  
Economic Development Department

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Jim Baird  
Commissioner  
Development Services  
Commission

Attachments

A. Draft Business Mission itinerary