



INTERNATIONAL LAW FIRM OF MICHAEL R. POLIN

YOUR GATEWAY TO BRAND EQUITY DEVELOPMENT IN CHINA

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ABOUT THE FIRM

- The firm's founder, Michael R. Polin, is an International Business and Entertainment Attorney with over 20 years of International Business dealings, both as an attorney and CEO of companies engaged in Euro-Sino business ventures. The firm has been involved with many international matters as legal counsel, business consultant, investor, and producer, including mobile, broadband internet, iptv, technology, children's education, animation, motion picture features, television, publishing, internet cafes, and other various original/indigenous content development.
- With its International partners and strategic alliances, the firm develops strategic business planning for the domestic market of the client and also the international markets the client envisions penetrating. The firm will provide integration between branding, advertising, distribution, sales, technical services, and customer relationship management. A key emphasis of the firm is to build and support the process of getting the client's products into the hands of customers, building mind and market share, customer relationships, and loyalty.
- The firm has extensive government relations, strategic partners, and a long history of important and influential strategic alliances in Europe and The People's Republic of China. These relationships are both private and government and most importantly, mature over and an 18 year period of doing business in China; critical components for any serious business discussions involving China.

ABOUT THE FIRM (con't)

The Firm's International expertise includes:

- **China and European Joint Venture Deals**
- **International Litigation and Trials**
- **International Contracts**
- **Negotiation**
- **Global Strategies**
- **Financing**
- **Litigation and International Arbitration (“ICC”)**
- **Foreign law expertise**
- **Marketing**
- **E-Commerce**
- **New Product and Service Development**
- **Channel Marketing**
- **Customer Relationship Management**
- **Sales**
- **Technical Support Services**

ABOUT THE FIRM (con't)

The firm's International media entertainment expertise includes:

- **Television**
- **Feature Films**
- **Publishing**
- **Recording Contracts**
- **Intellectual Property License and Merchandising of products**
- **Animation**
- **Comics and comic books**
- **Internet Content**
- **Mobile phone content**
- **Iptv**
- **Internet cafes**
- **Co-Production**
- **Co-Development**

SERVICES

Brand Equity Development: Media and other Industries

- The firm understands how to create, develop, and launch Brand Equity in China through its leading and important Chinese partners that allow access to the most coveted aspects of China markets; i.e. MEDIA which includes Mobile, Internet, Broad Band, IPTV, Cable, Satellite, and TV broadcast.
- Through over 18 years of doing business in China, the firm has established gateways for sales and distribution that are very rare for foreign entities. The firm emphasizes a careful understanding of brand, it's licensing, and joint ventures involving the client, through strategic and promotional efforts for client's properties.

SERVICES (con't)

Brand Equity Development: Media and other Industries

The firm core objectives include:

- Building mind and market share through loyalty, customer relationships, strong mobile/internet presence, and excellent product marketing.
- Create an emotional attachment and deliver the products quickly and conveniently through internet and retail channels.
- Strategic Thinking – Formulate and execute multi-year strategic plans to generate sustainable revenue stream.
- Market Savvy – Always stay ahead of the curve on licensing and category trends in order to keep brands fresh.
- Strategic Business Development - Integrate the brand with advertising, distribution, sales, customer service and customer relationships and *Quanxi*.
- Value Builder – Nurture long-term working partnerships with only the best licensees and Government relationships and knowing which ones are mandatory to deal with and which ones are not.
- Bridge between China and International markets

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Strategies for Product entry, launch, penetration, distribution & expansion

Research considerations and impact factors:

- **Market entry analysis including size, demand, potential, and other important assessments.**
- **Distribution/sales opportunities**
- **Channels existing or to be established**
- **Industry analysis, drivers, and trends**
- **Competitors**
- **Marketing potential**
- **Consumer demands and trends**
- **Investment**

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Strategies for Product entry, launch, penetration, distribution & expansion

Research considerations and impact factors

- **Risk factors**
- **Online and offline marketing and promotion**
- **Website and internet presence**
- **Media and other Licenses for foreign entities**
- **Network, operators, channels and end-user analysis**
- **Demographic analysis**
- **Identification and evaluation of joint venture partners, acquisition targets and distribution assets per industry.**
- **Effect of privatization and urbanization**
- **High national saving rate, and high investment rate**

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China Partners and Due Diligence

Key factors to consider

- Partner sourcing per industry
- Channels exist or need to be created
- Distribution online and offline
- Co-productions and co-developments
- Co-investing for the China and international markets
- Management personnel and structure (culture aspects)
- Legal relationship and formal structure
- “Normal” business practices, psychology, and expectations
- License(s) attainment necessary for industry (Media): (Network-broadcasting license, add-on value telecom operation license, Mobile Video, SMS, and MMS, Broadband/Internet, B2C on the Internet and Mobile, Merchandising, Publishing, Newspapers, Radio, Advertising, IPTV, Website build out with foreign partner, ADSL payments, Mobile telephone payments, Credit card sales and marketing).
- Facilities inspections
- Quality assurance issues
- Translation of documents and interpreters
- Commitment
- Analysis and implementation of management and operational structures.

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ANIMATION AND COMIC BOOKS/PUBLISHING: SALES, DISTRIBUTION, OUTSOURCING AND CO-DEVELOPMENT

KEY ANALYSIS AND PLANNING

- CGI, 3D, 2D, Flash partners
- Indigenous vs foreign content
- Co-Productions (Process of production: Producer, Promotion, Script Production unit, Production scheduling, Production cash flow, Voice talent, Dialogue production, Pre-production editorials, Post production editorials, Music Audio post production Video post production, Per episode cost analysis.
- Outsourcing
- Publishing
- Sales
- Distribution and Co-development
- Export (greatest collection of top tier Chinese comics and animation in the country)
- Import (arrange, introduce, sell, distribute, channels, comic book content and animations).
- Extensions of various comic book materials, such as, video games, computer games, animated television shows, animated cell phone content, Internet content, animated or live-action films.
- China creative development and understanding of International Animation projects

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Legal representation and consultation on relevant China Government laws, rules, and regulations as affecting foreign companies

- **Laws and rules to consider in licensing, selling, or transferring copyright or other IP**
- **Copyright and trademark earmarks and issues to address**
- **Legal entity choices to consider**
- **Strategies**
- **Investments**
- **Targeted industry analysis and applicable laws and rules**
- **Doing business in China: awareness of general, regulatory, registration, and location matters**
- **Broadcasting rules for the general public and children**
- **Foreign partnership, investment, development, and co-productions**
- **Document crafting including Joint Venture contracts, Agreements in Principle, Articles of Association, and Technology Transfer agreements**
- **Negotiation resolution and the issue of jurisdiction/ applicable laws**
- **International Commerce Commission (ICC) and International Arbitration Association**

SERVICES (con't)

China Culture, etiquette, and historical significance to your business

- **Dos and Don'ts (gifts, travel, etc.)**
- **Communication – telephone, email, fax, instant messaging, mobile text messaging**
- **Understanding of the relevant Government entities applicable to your industry, for example, media includes: Ministry of Finance, Ministry of Education, Ministry of Science and Technology, Ministry of Information Industry, Ministry of Commerce, Ministry of Culture, the State Administration of Taxation, General Administration of Industry. State Administration of Radio, Film and Television.**
- **Guangxi and relationship development.**
- **Extensive Government relations, partners, and management and their impact on your success.**
- **Translation and Interpreter services or, “who is on my team and what are they saying”?**
- **Design and development of government relations programs to create and maintain support networks.**
- **Chinese investment savvy**
- **International management expertise to facilitate sound investment choices in China**
- **Understanding Cultural barriers and solutions**
- **Management and hierarchy rules and etiquette**

Essential Tips For Doing Business in China

SUCCESSFULLY

- **Have clear contract terms and be ready to negotiate**
- **Rely only on your own lawyer's legal advice**
- **Do not assume anything**
- **Understand the Chinese laws and what is "normal business"**
- **Analyze your projects' viability**
- **Do your partner due diligence**
- **Know the rules and don't bend them**
- **Analyze problems before they materialize**
- **Set milestones**
- **Understand the levels of government necessary for your success**
- **Do your risk analysis**
- **Pay attention to communication and paper trails**
- **Understand how you are going to get paid and when**
- **Protect your IP**
- **Understand that the friendship is the most important aspect of your business**

SERVICES FLOW CHART

A reliable and capable Chinese partner is critically important to do business successfully in China. Our systematic approach will enable us to source and identify the most suitable local partners in China for the client's company, it will also reduce the client's risk in selection of the client's Chinese partners and save the client valuable time/efforts.

Summary of necessary steps based upon the material information discussed heretofore in this power point presentation

- Step 1: Preliminary evaluation of company with CEO to discuss vision, market position, growth strategies, & current USA and International distribution partners and channels.
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- Step 2: Market entry strategy evaluation before trip to China. Discussion of type of partners/channels/distribution relationship likely needed to take client business successfully into China.
- Step 3: Prepare for trip to China with preliminary research and analysis of potential targeted partners/channels/distributors. Evaluate culture and law issues prior to leaving.

SERVICES FLOW CHART CON'T

- Step 4: Go to China without client to accomplish the following goals:
 - Meet with 3-5 potential partners/channels/distributors
 - Have preliminary discussions that include:
 - Material deal points
 - Top management
 - Company structure
 - Capital structure
 - Company future
 - Market penetration etc.
 - Distribution network and position
 - Investment issues
- Step Five: Discuss all relevant issues with Client. Travel to China with Client and attend face to face meetings with potential partners/channels/distributors in China which are pre-approved by client prior to leaving for China. Client and Consultant travel to China together for 10-21 days.
- After the trip to China and client has met potential relationships, Consultant can be further engaged as counsel to prepare legal documents and as an ongoing consultant to the deal/business either on an hourly rate, monthly retainer and/or as a percentage participant of the deal. These matters can be discussed and negotiated at that time.

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