
"China Inc." Perception Threatens Chinese Companies: High-Time for Chinese Companies Get a PR Makeover

Beijing, Thursday, 27 October 2005 – A Beijing conference on corporate governance was told today that Chinese corporations need to take "fast and strong action" to overcome the crisis of trust they face in international business circles.

The managing director of AC Capital Strategic Public Relations, Alistair Nicholas, said the "China Inc." perception that exists in international business circles was impeding the ability of many Chinese corporations to maximize the returns of listing on foreign exchanges and their ability to merge with or acquire leading global corporations.

"Reputations don't change overnight; Chinese companies need long-term, mature communication strategies to turn around the negative perception that is too widely held of China and Chinese corporations." Mr. Nicholas said

Mr. Nicholas was speaking to representatives of several leading Chinese corporations who attended the conference, Corporate Governance and Reputation Enhancement, jointly organized by CGCPA and Avail Corporation.

"To believe that strong corporate governance structures of your company will speak for themselves is naive," Mr. Nicholas said. "Companies need to put in place a strategic and focused corporate reputation program to reverse years of negative perception and rebuild trust with the international business community."

While not belittling the corporate governance issues that confront several companies, Nicholas argued that recent scandals of Chinese private and publicly-listed companies has led to the build up of a negative perception of all Chinese companies.

He advised "Because of isolated scandals and failed acquisitions, China is being painted with a very broad brush. Chinese companies must make an effort to highlight the details of each of their places in the picture and to position themselves effectively."

Mr. Nicholas' full presentation is available online at:

http://www.accapitalpr.com/en/PDF/Corporate_Governance_Corporate_Reputation_Enhancement.pdf

AC Capital Strategic Public Relations (www.accapitalpr.com) is a Beijing-headquartered public relations agency founded in 2003 in order to provide clients the unique combination of international experience and boutique agency focus and dedicated attention. AC Capital's clients include Global Fortune 500 companies and foreign government agencies operating in China.

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