CHINA'S WIDE REACH: Sacramento Ties Growing

Capital residents, businesses look to global giant’s future

Mandarin language teacher Heather Yu leads a "Mandarin Circle" with preschoolers at Sacramento's Bergamo Montessori School, where youngsters are taught to sing and get a primer in the language as run up to the school's Chinese immersion program.

ENTREPRENEURS SEE A ‘CHINA GOLD RUSH’ FOR CALIFORNIA IN COMMERCE AND CULTURE

By STEPHEN MAGAGNINI
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Twice a week in Sacramento's Pocket area, a dozen preschoolers at Bergamo Montessori School make friends in Mandarin.

"Zhao a zhao a zhao pengyou, zhao dao yi ge hao pengyou," they sing. "Looking, looking, looking for a friend, finally I find a good friend." Then they take a bow and shake hands.

"Every little kid in China knows this song," said Heather Yu, a teacher in the preschool's Chinese immersion program.

Such Chinese language programs have sprouted for good reason. Parents want their children prepared for a future in which business ties between China and the United States are expected to be even stronger than they are today.

"When they become adults going into the marketplace, starting their own businesses or going into the job market, they're going to have a huge advantage," said Bergamo parent Jann Taber.

Sacramentans and Chinese already do hundreds of millions of dollars worth of business annually.

Margaret Wong, CEO of the West Sacramento-based firms McWong International and McWong Environmental Energy Group, started doing business with China in 1984 and has seen revenues pass $100 million this year.
Sun Financial in Gold River. "Five rent out," said Rung Fong Hsu of Sun two-bath home in the south area to $160,000 cash for a three-bedroom, cause it's cheap and (he) spent China came here to buy property be-
hai. Huang, a U.S. citizen born in Shang-
dings Shanghai is in Sacramento.

Defa Tong, spokesman for the Peoples' Chinese money is coming here, said
down from 8 three years ago – more dollar falls – it's now 6.8 Chinese yuan,
tech sectors grow and the value of the
doesn't stop."

"We had the California Gold Rush – this is the China Gold Rush," said Sac-
rento entrepreneur Margaret Wong, who started doing business in China in 1984 and saw her companies' rev-
ues break $50 million in 2004 and $100 million this year.

Wong, CEO of the West Sacramento-
based manufacturing and engineering
firms McWong International and McWong Environmental Energy Group, will attend the Olympics with her husband and check on her busi-
ness interests while she's there.

China still has issues, from smog to human rights, she said, "but business
doesn't stop."

As China's manufacturing and high-
tech sectors grow and the value of the dollar falls – it's now 6.8 Chinese yuan, down from 8 three years ago – more Chinese money is coming here, said Defa Tong, spokesman for the Peoples' Republic of China's consulate general in San Francisco.

"There are already 25 to 30 Chinese companies in Northern California, most in the business of trade, service and software," Tong said.

The U.S. headquarters for Faith Cos-
metics Shangh hai is in Sacramento.

American CEO Peter Huang said he hired 10 of his 13 employees here. He's buying residential property for his staff and looking to invest in business prop-
erty in Elk Grove.

"We did $2.3 million in sales last year, and we pay a lot of taxes here," said Huang, a U.S. citizen born in Shang-
hai.

Individual Chinese are investing here, too.

"A couple of months ago, a guy from China came here to buy property be-
cause it's cheap and (he) spent $160,000 cash for a three-bedroom, two-bath home in the south area to rent out," said Rung Fong Hsu of Sun Financial in Gold River. "Five years ago, they didn't do that."

When Chinese business people come here, "they shop like crazy," Hsu said.

Wong hosted a group of five Chinese businessmen in May who loaded up at the Apple store, spent $8,000 at Costco "and told me about all these brand names I don't even know of," she said. U.S. products "are icons of wealth" to China's growing middle class.

"Because of the Olympics, the Chi-
inese economy and political change, it makes people pay attention," said Beth Kwong, principal of the private Wisdom Chinese School, which of-
fers classes in the Sacramento area.

The quest for knowledge flows both ways, said Tong of the consul-
ate office in San Francisco. Roughly 8,000 Chinese are studying at North-
ern California colleges and univer-
sities, including several dozen at the University of California, Davis. And 18 bureaucrats from Hubei Province studied U.S. tax law at California State University, Sacramento, last year.

Law is an increasingly critical part of doing business with China.

John Yung, a partner in the Sacra-
mento office of Bullivant Houser Bailey, recently formed an alliance with Beijing-based law firm Lehman, Lee & Xu.

A McGeorge School of Law gradu-
ate who represents seven Sacra-
mento clients doing business in China, Yung remarked: "As a busi-
ness, you have to be aware of your competition, and without a presence in China, you're kind of left behind."

That perspective is shared by the parents of the kids in the Mandarin Circle at Bergamo Montessori School.

Shayti Bordes, 4, remembers that toufa means hair in Mandarin "be-
cause it sounds like tofu."

"It's very important for her to be diverse," said her mother, Christien Villefranche, a Haitian immigrant. "We're living in a global world."

Call The Bee's Stephen Magagnini, (916) 321-1072. Bee researchers Pete Basquin and Sheila A. Kern contributed to this story.