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Georgia delegation to visit China to grow business, cultural ties

ATLANTA , August 16, 2006 - A Georgia delegation led by Department of Economic Development Commissioner Craig Lesser will depart Atlanta on Friday for a week-long visit to China , with the goal of opening new business and cultural opportunities.

The delegation's efforts will be centered on three major objectives: interviewing candidates and scouting locations for the opening of a Georgia office in Beijing during the first quarter of 2007; continue lobbying for the opening of a Chinese consulate in Atlanta ; and continue to support Delta Air Lines' proposal to bring direct service from Atlanta to Beijing .

"Governor Sonny Perdue has directed our department to find the most strategic locations for our international offices," Lesser said. "After my trip to China last October, I returned to Georgia convinced that the state needs to have a presence in Beijing . The Chinese market is the world's largest - over 1.3 billion in population - and is a tremendous target for Georgia-based companies such as The Home Depot, Coca-Cola and UPS. Our focus will be on assisting small- and medium-sized businesses that want to reach the Chinese market, but can't afford an international business staff."

Members of the delegation accompanying Commissioner Lesser on the trip includes: former Congressman and current director of the Dean Rusk Center for International Law at the University of Georgia Don Johnson, Savannah Economic Development Authority Senior Vice President of Sales and Marketing Lynn Pitts, Delta Air Lines' Vice President of Public Affairs and Corporate Real Estate Doug Blissit, state of Georgia Chief of Protocol Chris Young and GDEcD Director of International Operations Kevin Langston.

"The China office is a critically important move for Georgia ," said Johnson. " China has the fastest growing economy in the world and is likely to have a significant fiscal impact on many industrial sectors for most of this century. It is imperative that we be strategically engaged in China to enhance job development in Georgia ."

The office in Beijing will be the state's 11th international office. State representatives in these offices market Georgia as a world-class destination for business investment and tourism. Leads developed by Georgia offices across the world led to 38 international companies announcing projects in Georgia during Fiscal Year 2006, which will create 4,992 jobs and \$2.1 billion in new investment.

In June, China-based Lehui Enterprises, a manufacturer of food and beverage processing equipment, and W.Y. Industries, a leading U.S. manufacturer of food and beverage packing products, announced a joint venture agreement that will create 200 jobs within two years in the Newnan, Ga. area.

The new company, named Kingwasong LLC, will manufacture, process and package a variety of condiments in an existing facility in Newnan. The facility is expected to attract \$12 million to \$15 million in new investment to the area. Georgia was China 's sixth largest export destination in 2005, with exports to China totaling \$979 million, an increase of 482 percent since 1998.

In 2004, more than \$9.9 billion in goods were imported from China through the Savannah Customs District. Imports from China to Georgia have increased 456 percent since 1998. Trade to and from China flowing to Georgia through Atlanta , Brunswick and Savannah totaled \$12.1 billion in 2005, ranking Georgia as the sixth largest port in the U.S. for imports and exports with China , and the second largest port on the East Coast. According to the Georgia Ports Authority, China and Hong Kong accounted for more than 40 percent of its 2005 trade.

"We're going on the trip to support the state's efforts," added SEDA's Lynn Pitts. "Each of the three major goals of this trip -- the economic development office in Beijing , a Chinese Consulate in Atlanta , and a direct flight between Beijing and Atlanta -- would have a significant impact on foreign direct investment across the entire state of Georgia . And certainly, no city has more to gain than the port city of Savannah ."

Numerous Georgia companies have operations in China , including UPS, GE Energy and Delta Air Lines, which is lobbying Chinese and U.S. government officials for new direct service from Atlanta to Beijing . Over half a dozen Georgia universities have connections with China , including Georgia Tech's partnership with Shanghai Jiao Tong University . Organizations such as the Chinese Business Association of Atlanta, the Georgia China Alliance, Atlanta Chinese Professionals and the Organization of Chinese Americans assist approximately 24,000 people in Georgia 's Chinese community. This community is currently served by the Chinese consulate in Houston , Texas.

Beijing is also preparing to host the 2008 Summer Olympics, and delegates on the trip will visit Olympic venues and talk to Chinese officials about leveraging the Games for economic development. Metro Atlanta is home to nearly 1,600 international companies that employ about 80,000, which represents a 50 percent increase in international companies since Atlanta hosted the Olympics in 1996.

The Georgia Department of Economic Development (GDEcD) is the state's sales and marketing arm, the lead agency for attracting new

business investment, encouraging the expansion of existing industry and small businesses, locating new markets for Georgia products, attracting tourists to Georgia, and promoting the state as a location for film, video and music projects, as well as planning and mobilizing state resources for economic development. For more information, visit www.georgia.org

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