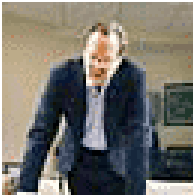


# San Francisco Chronicle

## 'New China hands' wield business tools Back in business in Asia

- [David Armstrong](#)  
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Westerners wise in the ways of China have long been referred to as "old China hands." Now, there are "new China hands" -- people savvy in the ways of doing business in a post-Maoist China. Old China hands were diplomats, soldiers and missionaries dispatched to China to look after Western interests. Many of today's new China hands come from the Chinese diaspora: U.S. citizens born in China, educated abroad and affiliated with U.S. companies in the land of their birth. Others are cosmopolitan Chinese who work for U.S. companies without ever leaving China. Here are the stories of four new China hands.

In the mid-1990s, **Richard McCombs** started his first joint venture in Asia, exporting rice from Vietnam, with the communist government as his somewhat reluctant business partner. It did not go well. Hamstrung by government controls, the fledgling company struggled, and McCombs eventually bailed.

But when the chance to create a new joint venture in Asia came again in 2003, McCombs took it. This time the country was China, whose government is much less ambivalent about embracing capitalist market reforms than Vietnamese officials of a decade ago. And that's good for McCombs, because the minority shareholder in his new joint venture is a state-owned enterprise: Guangzhou Iron & Steel.

McCombs, CEO of Richmond's MBA Polymers Inc., travels to China a dozen times a year, overseeing a freshly minted Sino-American company: Guangzhou New Plastics Technology Co. Ltd., which recycles the hard plastic in discarded computers in a state-of-the-art plant that opened last year.

McCombs, a 59-year-old Stanford MBA, says "You can't manage in China by remote control. There is a lot of hand-holding. You have to be there."

Although the new plant outside Guangzhou just opened, it already employs more than 50 workers, more than double the 21 workers at MBA Polymers' plant in Richmond.

However, there are cultural differences that make managing a company in China a challenge, even with a generally cooperative Chinese partner.

"China has a different cultural point of view about contracts," McCombs says. "A contract is viewed as an agreement at a point in time. If things change, the Chinese think the terms should be discussed. The Asian business process seems so obtuse, but it has its own logic."

So far, things are going well, and McCombs -- tall, bearded, bespectacled, and seasoned in international business -- is calmly philosophical when he discusses his California Company's new China venture:

"China defies description. I read a lot about foreign business experiences there and about what to do and not to do. But none of it really captures the challenges, risks and rewards of doing business there. You have to combine patience, optimism and a strong interest in being there to survive and ultimately succeed."