

"OBC"

Forget 'MIC' (Made in China), or even 'MFC' (Made for China). How about **OBC**: OWNED BY CHINA?

As most global corporations are still busy digesting the fact that China now is the de-facto workplace of the world, it's time to update your **BRIC** strategies: The Middle Kingdom is increasingly producing quality goods for internal consumption, eagerly snatched up by a burgeoning Chinese **MASS CLASS** living the **EASYASIA** dream. Hence, IKEA is not only opening up factories in China, but retail outlets as well. And while that is a mind-boggling economic reality in itself, get ready for yet another twist to this saga: Chinese companies setting up factories and buying companies in the US, Europe and Asia, to sell and strut their branded stuff all over the world. **OBC**: OWNED BY CHINA, indeed! Examples?

- **Haier**, China's leading electrical appliance maker, has 13 sites abroad, including Iran, Indonesia and the US, directly targeting those consumer markets, trying to build a global brand and global clientele. It opened up a factory in South Carolina in 2000, and its appliances are now sold at Target, Wal-Mart, Costco and Best Buy stores.



- China National Offshore Corporation (CNOOC) now controls Repsol, Indonesia's largest offshore oil producer

- D'Long Strategic Investments is busy buying up well known Western brands, like Murray, a leading American lawnmower and bicycle maker, in order to move production to China while profiting from the credibility that comes with US or German brands. (Source: The Economist.)

- Lianhua Supermarket Holdings, one of China's largest supermarket chains, wants to set up shop in Europe and is on the lookout for locations in Brussels and Antwerp. (Source: 'De Financieel Economische Tijd.)

- Legend Computers, the ambitious (and biggest) Chinese computer manufacturer, is also eyeing the global market. Its QDI subsidiary sells motherboards to white-box manufacturers in Europe and Asia, and has recently started selling Legend-branded PCs in Hong Kong. Don't expect Legend computers to pop-up in Swedish or Brazilian stores tomorrow, but definitely keep an eye on this potential **OBC** poster-child.

OPPORTUNITIES

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Any trend watcher worth his or her global salt already has China high on the 'to-track' list. And while manufacturing IN China, and selling TO the Chinese market will provide fascinating trend material for a long time to come, there's definitely money in aiding, partnering with, or selling to Chinese companies eager to make it outside the P.R.C. The fact that the Chinese government is keen on eventually getting 50 Chinese companies into the Fortune Global 500 won't hurt either. Expect the OBC trend to stick around for a 'while' ;-) >> [Email this trend to a friend.](#)

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