Growing Together
Taiwan and Los Angeles County
Taiwan and Los Angeles County

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The LAEDC, the region’s premier business leadership organization, is a private, non-profit 501(c)3 organization established in 1981.
As Southern California’s premier economic development organization, the mission of the LAEDC is to attract, retain, and grow businesses and jobs for the regions of Los Angeles County. Since 1996, the LAEDC has helped retain or attract more than 198,000 jobs, providing over $12 billion in direct economic impact from salaries and over $850 million in property and sales tax revenues to the County of Los Angeles. LAEDC is a private, non-profit 501(c)3 organization established in 1981.

Regional Leadership
The members of the LAEDC are civic leaders and ranking executives of the region’s leading public and private organizations. Through financial support and direct participation in the mission, programs, and public policy initiatives of the LAEDC, the members are committed to playing a decisive role in shaping the region’s economic future.

Business Services
The LAEDC’s Business Development and Assistance Program provides essential services to LA County businesses at no cost, including coordinating site searches, securing incentives and permits, and identifying traditional and nontraditional financing including industrial development bonds. The LAEDC also works with workforce training, transportation, and utility providers.

Economic Information
Through our public information and for-fee research, the LAEDC provides critical economic analysis to business decision makers, education, media, and government. We publish a wide variety of industry focused and regional analysis, and our Economic Forecast report, produced by the Kyser Center for Economic Research, has been ranked #1 by the Wall Street Journal.

Economic Consulting
The LAEDC consulting practice offers thoughtful, highly regarded economic and policy expertise to private- and public-sector clients. The LAEDC takes a flexible approach to problem solving, supplementing its in-house staff when needed with outside firms and consultants. Depending on our clients’ needs, the LAEDC will assemble and lead teams for complex, long-term projects; contribute to other teams as a subcontractor; or act as sole consultant.

Leveraging our Leadership
The LAEDC Center for Economic Development partners with the Southern California Leadership Council to help enable public sector officials, policy makers, and other civic leaders to address and solve public policy issues critical to the entire region’s economic vitality and quality of life.

Global Connections
The World Trade Center Los Angeles-Long Beach works to support the development of international trade and business opportunities for Southern California companies as the leading international trade association, trade service organization and trade resource in Los Angeles County. It also promotes the Los Angeles region as a destination for foreign investment. The World Trade Center Los Angeles-Long Beach is a subsidiary of the Los Angeles County Economic Development Corporation. For more information, please visit www.wtca-lalb.org.
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• Los Angeles County is America’s top international trade gateway to Taiwan and Taiwan’s top gateway to the U.S.

• Taiwan is the Los Angeles Customs District’s (LACD’s) #4 trading partner

• A significant amount of Chinese imports arriving at our local ports are a product of Taiwanese manufacturing occurring on the Mainland

• Top L.A. Metro Area Exports to Taiwan are royalties, computers and electronics, pharmaceuticals, machinery and transportation equipment

• Investment into Los Angeles County from Taiwan has increased by 30% over the past 6 years, with Taiwan becoming one of Los Angeles County’s top ten largest investors

• Taiwan and Los Angeles County continue to increase business and commercial ties

• Los Angeles County has the largest Taiwanese population of any county in the nation at over 45,000

• Los Angeles County has the largest number of Taiwanese students of any county in the nation with over 1,000

• Strong cultural and network ties are the foundation of the relationship

• Future business prospects may be found in green/clean tech, creative industries, biotech and medical devices, aerospace and defense, entertainment, machinery, tourism, logistics, banking and financial services, real estate/property development and construction and engineering
KEY RECOMMENDATIONS

- Promote and market Los Angeles County and Taiwan as attractive locations for foreign direct investment, emphasizing the reasons why Los Angeles County and Taiwan provide significant overall value and return on investment.

- Focus on attracting Taiwanese companies that are looking to locate their U.S. or North American headquarters, distribution centers, and sales offices in Southern California. Focus on attracting Los Angeles County companies that are looking to locate their Asian headquarters, distribution centers, and sales offices in Taiwan.

- Invest in improving existing trade infrastructure (e.g. seaports, airports, freeways and intermodal rail capacity to distribution centers).

- Focus on expanding two-way trade, formulating stronger relationships with Taiwan at the national, city and county levels, and expand outreach programs.

- Promote the ports in Los Angeles County and in Taiwan as hubs and gateways to Latin America and Asia, possibly by establishing partnerships with ports in both countries.

- Better leverage the resources of the LAEDC and the World Trade Center-Los Angeles (WTC-LA), the Taipei Economic and Cultural Office in Los Angeles (TECO-LA), Taiwan External Trade Development Council (TAITRA) and other Taiwan related organizations to increase the level of interaction between U.S. and Taiwanese companies.

- Focus on business development exchanges and foreign direct investment prospects.

- Work to make policymakers, businesses, and other local stakeholders aware of the advantages of the relationship.

- As the findings of this report show, Taiwan’s continued economic success will impart benefits on the economic development of Los Angeles County and the U.S. as a whole. Both sides should also work to consider ways, for example, to use free trade agreements such as the TPP along with a bilateral investment agreement (BIA) as a booster to further promote an even closer economic partnership based on mutual interests.
Taiwan at a Glance

- **Official Name:** Republic of China
- **Geographic Area:** Slightly smaller than Maryland and Delaware combined
- **Population:** 23.4 million – (about 65% or 15 million live in New Taipei, Kaohsiung, Taichung, Taipei and Tainan) – (population growth rate is 0.25%)
- **Capital:** Taipei
- The **Administrative Divisions are split into:**
  - 6 special municipalities: New Taipei, Kaohsiung, Taichung, Taipei, Taoyuan, and Tainan
  - 3 municipalities: Hsinchu, Keelung and Chiayi
  - 13 counties: Changhua, Pingtung, Yunlin, Miaoli, Nantou, Chiayi, Hsinchu, Yilan, Hualien, Taitung, Kinmen, Penghu and Lienchiang
- **President of the Republic of China:** MA Ying-jeou (elected in 2008 and re-elected in 2012) – next election will be in 2016
- **Type of Government:** Multiparty Democracy
- **Legislative Branch:** Unicameral Legislative Yuan
- **Diplomatic Representation in the U.S.:** Taipei Economic and Cultural Representative Office in Washington DC – (also has Taipei Economic and Cultural Offices throughout the U.S. including Los Angeles – better known as TECO-LA)
- **TECO-LA Director General:** Steve Hsia

Taiwan’s Economy at a Glance

- **Economic Growth/GDP Growth:**
  - 2013 (2.23%) and 2014 (3.51%)
- **GDP in Nominal Terms (using market exchange rates)**
  - $489 Billion – 25th Largest Economy in the World
- **GDP in PPP Terms (using PPP exchange rates)**
  - $930 Billion – 20th Largest Economy in the World
- **Per Capita GDP in Nominal Terms (using market exchange rates):** $22,583
- **Per Capita GDP in PPP Terms (using PPP exchange rates):** $40,000
- **GDP composition by Sector:**
  - Services (69%), Industry (29%) and Agriculture 2%
- **Unemployment Rate:** 3.96%
- **Labor Force:** 11.6 Million
- **Population Below Poverty Line:** 1.5%
- **Average GDP Growth Rates:**
  - From 2009 to 2013: 3.42%
- **Trade Stats (for 2014)**
  - **Total Trade 2-way trade:** $588 Billion
  - **Total Exports:** $313.8 Billion
  - **Top Exports:** Electronics, Flat Panels, Machinery, Metals, Textiles and Plastics
  - **Top Imports:** Electronics, Machinery, Crude Oil, and Precision Instruments
  - **Total Imports:** $274.2 Billion
  - **20th Largest** Exporter in the World
  - **18th Largest** Importer in the World
  - **19th Largest** Trading Economy in the World
- **Top Trading Partners:** China, the U.S. and Japan
- **Current Account Balance:**
  - $56.7 Billion (Defined by the sum of the value of exports of goods and services plus net returns of investment abroad, minus the value of imports of goods and services) – 9th Largest in the World
- **Main Ports:**
  - Kaohsiung, Keelung, Taichung and Hualien
The objective of this report is to describe the long-established, deep and growing ties between Taiwan (officially, The Republic of China) and Los Angeles County. The strong bond has greatly impacted the development of both places. It is critical to highlight how these ties and mutual benefits can be better understood and appreciated as a foundation upon which a brighter future can be built in order for both places to continue this mutually beneficial relationship.

Overview of Report

Historical Ties

Since the 1980’s, Taiwanese immigrants have contributed to the economic and cultural landscape of California. According to the most recent U.S. Census (2010), the cities of San Jose, Sunnyvale and Santa Clara were home to 28,097 Taiwanese or Taiwanese-Americans. In San Francisco, Oakland and Fremont, Taiwanese-Americans number 27,568 individuals. However, the majority of the Taiwanese and Taiwanese-American community is concentrated in Los Angeles County, which has 45,800 persons who are Taiwanese or of Taiwanese decent. Within Los Angeles County, the Taiwanese have settled mainly in the San Gabriel Valley. In Monterey Park, a part of the city has become known as “Little Taipei.” Throughout these Taiwanese communities one can find Taiwanese temples, social organizations, restaurants and traditional markets.

The Taiwanese Economy

The Taiwanese economic miracle refers to the rapid economic development of Taiwan that began earlier in the last century. Taiwan is one of the “Four Asian Tigers”, a group of economies that also includes Singapore, Hong Kong and South Korea.

Taiwan’s role in the global economy was transformed with the advent of globalization. Economic globalization altered the way international business was conducted. Global production methods were revolutionized as a direct result of new technology and reduced transportation costs. International trade and foreign direct investment increased substantially, and maximizing global supply chain efficiencies became the highest priority for global companies. As a result, Taiwan became a vital participant in the global economy, dominating the information and communications technologies (ICT), and electronics industries. Taiwan has solidified its place in the high-tech space of the global economy over the past 20 years to become an instrumental part of global supply chains. Due to its strategic location, Taiwan is a hub for East Asian transportation and the logistics.

Trade Ties

California and Los Angeles County have been uniquely positioned to take advantage of Taiwan’s surging economic development over the past sixty years due to the state’s beneficial geographical location. Taiwan was California’s sixth largest export market in 2013 (when including Hong Kong in the Mainland China total), with exports to Taiwan at $7.5 billion. California has the highest amount of exports to Taiwan of all the states in the U.S.

Taiwan was the LACD’s fourth largest trading partner in 2013 with total two-way trade valued at $15.8 billion, up by 2.4% from 2012. Total Taiwanese imports unloaded (district of unloading – general imports) in the LACD were valued at $8.7 billion (#5). Total U.S. exports to Taiwan through the LACD were $7.1 billion (#5), for a LACD trade deficit of $1.5 billion. Taiwan’s import-to-export ratio was 1.2, down from 1.4 in 2012. From a volume or container perspective, total loaded inbound and outbound TEUs declined by 3.5% in 2013 moving from 626,334 to 604,385 TEUs.

Investment Ties

In a comprehensive multi-country study of foreign direct investment in Los Angeles County that was completed in 2008, the LAEDC identified 127 Taiwanese-owned business establishments in 2007. That number increased by 30% since 2007 to 164 establishments according to LAEDC research conducted in 2013-2014, making Taiwan one of the ten largest
sources of foreign-owned and affiliated businesses in the county. Out of a total of 164 establishments, the largest industry area for Taiwanese-owned companies is wholesale trade, followed by finance (banking), manufacturing and transportation & warehousing. Taiwanese investment has beaten growth expectations expanding by 30% from 2007 through 2013.

The 2008 study estimated the economic impact of Taiwanese investment in the county. The 127 Taiwanese-owned establishments in the county created 3,200 direct jobs and 6,800 indirect jobs totaling 10,000 jobs, translating to a total of $458 million in wages and salaries related to Taiwanese investment into Los Angeles County. While a formal impact analysis is not available, it is safe to say that the increase from 127 to 164 establishments as of 2013 has resulted in a local economic contribution in excess of 10,000 total jobs and $500 million in wages and salaries.

Going forward informed observers believe investments will be made in the green/clean technology industries like electric vehicles, and renewable energy like solar & wind energy. Biotechnology will be another key area. Also, medical devices and pharmaceuticals have been targeted for investment by both the government and private sector in Taiwan. Other key industries that are likely to attract Taiwanese investment include entertainment, tourism, logistics, food, culture and creativity.

Business Ties
Taiwan represents a 23 million consumer market, but with its superior location, it serves as a gateway and hub for all of Asia, which includes Mainland China, Japan, South Korea, all of Southeast Asia (particularly Singapore, Indonesia, the Philippines, Thailand, Vietnam and Malaysia) and the rest of the Pacific Rim.

The business opportunities are vast for international companies who wish to invest or expand in Taiwan, into Mainland China (maximizing the benefits of the Economic Cooperation Framework Agreement that went into effect in 2010 between Taiwan and Mainland China) and beyond to the entire Pacific-Rim region. Business ties between Los Angeles County and Taiwan have benefited greatly from Taiwan’s economic miracle and ever growing financial globalization as increased capital flows have changed global commerce. In addition, multinational corporations have altered international business patterns along with international relations. Fortune 500 companies have expanded their global operations since the 1990’s as globalization has evolved. Taiwan has been an attractive market as it has experienced strong economic growth rates over the past few decades. The opportunities for American businesses are numerous with Taiwan’s large middle class and purchasing power.

Personal Ties (Educational, Cultural and Network Ties)
Of all of the states in the U.S., California has attracted the largest number of international and Asian students (including Taiwanese). As the leading gateway to the Pacific Rim, California (and more specifically Los Angeles County) has emerged as the natural center of Asian-American economic, business, educational and cultural exchanges. Los Angeles County has the largest number of Taiwanese students of any county in the U.S., with USC and UCLA leading the way. The economic impact to the region includes tuition fees, living expenses and real estate investment by the parents of these students.

In addition to the educational ties, there are other personal connections between the two regions, including significant cultural ties and network ties. Los Angeles region is home to more people of Taiwanese descent than anywhere else in the United States. In fact, Los Angeles County has the highest Taiwanese population outside of Taiwan. The total number of Taiwanese living within Los Angeles County in 2010 was 45,800 according to the U.S. Census Bureau, up by 8% from 2000. The surrounding counties also contain large numbers of Taiwanese-Americans (particularly Orange County). Network ties include prominent national organizations that focus on increasing and promoting U.S.-Taiwan relations and local organizations that serve as a bridge between Taiwan and the Los Angeles region. These organizations provide beneficial services that lead to increased integration between Taiwan and Los Angeles County.

The Future of the Relationship
Trade flows between California and Taiwan are expected to increase during the coming years. The Taiwanese government is pursuing trade liberalization polices as a means to sustain economic growth. In the near-term, the Taiwanese economy will continue to be heavily reliant on exports to Mainland China. However, Taiwan has begun to diversify into other
key growth markets such as Southeast Asia. Specific to trade between Taiwan and Los Angeles County, the largest potential areas for growth are in green tech, electronics, ICT, biotech, aerospace and defense, medical instruments, entertainment, creative industries, machinery, pharmaceuticals, and tourism. Additionally, the San Pedro Bay ports serve as the conduit for other goods shipping from California (particularly agricultural products) and primary metal products.

The outlook for foreign direct investment from Taiwan into Los Angeles County is solid. Investment from Taiwan into Los Angeles County increased by over 30% over the past six years. Taiwanese companies are especially attracted to the Los Angeles area because of its broad economic base and business infrastructure. The region’s large Taiwanese population also makes it more comfortable for Taiwanese companies to do business here.

Los Angeles County has a number of attributes that should make it attractive to Taiwanese companies including: the largest consumer market in the United States, the largest county economy in the United States, well-developed industry clusters, a well-educated and trained workforce, excellent higher education institutions, outstanding trade infrastructure, excellent access to national and international markets, a technology rich area, first-rate apparel, auto and engineering design, the nation’s largest manufacturing base, competitive costs and great weather all year round. Additionally, Taiwanese companies can use Los Angeles County as a gateway to Latin American markets.

The outlook for foreign direct investment from Los Angeles County into Taiwan is also encouraging. Attributes that make Taiwan an attractive place to invest are its ties with Mainland China and its strategic location. In particular, Taiwan offers Los Angeles County companies the following: an ideal location – the hub of Asian trade, a high technological focus, an important role in Asia-Pacific regional supply chains, an abundance of skilled labor, strong R&D and innovation capabilities, an emerging capital market, a population with a high purchasing power and excellent infrastructure, strong investment environment and global competitiveness.

Conclusions

Los Angeles County and Taiwan have developed a dynamic and mutually beneficial relationship. Los Angeles County is home to more Taiwanese-Americans than any other area in the U.S. and the local universities educate more Taiwanese students than any other region in the U.S.

The Los Angeles Customs District (LACD) is the primary entry point for Taiwanese goods into the U.S. and will continue to be for the foreseeable future. As two-way trade expands, the potential for an increase in investment flows also rises. Significant foreign direct investment opportunities exist in the renewable energy, technology, biotechnology, pharmaceutical and especially in the creative industries.

In conclusion, the future holds great potential for the Taiwan-Los Angeles County relationship. The world will continue to look to Taiwan as the global supply chain and economic leader in ICT and computer products. Together, Los Angeles County and Taiwan can take the lead on several pressing global issues such as renewable energy and climate change as Los Angeles County is best positioned to capitalize based on state leadership on this issue and the state policies already in existence.
INTRODUCTION

Los Angeles County is America’s most populous and diverse county and has been strongly influenced by its connections to the people and economies of the Pacific Rim. Since the end of the Second World War, the economies of Taiwan and Los Angeles County have become increasingly interconnected. The relationship between Taiwan and Los Angeles County is based on strong business, financial and cultural ties. Over the years, Taiwanese-Americans have made an indelible impact on the socio-economic fabric of the Los Angeles region. The connections that have been forged in the past and the new possibilities that will open up in the future are featured in this report.

Overview of Report

The objective of this report is to describe the long-established, deep and growing ties between Taiwan (officially, The Republic of China) and Los Angeles County. This report provides a comprehensive look at the relationship between Taiwan and Los Angeles County. It begins with the historical ties and then takes a close look at the Taiwanese economy. Next, the analysis details the economic links between the two and focuses on the critical trade links. Fourth, the report explains the significant role played by Foreign Direct Investment (FDI) and cites investment prospects for the future. Fifth, the study examines the business and financial links between the two areas by profiling firms that are based in Los Angeles County and active in Taiwan as well as major Taiwanese firms with a presence in Los Angeles County. Sixth, the report highlights the personal connections between Taiwan and Los Angeles County, including educational, cultural and network ties. The final sections of the report describe challenges and opportunities that lie ahead for this partnership and presents recommendations to further solidify the relationship.

Taiwanese Economic Miracle

The Taiwanese economic miracle refers to the rapid economic development of Taiwan that began in the 1960’s and accelerated in the 1970’s. Taiwan is one of the “Four Asian Tigers” a group of economies that also includes Singapore, Hong Kong and South Korea. All four economies pursued a similar economic development path initially that included protectionist trade policies and industrialization based on import substitution. However, Taiwan’s economic development path included a combination of policies that was unique to the island nation. These policies included import substitution, gradual economic reforms, opening up markets and export extensions.

Based on data from IHS Global Insight, over the thirty year period from 1952 to 1982, the Taiwanese economy grew by an average of 8.7% annually and then by an average of 7% annually from 1983 until 1986. From 1965 until 1985, Taiwan’s GDP increased by roughly 360%, while industrial production expanded by nearly 700%.

Economic growth improved the living standards of Taiwanese citizens. GDP per capita was less than US$200 (comparable to countries in Africa) in the early 1950s, but economic development in Taiwan was transformational as GDP per capita and household incomes skyrocketed. Taiwan has been on par with high-income advanced economies such as Germany, Canada and Australia since the late 1980’s. Today, Taiwan’s GDP per capita (PPP) is close to US$40,000. Moreover, the Gini Coefficient, which measures income inequality in an economy, fell from 0.6 in the 1950’s to 0.3 in 1980, implying a more even distribution of income over time. By 1980, Taiwan had a lower Gini Coefficient than some advanced economies in Western Europe.

1Based on inflation-adjusted U.S. Dollars.
2PPP accounts for the price differentials in each country and equalizes prices while market exchange rates do not and are based on strictly converting from the Taiwanese Dollar to the U.S. Dollar.
3The GINI coefficient measures the distribution of income in an economy. The GINI coefficient ranges in value from 0 to 1. Lower values correspond to a more even distribution of income, with 0 representing perfect income equality. It may be used to compare income inequality over time and across economies.
Taiwan’s economic development has been rapid, almost miraculous, and it has significantly impacted the global, the U.S., California and Southern California economies in multiple ways. First and foremost, Taiwan revolutionized the global electronics industry, as it has evolved into a semiconductors powerhouse and the world’s largest chipmaker. It is the second largest information and communications technology (ICT) hardware manufacturing country in the world. Taiwan’s semiconductor, optoelectronic, information, and communication products make-up more than 70% of global production. Roughly 70% of the global silicon wafer original equipment manufacturer (OEM) production value is also related to Taiwan’s production.

Based on 2013 figures, Taiwan has the twentieth largest economy (at US$930 billion) in the world based on purchasing power parity (PPP) or the twenty-fifth largest economy (at US$489 billion) on a nominal basis or using market exchange rates. Taiwan’s economy is closely interconnected to the U.S. economy as a direct result of economic globalization. American firms (particularly computer related companies in the Silicon Valley) have invested heavily in Taiwan in order to benefit from the technological expertise of the nation. The U.S. is one of Taiwan’s top trading partners and American consumers have had a major impact on Taiwan’s export-led growth. Moreover, Taiwan’s economy is closely linked to California and Los Angeles County as a large percentage of U.S. investment and trade are tied to Los Angeles County, as described below.

Los Angeles County is the most populous county in the United States, encompassing over 26% of California’s population. If it were a separate state, Los Angeles County would be the eighth largest by population. With a $583 billion economy, Los Angeles County ranked as the twenty-first largest economy in the world in 2013. Its economic output was larger than Sweden, Norway, Poland, Belgium and Taiwan.

Los Angeles County Profile

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<th>Los Angeles County Ranked #1 in the U.S.</th>
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<td>County population 10 million</td>
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<td>Asian population roughly 1.5 million</td>
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<td>Labor Force 5.0 million</td>
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<tr>
<td>Professional/scientific/tech over 275,000 service employees</td>
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<td>Asian-owned businesses over 183,000</td>
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<td>Total trade value L.A. Customs District $415 billion</td>
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L.A. Firsts:
Some Things Born in the Los Angeles Area

- The Internet
- The Space Shuttle
- The B-2 stealth aircraft made by Northrop Grumman, and the Douglas DC-3, the first commercially viable passenger airplane
- Disney characters: Mickey Mouse & Donald Duck
- Barbie Doll
- The Modern T-shirt (for USC in 1932)
- The Fortune Cookie
- The Mars Exploration Rovers Curiosity, “Spirit” & “Opportunity”
- New VW Beetle
- Epogen/Neuprogen (Bio-Tech Blockbuster Drugs)
- The multi-channel recording process
- THX Sound System (for movie theaters)
- The Modern Theme Park – Disneyland
- Celebrity PR
- The Hula Hoop
- The Aeron Chair
The economy of Los Angeles County is very diverse. Among its many strengths are its post-secondary educational institutions, openness to new ideas, and technological innovation. Billed as the “Creative Capital” of the world, Los Angeles is the center of motion picture and video production in the United States. Video game developers also have a strong and growing presence in the greater Los Angeles region.

Los Angeles County is also a manufacturing center. It has the largest number of manufacturing business establishments and the highest manufacturing employment in the nation. Additionally, globalization and geography have combined to make Los Angeles the international trade capital of the U.S. The Ports of Los Angeles and Long Beach make up the largest port complex in the nation and the Western Hemisphere in terms of both cargo tonnage and containers handled. The twin ports rank ninth among the world’s largest ports by number of containers handled. Los Angeles International Airport is the largest origin and destination (non-connecting flights) airport in the world, and the sixth busiest in terms of passengers.

Los Angeles County has been a leader in advancing green technologies as well, ranking first in the nation in new energy patents. As the foremost market for alternative fuel vehicles, energy efficiency and clean air initiatives, Los Angeles County offers abundant opportunities for “green” growth such as electric vehicles and solar energy. Los Angeles County has also set the standard for green port operations and is a leader in “intelligent highways” technology.

California was home to 143 venture capital investment deals and received over $2.2 billion in clean technologies investment in 2012 (latest data). California led the nation in green investment in 2012 as it has for many years. This trend is expected to continue in the coming years.

Los Angeles County has 120 institutions of higher learning including world class research universities such as Caltech, the University of Southern California (USC) and the University of California Los Angeles (UCLA), five campuses of the California State University system, numerous private colleges and many community colleges. Feeding innovative ideas and talent into the business community, these institutions have enabled Los Angeles County to become a leader in technology innovation and bio-medical research. These world renowned schools turn out a continuous flow of creative talent to fuel the Los Angeles County’s dynamic workforce. Los Angeles also has a robust support infrastructure for entrepreneurs, including respected entrepreneurial training programs at USC and UCLA.

Los Angeles is increasingly being recognized as the “Capital of the Pacific Rim”. It has a larger consular corps (99 nations are represented) than any other U.S. city outside of Washington D.C. and New York. In addition, more than 220 languages and cultures are represented across the county. There are more Taiwanese-Americans in LA County than in any other county in the US (45,800). Because of its personal, cultural, and business ties, no other area of the U.S. has a stronger relationship with Taiwan.
Key Municipalities and Cities in Taiwan:
(Based on Administrative Area Population, minimum of 250,000)

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<td>3.9 million</td>
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<tr>
<td>Kaohsiung (Special Municipality)</td>
<td>2.8 million</td>
</tr>
<tr>
<td>Taichung (Special Municipality)</td>
<td>2.7 million</td>
</tr>
<tr>
<td>Taipei (Special Municipality)</td>
<td>2.6 million</td>
</tr>
<tr>
<td>Taoyuan (Special Municipality)</td>
<td>2.0 million</td>
</tr>
<tr>
<td>Tainan (Special Municipality)</td>
<td>1.9 million</td>
</tr>
<tr>
<td>Hsinchu (Provincial City)</td>
<td>420,000</td>
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<tr>
<td>Keelung (Provincial City)</td>
<td>380,000</td>
</tr>
<tr>
<td>Chiayi (Provincial City)</td>
<td>272,000</td>
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</table>

Key Cities in Los Angeles County:
(Based on Population, minimum of 100,000)

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Los Angeles</td>
<td>3.9 million</td>
</tr>
<tr>
<td>Long Beach</td>
<td>470,000</td>
</tr>
<tr>
<td>Santa Clarita</td>
<td>209,000</td>
</tr>
<tr>
<td>Glendale</td>
<td>196,000</td>
</tr>
<tr>
<td>Lancaster</td>
<td>160,000</td>
</tr>
<tr>
<td>Palmdale</td>
<td>156,000</td>
</tr>
<tr>
<td>Pomona</td>
<td>152,000</td>
</tr>
<tr>
<td>Torrance</td>
<td>148,000</td>
</tr>
<tr>
<td>Pasadena</td>
<td>141,000</td>
</tr>
<tr>
<td>El Monte</td>
<td>115,000</td>
</tr>
<tr>
<td>Downey</td>
<td>114,000</td>
</tr>
<tr>
<td>Inglewood</td>
<td>112,000</td>
</tr>
<tr>
<td>West Covina</td>
<td>108,000</td>
</tr>
<tr>
<td>Norwalk</td>
<td>107,000</td>
</tr>
<tr>
<td>Burbank</td>
<td>106,000</td>
</tr>
</tbody>
</table>
SECTION ONE

Historical Ties

Taiwan is officially called the Republic of China (ROC). Taiwan and the U.S. have long had strong ties and mutual respect for each other. Both countries share the common values of freedom, democracy, and respect for human rights. In the recent decades, common economic interests have further strengthened these ties as the two countries have come together to focus on economic development, international trade and commerce, and social and cultural development. In the same vein, the State of California and the County of Los Angeles have developed a strong, mutually-beneficial social and economic relationship with Taiwan.

California and Los Angeles County have benefitted from several waves of immigration from Taiwan into the U.S. From the 1950s to 1979, the majority of Taiwanese immigrants who came to the U.S. were students pursuing their university studies. The Immigration Act of 1965 enabled Taiwanese workers who were skilled in technical and scientific professions to immigrate more easily to the U.S. Consequently, Taiwanese began to immigrate to the U.S. in large numbers, settling up and down the West Coast, but mainly in California. By the late 1970’s a large percentage of these immigrants had settled either in the Bay Area to work in Silicon Valley, or in the San Gabriel Valley in Los Angeles County.

Between 1984 and 1999, approximately 200,000 Taiwanese immigrated to the U.S. Most of these immigrants were business professionals and students, but many were women who came to work in the garment industry or service sector industries. A decade later, The Immigration Act of 1990 gave preference to foreigners willing to invest in new businesses in the U.S.

Subsequently, the next wave of Taiwanese immigrants started businesses in the U.S. and Los Angeles County.

Since the 1980’s, Taiwanese immigrants have contributed to the economic and cultural landscape of California. According to the most recent U.S. Census (2010), the cities of San Jose, Sunnyvale and Santa Clara were home to 28,097 Taiwanese or Taiwanese-Americans. In San Francisco, Oakland and Fremont, Taiwanese-Americans number 27,568 individuals. However, the majority of the Taiwanese and Taiwanese-American community is concentrated in Los Angeles County, which has 45,800 persons who are Taiwanese or of Taiwanese decent. Within Los Angeles County, the Taiwanese have settled mainly in the San Gabriel Valley. In Monterey Park, a part of the city has become known as “Little Taipei.” Throughout these Taiwanese communities one can find Taiwanese temples, social organizations, restaurants and traditional markets.

“California and Los Angeles County have benefitted from several waves of immigration from Taiwan into the U.S.”
Summary of Taiwan’s Economic Evolution

Phase 1 (1940’s)
The first phase of Taiwan’s modern economic development began with reconstruction in the aftermath of World War II. During this time, Taiwan received a significant number of refugees from Mainland China who migrated to Taiwan to escape conflict and the newly established Communist government. Taiwan also received large inflows of aid from the United States during the early stages of its economic development.

Phase 2 (1950’s)
The second phase of Taiwan’s transformation to an industrialized economy focused on import substitution of light manufacturing industries, particularly those that utilized relatively simple technologies such as textiles and food processing. During this decade, the government also embarked on a program of privatization and land reform. The U.S. continued to support Taiwan both financially and politically.

Phase 3 (1960’s)
Beginning with the establishment export processing zones, economic development shifted to an export-led strategy similar to that of Japan and South Korea. This was a transformational policy choice for Taiwan, fundamentally changing the economy and laying the foundation for the country’s future economic success.

Phase 4 (1970’s)
The Taiwanese government began to finance and invest in major infrastructure projects to expand the productive capacity and efficiency of the economy. A major priority for the government was investment in research and development. This led to the creation of science and technology centers to support industrialization and innovation. During this time, the government instituted policies to support a move from labor-intensive industries to more capital-intensive industries such as iron, steel and automobile manufacturing, while continuing to support previously established light manufacturing industries.

Phase 5 (1980’s)
The Taiwanese government made another important policy decision by again shifting industrial policy – this time toward the development of advanced, high-tech, high value-added industries such as electronics. The Taiwanese were extremely successful in this endeavor and were soon competing directly with Japan and South Korea.

Phase 6 (1990’s to Present)
The Taiwanese economy and its industrial base have fully matured. Taiwan is among the world’s leaders in high-tech manufacturing along with Japan, Germany and South Korea. Its success was built on a foundation of investment, innovation, brand recognition and the development of an educated workforce.

The Economic Miracle

The Taiwanese miracle refers to the rapid economic development of Taiwan that began earlier in the last century. Taiwan is one of the “Four Asian Tigers”, a group of economies that also includes Singapore, Hong Kong and South Korea. All four economies pursued a similar economic development path that initially emphasized protectionist trade policies and industrialization based on import substitution. However, Taiwan economic development strategy also included a significant amount of investment in public infrastructure as well as other critical factors. These other instrumental factors were really a combination of political, economic and social forces. Finally, another distinct feature of Taiwan’s economic development was the development of an abundance of small and medium sized enterprises that blossomed as a by-product of the political, economic and societal forces taking shape.
Based on data from IHS Global Insight, over a thirty year period (from 1952 to 1982), the Taiwanese economy grew on average by 8.7% annually, slowing somewhat between 1983 and 1986 to 7.0%. Between 1965 and 1985, industrial production expanded by nearly 700 percent. Based on 2013 figures, Taiwan now has the twentieth largest economy (US$930 billion) in the world based on purchasing power parity (PPP) or the twenty-fifth largest economy (US$489 billion) on a nominal basis (using market exchange rates).

GDP per capita (PPP) and household incomes skyrocketed as the economy advanced. In the early 1950s, Taiwan had a GDP per capita of less than $200 but now has a GDP per capita of nearly US$40,000. Per capita GDP in Taiwan has been on par with high-income advanced economies such as Germany, Canada and Australia since the late 1980s. Moreover, the Gini Coefficient, a measure income distribution, fell from 0.6 in the 1950s to 0.3 in 1980 (a coefficient of zero reflects perfect equality; a coefficient of one reflects complete inequality). By 1980, Taiwan had a lower Gini Coefficient than some advanced economies in Western Europe.

The Role of Globalization

Taiwan’s role in the global economy was transformed with the advent of globalization. Economic globalization altered the way international business was conducted. Global production methods were revolutionized as a direct result of new technology and reduced transportation costs. International trade and foreign direct investment increased substantially, and maximizing global supply chain efficiencies became the highest priority for global companies. As a result, Taiwan became a vital participant in the global economy, dominating the information and communications technologies (ICT), and electronics industries.

Taiwan has solidified its place in the high-tech space of the global economy over the past 20 years to become an instrumental part of global supply chains. Due to its strategic location, Taiwan is a hub for East Asian transportation and the logistics.

Over the last several decades, Taiwan has revolutionized the global electronics industry to become the world’s largest chipmaker and the second largest ICT hardware manufacturing country. Taiwan’s semiconductor, optoelectronic, information, and communication products make up more than 70% of global production. Roughly 70% of the global silicon wafer OEM production value originates in Taiwan. The strong ties California has with Taiwan stem from synergies between Silicon Valley and Taiwan’s electronics industry. Additionally, as this report will demonstrate, Los Angeles County is the epicenter of the U.S.-Taiwan relationship and has immensely benefitted from Taiwan’s economic rise.

The Role of Exports

Taiwan continues to be an export-oriented economy with exports consistently representing over 70% of GDP (72% in 2013). As such, Taiwan’s economic well-being is closely tied to the global economic environment. Taiwan’s economy contracted in 2009 as a direct result of the global recession and the minimal growth experienced over the past two years has been mainly due to the recession in Europe.

The Taiwanese export-led model, which has been dominated by its electronics industries, has fueled eight percent annual growth rates over the last three decades. Over time, Taiwanese electronics assembly operations have been shifting to Mainland China, which explains a large part of the increase in two-way trade flows between the two nations.

Cross-Strait Ties – Mainland China’s Role and the Impact on the Taiwanese Economy

Mainland China and Taiwan have edged economically closer in recent years with both sides working to improve relations. Mainland China is Taiwan’s largest trading and investment partner, absorbing 27% of Taiwanese exports and 17% of Taiwanese imports. Mainland China is also the largest destination for Taiwanese investment. This is the result of Taiwanese computer products assembly and manufacturing relocating to Mainland China to take advantage of lower costs and fewer trade barriers. In 2010, cross-strait ties entered a new phase of economic cooperation and integration when both countries signed the Cross-Straits Economic Cooperation Framework Agreement (ECFA).
The Economic Cooperation Framework Agreement (ECFA) with Mainland China

The ECFA was an important development in the relationship between Taiwan and Mainland China. The ECFA cut tariffs on 539 Taiwanese exports to Mainland China and 267 Chinese products entering Taiwan. President Ma of Taiwan played an instrumental role in improving relations with Mainland China and the ECFA was one of his signature accomplishments in reaching this objective. The Taiwanese government expects the ECFA and its follow-up agreements to create upwards of 260,000 jobs and to improve economic growth by 1.65%-1.72%. In addition, it is believed that this agreement will further peace and prosperity between the two nations.

The main objectives of the ECFA for Taiwan are:

• Strengthen cross-strait economic and trade relations
• To avoid the marginalization of Taiwan by regional economic integration
• To enhance Taiwan’s position as a platform for regional investment

The 2010 agreement mainly focused on goods and not services. An extension of the ECFA incorporating services was finalized in 2013. Mainland China made 80 market access commitments to Taiwan, while Taiwan made 64 commitments to Mainland China. The expanded agreement includes sectors related to commerce, telecommunications, construction, distribution, environment, health, tourism, entertainment, culture, sports, transportation and finance.

This agreement marks a new level for cross-strait economic and trade cooperation. Under the service trade deal, the threshold for market access will be lowered for service providers from both sides and more favorable policies will be formulated to boost cross-strait cooperation in service industries. The service trade agreement has stipulated basic service trade principles, rights and obligations, the orientation of development and relevant working mechanisms for both sides.

Recent Economic Developments and Short-Term Outlook

Taiwan is heavily based on external demand and is very dependent on trade with Mainland China. The slowdown in Mainland China has had a pronounced negative effect on Taiwan’s economy over the last two years. However, a weaker Taiwanese dollar and increased demand from the United States helped to strengthen the economy through the third quarter of 2014. GDP expanded by 3.8% during the second quarter on a year-to-year basis and is expected to grow by 4.0% or higher over the next couple of years, depending on the performance of Mainland China and Europe. Taiwanese external demand should grow as Taiwan has signed ECAs with New Zealand and Singapore in 2013 and hopes to sign more ECAs with its trading partners.

The Future of the Taiwanese Economy

The Taiwanese economy faces many challenges. Taiwan’s exporters face steep competition from Japanese and Korean exporters as they all export similar electronic products in the global marketplace. South Korea has become a rival to Taiwan with its electronics firms earning higher margins, greater product brand recognition, speed to market, and research and development investment. The biggest problems facing Taiwanese companies are lack of name recognition, reliance upon other companies for final demand (as opposed to consumer), and thin margins for its largest companies. In addition, competition has intensified with South Korea’s recent completion of free trade agreements with the U.S. and Europe. Japanese actions to weaken the yen have added yet another layer of competition.

In summary, the challenges facing the Taiwanese economy include:

• A heavy reliance on exports; lack of economic diversity
• Reliance on the Chinese market; lack of expansion in other export markets
• Ageing population and shrinking workforce
• Lack of participation in free trade agreements
• Declining competitiveness
• Low levels of foreign direct investment (FDI)

Taiwan may benefit from negotiating free trade agreements with important markets such as the U.S. and Europe. It could increase exports to Southeast Asia as well as other Pacific Rim nations, if it joined the Trans Pacific Partnership Agreement (TPP). Japan is already a TPP member and South Korea hopes to join the negotiations. Continuing to support research and development to improve the competitiveness of its industries is also important.

Developing the services sector would help diversify an economy heavily focused on manufacturing hi-technology electronics.
Liberalizing restrictions on economic and investment ties with Mainland China might also enhance growth. Policies that promote workforce development, such as a balanced approach to university education versus technical training are another tool available to policy makers.

**Importance of the Trans-Pacific Partnership (TPP) to Taiwan and Taiwan to the TPP**

The TPP negotiations currently consist of the following countries: the U.S., Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. The TPP countries together account for nearly 40% of global GDP and 33% of global trade and include nearly 800 million people.

The long-term benefits for Taiwan would be substantial. Participation would provide greater access to its major export markets including the U.S., Vietnam, Malaysia, Singapore, and Japan. Taiwan’s primary industries, which are efficient and high value-added, depend on close connections to regional production chains. Agreements such as the TPP would alter the rules of trade within these supply chains, making it more advantageous to work with TPP participants and less beneficial to work with countries that are outside the agreement. Taiwan has an ageing population and a shrinking workforce. Participation in the TPP would create new opportunities and allow Taiwan to lessen its dependence upon Mainland China.

Taiwan is ranked third in overall investment environment (behind Switzerland and Singapore) and ranked second in the Pacific-Rim region in investment environment based on a report by Business Environment Risk Intelligence (BERI) in 2013. In the field of operations risk, the BERI report lists Taiwan as second in the world only after Singapore. With respect to political risk, Taiwan ranks amongst the lowest in the world at 10th place and 2nd-lowest in Asia, behind only Singapore. It is also the 18th largest trading entity in the world and the 10th largest economy among APEC members. Taiwan has also signed free trade agreements with important trading partners like Singapore and New Zealand.

While Taiwan is already one of the best investment environments in the world, it continues to enact policies to make it more attractive. For example, the rules for reviewing foreign investment applications have been eased significantly. Also, in order to have more engagement with regional economic integration, Taiwan is reviewing its current laws and regulations in order to meet international standards.

Although mainland China is still the main source of Taiwan’s two-way trade, Taiwan’s government has adopted a policy to diversify its foreign trade markets to prevent the risk of over-concentrating onto the Chinese market. Taiwan’s government has also established a task force to promote TPP’s participation by getting its legal regimes to become consistent with the TPP and further open its markets and industries in order to meet the expectations from TPP members. Beginning in January 2014, Taiwan held individual dialogues with TPP members to further understand how Taiwan can get support from them for joining the TPP, while addressing their bilateral issues of concern with Taiwan. All these efforts combined demonstrate a strong commitment related to Taiwan’s determination in participating in the TPP.

Because Taiwan is one of the key players in Asian-Pacific supply chains it must be an integral part of the TPP territory that has continued to evolve in recent years. Also, Taiwan is the hub of Asian transportation and the logistics center of East Asia. Its strategic geographic location in Asia makes the TPP unable to ignore when pursuing further economic integration in the region. The TPP needs Taiwan and Taiwan needs the TPP. It would be a mutually beneficial relationship and would allow for greater efficiencies and it would result in greater economic growth for the entire region.
GROWING TOGETHER • Taiwan and Los Angeles County

SECTION THREE

Trade Ties

Taiwan’s Entryway into the United States

U.S. - Taiwan Trade

Taiwan has transformed its economy into one of the world’s fastest growing over the past forty years primarily through its openness to world trade. Beginning in the 1970s, the U.S. became the top export destination for Taiwanese goods. By 1980, 42% of all Taiwanese exports were sent to the U.S. In the 1980s and 1990s U.S.-Taiwan trade increased dramatically as Taiwan evolved into a computer industry powerhouse. Total trade between the U.S. and Taiwan grew from less than $20 billion to over $50 billion during these years.

In 2014, Taiwan was the 10th largest U.S. trading partner, the 14th largest U.S. export market and the 12th largest source of U.S. imports. The U.S. exported $26.8 billion of goods to Taiwan in 2014, an increase of 5% from 2013. U.S. exports to Taiwan have jumped by over 50% since 2003. The top U.S. exports to Taiwan include computer and electronic products, machinery and chemicals.

The U.S. imported $40.6 billion in Taiwanese goods in 2014. U.S. imports from Taiwan were up by 7% in 2014 and up by over 28% since 2003. The top imports from Taiwan were computer and electronic products, fabricated metal products and transportation equipment.

The rapid increase in U.S.-Taiwan trade over the past twelve years is primarily because Taiwan entered the World Trade Organization (WTO) in 2002. Entry led directly to a decline in trade barriers between Taiwan and the U.S. Bilateral trade relations between the U.S. and Taiwan have at times been strained by certain disputes over particular industries such as autos and agriculture. In addition, intellectual property rights (IPRs) have been a cause for concern but tensions have subsided in recent years.

Some of these issues along with general trade issues have led to an increase in demand for legal services related to international trade between the two nations (see the Business Ties – Law Firms section below for further detail).

U.S.-Taiwan Bilateral Trade

- The U.S. is Taiwan’s second largest trading partner,
  second leading export market and third largest import source

Over the past thirty years, trade (goods only) between the two nations escalated from approximately $20 billion to over $67 billion. U.S. exports to Taiwan have grown from $4.7 billion to $26.8 billion in 2014. U.S. imports from Taiwan have risen from $16.4 billion to 40.5 billion in 2014.
U.S.-Taiwan Trade Negotiations – Trade and Investment Framework Agreement (TIFA)

The Taiwan-U.S Trade and Investment Framework Agreement is the primary channel for trade talks between the U.S. and Taiwan governments. Trade officials get the opportunity to expand trade and investment links and deepen cooperation. The TIFA was signed in 1994 in Washington D.C. and there have been eight additional meetings over the intervening years. In April 2014, the U.S. and Taiwan concluded the eighth TIFA meeting under the auspices of the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States.

The U.S.-Taiwan TIFA process serves as a key mechanism to strengthen commercial ties and covers a broad range of trade and investment issues important to U.S. and Taiwan stakeholders. The United States welcomed the concrete steps Taiwan authorities took in the months following the 2013 TIFA to improve trade secrets protection and address pharmaceutical issues. The two sides held in-depth discussions on a range of long-standing agricultural trade issues and agreed on the importance of making meaningful progress on these issues in order to deepen their overall trade ties.

U.S. and Taiwan experts agreed to continue fully utilizing the Investment and the Technical Barriers to Trade Working Groups launched at last year’s TIFA meeting to build on recent positive steps being taken by Taiwan to clarify investment criteria, to lift data localization requirements in the financial sector, and to revise standards and multi-pack labeling requirements. The Taiwan authorities outlined plans to devote necessary resources to strengthen intellectual property rights enforcement. The two sides recognized the need for further engagement on intellectual property protection, including critical area of online piracy, as well as on pharmaceutical and medical device issues over the next year.
California – Taiwan Trade

California and Los Angeles County have been uniquely positioned to take advantage of Taiwan’s surging economic development over the past sixty years due to the state’s beneficial geographical location. Taiwan was California’s sixth largest export market (when including Hong Kong in the Mainland China total), with exports to Taiwan at $7.5 billion and imports from Taiwan at $10.9 billion in 2013. California’s imports from Taiwan grew by 10.86% from $10.9 billion in 2013 to $12.1 billion in 2014, while its exports to Taiwan remained at the same level at $7.5 billion in 2013 and 2014. California has the highest amount of exports to Taiwan of all the states in the U.S.

California is the U.S. gateway to the Pacific Rim and has realized significant growth in exports to Taiwan. With its location and ability to act as a gateway to Mainland China and the rest of the Asia-Pacific region, Taiwan will be very important for California and Los Angeles County as they become more closely tied to international trade.

Leading California Export Markets
(in $ U.S. Millions)

<table>
<thead>
<tr>
<th>PARTNER</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Total</td>
<td>143,208</td>
<td>159,136</td>
<td>161,880</td>
<td>168,128</td>
</tr>
<tr>
<td>China</td>
<td>19,502</td>
<td>21,858</td>
<td>21,796</td>
<td>24,155</td>
</tr>
<tr>
<td>Mexico</td>
<td>20,949</td>
<td>25,807</td>
<td>26,370</td>
<td>23,933</td>
</tr>
<tr>
<td>Canada</td>
<td>16,214</td>
<td>17,261</td>
<td>17,424</td>
<td>18,819</td>
</tr>
<tr>
<td>Japan</td>
<td>12,177</td>
<td>13,096</td>
<td>13,033</td>
<td>12,711</td>
</tr>
<tr>
<td>South Korea</td>
<td>8,028</td>
<td>8,425</td>
<td>8,246</td>
<td>8,394</td>
</tr>
<tr>
<td>Taiwan</td>
<td>6,517</td>
<td>6,245</td>
<td>6,318</td>
<td>7,472</td>
</tr>
<tr>
<td>Germany</td>
<td>5,123</td>
<td>5,307</td>
<td>4,979</td>
<td>5,591</td>
</tr>
<tr>
<td>India</td>
<td>3,295</td>
<td>3,793</td>
<td>3,209</td>
<td>5,262</td>
</tr>
<tr>
<td>Netherlands</td>
<td>3,953</td>
<td>4,417</td>
<td>4,344</td>
<td>4,757</td>
</tr>
</tbody>
</table>

California and Taiwan Bilateral Trade

- Total trade was $18.4 billion in 2013, and increased by $1.2 billion in 2014 to $19.6 billion
- California imported $12.1 billion from Taiwan and exported $7.5 billion to Taiwan in 2014
- California is Taiwan’s #1 trading partner among the U.S. states
- Taiwan is California’s 6th largest export market

L.A. County is the International Trade Capital of America

- America’s #1 Gateway to the Global Economy
- America’s #1 Gateway to Asia
- America’s #1 Gateway to Taiwan
- America’s #1 Customs District with $415 billion in two-way trade values in 2013
- America’s #1 Port – The Port of Los Angeles (POLA)
- America’s #2 Port – The Port of Long Beach (POLB)
- Together the Ports of Los Angeles and Long Beach handle over 40% of all the waterborne containerized cargo coming into the U.S.
- Los Angeles International Airport (LAX) is the world’s busiest origin and destination airport

Top World Container Ports by Volume (2013)

- Shanghai (China) 33.6 Million TEUs
- Singapore 32.6 Million TEUs
- Shenzhen (China) 23.3 Million TEUs
- Hong Kong (China) 22.3 Million TEUs
- Busan (South Korea) 17.7 Million TEUs
- Ningbo-Zhoushan (China) 17.3 Million TEUs
- Qingdao (China) 15.5 Million TEUs
- Guangzhou Harbor (China) 15.3 Million TEUs
- #9 Los Angeles Long Beach (combined) 14.6 Million TEUs
- #13 Kaohsiung (Taiwan) 9.9 Million TEUs
Los Angeles Customs District (LACD)

Los Angeles County is the U.S. gateway to the Asian economies and has become a leader in international commerce and investment. Los Angeles has been referred to as the capital of the Pacific Rim due to its deep connections with Asia. The economic ties between Southern California and Taiwan are unmatched by any other region in the United States.

The San Pedro port complex, which includes the Ports of Los Angeles and Long Beach, is the busiest port complex in the U.S. and in the western hemisphere, and was the fifth busiest in the world until the downturn in 2009. In recent years, the ports of Busan, Ningbo, Guangzhou, and Qingdao have surpassed the San Pedro ports in total container traffic. Based on 2013 figures, the San Pedro Bay ports are now the ninth busiest port complex in the world.

Taiwan was the LACD’s fourth largest trading partner in 2013 with total two-way trade valued at $15.8 billion, up by 2.4% from 2012. Total Taiwanese imports unloaded (district of unloading – general imports) in the LACD were valued at $8.7 billion (#5). Total U.S. exports to Taiwan through the LACD were $7.1 billion (#5), for a LACD trade deficit of $1.5 billion. Taiwan’s import-to-export ratio was 1.2, down from 1.4 in 2012. From a volume or container perspective, total loaded inbound and outbound TEUs declined by 3.5% in 2013 moving from 626,334 to 604,385 TEUs.

The Los Angeles Customs District handles nearly 30% of trade between Taiwan and the U.S. based on value and a majority of the trade volume. Together, the Ports of Los Angeles and Long Beach handle over 25% of trade between Taiwan and the U.S. The Los Angeles Customs District handled $415 billion worth of international trade (general imports and exports) in 2013 and Taiwan accounted for roughly four percent of that total. Approximately six percent of two-way trade volumes at the Ports of Los Angeles and Long Beach are related to trade with Taiwan.

International trade has become one of the most significant economic drivers for Southern California, creating hundreds of thousands of jobs. Based on recent estimates from the LAEDC, over 163,000 workers were employed in trade related industries (includes transportation, logistics, and distribution) in Los Angeles County alone. Southern California has transformed itself into a formidable hub for logistics and transportation stemming from its trade links with Taiwan, Asia and the world. For this reason and owing to its many other long ties to Taiwan and its people, the Los Angeles County region has moved into an important strategic position with regards to U.S.-Taiwan relations.

Note: The trade figures in this section include data from USA Trade Online, which consists of data at the Customs District Level and from the Port Level. In addition, the data includes two types of classifications – Harmonized System (HS) and the North American Industry Classification System (NAICS). The Los Angeles Customs District (LACD) uses one data source while the Port of Los Angeles, Port of Long Beach and LAX all rely on a separate source of data and a different classification system. This gives rise to differences in the figures depending on the source: Customs District Level (meaning the LACD) vs. the Port Level (meaning the Port of LA, Port of Long Beach and LAX).
**LACD Top Imports from Taiwan**

The value of total unloaded (district of lading – general imports) imports from Taiwan to the LACD fell by 4.6% in 2013. Three of the top five product categories experienced declines in 2013 including machinery (down by 12.9%), computer and electronic products (down by 7.5%) and miscellaneous manufactured commodities (down by 5.9%). Meanwhile, two of the top five categories expanded last year including transportation equipment and fabricated metal products. Other noteworthy gains included plastics, and rubber products and furniture.

**LACD Top 10 Imports from Taiwan**

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Electrical Equipment, TVs, and Electric Parts</td>
<td>$3,407.5</td>
<td>24.6%</td>
</tr>
<tr>
<td>2. Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$2,763.0</td>
<td>19.9%</td>
</tr>
<tr>
<td>3. Motor Vehicles and Motor Vehicle Parts</td>
<td>$1,196.3</td>
<td>8.6%</td>
</tr>
<tr>
<td>4. Iron and Steel Products</td>
<td>$1,081.3</td>
<td>7.8%</td>
</tr>
<tr>
<td>5. Plastics and Items Made of Plastic</td>
<td>$851.6</td>
<td>6.1%</td>
</tr>
<tr>
<td>6. Furniture, Bedding, and Lamps</td>
<td>$493.4</td>
<td>3.6%</td>
</tr>
<tr>
<td>7. Toys, Games and Sports Equipment</td>
<td>$481.3</td>
<td>3.5%</td>
</tr>
<tr>
<td>8. Miscellaneous Metal Products</td>
<td>$400.9</td>
<td>2.9%</td>
</tr>
<tr>
<td>9. Medical, Surgical and Dental Instruments</td>
<td>$396.2</td>
<td>2.9%</td>
</tr>
<tr>
<td>10. Metal Tools, Cutlery, and Parts</td>
<td>$343.6</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

**Total Top 10** | **$11,415.1** | **82.3%**

Source: USA Trade Online

**LACD Top Exports to Taiwan**

The value of total exports leaving the LACD for Taiwan increased by roughly 10% last year. The strongest expansion came from exports of transportation equipment (a combination of civilian and military aircraft engines and parts — surging by over 108%), exports of food (mainly soybeans and beef) gained 16%, and exports of primary metal manufacturing were up by 13%. Exports to Taiwan reached a record high in 2013 topping $7 billion for the first time as a direct result of the shipments of defense and aerospace related goods. Meanwhile, five of the top 10 product categories declined. The most significant declines occurred in waste and scrap (down by 19.4%) and machinery (except electrical — down by 14.2%).

**LACD Top 10 Exports to Taiwan**

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Aircraft, Spacecraft, and Parts</td>
<td>$1,088.2</td>
<td>15.3%</td>
</tr>
<tr>
<td>2. Iron and Steel</td>
<td>$784.8</td>
<td>11.0%</td>
</tr>
<tr>
<td>3. Electrical Equipment, TVs, and Electric Parts</td>
<td>$748.9</td>
<td>10.5%</td>
</tr>
<tr>
<td>4. Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$530.5</td>
<td>7.5%</td>
</tr>
<tr>
<td>5. Plastics and Items Made of Plastic</td>
<td>$368.2</td>
<td>5.2%</td>
</tr>
<tr>
<td>6. Medical, Surgical and Dental Instruments</td>
<td>$292.7</td>
<td>4.1%</td>
</tr>
<tr>
<td>7. Oils, Seeds and Grains</td>
<td>$292.4</td>
<td>4.1%</td>
</tr>
<tr>
<td>8. Motor Vehicles and Motor Vehicle Parts</td>
<td>$289.7</td>
<td>4.1%</td>
</tr>
<tr>
<td>9. Organic Chemicals</td>
<td>$244.9</td>
<td>3.4%</td>
</tr>
<tr>
<td>10. Inorganic Chemicals and Related Compounds</td>
<td>$219.5</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

**Total Top 10** | **$4,859.7** | **68.2%**

Source: USA Trade Online

**LACD 2-Way Trade with Taiwan**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$19.6</td>
<td>$19.8</td>
<td>$21.6</td>
<td>$22.0</td>
<td>$20.5</td>
<td>$18.4</td>
<td>$20.2</td>
<td>$20.5</td>
<td>$21.0</td>
<td>$10.1</td>
<td>$11.1</td>
<td>$11.1</td>
<td>$11.1</td>
</tr>
</tbody>
</table>

Source: USA Trade Online
### The Los Angeles Customs District Top 10 Imports from Taiwan 2013 Detail

<table>
<thead>
<tr>
<th>Rank</th>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Electronic Machinery &amp; Equipment</td>
<td>Unrecorded media for audio, Cellular, landline phones and parts</td>
</tr>
<tr>
<td>2</td>
<td>Computer Products &amp; Computers</td>
<td>Computer Chips, Computer Parts, Computers</td>
</tr>
<tr>
<td>3</td>
<td>Motor Vehicles and Parts</td>
<td>Car Parts</td>
</tr>
<tr>
<td>4</td>
<td>Iron and Steel Products</td>
<td>Screws, Nuts, Bolts and Washers</td>
</tr>
<tr>
<td>5</td>
<td>Plastics &amp; Plastic Products</td>
<td>Plastic Containers, Polymers and Resins</td>
</tr>
<tr>
<td>6</td>
<td>Furniture</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Toys</td>
<td>Exercise Equipment Parts</td>
</tr>
<tr>
<td>8</td>
<td>Miscellaneous Metal Products</td>
<td>Hardware and Fixtures</td>
</tr>
<tr>
<td>9</td>
<td>Medical Instruments</td>
<td>Goggles</td>
</tr>
<tr>
<td>10</td>
<td>Metal Tools</td>
<td>Handtools</td>
</tr>
</tbody>
</table>

### The Los Angeles Customs District Top 10 Exports to Taiwan 2013 Detail

<table>
<thead>
<tr>
<th>Rank</th>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Transportation Equipment</td>
<td>Civilian Aircraft, Engines and Parts, Military Aircraft, Military Aircraft Parts</td>
</tr>
<tr>
<td>2</td>
<td>Iron and Steel</td>
<td>Scrap</td>
</tr>
<tr>
<td>3</td>
<td>Electronic Machinery &amp; Equipment</td>
<td>Cellular, landline phones and parts, Machinery, parts for semiconductor manufacturing</td>
</tr>
<tr>
<td>4</td>
<td>Computer Products</td>
<td>Computer Chips</td>
</tr>
<tr>
<td>5</td>
<td>Plastics &amp; Plastic Products</td>
<td>Polymers and Polyethers</td>
</tr>
<tr>
<td>6</td>
<td>Medical and Surgical Instruments</td>
<td>Lasers</td>
</tr>
<tr>
<td>7</td>
<td>Oils, Seeds and Grains</td>
<td>Soybeans</td>
</tr>
<tr>
<td>8</td>
<td>Motor Vehicles and Parts</td>
<td>Autos</td>
</tr>
<tr>
<td>9</td>
<td>Organic Chemicals</td>
<td>Hydrogen</td>
</tr>
<tr>
<td>10</td>
<td>Inorganic Chemicals</td>
<td></td>
</tr>
</tbody>
</table>
The Port of Los Angeles (POLA)

The Ports of Los Angeles (POLA) and Long Beach make up the San Pedro Bay port complex. Located 20 miles south of downtown Los Angeles the POLA is situated on 7,500 acres of land, with 43 miles of waterfront, 270 berths, 85 container cranes, 16 marinas and 23 cargo terminals, including dry and liquid bulk, container, breakbulk, automobile and omni facilities. The Port is also home to the World Cruise Center at Berths 91-93, which has more than a dozen cruise lines calling throughout the year. During the 2013-2014 cruise season, six different cruise lines had regular ship calls including:

- Azamara Club Cruises
- Celebrity Cruises
- Crystal Cruises
- Disney Cruise Line
- Norwegian Cruise Line
- Princess Cruises

In 2013, the Port of Los Angeles was the busiest port in the United States for the fourteenth consecutive year, which is mainly attributable to imports from Mainland China. However, it is important to understand that a significant amount of these imports are from Taiwanese companies that have re-located to Mainland China over the past decade. The POLA is currently the sixteenth busiest port in the world. When combined with the adjacent Port of Long Beach, the resulting complex becomes the ninth busiest port facility in the world.

Container volumes have more than doubled over the past decade. The POLA handled 7.9 million twenty-Foot Equivalent Units (TEUs) in 2013. The total cargo tonnage was 165.1 million metric revenue tons in 2013 with a value of $284.5 billion. In 2013, 2,143 vessels arrived at the port and 169,107 automobiles were handled.

Total Import TEUs were 4.1 million in 2013.

The five largest categories were:

- Furniture 400,879 TEUs
- Auto Parts 342,977 TEUs
- Apparel 336,702 TEUs
- Electronic Products 217,617 TEUs
- Footwear 167,143 TEUs

Total Export TEUs at the Port of Los Angeles were 3.75 million in 2013.

The five largest categories were:

- Paper, Paperboard and Wastepaper 293,523 TEUs
- Animal Feeds 216,181 TEUs
- Scrap Metal 124,786 TEUs
- Fabric 83,544 TEUs
- Soybeans 50,731 TEUs

Northeast and Southeast Asia account for almost all (over 90%) of the trade routes served by the Port of Los Angeles (POLA). The overwhelming majority of the total trade comes in the form of imports, mainly from Mainland China. However, a large percentage of those goods are related to Taiwanese companies manufacturing in Mainland China. Mainland China was the POLA’s most important trading partner in 2013, followed by Japan, South Korea and then Taiwan.
Port of Los Angeles Top Imports from Taiwan

The top import commodity into the Port of Los Angeles from Taiwan in 2013 was electronic products valued at nearly $2 billion, followed by computers, machinery and parts which totaled $1.9 billion. The next three import categories from Taiwan were motor vehicles and parts ($952 million), iron and steel products ($878 million) and plastics and plastic products ($740 million). Rounding out the top ten were furniture, toys, miscellaneous metal products, medical instruments, and iron and steel.

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Electrical Equipment, TVs, and Electric Parts</td>
<td>$1,964.2</td>
<td>19.6%</td>
</tr>
<tr>
<td>2 Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$1,927.0</td>
<td>19.2%</td>
</tr>
<tr>
<td>3 Motor Vehicles and Motor Vehicle Parts</td>
<td>$952.1</td>
<td>9.5%</td>
</tr>
<tr>
<td>4 Iron and Steel Products</td>
<td>$877.5</td>
<td>8.7%</td>
</tr>
<tr>
<td>5 Plastics and Items Made of Plastic</td>
<td>$739.8</td>
<td>7.4%</td>
</tr>
<tr>
<td>6 Furniture, Bedding, and Lamps</td>
<td>$398.8</td>
<td>3.6%</td>
</tr>
<tr>
<td>7 Toys, Games, and Sports Equipment</td>
<td>$366.0</td>
<td>3.2%</td>
</tr>
<tr>
<td>8 Miscellaneous Metal Products</td>
<td>$322.0</td>
<td>2.6%</td>
</tr>
<tr>
<td>9 Medical, Surgical and Dental Instruments</td>
<td>$264.8</td>
<td>2.6%</td>
</tr>
<tr>
<td>10 Iron and Steel</td>
<td>$259.4</td>
<td>3.4%</td>
</tr>
<tr>
<td><strong>Total Top 10</strong></td>
<td><strong>$8,071.7</strong></td>
<td><strong>80.4%</strong></td>
</tr>
</tbody>
</table>

Source: USA Trade Online

Port of Los Angeles Top Exports to Taiwan

On the export side, the top commodities shipping from the Port of Los Angeles to Taiwan in 2013 were electrical equipment and electronic parts, computers and parts and motor vehicles and parts. Electrical equipment and electronic parts were valued at nearly $479 million. Computers and parts were valued at $156 million while motor vehicles and parts came in at nearly $144 million. These three exports were followed in the rankings by iron and steel products, plastics and plastic products, furniture, toys, miscellaneous metal products, medical instruments, and iron and steel.

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Electrical Equipment, TVs, and Electric Parts</td>
<td>$478.8</td>
<td>20.1%</td>
</tr>
<tr>
<td>2 Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$155.6</td>
<td>6.5%</td>
</tr>
<tr>
<td>3 Motor Vehicles and Motor Vehicle Parts</td>
<td>$143.5</td>
<td>6.0%</td>
</tr>
<tr>
<td>4 Iron and Steel Products</td>
<td>$136.5</td>
<td>5.7%</td>
</tr>
<tr>
<td>5 Plastics and Items Made of Plastic</td>
<td>$129.1</td>
<td>5.4%</td>
</tr>
<tr>
<td>6 Furniture, Bedding, and Lamps</td>
<td>$103.3</td>
<td>4.3%</td>
</tr>
<tr>
<td>7 Toys, Games and Sports Equipment</td>
<td>$100.4</td>
<td>4.2%</td>
</tr>
<tr>
<td>8 Miscellaneous Metal Products</td>
<td>$87.1</td>
<td>3.6%</td>
</tr>
<tr>
<td>9 Medical, Surgical and Dental Instruments</td>
<td>$83.4</td>
<td>3.5%</td>
</tr>
<tr>
<td>10 Iron and Steel</td>
<td>$76.9</td>
<td>3.2%</td>
</tr>
<tr>
<td><strong>Total Top 10</strong></td>
<td><strong>$1,494.6</strong></td>
<td><strong>62.6%</strong></td>
</tr>
</tbody>
</table>

Source: USA Trade Online
The Port of Long Beach (POLB)

The Port of Long Beach (POLB) is located in San Pedro Bay adjacent to the Port of Los Angeles. POLB is located 20 miles south of downtown Los Angeles and situated on 3,200 acres with 10 piers, 80 berths and 66 Post-panamex gantry cranes. The Port of Long Beach was the second busiest port in the U.S. in 2013. It is the twenty-third busiest port in the world and part of the ninth busiest port complex when combined with the Port of Los Angeles. The POLB handled 6.7 million TEUs in 2013; total cargo value was $155 billion. The port serviced 5,000 vessels in 2013 and 75 million metric tons of cargo. On average, the Port of Long Beach handled the equivalent of over 18,350 TEUs each day during 2013.

**The Port of Long Beach Top Trading Partners:**
Top trading partners by tonnage are:
- Mainland China
- South Korea
- Japan
- Taiwan
- Vietnam

Port of Long Beach Top Imports from Taiwan

The top import commodity from Taiwan in 2013 was electrical equipment and electronic parts, which totaled $320.6 million, followed by computers and parts valued at $246.7 million. The next top three imports from Taiwan were motor vehicles and parts ($219.2 million), iron and steel products ($198.7 million) and plastics and plastic products ($95.3 million). Rounding out the top ten were furniture, toys, miscellaneous metal products, medical instruments, and iron and steel.

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrical Equipment, TVs, and Electric Parts</td>
<td>$320.6</td>
<td>18.1%</td>
</tr>
<tr>
<td>Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$246.7</td>
<td>13.9%</td>
</tr>
<tr>
<td>Motor Vehicles and Motor Vehicle Parts</td>
<td>$219.2</td>
<td>12.4%</td>
</tr>
<tr>
<td>Iron and Steel Products</td>
<td>$198.7</td>
<td>11.2%</td>
</tr>
<tr>
<td>Plastics and Items Made of Plastic</td>
<td>$95.3</td>
<td>5.4%</td>
</tr>
<tr>
<td>Furniture, Bedding, and Lamps</td>
<td>$90.9</td>
<td>5.1%</td>
</tr>
<tr>
<td>Toys, Games, and Sports Equipment</td>
<td>$88.2</td>
<td>5.0%</td>
</tr>
<tr>
<td>Miscellaneous Metal Products</td>
<td>$80.7</td>
<td>4.6%</td>
</tr>
<tr>
<td>Medical, Surgical and Dental Instruments</td>
<td>$74.0</td>
<td>4.2%</td>
</tr>
<tr>
<td>Iron and Steel</td>
<td>$68.3</td>
<td>3.9%</td>
</tr>
<tr>
<td><strong>Total Top 10</strong></td>
<td><strong>$1,482.7</strong></td>
<td><strong>83.8%</strong></td>
</tr>
</tbody>
</table>

Source: USA Trade Online
Port of Long Beach Top Exports to Taiwan

On the export side, the top commodities sent out of the Port of Long Beach to Taiwan in 2013 were electrical equipment and electronic parts, followed by computers, machinery and parts. Electrical equipment and electronic parts exports were valued at $676.3 million, while computers came in at over $304 million. These two exports were followed in the rankings by motor vehicles and parts, iron and steel products, and plastics and plastic products.

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Electrical Equipment, TVs, and Electric Parts</td>
<td>$676.3</td>
<td>22.2%</td>
</tr>
<tr>
<td>2 Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$304.8</td>
<td>10.0%</td>
</tr>
<tr>
<td>3 Motor Vehicles and Motor Vehicle Parts</td>
<td>$201.8</td>
<td>6.6%</td>
</tr>
<tr>
<td>4 Iron and Steel Products</td>
<td>$161.3</td>
<td>5.3%</td>
</tr>
<tr>
<td>5 Plastics and Items Made of Plastic</td>
<td>$153.8</td>
<td>5.1%</td>
</tr>
<tr>
<td>6 Furniture, Bedding, and Lamps</td>
<td>$136.6</td>
<td>4.5%</td>
</tr>
<tr>
<td>7 Toys, Games and Sports Equipment</td>
<td>$129.8</td>
<td>4.3%</td>
</tr>
<tr>
<td>8 Miscellaneous Metal Products</td>
<td>$102.8</td>
<td>3.4%</td>
</tr>
<tr>
<td>9 Medical, Surgical and Dental Instruments</td>
<td>$100.2</td>
<td>3.3%</td>
</tr>
<tr>
<td>10 Iron and Steel</td>
<td>$79.8</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

Source: USA Trade Online

San Pedro Bay Ports Top Ten Trading Partners by Container Volume

Taiwan is the fourth largest trading partner of the San Pedro Bay ports based on combined total loaded container volumes at the Ports of Los Angeles and Long Beach. In 2013, 604,385 total loaded containers passed through the San Pedro Bay ports resulting from trade with Taiwan, representing 5.4% of the port complex’s total loaded containers. After hitting a record high in 2011 with 668,290 total loaded containers, the last two years have seen a decline in two-way trade with respect to Taiwan. In 2013 total loaded containers dropped by 3.5%.

The total number of containers attributed to trade with Taiwan is somewhat distorted. A significant amount of imports classified as Chinese imports are in reality Taiwanese products that were manufactured in Mainland China. As a result, container volumes likely underestimate the value of Taiwanese exports shipped to U.S. companies. This is also true of activity with respect to Japan and South Korea. However, according to multiple sources, the amount of imports originating from Taiwanese companies located in Mainland China exceeds those that originate from Japanese or Korean companies located in Mainland China. Some estimates are as high as 30-40% of Chinese exports are related to Taiwanese manufacturers in Mainland China.

2013 Total Loaded Containers
San Pedro Bay Ports (Ports of LA and Long Beach Combined)

<table>
<thead>
<tr>
<th></th>
<th>Mainland China: 6,426,654</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Japan 700,916</td>
</tr>
<tr>
<td>3</td>
<td>South Korea 652,488</td>
</tr>
<tr>
<td>4</td>
<td>Taiwan 604,385</td>
</tr>
<tr>
<td>5</td>
<td>Vietnam 417,119</td>
</tr>
</tbody>
</table>
Los Angeles International Airport (LAX)

The Los Angeles International Airport (LAX) is another key link in Los Angeles County’s international trade and transportation network. It primarily handles high-value products such as medical instruments, electronics, and perishables. LAX has become a pivotal distribution center for cargo to and from Taiwan and the rest of the Pacific Rim. LAX was the fourteenth busiest cargo airport in the world in 2013 as it handled over 1.7 million metric tons of air cargo.

LAX is also the world’s busiest origin and destination airport. Recent renovations to the airport’s Tom Bradley International Terminal have transformed it into a world-class twenty-first century passenger facility. It offers 680 daily flights to 96 domestic cities and 910 weekly nonstop flights to 59 cities in 30 countries on 60 commercial air carriers, and serves every Asian and Pacific Rim airline including Taiwan’s China Airlines and EVA Air. In 2013, LAX handled 66.6 million passengers making it the sixth busiest passenger airport in the world. In addition, LAX was ranked fourth in the world in aircraft movements in 2013 with nearly 615,000 take-offs and landings.

The top trading partner with LAX is the Asia-Pacific region. More than 1,000 flights arrive and depart LAX daily carrying air cargo. Of these over 50% are international. Eighty percent of the Los Angeles region’s air cargo is handled at LAX with the balance being handled at other smaller regional airports around the region. LAX is responsible for more than $85 billion in exports and imports.

Los Angeles International Airport Top Import Sources in 2013 included:

<table>
<thead>
<tr>
<th>Country</th>
<th>Value (Million of $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainland China</td>
<td>$17.1 Billion</td>
</tr>
<tr>
<td>India</td>
<td>$3.5 Billion</td>
</tr>
<tr>
<td>Japan</td>
<td>$2.9 Billion</td>
</tr>
<tr>
<td>Thailand</td>
<td>$2.3 Billion</td>
</tr>
<tr>
<td>Germany</td>
<td>$2.1 Billion</td>
</tr>
</tbody>
</table>

Los Angeles International Airport Top Export Markets in 2013 included:

<table>
<thead>
<tr>
<th>Country</th>
<th>Value (Million of $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainland China</td>
<td>$7.4 Billion</td>
</tr>
<tr>
<td>Japan</td>
<td>$4.6 Billion</td>
</tr>
<tr>
<td>India</td>
<td>$3.4 Billion</td>
</tr>
<tr>
<td>Germany</td>
<td>$2.4 Billion</td>
</tr>
<tr>
<td>South Korea</td>
<td>$2.3 Billion</td>
</tr>
</tbody>
</table>

Los Angeles International Airport Top Trading Partners by Two-Way Value in 2013 included:

<table>
<thead>
<tr>
<th>Country</th>
<th>Value (Million of $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainland China</td>
<td>$24.5 Billion</td>
</tr>
<tr>
<td>Japan</td>
<td>$7.5 Billion</td>
</tr>
<tr>
<td>India</td>
<td>$6.9 Billion</td>
</tr>
</tbody>
</table>

Los Angeles International Airport (LAX) Top 10 Imports from Taiwan

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Electrical Equipment, TVs, and Electric Parts</td>
<td>$1,196.1</td>
<td>58.3%</td>
</tr>
<tr>
<td>2 Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$515.4</td>
<td>25.1%</td>
</tr>
<tr>
<td>3 Motor Vehicles and Motor Vehicle Parts</td>
<td>$68.3</td>
<td>3.3%</td>
</tr>
<tr>
<td>4 Iron and Steel Products</td>
<td>$63.1</td>
<td>3.1%</td>
</tr>
<tr>
<td>5 Plastics and Items Made of Plastic</td>
<td>$44.3</td>
<td>2.2%</td>
</tr>
<tr>
<td>6 Furniture, Bedding, and Lamps</td>
<td>$34.5</td>
<td>1.7%</td>
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<td>7 Toys, Games, and Sports Equipment</td>
<td>$24.6</td>
<td>1.2%</td>
</tr>
<tr>
<td>8 Miscellaneous Metal Products</td>
<td>$22.0</td>
<td>1.1%</td>
</tr>
<tr>
<td>9 Medical, Surgical and Dental Instruments</td>
<td>$16.3</td>
<td>0.8%</td>
</tr>
<tr>
<td>10 Iron and Steel</td>
<td>$9.1</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Total Top 10</strong></td>
<td><strong>$1,993.5</strong></td>
<td><strong>97.1%</strong></td>
</tr>
</tbody>
</table>

Source: USA Trade Online

Los Angeles International Airport (LAX) Top 10 Exports to Taiwan

<table>
<thead>
<tr>
<th>COMMODITY</th>
<th>2013 (Million of $)</th>
<th>% of Taiwan Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Electrical Equipment, TVs, and Electric Parts</td>
<td>$578.3</td>
<td>34.6%</td>
</tr>
<tr>
<td>2 Computer, Peripherals, Machinery, Appliances, and Parts</td>
<td>$391.4</td>
<td>23.4%</td>
</tr>
<tr>
<td>3 Motor Vehicles and Motor Vehicle Parts</td>
<td>$270.8</td>
<td>16.2%</td>
</tr>
<tr>
<td>4 Iron and Steel Products</td>
<td>$186.2</td>
<td>11.1%</td>
</tr>
<tr>
<td>5 Plastics and Items Made of Plastic</td>
<td>$130.4</td>
<td>8.1%</td>
</tr>
<tr>
<td>6 Furniture, Bedding, and Lamps</td>
<td>$118.9</td>
<td>7.1%</td>
</tr>
<tr>
<td>7 Toys, Games, and Sports Equipment</td>
<td>$69.8</td>
<td>4.3%</td>
</tr>
<tr>
<td>8 Miscellaneous Metal Products</td>
<td>$22.8</td>
<td>1.4%</td>
</tr>
<tr>
<td>9 Medical, Surgical and Dental Instruments</td>
<td>$13.0</td>
<td>0.8%</td>
</tr>
<tr>
<td>10 Iron and Steel</td>
<td>$11.5</td>
<td>0.7%</td>
</tr>
<tr>
<td><strong>Total Top 10</strong></td>
<td><strong>$1,566.2</strong></td>
<td><strong>93.8%</strong></td>
</tr>
</tbody>
</table>

Source: USA Trade Online
Tourism

In November 2012, Taiwan became the thirty-seventh country to join the U.S. Visa Waiver Program better known as the U.S. VWP, which allows Taiwanese citizens the ability to travel to the U.S. with just a passport and no visa for visits of up to 90 days.

In 2013, the number of Taiwanese tourists visiting Los Angeles reached 100,000 for the first time since 2010. Taiwan ranks as the eleventh largest overseas market for tourism in Los Angeles County. Average spending per tourist is among the largest of all international visitor groups. As a direct result of this growth in Taiwanese tourism, the San Gabriel Valley has experienced an economic transformation from visitor spending and investment. Cities like San Gabriel have benefitted greatly from the resulting boom in new development and “Little Taipei” in the San Gabriel Valley attracts Taiwanese tourists who are looking for authentic Taiwanese food and services.

Many Taiwanese tourists utilize San Gabriel Valley as a base for visiting Southern California’s major tourist attractions including Disneyland, Universal Studios, Sea World, luxury shopping (the Grove, the Americana at Brand, Westfield Santa Anita Mall, Rodeo Drive, Beverly Center and South Coast Plaza) and local casinos. In addition, Taiwanese tourists are drawn to cultural attractions such as the Huntington Library and Gardens, TCL Chinese Theatre, the Griffith Observatory and Santa Monica. The Hsi Lai Temple in Hacienda Heights, the second largest Buddhist temple and monastery in the western hemisphere, is another popular attraction for many Taiwanese tourists. The dramatic growth in tourism has encouraged new commercial developments that include hotels, restaurants, shopping centers and luxury retail.

Some portions of the San Gabriel Valley avoided the worst effects of the Great Recession of 2008-2009 because of the influx of Taiwanese tourists and investment, particularly in real estate. Both residential and commercial real estate values have more than doubled over the past decade in parts of the San Gabriel Valley.

The number of visitors from Taiwan is projected to increase by 25% per year due to its admission into the VWP. This increase will benefit Los Angeles County hotels, restaurants, cultural venues, tourist attractions and luxury brand retailers, creating jobs and generate tax revenues for the benefit of Los Angeles County.

LAX and Taiwan Taoyuan International Airport:

The hub for EVA Air and China Airlines is the Taiwan Taoyuan International Airport. EVA Air and China Airlines collectively had a total of 33 weekly non-stop flights with 11,100 seats to LAX in 2013. These two airlines carried 7.2% of the total international visitors to LAX in 2013. These two airlines represented 7% of the total air freight at LAX. Nearly 883,000 passengers departed or arrived via the two Taiwanese airlines in 2013. EVA Air carried both the largest number of passengers and the largest cargo tonnage between the two. Other airlines that provide non-stop or one-stop flights between Los Angeles and Taiwan are Delta, United, ANA and China Eastern via Tokyo, Shanghai or San Francisco.
In 2013, 103,000 residents of Taiwan visited Los Angeles. Visitors from Taiwan to Los Angeles accounted for estimated $164 million in spending in 2013, with an average per visitor spend of $152 per day over an average stay of 10.5 nights.

### Summary Market Data Of Travelers From Taiwan To Los Angeles

#### Number of Visitors from Taiwan to Los Angeles 2007 – 2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Visitors</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>112,000</td>
<td>+6.6%</td>
</tr>
<tr>
<td>2008</td>
<td>110,000</td>
<td>-1.7%</td>
</tr>
<tr>
<td>2009</td>
<td>76,000</td>
<td>-30.9%</td>
</tr>
<tr>
<td>2010</td>
<td>101,000</td>
<td>+32.8%</td>
</tr>
<tr>
<td>2011</td>
<td>89,000</td>
<td>-11.9%</td>
</tr>
<tr>
<td>2012</td>
<td>85,000</td>
<td>-4.5%</td>
</tr>
<tr>
<td>2013</td>
<td>103,000</td>
<td>+21.2%</td>
</tr>
</tbody>
</table>

*2014 & 2015 projected data not yet available
Source: U.S. Department of Commerce, ITA, NTTO; CIC Research; Tourism Economics

#### Key statistics for Taiwan visitors to Los Angeles

- 2013 Spend – $164 million
- 2013 Average per visitor per day spend - $152 (All Overseas average $165 per day)
- Average length of stay – 10.5 nights (All Overseas 7.6 nights)
- Average Travel Party Size – 1.8 (All Overseas travel party 1.8)
- Average Visitor Household Income – $97,000 (All Overseas average $98,500)
- 58% stay in Hotels with 6.2 average Hotel nights (All Overseas 76% Hotel lodging with 5.1 nights stayed)
- 75% repeat U.S. visit (All Overseas average 67%)
- Travel mostly for vacation/holiday
- Mostly use the services of a travel agency office and have significantly shorter trip planning horizons
- Use LAX as their Initial Port of Entry (76.0%) into the U.S. for their Los Angeles trip
- Less likely to visit other local and U.S. destinations on the same Los Angeles trip
- Participate in all leisure activities less frequently than all Overseas visitors except for shopping
- 86% shopping activity reported spending significantly more on gifts/souvenirs than all Overseas visitors
- Spend more on lodging, food/beverage, and entertainment than other visitors.

#### 2009 – 2013 Port of Entry Arrivals from Taiwan to LAX

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAX POE Arrivals</td>
<td>85,969</td>
<td>94,757</td>
<td>88,862</td>
<td>84,533</td>
<td>105,992</td>
</tr>
<tr>
<td>YOY% Change</td>
<td>-20.5%</td>
<td>+10.2%</td>
<td>-6.2%</td>
<td>-4.9%</td>
<td>+25.4%</td>
</tr>
</tbody>
</table>

Source: U.S. Department of Commerce, ITA, NTTO

#### Current Non-Stop Weekly Flights from Taiwan (Taipei) to Los Angeles

<table>
<thead>
<tr>
<th>Weekly Flights</th>
<th>Weekly Seats</th>
<th>Carriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>11,100</td>
<td>China Airlines, EVA Airlines</td>
</tr>
</tbody>
</table>

Source: OAG Schedules Analyser 2014
SECTION THREE • Trade Ties

Summary Market Data of Travelers From Taiwan To Los Angeles

2010 - 2013 Port of Entry Arrivals from Taiwan to LAX
105,992 residents of Taiwan used LAX as their preferred port of entry into the United States in 2013

Profile of Visitors from Taiwan to Los Angeles
According to the 2013 National Travel & Tourism Office Survey of International Air Travelers, the following are detailed trip and traveler characteristic respondent data of visitors from Taiwan to Los Angeles. Respondents from Taiwan had an average stay of 10.5 nights in Los Angeles, nearly three nights more than all overseas visitors. The average travel party size was 1.8 persons. Travelers from Taiwan spent an average of $152 per visitor per day, slightly less than the overseas visitor’s average.

Comparisons with Overseas Visitors
The following are detailed trip and traveler characteristic respondent data from visitors of Taiwan to Los Angeles. Compared to all overseas visitors to Los Angeles, travelers from Taiwan are more likely to:
• Travel to Los Angeles to visit friends or relatives or for business purposes
• Use a corporate travel department to plan and book their trip
• Have shorter trip planning and advance airline booking horizons
• Travel in executive/business or premium economy class
• Use LAX as their initial Port of Entry into the U.S. when visiting Los Angeles
• Travel with family/relatives

• Stay in a private home
• Remain in Los Angeles during their trip
• Spend more nights in Los Angeles than any overseas market
• Use a company or private auto for transportation while in the U.S.
• Spend 25% as much on gifts/souvenirs than all overseas visitors
• Use cash from home to pay for trip expenses
• Have a lower average income

Conversely, compared to all overseas visitors to Los Angeles, travelers from Taiwan are less likely to:
• Travel to Los Angeles for leisure/holidays
• Use a personal computer to plan and book their trip
• Travel in economy class
• Stay in a hotel/other paid lodging
• Be on their first trip to the U.S.
• Visit Las Vegas, San Francisco, San Diego as well as other U.S. destinations while on their LA trip
• Participate in other leisure activities aside from shopping

Detailed trip and traveler characteristics of visitors of Taiwan from the survey are provided in the following table. The table includes trip and traveler characteristics of all overseas visitors to Los Angeles for comparative purposes.

United States Visitation Forecasts for Taiwan

<table>
<thead>
<tr>
<th>Visitation (000s)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>442</td>
<td>486</td>
<td>516</td>
<td>552</td>
<td>585</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>442</td>
<td>486</td>
<td>516</td>
<td>552</td>
<td>585</td>
</tr>
</tbody>
</table>

Source: NTTO April 2014
World’s Busiest Passenger Airports

Los Angeles International Airport (LAX) was the world’s sixth busiest airport in 2013 and the third busiest in the U.S., experiencing an increase of 4.7% in total passenger traffic. Atlanta’s Hartsfield-Jackson International Airport remained the world’s busiest passenger airport in 2013 with over 94 million passengers. The Taiwan Taoyuan International Airport was the thirteenth busiest airport in the world and the tenth busiest in terms of international air freight.

2013 World’s Busiest Airports

<table>
<thead>
<tr>
<th>Rank</th>
<th>Airport</th>
<th># Of Passengers (YTY % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hartsfield-Jackson Atlanta</td>
<td>94.4 million (-1.13%)</td>
</tr>
<tr>
<td>2</td>
<td>Beijing</td>
<td>83.7 million (+2.2%)</td>
</tr>
<tr>
<td>3</td>
<td>London Heathrow</td>
<td>72.3 million (+3.4%)</td>
</tr>
<tr>
<td>4</td>
<td>Tokyo Haneda</td>
<td>69.0 million (+2.6%)</td>
</tr>
<tr>
<td>5</td>
<td>Chicago O’Hare</td>
<td>66.9 million (+0.1%)</td>
</tr>
<tr>
<td>6</td>
<td>Los Angeles International</td>
<td>66.6 million (+4.7%)</td>
</tr>
<tr>
<td>7</td>
<td>Dubai International</td>
<td>66.4 million (+15.2%)</td>
</tr>
<tr>
<td>8</td>
<td>Jakarta Soekamo-Hatta</td>
<td>62.1 million (+3.4%)</td>
</tr>
<tr>
<td>9</td>
<td>Paris Charles de Gaulle</td>
<td>62.0 million (+0.7%)</td>
</tr>
<tr>
<td>10</td>
<td>Dallas/Forth Worth</td>
<td>60.4 million (+3.2%)</td>
</tr>
</tbody>
</table>

Source: Airports Council International

Busiest International Routes from Taipei (2013)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Airport</th>
<th>Passengers 2013</th>
<th>Carriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hong Kong</td>
<td>6,636,190</td>
<td>Cathay Pacific, China Airlines, Dragonair, EVA Air, Hong Kong Airlines</td>
</tr>
<tr>
<td>2</td>
<td>Tokyo-Narita</td>
<td>1,944,506</td>
<td>All Nippon Airways, Cathay Pacific, China Airlines, Delta, EVA Air, Japan Airlines, Scoot, TransAsia Airways, Vanilla Air</td>
</tr>
<tr>
<td>3</td>
<td>Osaka-Kansai</td>
<td>1,669,232</td>
<td>Cathay Pacific, China Airlines, EVA Air, Japan Airlines, Jetstar Asia Airways, Peach, TransAsia Airways</td>
</tr>
<tr>
<td>4</td>
<td>Singapore</td>
<td>1,523,105</td>
<td>China Airlines, EVA Air, Jetstar Asia Airways, Scoot, Singapore Airlines, Tigerair, Tigerair Taiwan</td>
</tr>
<tr>
<td>5</td>
<td>Bangkok-Suvarnabhumi</td>
<td>1,669,232</td>
<td>Cathay Pacific, China Airlines, EVA Air, Japan Airlines, Jetstar Asia Airways, Peach, TransAsia Airways</td>
</tr>
<tr>
<td>6</td>
<td>Seoul-Incheon</td>
<td>1,371,865</td>
<td>Asiana, Cathay Pacific, China Airlines, EVA Air, Korean Air, Scoot, Thai Airways</td>
</tr>
<tr>
<td>7</td>
<td>Shanghai-Pudong</td>
<td>1,177,211</td>
<td>Air Mainland China, China Airlines, China Eastern Airlines, China Southern Airlines, EVA Air, Juneyao Airlines, Spring Airlines, TransAsia Airways</td>
</tr>
<tr>
<td>8</td>
<td>Macau</td>
<td>951,955</td>
<td>Air Macau, EVA Air, TransAsia Airways</td>
</tr>
<tr>
<td>9</td>
<td>Los Angeles</td>
<td>888,433</td>
<td>China Airlines, EVA Air</td>
</tr>
<tr>
<td>10</td>
<td>Kuala Lumpur</td>
<td>836,666</td>
<td>Air Asia X, China Airlines, EVA Air, Malaysia Airlines</td>
</tr>
<tr>
<td>11</td>
<td>Beijing-Capital</td>
<td>762,825</td>
<td>Air China, China Airlines, EVA Air, Hainan Airlines</td>
</tr>
<tr>
<td>12</td>
<td>Ho Chi Minh City</td>
<td>696,075</td>
<td>China Airlines, EVA Air, Vietjet Air, Vietnam Airlines</td>
</tr>
<tr>
<td>13</td>
<td>Manila</td>
<td>645,212</td>
<td>Cebu Pacific, China Airlines, EVA Air, Philippine Airlines</td>
</tr>
<tr>
<td>14</td>
<td>Fukuoka</td>
<td>623,960</td>
<td>Cathay Pacific, China Airlines, EVA Air</td>
</tr>
<tr>
<td>15</td>
<td>San Francisco</td>
<td>546,784</td>
<td>China Airlines, EVA Air, United Airlines</td>
</tr>
</tbody>
</table>
China Airlines is the national airline of Taiwan and also the country’s largest. It was established in 1959 by a retired air force officer, and is headquartered at Cal Park on the grounds of the Taiwan Taoyuan International Airport, Taiwan’s largest international airport in Dayuan Township. Los Angeles County-based architectural firm Nadel provided the design work for the new headquarters along with the training center.

The company has 11,000 employees and operates over 1,500 flights weekly to 95 airports in 91 cities across Asia, Europe, Oceania and North America including Los Angeles. China Airlines has three subsidiaries including Mandarin Airlines, China Airlines Cargo and TigerAir (a low-cost carrier established by China Airlines and Singaporean airline TigerAir Holdings).

China Airlines also has Kaohsiung International Airport as a hub. The airline focuses on four main Asian routes including Hong Kong, Singapore, Osaka and Bangkok. It is part of the SkyTeam Alliance and has a fleet size of 80 planes. The airline’s website is www.china-airlines.com.

EVA Airways Corporation, also known as EVA Air, was founded in 1989 and began commercial services in 1991. EVA Air is an affiliate of the Evergreen Group, a worldwide shipping network that has a strong presence in Los Angeles County. Taiwan’s second largest airline, it is also based at Taoyuan International Airport near Taipei. The airline serves over 40 international destinations in Asia, Australia, Europe and North America including Los Angeles.

The company has thousands of employees and operates flights to 73 airports in cities across Asia, Europe, Oceania and North America including Los Angeles. EVA Air has one subsidiary, Uni Air, which focuses on routes to Kaohsiung International Airport.

EVA Air also has Kaohsiung International Airport as a hub. The airline concentrates on one main Asian route including Kaohsiung-Bangkok. It is part of the Star Alliance and has a fleet size of 70 planes. The airline’s website is www.evaair.com.

World’s Busiest Cargo Airports

Los Angeles International Airport (LAX) remained the fourteenth busiest cargo airport recording 1.75 million metric tons in 2013 (a decline of 1.9% over the year). LAX was surpassed by Beijing Capital International Airport in 2012. The Taiwan Taoyuan International Airport is the tenth busiest airport in the world in terms of international air freight traffic.
Los Angeles Metro Area Exports To Taiwan

Taiwan is the Los Angeles Metropolitan Area’s fifteenth largest export market based on a recent study completed by the Brookings Institution entitled Export Nation. The Brookings report defines the Los Angeles Metropolitan Area as Los Angeles and Orange counties, includes both goods and services data, and estimates the value of exports by production location and not the origin of movement data that the U.S. Census Bureau produces.

Based on this report, the Los Angeles Metropolitan Area had exports to Taiwan valued at $1.6 billion, which included $881 million in merchandise exports (goods) and $762 million in services. The top goods exports were computers and electronics, chemicals, machinery, transportation equipment and food. The top services exports were royalties, freight and port services, travel and tourism, education and business services. The overall top exports from the Los Angeles Metropolitan Area to Taiwan were royalties, computers and electronics, chemicals, machinery and transportation equipment.

The top goods exports category (computers and electronics) is comprised mainly of semiconductors due to the strong high-tech sector in Los Angeles County. It also highlights the linkages between local high-tech industries and Taiwan’s ICT expertise. The second largest goods export, chemicals, is primarily made up of pharmaceuticals. The third largest goods exports category (machinery) is mainly comprised of machinery parts for semiconductor manufacturing due to those same strong synergies between local high-tech industries and the strength of Taiwan’s ICT industry. The fourth largest goods export, transportation equipment, is primarily made-up of civilian and military aircraft products and parts due to the strong aerospace base in Los Angeles and Orange counties.

The area’s top goods exports to Taiwan are directly related to Los Angeles’ competitive advantages in high-tech manufacturing as the manufacturing capital of America. Of the top five goods exports the Angeles Metropolitan Area has witnessed the strongest growth in fabricated metal products transportation equipment and machinery. On the services side of the equation, movie royalties have experienced the most robust growth rates over the past few years.

According to the U.S. Department of Commerce International Trade Administration, $1 billion in U.S. exports normally creates 5,000-7,500 jobs. As a result, we can reasonably estimate that roughly 7,500 to 10,000 jobs are related to the L.A. Metro Area exports to Taiwan, with about 75% of that total related to Los Angeles County as 75% of the total exports to Taiwan originate from Los Angeles County.
The Trans-Pacific Partnership (TPP) and Taiwan

Taiwan’s inclusion into the TPP would be beneficial for all the current TPP countries that are participating in current negotiations including the U.S. In fact, the biggest beneficiary of Taiwan joining the TPP would be the Los Angeles region as the majority of U.S.-Taiwan trade and investment takes place within the Los Angeles Customs District and within Los Angeles County. There are many reasons for why Taiwan’s inclusion would make complete for all parties involved as well as the entire global economy. The entire Asia-Pacific region would reap the benefits of Taiwan’s inclusion as it would create new synergies and open up new opportunities that would positively contribute to the region’s economic vitality and growth. In fact, nearly 40% of Taiwan’s trade is with TPP member countries.

Including Taiwan makes sense from a global supply chain perspective as it would form more integrated regional supply chains. Taiwan plays a critical role in Asia-Pacific supply chains. The island nation is an electronics powerhouse and is a leading supplier of intermediary goods and components. Taiwan’s multilateral trade with Asia-Pacific countries has tripled in the past decade alone as a direct result of the role it plays. Taiwan is the 10th largest economy in terms of total trade volume amongst the 21 total APEC nations. The inclusion of Taiwan would create more efficient supply chains that would benefit all members including the U.S., California and the Los Angeles region. According to various studies, Taiwan’s inclusion into the TPP would lead to an overall gain of roughly $80 billion in social welfare for all members. The existing supply chain relationship the U.S. (particularly Silicon Valley and the Los Angeles region) has with Taiwan would be strengthened by Taiwan’s inclusion. Its entry would act as a catalyst or booster to support trade and investment between the U.S. and Taiwan. The agreement would only create more opportunities for partnerships in electronics, ICT, biotechnology and other key sectors (both existing and future). The TPP would create new opportunities in sector such as tourism, banking, entertainment and health care services.

Taiwan is an ideal candidate for the TPP agreement for the following reasons:

- Its economic standing in the Asia-Pacific region
- Its unparalleled knowledge base and highly-skilled workforce
- Its current position as the key hub and gateway to the rest of the Asia-Pacific Region

Is Taiwan Ready? The Answer is Yes

- Has similar trade, investment, environmental and labor policies as other TPP members
- Shares the same objectives and priorities in many areas similar to the other TPP members
- Has strong traditions of economic reforms and a continued emphasis on further liberalization – it has enacted regulatory reforms and streamlined business requirements in recent years
- Has recently set-up free economic pilot zones to expand business opportunities and attract investment
GROWING TOGETHER • Taiwan and Los Angeles County

SECTION FOUR

Investment Ties

Los Angeles County and Taiwan – Ideal Hubs and Gateways

Foreign Direct Investment (FDI)

The U.S. Bureau of Economic Analysis (BEA) defines foreign direct investment as “ownership or control, directly or indirectly, by one foreign person, or entity, of 10 percent or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise.” FDI is normally divided into two categories: 1) Greenfield investment and 2) Mergers and Acquisitions. Greenfield investment involves the creation of new businesses and the development or expansion of production facilities. Mergers and acquisitions involve the purchase of existing enterprises.

Economic history has demonstrated that as nations develop and trade grows, so does outward investment. Strong economic growth generates higher savings which allows nations to eventually become net outward investors. This was definitely true of Taiwan whose export-oriented economic growth from the 1980’s onward enabled it to amass a large amount of reserves and to become a foreign investor. Taiwan has been investing in the U.S. for many years, a trend that will only continue and grow, given the trade ties between the two nations and given the economic growth challenges ahead for the island nation.

FDI presents an excellent economic growth opportunity for both Taiwan and Los Angeles County. Taiwanese investment into Los Angeles County provides Taiwanese firms the ideal gateway location to the U.S. and North America. Taiwanese companies can also use Los Angeles County as a hub for entry into the Latin American markets. On the other hand, Los Angeles County companies can use Taiwan as a gateway to Mainland China and a hub for entry into the entire Asia-Pacific region, particularly Southeast Asia.

FDI into the U.S. and California

The United States as a whole and California in particular have been successful in attracting FDI, but global competition for FDI is becoming more intense. Since 2006, the U.S. has been the world’s largest recipient of foreign direct investment (FDI). The U.S. was followed by Mainland China, which includes a significant amount of Taiwanese investment.

In 2013, net FDI in the United States, as measured by U.S. assets of foreign affiliates (FDI stock, foreign companies’ share of their overseas affiliates’ net worth and debt owed to them by their affiliates), reached an all-time high totaling $4.6 trillion. FDI inflows have grown substantially increasing to $1.5 trillion between 2006 and 2012. In 2013 alone, FDI inflows totaled $193 billion up from $166 billion in 2012. Also, since 2010 the U.S. has witnessed a significant change in its share of total FDI inflows to developed countries, as measured by inflows to the G7, receiving almost 50% of total FDI inflows to these countries on an annual basis. This was two-thirds larger than the typical share in previous years.

These foreign companies were responsible for employing nearly 6 million people in the U.S. or just above 4% of private sector employment. Roughly a third of these jobs are in the manufacturing sector. These jobs pay a higher wage than the U.S. average in both manufacturing and non-manufacturing jobs. In addition, these U.S. affiliates account for over 20% of total U.S. goods exports. FDI into the U.S. finances a number of physical assets, including production facilities, R&D facilities,
sales offices, warehouses and service centers. Most importantly, FDI translates into a higher economic output, high-paying jobs, more exports, and R&D investment. **Foreign companies are attracted to the U.S. for the following reasons:**

- Largest economy in the world
- Open investment regime
- Skilled labor force
- Top research universities and strong community colleges
- Stable regulatory regime
- Solid infrastructure
- New sources of energy

In 2012, the U.S. manufacturing sector accounted for nearly 50% of the total share of FDI dollars flowing into the U.S. This mainly included pharmaceuticals and petroleum and coal products. Wholesale trade was the second leading source of FDI flows, accounting for 12%. Mining, banking, and finance and insurance made up the remaining 38% of FDI.

California remains the largest state recipient of FDI by all measures. However, faster growth in FDI is occurring elsewhere in the country. From 1999 to 2005, the level of gross property, plant, and equipment of all non-bank affiliates in California grew by 10.7% to $124 billion, while the nationwide rate of growth was 20.6%.

**FDI into Los Angeles County**

Throughout its history, Los Angeles has been a key destination for foreign direct investment. FDI strengthens the regional economy by bringing new technology, capital, jobs and skills, and international connections. While much is known about FDI at the national and state levels, there are no official government data publicly reported concerning FDI in Los Angeles County.

Los Angeles County is home to many recent and established foreign direct investments throughout its diversified industrial base. The County’s sheer size (number one in the country for both population and the number of manufacturing employees) has led policymakers, business officials, and others to attribute to Los Angeles County a significant share of California’s FDI in terms of establishments, employees, and wages, but the facts necessary to make precise calculations are not made readily available by state and federal statistical agencies.

**Industries Taiwanese Companies are Investing in Overseas**

- Computer Products and Parts
- Technology
- Transportation

Los Angeles County receives investment capital from countries all over the world. The LAEDC’s FDI database compiled in 2008 includes 4,521 foreign-owned and -affiliated business establishments in total, of which 2,130 (or 47.1%) are primary locations and 2,391 (52.9%) are secondary locations. The County’s foreign-owned and -affiliated establishments represent slightly less than a third (32.4%) of the state’s 13,969 foreign-owned establishments as last measured in 2002.

In 2008, foreign-owned and -affiliated establishments accounted for 359,000 total jobs (both direct and indirect) and roughly $17 billion in wages in Los Angeles County. The average wage for employees of foreign-owned and -affiliated businesses ($56,000) exceeded the County average wage for employees of all businesses ($47,700).
Taiwanese FDI Outflows

Between 2000 and 2012, Taiwan’s outbound investment amounted to $165 billion, more than four times the level of inbound investment ($40 billion). Taiwan’s role in global supply chains has had a great impact on its FDI outflows over the past 10 to 20 years. Due to an increase in domestic land prices and wages, Taiwan began to move production to other countries in Southeast Asia and into Mainland China. The major transition into Mainland China ensued roughly 15 years ago as Taiwan attempted to take advantage of Mainland China’s rapid growth. Global consumer demand for Taiwanese goods was also growing significantly, particularly from the U.S. and Europe as part of the lead up to the Great Recession.

Since 2000, U.S. trade data with Taiwan has been greatly distorted by Taiwanese FDI outflows to Mainland China. The trade relationship between the U.S. and Taiwan should be viewed as a three-way relationship that also includes Mainland China, because so much Taiwanese computer production has moved to Mainland China in recent years. This has had a significant impact on U.S.-Taiwan, California-Taiwan and most importantly on Los Angeles Customs District-Taiwan trade ties. Data from Taiwan’s Ministry of Economic Affairs supports this premise. The export order figures from Taiwanese manufacturers and traders demonstrate that orders are much larger than the reported level of annual U.S. imports from Taiwan. For example, U.S. imports from Taiwan in 2013 were roughly $38 billion while U.S. companies placed export orders from Taiwan worth over $107 billion. This has been the trend for over the past decade.

The largest component of U.S. imports from Mainland China is computers products and parts, a large percentage of which originates from Taiwanese firms that have invested into Mainland China. Over the past 14 years this has become quite commonplace. U.S. companies such as Dell, HP, and Apple are the big buyers of ICT products made by Taiwanese firms. For example, most of Apple’s products are assembled in Mainland China by Taiwanese companies using imported parts. Based on the most recent data from the Taiwanese government, the percentage of Taiwanese export orders that were related to overseas production occurring in Mainland China increased from only 13% in 2000 to nearly 52% in 2013.

Having the largest Taiwanese community and consumer market in the U.S., the likelihood of Taiwanese investment in Los Angeles County is high. In addition, the region is leading the way in transforming itself into a “green economy”. Taiwan has become keen on green industries and should find many investment opportunities in Los Angeles County.

Currently, Taiwan’s FDI in the U.S. is disproportionately small relative to the amount of its trade with the U.S. This could change in the coming years as the Taiwanese have an overabundance of reserves that will most likely end up in the U.S. and other developed economies. The Los Angeles area has developed into Taiwan’s gateway to the U.S. and the U.S’s gateway to Taiwan. As highlighted above in the Trade Ties section, the Los Angeles Customs District’s fourth largest trading partner is Taiwan. LAEDC research suggests that Taiwan ranks as one of the top ten leading sources of foreign direct investment into Los Angeles County. This ranking has moved up over the past few years and it should continue to move higher in the coming years.

<table>
<thead>
<tr>
<th>Majority of Taiwanese Investment Originates from the following Special Municipalities:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Taipei-Keelung Metropolitan Area</strong> – includes Taipei, New Taipei and Keelung -- capital and home to the largest metropolitan area in Taiwan – largest economy in Taiwan – political, economic and cultural center of Taiwan</td>
</tr>
<tr>
<td><strong>Kaohsiung</strong> – 2nd largest economy in Taiwan and economic center of Southern Taiwan</td>
</tr>
<tr>
<td><strong>Taichung City</strong> – 3rd largest city in Taiwan – includes an Industrial Zone in Xitun District – major manufacturer of bicycles and sporting goods</td>
</tr>
<tr>
<td><strong>Tainan City</strong> – oldest city in Taiwan – population of roughly 2 million – the establishment of the Southern Taiwan Science Park in 1995 transformed the region into a major high-tech industrial hub</td>
</tr>
</tbody>
</table>

Taiwanese FDI Outflows to California

Taiwan has made more investments into California than any other state in the U.S. In fact, more than 800 Taiwanese companies have some sort of investment in the state. Of course, a large percentage of that investment is related to the linkages between the Taiwanese ICT industry and the Silicon Valley.

California has attracted Taiwanese investment from multiple sectors over the past 30 years. The most significant amount of investment has come from technology companies such as Taiwan Semiconductor Manufacturing Company, Foxconn Technology Group and Acer. Foxconn plays a substantial role in the production of Apple products such as the iPad, iPhone and the iPod. While investments related to the ICT industry...
may more typically end up in the Bay Area and Silicon Valley, Southern California and the Los Angeles region have been the big beneficiaries of Taiwanese transportation investment. The big players here have been China Airlines, EVA Air, Evergreen Marine and Yang Ming Marine Transport, all with a significant presence in the Los Angeles area, resulting in thousands of jobs and billions in wages and salaries.

**FDI into Los Angeles County from Taiwan**

In a comprehensive multi-country study of foreign direct investment in Los Angeles County that was completed in 2008, the LAEDC identified 127 Taiwanese-owned business establishments in 2007. That number increased by 30% since 2007 to 164 establishments according to LAEDC research conducted in 2013-2014, making Taiwan one of the ten largest sources of foreign-owned and affiliated businesses in the county. Out of a total of 164 establishments, the largest industry area for Taiwanese-owned companies is wholesale trade, followed by finance (banking), manufacturing and transportation & warehousing. Taiwanese investment has beaten growth expectations expanding by 30% from 2007 through 2013.

Taiwanese investment has expanded into a variety of sectors in Los Angeles County. In the transportation & warehousing industry sector, the major sub-sector is freight and passenger transportation (Evergreen Shipping, Wan Hai Lines, Yang Ming Marine Transport, EVA Air, and China Airlines). In finance, the major sub-sector is banking (CTBC Financial Holdings, Sinopac Financial Holdings and First Financial Holding). In addition to Taiwanese banks and major transportation companies, major Taiwanese companies operating in Los Angeles County include Ta Chen Stainless Pipe Company, Tatung Company, Microtek, and Axiom Technology.

The City of Industry and Los Angeles are both host to the largest number of Taiwanese-owned and -affiliated businesses, with 29 and 26 total establishments respectively, followed by other key cities like Santa Fe Springs and Walnut. The Los Angeles area has become a key commercial center for several Taiwanese companies entering into the U.S. market. Nearly half of the 88 cities in L.A. County (40 of 88) enjoy a share of the investment from Taiwan.

### Taiwanese-Owned Establishments by City

<table>
<thead>
<tr>
<th>CITY</th>
<th>TOTAL ESTABLISHMENTS</th>
<th>% OF TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Industry</td>
<td>29</td>
<td>17.7%</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>26</td>
<td>15.8%</td>
</tr>
<tr>
<td>Santa Fe Springs</td>
<td>10</td>
<td>6.1%</td>
</tr>
<tr>
<td>Walnut</td>
<td>8</td>
<td>4.9%</td>
</tr>
<tr>
<td>Alhambra</td>
<td>6</td>
<td>3.6%</td>
</tr>
<tr>
<td>Cerritos</td>
<td>6</td>
<td>3.6%</td>
</tr>
<tr>
<td>Other Cities</td>
<td>79</td>
<td>48.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>164</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source: LAEDC

Taiwan’s ongoing and new investment will have a positive economic development impact due to increases in economic output, jobs, exports and research & development funding. It is noteworthy that the number of Taiwanese-owned establishments grew between 2007 and 2013 despite the occurrence of the Great Recession during the intervening years. The 2008 study estimated the economic impact of Taiwanese investment in the county. The 127 Taiwanese-owned establishments in the county created 3,200 direct jobs and 6,800 indirect jobs totaling 10,000 jobs, translating to a total of $458 million in wages and salaries related to Taiwanese investment into Los Angeles County. While a formal impact analysis is not available, it is safe to say that the increase from 127 to 164 establishments as of 2013 has resulted in a local economic contribution in excess of 10,000 total jobs and $500 million in wages and salaries.

The LAEDC and its WTC-LA subsidiary have played a proactive and significant role in attracting investment, including conducting and publishing regular research on Taiwan and L.A. County, participation in a trade and investment mission trip to Taiwan in 2013, hosting inbound delegations, and signing and fulfilling memoranda of understanding and mutual cooperation agreements with trade and investment promotion organizations in Taiwan.
Prospects for Taiwanese FDI in California and Los Angeles County

Taiwanese companies are currently investing heavily in East Asia, and future investment flows are projected to occur in Mainland China and Southeast Asia. Future Taiwanese investment is also expected to grow in the U.S., with a large percentage taking place in California and Los Angeles County.

Taiwanese companies are looking to the U.S. as an attractive area for investment for many reasons. First, the U.S. is the largest domestic market in the world. Second, the U.S. market presents few of the challenges that are major issues in other worldwide markets, notably those related to the rule of law, transparency and political risk. Third, setting up abroad allows companies to avoid the obstacles associated with trade disputes. Finally, the Taiwanese have an abundance of U.S. dollars in reserves.

With its location, its large population and large economic base, California has the most to gain from the next wave of investment as Taiwanese companies. With 18 million residents in its five-county metropolitan area, no other county in the U.S. has a larger regional consumer market than Los Angeles County. Los Angeles County possesses other assets that will attract Taiwanese investment, as well. The first is its transportation infrastructure, which includes the ports, rails, intermodal resources, established logistics and Los Angeles International Airport. The second is the collection of world class universities and R&D talent pool populated by thousands of Taiwanese students. Other factors that should entice Taiwanese investors to L.A. County include the largest established Taiwanese community in the U.S., the local Taiwanese language capabilities and the cultural ties. These should provide familiarity and comfort for concerned investors. The key is to identify industry clusters in L.A. County that will attract future Taiwanese investment.

Going forward informed observers believe investments will be made in the green/clean technology industries like electric vehicles, and renewable energy like solar & wind energy. Biotechnology will be another key area. Also, medical devices and pharmaceuticals have been targeted for investment by both the government and private sector in Taiwan. Other key industries that are likely to attract Taiwanese investment include tourism, food, culture and creativity. In addition, other FDI Prospects from Taiwan in LA County include: medical tourism, logistics, and digital media.

According to most observers, Taiwanese investment will come in the form of technology, sales and service, distribution centers and research and development facilities. These investments are expected to promote crucial innovation to remain competitive with Korean and Japanese firms. Investment will have to include sales and service offices in order to provide effective customer service. Distribution centers are expected to draw much attention by Taiwanese companies looking to expand into the U.S., Western U.S., California and Southern California.

Finally, the FDI will also come in the form of regional headquarters (U.S. or North American). This is already the case for several Taiwanese companies, including Taiwan Semiconductor Corporation, Brighton Best (Ta Chen International) and AXIOM Technology.

Many industrial Taiwanese companies have been successful in investing overseas. In fact, Taiwan has the highest intensity of patents approved in the U.S. Patent Trade Office, as measured by the number of U.S. patents divided by the population of the country of origin. As such, there are many opportunities for technological cooperation between companies in Taiwan and Los Angeles County. This is an important feature of the investment relationship between Taiwan and Los Angeles County. It is incumbent upon both sides to pay more attention to fostering this existing relationship.
Key Reasons for Foreign Direct Investment (FDI)

Based on economic theory, the key reasons why companies attempt to invest overseas are related to markets, efficiency and resources. First, firms participate in foreign direct investment in order to gain access to foreign markets. A perfect example of this occurs when a company tries to reduce costs by producing or assembling products inside a particular market or in close proximity to that target market. A relevant example for this report relates to the Taiwanese companies Taiwan Semiconductor Corporation, Brighton Best (Ta Chen International) and AXIOM Technology, which have all established their U.S. headquarters in Los Angeles County in order to enter the California and broader U.S. market.

Secondly, corporations around the world are always looking to find ways to become more efficient. This often means placing production sites where the inputs to production (labor or capital) are the most cost-efficient. There are many examples of companies moving production sites to parts of the world where labor costs or factory costs are very low relative to the home country. This particular phenomenon has been very common over the past thirty years. Taiwan was one such recipient of this type of FDI before Mainland China and others replaced others as the low-cost leaders.

Finally, companies invest in basic natural resources all over the world. Acquiring sources of energy and other essential commodities has always been one of the most critical objectives of nations attempting to develop economically. Throughout history, all of the world’s great economic powers have been sustained by gaining access to resource-rich areas. Today is no exception, as the next emerging economic superpower, Mainland China, looks to secure its economic future by investing in the Middle East, Africa, Australia and South America.

Economic growth is one of the fundamental long-run goals of macroeconomic policy. Similar to trade, FDI plays a vital role in enabling a country to achieve strong economic growth. Economic studies have demonstrated that FDI stimulates new employment and boosts productivity. In addition, FDI brings in new capital, technology, business models, international connections, tax revenues, and has been shown to improve returns on capital.

Countries around the world are routinely competing to become more attractive destinations to foreign investors. Nations can become more attractive by advocating for less regulation, lower operating costs, lower tax rates, and higher rates of labor mobility, the creation of opportunities for mergers and acquisitions, and the creation of incentives for investment into the country.
Attracting FDI from Taiwan into LA County

Los Angeles County FDI – Green/Clean Tech Industry Strategy

The County of Los Angeles aggressively pursues foreign investment from Taiwan and has a strong interest in attracting investment in the area of green/clean technology. The World Trade Center - Los Angeles strategy targets attracting Taiwanese investment in the alternative/renewable energy industry. The focus in the renewable energy industry lies with solar and wind.

The state and county have sought to attract this type of investment through state and federal legislation, incentives, access to various funding sources and valuable resources that will facilitate the overall process. Examples are:

State Legislation

- California Assembly Bill (AB) 32 – California Global Warming Solutions Act
  - Reduce statewide greenhouse gas emissions to 1990 levels by the year 2020
- Renewable Energy Requirements in California
  - Requires California’s electric utilities to increase their renewable procurement to 33% of their portfolio by 2020
- Go Solar California Program
  - Provides more than $3.4 billion in incentives for solar-energy projects and aims to create 3,000 megawatts of new solar-produced electricity by 2016

Federal/State Incentives

- Federal Income Tax Credit
  - Up to $7,500 for electric vehicles
- California Rebates
  - Up to $2,500 for purchase or lease of plug-in hybrid electric vehicles
- California Assembly Bill (AB) 118 – Clean Vehicle Rebate Program

Green Opportunities

- California ranks as the 10th largest consumer of energy in the world

SelectUSA is a government-wide initiative to encourage, facilitate, and accelerate business investment in the U.S. by both domestic and foreign firms, thereby creating jobs, spurring economic growth, and promoting American competitiveness. SelectUSA provides enhanced coordination of existing resources and functions within the U.S. Department of Commerce and across all federal departments and agencies with operations relevant to business investment. It works in partnership with state, regional, and local economic development organizations to promote and facilitate overall U.S. business attraction, retention, and reshoring. On its website, economic development agencies and businesses—foreign and domestic—will find the information they need to better understand the complete value proposition offered to firms locating in the United States. Steve Olson, former Executive Director of SelectUSA, has played an instrumental role in facilitating U.S. investments through his leadership. A partner with the global law firm of O’Melveny and Myers, Mr. Olson is currently on the Executive Committee of the Los Angeles County Economic Development Corporation (LAEDC) and is Co-Chair of LAEDC’s World Trade Committee.

In October 2013, SelectUSA held its first annual summit in Washington D.C. The two-day conference drew over 1,200 attendees from nearly 60 countries and economic development officials from 47 states. The California coalition included Mr. Olson and LAEDC CEO Bill Allen who met with several large diverse firms looking to invest in the U.S. in an effort to direct those investments to L.A. County.
The Ports of Los Angeles and Long Beach are mandating significant CO2 reductions
City of Los Angeles – Green LA Initiatives
The Antelope Valley – centrally located to the state’s wind-generating capacity and output

$40 Billion Available for Los Angeles County Projects

- $30+ Billion – Measure R: Funding LA County Transportation Projects
- $5+ Billion – Modernizing LAX ($1.7 Billion for International Terminal)
- $4+ Billion – Projects for the Port of Long Beach
- $1+ Billion – Projects for the Port of Los Angeles

The federal, state, and county governments are trying to facilitate the investment process by providing access to various funding sources. The private sector also plays a key role as private equity and venture capital firms provide substantial opportunities. Other critical sources are federal grants and guaranteed loans.

Profile SoCal Edison’s Electric Vehicle (“EV”) Technical Center - Pomona

The Southern California Edison’s (“SCE”) EV Technical Center is one of only two U.S. Department of Energy test sites approved to test electric vehicle performance in fleet operations. The Center was established in 1993, and it provides an array of electric transportation services centering on solutions for automakers, battery manufacturers, government agencies, business and industrial fleet customers and residential customers.

The SCE EV Tech Center serves the following purposes:

- To help the SCE’s Transportation Services Department manage the nation’s largest and most successful fleet of pure battery-electric vehicles. To date, the EV fleet has logged more than 17 million tailpipe-emission-free miles;
- To evaluate various electric-drive technologies for uses in SCE’s own fleet applications to meet federal and state regulations;
- To understand and help minimize potential impacts of large increases in the numbers of vehicles connecting to the grid. This includes helping customers shift charging to off-peak (low-energy-use) periods;
- To provide education and outreach on the safe, reliable and energy-efficient use of electric-drive technologies

The EV Center includes the following state-of-the-art equipment:

- Electric vehicle testing and maintenance facilities
- “Garage of the Future” – capable of simulating volt charging, energy flow, energy storage, energy generation and meter control
- Charge testing and fast charge testing facilities
- Maintenance bay for hydrogen Internal Combustion Engine (ICE) and fuel cell EV prototypes
- Battery testing laboratory
Renewable Energy in Taiwan

1. Policy Objective: Win-Win-Win Solution for Energy, Environment and Economy

Sustainable energy development should balance the objectives of energy security, economic development and environment protection, and consider the need of future generations. Taiwan is insufficient in natural resources, and constrained by limited environment carrying capacity. In order to create a win-win-win solution in energy, environment, and economy, sustainable energy policies should support the efficient use of limited energy resources, the development of clean energy, and the security of energy supply. Our targets are:

(1) **Improving energy efficiency**: The goal is to improve energy efficiency by more than 2% per annum, so that when compared with the level in 2005, energy intensity will decrease 20% by 2015. Supplemented by further technological breakthroughs and proper administrative measures, energy intensity will decrease 50% by 2025.

(2) **Developing clean energy**:
   a. **Reduce nationwide CO2 emission**, so that total emission could return to its 2008 level between 2016 ~ 2020, and further reduced to the 2000 level in 2025.
   b. Increase the share of low carbon energy in electricity generation systems from the current 40% to 55% in 2025.

(3) **Securing stable energy supply**: Build a secure energy supply system to meet economic development goals, such as 6% annual economic growth rate from 2008 to 2012, and 30,000 USD per capita income by 2015.

2. Policy Principles

The basic principles of a sustainable energy policy is to establish a high efficiency, high value-added, low emission, and low dependency energy consumption and supply system.

(1) **High efficiency**: improve energy consumption and transformation efficiency.

(2) **High value-added**: increase the value-added of energy consumption.

(3) **Low emission**: adopt energy supply methods and consumption practices that ensure low carbon and low pollution.

(4) **Low dependence**: decrease the dependence on fossil fuels and imported energy.


Taiwan relies on imports for more than 98% of its energy, which is of great concern to the Taiwanese government as they are dependent upon foreign oil. As the geopolitical scene in the Middle East becomes ever more complicated and unstable, nations like Taiwan have sought other alternatives such as renewable energy. With 3.76 GW of total installed capacity at the end of 2013, renewable energy accounts for about nine percent of Taiwan’s current energy production. In 2009, the Taiwanese government passed the Renewable Energy Development Act (REDA) with the goal to expand the installed renewable energy capacity to 9.95 GW by 2030, roughly tripling its renewable energy capacity over the next 20 years. Under REDA, feed-in tariffs apply to solar, onshore wind, offshore wind, biomass and hydro (these typically guarantee that customers who own a feed-in tariff-eligible renewable electricity generation facility, will receive a set price from their utility for all of the electricity they generate and provide to the grid).

Since 2009, Taiwan’s government has pledged to invest $1.4 billion in their renewable energy sector by 2015 in order to become a global leader in this field. President Ma has made it clear that Taiwan must determine its energy options, and that the Taiwanese people are committed to the development of renewable energy and new energy resources.

Currently in Taiwan, wind and solar energy are the main sources of renewable energy. Taiwan has an abundance of wind power resources with an onshore wind farm capacity of roughly 30% and with an offshore wind farm capacity of roughly 35%. The total installed onshore wind capacity is 530 MW. On the solar side, Taiwan opened the National Stadium in Zuoying District, Kaohsiung, which acts as a photovoltaic (PV) power station. It has over 140 solar panels with an installed capacity of 1 MW. In total, Taiwan had a solar power capacity factor of 14% (meaning 14% of all electricity was supported by solar) in 2013. Another key project will see its first phase completed by the end of 2014 with a total capacity of 20 MW, capable of producing 25 GWh per year. Over the longer term, the Taiwanese government plans to make solar capacity become 4,500 MW by 2020 and have 7.5 million residents using solar energy by 2030. On the production side, Taiwan is the second largest PV producer in the world.
Attracting Los Angeles County Inward FDI from Taiwan – Other Key Sectors

The World Trade Center - Los Angeles strategy also targets attracting Taiwanese investment in the areas of biotechnology, high-tech consumer electronics, creative industries, medical instruments and devices, pharmaceuticals, digital media, tourism and logistics.

Other Focus Areas for Attracting Taiwanese Investment

EB-5 Program

Overseen by the U.S. Citizenship and Immigration Services (USCIS), the EB-5 program provides foreign nationals the opportunity to become conditional residents for a period of two years upon making an investment of $1 million, or $500,000 in a designed Targeted Employment Area, in a new commercial enterprise. Each unit of investment must create at least ten new, direct or indirect jobs for U.S. workers. Once the job creation requirement is met, the conditions are removed and investors may obtain permanent residency.

The EB-5 Program was introduced in 1990 but initially attracted a relatively small number of immigrant investors. In 1993, the U.S. government modified it to include a Pilot Program under which the federal government could designate “Regional Centers” so that multiple immigrant investors could pool their funds into larger job-creating businesses in certain target regions and industries. There are now over 400 Regional Centers in the United States, with many new applications pending. Importantly, investors who apply through a USCIS-designated Regional Center have more flexibility in meeting the job creation requirements. More than 3,000 of the total 10,000 EB-5 Visas available annually are allocated to Regional Center-based investors.

On September 28, 2012, U.S. President Obama signed bipartisan legislation extending the EB-5 Regional Center Program by three years. The legislation also removed the word “pilot” from Section 610 of Public Law 102-395 (Oct. 6, 1992) when describing the Program.

Los Angeles County Regional Center

CanAm Enterprises promotes and administers private and government immigration-linked investment funds. In 2002, CanAm began to focus on the U.S. Immigrant Investor Program (EB-5) and has been the largest provider in the U.S. ever since, attracting more than $1.3 billion. Designated by the U.S. Citizenship and Immigration Services (USCIS) in March of 2008 as the Los Angeles Film Regional Center, this new Center first targeted investments in the motion picture and television industry in Los Angeles County, California gaining hundreds of millions of dollars for them. In 2012, the USCIS approved an application from Can Am Enterprises and the LAEDC to amend the name and expand the Regional Center’s target areas for the Los Angeles County Regional Center to encompass multiple industries, including agriculture and food processing; alternative energy; health services; higher education; motion pictures and television; technology; and transportation.

LAEDC/WTC-LA-Long Beach Trade and Investment Mission Trip to Taiwan

Since 2006, the LAEDC and the World Trade Center-Los Angeles have been active in attracting Taiwanese foreign direct investment and in 2013 led a trade and investment mission to Taiwan.

2013 Taiwan Trade and Investment Mission

Los Angeles County was represented by the following delegation: LAEDC President & CEO Bill Allen; Mitchell Silberberg & Knupp Partner Lessing Gold who chairs the LAEDC’s World Trade Committee; PricewaterhouseCoopers North American-Greater Mainland China Tax Practice Partner Deborah Lee; East West Bank Executive Vice President KY Cheng; Solarmer Energy President Woolas Hsieh; USC Executive Director, Corporate & Foundation Relations, USC Viterbi School of Engineering, Angus McColl; CBRE Senior Vice President Dennis Zhang; and World Trade Center-Los Angeles Trade Manager Lianne Chua. Mission delegates hosted an investment attraction seminar to introduce L.A. County to dozens of prospect companies in Taipei, met with leaders of Taiwan’s Ministries of Economic Affairs and Foreign Affairs, toured and met with the management of Taiwan Industrial Development Research Institute (ITRI), signed an MOU for cooperation with TAITRA, met with the Taiwan-U.S. Industrial Cooperation Promotion Office (TUSA), and visited the corporate headquarters of several investment prospect companies in Taipei, Kaohsiung and Zhubei.
Foreign direct investment (FDI) into Taiwan has grown substantially over the past thirty years. Economic development has been stronger in geographic areas that have had high proportions of FDI. The island nation continues to be an important destination for FDI due to all it has to offer to foreign investors. In recent years, foreign investors have been most attracted by its geographical location as a gateway to Asia and to Mainland China.

The U.S. is the largest source of FDI into Taiwan, with investment mainly going into wholesale and retail trade; finance and insurance; professional, scientific and technical services; electrical equipment manufacturing; and electronic parts and components manufacturing. Large American firms like Hewlett-Packard, Dell, IBM, Intel, Corning, DuPont and Microsoft have all established R&D centers in Taiwan. Taiwan’s high-tech and ITC sectors have integrated R&D operations and supply chains from Silicon Valley through the Hsinchu Science Park and also into Mainland China.

Since the Great Recession, inflows of FDI into Taiwan have been weak. In fact, from 2009-2011 the amount of FDI into Taiwan dropped by $35 billion. Taiwan was greatly impacted by the global recession as its economy is heavily dependent upon exports. More recently, the euro zone crisis and slow growth in the U.S. have also negatively impacted FDI inflow growth. The one big positive for Taiwan has been the Economic Cooperation Framework Agreement (ECFA) that was signed with Mainland China in 2010. This has improved Taiwan’s investment climate and has proven to be beneficial over the past couple of years.

### FDI Inflows to Taiwan by Country (2013 %)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Caribbean*</td>
<td>29%</td>
</tr>
<tr>
<td>2</td>
<td>US</td>
<td>12%</td>
</tr>
<tr>
<td>3</td>
<td>Japan</td>
<td>8%</td>
</tr>
<tr>
<td>4</td>
<td>Samoan Islands</td>
<td>8%</td>
</tr>
<tr>
<td>5</td>
<td>Hong Kong</td>
<td>7.5%</td>
</tr>
<tr>
<td>6</td>
<td>Australia</td>
<td>6%</td>
</tr>
<tr>
<td>7</td>
<td>Netherlands</td>
<td>5%</td>
</tr>
<tr>
<td>8</td>
<td>Singapore</td>
<td>4%</td>
</tr>
<tr>
<td>9</td>
<td>Malaysia</td>
<td>3%</td>
</tr>
</tbody>
</table>

*Caribbean outflows to Taiwan mainly related to Offshore Financial Companies based in the Cayman Islands.

85°C was established in 2004 in Taipei County, Taiwan in 2004. The president and founder of 85°C is Wu Cheng-Hsueh. The name 85°C refers to founder Mr. Wu Cheng-Hsueh’s belief that 85°C (or 185 °F) is the optimal temperature to serve coffee. Mr. Cheng-Hsueh was having coffee one day when he thought about serving coffee and breads at affordable prices. As a result, he opened up the first store in July 2004 and it soon became extremely successful. He soon opened up another store a month later, which marked the beginning of the franchising name 85°C. It now has over 800 stores in Taiwan. 85°C serves high quality coffees, teas, juices, breads and pastries and has become a global coffee store chain. It expanded beyond Taiwan in 2006 with the opening up of a store in Sydney, Australia. It next opened up in Shanghai, China and then moved into the U.S., followed by Hong Kong. 85 °C was listed on the Taiwan Stock Exchange in November 2010 under the symbol TWSE.

The first U.S. store was opened up in 2009 in Irvine (Orange County) and is the most successful store in the U.S. The chain has six locations in Los Angeles County including Pasadena, Hacienda Heights, West Covina, Gardena, Cerritos and Torrance and 14 throughout California, with a San Diego store that opened in November 2014. The company plans on expanding throughout Los Angeles County and beyond over the next few years. Stores normally employ roughly 30 to 40 people. The central bakery, R&D test kitchens, distribution facility and corporate offices are in Brea (Orange County), just east of Los Angeles County.
**Why Invest in Taiwan**

**Key Reasons:**

- **Ideal Location – Hub of Asia and Gateway to Mainland China and ASEAN**
  - Taiwan offers the shortest average flying time to major cities in Asia (2hrs and 40 minutes)
  - 21 agreements including the ECFA have been signed between Mainland China and Taiwan

- **Well-Developed Industry Clusters**
  - Hsinchu Science Park (Taiwan’s “Silicon Valley” and the First Science Park established in Taiwan in 1980)
  - ICT Manufacturing
  - Optoelectronics

- **Biotechnology**
  - Central Taiwan Science Park, Taichung Precision Park
  - Changhua Coastal Industrial Park

- **Semiconductors and optoelectronics**

- **Precision Machinery**
  - Tainan Liouying, Yongkang Technology Industrial Parks
  - Nankang Software Park

- **Environmental Technology**

- **Auto Parts**

- **ICT Design**

- **Digital Content**

- **Metal Products**

- **Metal Surface Treatment**

- **Recycling and Green Energy**

- **High Technological Focus**
  - Well-established innovative environment with many R&D centers, research labs, and universities
  - 45 Multinational Corporation R&D Centers
  - 185 Domestic R&D Centers

- **Important Role in Asia-Pacific Regional Supply Chains**
  - Produces High-Value Added Intermediate Goods

- **Abundance of Skilled Labor**
  - 172 Universities/Colleges

- **Strong R&D and Innovation Capabilities**

- **Emerging Capital Market**

- **Population with a High Purchasing Power**
  - GDP per capita roughly $40,000 (based on PPP exchange rates) – on par with Germany

- **Excellent Infrastructure**

- **Investment Environment and Global Competitiveness**

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**FDI Inflows by Industry (2013 %)**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Finance and Insurance</td>
<td>27%</td>
</tr>
<tr>
<td>2</td>
<td>Electronic Components</td>
<td>12%</td>
</tr>
<tr>
<td>3</td>
<td>Wholesale and Retail Trade</td>
<td>16%</td>
</tr>
<tr>
<td>4</td>
<td>Real Estate</td>
<td>14%</td>
</tr>
<tr>
<td>5</td>
<td>Support Services</td>
<td>10%</td>
</tr>
<tr>
<td>6</td>
<td>Prof, Sci and Tech Services</td>
<td>4%</td>
</tr>
<tr>
<td>7</td>
<td>Electric Equipment</td>
<td>3%</td>
</tr>
<tr>
<td>8</td>
<td>Chemical Products</td>
<td>2%</td>
</tr>
<tr>
<td>9</td>
<td>Metal Products</td>
<td>2%</td>
</tr>
</tbody>
</table>

**Form of Company Preferred by Foreign Investors:**
Public Limited Company

**Form of Establishment Preferred by Foreign Investors:**
Joint Venture in the case of a Partnership

**Main Foreign Companies in Taiwan:**
Alstom, Daewoo International, Dassault Aviation, Intel Microelectronics Asia Ltd, Levi Strauss USA LLC, Corning Inc., Thales Taiwan, Unilever Taiwan, Mizuho Bank and American Express Bank Ltd.
Recent Development to Encourage Investment into Taiwan:

- Government proposal has been issued to establish a “free economic pilot zone” (FEPZ) [www.ndc.gov.tw/encontent](http://www.ndc.gov.tw/encontent) in order to build up these zones to position Taiwan as the Asia-Pacific Free Trade Center – This will create an improved environment for export expansion as Taiwan generates roughly 70-75% of its economic output from exports
- Phase 1: 7 Free Trade Zones (FTZ’s) and 1 Agri-Biotech Park
  - 7 FTZ’s
    - 1) Kaohsiung Port FTZ
    - 2) Keelung Port FTZ
    - 3) Taipei Port FTZ
    - 4) Taoyuan Airport FTZ
    - 5) Taichung Port FTZ
    - 6) Anping Port FTZ
    - 7) Su’ao Port FTZ
  - 1 Agri-Biotech Park
    - Pingtung Agricultural Biotechnology Park
- More FEPZ’s are expected to be set-up in the future

Taiwan no longer has a list of permitted investments. However, it does now have a negative list of industries closed to foreign investment in order to maintain security and environmental protection. Trade and investment liberalization has reduced that list to less than 1% of manufacturing categories and less than 5% of services industries.

A majority holding interest in the ownership of a Taiwanese company is legal. However, the foreign ownership limit on wireless and fixed line telecommunications firms is 60% with a direct foreign investment limitation of 49%. In addition, there is a 20% limit on foreign direct investment in cable television broadcast services. Investment opportunities are few in the energy industry and some companies in the financial services and water utility sectors.

Companies from California including those from Los Angeles County have invested close to $2 billion into Taiwan according to the Taiwan Ministry of Economic Affairs. As trade ties increase between California and Taiwan that amount will also expand due to the synergies and relationships between the Silicon Valley and Taiwan (related to the strong ICT relationship) and between Los Angeles County and Taiwan (related to the strong trading relationship). In particular, as trade ties between the Los Angeles Customs District and Taiwan grow so will bilateral cooperation in innovation and creativity in sectors like green/cleantech, biotechnology, medical devices and pharmaceuticals.

Key Investment Opportunities in Taiwan
http://investtaiwan.nat.gov.tw

**6 Major Emerging Industries**

1. Biotechnology
2. Tourism
3. Green Energy
4. Medicine and Health Care
5. High-end Agriculture
6. Culture and Creation

**4 Emerging ‘Smart’ Industries**

1. Cloud Computing
2. Intelligent Electric Vehicles
3. Smart Green Buildings
4. Industrial Application of Invention Patents

The Taiwan 12 Projects
(The 12 Major Taiwan Construction Projects)

1. Island-wide Transportation Network
2. Kaohsiung Free Trade Zone and Eco-Port
3. New High-tech Industrial Cluster in Central Taiwan
4. Taoyuan Aerotropolis
5. Intelligent Taiwan
6. Industrial Innovation Corridors
7. Urban and Industrial Zone Renewal
8. Farm Village Regeneration
9. Coastal Regeneration
10. Green Forestation
11. Flood Prevention and Water Management
12. Sewer Construction
Some Recent and Future Los Angeles Area Events and Conferences Promoting Trade & Investment with Taiwan

March 2015
Natural Products Expo West 2015
Taiwan Pavilion – Anaheim
The Natural Products Expo West is one of the top events of the natural, organic, and healthy products industry. It is ranked as one of the top 100 shows in the U.S. and one of the 50 fastest growing tradeshows in the U.S. and Canada. The conference includes over 3,000 exhibits from roughly 2,000 companies (including those from Taiwan) showcasing the latest products in natural and specialty foods, organic, health and beauty, natural living, supplements and pet products.

February 2015
Medical Design and Manufacturing West 2015
Taiwan Pavilion – Anaheim
The Medical Design and Manufacturing West Conference is the industry’s original medical device conference and it is dedicated to offering the West Coast’s premier program for R&D, design, engineering, manufacturing, and regulatory affairs information for medical manufacturing industry professionals. The medical devices industry demands the highest quality manufacturing and Taiwan’s manufacturing technology is one of the world leaders.

November 2014
Southern California Biomedical Council (SoCalBio) Conference
This is a one-day annual conference organized by SoCalBio to showcase emerging bioscience firms and technologies (including Taiwanese firms and technologies). It offers presentations and panel discussions to help entrepreneurs and it highlights the role of public/private partnerships in sustaining a regional culture of innovation. It also allows participants to explore new business models and to create new networks.

October 2014
Annual Taiwanese Investment Seminar
San Gabriel Hilton
The Taiwanese Investment Seminar in October 2014 focused on attracting investment from the Los Angeles region into Taiwan. The agenda of the event included the following sessions:

1. Welcome remarks by the Department of Investment Services of the Ministry of Economic Affairs
2. Taiwan Investment Environment by the InvesTaiwan Service Center
3. Charming Taipei: Gateway to Asia by the Taiwan External Trade Development Council
4. The Next Taiwan’s Flagship Project – Introduction of Taoyuan Aerotropolis by the Taoyuan County Government
5. Opportunities for Taiwan-USA Industrial Cooperation by the Taiwan-USA Industrial Cooperation Promotion Office, Ministry of Economic Affairs
6. Taiwan ICT Industry Status & Smart City Initiatives by the Committee of Communications Industry Development, Ministry of Economic Affairs

August 2014
Taiwan-USA Synergy City Club Los Angeles – International Committee
Ambassador Bruce J.D. Linghu, former Director General of the Taipei Economic and Cultural Office in Los Angeles and the Board of Governors of the City Club Los Angeles hosted this event on August 5, 2014. Ambassador Linghu was the keynote speaker. Ambassador Linghu provided an overview on Taiwan and the importance of economic relations between Taiwan, Mainland China, and the USA. There was also a panel discussion regarding bilateral trade and business opportunities between Taiwan and Los Angeles. The roundtable discussion panelists included: Deborah Lee, Tax Partner with PwC, Ferdinando Guerra, Consultant/International Economist with the LAEDC and Jaime Chen, Deputy Director General of TECO-LA.

April 2014 – Annual Asia-Pacific Outlook Conference (APBO)
For the past twenty-six years, the USC Marshall School’s Center for International Business and Research (CIBER) and the U.S. Commercial Service have held this conference to provide U.S. companies with the latest information on opportunities in Asian markets. The event discusses the business opportunities and challenges facing U.S. companies in the Asia-Pacific region. It allows companies to have direct access to U.S. Commercial Officers from embassies throughout the Pacific Rim and business experts who provide current details about the shifting business and economic landscape occurring within the region.
SECTION FOUR  •  Investment Ties

January 2014
Annual VerdeXchange Annual VX Conference

VerdeXchange (VX) is an environmental think tank and publisher created to inform and strategically advise green innovators wishing to diffuse green technology and innovations in the marketplace. VerdeXchange hosts an annual two-day conference that brings together local, state, national and global leaders representing the private sector, the public sector, and environmental stewards. The goal is to tackle some of the most pressing energy and sustainability issues.

Since the first VX in 2007, the marketplace for power generation, infrastructure, grid management, water, sustainable development, mobility alternatives, intelligent grids, national defense, and security have been transformed by public policies and private investments. Regulations for reducing greenhouse gases were in their infancy stages seven years ago. Currently, many national, regional and local governments have introduced broad based regulations to incentivize the adoption of renewable and clean energy technologies. The VX Conference in 2014 attracted an audience of more than 600 global experts from Japan, Canada, Sweden, Australia, Mainland China and Taiwan and included more than 140 speakers and panelists who shared best practices and insights on the green economy marketplace. The eighth annual VX will take place January 25-27, 2015 in Los Angeles.

Los Angeles County Based Trade and Investment Organizations

World Trade Center
Los Angeles (WTC-LA)

The World Trade Center - Los Angeles provides trade facilitation and investment attraction for the greater Los Angeles region. The WTC-LA works to support the development of international trade and business opportunities for Southern California companies as the leading international trade service organization and trade resource in the Los Angeles region. It also promotes the Los Angeles region as a destination for foreign investment to a targeted international audience in order to attract a significant flow of investment to the region, thereby enhancing the region’s economy, employment and business opportunities for local firms. The WTC-LA is a subsidiary of the LAEDC and both organizations have a formal Memorandum of Understanding (MOU) with the Taipei Economic and Cultural Office in Los Angeles (TECO-LA).

U.S. Department of Commerce
U.S. Commercial Service – Downtown & West Los Angeles U.S. Export Assistance Centers

The U.S. Commercial Service of the U.S. Department of Commerce is a federal government agency whose main mission is to help small-to-medium sized Los Angeles manufacturing and service companies develop international markets. The experienced staff of International Trade Specialists focuses on identifying and evaluating international partners, developing market entry strategies, overcoming exporting challenges and navigating other export-related issues. The Downtown & West Los Angeles U.S Commercial Service/Export Assistance Centers are part of an international network of 1700 international trade specialists throughout the world, with 165 offices in 82 countries. The Department of Commerce’s new initiative SelectUSA was created at the federal level to showcase the United States as the world’s premier business location and to provide easy access to federal-level programs and services related to business investment. (Please see page 39 for a full profile of SelectUSA)

Los Angeles Area Chamber of Commerce
Global Initiatives

The Los Angeles Area Chamber of Commerce through its Global Initiatives programs works to increase global trade in the LA region by assisting local businesses to increase their global reach by establishing relationships abroad. The Chamber’s key global initiatives related to world trade are World Trade Week, the Americas Business Forum, Global Initiatives Council, Roundtable Discussions, Business Matchmaking & Trade Missions, Trade Briefings, Trade Commissioners Networking Group, Global Partnerships, Export Seminar Series and Certificates of Origin, Free Sale and Letters of Invitation.

Los Angeles Regional Export Council (LARExC)

Launched in 2011 by former Mayor Antonio Villaraigosa, the Los Angeles Regional Export Council is a public-private partnership that includes government, business, and academic institutions. The Council helps local businesses reach global markets by creating a one-stop export resource. The LA Regional Export Council works directly with the Taipei Economic and Cultural Office (TECO) in Los Angeles.
District Export Council of Southern California (DEC-SOCAL)

District Export Councils are organizations of leaders from the local business community, appointed by successive U.S. Secretaries of Commerce, whose knowledge of international business provides a source of professional advice for local firms. The export councils are closely affiliated with the U.S. Commerce Department’s U.S. Export Assistance Centers. The overall mission of the District Export Councils is to contribute leadership and international trade expertise to complement the U.S. Commercial Service’s export promotion efforts through counseling businesses. The District Export Council of Southern California provides assistance to local companies on how to export. The DEC-SOCAL organizes and sponsors export-related events and workshops throughout Southern California so local companies can gain the necessary knowledge on how to export their products and services.

Foreign Trade Association of Southern California (FTA)

The Foreign Trade Association of Southern California (FTA) was established in 1919 in order to promote international business and support economic growth in Southern California and worldwide. The main objectives of the FTA are: to encourage interest in international trade and business, conduct high quality and timely meetings, provide educational courses, seminars and conferences for the purpose of encouraging and developing international trade, cooperate with its members in matters relating to the growth and development of international trade, and provide informational trade updates and services, programs, and newsletters to its members and to publish and distribute worldwide an annual roster and directory, listing all firms and individuals who are members of the FTA.

California Centers for International Trade Development (CITD)

The three California Centers for International Trade Development in Los Angeles area help companies learn how to expand internationally, through matchmaking events, exporter and importer assistance, education, consulting, market research, and training. The CITD has offices in Santa Ana, Hawthorne, and Long Beach.

Los Angeles County Based Taiwanese Government, Trade and Investment Organizations

Taipei Economic and Cultural Office Los Angeles (TECO-LA)

The Taipei Economic and Cultural Representative Office (TECRO) (http://www.roc-taiwan.org/us) and its twelve subsidiary offices nationwide, namely Taipei Economic and Cultural Office (TECO) were established for the purpose of promoting and strengthening the economic, cultural, educational and other related ties between the United States and the Republic of China (ROC) or Taiwan. TECRO/TECOs represent the ROC’s interests in the United States. The TECO-Los Angeles office handles a variety of matters, covering Southern California, Arizona, and New Mexico. It is one of the busiest offices due to its role as a gateway to the Pacific. It serves the largest Taiwanese/Chinese-American community in the country.

TECO-LA is comprised of six divisions:

- The Economic Division promotes the bilateral trade and investment between the Western 13 states and Taiwan;
- The Education Division promotes educational exchanges;
- The Press Division provides up-to-date information about the ROC to the mass media and other journalism-related services;
- The Science and Technology Division promotes technological and scientific exchange and cooperation;
- The Travel Division (or Overseas Tourism Bureau) provides consular and other travel-related services;
- The Cultural Division (Taiwan Academy) promotes Taiwanese culture, as well as cultural exchanges.

In addition to these six divisions, TECO in Los Angeles oversees two cultural centers located in the heart of the Taiwanese-American community. These two centers provide a venue for a diverse range of multi-cultural events including art exhibitions, musical concerts, dance programs, educational lectures, and ongoing classes in traditional Chinese/Taiwanese arts.

There are a total of seven Economic Divisions established in the TECRO or TECOs in the U.S. The main purpose is to promote two-way trade and investment activities by providing a variety of services, resources and assistance, and thus enhance overall economic and trade relationships between the US and Taiwan.
Key Taiwanese Government, Trade and Investment Organizations

Ministry of Economic Affairs (MOEA)

As the agency in charge of administering the national economy, the Ministry of Economic Affairs (MOEA) has implemented various economic policies and measures to help Taiwanese industries reinforce their competitive advantage at different stages in Taiwan’s economic development. The Taiwanese Ministry of Economic Affairs is responsible for formulating policy and laws for industry and trade, foreign direct investment, energy, minerals, measurement standards, intellectual property and state-owned enterprises. The ministry is a cabinet level...
government agency of the Executive Yuan. It promotes industrial and economic policies, which lead to economic activity and growth, increased employment and investments in sectors which are critical to Taiwan’s economy.

**Taiwan-USA Industrial Cooperation Promotion Office**


In August 2012, the Ministry of Economic Affairs (MOEA) unveiled the “Taiwan-USA Industrial Cooperation Promotion Office (TUSA)” to step up cooperation and integrate all the existing platforms and channels between the two countries. The U.S. industry has been a successful leader in technology innovation and global resources integration, and Taiwan’s industries are capable of flexible market response, and rapid commercialization with complete industrial supply chains. The cooperation between Taiwan and the U.S. would enable the two countries to leverage each other’s strengths for nurturing emerging industries with fast rapid commercialization capabilities.

**TUSA’s Services:**

- Provide various platforms and networking services, such as workshops, seminars, forums, business/technology matching, and visiting delegation arrangements.
- Provide consultation services and assist the success of business development in Taiwan and Asia Pacific Region, from project initiation to commercialization.
- Connect businesses to the right partners with value-added services, such as local market intelligence, business consultations, investment facilitations, and others.

**Bureau of Foreign Trade (BOFT)**

http://www.trade.gov.tw/English/

The Bureau of Foreign Trade (BOFT) is responsible for drafting Taiwan’s international trade policies, promoting trade and managing trade-related activities. The Bureau’s major functions include:

- Drawing up and implementing trade policies and regulations.
- Participating in the activities of international trade organizations (WTO, OECD, APEC, etc.) and enhancing bilateral trade relations.
- Handling and coordinating trade negotiations, consultations, and disputes. Negotiating and signing free-trade agreements; Handling ECFA follow-up agreements and the Cross-Straits Economic Cooperation Committee. Preparing and researching Taiwan-EU Economic Cooperation Agreement (ECA) and researching Taiwan’s pending participation in the TPP.
- Administering the import/export regime and providing guidance to trading businesses; Managing trade security and export control administration and the related issues.
- Promoting foreign trade, developing overseas markets, and creating an environment conducive to the development of foreign trade through the building of international exhibition halls, promoting paperless trading and trade facilitation, establishing global trade information websites.
- Supervising and coordinating MOEA’s overseas offices.
- Communicating with and guiding trade-related groups and organizations.

**Invest in Taiwan**

http://investintaiwan.nat.gov.tw/eng/main.jsp

The Department of Investment Services (DOIS) operates as an agency of the Ministry of Economic Affairs under the leadership of a director-general and one deputy director-general. The responsibilities of the DOIS are: the promotion of foreign investment in Taiwan by providing one-stop service to meet the needs of foreign investors, the encouragement of Taiwanese businesses to return from overseas and invest in Taiwan, the guidance of domestic enterprises in investing overseas, and the recruitment of foreign talent. More information about Taiwan’s policies on investment and the industries/sectors that are welcome to invest in Taiwan can be found in the DOIS’s website (www.dois.moea.gov.tw). Foreign investors who are interested in investing in Taiwan can contact the DOIS to get on-demand service.

**Key Functions:**

- Promotion of foreign investment in and technical cooperation with Taiwan
- Encouragement of and assistance for Taiwanese businesses overseas to return and invest in Taiwan
- Guidance and assistance for outward investment
- Pinpointing and compilation of investment opportunities
- Implementation of investment projects, follow-up, and removal of obstacles to investment
- Publishing of investment guides and investment-related laws and regulations
• Recruitment of overseas professionals
• Promotion and liaison regarding bilateral and multilateral investment matters

Meet Taiwan

The Bureau of Foreign Trade (BOFT) under the Ministry of Economic Affairs (MOEA) has undertaken efforts to improve Taiwan’s Meetings, Incentive Travel, Conferences, and Exhibitions (MICE) industry since 2009. The MICE Industry Pilot Program (MEET TAIWAN), scheduled to run from 2013 to 2016, was launched to steer Taiwan’s MICE industry to shine on the global stage.

Taiwan’s MICE Industry Pilot Program is aimed at turning Taiwan into a leader for outstanding MICE services with the long-term objective to enhance the quality and efficiency of services, strengthen Taiwan’s brand and sharpen the competitive edge in the global market and make Taiwan one of the top destinations for MICE business.

Taiwan Excellence
http://www.taiwanexcellence.org/index_en.html

The Integrated Marketing Communications for Emerging Markets (IMC) Project is organized by the Bureau of Foreign Trade (BOFT), MOEA, Taiwan, and has been implemented by the Taiwan External Trade Development Council (TAITRA) since 2010, as a part of the Taiwan Excellence branding efforts. IMC Project aims to assist quality Taiwan OBM (own brand manufacturing) companies in raising brand awareness and preference among consumers in emerging markets including Indonesia, India, Vietnam, Philippines, and Mainland China.

The IMC Project promotes products through the following activities:
• Press Conferences & Press Releases
• ”Taiwan Excellence Home & Leisure Experiencing Zone” in major shopping malls
• “Taiwan Excellence Collections” in leading channels
• Celebrity Endorser & Promotional Advertisement
• Cross-market big idea marketing event – “Taiwan Excellence Cares”
• “Taiwan Excellence Pavilion” in B2B trade shows
• Digital Marketing Activities
• Consumer Awareness & Preference Market Research

U.S.-Taiwan Connect Website
http://www.ustaiwanconnect.org

U.S.-Taiwan CONNECT is Taiwan’s Ministry of Economic Affair’s authoritative, one-stop source for news, data, events and analysis about the dynamic U.S.-Taiwan partnership.

U.S.-Taiwan CONNECT’s mission is to:
• Increase awareness about U.S.-Taiwan developments among students, media, policymakers and business leaders
• Facilitate trade, investment, education and tourism opportunities for U.S. citizens and businesses
• Provide interactive online opportunities to connect with Taiwanese citizens, companies and government leaders

U.S.-Taiwan CONNECT focuses on U.S.-Taiwan collaboration in the following areas:
• Trade
• Investment
• Industrial Cooperation
• APEC Cooperation
• Energy
• Immigration
• Educational Exchange
• Travel
• Sister Cities

Taiwantrade
http://taiwantrade.com.tw/

Founded in 2002, Taiwantrade is the official trade portal of Taiwan. It is organized by the Bureau of Foreign Trade under the Ministry of Economic Affairs and implemented by the Taiwan External Trade Development Council (TAITRA). With a network of more than 60 worldwide offices, Taiwantrade can help enterprises find quality products for their businesses. Taiwantrade’s wide range of services includes online marketing, trade matching, search engine, value-added information, and customized sourcing. As a comprehensive trade promoting platform, Taiwantrade offers reliable, trustworthy and efficient services to entrepreneurs around the world.

Taoyuan City Government
www.tycg.gov.tw/eng/

The Taoyuan City Government provides multiple services for tourists, potential investors and current residents. In 2013, the Executive Yuan approved Taoyuan’s special municipality
promotion. The Executive Yuan also announced the launching of the Taoyuan Aerotropolis Project in 2012. The largest construction project in the history of Taiwan, it is viewed as essential to Taiwan’s future economic success.

**Taiwan’s Flagship Aerotropolis Project – Largest Construction Project in Taiwan’s History**

**Brief Description:** The development project will transform Taoyuan International Airport into a regional aviation hub. It will include a free trade zone, a third passenger terminal, a third runway and an industrial park that will house logistics and aviation related industries. The plan is looking to attract more than $16 billion in investment.

**Key Objectives:**

- Increase the overall competitiveness of Taoyuan International Airport by building a third Terminal and an additional track to expand the free-trade area. It is hoped that Taoyuan International Airport will become the core international airport of East Asia.
- Stimulate economic activity through completion of the Aerotropolis MRT lines and addressing the urban concentration problem.
- Stimulate the growth of industries through inviting businesses to enter Taoyuan, and eventually become Taiwan’s crucial industrial city.
- To release some population growth burden from Taipei Metropolitan Area whose population density is very high. Development of the Taoyuan Aerotropolis should provide more options for people to dwell and develop.
- Stimulate the growth for both Taoyuan International Airport and Taipei Harbor together to increase the overall competitiveness of Taiwan.

**KAOSHIUNG CITY INVESTMENT INVITATION SERVICE**

www.kcg.gov.tw/EN/

The Kaohsiung City Investment Invitation Service is a service provided by the Economic Development Bureau of the Kaohsiung City Government. Seven investment zones are promoted by the Investment Invitation Service, including Southern Taiwan Science Park, Kaohsiung Software Technology Park, Linhai Industrial Park, Kaohsiung Science Park, Banzhou Industrial Park in Gangshan and Nantzu Export Processing Zone.

**Some important facts about Kaohsiung, Taiwan:**

- Largest Municipality
- 2nd Largest Metro Area
- Economic Center of Southern Taiwan
- Largest Container Port and 13th Largest in the World
- Largest Harbor
- Most rapidly developing urban center

**LA County Based Venture Capital Firms Active in Taiwan**

**California Technology Ventures**

California Technology Ventures (CTV) is a venture capital firm located in Pasadena that invests in early-stage companies as well as more developed companies. Investments are normally within the $250,000 to $2 million range, not exceeding $5 million for the life of the investment. The company’s investments cover the spectrum from start-ups to later stage companies.

CTV typically invests in two industry sectors – Information & Communications Technology and Life Sciences. Focus has included: computer hardware, telecommunications, electronics, semiconductors, software, systems, multimedia, the internet and bio-pharmaceuticals and medical devices.

**MuckerLab/Mucker Capital**

MuckerLab is a startup accelerator based in Los Angeles. MuckerLab raised a new seed fund called Mucker Capital in early 2014 with a total amount of $25 million. The incubator provides startups with seed funding, office space, legal assistance, infrastructure and mentorship. MuckerLab has helped launched nearly 20 startups who have raised a combined $40 million in funding. Mucker Capital has two founders, Erik Rannala and William Hsu, a Taiwanese-American.

**LA County Based Private Equity Firms Active in Taiwan**

**Oaktree Capital Management**

Oaktree Capital Management is a private equity firm that was established in 1995 and is headquartered in downtown Los Angeles. It focuses on the following investment strategies: high
yield debt, convertibles, distressed debt, private equity, real estate and listed equities. Oaktree has over 580 employees in 16 offices in 9 countries including Mainland China. The company has approximately $78 billion in assets under management and its preferred financing strategies are distress for control and buyouts. The firm specializes in less efficient markets and alternative investments.

Oaktree purchased Taiwan’s Fu Sheng Industrial in 2007. The sporting-goods giant and largest producer of golf-club heads was Taiwan’s largest investment by a foreign private-equity firm. Oaktree purchased the Fu Sheng shares through Valiant International Company, a Taiwanese company established by investment funds managed by Oaktree Capital at the time.

Oaktree has three offices in Mainland China (Hong Kong Office established in 2005, Beijing Office opened in 2007, and Shanghai Office in 2007 resulting from Oaktree acquisition of Pangaea Capital Management) and focuses on four main investment strategies within Mainland China and Taiwan including:

- Convertibles – International Convertibles
- Private Equity – Asia Principal
- Real Estate – Asia Special Situations
- Listed Equities – Emerging Markets

**Clarity Partners**

Clarity Partners is a private equity firm based in Beverly Hills which concentrates on investing in media, communications and business services firms. Clarity has over $1 billion in assets under management. The firm not only provides equity capital but also strategy, technology, marketing, operating and financing services.

Clarity usually invests in companies that have at least $20 million in revenues and normally invests anywhere from $15 to $100 million. The company typically makes a roughly $40 million investment in growth equity, leveraged buyouts, divisional divestitures and recapitalizations. It does not make early stage investments. Clarity normally invests in companies within the U.S. and predominantly in Southern California. It has a Mainland China affiliate called Kailai Investments (formerly known as Clarity Mainland China Partners) that was founded in 2005. Kailai Investments has two offices in Mainland China: Beijing and Shanghai. Kailai invests in the following core areas: natural resources, renewable energy / cleantech, and consumer products and services. One of the Managing General Partners is Dr. David Lee, a Taiwanese-American who has established centers at Caltech and National Chiao Tung University in Taiwan.

**LA County Based Investment Banking Firms Active in Taiwan**

**Houlihan Lokey**

Houlihan Lokey was founded in 1972 in Los Angeles and is one of the leading international investment banks in the world. The firm has expanded its operations to 14 offices in 6 countries in the U.S., Europe and Asia. Houlihan Lokey established its presence in Hong Kong in 2007 and then opened an office in Beijing in 2008.

The company offers the following advisory services to clients in Asia (including Taiwan):

- corporate finance: mergers & acquisitions, financing, secondary advisory;
- financial advisory services: opinion services, transactions & valuation reporting services, portfolio valuation, advisory services, financial consulting;
- financial restructuring: distressed mergers & acquisition, special situations.

**MyCapital.com**

MyCapital is an online venture of Atlas Capital Group Corp., a cross-border investment banking firm. The U.S. operations of MyCapital are based in Los Angeles. Atlas Capital Group has been helping companies in the IT sector raise capital in the U.S., Taiwan and the rest of Asia since its inception in 1998. Atlas Capital Group has become one of the top investment banking firms in cross-border venture capital and investment banking transactions.

Atlas Capital Group established the MyCapital.com beta site in April 2003, choosing California and New York as the first markets in the country to launch its online capital-raising services. The company successfully integrated its institutional client’s database with an e-mail software application to allow real-time communications between investors and companies. Capital Express distinguishes its premier database by incorporating corporate contacts of Atlas Capital Group in Singapore, Hong Kong, and Taiwan, where venture capitalists are most active. Currently, the Capital Express database covers more than 3,000 high-level decision makers in private equity firms across the U.S., Europe, and Asia.

Since 2003, Atlas Capital Group has executed more than 50 transactions, raising an aggregate of more than $100 million for its clients. Industry sectors that they have served include communications, software, and semiconductors, making them one of the most experienced financial services companies across Silicon Valley, Wall Street, and Asia (including Taiwan). Atlas Capital Group is the first investment banking company to offer online services on both the buy side and sell side at the institutional level.
Both L.A. County and Taiwan represent excellent trade, investment, and capital opportunities for individuals and companies. Los Angeles County and Taiwan are significant business markets. There are 18.2 million residents in the L.A.-five-county area (includes L.A. County, Orange County, Riverside County, San Bernardino County, and Ventura County) and 10 million people in Los Angeles County alone. If it were a separate state, Los Angeles County would be the eighth largest in the U.S. It would be the 21st largest economy in the world if it were a country.

Most people think of Los Angeles as a “two-legged economy’ – movies and tourism. In fact, it is one of the most diverse county economies in the nation. It has multiple industry clusters (both traded and local clusters); it is “technology rich” with companies such as Northrop Grumman, Boeing and SpaceX; it is the nation’s largest manufacturing hub, and ranks first nationally in apparel manufacturing employment. Los Angeles County is also a leading center for the design of autos, apparel, furniture and toys. Finally, Los Angeles County is both the international trade capital of America and the entertainment capital of the world.

Taiwan represents a 23 million consumer market, but with its superior location, it serves as a gateway and hub for all of Asia, which includes Mainland China, Japan, South Korea, all of Southeast Asia (particularly Singapore, Indonesia, the Philippines, Thailand, Vietnam and Malaysia) and the rest of the Pacific Rim. Based on 2013 figures from the IMF Taiwan has the 25th largest economy in the world based on market exchange rates with an economy valued at $489 billion. However, it has the 20th largest economy when utilizing purchasing power parity exchange rates with an economy valued at $930 billion. On a per capita basis using market exchange rates it has the 37th largest GDP per capita at $21,000 and the 16th largest GDP per capita at roughly $40,000 when utilizing PPP exchange rates. In relative terms, this puts Taiwan on par with Germany’s GDP per capita.

The business opportunities are vast for international companies who wish to invest or expand in Taiwan, into Mainland China (maximizing the benefits of the Economic Cooperation Framework Agreement that went into effect in 2010 between Taiwan and Mainland China) and beyond to the entire Pacific-Rim region. Many L.A. County based companies have already taken advantage of market opportunities in Taiwan and other markets throughout Developing Asia, including Mainland China. Indeed, Taiwan is the ideal gateway and hub location for a company looking to flourish in Asia. Going forward, more L.A. County based companies will look to explore significant opportunities in Taiwan and beyond.

Globalization and trade with East Asia have significantly impacted the Los Angeles County economy. Manufacturing, tourism, education, and international trade in Southern California have all been transformed over the past 20 years. Los Angeles County has become the international trade capital of the U.S. as a direct result of economic globalization, and particularly East Asia’s role in that transformation. In fact, roughly 75% of two-way trade volumes at the Port of LA and the Port of Long Beach and over 60% of the total two-way trade value at the Los Angeles Customs District (LACD) are related to trade with East Asia including Taiwan. Moreover, a significant percentage of imports from Mainland China (the nation’s top import source and trading partner) actually originate from Taiwanese companies that have established manufacturing facilities in Mainland China. As a result, one could attribute a higher amount of overall imports into local ports from Taiwan.
Los Angeles seaports and the airport are the primary portals to and from Southern California’s thriving international trade community. Los Angeles County has two major seaports, Los Angeles and Long Beach, which combined make up the largest port complex in the nation and the entire Western Hemisphere, and the ninth busiest in the world based on 2013 figures. Los Angeles International Airport (LAX) is the largest origin and destination (non-connecting flights) airport in the world, and the sixth busiest in terms of total passenger volume. It is also the 14th busiest cargo airport in the world based on 2013 figures.

The international trade community and trade and investment with Taiwan are supported by many organizations including the U.S. Commercial Service, the Southern California District Export Council, the Los Angeles Regional Export Council (LARExC), the LA Area Chamber of Commerce, the Foreign Trade Association of Southern California (FTA) and the World Trade Center – Los Angeles (WTC-LA) which, along with its parent corporation, the LAEDC, also leads the County’s FDI attraction efforts.

The tourism industry has grown rapidly in recent years. In 2013, 42.2 million people visited Los Angeles and produced over $30 billion in economic benefits to LA County. The number of Taiwanese tourists visiting Los Angeles reached 100,000 in 2013 for the first time since 2010. Taiwan ranks as the 11th largest overseas market for tourism in Los Angeles County and has become one of the largest per tourist spenders. As a direct result of this growth, the San Gabriel Valley has seen an economic transformation as tourism brings spending and attracts investment. Cities like San Gabriel have benefitted greatly as it has sparked a boom in new development. Taiwanese tourists are looking for authentic Taiwanese food and Taiwanese services. “Little Taipei” of Los Angeles is in the San Gabriel Valley and the region provides those services that are in high demand by Taiwanese tourists. Continued growth in Taiwanese tourism is expected going forward and this would benefit hotels, restaurants, cultural venues, tourist attractions and luxury brand retailers throughout the Los Angeles region.

Higher education has also been a beneficiary of globalization. There are 120 institutions of higher education in Los Angeles County and the major local universities have some of the highest international student enrollments in the nation (please see the Educational Ties sub-section within the Personal Ties section).

The University of Southern California (USC), in particular, has the largest number of international students and one of the highest Taiwanese student enrollments of any university in the nation.

Los Angeles County has long been a key destination for Foreign Direct Investment (FDI), and has benefited greatly from the last three decades of increased economic globalization. FDI has strengthened the Los Angeles County economy by bringing new technology, capital, skills, international connections, research & development, and of course, by creating new high paying jobs. There are over 4,500 foreign-owned and affiliated business establishments in LA County, with 164 from Taiwan. Nearly 360,000 direct and indirect employees owe their jobs to FDI in Los Angeles County. Total direct and indirect FDI employees account for roughly 10% of all private-sector workers in Los Angeles County based on an LAEDC FDI Study conducted in 2009.

“The number of Taiwanese tourists visiting Los Angeles reached 100,000 in 2013 for the first time since 2010.”
This Section profiles companies with headquarters in Los Angeles County and a presence in Taiwan and some not based in Los Angeles County, but with Taiwan operations closely tied to the firm’s Los Angeles County office. Also included are some key Taiwanese companies with a presence in Los Angeles County.

Note: This list is not exhaustive, though as many qualifying firms as possible appear below

Fortune 500 Companies based in Los Angeles County and Present in Taiwan

Walt Disney
2013 Revenues: $42.3 Billion

The Walt Disney Company was founded in 1923 in Los Angeles. It is headquartered in Burbank and is the largest international family entertainment and media enterprise in the world. The company has four business segments which include studio entertainment, parks and resorts, consumer products and media networks.

Disney is an energetic family entrainment company that is spreading throughout Taiwan. In Taiwan, Disney has a strong presence in the areas of broadcast media and cinema services. In addition, Disney has focused its efforts in the areas of: investments in Content Companies; Disney Consumer Products – Disney; Princess, Disney Consumer Products – expanded retail distribution, key product lines and overall brand presence. In 2013, 32,000 Taiwanese met or saw the Disney princess characters as they visited high-end shopping malls in Taipei.

There is a constant and ongoing growth of Disney culture in Taiwan. Furthermore, Disney’s website in Taiwanese Mandarin has enabled Taiwanese children and adolescences to connect with Disney’s culture, characters, shows and movies. Disney’s business relationships in Taiwan are expected to grow for years to come.

DirecTV Group (Not present in Taiwan, but offers Taiwanese programming to LA County)
2013 Revenues: $29.7 Billion

DirecTV transmits digital satellite television and audio in the U.S. The company is based in El Segundo and has been in business since 1994. DirecTV offers the most HD channels in the business and continues to expand its capacity to remain the market leader. DirecTV allows its customers throughout North America the option of international programming including Mandarin Taiwanese channels. DirecTV offers a variety of channels to the Taiwanese population in Los Angeles County including: TVB1, TVB2, TVBS, TVB Entertainment, CCTV-4, TVB8, CTI Zhong Tian, Tai Seng, Entertainment and Tai Seng Sat TV.

Profile
AECOM

2013 Revenues: $8.2 Billion

AECOM, one of the largest engineering design firms in the world, serves the transportation, facilities, environmental, energy, water and government markets. AECOM was established by the merger of six separate firms and was founded in 1990. Since 1990, the company has acquired more than 30 companies and become one of the biggest professional technical and management support services firms in the world. The company is based in downtown Los Angeles and operates in over 140 countries. AECOM has 45,000 employees worldwide including over 4,000 in Asia and 200 professionals in Taiwan. AECOM provides the following services: architecture, building engineering, design + planning, economics, energy, environment, geotechnical, government services, project and program management, transportation, urban development and water.

AECOM has a strong presence in Taiwan including offices in Taipei and Kaohsiung. Since 1988, AECOM has been helping to develop and transform Taiwan. In Taiwan, AECOM intends to devote its time and efforts in the area of global environment with a focus in water practices.

Some Major AECOM Taiwan Projects:

- Taiwan High Speed Rail to Kaohsiung Mass Transit System
- Taoyuan International Airport Master Plan
- Kinmen Island Conceptual Master Plan
Dole Food Company

2013 Revenues: $6.8 Billion

Dole Food Company is the world’s biggest producer of fresh fruits and vegetables. Its world headquarters are in Westlake Village. It has 76,000 employees and operates in more than 90 countries including Taiwan, where it has a banana ripening and distribution center. In 2012, Dole sold two of its businesses to Japan’s Itochu Corporation, giving up control of plantations growing bananas and other fruits, as well as canneries and processing factories in Asian countries, including Taiwan. The company has been privately held in the past decade, and was bought out in 2013 by CEO and Chairman David Murdock.

Avery Dennison

2013 Revenues: $6.8 Billion

Avery Dennison Corporation was founded in 1935 and is headquartered in Pasadena. With more than 26,000 employees in over 50 countries, the company specializes in labeling solutions for all industries. The company makes self-adhesive materials, labels and tapes, office products, tags, retail systems and specialty chemicals. Operations in Taiwan include one office location and two plants. In Taiwan there is a focus on Retail Branding and Information Solutions.

Mattel

2013 Revenues: $6.4 Billion

Mattel is the world’s biggest toy importing company and the largest toymaker in the U.S. Headquartered in El Segundo, the company was founded in 1945 and is most famous for its Barbie product line. Mattel manufactures toy products through facilities and third-party manufacturers located primarily in Mainland China and other parts of East Asia. For over 30 years, Mattel has been active in conducting business and producing products in Asia. With an office and warehouses in Taipei, Mattel intends to promote its business connections in Taiwan.

Live Nation Entertainment

2013 Revenues: $5.8 Billion

Live Nation is the world’s largest live entertainment company and is headquartered in Beverly Hills. The company has five core businesses including: concert promotion & venue operations, e-commerce, and artist management, sponsorship and ticketing solutions. Live Nation Concerts produces almost 23,000 shows annually for more than 3,000 artists globally. Artist Nation is the world’s top artist management company, representing over 200 artists. These businesses power Live Nation Network, the leading provider of entertainment marketing solutions, enabling nearly 800 advertisers to tap into the 250 million consumers Live Nation delivers annually through its live event and digital platforms. Live Nation Asia focuses on providing to its clients concert tickets and information about music artists. The Regional Head Office for Asia is located in Hong Kong and the company also has offices in Beijing and Shanghai.

In early 2014, Live Nation entered a joint venture with B’In music International Limited (Taiwanese Management Company) to form Live Nation Taiwan. The Live Nation Taiwan office will be in Taipei and will be led by Taiwanese music business professionals. Live Nation Taiwan hopes to develop into one of the leading entertainment companies in Taiwan.
Los Angeles County Key Industry Cluster Companies Active in Taiwan

Financial Services – Banking

Profile East West Bank

East West Bank is a wholly owned subsidiary of East West Bancorp, which is a publicly owned company with over $27.4 billion in assets and a market capitalization of over $5 billion. East West Bancorp is traded on the NASDAQ under the symbol “EWBC”. Founded in 1973, East West Bank has evolved from a traditional savings and loan financial institution into a full service commercial bank. East West Bank is active in industries with cross-border opportunities, including agriculture, aviation, entertainment and media, high tech and real estate. East West is one of the 30 largest public banks in the U.S. by market capitalization. For four consecutive years, East West Bank has been ranked in the Top 10 of the 100 Best Banks in America by Forbes.

With its headquarters in the Pasadena, East West focuses on the United States and Mainland China and Taiwan markets and operates over 130 locations worldwide, including in the United States markets of California, New York, Georgia, Massachusetts, Nevada, Texas and Washington. In Mainland China and Taiwan, East West’s presence includes a full service branch in Hong Kong and representative offices in Beijing, Chongqing, Shenzhen, Taipei and Xiamen. Through a wholly-owned subsidiary bank, East West’s presence in Mainland China and Taiwan also includes full service branches in Shanghai and Shantou and a representative office in Guangzhou.

East West recently opened a representative office in Taipei. This will enable East West to provide excellent service in Taiwan, and secure a strong international banking network for Taiwan throughout the Pacific Rim and the rest of the world. The Taipei Representative Office is led by experienced banking professionals who have worked in the banking industry throughout East Asia and the Pacific.

East West Bank Significant Milestones:

- Market Capitalization of over $5 Billion
- Total Assets of $27.4 Billion *
- 2nd largest independent bank headquartered in Southern California
- Ranked in the Top 10 of The 100 Best Banks in America by Forbes for four consecutive years (2010-2013)
- Over 130 locations in both United States and Greater Mainland China
**Cathay Bank**

Cathay Bank is a subsidiary of Cathay General Bancorp, headquartered in Los Angeles, is a publicly held bank with $10.7 billion in assets, over one hundred domestic branches, and ten offices outside of the United States. Cathay Bank has the largest financial holding company in Taiwan, and offers full-service banking to their clients.

Cathy greatly benefited from the economic development of the Taiwanese-American community and financial globalization in general. Growth in international trade between the Asia-Pacific region and the U.S. was a vital factor that enabled Cathay to become one of the most significant Asian-American bank holding companies in the U.S.

In Taipei, Cathay utilizes technology to serve their clients in Taiwan and throughout the rest of the world. Cathay Bank in Taiwan offers international and domestic trade financing services such as: deposits, loans and guarantees, international banking trust and stock brokerage, documentary collection services, accounts receivable and inventory financing, asset-based financing, remittance services, foreign exchange services, including import and export letters of credit, commercial letters of credit, stand-by letters of credit, back-to-back letters of credit, transfer letters of credit, credit cards, foreign currency, time deposits and e-Cash management service.

**HSBC**

HSBC, formerly known as Hong Kong and Shanghai Banking Corporation has been operating in the Los Angeles area market since 2005. The bank began its Hong Kong operations back in 1865 in order to finance the growing trade between Europe and Mainland China. HSBC has grown into the world’s local bank with roughly 6,300 offices in 75 countries and territories. In March of 2005, HSBC opened its West Coast headquarters in downtown Los Angeles. The bank now has 19 branches throughout Los Angeles County. HSBC markets itself in the international-trade-oriented Los Angeles County region as a financial institution that can offer import-export firms the use of its branches in Taiwan and Los Angeles.

**HSBC Significant LA County-Taiwan Milestones:**

- Opens West Coast headquarters in downtown LA – 2005
- 19 branches in the LA County area
- Banking Operations commence in Taiwan in 2010
- Top International Bank in Taiwan

**Significant Cathay Bank Milestones:**

- Opens in LA Chinatown in 1962 and opens first branch in Little Taipei (Monterey Park) in 1979
- Establishes first overseas representative office in Hong Kong – 1985
- Establishes second overseas representative office in Taiwan -- 1987
- Establishes another office in Mainland China – 2002 in Shanghai
- First company founded by Chinese-Americans to be included in the S&P MidCap 400
- In 2007, Hong Kong office becomes a full service branch
- 2012 – Celebrated its 50th Anniversary

**Recent Success of HSBC Bank (Taiwan) Limited (Based on Euromoney 2013)**

- First among international banks in Taiwan
- CommonWealth’s Excellence in Corporate Social Responsibility Award three years in a row in 2013
- Second place in the foreign company category
- Continuing sponsorship of Guandu Nature Park, which is situated in northern Taiwan
- Sponsorship of Boyo Welfare Foundation to enhance the education of disadvantaged children in Nantou
**Wells Fargo**

Founded in 1852, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 locations, more than 12,500 ATMs, and online and mobile devices. Wells Fargo is the world’s most valuable bank as of 2013 in terms of market capitalization. It has $1.5 trillion in assets including $1 trillion in deposits and one of the highest credit ratings among all banks. Wells Fargo was the first retail and wholesale online bank. One in five retail mortgages originate from Wells Fargo and it is the largest commercial lender in the U.S. In addition, it is the largest U.S. lender to the energy, agriculture and cleantech industries. Wells Fargo has more than 265,000 team members in 36 countries (including Taiwan) across 90 businesses. It has been in Taiwan for over 30 years and has an office in Taipei to serve U.S. customers expansion in Taiwan and throughout the Asia-Pacific region.

Wells Fargo has also been serving Chinese/Taiwanese Americans for more than 65 years throughout California including Southern California and Los Angeles. It is a key player with respect to international trade between Taiwan and Los Angeles. Although Wells Fargo is headquartered in San Francisco it has been in Los Angeles since 1928 through its predecessor First Interstate. Wells Fargo provides trade finance, structured trade, trade services, and documentary preparations. Wells Fargo is the second largest bank in Los Angeles with a 16% market share in deposits.

**Mega Bank**

Mega Bank is a Taiwanese-American community bank that was established in 2008. The board of directors is composed of experienced bankers who have had successful careers with community banks in the San Gabriel Valley. Five of the board members are former bank directors and three served as bank presidents and chief executive officers. The senior management team is also composed of experienced bankers with an average of 20 years of banking experience.

Mega Bank offers a full complement of banking services, including competitive deposit products, commercial real estate loans, construction loans, and commercial and industrial loans. Mega Bank is committed to supporting the credit needs of small and medium size businesses and business service professionals within the San Gabriel Valley.

**First General Bank**

First General Bank is a full-service commercial bank, with an emphasis on developing a business and professional clientèle within the Southern California area. First General Bank focuses on personalized service, combined with a full range of traditional and online core consumer and commercial banking products and cash management services for small to medium sized businesses and individuals residing or doing business in southern California. First General Bank has its head office in Rowland Heights and two branch offices in Los Angeles County located in Arcadia and San Gabriel.

**Royal Business Bank**

Royal Business Bank is a Taiwanese-American business-oriented bank with an emphasis on Taiwanese-American business banking. Royal Business Bank serves this unique market which engages in the highest ratio of trade with Pacific Rim countries. Royal Bank desires to provide banking services to all companies involved in trade between Los Angeles County and China, Taiwan and other South East Asia countries.

Royal Business Bank established its Los Angeles, California headquarters in November 2008. The second branch opened for business in the City of San Gabriel on June 26, 2009. The third branch was opened in the city of Torrance. The fourth branch in Rowland Heights was opened for business in 2011. Since late 2011, Royal Business Bank has successfully completed three acquisitions of First Asian Bank, Las Vegas, Ventura County Business Bank, Oxnard and Los Angeles National Bank, Buena Park. By means of these three acquisitions, they added Spring Mountain Branch, Westlake Village Branch, Oxnard Branch, Monterey Park Branch, Silverlake Branch and the Buena Park Branch.

**Professional & Business Services – the Big Four Accounting Firms**

(Offer a large percentage of Taiwan Services from Los Angeles offices although firms are headquartered elsewhere)

**Deloitte & Touche**

The Chinese Services Group (CSG) of Deloitte & Touche helps U.S. companies that are investing and operating in Mainland China and Taiwan by coordinating with Deloitte’s member firms in Mainland China and Taiwan. The CSG also assists Taiwanese companies attempting to penetrate the U.S. market.
The CSG offers many services to both U.S. and Taiwanese companies. These include market entry, supply chain advisement, corporate finance/mergers & acquisitions and risk management.

Deloitte Touche Tohmatsu Limited ("Deloitte Taiwan") is located in Taipei, and serves clients in: regulatory changes, enterprise risk management, integrated financial advisory services, and solutions to enhance competitive strength. Furthermore, Deloitte Taiwan specializes in resources to help its clients in overseas IPOs, fund raising, listing in Taiwan by foreign issuers while providing globalized service series and resources to all clients throughout the world.

These member firms play an instrumental role in the Chinese professional business services industry. Deloitte was the first foreign accounting firm to open an office in Mainland China in 1917 (Shanghai). The firms employ nearly 13,500 individuals across Mainland China and provide services for a significant number of the companies listed on the Hong Kong Stock Exchange. Also, Deloitte related firms assist more than 800 multi-national corporations throughout Mainland China. Deloitte has provided advisory services related to accounting and taxes to the Chinese government since 1993.

Deloitte’s Mainland China/Taiwan-Related Resources:

- Cross-Border Investment in Mainland China and Taiwan
- Mainland China/Taiwan Board Brief Series
- Mainland China/Taiwan Tax & Regulatory Environment
- Mainland China/Taiwan Insight via New Media
- Mainland China/Taiwan and Your Industry
- Taiwanese Companies Go Global

Ernst & Young (E&Y)

Ernst & Young offers Taiwanese and Los Angeles companies many professional services. E&Y understands that Taiwanese companies are both regionally and globally focused. In both Taiwan and the United States, E&Y offers the following services: IT risk and assurance, tax advisory and compliance services, human capital advisory, market entry strategic analysis, transaction advisory services, performance improvement and assurance services. E&Y has six offices that provide full quality service: Chungli, Hsinchu City, Kaohsiung, Taichung, Tainan and Taipei.

Ernst & Young also offers professional services to Chinese and U.S. companies via the Mainland China Overseas Investment Network (COIN). COIN is an extension of the existing Mainland China Business Group and now reaches over 40 countries and territories. The U.S. (Americas Area) COIN office is based in downtown Los Angeles and provides many vital services for both U.S. and Chinese companies attempting to invest in either country or expand within both countries.

KPMG

KPMG Taiwan provides Tax Services to U.S. companies with operations in Taiwan and compliance & advisory services. KPMG Taiwan offers full services to clients in the following areas: corporate tax compliance, international executive services, international corporate tax services, global transfer pricing services, indirect tax and corporate tax advisory.

KPMG Taiwan includes a staff that is approximately 2,100 and with more than 80 partners. They have office locations in Taipei, Hsinchu, Taichung, Tainan, Kaohsiung and Ping-Tung.

KPMG provides Tax Services to U.S. companies with operations in Taiwan and compliance & advisory services. Also, KPMG supplies trade and customs compliance services to U.S. companies. In addition, KPMG offers professional services to Taiwanese and U.S. companies via the Mainland China Global Business Group. The Mainland China Global Business Group provides many vital services for U.S. and Taiwanese companies attempting to invest or expand in either country or both.

PricewaterhouseCoopers (PwC)

PwC was established in Taiwan in 1970, first under the name of Chen & Chu and then was later changed to PwC. PwC has greatly developed, transformed and grown throughout Taiwan with over 2,700 partners and employees. PwC offers the following services: Assurance Services, Tax Services, Deals, Consulting Services, People & Change Services and Legal Services. Within each of these areas of business, PwC gives their clients first class professional business services.

PwC in Taiwan includes 14 offices in Kaohsiung, Tainan, Taichung, Hsinchu, Chungli and Taipei. Within Taipei there are offices that focus on the following areas consulting services, legal, tax and legal services, financial advisory services and the main headquarters office.

PricewaterhouseCoopers Mainland China, Hong Kong, Taiwan and Singapore operate together, and offer a broad spectrum of services to U.S. and Chinese companies and organizations including tax and advisory services. The firm also offers industry
specific services in order to provide organizations the most cutting-edge information.

**PWC offers the following services to clients in Taiwan:**
- Market Entry – Setting up in Mainland China – Pathfinder Service
- Corporate Finance/Mergers & Acquisitions
- Managing Tax Risk/Tax Planning
- Sustainability and Climate Change
- International Assignments
- Mainland China Customs and Trade

**Other Professional & Business Services Firms with Los Angeles Headquarters**

**Korn/Ferry International**

Headquartered and founded in Los Angeles in 1969, Korn/Ferry International ("Korn/Ferry") is the worldwide leader in executive recruitment and talent management. Globally, Korn/Ferry has 80 offices in 40 different countries including Korn/Ferry International (Taiwan) Co. Limited located in Taipei. Korn/Ferry has been successful in working with the needs and desires of their Taiwanese clients because of its diverse and adaptable 3,700 employees worldwide. The company serves the following core industries: consumer, human resources and technology.

**Professional & Business Services – Law Firms with a Presence and/or Active in Taiwan**

**Latham & Watkins**

Latham's Mainland China and Taiwan Practice (which includes Taiwan) is comprised of the Hong Kong, Shanghai and Beijing offices. The Hong Kong office opened in 1994 and just recently expanded to 20 lawyers. Latham is one of a few top ranked law firms to offer U.S., Hong Kong and U.K. legal advice in Mainland China and Taiwan as a result of the recent additions. The Hong Kong office provides legal services in the following practice areas: project development and finance, mergers & acquisitions, debt and equity capital markets, leveraged finance, private equity, foreign direct investment (FDI) and financial regulatory compliance.

The Shanghai office began operations in 2005 and offers legal services in the following practice areas: project development and financing, capital markets, mergers & acquisitions, joint ventures, private equity and restructurings.

The Beijing office opened in 2010 and represents Chinese and Taiwanese companies in cross-border mergers and acquisitions, private equity, capital markets transactions and complex financing transactions.

- Latham received a number of commendations in Mainland China and Taiwan from Chambers Asia in 2013 in the following practice areas: Banking and Finance, Capital Markets, Corporate/M&S, Corporate/ M&A and Projects & Infrastructure

**O’Melveny & Myers**

O’Melveny & Myers was one of the first U.S. law firms to open an office in Beijing, Mainland China and now has the biggest Mainland China practice (including Taiwan) of any U.S. law firm. O’Melveny is considered to be one of the top international law firms in Mainland China and has a reputation for understanding the local market. The firm has offices in Beijing, Hong Kong and Shanghai which are all interrelated, allowing for great flexibility depending upon the project. Also, the three Mainland China offices are integrated with Mainland China practice groups within the U.S. and other areas around the world. O’Melveny has located most of the firms’ Mainland China practice lawyers in Mainland China. The three offices offer diverse services based upon the specialized requirements of each city. For example, the Beijing office handles services related to government issues, the Hong Kong office serves the financial community, while the Shanghai office focuses on multinational corporations as it has become the commercial center of Mainland China. It has more than 100 professionals in Mainland China, including 16 partners (some of whom focus also on Taiwan).

The firm provides the following legal services throughout Mainland China and Taiwan:

- Private equity, buyout and venture investments, foreign direct investment (FDI), corporate finance and securities offerings, mergers & acquisitions, distressed asset transactions, representations of foreign financial institutions in Mainland China, business tax, international arbitration, entertainment and media, intellectual property and technology, project development and infrastructure, trade law and policy, real estate, management and franchise contracts, Mainland China market entry and regulatory matters
Paul Hastings

Paul Hastings has one of the leading Asia law practices groups. The firm has a Mainland China Practice (that includes Taiwan) with offices in Beijing, Hong Kong and Shanghai. It is also one of the few to provide a Japan-Mainland China Practice based in both Beijing and Shanghai and has won Deal of the Year and Team of the Year awards. The Shanghai office is one of the biggest law practices in Mainland China.

The Beijing office provides a number of corporate business services including: foreign direct investment (FDI), mergers & acquisitions (M&A), banking, corporate finance, project finance, non-performing loans, insurance, intellectual property law, infrastructure, distribution and retail, international trade, alternative dispute resolution, real estate and employment.

The Hong Kong office offers the following practice groups: capital markets, private equity, banking and finance, M&A, project development and finance.

The Shanghai office specializes in the following practice groups: real estate investment and finance, corporate finance, capital markets, private equity and venture capital, foreign direct investment and joint ventures, labor, employment and immigration, litigation and arbitration and M&A.

Squire Patton Boggs (formerly Squire Sanders)

Squire Patton Boggs (formerly Squire Sanders) was founded in 1890 in Cleveland, Ohio. In 2000, the firm expanded its operations, and the Los Angeles office became the key intermediary between its U.S. clients and Asia (including Taiwan). The firm specializes in the following industries: airlines, automotive, banking, health care, public and private finance, energy, media and entertainment, real estate, high technology and transportation. Although the firm was not established in Los Angeles County it does conduct a significant amount of its Asia (including Taiwan) business within the Los Angeles office. Squire has 39 offices in 19 countries worldwide including Los Angeles, Beijing, Shanghai and Hong Kong. The first office established in Asia was in Hong Kong in 1998. The first office in Mainland China came in 2000. In 2004, Squire added its third Mainland China office in Shanghai. All three Mainland China offices are closely tied to the Los Angeles office and to clients in Taiwan.

The Beijing office focuses on foreign direct investment and commercial operations. The Hong Kong office specializes in trust and tax planning, business transactions including mergers and acquisitions, private equity investments, and corporate and commercial law. Squire’s Shanghai office offers legal services in antimonopoly, competition, trade and regulatory including customs matters, corporate transactions, finance and governance.

Sheppard Mullin

Sheppard Mullin has Asia/Mainland China (including Taiwan) practice offices located in Beijing and Shanghai. The Shanghai office is the firm’s first overseas office and functions as the central location for its operations in Hong Kong, Taiwan, Korea, Japan, Singapore and the Philippines. The firm specializes in the following practice areas in Mainland China and Taiwan: international direct investment, emerging companies and venture capital, international dispute resolution, restructuring, intellectual property, antitrust and global trade.

The Global Trade Practice Group assists clients with: import/export restrictions, trade barriers, customs duties, trade regulations and dispute resolution and arbitration related to bilateral treaties and other agreements.

As a part of Sheppard Mullin’s strategic growth plan for Asia, the firm opened its second Mainland China office in Beijing in 2011 to bring its total to 15 attorneys based in Mainland China. The firm has received many awards in recent years for its Mainland China legal services.

Loeb & Loeb

Loeb & Loeb was established in 1909 and the firm has played a substantial role in the development of Los Angeles. The firm was active in Mainland China and Taiwan for roughly 20 years before opening a representative office in 2009 in Beijing. Loeb & Loeb’s Mainland China Practice focuses on U.S. companies attempting to invest or expand in Mainland China/Taiwan and Chinese/Taiwanese companies trying to enter the U.S. market. The firm specializes in the areas of corporate finance and mergers & acquisitions. More than 50 Chinese firms have utilized the firms’ services in order to go public on U.S. exchanges. The firm has worked closely with private equity funds and investment banks. In addition, Loeb & Loeb has represented Mainland China/Taiwan based firms attempting to enter the Los Angeles or U.S. entertainment industry and U.S. based entertainment companies attempting to expand into Mainland China/Taiwan. The firm offers all of its practice areas in the Beijing office. Loeb & Loeb also has an affiliate office in Hong Kong.
The firm's Mainland China Practice (includes Taiwan) services and specializations include: initial and secondary public offerings, alternative public offerings, private equity and debt financings, mergers and acquisitions, commercial and cross-border transactions, joint ventures, venture capital financing, entertainment financing, corporate finance, corporate governance, intellectual property, management compensation plans, labor and employment issues, outsourcing and franchising.

**Morrison & Foerster**

Morrison & Foerster has over 1,000 attorneys working in 17 offices around the world including Mainland China and Taiwan. Morrison & Foerster established its Mainland China and Taiwan Practice Group in 1983, opening its first office in Hong Kong. The first office in Mainland China opened in 1998 in Beijing. The firm expanded its presence in Mainland China and Taiwan when it established a second office in Shanghai which opened in 2003.

The firm specializes in the following practice areas in Mainland China and Taiwan: mergers and acquisitions, securities offerings, private equity and venture capital, real estate, foreign direct investment and litigation.

Morrison & Foerster's major achievement in Mainland China and Taiwan was acting as international legal counsel to the Beijing Olympic Organizing Committee in 2008.

**Fulbright & Jaworski** *(Member of Norton Rose Fulbright)*

Fulbright & Jaworski was one of the first foreign law firms to enter the Greater Chinese market, establishing its first office in Hong Kong in 1990. Fulbright & Jaworski has additional Mainland China offices in Beijing (almost 20 attorneys) and Shanghai. The attorneys at Fulbright & Jaworski work on a wide range of matters for corporations, institutions, and private businesses. The firm’s core practice areas in Mainland China and Taiwan are: acquisition finance, asset finance, project finance, real estate finance, banking and finance, business ethics and anti-corruption, cross-border transactional and corporate practice, energy, infrastructure and project finance, arbitration and disputes, labor and employment, intellectual property and international trade.

**Greenberg Traurig**

Greenberg Traurig is headquartered in Miami and has its largest office in New York. However, the firm's Asia Practice (including Taiwan) is concentrated in its Santa Monica and Shanghai offices. The firm has 1,750 attorneys in 36 offices around the world.

The Santa Monica and Shanghai offices offer the following services within the Asia Practice: foreign direct investment (FDI), mergers and acquisitions, financings and securitization.
activities, intellectual property, trade and government strategies, international dispute resolution, infrastructure and project finance, technology and telecommunications, export controls and business immigration issues. The Shanghai office produces the Mainland China Newsletter which provides an overview of key developments in Chinese investment, labor, environmental, trade and anti-monopoly legislation.

Law Offices of Frederick W. Hong

Frederick W. Hong Law Offices was founded in 1977 in Pasadena by Frederick W. Hong who was born and raised in Hong Kong. Mr. Hong came to the U.S. in 1968. The firm began its Chinese and Taiwanese business development in the early 1980’s. In 1993, it was the first U.S. law firm licensed by the Ministry of Justice to open an office in Guangzhou. The firm expanded its Chinese operations by opening another office in Beijing in 2002. The Mainland China Practice also provides legal services in Shenyang via its Beijing office. The Mainland China offices also handle many clients in Taiwan.

The firm’s Mainland China/Taiwan Practice offers the following legal services: pre-investment planning & business negotiations, feasibility studies, due diligence, formation and structuring of joint ventures, real estate development and construction, securing permits and licenses, corporate finance & commercial contracts, employment and labor law, dispute resolution & arbitration and government relations.

Law Offices of Steve Qi & Associates

Steve Qi & Associates has become one of the most well-known local law firms serving the Chinese and Taiwanese communities in Los Angeles County. The firm has been operating out of Alhambra for nearly fifteen years and has strong ties to Mainland China and Taiwan. The firm’s Mainland China Practice concentrates on commercial, corporate and financial matters. The major areas the firm focuses on are related to cross-border mergers and acquisitions.

Steve Qi & Associates focuses on three areas with respect to Mainland China and Taiwan: Mainland China practice, transnational business disputes and commercial transactions and antitrust.

The firm has recently established a close working relationship with AllBright Law Offices in Shanghai, one of Mainland China’s largest law firms, in order to form closer ties with the Chinese law firm. AllBright is the largest law firm in Shanghai and second largest law firm in Mainland China. The firm has also played an instrumental role in improving overall business and economic ties with Mainland China in the Los Angeles area by sponsoring major trade and investment conferences. Steve Qi & Associates was a key sponsor of the first ever 2009 California-Mainland China Trade and Investment Conference.

Professional & Business Services – Architecture, Engineering, & Construction Firms

Gensler

Gensler is a global design and architecture firm with 4,000 employees and 46 offices in North America, Latin America, Europe, the Middle East, and in Asia Pacific. Its revenues were over $800 million in 2013. The company has an established presence in Greater Mainland China with offices in Beijing, Shanghai and Hong Kong. It has completed multiple projects in Mainland China and has many ongoing projects in the region. Their most notable project to date is the design of the Shanghai Tower, to be completed in 2015 and is expected to be the second tallest building in the world with 121 stories. Gensler also designed Duke Kunshan University in Kunshan, Mainland China, as part of a collaboration between Duke University, Wuhan University, and the municipal government of Kunshan. In Taiwan, Gensler designed the Uniqlo retail store in Taipei.

Altoon Partners

Altoon & Porter was an architectural firm founded in 1984 by Ronald Altoon and James Porter. In 2012, Jim Porter retired and the firm was renamed Altoon Partners. The company specializes in master planning, urban design, interior architecture, environmental psychology, consulting and project/ process visioning. Altoon Partners works with developers, government agencies and consultants on sustainable design, the regeneration of urban centers, the balance between public places and private space, new technologies and establishing a better environment. The firm is headquartered in Los Angeles and it has worked on projects in nearly 40 countries around the world including Taiwan. Altoon Partners has one office in Shanghai. The firm participated in the Top City project in Taichung.
Nadel

Nadel was founded in 1973 in Los Angeles and has offices in California, Nevada and Arizona. The firm also has affiliate offices in Mainland China and the Middle East. Nadel is one of the largest architectural firms in the world and has received more than 75 awards for design excellence. The firm works on several types of building projects including: office projects, residential, retail, hotels and resorts and public and educational institutions. In addition, the firm offers these services: master planning, feasibility studies and sustainable design. Nadel designed the 400,000 square feet headquarters and training facility for China Airlines at CAL Park. The new headquarters opened in 2010 and is located at Taoyuan International Airport.

Perkowitz + Ruth Architects

Perkowitz + Ruth Architects was established in 1979 in Long Beach. Currently, the firm has over 200 professionals with project experience throughout the U.S. and internationally, including an office in Shanghai (which opened in 2010).

Perkowitz + Ruth Taiwan Projects:

- Twin Park – Taichung
- The Garden – Taichung

The firm works on several types of building projects including: office projects, entertainment centers, hospitality destinations, urban design and development, town centers, mixed-use environments, civic projects and housing development.

In addition, the firm offers these services: feasibility studies, sustainable design, adaptive reuse, ADA compliance, facade renovations and rehabilitations. Perkowitz + Ruth have worked on two main projects in Taichung, Taiwan: Twin Park and The Garden.

Twin Park is made up of two, 25-story luxury condominiums that are in front a regional park. The design of the exterior building envelope features a combination of granite, Japanese tile, aluminum, steel and glass in an elegant and refined composition. The top of each building features an illuminated lantern element that frames a Sky Lounge which provides dramatic views to and from the city.

The Garden is a collection of three residential towers organized around a central garden court. The design intent of the project was to create a dynamic relationship between the three towers and the open space. Two of the towers are 18 stories tall and symmetrically flank the garden court. These towers are clad in a combination of stone veneer, metal panels and ceramic tile.

Tourism & Hospitality

Princess Cruises

Princess Cruises is the third largest cruise line in the world. The company is headquartered in Santa Clarita and began operating in 1965 with a cruise to Mexico. Princess Cruises serves over 1.3 million passengers each year and owns 17 vessels. It offers 100 different itineraries, sails to all seven continents and goes to 350 ports. Destinations include Alaska, Asia (including Taiwan), Africa, Caribbean, India, Europe, South America, Panama Canal, Mexican Riviera, Australia/New Zealand, South Pacific, Hawaii, French Polynesia/Tahiti and Canada/New England.

Taipei (Keelung) is the port of call where Princess Cruises’ vessels land for visitors to experience Taiwan. Cruise passengers visit Chiang Kai-Shek Memorial Hall, Lungshan Temple, National Palace Museum, Martyr’s Shrine Martyr’s Shrine, Confucius Temple, Pao An Temple, Yehliu Geographic Park, Yangmingshan National Park, Taipei 101 and Yang Ming Shan National Park.

Fashion Design & Production

Los Angeles County is the apparel manufacturing capital of America and is home to many well-recognized designer labels and large ‘private label’ product developers including American Apparel, BCBGMAXAZRIA, Forever 21, Guess, Karen Kane, 7 for all Mankind and True Religion.

BCBGMAXAZRIA

BCBG is a high-quality clothing company founded in 1989 by Max Azria and based in Los Angeles. BCBG are the letters representing the French phrase “bon chic, bon genre” meaning good style, good attitude. The first BCBG boutique was opened in Los Angeles in 1992. The clothing company produces women’s ready-to-wear and high-fashion collections for women. Products include evening dresses, denim, outerwear, footwear, swimwear, handbags and small leather goods. The company also owns the internationally renowned couture design brand, Herve Leger. BCBG has over 175 stores in the United States.
with a strong global presence including six store locations in Taiwan. These locations are in the following cities: three stores in Taipei, two in Kaohsiung and one in Tainan.

**7 For All Mankind**

7 for All Mankind was launched in 2000 in Los Angeles as a premium denim jean company and has expanded into other product lines. The company was extremely successful even in its first year and its “Sevens” have become a favorite for Hollywood’s leading celebrities. 7 for All Mankind has branched out into women’s, men’s, kids, sportswear and handbag and footwear collections. 7 for All Mankind products are sold in its own stores, department stores and boutiques in over 80 countries around the world including Taiwan. V.F. Corporation purchased the company in 2007, with operation remaining in Los Angeles. 7 for All Mankind has three retail stores in Taiwan including two in Taipei and one in Xitun Taichung.

**True Religion**

True Religion was founded in 2002 in Vernon as a premium denim jeans company and later developed into a sportswear company as well. The company is known throughout the world for its denim, knit and woven sportswear. Its sportswear includes t-shirts, western shirts, sweatshirts and sweatpants. In addition, True Religion has branched out into licensed products including footwear, headwear, handbags, swimwear, eyewear, hosiery, socks and fragrance. The company has also launched its own retail stores across the U.S. and throughout the world including Taiwan. True Religion operates 124 stores in the U.S. and over 30 international stores, including stores in both Taipei and Taichung City. In May 2013, True Religion entered into a merger agreement with TowerBrook Capital Partners.

**Entertainment**

**Hollywood and Taiwan**

Taiwan is a large movie market for the U.S. In fact, the Los Angeles Metropolitan Area’s top export to Taiwan is royalties from films shown in Taiwan, which totaled over $500 million in 2013. Los Angeles County is the entertainment capital of the world, and is home to major studios such as Disney, Fox, Paramount, DreamWorks, Sony/Columbia, NBC/Universal, Warner Brothers and Lionsgate. Los Angeles County leads the world in producing and distributing popular movies, television programs, video games and recorded music and is home to the Oscars, Emmy and Grammy award shows. Disney, Sony/Columbia, Warner Brothers, Fox Studios, Viacom, and Lionsgate all have operations in Taiwan.

**Sony/Columbia**

Sony Pictures Entertainment’s global operations include: motion picture production and distribution, television production and distribution, digital content creation and distribution, worldwide channel investments, home entertainment acquisition and distribution, operation of studio facilities, development of new entertainment products, services and technologies, and distribution of filmed entertainment in more than 130 countries including Taiwan. Sony Pictures is headquartered in Culver City. Sony Pictures has established the Pan-Asian AXN channel that serves all of Taiwan. Sony Pictures Entertainment international motion picture operations include Columbia Film Production Asia in Hong Kong.

**Warner Bros.**

Warner Bros. Entertainment Inc. also known as Warner Brothers is a film and television entertainment company based in Burbank. The company is a subsidiary of Time Warner and owns multiple subsidiaries including Interactive, New Line Cinema, The WB and DC Comics.

Warner Bros. International has digital deployment agreements with the following companies in Taiwan: Miramar WTV Cinemas, Taiwan’s Showtime Cinemas, Ambassador Theaters and Cinemark-Core Pacific Ltd. Consequently, because of this success, Warner Bros. has created and digital cinema partnerships with Taiwanese cinema chains.

**Fox Studios**

Fox Studios, a unit of News Corporation has developed its presence in Asia with a focus in Taiwan. Fox has been ambitious in its development in Taiwan. In September of 2012, Fox Showbiz was launched as the Fox channel in Taiwan. In January 2014, Fox Showbiz was changed to Fox Taiwan. Fox Taiwan has been successful in broadcasting Taiwanese, Asian and American series and TV programs. In the U.S., Fox has a channel specifically for Taiwanese Americans in Taiwanese Mandarin.

**Viacom (Paramount Pictures)**

Viacom is a leading global entertainment content company that connects with audiences in over 160 countries and territories and creates compelling television programs, motion pictures, short-form video, applications (“apps”), games, consumer products, social media and other entertainment content. Viacom
Media Networks operates media networks businesses through four brand groups: Music & Logo, Nickelodeon, Entertainment and BET Networks. Viacom Media Networks and its international operations reach approximately 700 million households in over 160 countries (including Taiwan) and territories worldwide via more than 200 locally programmed and operated TV channels which include MTV (MTV Taiwan), VH1, CMT, Logo, BET, CENTRIC, Nickelodeon, Nick Jr., TeenNick, Nicktoons, Nick at Nite, Comedy Central, TV Land, SPIKE, Tr3s, Paramount Channel and VIVA, among others. Viacom Media Networks also has hundreds of online, mobile and app experiences.

**Lionsgate**

Lionsgate Entertainment Corporation is one of the leading independent film entertainment studios. The company has established a presence in motion pictures, television programming, home entertainment, family entertainment, video-on-demand and digital distribution of content. Lionsgate owns one of the largest libraries in the entertainment industry with nearly 12,000 titles. Lionsgate includes Tiger Gate Entertainment which is headquartered in Hong Kong. Tiger Gate is launching new pay-TV channels across Asia (including Taiwan) and the world. Tiger Gate produces and distributes original new feature films and TV series. It also distributes Lionsgate’s content to all media in Asia. Celestial Pictures Limited joined Tiger Gate Entertainment in late 2011 and added Celestial Classic Movies and Celestial Movies to the company’s channel lineup. Following the partnership, the company was renamed Celestial Tiger Entertainment. KIX HD was launched in November 2011 and Celestial Movies HD in March 2012 to select markets in Asia. A year after the initial launch, CTE closed 17 carriage deals with 13 platforms; as of January 2013, CTE TV coverage has grown with 24 carriage deals.

**Technology**

**Robinson Helicopter**

Robinson Helicopter Company was founded in 1973 by Frank Robinson and is based in Torrance. The company has 1,000 employees and is the leading producer of helicopters in North America. Robinson Helicopter also repairs older aircraft and provides training to flight instructors and technicians. The company has 126 factory-authorized dealers and more than 400 service centers in 50 countries including Taiwan. Its Torrance Airport factory performs all operations including welding, machining, assembly, painting and flight testing. There is one dealer and service center in Taipei.

**Trojan Battery**

Trojan Battery Company was established in 1925 in the Los Angeles area and moved to its current headquarters in Santa Fe Springs in the 1960s. The company is the world’s leading manufacturer of deep cycle battery technology. Trojan batteries are used to power golf carts, utility vehicles, aerial work platforms, floor machines, heavy duty and commercial trucks, marine/recreational vehicles and for renewable energy. Trojan Battery has an office in Taipei that caters to all business throughout Taiwan. Trojan Battery Company held two events in Mainland China and Taiwan in 2014 related to Electric Vehicles and Floor Machines.

**Heraeus Metal Processing**

Heraeus Group is a global precious metals and technology company based in Germany with offices worldwide. The main business segments of Heraeus are precious metals, sensors, dental and medical products, quartz glass and specialty lighting sources. Heraeus has eleven locations in the U.S. Its sole California location is Heraeus Metal Processing in Santa Fe Springs. Heraeus Metal Processing falls under the Precious Metals (W.C. Heraeus) business segment of the company, which processes gold, silver, platinum and special metals for industrial uses in the telecom, IT, energy, environmental and health care industries. In 2002, Heraeus Metal Processing (“Heraeus Taiwan”) arrived in Taiwan to expand and develop their industry. There has been great success in Taiwan through the production of precious metal products and the use of supply chain management. As Heraeus Taiwan has developed, it has contributed to the rise of Taiwanese industries. Heraeus Taiwan is focused on improving its international business relationships, increasing profits and developing the scale of their market. In Taiwan, the areas that have grown and developed are panel, solar, LED and semiconductor. Heraeus Taiwan main office is located in Taiwan with target bonding factors and PV factory / laboratory in Taoyuan Nankan and an office in Kaohsiung.

**Bio-Medical**

**AXM Pharma**

AXM Pharma is a pharmaceutical and nutraceutical company that produces, markets and distributes over-the-counter and prescription generic injectables, capsules, tablets, liquids and medicated skin products in Mainland China and Taiwan. The company is based in Diamond Bar and conducts business in Mainland China and Taiwan through a wholly-owned subsidiary
called AXM Pharma (Shenyang). AXM Shenyang also has licenses to produce, market and distribute drug products, herbal remedies and vitamins in Mainland China. In 2004, AXM Pharma established a plant in Shenyang that produces tubes for ointments, tablets and capsules. The plant also has laboratory and administration facilities. The factory is located in a special economic zone that was established by the Chinese government in 1988 to promote high-tech industries in the Northeastern part of Mainland China.

**Obagi Medical Products**

Obagi Medical Products was founded in 1988 by skin care experts and is now owned by Valeant Pharmaceuticals International, Inc. Obagi is involved in the development, manufacturing and marketing of prescription skin care products. The company is based in Long Beach and is the top provider of topical aesthetic and skin care systems in the physician-dispensed market. The products are mainly used to prevent skin problems in adults. Obagi has greatly expanded its operations across the globe and now has distribution partners in more than 42 countries including Taiwan. The company has a distributor in Hong Kong called Neo Derm Group. The markets served by Obagi include dermatology, plastic surgery and aesthetic markets.

- Skin Conditions Treated include: photodamage, hyperpigmentation, senile lentigines, acne, sun damage, and rosacea
- Obagi and the local Taiwanese community: a satellite clinic located in San Gabriel caters to the large Taiwanese community in the San Gabriel Valley

**Spectrum Chemicals & Laboratory Products**

Spectrum is a manufacturer and distributor of high quality chemicals, safety products and lab equipment based in Gardena. The company has laboratories in California, New Jersey and Shanghai, Mainland China. Spectrum also has a corporate office in Shanghai. Spectrum has a distributor in Taiwan called UNI-Onward. UNI-Onward is based in New Taipei City.

Spectrum Taiwan Analytical Services include: reliable in-country professional testing services, comprehensive analytical testing facility, serving pharma, biotech and FDA-regulated industries, experienced analysts and management, finished product testing and special testing and audit and inspection services. The benefits of having a laboratory in Mainland China include eliminating regulatory red tape, customs delays, reducing costs and a single source for testing.

**Sunrider**

Sunrider is a wholesale distributor/franchiser and commercial real estate company with thousands of franchise stores worldwide and with hotels in Beijing, including a five-star hotel. The company is headquartered in Torrance and was founded by Dr. Tei-Fu Chen and Dr. Oi-Lin Chen who immigrated to the U.S. in the 1970s. The firm manufactures health, beauty, food, and household products at four manufacturing facilities located around the world. Sunrider conducts business in nearly 50 countries including Taiwan with over 7,000 retail stores. In Taiwan, Sunrider took over Holiday Inn Asia World Taipei and changed the name to Sunworld Dynasty Hotel. With offices in over 20 countries they hope to transform the wholesale distributor/franchiser and commercial real estate industries. Sunrider intends to greatly expand and develop in Taiwan.

**Other Los Angeles County Based Firms Active in Taiwan**

**Nestlé USA**

Nestlé USA is part of Nestlé S.A. of Switzerland, the world’s largest food company. Nestlé USA is headquartered in Glendale. Nestlé USA has 26 manufacturing facilities, 22 distribution centers and more than 21,000 employees in California, Connecticut, New Jersey and Missouri.

Some of Nestlé USA famous brands include Lean Cuisine, Stouffer’s, Taster’s Choice, Libby’s, Carnation, Nesquik and Lean Pockets.

Nestle Group operates in Taiwan under the name Nestlé Taiwan Ltd. There is a corporate office in Taipei that operates and manages development in Taiwan. The following Nestlé brands are present in Taiwan: Alpo Taiwan, Fancy Feast Taiwan, Friskies Taiwan, Movenpick Taiwan, Nescafe Taiwan, Nestlé Baby Taiwan, Nestlé Nutrition Taiwan, Pro Plan Taiwan, Purina ONE Taiwan and Purina Taiwan. The Nestlé Group offers Taiwanese consumers many different products.

**Pelican Products**

Pelican Products is a manufacturing firm located in Torrance founded in 1978 by Dave Parker. The firm manufactures advanced lighting systems, rugged protector cases and shipping containers. Pelican has nearly 1,500 employees worldwide and operates in 19 countries with 28 offices worldwide. Pelican has six manufacturing plants, six distribution centers and sales offices around the globe including Singapore, which is responsible for Taiwan.
The company distributes its products in over 50 countries and provides:

- Multilingual product packaging and sales staff
- International power supplies
- Specification data in English and metric measurements
- Strong packaging for export shipping

Pelican Products has a Representative Office in Singapore that handles Hong Kong, Macau, Pakistan and Taiwan.

Taiwanese-American Owned Companies in Los Angeles County

Panda Restaurant Group/Panda Express

Panda Restaurant Group, Inc. (PRG) is the largest Asian restaurant company in the U.S. The company is led by Taiwanese-American Founder and Chairman Andrew Cherng and his wife, Co-Chair Peggy Cherng, PhD. The Panda Restaurant Group focuses on three concepts – Panda Inn, Panda Express and Hibachi-San. They have a total of over 1,500 units, with close to 20,000 associates in 42 states and Puerto Rico. Mr. Andrew Cherng and his father, Master Chef Ming-Tsai Cherng, established the first Panda Inn restaurant in 1973 in Pasadena to serve gourmet Mandarin and Szechwan cuisine in an upscale, casual-dining atmosphere. That provided the springboard and the inspiration for the launch of Panda Express in 1983, fulfilling Andrew’s vision of a unique restaurant that combined the gourmet cuisine of Panda Inn with a fast-casual format. The first Panda Express opened in the Glendale Galleria in Glendale. The Panda Restaurant Group is headquartered in Rosemead.

TIRECO Inc.

Tireco, Inc. distributes consumer, commercial, and specialty tires and wheels in North America. It offers golf cart, lawn and garden, wheelbarrow, trailer, grader/skidsteer, passenger, performance, touring, commercial truck, light and medium truck, industrial, agricultural, ATV, RLT/SUV, and A/T tires. The company also provides industrial, trailer, steel, and custom aluminum wheels; and tubes and flaps. It also offers products through dealers. The company was founded in 1970 and is based in Gardena, California.

Simplehuman

Simplehuman, LLC offers houseware products. It offers trash cans, such as sensor, fingerprint-proof, large and small, recycling, color, plastic, and in-cabinet cans; soap and pumps, including sensor pumps, spout sensor pumps, color-cap sensor pumps, soap refills, moisturizing soaps, neutral soaps, antibacterial soaps, and push pumps; and trash bags. The company also provides kitchen organization products, including dishracks, pet food cans, grocery bag holders, paper towel holders, slim canisters, napkin holders, utensil holders, counter top trash cans, cabinet organizers, sink mats, sink caddies, and compost pails; shower caddies, such as tension, corner, and bamboo adjustable caddies, as well as plastic trays; and bathroom organization products, which include wall mount pumps x-frame laundry hampers, bullet can hamper bags, shower mirrors, foldaway squeegees, toilet brushes, and toilet plungers. In addition, Simplehuman offers recycling solutions, such as sensor, steel bar, rectangular, classic rectangular, butterfly, flip lid, pullout, and front load recyclers, as well as grocery bag holders and cans; accessories; and coffee products. It offers its products through online and retailers in the United States and Canada. Simplehuman, LLC was formerly known as CanWorks, Inc. and changed its name to Simplehuman, LLC in January 2003. The company was founded in 2001 and is based in Torrance.

KOA Corporation

KOA Corporation provides planning and engineering consulting services in the traffic engineering, transportation planning, and street and roadway design sectors. The company was founded in 1987 and is based in Monterey Park.

Seville Classics

Seville Classics, Inc. designs, manufactures, and sells consumer goods. It offers bath and bedroom products, including closet and tote organizers, bed and bathroom furniture, hampers and basket organizers, shoe racks, storage bins and cubes, and tower fans; garage and storage products comprising commercial bin racks, commercial utility carts, garage organizers, stools, storage cabinets, ultra heavy duty garages, worktables and workbenches, and wire shelving units; kitchen products, which include drawer organizers, cutting boards, kitchen furniture, pantry/cabinet organizers, and spice and wine racks; and laundry products, which comprise hampers and baskets, and laundry organization products. The company also offers office products, which include desk and drawer organizers, file carts, office furniture, tower fans, and wastebaskets; various cubes comprising starter panel and build custom cube sets, cube grid panels, and cube connectors and accessories; and parts and accessories. Seville Classics sells its products directly through its online store; and through various sized retailers ranging from mass merchants to
mom-and-pop stores in North America and internationally. The company was founded in 1979 and is based in Torrance.

**Golden Star Technology**

Golden Star Technology has been a leading force in technology solutions for over 25 years. The company’s objective is to create opportunities for companies to adopt innovative solutions that serve more than simply a technical function – GST tailors its services to each individual client, meeting his or her needs in a personalized fashion. They work with FORTUNE 1000 companies, municipalities, education institutions, and the government in order to provide them with the knowledge, tools, and solutions to utilize technology for the advancement of their operations. GST partners with clients to turn technology into instruments of profitable growth. GST Worldwide Corporate headquarters are located in Cerritos.

**TRENDnet**

TRENDnet is an award winning global brand, dedicated to providing a complete line of high quality yet affordable networking solutions for small to mid-sized business and home users alike. Founded in 1990, TRENDnet is headquartered in Torrance, and maintains branch offices in Europe, Central America, South America and Asia. TRENDnet products are sold in over 125 countries. The TRENDnet brand is consistently recognized for high quality, exceptional performance and unparalleled support.

**99 Ranch Market**

99 Ranch Market is an Asian American supermarket chain owned by Tawa Supermarket. The chain supermarket was established by a Taiwanese-American named Roger Chen. The company has nearly 40 stores mostly throughout California including five in Los Angeles County.

**Some Key Taiwanese Firms with a Presence in Los Angeles County**

**China Airlines**

Founded in 1959, China Airlines has become a leader in commercial airline travel. Headquartered in Taipei, China Airlines is the largest and most important airline in Taiwan domestically and internationally, operating over 1,300 flights each week throughout Asia, Europe, the South Pacific and extensive flights throughout the U.S. Their fleet includes 80 aircraft with 11,070 employees including 1,954 stationed overseas in offices like El Segundo.

**EVA Airways**

With headquarters in Taipei, EVA (an affiliate of the Evergreen Group) is both an international and domestic airline that has service to Europe, all throughout Asia, the Pacific, and the U.S. In particular, it has direct flights from Taipei to Los Angeles International Airport. EVA has its local office in El Segundo.

**Evergreen Marine**

[Image of Evergreen Marine ship]

Founded in 1968 by Dr. Young-Fa Chang, Evergreen Marine is a global shipping corporation that is on the forefront of technology and innovation in transportation. During the 1975 global oil crisis, Evergreen was the first Taiwanese shipping company to use container ships to transport goods globally. Today, Evergreen uses micro computer controlled reefer containers to preserve both raw/fresh goods. With over 240 service locations, Evergreen has one of their shipping agencies located in Los Angeles.

**Yang Ming Marine Transport**

[Image of Yang Ming Marine Transport ship]

Starting in 1972, Yang Ming Marine Transport began globally transporting goods. Yang Ming is a known name throughout the world from the Americas, Asia, Europe, Africa, and the Pacific.
In Los Angeles, Yang Ming has a large presence with locations in Wilmington, Los Angeles International Airport in El Segundo and in El Monte. As of 2013, Yang Ming has over 95 vessels.

Wan Hai Lines
Wan Hai Lines is a full-container vessel shipping company that serves Intra-Asia, North America and the Middle East. Starting in 1965 as a log transportation company for the local areas of East Asia, it has developed into a global company that focuses on comprehensive hardware and software equipment shipping. Located in Long Beach, Wan Hai has extensive knowledge and experience working in Los Angeles County and the rest of the U.S.

Microtek International
Microtek is a global company that designs and manufactures digital imaging products for desktop computers. Founded in 1980, Microtek’s specialties consists of the following areas: desktop scanner, LCD monitor, digital camera, office imaging equipment, image processing software, LCD projector and film scanners. Microtek’s southern California office is located in El Segundo. In El Segundo, Microtek is promoting and developing their industry throughout California and the rest of the U.S.

Tatung Company
Located in Northridge, Tatung Company is a Taiwanese company operating in a wide array of industries: optoelectronics, branding channel, telecommunication, industrial systems, energy, asset development and system integration. Tatung is focused on developing their market in the Los Angeles County community in order to establish a long positive business relationship.

Bank of Taiwan
In 1946, the Taiwan Provincial Government established the Bank of Taiwan (BOT). BOT has its Los Angeles Branch in downtown Los Angeles. The operations of BOT in Los Angeles are inward/outward money transfer; import/export trading: includes letter of credit issuance, payment, advice, reimbursement; inward and outward bill collections; deposit includes the following areas: checking & CD accounts; loans & credits: commercial loans, trade finance, syndication loans, construction loans, commercial real estate loans, and guaranty. Treasury services include money market transactions and capital market transactions.

Taiwan Business Bank
In 1976, the Medium Business Bank of Taiwan was established by the Taiwanese to promote and assist financially small- and medium-sized Taiwanese businesses. In 1998, newly renamed Taiwan Business Bank became a private bank, expanding and transforming its banking operations. TBB is throughout all of Taiwan with branches in East Asia, Australia and Los Angeles.

Taipei Fubon Commercial Bank (Fubon Financial Holdings)
Fubon Financial Holdings is one of the major financial banking corporations in Asia. Fubon Financial has multiple subsidiaries that include Taipei Fubon Commercial Bank along with Fubon Bank (Mainland China), Fubon Bank (Hong Kong), Fubon Life, Fubon Insurance and Fubon Securities. Fubon has total assets of over $171 billion as of June 2014. The company is the second largest listed financial company in Taiwan. Fubon Financial Holdings has been one of the most profitable financial holding companies in Taiwan for the past five years.

Taipei Fubon Bank has an overseas network, with branches in Hong Kong, Ho Chi Minh City, Hanoi and Binh Duong in Vietnam, and in Los Angeles along with a representative office in Suzhou, Mainland China. This network has grown in recent years as the bank has set up another representative office in the U.S. (in San Francisco) and its first branch in Singapore. In addition, the acquisition with Fubon Financial Holdings of an 80% stake in First Sino Bank will lead to a rapid expansion of its business in Mainland China and accelerate efforts to build a more complete financial services platform in Mainland China and Taiwan.

Cathay United Bank
Cathay United Bank is a wholly owned subsidiary of Cathay Financial Holding Company, the largest financial holding company in Taiwan. The Bank is a full-service bank serving consumers and businesses with over one hundred domestic branches and over ten overseas offices including one in the U.S. (Los Angeles). Cathay United Bank offers businesses a complete line of products and services and offers consumers different consumer banking products to meet the financial needs of individuals as well as families. Cathay United Bank focuses on building the bridges between banking, insurance, trust and securities services through the parent company and affiliated companies.
CTBC Financial Holding Co., Ltd.  
(formerly Chinatrust Bank U.S.A.)

CTBC Financial Holdings is currently the most international financial institution in all of Taiwan. The company has nine subsidiaries including CTBC Bank, CTBC Securities, CTBC Life Insurance, CTBC Insurance Brokers, CTBC Venture Capital, CTBC Asset Management, CTBC Investments, CTBC Security and Taiwan Lottery. The main subsidiary is CTBC Bank and it was first established in 1966 as Mainland China Securities and Investment Corporation. CTBC Bank has been affiliated with CTBC Financial Holdings since 2002. The Bank now has 147 branches throughout Taiwan and 100 overseas locations located in the U.S. (including the U.S. headquarters in Los Angeles), Canada, Japan, India, Indonesia, the Philippines, Hong Kong, Singapore, Thailand, Vietnam and Mainland China. CTBC Bank has the most assets of any privately-owned banks in Taiwan.

Chang Hwa Bank

Chang Hwa Bank is a Taiwan-based financial institution that offers both retail and commercial banking services to private and corporate customers. It was established in 1905 under Japanese rule in Changhua County, and relocated to Taichung in 1910. Japanese shares were taken over by the Republic of China government after World War II. The bank was fully privatized in the late 1990s. Chang Hwa Bank offers nine categories of businesses including: deposits, corporate/institutional banking, retail/consumer banking (including mortgage loans), credit cards, foreign exchange of import and export as well as remittances, e-banking, financial trust, and security brokerage. Chang Hwa Bank has seven overseas branches including two in the U.S. – Los Angeles and New York.

Land Bank of Taiwan

Land Bank of Taiwan is a wholly state-owned bank of Taiwan. It was owned by the Taiwan Provincial Government before its downsizing on December 21, 1998, when it was transferred to the jurisdiction of the Executive Yuan. It is the only bank designated by the Taiwanese government as a specialized bank for handling real estate and agricultural credit. Its objective is to develop national economic construction in coordination with the implementation of the government’s housing, agricultural, and land policies. The Land Bank of Taiwan consists of the head office with 23 units, 148 domestic branches and 6 overseas branches and offices including its only U.S. office in Los Angeles.

EverTrust

EverTrust Bank is a subsidiary of Industrial Bank of Taiwan (IBT), and is headquartered in Pasadena. EverTrust Bank was established in 1995 by a group of overseas Chinese bankers and entrepreneurs. In July 2006, IBT reached an agreement with the Bank to purchase 100% stake of the Bank via a newly established U.S. holding company, IBT Holdings Corp. The acquisition was completed on March 30, 2007 and has become an important step in IBT’s strategy of international expansion. Presently, the Bank focuses on servicing Chinese businesses in California by providing trade finance, commercial real estate and construction loans as well as deposit services. EverTrust Bank has seven full service branches including five in Los Angeles County (Pasadena, City of Industry, Alhambra, Cerritos and Arcadia). It also has branches in Irvine and Cupertino, California. As of December 31, 2013, EverTrust Bank had assets of US$630 million.

E-Sun Bank

Founded in 1989, E-SUN Commercial Bank is located in the City of Industry. The bank was renamed E-Sun Bank in 2002 and intends to expand their banking and business industries throughout Taiwan and globally. E-Sun Bank also intends to develop and create long term business relationships in Los Angeles County.

Hua Nan Financial Holdings Co., Ltd.

In 1919, Hua Nan Bank was founded in Taiwan and began to develop and transform banking in Taiwan. In 2001, Hua Nan Financial Holdings Co., Ltd. was created by Hua Nan Commercial Bank Ltd. (HNCB) and EnTrust Securities Co., Ltd. HNFHC engages both globally and internationally in asset management, insurance and securities. HNCB has U.S. offices in both Los Angeles and in New York City.

Far East National Bank/Bank SinoPac

In 1974, Far East National Bank was the first federally chartered Asian American bank in the U.S. Far East is a fully owned subsidiary of Taiwan’s Bank SinoPac which is a member of SinoPac Holdings. Far East provides both corporate and individual banking services to its U.S. clients. Far East has their U.S. headquarters in Los Angeles with banks in Alhambra, Monterey Park, City of Industry, Arcadia and Los Angeles. Far East offers its clients a range of services: corporate banking, investments, commercial real estate lending, treasury and foreign exchange, and other consumer businesses.
First Commercial Bank

In 1899, Savings Bank of Taiwan was established, later renaming itself as First Commercial Bank. First Commercial Bank became a subsidiary of First Financial Group in 2003. Currently, there are 17 branches globally including a branch office in Los Angeles with banks located in: Artesia, Alhambra, Arcadia and the City of Industry.

Mega International Commerce Bank

Mega International Commerce Bank is a subsidiary of Mega Financial Holding Company. It is one of the leading banks in Taiwan. It has 105 branches in Taiwan along with 17 branches, two representative offices and two wholly owned subsidiaries abroad. Mega International Commerce Bank Company was formed as a result of the merger of the historic International Commercial Bank of China and Chiao Tung Bank. Mega International Commerce Bank has a Los Angeles branch in Downtown LA.

Taiwan Cooperative Bank (TCB)

Taiwan Cooperative Bank (TCB) was established in 1946 through the reorganization of the “Taiwan Industry Bank”. As of 2014, the Bank boasts a total of roughly 300 domestic and overseas branches (including the Department of Business, Offshore Banking Branch, Manila Offshore Banking Branch, Los Angeles Branch, Seattle Branch, Hong Kong Branch, Sydney Branch, Suzhou Branch, Suzhou New District Sub-Branch, Phnom Penh Branch and Beijing Representative Office), creating the most extensive network of branches among all Taiwan banks and positioning itself as a market leader in share of deposits and loans.

According to the list of the world’s top 1,000 banks by asset size, published in the July 2013 issue of The Banker magazine, TCB ranked 155th in the world and second in Taiwan, only after the Bank of Taiwan. In the global ranking of the top 500 banking brands, published in February 2014, TCB ranked 334th in the world.

Taipei Fortuna Development Co

Taipei Fortuna Development Co is active in the area of hotels and motels in Taiwan. Taipei Fortuna Development Co. has numerous subsidiaries including Fortuna Enterprises LP which buys and manages large hotels and motels globally including properties in Los Angeles County. For example, the Taipei Fortuna Development Co. is the owner of the Hilton Los Angeles Airport Hotel.

Taiwan Semiconductor Company

Taiwan Semiconductor Company began business in 1979 and manufactures discrete semiconductor devices. It is an international business that is well established throughout the world, and has operations in the following areas: automotive, industrial, power management, consumer, lighting, computing and telecommunications. Taiwan Semiconductor has operations throughout the U.S. with four locations in Los Angeles County: Signal Hill, Santa Monica, Woodland Hills and including its U.S. headquarters in Pomona.

Wei-Chuan USA

Wei Chuan Foods Corporation is Taiwanese company that manufactures, wholesales, and retails food products. The Company is based in Taipei and produces milk, powder milk, ice cream, monosodium glutamate, soy sauce, as well as canned food and drinks. Wei Chuan Foods also operates supermarkets and shops at highway rest areas.

Wei-Chuan U.S.A., Inc. is a food manufacturing and distribution company. The company is headquartered in Bell Gardens and they focus on producing frozen products including Dumpling, Gyoza, Potsticker, Wonton, Mini Bun, Pan Fry Bun, Entrée, Noodle Bowl, Rice Bowl, Spring Roll, Egg Roll, Wrapper. Besides those products, they also carry a variety of products such as Frozen Food, Dry Food, Frozen Seafood, and Organic Food. Wei-Chuan has six distribution centers and customers can find Wei-Chuan products in markets nationwide.
Suzhou Synta Optical Technology Co. /Synta Technology Corporation

Founded in 1992, Suzhou Synta Optical Technology Co., Ltd., focuses on designing and manufacturing optical components, telescopes and assorted optical-electronic products. Suzhou Synta Optical Technology Company is the primary manufacturing subsidiary of Synta Technology Corporation of Taiwan. Their products are exported throughout Europe and the U.S. Suzhou Synta is known for custom-designed advanced and specialized equipment. Their technology includes advanced using interference meters (Zygo brand), collimators, multi-coating machines and other sophisticated machines to produce the best quality optical and telescope products in their industry. Suzhou Synta has offices in Torrance.

AXIOM Technology

Axiom Technology was established in 1990 in Taipei. Axiom is one of the leading design and manufacturing companies in the industrial computer field. Axiom Technology is dedicated to producing state-of-the-art solutions that support users. Axiom’s product lines include embedded board, system on module, embedded system, industrial barebone, network appliance, touch panel computer, industrial network, and digital signage. Axiom’s creative concept of integrated services for embedded computing assures trusted delivery and valuable system integration from board-level design to system-level design for vertical markets in gaming, transportation, power utility, POS, kiosk, network security, medical, digital signage, and green power. AXIOM Technology has offices in five countries including the U.S. AXIOM Technology’s U.S. headquarters in the City of Industry.

Brighton-Best International Inc. (Ta Chen International, Inc.)

Brighton-Best International was created in 1971 as a result of Best Socket Screw company and Brighton Socket Screw Manufacturing company coming together. Four years later in 1975 Brighton-Best had established 12 warehouse distribution centers throughout the U.S. By 1995, the company had distribution centers in the U.K., Brazil, New Zealand and Australia. In 2008, the company was purchased by a consortium of Taiwanese investors led by Mr. Robert Shieh, the President of Ta Chen International. The company’s headquarters are located in Long Beach. The company now has 36 locations across 6 countries and supplies over 7,000 distributors throughout the world.

Kaohsiung Ta Chen International, Inc. (TCI) was founded in 1989 and TCI has since grown into an international corporation. TCI specializes in the distribution of: sheets, plates, long products, stainless, aluminum and nickel alloy coils, PVFs and tubes. TCI prides itself as a global leader throughout the world in the areas of inventory depth, availability and breadth. With rapid strides, TCI in the last ten years has gone from being a small company in the U.S. into a name brand.

85°C Bakery Café

85°C was founded by Mr. Wu Cheng-Hsueh (Taiwanese) who opened the first café in 2004 in Taipei. The company now has over 800 stores in five countries including the U.S. There are 13 locations in California including six locations in Los Angeles County (Pasadena, Hacienda Heights, West Covina, Cerritos, Gardena and Torrance).
Educational Ties

“Furthering academic exchange – in both directions – is one of the best investments that we can make to strengthen U.S. higher education and research activities and foster cross-border collaboration on shared global problems such as fighting disease, protecting the environment, and countering terrorism.”

– Allan E. Goodman, President and CEO of the Institute of International Education

The Taiwanese culture has emphasized the importance of education throughout its long history. As Taiwan has developed over the past forty years and with the advent of globalization, many Taiwanese students have taken advantage of the opportunity to study abroad. Key enabling factors include the opportunities Taiwanese economic growth has created for families and a change in U.S. visa policies that made it much easier for Taiwanese students to obtain F-1 student visas.

The U.S. is the leading destination for Taiwanese students according to the latest data published by the Institute of International Education (November 2014). Taiwan had a total of 21,266 students studying in American colleges and universities in the 2013-2014 academic year (AY), a decline of 2.7% from the 2012-2013 academic year. Taiwan was the sixth leading place of origin for students coming to the U.S. The total number of students has declined since its peak in 1994 when Taiwan sent nearly 38,000 students to the U.S.

Up through 1987-88, Taiwan sent more students to the U.S. than any other country. Since that time Mainland China and India have been the top two ranking nations. Taiwan currently ranks sixth.

Educational ties have been helpful for the U.S. economy and for U.S.-Taiwan relations. The economic impact to the regions that host students from Taiwan, including the Los Angeles region, includes tuition fees, living expenses and real estate investment by the parents of these students. In addition, future benefits arise if alumni decide to work and live in the U.S.

Of all of the states in the U.S., California has attracted the largest number of international and Asian students (including Taiwanese). As the leading gateway to the Pacific Rim, California has emerged as the natural center of Asian-American economic, business, educational and cultural exchanges.
Local Educational Ties

Over 1,000 Taiwanese students were studying in Los Angeles County universities as of the academic year 2013-2014. Few places in the world offer such a rich academic climate as Los Angeles County. It is home to three world-class research universities – Caltech, the University of Southern California (USC) and the University of California Los Angeles (UCLA) – as well as dozens of other outstanding institutions. These schools graduate tens of thousands of students each year. By providing the right combination of educational curriculum, experienced faculty, and a broad selection of universities, Los Angeles County is the top choice for higher learning for international students (numbering between 20,000 to 30,000). Both USC and UCLA have some of the largest Taiwanese student populations in the nation.

University of Southern California (USC) – A Truly Global Private University

Of all the universities in the U.S., USC had enrolled the largest number of international students for eleven consecutive years until NYU surpassed it this academic year (2013-2014). In the academic year 2013-2014, USC hosted 10,932 international students out of a total student body of over 33,000 students. A total of 377 Taiwanese students were enrolled at USC for AY 2013-2014, one of the largest Taiwanese student enrollment counts in the U.S.

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<th>Taiwanese Students Enrolled at USC</th>
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<tr>
<td>Total Number of Taiwanese Students at USC</td>
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<td>Total Number of USC Students in Taiwan</td>
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Source: Office of the Provost, Global Initiatives Office

USC has long been interested in the academic study and research of Taiwan. It has established and developed various programs to promote the academic study and research the relationship between the Taiwanese government, universities and USC. Both USC and Taiwan view their academic relationships as very important to the academic and professional development of Taiwan, the County of Los Angeles and the rest of world.

The Taiwanese community at USC is quite active in the support of developing and transforming the academic study and research of Taiwan. Recently, the Tsai Family contributed to the East Asian Studies Center to form the Tsai Family Research Fund for Taiwan Studies. The initiative was used to expand the academic research of Taiwanese studies by providing financial support to students and faculty to travel to Taiwan and learn or improve their Taiwanese Mandarin. The initiative is open to undergraduate students. The East Asian Studies Center goes to great lengths both academically and financially to advance the studies and research of Taiwanese history, culture, language, economics and politics.

USC Trustee Daniel M. Tsai donated a large financial gift to the USC School of Pharmacy under the name of the USC Daniel Tsai Fund for Translational Research. The USC Daniel Tsai Fund for Translational Research focused on efforts to finding a cure for cancer. As a result of this fund, both Taiwanese and USC doctors, researchers and students can collaborate to defeat cancer.

USC offers several programs for American students to study in Taiwan. At National Chengchi University, USC undergraduate and graduate students can study Taiwanese Mandarin or attend normal academic classes with Taiwanese students. This program is offered during the summer or for either a semester or a full academic year. Through USC’s Chinese Program in the Department of East Asian Languages and Culture, students have the opportunity to study and learn Taiwanese Mandarin at National Taiwan University. These programs enable USC students to become familiar with Taiwan, its culture, history, language and way of life.

The Taiwanese Student Association (TSA) is a club on campus that promotes Taiwanese culture, history and language. TSA works with Taiwanese students at USC to help them become accustomed to USC and American life. TSA is also a social network for Taiwanese students. After graduation, USC’s Taiwanese alumni stay connected through networks in both Los Angeles and in Taipei.

USC is an international research university that understands the value of a strong and long-lasting relationship with Taiwan and its academic institutions. Since 1994, USC has made a conscious effort to expand to the Pacific Rim and make USC the first global American university. Under the leadership of former President Stephen B. Sample and current President C.L. Max Nikias, USC has moved up faster and higher in the national rankings than any other research university in the U.S. It has emphasized the geographic importance of Los Angeles within the Pacific Rim. In the 1990s, former President Sample spoke strongly about the emergence of the Pacific Rim, how it would be the dominant economic region in the Twenty-First Century, and how Southern California is the American gateway to this region of the world.
Association of Pacific Rim Universities (APRU)
In 1997, former President Sample’s vision of a network of Pacific Rim universities was realized when the Association of Pacific Rim Universities (APRU) became a reality. The APRU is now a consortium of 45 universities from 16 countries throughout the Pacific Rim. The Association includes the following LA County and Taiwanese universities:

Los Angeles County Member Universities
- University of Southern California (USC)
- University of California, Los Angeles (UCLA)
- California Institute of Technology (Caltech)

Taiwanese Member University
- National Taiwan University

During the 1990s, USC opened up international offices throughout the Pacific Rim including an office in Taipei. The Director of the USC Taiwan office is Pei-Hsuan Chu.

USC U.S.-China Institute
In 2006, USC created the USC U.S.-China Institute. The institute focuses on policy-relevant social science research that concentrates on U.S.-China relations. The U.S.-China Institute has made USC a respected global leader in the area of U.S.-China policy issues. Other universities have Asia or Mainland China centers which emphasize the humanities and history, but none are solely focused on the social sciences. The institute seeks to become the leading source for scholars, policymakers, government officials and journalists in search of research, trends, and issues regarding Mainland China and its ties to the U.S. To that end, it offers publications, conferences, public events, and professional development.

The institute hosts resident fellows from USC and visiting fellows from the U.S., Taiwan, Mainland China and the rest of the world, including media, business, and policy fellows and post-doctoral fellows. The Institute collaborates with the East Asian Studies Center, the Center for International Business Education and Research, and the Pacific Council on International Policy. In 2010, the USC U.S.-China Institute produced a documentary called "The Thaw: Taiwan and China’s Changing Relationship". In 2013 and 2014, USC co-hosted seminars with TECO-LA featuring the video dialogues between President Ma Ying-jeou and scholars at Stanford University and the Center for Strategic and International Studies (CSIS), respectively.

East Asian Languages and Cultures Department (EALC)
The USC College of Letters, Arts and Sciences offers an East Asian Languages and Cultures Department (EALC). Students can study the Chinese, Japanese or Korean languages and cultures in addition to an array of general courses on East Asia.

Alumni Clubs
USC has three Taiwan alumni clubs based in Taipei, Hsinchu and Kaohsiung. Taiwan represents one of the largest country USC alumni clubs and many individuals have obtained important positions in both business and government. USC has a distinguished history of alumni from Taiwan.

University of California, Los Angeles (UCLA) – A Truly Global Public University
UCLA is another global academic institution located in the City of Los Angeles. UCLA ranked #6 in the nation in international student enrollment in 2013-2014 with 9,579 students, among them 232 Taiwanese students. UCLA has among the largest numbers of Taiwanese students of any university in the U.S.

Taiwanese Students Enrolled at UCLA

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<tr>
<td>Undergraduate Students</td>
<td>76</td>
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<tr>
<td>Graduate Students</td>
<td>156</td>
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<tr>
<td>Total Number of Taiwanese Students at UCLA</td>
<td>232</td>
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<tr>
<td>Total Number of UCLA Students in Taiwan</td>
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Source: Office of the Analysis and Information Management

At UCLA, there is a growing academic interest to expand and promote Taiwanese culture, history, language and way of life. UCLA’s goal is to research, teach and show the riches of Taiwan to the local community and to the rest of the world. UCLA has created different programs that enable UCLA students and faculty to learn about and research Taiwan. In addition, UCLA enables Taiwanese professors, undergraduate and graduate students to study and conduct academic research at UCLA.
The “New Directions in Taiwan Studies Project” and “Tradition and Cultural Sustainability: A proposal to Establish a Taiwan Studies Lectureship Project” at UCLA strives to advance scholarly research and culture/language exchanges with Taiwanese universities. Through the financial support of the Taipei Economic and Cultural Office (TECO) in Los Angeles and the Ministry of Education of Republic of China (Taiwan), the Division of Humanities and Asia Institute has been able to teach the public about Taiwan’s rich historical and cultural issues. Academic discussions and presentations are conducted at UCLA in the areas of social, economic, political and culture developments. Activities at The New Directions include: (i) Taiwan Studies Lecture Series: Taiwanese experts and scholars come to UCLA to speak about key topics in Taiwan; (ii) Taiwan Studies Research Fund: financially supports UCLA doctoral students and faculty to travel to Taiwan to conduct their research; and (iii) International Conference: a one day international conference regarding Taiwan, Taiwanese/American relations and anything else that involves Taiwan. Two scholarships for UCLA graduate students and faculty who focus on Taiwan are the “Taiwan Fellowship” and the “2015-2016 Asia-Institute Taiwan Studies Graduate Research Fellowship”.

There are two official UCLA Taiwanese clubs on campus: the Taiwanese American Union (“TAU”) and Taiwanese Student Association (“TSA”). TAU was formed in 1997 to enable Taiwanese Americans to have a voice on campus. TAU is focused on teaching and educating the non-Taiwanese student body and the Los Angeles community about Taiwanese culture, history, politics, economics, and the U.S. - Taiwanese relationship. TAU strives to bring Taiwanese American students at UCLA together to promote their heritage.

Established in 1988, TSA is an official club that welcomes Taiwanese students who come to UCLA. Their goal is to create a home-like Taiwanese atmosphere away from home while studying at UCLA by focusing on creating a warm and welcoming club with a strong social network for Taiwanese students.

Recognizing the importance of Mandarin, UCLA created and developed a number of study abroad and language/cultural programs for UCLA students to learn Mandarin Taiwanese and become familiar with Taiwanese way of life. Similarly, the Taiwanese students at these universities have the same opportunity to study at UCLA in regular academic courses or to improve their ability to master the English language. UCLA has programs linked with both National Taiwan University and National Taiwan Normal University.

**Department of Asian Languages & Cultures (ALC)**

UCLA has a department of Asian Languages and Cultures (ALC) which is dedicated to the study of Asian civilizations and cultures, including Mainland China. The department provides courses in language, religion, archaeology, thought and other areas.

**Asian American Studies Center**

The Asian American Studies Center at UCLA was established in 1969. The founding committee’s goal was to “enrich the experience of the entire university by contributing to an understanding of the long neglected history, rich cultural heritage, and present position of Asian Americans in our society.” Over the past forty years the center has achieved the following milestones:

- Recruited the largest faculty in Asian American Studies in the nation, with 38 professors
- Built the largest teaching program, with an undergraduate major and minor, a graduate program, and in 2004, the Department of Asian American Studies
- Since 1971, the center has published the leading scholarly journal in Asian American Studies, Amerasia Journal, and over 200 books on Asian Americans. In 2003, the center launched a second national journal, AAPI Nexus: Asian Americans and Pacific Islanders Policy, Practice, and Community
- Developed the most diverse library and archival resources on Asian Americans in the nation
- Established strong working relationships with hundreds of organizations and leaders in California, nationally, and globally

UCLA has been acknowledged by many publications and experts as having the top Asian American Studies program in the world.

**Other UCLA Taiwan Related Resources**

**UCLA Study Abroad Opportunities in Taiwan**

**University of California Programs in Taiwan**

- National Taiwan University
  - Engineering and Science
  - Language and Culture
Section Six • Personal Ties

Spotlight Taiwan Projects – USC and UCLA

From the perspective of international cultural exchanges, Taiwan’s Ministry of Culture is implementing the “Spotlight Taiwan Project” from 2013 to 2016 to cultivate a greater interest and appreciation of Taiwan’s culture in the international community. The partners of the project in Los Angeles are USC and UCLA, which have planned multiple events to promote Taiwan’s culture.

Spotlight Taiwan Project – USC

USC has planned multiple events over the course of three semesters showcasing the top documentaries on themes such as family and culture, politics, state and society, and environment and national landscape. The events include inviting directors, one international expert on Taiwanese documentaries, and a number of specialists teaching and researching within the U.S. The goals of this project are to promote greater interest in Taiwanese culture throughout Southern California and to foster greater appreciation of Taiwanese culture through events that showcase recent Taiwanese documentaries.

Spotlight Taiwan Project – UCLA

The UCLA Center for Chinese Studies (“CCS”) is attempting to highlight and explain the important role of culture in building a rich-and-good society in Taiwan’s modern and democratic transition. The featured program in 2013 was Taiwan as an International and Transnational Center for Film. Films are one of Taiwan’s most popular, attractive and representative cultural products. The 1980’s and 1990’s saw the emergence of Taiwan filmmakers who are now among the most internationally celebrated directors of both are art, cinema and commercial cinema, such as Hou Hsiao-hsien, Ang Lee and Tsai Ming-liang. In 2014, the featured programs were Traditional and Folk Arts, The Contemporary Artistic Landscape in Taiwan and Positive Ways of Living in Taiwan. These events closely examine these inner connections, highlighting and promoting the diversified and prosperous culture in Taiwan.

Other Local Universities with Educational Ties to Taiwan (All 2014 Figures)

California State University, Long Beach (CSULB)
53 Taiwanese Students – Asian and American Studies Program, Chinese Studies Program, Study Abroad in Taiwan with Ming Chuan University – CSU International Program in Taiwan

California State University, Los Angeles (CSULA)
51 Taiwanese Students – Chinese/Taiwanese Program, Chinese/ Taiwanese Studies Center and an Asian Pacific Business Institute – CSU International Program in Taiwan

California State University, Northridge (CSUN)
41 Taiwanese Students – Asian American Studies Program, China Institute, Center for China Finance and Business Institute – CSU International Program in Taiwan

California Institute of Technology (Caltech)
37 Taiwanese Students – Chinese Language Classes

California State Polytechnic University, Pomona (Cal Poly Pomona)
36 Taiwanese Students – CSU International Program in Taiwan

California State University, Dominguez Hills (CSUDH)
32 Taiwanese Students – Asian Pacific Studies Program – CSU International Program in Taiwan

Loyola Marymount University (LMU)
7 Taiwanese Students – Asian & Pacific Studies Program, Asian Pacific American Studies Program, Mandarin Chinese Language and Literature Program, Center for Asian Business and Study Abroad in Taiwan Summer Program

Occidental College
Less than 5 Taiwanese Students – Asian Studies Program, Chinese Language Program, Offers Study Abroad in Taiwan
Cultural Ties

In addition to the educational ties, there are other personal connections between the two regions, including significant cultural ties. First, the Los Angeles region is home to more people of Taiwanese descent than anywhere else in the United States. In fact, Los Angeles County has the highest Taiwanese population outside of Taiwan. The total number of Taiwanese living within Los Angeles County in 2010 was 45,800 according to the U.S. Census Bureau, up by 8% from 2000. The surrounding counties also contain large numbers of Taiwanese-Americans (particularly Orange County).

Famous Taiwanese-Americans

1. Elaine Chao – Former U.S. Secretary of Labor
2. Justice Goodwin Liu – California Supreme Court
3. Steven Chen – Co-founder of YouTube
4. Jerry Yang – Co-founder of Yahoo
5. Ang Lee – Film Director, Screenwriter and Producer
6. Yuan Tseh Lee – Chemist and Nobel Prize Laureate
7. Dr. Kai-Fu Lee – IT Venture Capitalist and Founding President of Google China
8. Tony Hsieh – CEO of Zappos.com
9. Michael Chang – Former Tennis Champion
10. Frank Wu – Dean of UC San Francisco Hastings Law School
11. Justin Lin – Film Director, Screenwriter and Producer

Famous Taiwanese-Americans with a Los Angeles County Connection

1. John Chiang – California State Treasurer
2. Senator Ted Lieu – California State Senator District 28 in LA County (U.S. Congress member)
3. Andrew Cherng – Founder of Panda Express – 1st Restaurant was in Pasadena and 1st Panda Express opened in the Glendale Galleria
4. Jeremy Lin – Los Angeles Lakers
5. Walter Wang – President and CEO of JM Eagle – Global Headquarters are in Los Angeles

*A Community of Contrasts: Asian Americans, Native Hawaiians, and Pacific Islanders in Los Angeles County, 2013*
Taiwan Cinema Spotlight – King Hu

The first annual Taiwan Cinema Spotlight event, a joint effort by the Taiwan Academy, Pacific Arts Movement and MoPA, features three films by martial arts director King Hu. Director Hu was revered as a perfectionist craftsman of the wuxia genre. His films often integrated principles of Chinese aesthetics and philosophy into elaborate staging, bravura action editing and cutting-edge special effects. His most famous films from the 1960’s and early 1970’s will be showcased at San Diego’s 35-mm-friendly theater in Balboa Park.

Sister Cities

The following is a list of Taiwanese Sister Cities with Los Angeles County Cities:

- City of Los Angeles – Taipei – Sister City Since 1979
- Monterey Park – Yung-ho
- Rosemead – Keelung
- El Monte – Yongkang
- Walnut -- Shilin

Little Taipei and Suburban Taiwanese Communities

Most Taiwanese and Taiwanese-Americans in the Los Angeles region live in the San Gabriel Valley. Beginning in the 1970s, many Taiwanese began to settle in the San Gabriel Valley city of Monterey Park. Monterey Park eventually became known as “Little Taipei”. In the 1980s another wave of Taiwanese began to move into other San Gabriel Valley cities including Rowland Heights, Hacienda Heights, Arcadia, San Marino, Diamond Bar, Walnut, San Gabriel and Temple City. Taiwanese prefer these suburban communities over the more tourist-oriented Chinatown, which is located in downtown Los Angeles. Their neighborhoods tend to be more suburban in style, but are easily identified by the prominent Mandarin lettering on the store front signs.

Cerritos, Artesia and Irvine in Orange County also have substantial Taiwanese communities. Many Taiwanese companies and import/export warehouses are located in the City of Industry (based on findings from the LAEDC FDI database).

Taipei Economic and Cultural Office (TECO)
Los Angeles Cultural Division and Centers

TECO-LA has six divisions including a cultural division (Taiwan Academy) that promotes Taiwanese culture, as well as cultural exchanges with the U.S. Taiwan Academy’s venue is located in the Westwood area. TECO-LA has two overseas Chinese cultural centers in the Los Angeles area. The two cultural centers provide a center for a diverse range of multi-cultural events including art exhibitions, musical concerts, dance programs, educations lectures and ongoing classes in traditional Chinese arts.

Taiwan Academy in Los Angeles

The Taiwan Academy in Los Angeles was established in 2011 and first housed by the Culture Center of the Taipei Economic and Cultural Office. Since October 2014, the Academy has been moved to its own permanent space, which is located near the UCLA Hammer Museum (in Westwood) and serves as a compact cultural salon promoting the different facets of Taiwanese culture.

Culture Center of TECO in Los Angeles

The Greater Los Angeles area has one of the largest Chinese populations of any area in the United States. According to the 2012 census, there were 4.025 million Chinese in the U.S, approximately 1.3 million of which are in California. Out of the 1.3 million, around 700,000 are in the Greater Los Angeles region. Moreover, in the U.S., the Greater Los Angeles area has the largest Taiwanese population. The 2012 census report indicates that there are 110,000 Taiwanese-Americans in California and 70,000 in Greater Los Angeles.
In consideration of the trend of more immigrants moving to East Los Angeles, the Overseas Community Affairs Council (OCAC) purchased its office premises in January 1992. The Chinese Culture Center of TECO in Los Angeles was established on December 27, 1992 to improve the service and extend the service territory to overseas Chinese. The Chinese Culture Center of TECO in Los Angeles officially launched on December 27, 1992.

When the Chinese Culture Center of TECO in Los Angeles relocated to Orange County on September 18, 2005, the Chinese Culture Center of TECO in Los Angeles took over all the businesses conducted by the Chinese Culture Center, and changed its name to “Culture Center of TECO in Los Angeles”.

In April 2011, the Reading Room of Culture Center (El Monte) of TECO in Los Angeles was officially launched in Chinatown.

**Taiwanese Newspapers in Los Angeles**

- **World Journal**
  - Largest Chinese newspaper in Los Angeles & North America
  - Targets Mandarin/Taiwanese Speakers
  - Founded in 1976

- **Chinese L.A. Daily News**
  - Launched in 1981 in Monterey Park

- **Taiwan Daily**
  - Launched in 1991
  - Targets Mandarin/Taiwanese Speakers

**Chinese-American Museum**

The Chinese American Museum was opened in 2003 and is located in the last surviving structure from the original Chinatown in Los Angeles. It is the first museum in Southern California to celebrate the Chinese-American experience and history that began over 150 years ago (see Historical Ties section). The museum offers exhibits and educational programming which are structured to provide Chinese American history, culture and highlight the contributions made by Chinese Americans to the U.S. and Southern California.

The main objectives of the Chinese American Museum include: housing exhibits on Chinese Americans that illustrate their rich culture and heritage; defining and interpreting their role in establishing the California community, providing educational programs to the visiting public and schools, collecting and curating historical to contemporary arts, documents, images, and artifacts, and serving as a research center on the 150-year Chinese American experience in Southern California.

**Temples**

Los Angeles County is home to the largest Taiwanese temple in the U.S. Hsi Lai Temple is the biggest Buddhist monastery in the U.S. and located in Hacienda Heights. The temple is a satellite of Taiwan’s Fo Guang Shan order. The temple encompasses 15 acres and took 10 years to complete from 1986 to 1996. Hsi Lai means “coming to the west” and its main mission is to spread the teachings of Buddhism to the west. The temple was designed using Ming and Qing dynasty architecture. The overall complex includes a pagoda, a main shrine building, a bodhisattva shrine, classrooms, a tea room garden, museum, cafeteria and gift shop. The temple offers classes on Buddhism, Chinese/Taiwanese culture and language. In addition, the temple offers prayer services and meditation sessions.

Los Angeles Chinatown has a total of six other temples including: Chua Thien Hau Temple, Cambodian Ethnic Chinese Association Temple, Southern California Teo Chew Association Temple, Kong Chow Benevolent Association Temple, Lung Kong Tin Yee Association Temple and the Xuan Wu San Buddhist Association Temple.
The museum is operated by the Friends of the Chinese American Museum (FCAM) and El Pueblo de Los Angeles Historical Monument (El Pueblo).

**Cable TV/Satellite Channels, Radio Stations and Magazines in Chinese/Mandarin**

An important aspect of the Taiwan-Los Angeles County relationship is related to having resources that make it easier to stay connected to Taiwan. Taiwanese and Taiwanese-Americans have many opportunities to feel closely linked to what is happening in Taiwan. Chinese/Taiwanese broadcasting appears on a number of local cable channels and satellite channels, radio stations, magazines and other media outlets:

**TV Stations** – ETTV America, CtiTV, G&E Studio, KSCI (Channel 18), TVB USA, TVB, TVB2, ATV Home Channel, SETV, HTV, PACVIA TV, and Channel V – **Radio Stations** – KAZN AM 1300, KMRV AM 1430, KAHZ AM 1600, **Magazines** – EDI City Newsweek

**California Travel and Tourism Commission**

The California Travel and Tourism Commission was established in 1998 to work together with the State Division of Tourism to promote California as a travel destination. The organization helps implement the annual Marketing Plan and is made up of 37 members from the 12 regions within California.

**Taiwan Tourism Bureau Branch Office in Los Angeles – Taipei Economic and Cultural Office (TECO-LA)**

One of TECO-LA’s six divisions includes the Travel Division which provides consular and other travel-related services.

**Los Angeles Tourism & Convention Board**

The primary goal of the L.A. Tourism & Convention Board is to augment Los Angeles’ tourism economy. The Board concentrates on marketing Los Angeles as a prime destination for domestic and international tourists. A large number of Taiwanese tourists have come to Los Angeles over the years. This has had a beneficial impact on the Los Angeles County economy as Taiwan has become one of the top overseas markets for visitation in Los Angeles. Growth in Chinese tourism has propelled tourism into one of the Los Angeles Metro Area’s top export sectors.

**International Visitors Council of Los Angeles (IVCLA)**

The International Visitors Council of Los Angeles is a non-profit organization that aims to create international understanding and cooperation between the Los Angeles region and the world. Emerging international leaders who are selected by U.S. embassies are welcomed to Los Angeles by Citizen Diplomats who participate in meeting and cultural activities. The IVCLA has arranged exchange programs for visitors from over 100 countries since 1980. The IVCLA programs allow visitors to experience first-hand the way of life in the U.S. including our institutions, values and culture.
SECTION SIX • Personal Ties

Network Ties

Network ties include prominent national organizations that focus on increasing and promoting U.S.-Taiwan relations. The network ties also include all of the Southern California and Los Angeles-based Taiwanese organizations that serve as a bridge between Taiwan and the Los Angeles region. These organizations provide beneficial services that lead to increased integration between Taiwan and Los Angeles County.

Nationally and Internationally Based Associations and Organizations

U.S.-Taiwan Business Synergy

The Business Synergy was established to further enhance the bilateral business relations between Taiwan and the United States, and to provide a high-quality networking platform for business people involved or interested in expanding commerce. The platform was established in New York in 2012 and holds quarterly networking events. The same-function platform was established in Los Angeles in December 2014 with its first meeting taking place on December 3 at the City Club in Downtown Los Angeles.

U.S.-Taiwan Business Council

The U.S. Taiwan Business Council is a non-profit organization dedicated to furthering the development of economic and business relationships between the U.S. and Taiwan. Members of the council come from the public and private sectors with business interests in Taiwan. They range from small consulting firms to large multinational corporations.

American Chamber of Commerce in Taipei

The American Chamber of Commerce (known as AmCham) in Taipei is a non-profit, non-partisan business organization dedicated to promoting the interests of international business in Taiwan. In the sixty years since its founding, AmCham has become the largest, most effective business organization in Taiwan. AmCham has more than 950 members representing more than 500 companies, AmCham speaks with collective authority on international business matters in every sector of the economy.

Asia Society

Asia Society is a global institution committed to bringing the people and institutions of Asia and the U.S. closer together. The international organization has been in existence for nearly 60 years and has focused on programs and events in the areas of economics, politics, arts, culture and international relations. Asia Society has offices in California, New York, Texas, Washington D.C., Hong Kong, Mumbai, Manila, Seoul, Sydney and Shanghai. Asia Society has two branches in California: San Francisco and Los Angeles. Asia Society Southern California has grown substantially since it was established in 1985. It offers programs and events in business, entertainment, education and public policy throughout Southern California, and plays a leading role in promoting Southern California as a center for Asian and U.S. innovation. It will be kicking off a series of conferences on the impact of the Asian economies on the U.S., the Pacific Cities Sustainability Initiative, and the LAsia 21 program designed to identify and promote up-and-coming Asian Pacific Islander leaders under the age of 40. The Asia Society has multiple initiatives related to Mainland China and Taiwan including:

Education Initiatives

<table>
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<th>International Studies School Network</th>
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<tr>
<td>• First national network of urban secondary schools devoted to international studies &amp; language</td>
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<tr>
<td>• Two schools in Los Angeles</td>
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<tr>
<td>• International Studies Learning Center and the Vaughn International Studies Academy</td>
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LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION 85
The Committee of 100
The Committee of 100 was established in 1990 by a number of prominent Chinese-Americans and Taiwanese-Americans including I.M. Pei and Yo-Yo Ma. The committee is comprised of American citizens of Chinese and Taiwanese descent. The mission of the organization is to encourage stronger relations between the U.S. and Mainland China/Taiwan and to encourage the full participation of Taiwanese- and Chinese-Americans in all aspects of American life. Members of the Committee have attained high positions in academia, government, business, law, science and the arts. The Committee of 100 has become one of the most prestigious organizations, promoting U.S.-Mainland China/Taiwan relations by supporting the exchange of ideas while maintaining respect for both cultures.

Key Initiatives and Events – Corporate Board Report Card, Higher Education Report Card, Asian Curriculum Partnership and Mentoring

Some Prominent Taiwanese-American Members of the Committee of 100:
- Steven Chen – Co-founder of YouTube
- John Chiang – California State Treasurer
- William Wang – Founder of VIZIO
- Walter Wang – President and CEO of JM Eagle
- Andrew Cherng – Founder of Panda Express

The 1990 Institute
The 1990 Institute started as a think tank focused on economic and social issues related to Mainland China and Taiwan. The institute was formed in 1989 by academic, business and community leaders. The main objective of the Institute was to produce recommendations and solutions to the challenges facing Mainland China and Taiwan through books and issuing papers. In addition, the Institute sponsored conferences and forums on a number of issues. The institute has become more than a traditional think tank in recent years by expanding its scope of projects.

The institute attempts to improve the lives of Chinese and Taiwanese citizens by concentrating on education, socioeconomic development, quality of life and advancing the relationship between the U.S. and Mainland China/Taiwan. Projects address issues in the following areas: girl’s education, cross-cultural communications, art and the environment, microfinance and biofuels.

Southern California Based Associations and Organizations

Taiwanese-American Chamber of Commerce of Greater Los Angeles
The Taiwanese-American Chamber of Commerce of Greater Los Angeles main aims are the following:
1. The promotion of Taiwanese business people engaged in fellowship and service in the greater Los Angeles area;
2. The promotion of cultural exchanges between the Taiwanese and the U.S. economy;
3. The improvement of the social status of the U.S. and Taiwanese business people

Global Federation of Chinese Business Women Southern California Chapter
The Global Federation of Chinese Business Women (GFCBW) is a non-profit organization founded in 1994 by a group of prominent Chinese businesses headquartered in Taiwan. Currently, there are 47 chapters worldwide to date. This organization strives to unite Chinese business women around the world, to strengthen international exchange and diplomatic ties, and to foster a greater international status of this talented group.

Southern California Monte Jade Science and Technology Association (SCMJ)
SCMJ is one of the 14 chapters worldwide under Monte Jade. SCMJ’s membership consists of entrepreneurs, venture capitalists and professionals from the Southern California area in the United States. Our activities include regularly held forums and conferences, a scholarship program, a mentorship program and job fairs.

The main objectives of SCMJ are to expand the learning experience about current high-tech developments worldwide and to provide opportunities to meet with top management executives of high-tech companies and top government policy makers in the global high-tech industry.

Taiwan Hotel & Motel Association of Southern California
The Association was established in 1974 to bring together Taiwanese hoteliers and hotel related businesses in the United States. The goals of the Association are to serve its members by providing education and information on the hospitality industry.
Events held by the Association also provide opportunities for members to network, share ideas and create a bond within our community.

**Asian-American Economic Development Enterprises, Inc. (AAEDE)**

Asian American Economic Development Enterprises (AAEDE) was established in 1977 in order to help Chinese immigrants become better acquainted with their new home and to provide financial assistance. The AAEDE is located in Monterey Park and has evolved into a non-profit organization that promotes economic development for Asian-Americans. The organization offers workshops, seminars, small business assistance programs, access to funding, information support, and an annual job fair. The major goals of the AAEDE are the Four E's: Employment, Education, Enterprise and Excellence.

**Asian Business Association (ABA)**

Founded in Los Angeles in 1976, the Asian Business Association (ABA), a premiere non-profit organization, has taken a proactive role in the advancement of Asian American business owners by helping them gain access to business opportunities as well as providing them with a voice that represents their views to government officials at all levels.

The ABA promotes economic development through its educational conferences, seminars and workshops, these interactive educational programs are designed to present entrepreneurs with the information, resources, skill-sets and networking opportunities that will help them grow their businesses and successfully compete in the global marketplace.

Currently the ABA represents more than 600 Asian Pacific American small business owners, professionals and entrepreneurs in the greater Los Angeles area. With 38 years of experience and a mission to advance Asian American business owners, the ABA has become a resourceful center to empower the Asian business community in the southern California.

**Asian Business League of Southern California (ABL)**

The Asian Business League was founded in 1984 in downtown Los Angeles. The main mission of the organization is to promote business opportunities for individuals throughout the Southland. The ABL provides educational programs to the Asian business community related to the following issues – technology, e-commerce, real estate development and the Pacific Rim business climate.

**Pacific Rim Chamber of Commerce**

The Pacific Rim Chamber of Commerce membership includes entrepreneurs, executives and leaders active in Pacific Rim trade and business. The Chamber has offices in New York, Japan, South Korea, Shanghai, Beijing, Shenyang and Beverly Hills. The main mission of the Chamber is to promote and support business ties between the Pacific Rim nations and the rest of the world.
The Future of the Relationship
(What Lies Ahead)

**Key Challenges**

**Global Economy**

Global economic growth trends and financial stability will determine trade and investment flows between Taiwan and Los Angeles County. The near-term outlook for the Taiwanese economy is improving. Gross domestic product is expected to grow by nearly four percent in 2014 and in the range of 4.0% to 4.5% in 2015, but there are concerns about the slower pace of growth that is occurring in Mainland China. However, stronger growth in the U.S. and improvements in Europe will partially offset the effects of Mainland China’s slowdown. Additionally, other key markets (particularly the ASEAN region) for Taiwanese products continue to grow albeit at slower rates than in recent years past. Greater integration with other parts of the world will make Taiwan less susceptible to the ups and downs of any one trading partner.

**Trade Issues**

In 1994, the U.S. and Taiwan signed the Trade and Investment Framework Agreement (TIFA) to guide dialogue pertaining to trade issues in the absence of official diplomatic ties. Over the years, there have been a number of trade disputes, mostly related to agriculture. For example, Taiwan had issues with imports of U.S. beef containing the drug ractopamine. In many cases, resolution of trade issues are the purview of the federal government, but state and local officials can play an active role in promoting trade. This can be done through the use of tax incentives, the provision of trade financing and guidance for companies wishing to export. Local government can also partner with businesses to attract foreign direct investment. Improving trade infrastructure is another avenue state and local officials can use to promote trade.

Increasing Foreign Direct Investment

Increasing Taiwanese investment in Los Angeles County would benefit the region, but the issue is complicated by Taiwan’s focus on investment in Southeast Asia as an alternative to Mainland China. On the other hand, the strong business and personal ties that exist between Taiwan and Los Angeles make Los Angeles an attractive place in which to invest. Adding to that attractiveness is the fact of Southern California being the nation’s largest consumer market, the region’s high-tech industries, its skilled workforce and well developed industry clusters of interest to Taiwan.

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Ractopamine is a food additive used to promote leanness and growth in animals used for food production. It has been banned in 160 countries.
Conversely, Taiwan would benefit from additional investment from the U.S. The challenge is to convince investors to come to Taiwan rather than Mainland China or other parts of Asia. Promoting the benefits of investing in Taiwan is the responsibility of the Department of Investment Services under the Ministry of Economic Affairs. Making sure U.S. companies understand the advantages of investing in Taiwan would encourage more to do so.

**Key Opportunities**

**Trade**

Trade flows between California and Taiwan are expected in increase during the coming years. The Taiwanese government is pursuing trade liberalization policies as a means to sustain economic growth. In the near-term, the Taiwanese economy will continue to be heavily reliant on exports to Mainland China. It will take time to make the transition to other markets in the region. Specific to trade between Taiwan and Los Angeles County, the largest potential areas for growth are in green tech, electronics, ICT, biotech, aerospace and defense, medical instruments, chemicals and tourism. Additionally, the San Pedro Bay ports serve as the conduit for other goods shipping from California (particularly agricultural products) and primary metal products.

Taiwan is the Los Angeles Metro Area’s fifteenth largest export market. The Los Angeles Metro area exported goods and services to Taiwan valued at an estimated $1.6 billion in 2010, the latest year for which data is available. The value of the region’s exports has increased over the past decade, driven by defense-related products, movie royalties and medical devices.

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**Trans-Pacific Partnership (TPP)**

The Trans-Pacific Partnership or “TPP” is a free trade agreement that is under negotiation between the U.S. and eleven other nations, including Canada, Mexico, Japan, Australia, Vietnam, Malaysia, Singapore, Chile, Peru, New Zealand and Brunei. These nations collectively represent 40% of total global GDP and over 25% of total global trade. The TPP would not only reduce or eliminate tariffs and non-tariff barriers but it would also focus on harmonizing legal and regulatory issues. Based on estimates from the Peterson Institute for International Economics in Washington D.C., implementation of the TPP would create additional exports of $305 billion per year among the 12 countries, while the U.S. alone would see an increase in annual exports of almost $125 billion per year. Two-way trade between the U.S. and the other TPP nations is already roughly $2 trillion and has grown by roughly 50% over the past few years. Over four million jobs were created by U.S. exports to TPP countries in 2012.

The implementation of the TPP agreement would only lead to further economic gains for the participants. The TPP includes six of Southern California’s top trading partners or export markets, including Japan. As such, it is likely that the TPP would be beneficial for the goods movement sector in Southern California. It would also include valuable intellectual property rights protections that would benefit the region’s creative industries and knowledge-intensive exports.

Taiwan has expressed its interest in participating in the TPP negotiations. Given the important role it plays in the regional supply chain, Taiwan continues to make efforts towards further liberalization and regulatory reform. Taiwan stands ready to join the relevant regional arrangements, including the TPP, so as to contribute to the economic integration and development of the whole region. Taiwan’s inclusion in the TPP will also benefit the state of California and Los Angeles County.

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7Brookings Institution “Export Nation” 2012 report
Foreign Direct Investment

Taiwanese Investment into L.A. County

The outlook for foreign direct investment from Taiwan into Los Angeles County is good. Investment from Taiwan into Los Angeles County increased by over 30% over the past six years. Taiwanese companies are especially attracted to the Los Angeles area because of its broad economic base and business infrastructure. The region’s large Taiwanese population also makes it more comfortable for Taiwanese companies to do business here.

Los Angeles has a number of attributes that should make it attractive to Taiwanese companies including:

- Largest consumer market in the United States
- Largest county economy in the United States
- Well-developed industry clusters
- A well-educated and trained workforce; excellent higher education institutions
- Outstanding trade infrastructure
- Excellent access to national and international markets
- Technology rich area
- First-rate apparel, auto and engineering design
- Nation’s largest manufacturing base
- Competitive costs
- Great weather all year round

Additionally, Taiwanese companies can use Los Angeles County as a gateway to Latin American markets.

L.A. County Investment into Taiwan

The outlook for foreign direct investment from Los Angeles County into Taiwan is also encouraging. Attributes that make Taiwan an attractive place to invest are its ties with Mainland China and its strategic location. In particular, Taiwan offers Los Angeles County companies the following:

- Ideal Location – hub of Asian trade
- High technological focus
- Important role in Asia-Pacific regional supply chains
- Abundance of skilled labor
- Strong R&D and innovation capabilities
- Emerging capital market
- Population with a high purchasing power
- Excellent infrastructure, strong investment environment and global competitiveness

Solar and wind power are the primary sources of clean energy in California. Public utilities have offered financial incentives for homeowners and businesses to encourage the installation of solar panels. Incentives to reduce energy consumption through conservation promote the use of energy-efficient appliances and low-wattage lighting in homes and businesses.

Key Sectors for Trade and Investment

The following key sectors represent the best investment opportunities between Los Angeles County and Taiwan based on their respective business and economic development strategies in the coming years.

Green/Clean Tech and Renewable Energy

There are a number of reasons why Los Angeles County should be at the forefront of the greening of the global economy. With a population of 10 million, Los Angeles County is a large enough consumer market to influence demand for green goods and services. The region’s general prosperity also means it is better positioned than many emerging economies to afford the expensive up-front costs associated with adopting green technologies. The state of California places a high priority on “greening” relative to other regions. Several pieces of legislation, executive orders and administrative rules implemented over the past decade convey the state’s commitment to greening the economy (e.g. AB32, AB811, AB474, AB939 and the renewable Portfolio Standard). Additionally, there is a broad commitment to green policies among California’s residents and business people who recognize the adoption of green technologies as a source of future employment growth.
The Southern California region attracts venture capital of all types, ranking third in the nation for three years in terms of venture funds received. California as a whole attracted $2.8 billion in clean tech venture capital last year, 57% of the national total. While Southern California received only a quarter of that total, the region holds great potential going forward as utilities, employers, and government agencies turn increasingly to clean tech as a part of a regional effort to reduce pollution and conserve energy. In particular, the Ports of Los Angeles and Long Beach have implemented the San Pedro Bay Ports Clean Air Action Plan, the most comprehensive strategy to cut air pollution and reduce health risks ever produced for a global seaport complex. The ports have made significant reductions in pollution to date and have agreed to reduce pollution by at least 45 percent within five years. The two ports have been leaders in environmental remediation and are the greenest ports in the world.

Creative Industries

The creative economy is undeniably important to Los Angeles County’s economic growth. Creativity is one of the Los Angeles Region’s greatest economic assets. The market value of products and services is increasingly determined by a product’s uniqueness, performance and aesthetic appeal. More companies are seeking employees with creativity as well as problem solving and communications skills. Business location decisions are also influenced by factors such as the availability of a creative workforce and the quality of life available to employees. The talent that drives the creative economy provides a competitive advantage that reaches across almost every industry in the Los Angeles Region.

Since 2010, Taiwan’s Ministry of Culture has attempted to aid Taiwan’s cultural and creative industries in expanding market access domestically and globally by organizing the International Cultural and Creative Industry Exposition (ICCIE). As a cultural and creative industry exhibition expansion platform, the ICCIE helps Taiwan’s industry stakeholders to interact with international ones, creating business opportunities for cooperation and trade. As Taiwan endeavors to develop globally competitive brands, products and services in key sectors (e.g. computers and electronics and consumer goods), the need for LA County’s creative design, marketing and communications expertise will increase. Los Angeles County is the creative capital of the U.S., if not the world, with a wide array of creative industries that includes architecture, fashion, and gaming, to name a few. Please refer to the following report for more information on Los Angeles County’s Creative Economy – http://laedc.org/wpcontent/uploads/2012/04/2013_Otis_Report_on_the_Creative_Economy1.pdf

Bio-tech and Medical Devices

California and Los Angeles County are at the forefront of bio-technology research and manufacturing. Los Angeles County is home to some of the top bio-tech firms in the world and employs more people in the medical devices sector than any other county in the U.S. With world class centers of excellence at Los Angeles County hospitals including Cedars Sinai, UCLA, USC, Children’s, and the City of Hope, there is great potential for the development of medical tourism to the region.

The Southern California Biomedical Council along with the Los Angeles/Orange County Economic and Workforce Development Biotech Center at Pasadena College work to reinforce the status of Southern California as a global center for biotechnology, offering foreign companies and research centers tremendous opportunities for investment.

Aerospace and Defense

The aerospace and defense industry is a vital component of the regional economy. Southern California’s aerospace and defense firms continue to provide a significant number of high-paying jobs and are an important source of technological innovation. While complete airplanes are no longer be built from the ground up in the area, there is still a large base of subcontracting firms that produce parts and assemblies for a variety of aircraft including military aircraft sold to Taiwan by the U.S. government.

Southern California’s aerospace industry is also a beneficiary of the growing importance of information in modern warfare systems (i.e. the rapid transfer of information between military units in the air, on the ground and at sea). The region’s strong information technology base is attracting new opportunities for this growing segment of the industry and presents excellent opportunities for Taiwanese companies.
Entertainment

The Los Angeles Metropolitan Area’s top export to Taiwan is royalties from films shown in Taiwan at a total over $500 million. Los Angeles based global entertainment firms like Disney, DreamWorks, NBCUniversal and Warner Brothers are investing billions of dollars around the world and film makers are increasingly collaborating with colleagues in other countries to produce, finance and distribute films. Motion picture production represents a major opportunity for investment for Taiwan, particularly in the area of digital media.

Machinery

Los Angeles County is the nation’s largest manufacturing center. It is expected that Taiwanese companies will capitalize on the many advantages that L.A. County has as a hi-tech manufacturing center. Los Angeles County exports critical machinery to Taiwan that is utilized in the production of semiconductors by the leading Taiwanese ICT companies. The existing synergies between Los Angeles County’s high-tech manufacturing base and Taiwan, play an instrumental role in maintaining Taiwan’s position as a global supply chain leader in the computer and computer products industry. Machinery was the Los Angeles Metro Area’s fourth largest export to Taiwan with a total of $135 million.

Banking and Financial Services

As trade between Taiwan and the U.S. grows, Taiwan and Los Angeles County will experience increasing demand for trade financing. As the Taiwanese community grows throughout Los Angeles County, additional financial services will be required by Taiwanese business people. Banks such as East West Bank and Cathay Bank along with major Taiwanese banks located in Los Angeles will witness tremendous business growth opportunities. Venture capital, private equity and investment banks will also expand investments and services related to two-way commerce between Taiwan and Los Angeles County.

Professional and Business Services

With increased international trade and foreign direct investment flows between Taiwan and Los Angeles County opportunities for Taiwanese law firms to open offices in the region will also grow. Taiwan and Los Angeles County will both experience strong growth in demand for international legal services (international trade practices, intellectual property rights, etc.), as well as consulting and accounting services.

Additionally, as Taiwan endeavors to develop globally competitive brands, products and services in key sectors (e.g. computers and electronics and consumer goods), the need for Los Angeles County’s creative design, marketing and communications expertise will increase. See Business Ties section of report.

Real Estate/Property Development

Los Angeles County is one of the most attractive areas of the U.S. for real estate investment. Many foreign investors (including Taiwan’s Taipei Fortuna Development Company, China’s Shenzhen New World, Wanda, Greenland, Hazens and Oceanwide real estate group, South Korea’s Hanjin International, Canada’s Onni Group and Singapore’s Overseas United Enterprises) have made significant property development investments in Los Angeles County in recent years. Downtown LA and other parts of the County offer potential numerous attractive real estate development investments as the region becomes more and more interconnected with Asia.

Construction and Engineering

Taiwan has a highly developed transportation network, including high speed rail, highways, and bridges. Its infrastructure was built to withstand severe earthquakes. A number of large infrastructure projects are underway in Los Angeles County and across California, where earthquakes present a similar hazard. Taiwanese and Taiwanese-American construction and engineering firms like KOA Corporation will likely want to participate in this market. Moreover, Los Angeles County construction and engineering firms like AECOM, Jacobs and Parsons have the expertise to undertake large-scale infrastructure projects in Taiwan.

Key Exports

Los Angeles County must focus on its comparative advantages and maximize exports to Taiwan by identifying the goods and services that Taiwan will demand including the following:

- Royalties
- Computers and Electronics
- Chemicals (Pharmaceuticals)
- Machinery
- Transportation Equipment (Aircraft Products and Parts)
- Freight and Port Services
- Tourism
- Education
- Business Services (Consulting)
Special Relationship

This report illustrates the unique economic and cultural ties between Taiwan and Los Angeles County. In its role as the gateway to Asia for the United States, Los Angeles County has emerged as the center of U.S.–Taiwan business activity and cultural exchanges. Taiwan’s entry into the World Trade Organization in 2002 strengthened trade and other economic ties between the two regions, and every year, hundreds of Taiwanese students enroll in Los Angeles County universities. Taiwan’s strong base of technology industries, growing middle class and strategic location have attracted the attention of U.S. companies - direct investment from the United States to Taiwan has increased substantially over the past 30 years. Conversely, Los Angeles County is a likely recipient of increased investment flows in the opposite direction as Taiwanese companies follow their government’s call to “Go Global”.

Significant Potential

Los Angeles County and Taiwan have developed a dynamic and mutually beneficial relationship. Los Angeles County is home to more Taiwanese-Americans than any other area in the U.S. and the local universities educate more Taiwanese students than any other region in the U.S. As more Taiwanese students pursue their studies in the U.S. some may choose to remain in the Los Angeles region, further strengthening the ties between Los Angeles and Taiwan. One of the benefits of hosting Taiwanese students is that as alumni of local institutions, they will have lifelong alumni networks connecting them to the Southern California region regardless of where they choose to live and work.

The Los Angeles Customs District (LACD) is the primary entry point for Taiwanese goods into the U.S. As two-way trade expands, the potential for an increase in investment flows also rises. Significant foreign direct investment opportunities exist in the renewable energy, technology, biotechnology and pharmaceutical industries. The solar energy industry, in particular is expected to attract a significant amount of investment from Taiwanese solar companies seeking sites to build manufacturing plants in the U.S.

In conclusion, the future holds great potential for the Taiwan-Los Angeles County relationship. The world will continue to look to Taiwan as the global supply chain and economic leader in ICT and computer products. Together, Los Angeles County and Taiwan can take the lead on several pressing global issues such as renewable energy and climate change as Los Angeles County is best positioned to capitalize based on state leadership on this issue and the state policies already in existence.
Recommendations

As important as it is to highlight the many favorable aspects of the relationship, it may also be helpful to touch on some areas that could be improved. Below are some recommendations for nurturing the existing Los Angeles County-Taiwan relationship to promote even stronger ties in the future.

1. Promote and market Los Angeles County as an attractive location for Taiwanese foreign direct investment, emphasizing the reasons and incentives why Los Angeles County provides significant overall value and return on investment. Focus on attracting Taiwanese companies that are looking to locate their U.S. or North American headquarters, distribution centers, and sales offices in Southern California.

2. Invest in improving existing trade infrastructure (e.g. local seaports, airports, freeways and intermodal rail capacity to distribution centers). Implement strategies to ensure that the local ports maintain their competitive advantage through lower costs or faster times to market. Apply pressure at the local, state and federal levels to adopt policies that support free trade and funding for trade promotion programs via the U.S. Commerce Department. Focus on expanding two-way trade, formulating stronger relationships with Taiwan at the national, city and county levels, and expand outreach programs. Promote the local seaports as a hub and gateway between Taiwan and Latin America, possibly by establishing a partnership with the Port of Kaohsiung. Facilitate the access to state government procurement opportunities for Taiwanese companies to expand their participation in the infrastructure.

3. Better leverage the resources of the LAEDC and the World Trade Center Los Angeles (WTC-LA), the Taipei Economic and Cultural Office (TECO), Taiwan External Trade Development Council (TAITRA) and other Taiwan related organizations to increase the level of interaction between U.S. and Taiwanese companies; focus on business development exchanges and foreign direct investment prospects.

4. Focus on increasing the number of Chinese language programs offered by the resources from Taiwan, within Los Angeles County primary and secondary schools, community colleges and universities as well as other Los Angeles County organizations and associations such as those mentioned in the Personal Ties section of this report.

5. Work with federal legislators to support immigration and visa policies that make it easier to travel to U.S. or establish residency for students, scientists, researchers, investors and other professionals from Taiwan.

6. Promote Los Angeles County to Taiwanese students and tourists. Greater attempts could be made to attract Taiwanese high school students via exchange programs; also college students, graduate students and those looking to learn English at various institutions. Develop a marketing campaign to attract Taiwanese tourists to Los Angeles County emphasizing all the region has to offer to them including cultural and medical tourism and create cultural activities to strengthen the longstanding ties between Taiwan and the people of Los Angeles County.

7. Work to make policymakers, businesses, and other local stakeholders aware of the advantages of the relationship. As the findings of this report show, Taiwan’s continued economic success will impart benefits on the economic development of Los Angeles County and the U.S. as a whole. Both sides should consider the ways for example, a bilateral investment agreement (BIA) and regional economic initiatives such as TPP to further promote an even closer bilateral economic partnership based on mutual interests.


Introduction

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- Los Angeles Chamber of Commerce, Global Initiatives
- Airports Council International (ACI)
- Los Angeles Times
- Taipei Times
- Los Angeles Tourism & Convention Board
- Brookings Institution, Export Nation

Section 4 – Investment Ties

- Bureau of Economic Analysis (BEA), Foreign Direct Investment in the U.S.
- U.S. Department of Commerce and the President’s Council of Economic Advisers, Foreign Direct Investment in the U.S.
- U.S. Department of Commerce, SelectUSA
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- Taiwan’s Ministry of Economic Affairs, Department of Investment Services, Invest in Taiwan
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Section 6 – Personal Ties

Educational Ties

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- University of Southern California (USC)
  - Vice Provost’s Office for Globalization
  - Center for International Studies
  - Marshall School of Business
- University of California, Los Angeles (UCLA)
  - Office of Analysis and Information Management
  - International Institute
  - International Education Office
  - Office of Media Relations
  - University of California Education Abroad
- Loyola Marymount University
  - Institutional Research
  - Communications & Government Relations
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  • Advancement Services
• Occidental College
  • Office of Alumni Relations
• California State University (CSU), Long Beach
  • Institutional Research and Assessment
• Caltech
  • International Student Programs
• California State University (CSU), Pomona
  • International Center
• California State University (CSU), LA
  • Office of Institutional Research
  • ERSS
  • Asian Pacific Business Institute
• California State University (CSU), Northridge
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**Cultural and Network Ties**
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