



# APCO Worldwide in China

APCO Worldwide is a global consulting firm and a leading provider of government relations, strategic communication, corporate responsibility and corporate advisory services in China. We have been serving clients' interests in China since 1989. Today, our China team includes more than 100 professionals from a diverse range of backgrounds, including business, government, journalism, academia and civil society. We are based in well-established offices in Beijing, Shanghai, Guangzhou and Hong Kong.

Our clients include multinational firms, leading Chinese companies, governments, chambers of commerce, issue-based coalitions, multilateral organizations and nonprofit interest groups. Client success is our measure of achievement, and we help clients realize their objectives at every stage of their engagement in China.

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## GOVERNMENT RELATIONS

Engaging the government remains an inescapable reality of operating in China. APCO's strategies are based on a deep familiarity with the structure and mechanics of the Chinese government. APCO's experienced team has strong relationships at every level of government.

## INTERPRETING GOVERNMENT

Understanding the workings of government, its structure and sometimes competing agendas of its constituent parts, and the opinions of its officials is critical for business success in China. APCO maps government agencies and conducts perception audits to provide clients with clear advice.

## MANAGING THE REGULATORY ENVIRONMENT

China's regulatory environment continues to develop and mature. APCO helps clients to identify, monitor and understand forthcoming legislation and its ramifications. However, just as important as the written law is the political climate in which it is enforced. In addition, we deliver regulatory analysis that enables clients to minimize risk and capitalize on opportunities.

## DIRECT AND INDIRECT ADVOCACY

Government support is a particularly precious commodity in China. APCO works with clients to structure their internal government engagement functions, identify and target government agencies and individuals whose support is vital, and formulate programs to build government understanding in line with business interests.

## ISSUE MANAGEMENT

Legal recourse can exacerbate crises and heighten negative perceptions. Behind-the-scenes mediation with regulators is often the best way to achieve lasting solutions. APCO assists in resolving potentially damaging and costly disputes – especially with government audiences. These include the violation of intellectual property rights, reputation attacks by consumers, outspoken media criticism, breach of contract and policy discrimination.

## RELATIONSHIP BUILDING

"Guanxi" (relationship networks) are still important in China; however, the power of guanxi has limits and APCO rarely relies exclusively on such relationships. Successful government partnerships require regular

and ongoing nurturing of institutional relations. APCO assists clients to build their interaction with government by using a variety of tactics, including direct meetings and government partnerships.

#### **RISK ANALYSIS**

The changing political, economic and geo-strategic environment can threaten business operations in China. APCO's consultants use their knowledge, experience and international networks to advise clients on how to minimize their exposure to political and economic risks.

#### **COALITION-BASED LOBBYING**

By aligning multiple interest groups, controversial views can be presented to the government while insulating individual companies from negative government or media reaction. APCO pioneered the

model of coalition-based lobbying in China and works with a number of organizations to resolve issues that impact the business environment.

#### **STRATEGIC COMMUNICATION**

APCO enables our clients to be seen, heard and understood. Integrating strategic communication campaigns targeted at government, consumers, media, employees, investors, nongovernmental organizations (NGOs) and the broader public is often central to delivering results in China.

#### **CORPORATE POSITIONING AND REPUTATION MANAGEMENT**

We help clients position themselves strategically in China by building communication platforms; designing integrated campaigns to increase visibility and engage stakeholders; enhancing employee communication; arranging third-party endorsements; positioning executives through high-profile conferences and media programs; building reputation online; and developing corporate messaging collateral.

#### **MEDIA RELATIONS**

APCO's consultants have expert knowledge of the media environment in China and maintain close relationships with international and local journalists. Our team includes former editors and writers who are skilled at creating unique news angles for each project. APCO also works with clients to structure effective internal media relations functions and build media networks.

#### **MEDIA AND ISSUE MONITORING**

APCO tracks and analyzes issues that are important to our clients' success. We monitor print, broadcast



and online media, as well as government and stakeholder opinions, to provide feedback clients need to modify their strategies. For the most controversial issues, we are also well placed to audit stakeholder perceptions discreetly.

#### LITIGATION COMMUNICATION

In cases where clients are already engaged in legal proceedings, we help win their cases outside the courtroom. Leveraging government and media relations can be key to resolving cases that are political in nature. For other cases, promoting understanding among government and the wider public helps expedite fairer treatment.

#### CRISIS COMMUNICATION

Companies can face a crisis at any time and, by definition, without warning. A company's ability to respond to a crisis, especially in the critical first few hours or days, greatly affects the company's reputation among employees, partners, customers and the general public. APCO works closely with clients to create, implement and test crisis management plans, to identify potential threats and develop rapid-response mechanisms.

#### EXECUTIVE COUNSELING AND TRAINING

Organizations operating in China often feel challenged by the unconventional public environment. APCO coaches senior executives to optimize interaction with media, investors, consumers, government and NGOs, helping deliver their

organization's messages in their own voice. We build our clients' capacity to work with stakeholders through on-camera role-plays, mock press conferences, question and answer sessions, and crisis simulations.

#### CORPORATE RESPONSIBILITY – CR<sup>3G</sup> – AND SUSTAINABILITY

Companies are increasingly expected to conduct their business in a responsible and sustainable manner. APCO is a recognized market leader in corporate responsibility (CR), assisting companies to engage with key stakeholders, understand and manage CR issues, design and execute programs and partnerships, and communicate effectively. In order to support our clients' business objectives and address genuine community needs, we train our consultants to consider CR challenges and opportunities, while understanding China's rapidly evolving civil society and political environment. Now, the "third generation" of corporate responsibility - CR<sup>3G</sup> - means determining how to earn the "license to grow," especially in a world facing increasing natural resources constraints, and major economic and societal challenges.

#### CORPORATE ADVISORY

Corporate advisory has been one of APCO's core services in China since we established our presence in the market. We help clients make significant investments in China across a wide range of industry sectors, including those that are highly restricted to foreign involvement. This support of Chinese policy-makers' economic development goals laid the foundation for our strong relationships at all levels of the Chinese government and underpins our government relations capability.

#### INWARD CHINA INVESTMENT

Investing in the China market presents multinational corporations with a unique set of opportunities and challenges. Our corporate advisory team has extensive experience formulating and executing market entry, business development and expansion strategies in China for a variety of industries.

#### RESEARCH AND ANALYSIS

Thorough research provides the foundation for every successful and sustainable investment. We perform quantitative and qualitative market research and analysis; identify and prioritize potential investment partners and destinations; track industrial policy, tax incentives and regulation; monitor government and nongovernmental opinion; and assess the financial viability of investments.

# CHINA

**Client success** is our measure of **achievement**, and we help clients realize their objectives at **every stage of their engagement** in China.

## STRATEGY DEVELOPMENT

A locally sensitive investment and stakeholder relations strategy is critical to the success of investments in China. APCO employs its corporate advisory experience to evaluate business options, choose potential investment partners and locations, appraise competitor strategies, assess government and stakeholder attitudes, and suggest appropriate business structures.

## PARTNER IDENTIFICATION AND DUE DILIGENCE

Business partnerships are often essential for foreign companies wishing to enter the China market. We help clients identify, profile and engage with business partners that best match their requirements. APCO performs detailed analysis of potential partners' operations and financials, and cross-checks their credentials by consulting with third parties and government agencies.

## GOVERNMENT AND INVESTMENT APPROVALS

Although the government approval process has become increasingly transparent, it can still cause delays and frustration. APCO provides guidance at every stage of the process, from helping prepare required documents to lobbying ministerial departments on sensitive issues.

## MERGERS & ACQUISITIONS

It is now possible for foreign companies to acquire directly the equity or assets of domestic limited companies. APCO advises clients on target searches, transaction negotiations and the approval process.

## OVERSEAS INVESTMENT PROMOTION FROM CHINA

Chinese companies are increasingly looking to expand into overseas markets. We provide support to help understand Chinese outward investment policies, identify local stakeholders which support and facilitate outward investment, design China-focused investment promotion collateral and identify investment leads. We also provide full support for the investment promotion process for qualified investment leads.

For more information about APCO Worldwide in China, contact:

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**Engaging the government remains an inescapable reality of operating in China.**

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