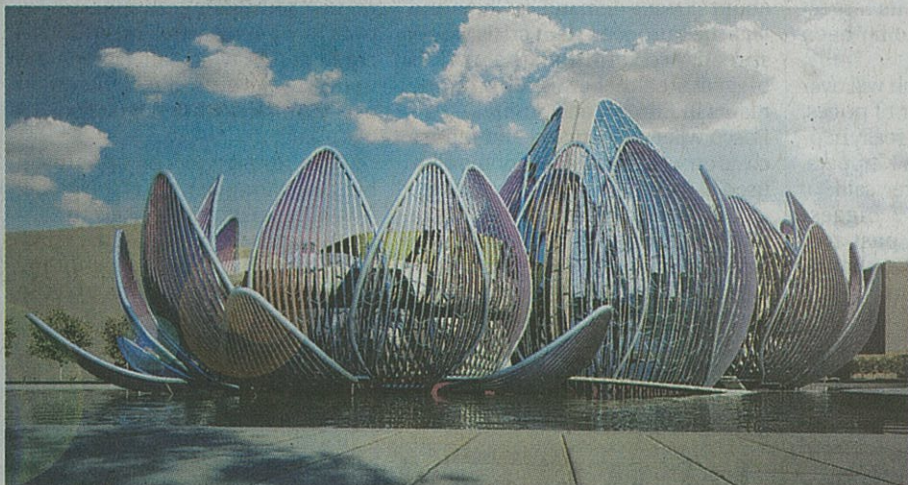


Innovative firms rise to mainland's challenges



Studio505 designed the futuristic Lotus conference centre in Jiangsu province.

As lucrative a market as it might be, the mainland presents a host of challenges to foreign businesses that can only be overcome with creativity, flexibility and resilience.

"Chinese consumers have different product requirements from their Asian peers. Even mainland, Hong Kong and Macau people have different needs," says Lynn Yeh, Homart Pharmaceuticals' managing director. The company, which specialises in high-quality Australian health supplements and skincare products, is the winner of this year's Westpac Business Excellence Award – SME.

Homart caters to local needs. In response to demand for higher-strength products on the mainland, it has produced 2,000mg propolis capsules while selling standard 1,000mg capsules in Macau. Luxury packages and special gift boxes have been introduced, as giving presents is an essential part of social life on the mainland.

Homart was the exclusive Australian health supplement pavilion at the 2010 Shanghai World Expo. "We gained recognition from distributors and consumers, which

opened many doors for us," Yeh says.

Rachel Freeman, marketing manager of studio505, an architecture and design studio and recipient of the BDO Business Entrepreneurial Award, cites the Chinese language barrier as a major challenge. "However, with our communication skills, bilingual writing and cultural sensitivity we have generated a practice and process that respects and engages with different cultures."

Freeman adds that success hinges on being flexible and responding quickly to changes, which may entail anything from impromptu meetings to changes of briefs. "This gives small companies an advantage over large ones, which often take longer to react."

Goodman Asia, which owns, develops and manages industrial space, reduces construction costs and execution risks by ensuring that fixed-price contracts are signed. It has expanded and built brand awareness to compete with other developers.

Winner of the Westpac Business Excellence Award – Large, Goodman Asia is one of the biggest Australian

investors on the mainland, with an investment value of about US\$2 billion in greater China.

"Goodman is committed to the long-term prosperity of its business in greater China," says Besy Leung, the firm's marketing director. On the mainland, Goodman owns and manages seven international-standard warehouse and distribution facilities with a value of US\$215 million. In the past year, it has started five projects, while Interlink in Hong Kong, a multi-tenanted property of more than 224,000 square metres, is the world's largest warehouse and distribution centre under construction.

Homart, meanwhile, strives to succeed through upholding product quality. "We use the best selection of ingredients and formulations. Our in-house [quality assurance] team also makes sure products are manufactured for the benefit and health of customers," says Yeh.

The company attaches great importance to staff training. It offers a programme on negotiation skills to senior employees and safety training for warehouse and production staff.

For studio505, a wealth of ideas, vision and innovation in design, architecture and sustainability, and the capacity to deliver what it has promised, are a key part of how it strives for business excellence.

"We have pushed our clients to engage with sustainable development, even in projects that apparently have no possible sustainable features," says Freeman.

An example is the Lotus project, a flower-like conference centre located on an artificial lake in Jiangsu, which has a heat-exchange system with the lake's thermal mass and promotes natural ventilation.



Goodman Asia's Hong Kong storage facilities