

# Engaging with Society to Build Sustainable Brand & Growth

## The General Electric Story in China

Geoff Li

Director of Communications

GE China

# Diversified Business Portfolio

(Revenue – \$163.4 billion, 2006)

**Infrastructure**  
**\$47.4B**



**Industrial**  
**\$33.5B**



**Healthcare**  
**\$16.6B**



**NBCU**  
**\$16.2B**



**Commercial**  
**Finance**  
**\$23.8B**



**Consumer**  
**Finance**  
**\$21.7B**



- ✓ **Largest multi-business company in the world**
- ✓ **Global presence in more than 120 countries**
- ✓ **China revenue: \$1B in 2001; \$5.4B in 2006**

# Strengths & Challenges of GE Brand

The World's 10 Best Global Brands in 2006		
Rank	Brand	2006 Brand Value (\$B)
1	Coca-Cola	67.00
2	Microsoft	56.93
3	IBM	56.20
4	<b>GE</b>	<b>48.90</b>
5	Intel	32.32
6	Nokia	30.13
7	Toyota	27.94
8	Disney	27.85
9	McDonald's	27.50
10	Mercedes	21.80

Data: Interbrand Corp., JP Morgan Chase & Co.



No. 4 most valuable brand world ranking \$49B

General favorability, little awareness on products

# Strengths & Challenges of GE Brand



Global transformation  
from consumer to B2B



Benefits and burden  
of being American

# Build Strategic Partnership with China

- Company-to-country approach
- Treating government as customer
- Build network through executive training
- Target decision-makers in advertising
- Engage employees and stakeholders
- Olympic sponsorship

# Engaging Government

*Align company strength with China's strategic needs – energy efficiency, environment protection*



# ecomagination – GE Global Initiative

- Double R&D on eco from \$700M to \$1.5B (05-10)
- Double eco sales from \$10B to 20B (05-10)
- Reduce own GHG emission by 1 percent by 2012
- Keep public informed



# ecomagination... In China For China

## MOU with Government

Overall cooperation on green and renewable energy, water, aircraft engines, locomotives, lighting



**Hsinghua University GE  
Ecomagination Center**  
Research Cooperation on green  
energy, water technology

# Doing Business with Alumni - China CEO Program



- Eight consecutive years since 1999,
- 300+ VP and above level executives
- Over 100 state-owned companies
- Annual 3-week program at GE in New York
- Extensive alumni network
- Significant orders made by alumni

# Social Engagement

Let us be part of your issues and solutions

- Green is Green, ecomagination
- Rural healthcare
- Volunteers
- Environment, Health & Safety
- Intellectual property right & public policy



# Olympics as a Winning Brand Strategy

- Selling GE into Beijing Olympic Games
- More than 300 projects, \$500M sales target
- Engage employees, customers to build excitement
- Link advertising and branding with Olympics



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photo by alusang

# China Strategy: U.S. Companies vs. Japanese

- Overall engagement
- Management expertise
- Focus on localization
- Lobby support in gov't



- Superior product
- Manufacturing Excellence
- Prudent talent approach
- More self-sufficient

Winning in the marketplace

# Japan & China – Business Landscape

- The strong neighbor as a threat or a benefit?
- Chinese consumers scorn Japan while buying Japanese products
- Japanese companies get little recognition, despite great things they do in China

# Japan & China

## - Role of Business in Bridging Gaps

- Right level of engagement for business benefits
- Define realistic strategy
- Build effective influence
- Focus on opinion leaders and media
- Tell good business stories

The learning experience for corporations

# 向日本企业学习什么?

