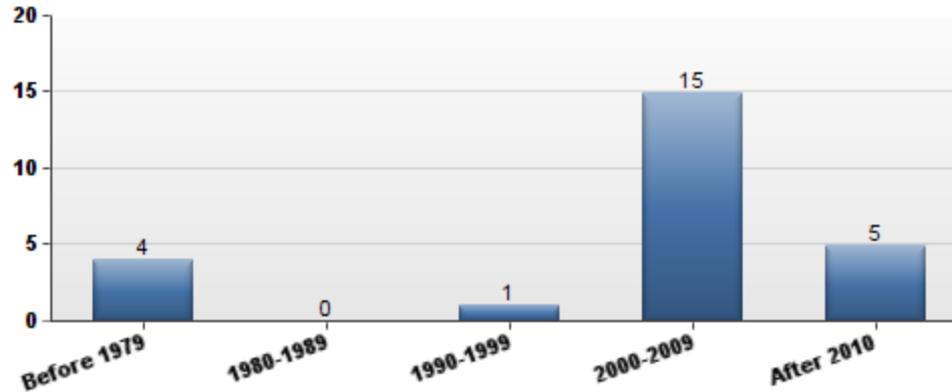


Italy

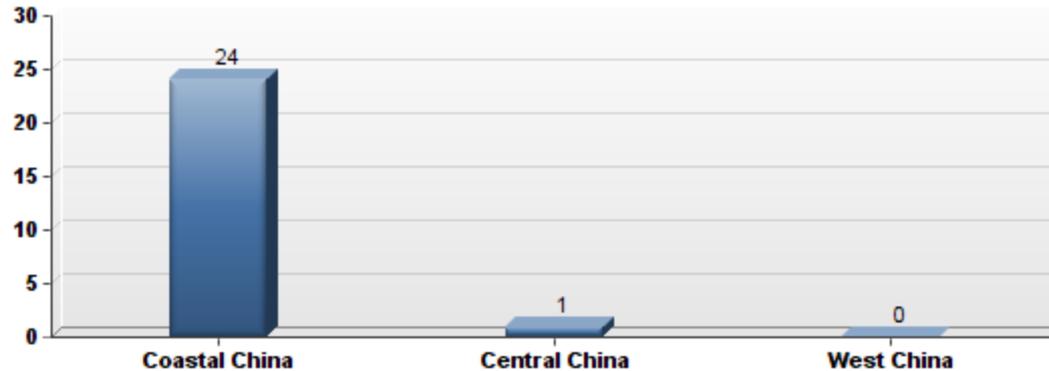
2014-2015 CEIBS China Survey

1. When was your company established in China?



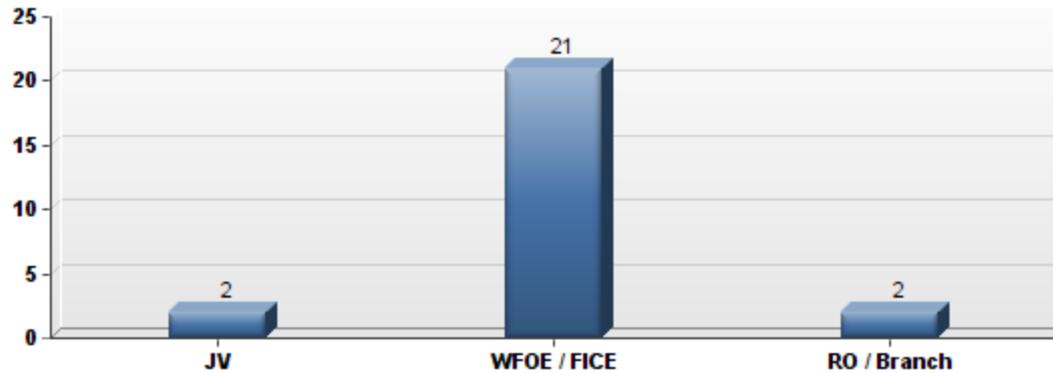
#	Answer	Response	%
1	Before 1979	4	16%
2	1980-1989	0	0%
3	1990-1999	1	4%
4	2000-2009	15	60%
5	After 2010	5	20%
	Total	25	100%

2. The headquarters of your company in mainland China are located in



#	Answer	Response	%
1	Coastal China	24	96%
2	Central China	1	4%
3	West China	0	0%
	Total	25	100%

3. What is the legal status in China of the company you work for?

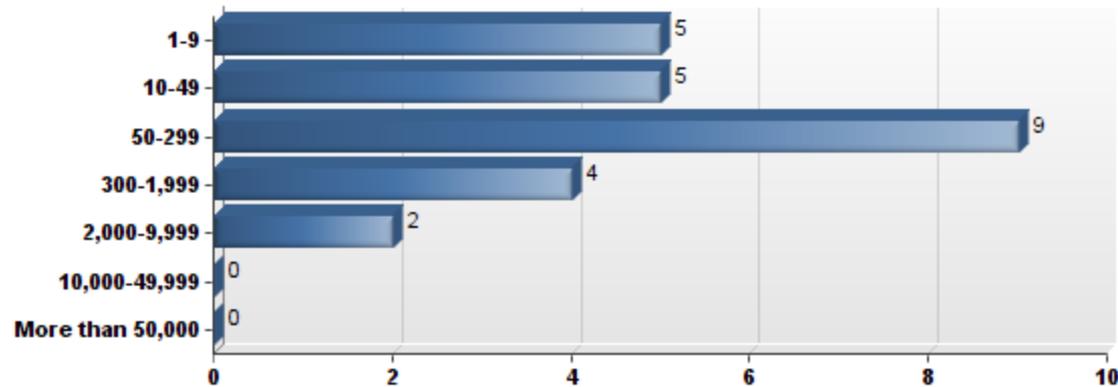


#	Answer	Response	%
4	JV	2	8%
5	WFOE / FICE	21	84%
6	RO / Branch	2	8%
	Total	25	100%

4. Where does your company have operations?

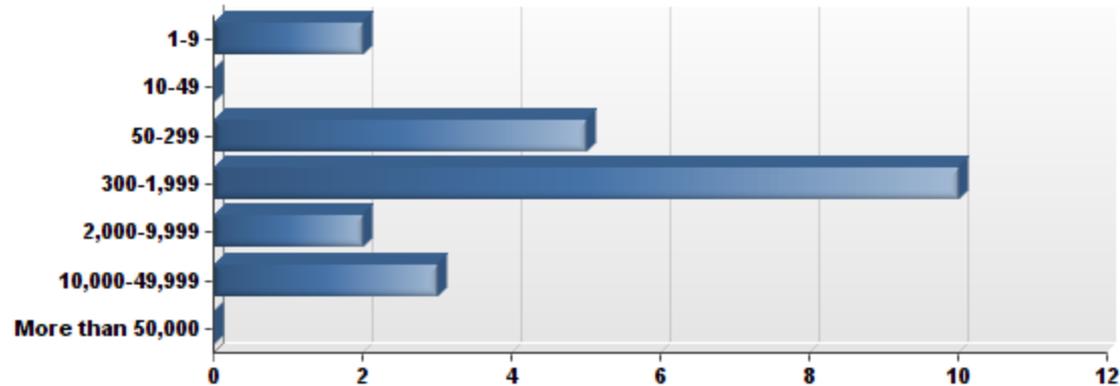
#	Answer	Response	%
1	The company only operates in China	3	12%
2	The company operates in China and abroad	22	88%
	Total	25	100%

5. How many employees does your company have in China?



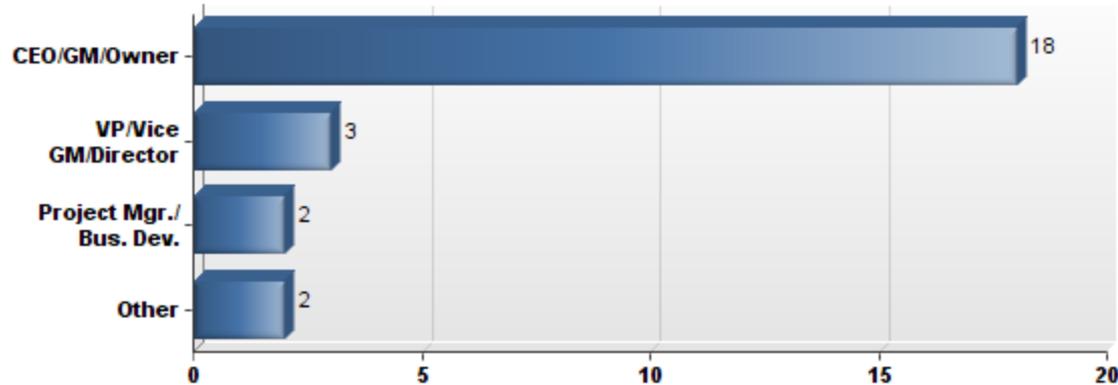
#	Answer	Response	%
1	1-9	5	20%
2	10-49	5	20%
3	50-299	9	36%
4	300-1,999	4	16%
5	2,000-9,999	2	8%
6	10,000-49,999	0	0%
7	More than 50,000	0	0%
	Total	25	100%

6. How many employees globally?



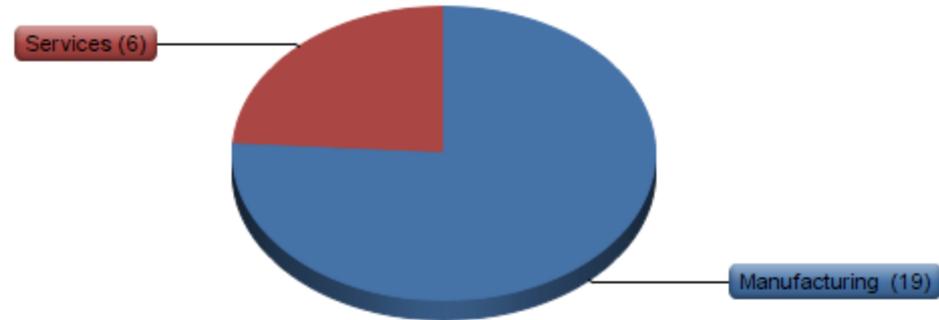
#	Answer	Response	%
1	1-9	2	9%
9	10-49	0	0%
2	50-299	5	23%
3	300-1,999	10	45%
4	2,000-9,999	2	9%
5	10,000-49,999	3	14%
7	More than 50,000	0	0%
	Total	22	100%

7. What is your position in the company?



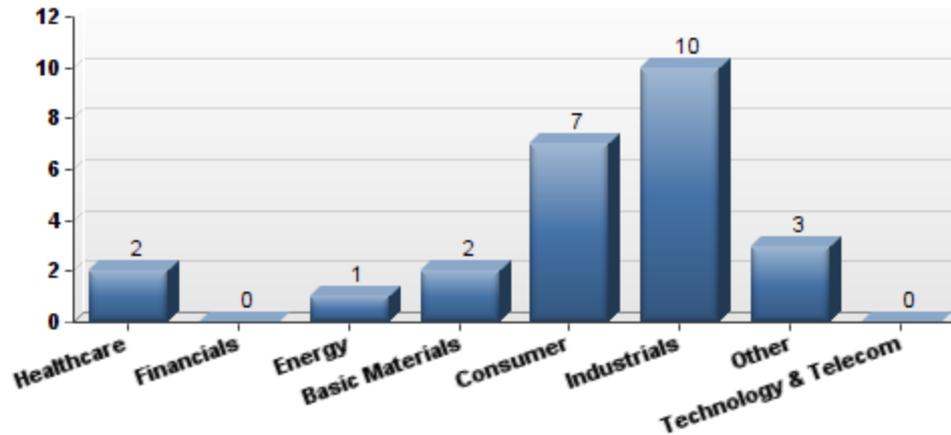
#	Answer	Response	%
1	CEO/GM/Owner	18	72%
2	VP/Vice GM/Director	3	12%
3	Project Mgr./ Bus. Dev.	2	8%
4	HR	0	0%
5	Operations & Logistics	0	0%
6	Marketing	0	0%
7	Sales	0	0%
8	Finance	0	0%
9	R&D	0	0%
10	Other	2	8%
	Total	25	100%

8. What is your company main activity in China?



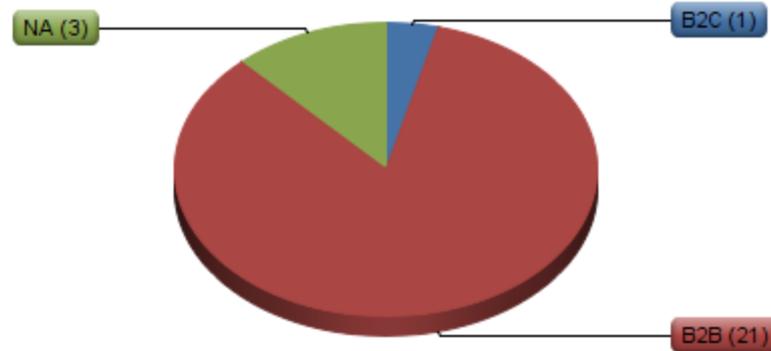
#	Response	%
1	19	76%
2	6	24%
	25	100%

9. What is the main industry where your company operates?



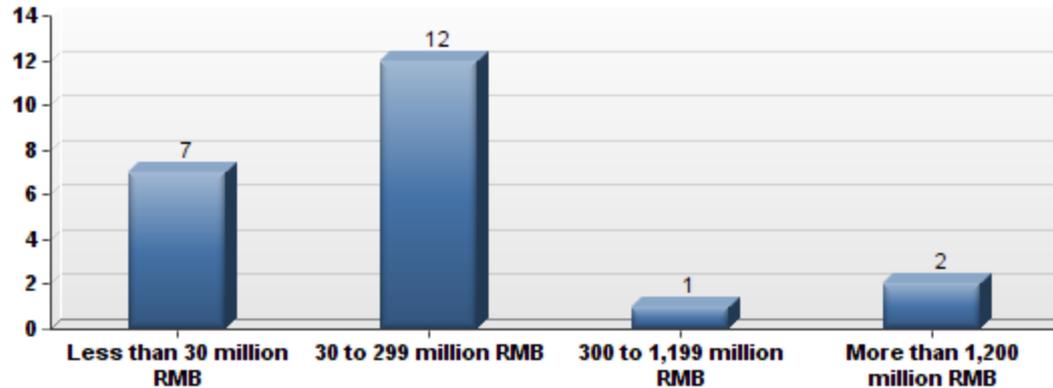
#	Answer	Response	%
18	Healthcare	2	8%
19	Financials	0	0%
20	Energy	1	4%
21	Basic Materials	2	8%
22	Consumer	7	28%
23	Industrials	10	40%
25	Other	3	12%
26	Technology & Telecom	0	0%
	Total	25	100%

10. Who are your clients in China?



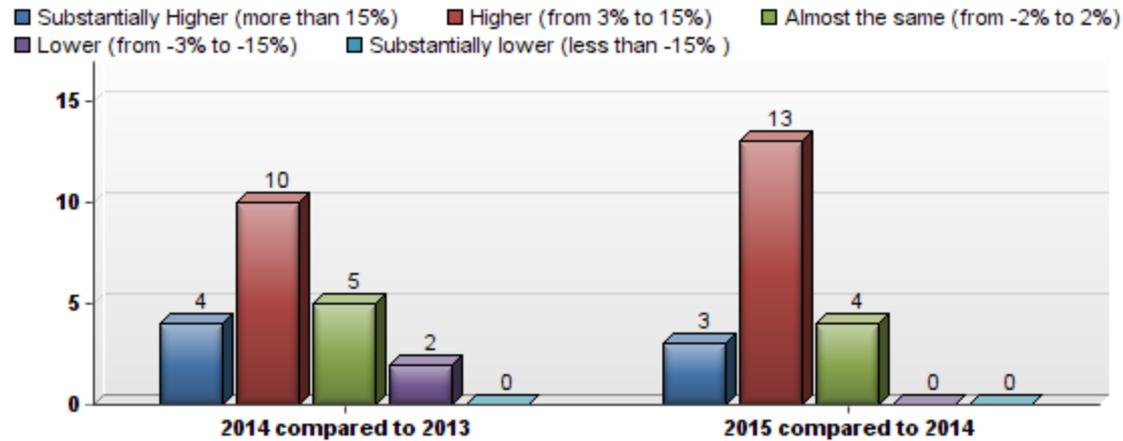
#	Answer	Response	%
1	B2C	1	4%
2	B2B	21	84%
3	NA	3	12%
	Total	25	100%

11. What are your company's forecasted total China sales for 2014?



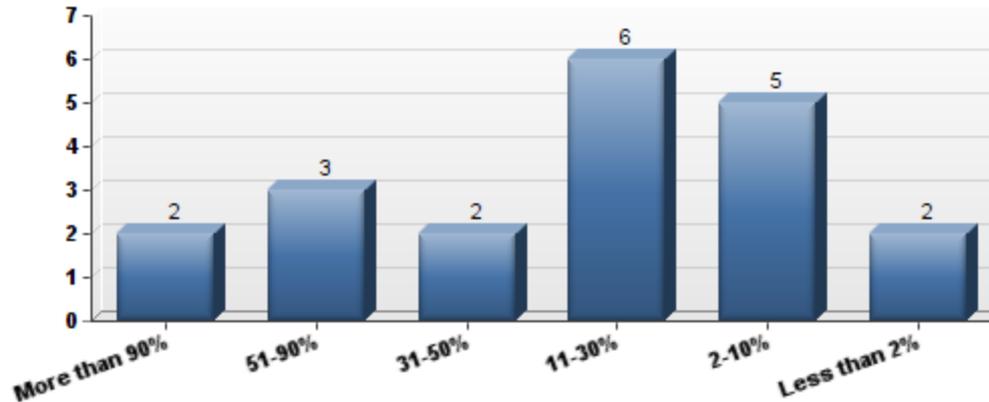
#	Answer	Response	%
1	Less than 30 million RMB	7	32%
2	30 to 299 million RMB	12	55%
3	300 to 1,199 million RMB	1	5%
4	More than 1,200 million RMB	2	9%
	Total	22	100%

12. How do you expect your company's China sales?



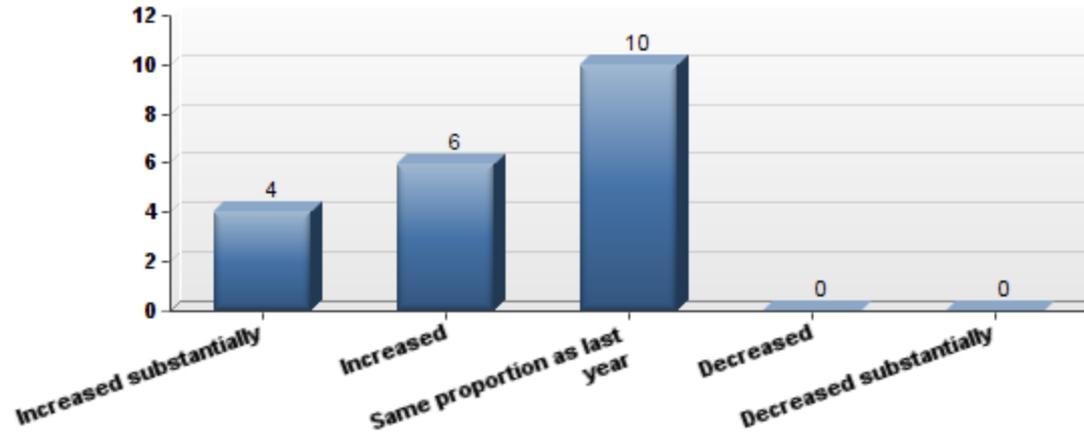
#	Question	Substanti ally Higher (more than 15%)	Higher (from 3% to 15%)	Almost the same (from -2% to 2%)	Lower (from -3% to -15%)	Substanti ally lower (less than -15%)	Total Response s	Mean
1	2014 compared to 2013	4	10	5	2	0	21	2.24
2	2015 compared to 2014	3	13	4	0	0	20	2.05

13. What percentage of your company's expected global sales in 2014 will be generated in China?



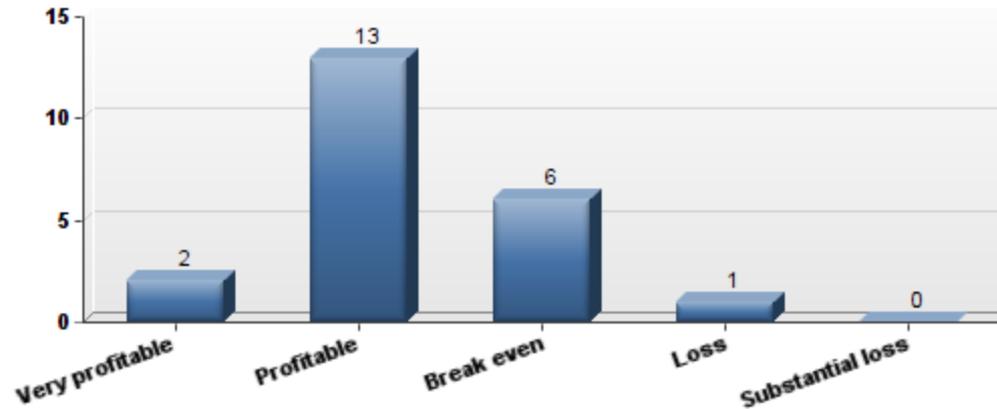
#	Answer	Response	%
1	More than 90%	2	10%
2	51-90%	3	15%
3	31-50%	2	10%
4	11-30%	6	30%
5	2-10%	5	25%
6	Less than 2%	2	10%
	Total	20	100%

14. How does this percentage compare to last year?



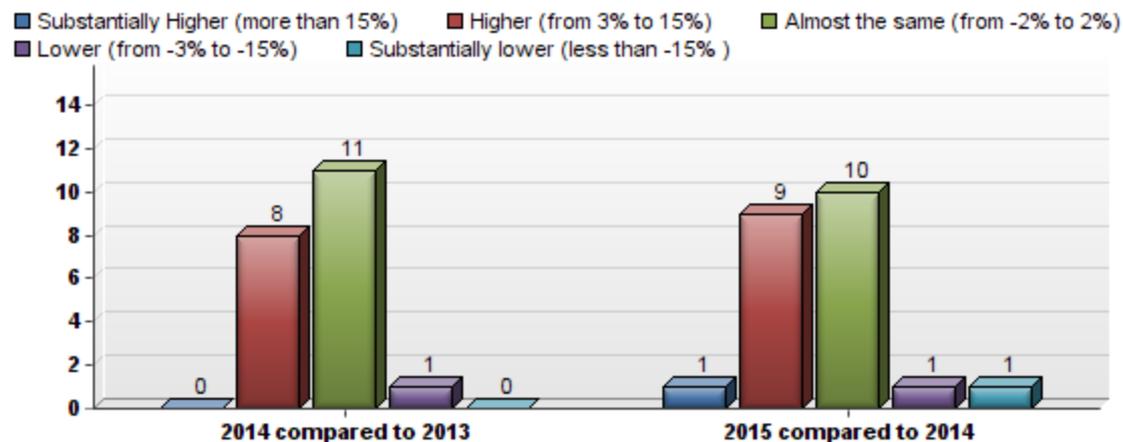
#	Answer	Response	%
1	Increased substantially	4	20%
2	Increased	6	30%
3	Same proportion as last year	10	50%
4	Decreased	0	0%
5	Decreased substantially	0	0%
	Total	20	100%

15. How profitable do you consider your China operation in 2014?



#	Answer	Response	%
1	Very profitable	2	9%
2	Profitable	13	59%
3	Break even	6	27%
4	Loss	1	5%
5	Substantial loss	0	0%
	Total	22	100%

16. How do you expect your company's China profit?



#	Question	Substanti ally Higher (more than 15%)	Higher (from 3% to 15%)	Almost the same (from -2% to 2%)	Lower (from -3% to -15%)	Substanti ally lower (less than -15%)	Total Response s	Mean
1	2014 compared to 2013	0	8	11	1	0	20	2.65
2	2015 compared to 2014	1	9	10	1	1	22	2.64

17. What are the greatest external challenges for your company? Multiple answers possible



Statistic	Value
Min Value	1
Max Value	11
Total Responses	25

17. What are the greatest external challenges for your company? Multiple answers possible

#	Answer	Response	%
6	Fierce competition	15	60%
3	Rising labor cost	12	48%
5	RMB appreciation	12	48%
2	Economy slowdown in China	7	28%
7	Government & Legal environment	7	28%
1	Slow global economy	7	28%
4	Rising raw material prices	4	16%
11	Corruption	3	12%
8	IP infringements	3	12%
10	Other	0	0%

18. What are the greatest internal challenges facing your company in China? Multiple answers possible



Statistic	Value
Min Value	1
Max Value	11
Total Responses	23

18. What are the greatest internal challenges facing your company in China? Multiple answers possible

#	Answer	Response	%
1	Corporate governance	2	9%
2	Finding and retaining talent	10	43%
3	Finance related difficulties	4	17%
4	Services & materials quality	3	13%
5	Distribution problems	3	13%
6	Employees unethical behavior	3	13%
7	Obtaining required licenses	6	26%
8	Innovation capability	4	17%
9	Support from Head Office	5	22%
10	Other	1	4%
11	Marketing capability	10	43%

19. What are the most important factors for your company's success in China? Multiple answers possible

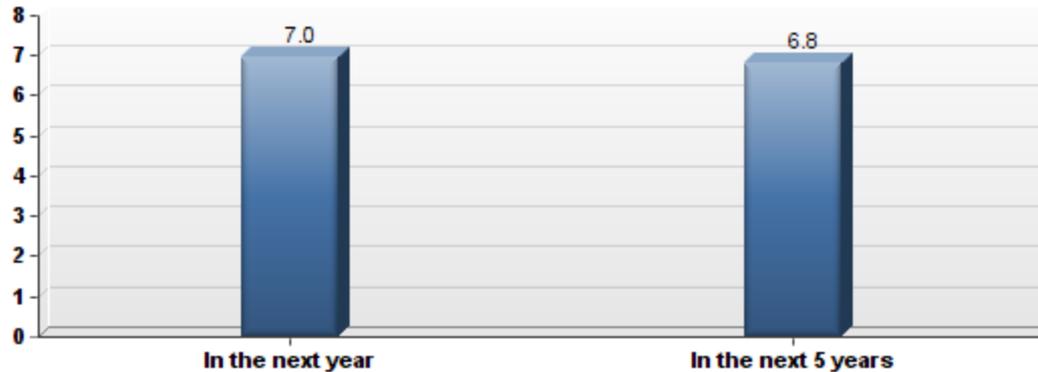


Statistic	Value
Min Value	1
Max Value	11
Total Responses	25

19. What are the most important factors for your company's success in China? Multiple answers possible

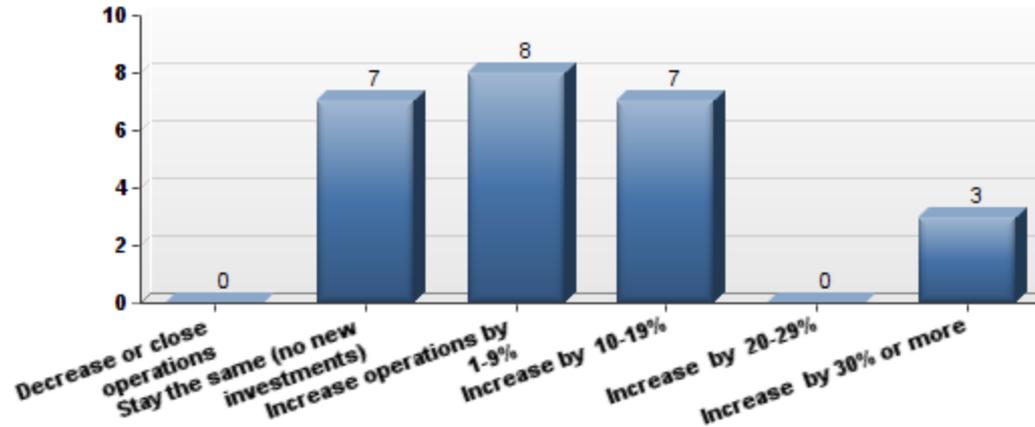
#	Answer	Response	%
1	Quality of the management team	13	52%
2	Employee selection and training	6	24%
3	Performance & incentive systems	3	12%
4	Strong company culture & values	10	40%
5	Guanxi and networking	2	8%
6	R&D and product innovation	12	48%
7	Brand and awareness creation	12	48%
8	Cost control, operations efficiency	9	36%
9	Having a good partner	7	28%
10	Other	0	0%
11	Quality of the products/services	15	60%

20. How confident are you that your operations in China will be successful in the next year, and in the next 5 years



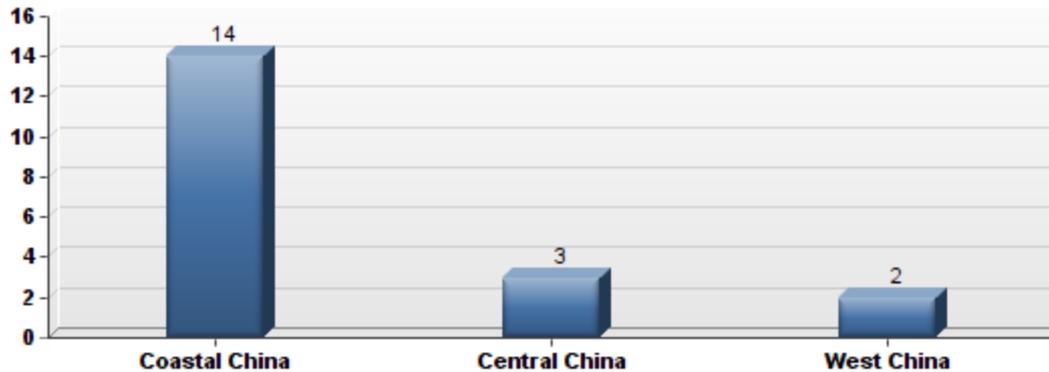
#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	In the next year	5.00	10.00	6.96	1.49	25
2	In the next 5 years	3.00	10.00	6.80	2.10	25

21. What investments do you plan for 2015 in China?



#	Answer	Response	%
1	Decrease or close operations	0	0%
2	Stay the same (no new investments)	7	28%
3	Increase operations by 1-9%	8	32%
4	Increase by 10-19%	7	28%
5	Increase by 20-29%	0	0%
6	Increase by 30% or more	3	12%
	Total	25	100%

22. Where in China do you plan to invest? Multiple answers possible



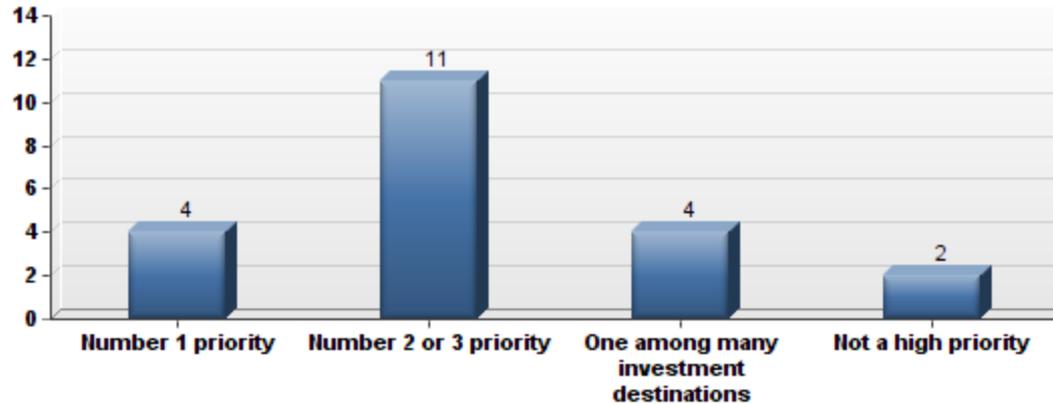
Statistic	Value
Min Value	1
Max Value	3
Total Responses	18

22. Where in China do you plan to invest?

Multiple answers possible

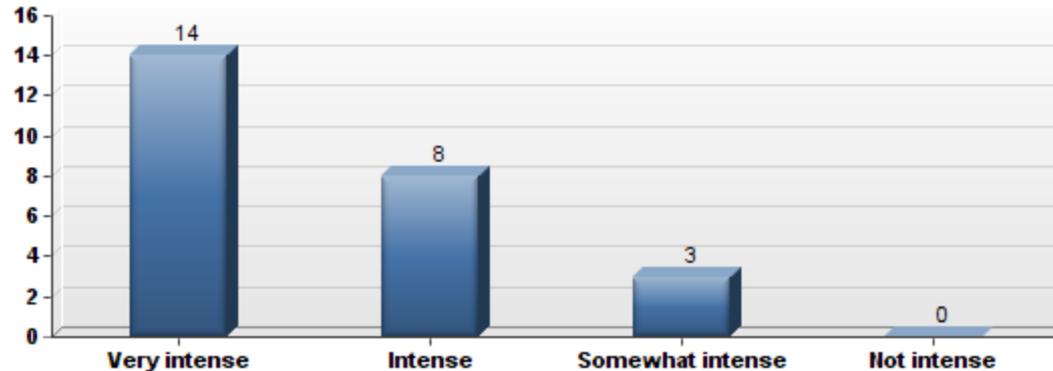
#	Answer	Response	%
1	Coastal China	14	78%
2	Central China	3	17%
3	West China	2	11%

23. How does China rank in your global investment plans?



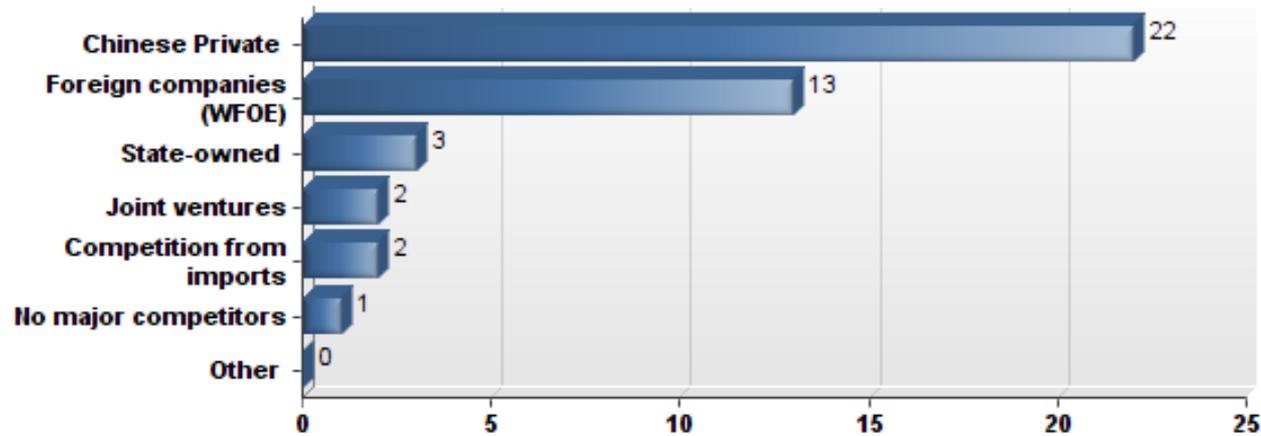
#	Answer	Response	%
1	Number 1 priority	4	19%
2	Number 2 or 3 priority	11	52%
3	One among many investment destinations	4	19%
4	Not a high priority	2	10%
	Total	21	100%

24. How intense is the competition you are facing in China?



#	Answer	Response	%
1	Very intense	14	56%
2	Intense	8	32%
3	Somewhat intense	3	12%
4	Not intense	0	0%
	Total	25	100%

25. Who are your major competitors in China? Multiple answers possible



Statistic	Value
Min Value	1
Max Value	7
Total Responses	25

25. Who are your major competitors in China?

Multiple answers possible

#	Answer	Response	%
1	State-owned	3	12%
3	Chinese Private	22	88%
4	Joint ventures	2	8%
5	Foreign companies (WFOE)	13	52%
6	Competition from imports	2	8%
7	No major competitors	1	4%
8	Other	0	0%

26. What are the competitive advantages of your main Chinese competitors? Multiple answers possible

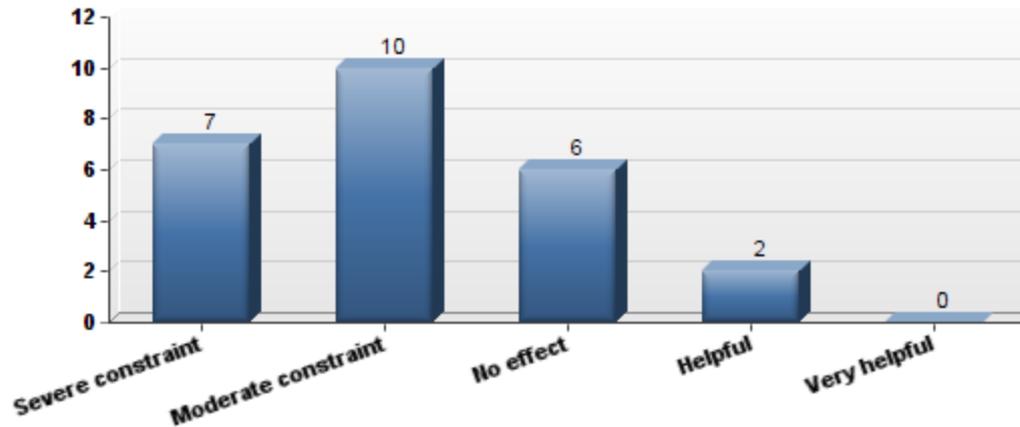


Statistic	Value
Min Value	1
Max Value	13
Total Responses	23

26. What are the competitive advantages of your main Chinese competitors? Multiple answers possible

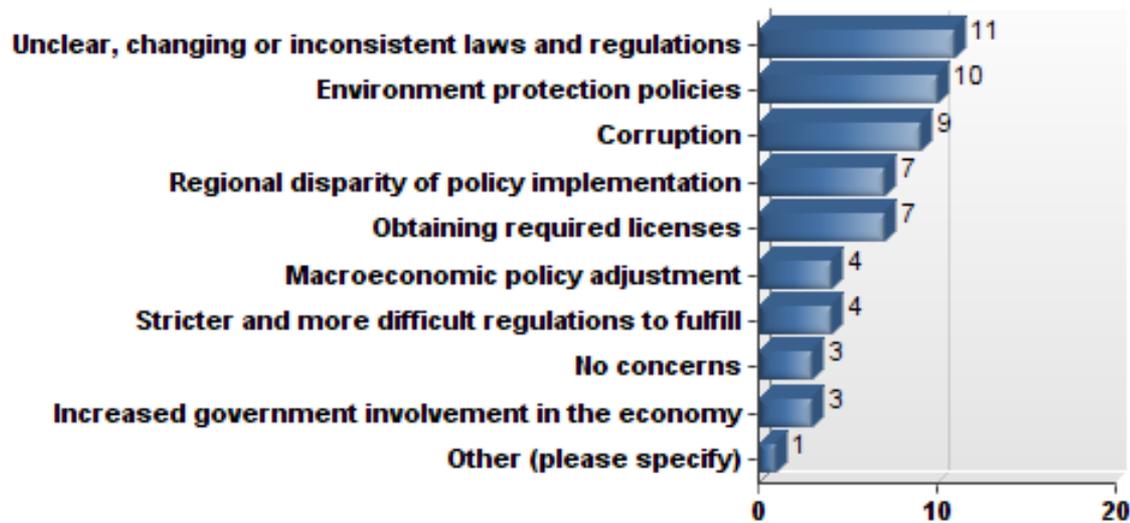
#	Answer	Response	%
1	Pricing	18	78%
2	Brand Recognition	2	9%
3	Product	2	9%
4	Government relationships and other guanxi	13	57%
5	Local knowledge and reach	13	57%
6	Technology	2	9%
7	Marketing and Sales	7	30%
8	Distribution	6	26%
9	Cost advantage	14	61%
11	Unethical behavior	4	17%
13	Access to capital	3	13%

27. What is the effect of government policies and regulations on your industry?



#	Answer	Response	%
1	Severe constraint	7	28%
2	Moderate constraint	10	40%
3	No effect	6	24%
4	Helpful	2	8%
5	Very helpful	0	0%
	Total	25	100%

28. What are your main concerns regarding the Chinese government and the legal environment? Multiple answers possible

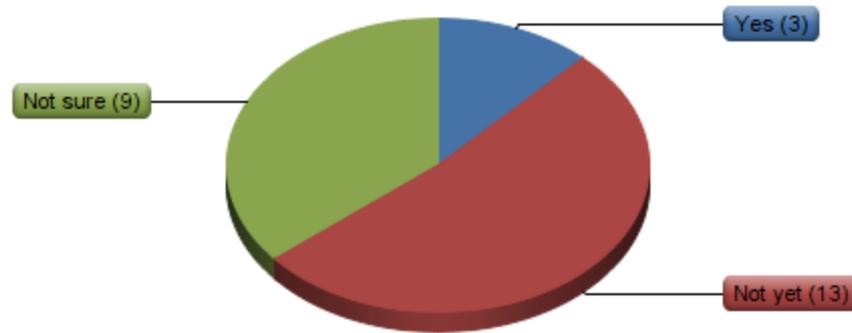


Statistic	Value
Min Value	1
Max Value	10
Total Responses	23

28. What are your main concerns regarding the Chinese government and the legal environment?

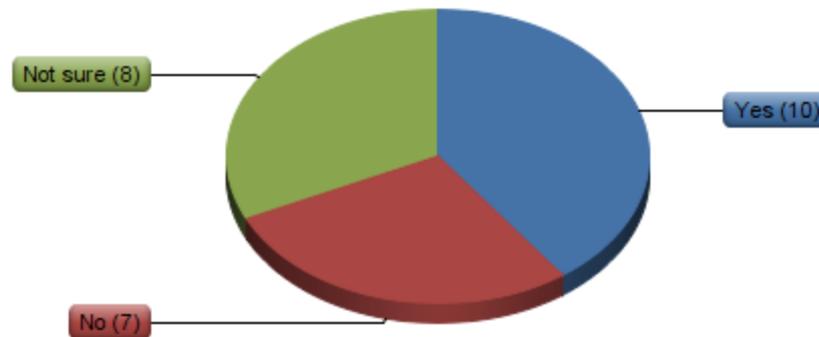
#	Answer	Response	%
1	Macroeconomic policy adjustment	4	17%
2	Increased government involvement in the economy	3	13%
3	Obtaining required licenses	7	30%
4	Stricter and more difficult regulations to fulfill	4	17%
5	Unclear, changing or inconsistent laws and regulations	11	48%
6	Environment protection policies	10	43%
7	Corruption	9	39%
8	Regional disparity of policy implementation	7	30%
9	No concerns	3	13%
10	Other (please specify)	1	4%

29. Did your company benefit in 2014 from any reform policies of the new government?



#	Answer	Response	%
4	Yes	3	12%
5	Not yet	13	52%
6	Not sure	9	36%
	Total	25	100%

30. Do you think your company will benefit in the future from current reform policies of the new government?



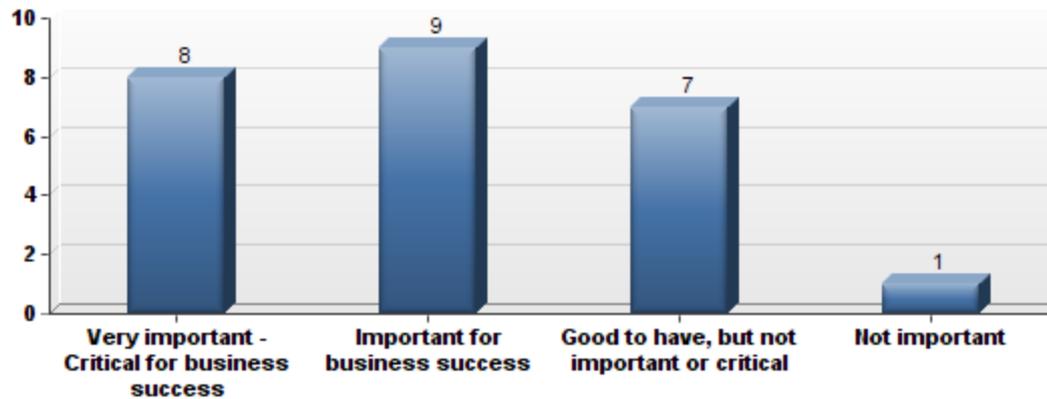
#	Answer	Response	%
1	Yes	10	40%
2	No	7	28%
3	Not sure	8	32%
	Total	25	100%

31. Are you satisfied with the services provided by the Chinese government and related agencies?



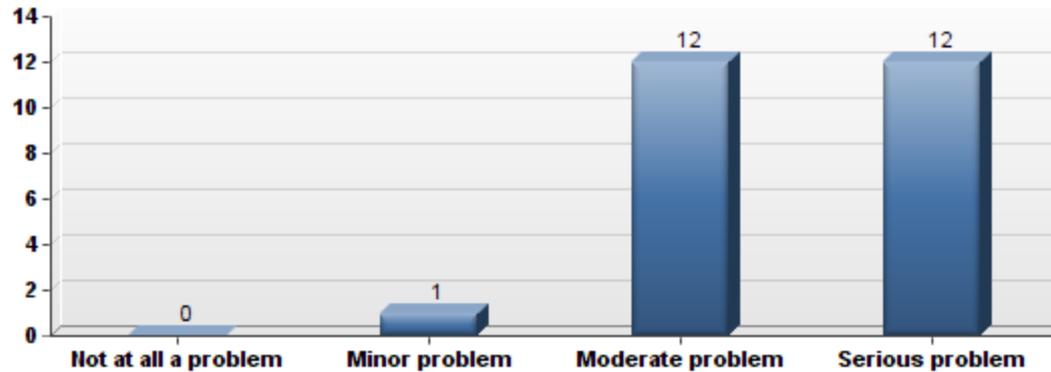
#	Answer	Response	%
1	Very satisfied	0	0%
2	Satisfied	10	40%
3	Neutral	13	52%
4	Dissatisfied	2	8%
5	Very Dissatisfied	0	0%
	Total	25	100%

32. How important are the relationships with the authorities?



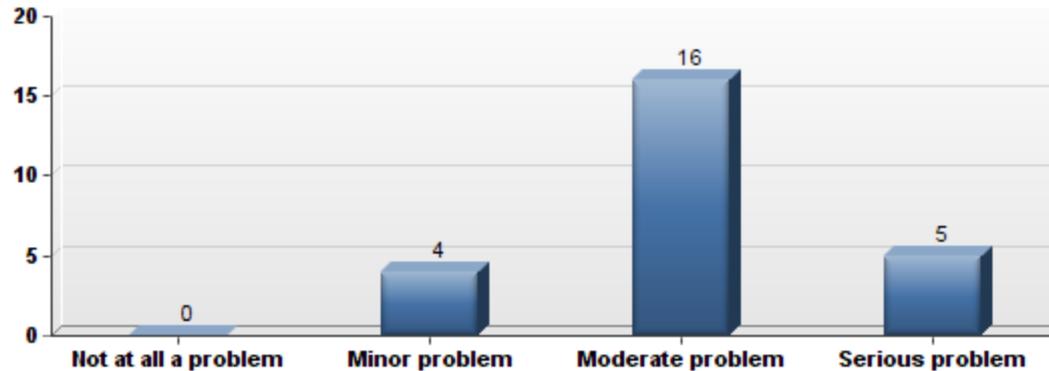
#	Answer	Response	%
1	Very important - Critical for business success	8	32%
2	Important for business success	9	36%
3	Good to have, but not important or critical	7	28%
4	Not important	1	4%
	Total	25	100%

33. In your view, how serious is corruption in China, in general?



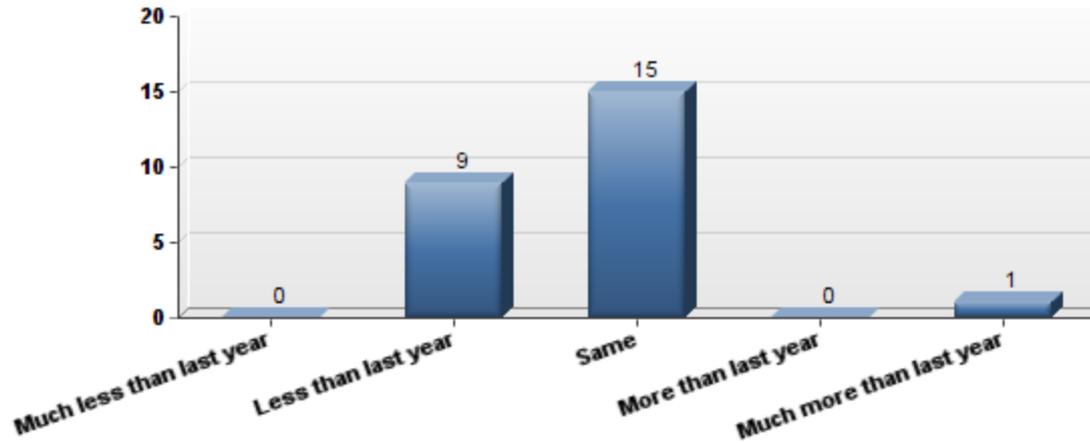
#	Answer	Response	%
1	Not at all a problem	0	0%
2	Minor problem	1	4%
3	Moderate problem	12	48%
4	Serious problem	12	48%
	Total	25	100%

34. In your view, how serious is corruption in your industry?



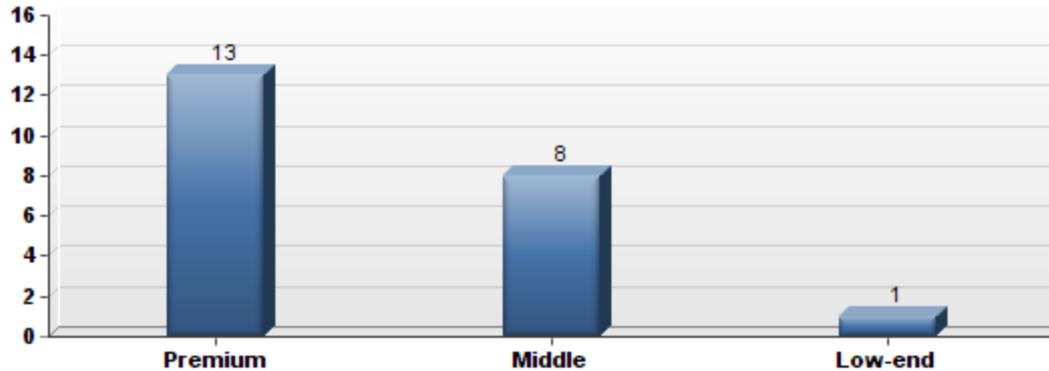
#	Answer	Response	%
1	Not at all a problem	0	0%
2	Minor problem	4	16%
3	Moderate problem	16	64%
4	Serious problem	5	20%
	Total	25	100%

35. In your view, how is corruption in your industry compared to last year?



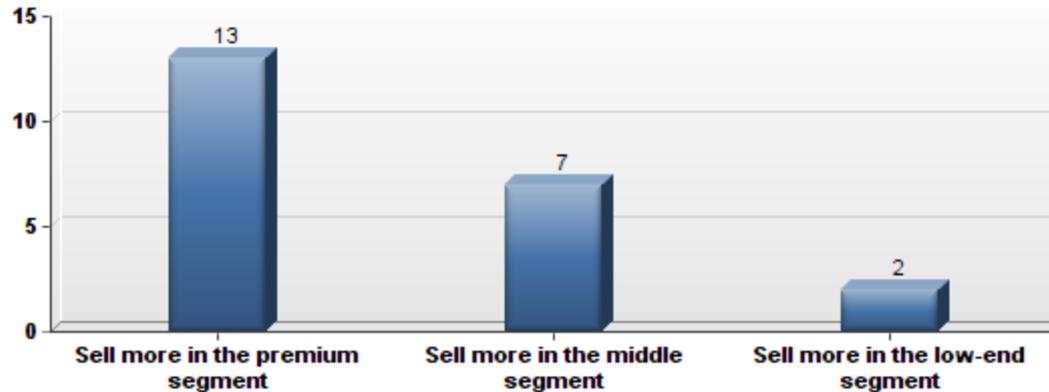
#	Answer	Response	%
1	Much less than last year	0	0%
2	Less than last year	9	36%
3	Same	15	60%
4	More than last year	0	0%
5	Much more than last year	1	4%
	Total	25	100%

36. Which is your main market segment in China?



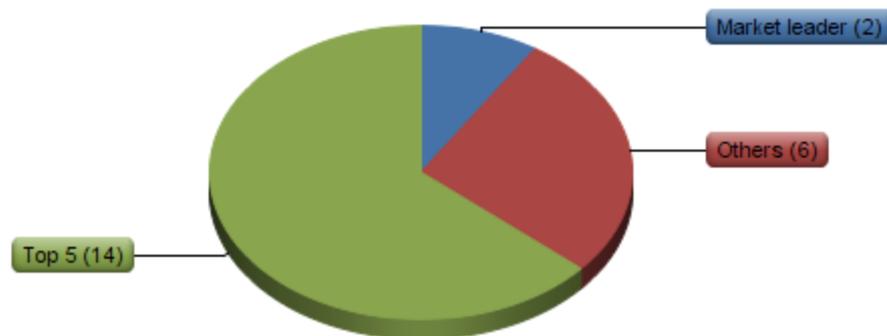
#	Answer	Response	%
1	Premium	13	59%
2	Middle	8	36%
3	Low-end	1	5%
	Total	22	100%

37. What are your sales plans for the future:



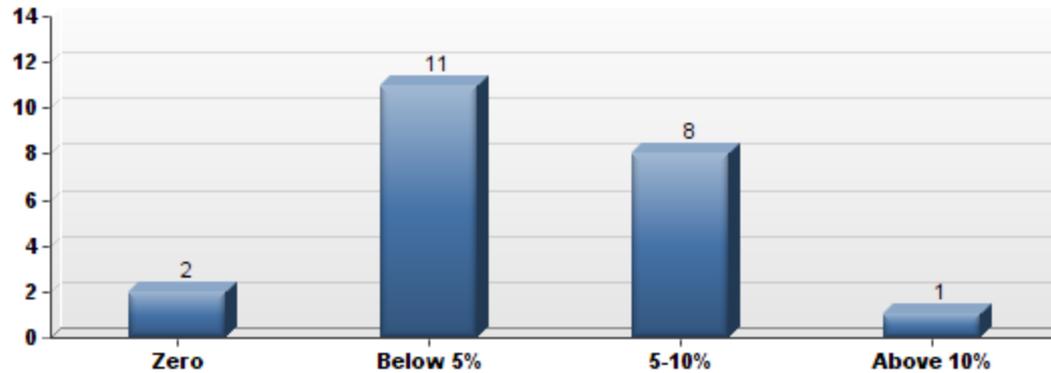
#	Answer	Response	%
1	Sell more in the premium segment	13	59%
2	Sell more in the middle segment	7	32%
3	Sell more in the low-end segment	2	9%
	Total	22	100%

38. What is your market position in China (for your main business line)?



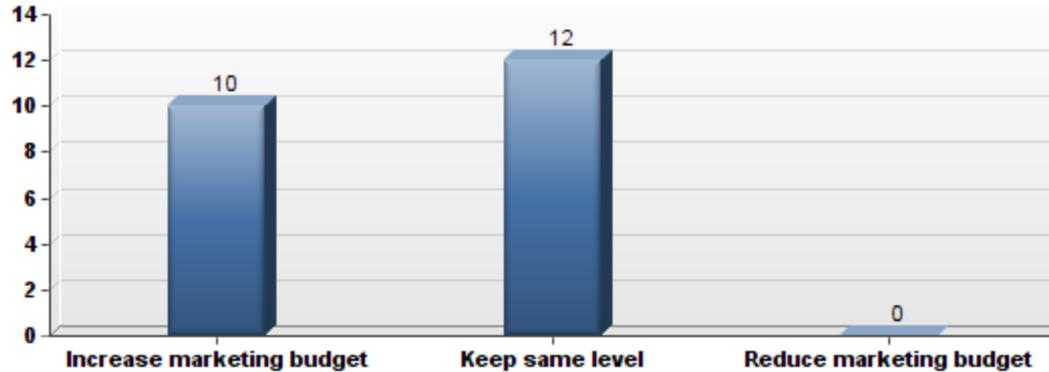
#	Answer	Response	%
1	Market leader	2	9%
2	Others	6	27%
3	Top 5	14	64%
	Total	22	100%

39. What percentage of yearly revenues do you spend on marketing and sales?



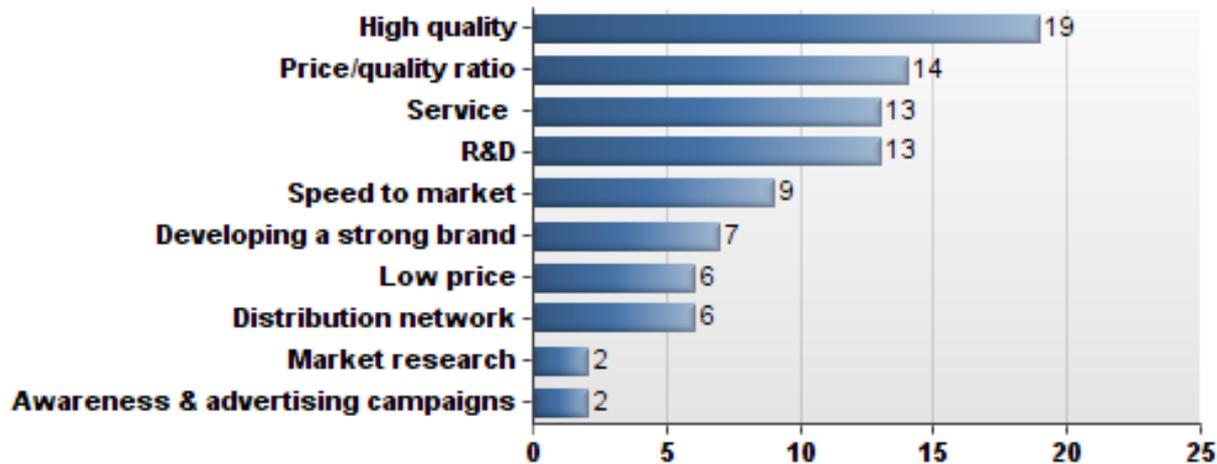
#	Answer	Response	%
4	Zero	2	9%
1	Below 5%	11	50%
2	5-10%	8	36%
3	Above 10%	1	5%
	Total	22	100%

40. What are your plans for next year?



#	Answer	Response	%
1	Increase marketing budget	10	45%
2	Keep same level	12	55%
3	Reduce marketing budget	0	0%
	Total	22	100%

41. Please choose the most important factors on the success of your sales in China. Multiple answers possible

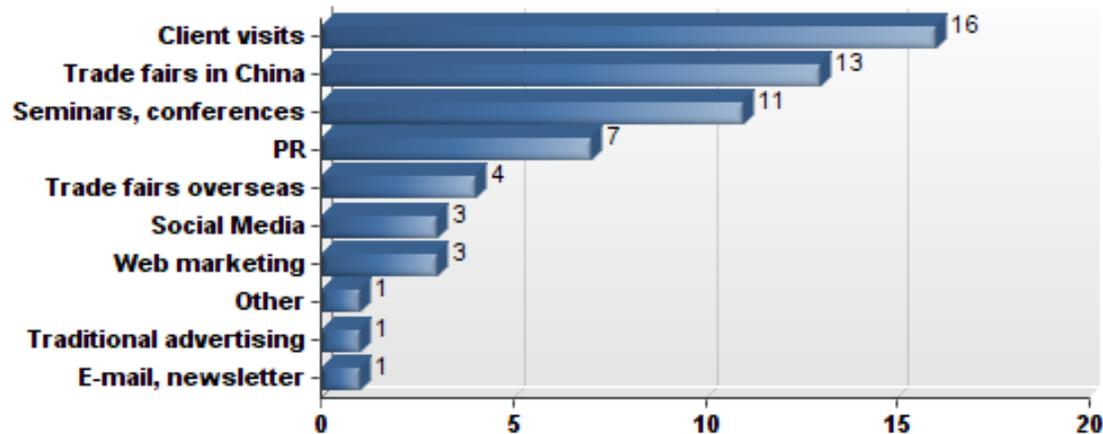


Statistic	Value
Min Value	1
Max Value	10
Total Responses	22

41. Please choose the most important factors on the success of your sales in China. Multiple answers possible

#	Answer	Response	%
1	Developing a strong brand	7	32%
2	Price/quality ratio	14	64%
3	Service	13	59%
4	Distribution network	6	27%
5	Low price	6	27%
6	High quality	19	86%
7	R&D	13	59%
8	Speed to market	9	41%
9	Awareness & advertising campaigns	2	9%
10	Market research	2	9%
11	Other	0	0%

42. Which marketing activities are most effective for your main business? Multiple answers possible

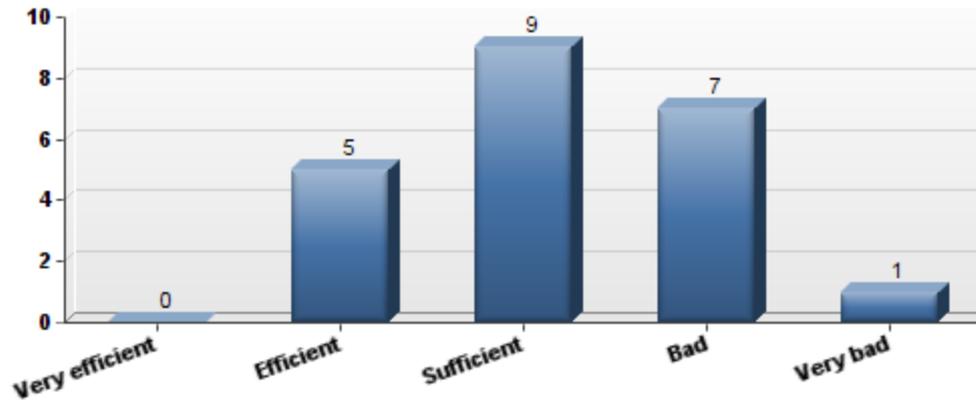


Statistic	Value
Min Value	1
Max Value	10
Total Responses	20

42. Which marketing activities are most effective for your main business? Multiple answers possible

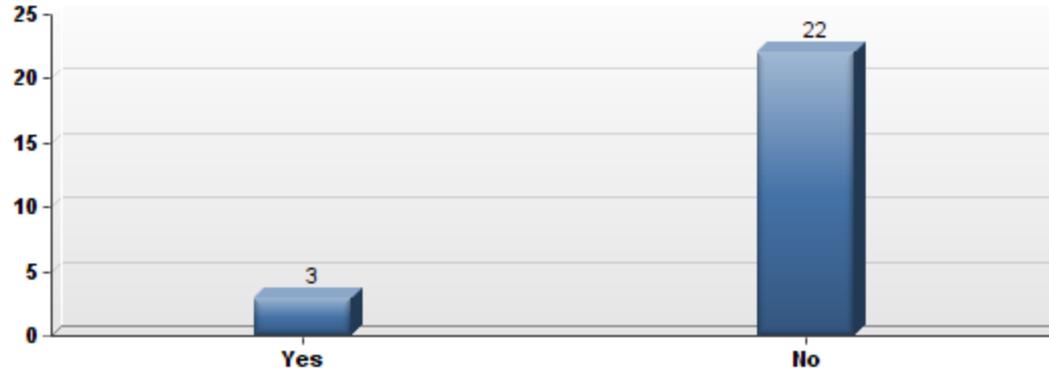
#	Answer	Response	%
1	Web marketing	3	15%
2	Traditional advertising	1	5%
3	E-mail, newsletter	1	5%
4	PR	7	35%
5	Seminars, conferences	11	55%
6	Trade fairs in China	13	65%
7	Trade fairs overseas	4	20%
8	Client visits	16	80%
9	Other	1	5%
10	Social Media	3	15%

43. How do you evaluate your company distribution network in China?



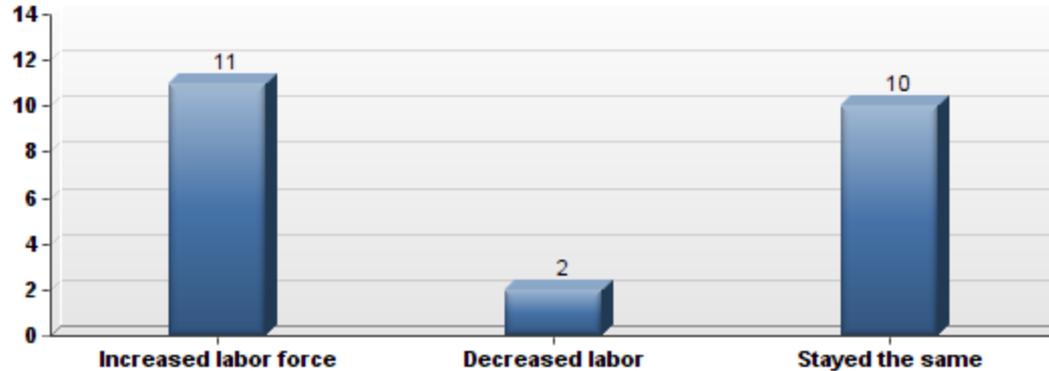
#	Answer	Response	%
1	Very efficient	0	0%
2	Efficient	5	23%
3	Sufficient	9	41%
4	Bad	7	32%
5	Very bad	1	5%
	Total	22	100%

44. Do you sell your products/services through any internet based platform?



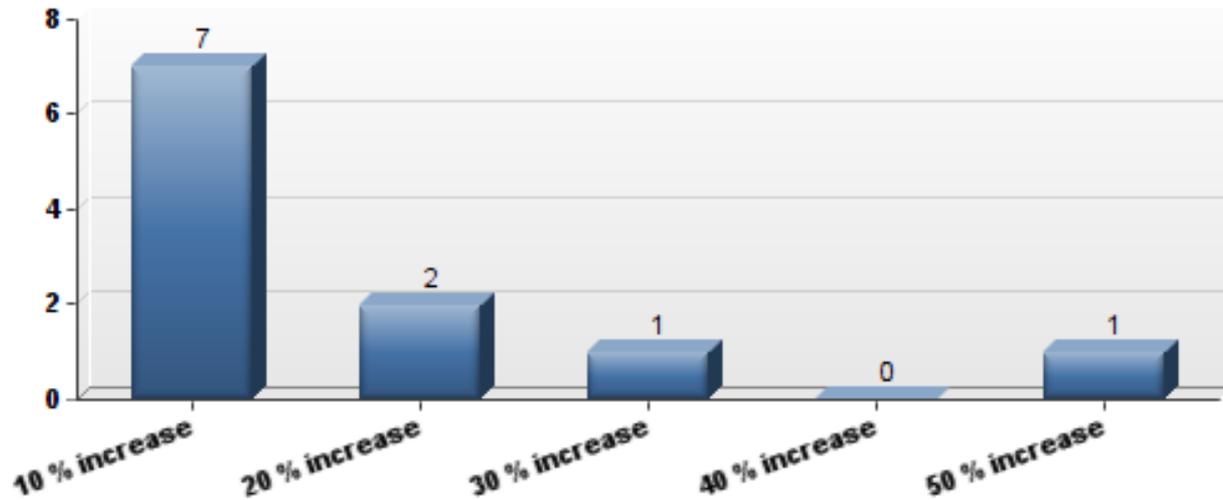
#	Answer	Response	%
1	Yes	3	12%
2	No	22	88%
	Total	25	100%

45. The change in your company labor force in 2014 vs. 2013 is:



#	Answer	Response	%
1	Increased labor force	11	48%
2	Decreased labor	2	9%
3	Stayed the same	10	43%
	Total	23	100%

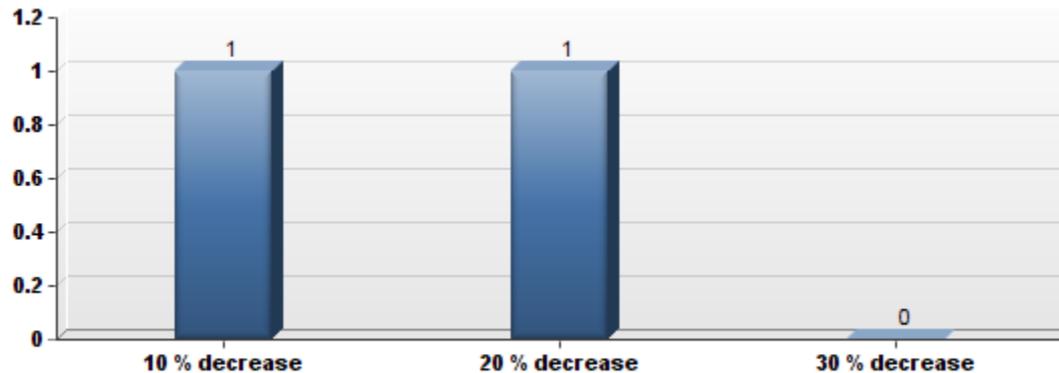
46. The increase of your company labor force in China in 2014 compared to 2013 is of (approximate change):



46. The increase of your company labor force in China in 2014 compared to 2013 is of (approximate change):

#	Answer	Response	%
1	10 % increase	7	64%
2	20 % increase	2	18%
3	30 % increase	1	9%
4	40 % increase	0	0%
5	50 % increase	1	9%
6	60 % increase	0	0%
7	70 % increase	0	0%
8	80 % increase	0	0%
9	90 % increase	0	0%
10	Doubled the work force	0	0%
11	Tripled the workforce	0	0%
12	More than tripled the workforce	0	0%
	Total	11	100%

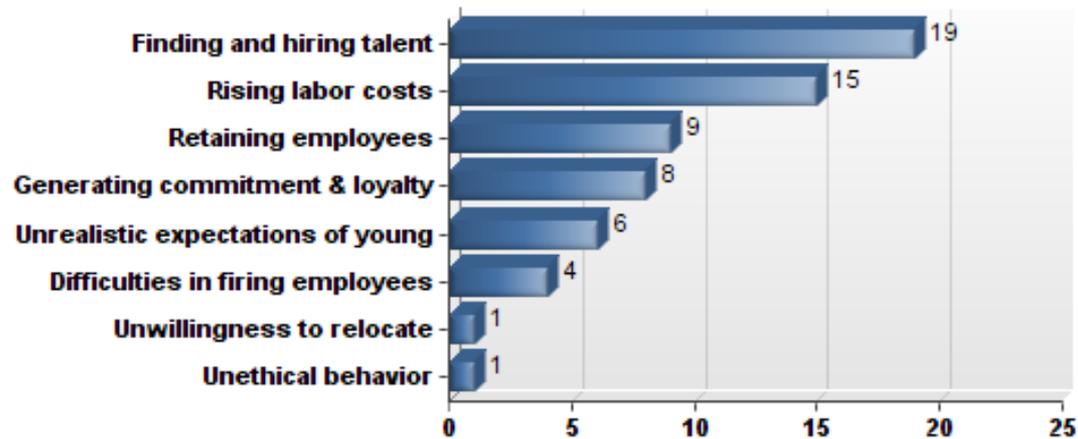
47. The decrease of your company labor force in China in 2014 compared to 2013 is of (approximate change):



47. The decrease of your company labor force in China in 2014 compared to 2013 is of (approximate change):

#	Answer	Response	%
1	10 % decrease	1	50%
2	20 % decrease	1	50%
3	30 % decrease	0	0%
4	40 % decrease	0	0%
5	50 % decrease	0	0%
6	60 % decrease	0	0%
7	70 % decrease	0	0%
8	80 % decrease	0	0%
9	90 % decrease	0	0%
10	More than 90% decrease	0	0%
	Total	2	100%

48. Which are the major human resource issues facing your company in China? Multiple answers possible

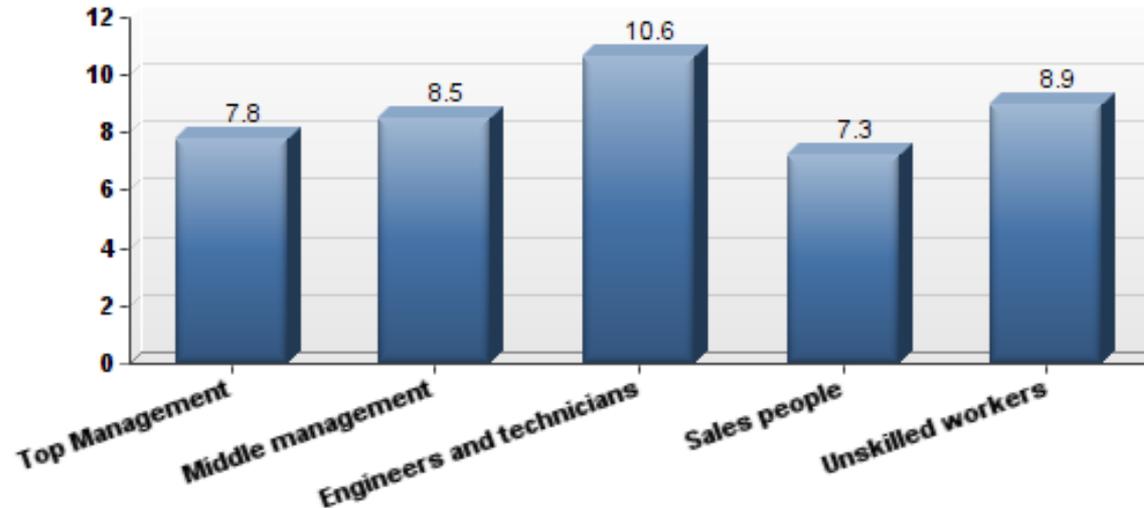


Statistic	Value
Min Value	1
Max Value	9
Total Responses	23

48. Which are the major human resource issues facing your company in China? Multiple answers possible

#	Answer	Response	%
1	Rising labor costs	15	65%
2	Finding and hiring talent	19	83%
3	Generating commitment & loyalty	8	35%
4	Difficulties in firing employees	4	17%
5	Unrealistic expectations of young	6	26%
6	Unwillingness to relocate	1	4%
7	Unethical behavior	1	4%
9	Retaining employees	9	39%
8	Other	0	0%

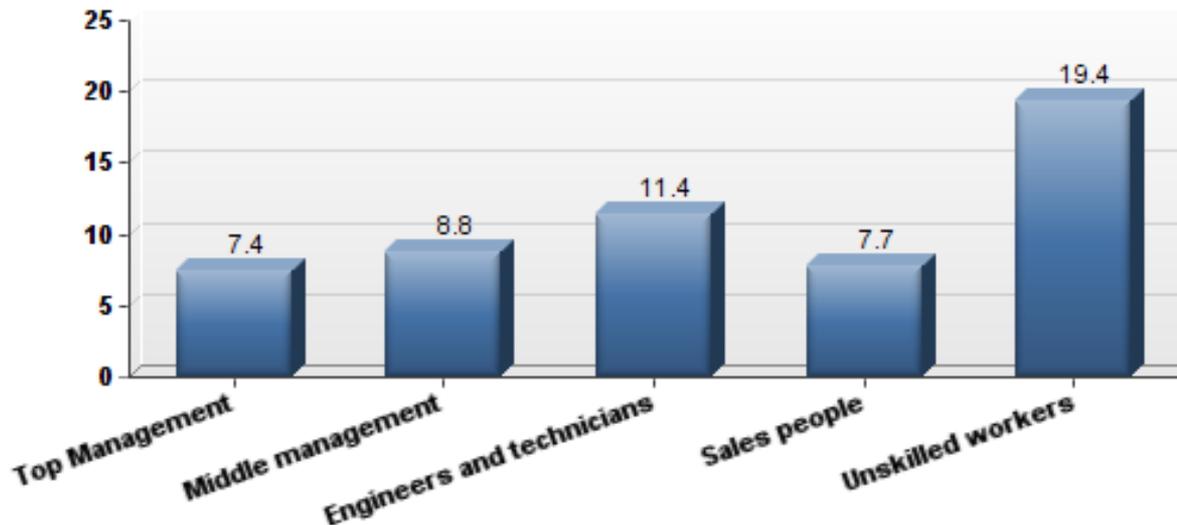
49. The expected total salary increase by level in your company in China in 2014 compared to 2013 is:



49. The expected total salary increase by level in your company in China in 2014 compared to 2013 is:

#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Top Management	0.00	12.00	7.82	3.26	17
2	Middle management	0.00	25.00	8.52	5.28	21
3	Engineers and technicians	5.00	20.00	10.61	4.31	18
4	Sales people	0.00	15.00	7.27	4.45	15
5	Unskilled workers	2.00	19.00	8.94	4.73	18

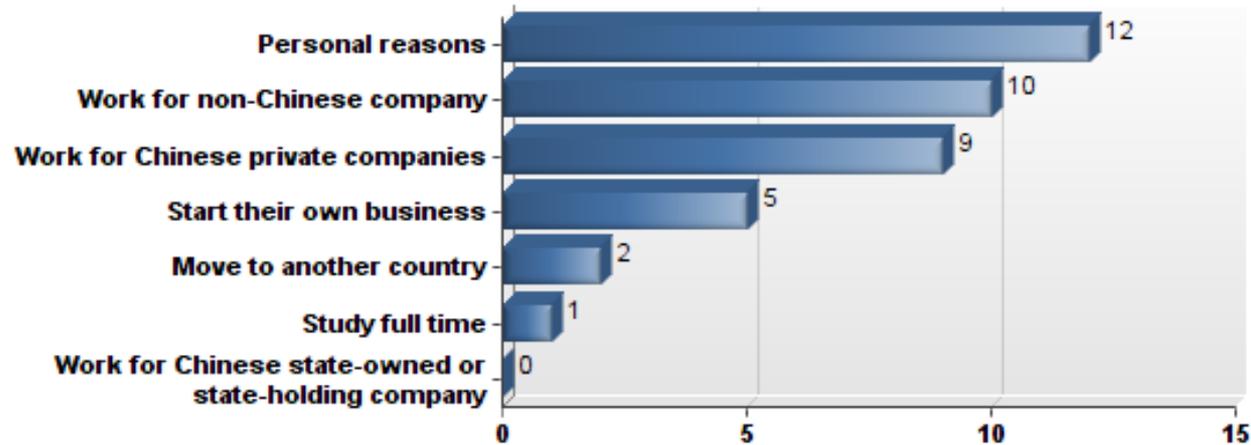
50. The expected total employee turnover by level if your company in China in 2014 compared to 2013 is:



50. The expected total employee turnover by level if your company in China in 2014 compared to 2013 is:

#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Top Management	0.00	20.00	7.40	7.40	10
2	Middle management	0.00	30.00	8.77	8.97	13
3	Engineers and technicians	1.00	51.00	11.38	12.77	13
4	Sales people	0.00	30.00	7.70	10.01	10
5	Unskilled workers	3.00	90.00	19.43	23.32	14

51. People who leave your organization usually go to: Multiple answers possible

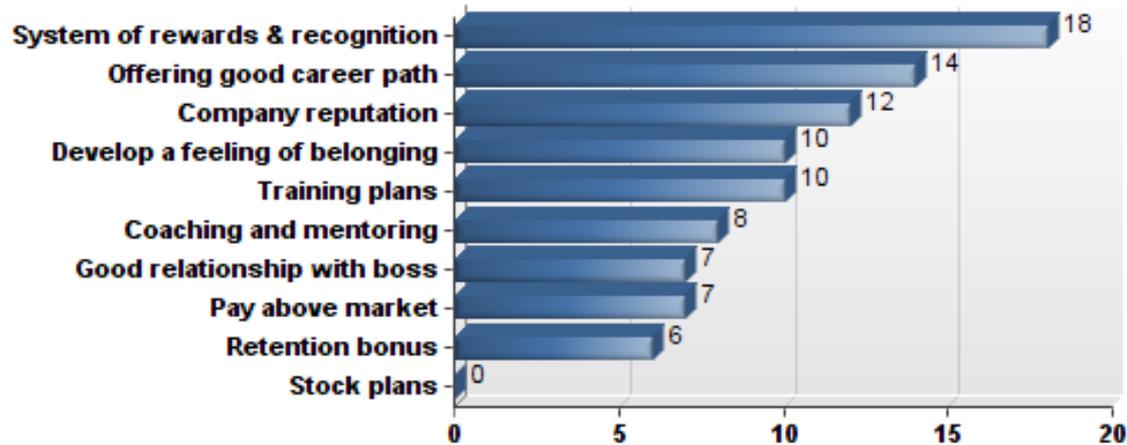


Statistic	Value
Min Value	4
Max Value	10
Total Responses	22

51. People who leave your organization usually go to: Multiple answers possible

#	Answer	Response	%
4	Work for Chinese private companies	9	41%
5	Work for non-Chinese company	10	45%
6	Work for Chinese state-owned or state-holding company	0	0%
7	Start their own business	5	23%
8	Study full time	1	5%
9	Move to another country	2	9%
10	Personal reasons	12	55%
11	Other , please specify	0	0%

52. What measures do you find most efficient in retaining employees? Multiple answers possible



Statistic	Value
Min Value	1
Max Value	13
Total Responses	23

52. What measures do you find most efficient in retaining employees? Multiple answers possible

#	Answer	Response	%
1	Pay above market	7	30%
7	Retention bonus	6	26%
8	Stock plans	0	0%
2	System of rewards & recognition	18	78%
3	Training plans	10	43%
9	Good relationship with boss	7	30%
4	Offering good career path	14	61%
10	Company reputation	12	52%
5	Develop a feeling of belonging	10	43%
13	Coaching and mentoring	8	35%
6	Other	0	0%

53. What types of innovations have you introduced since the beginning of 2014? Multiple answers possible

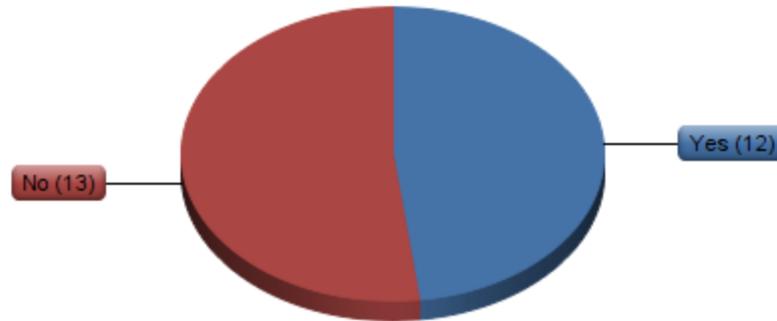


Statistic	Value
Min Value	1
Max Value	9
Total Responses	24

53. What types of innovations have you introduced since the beginning of 2014? Multiple answers possible

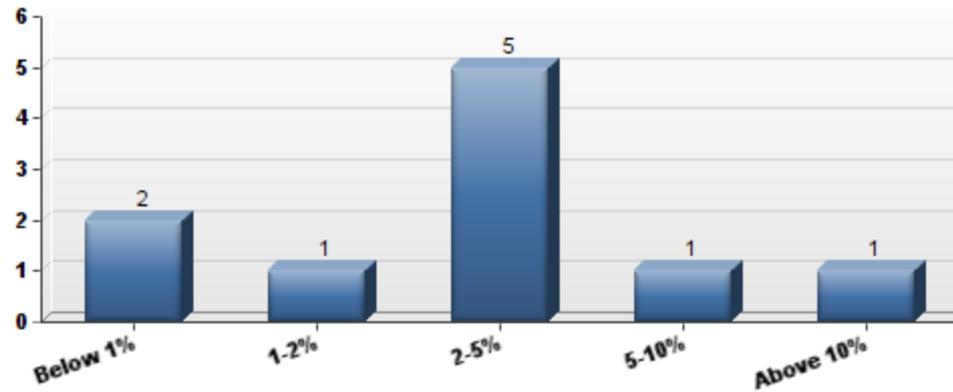
#	Answer	Response	%
1	None	3	13%
2	Introduced new products / services in an existing line	15	63%
3	Introduced new products / services in a new line	5	21%
4	Purchased advanced machines	5	21%
5	Process improvements	10	42%
6	New management techniques	9	38%
7	New quality controls in production	9	38%
8	Other	0	0%
9	Service improvements	8	33%

54. Does your company have R&D in China?



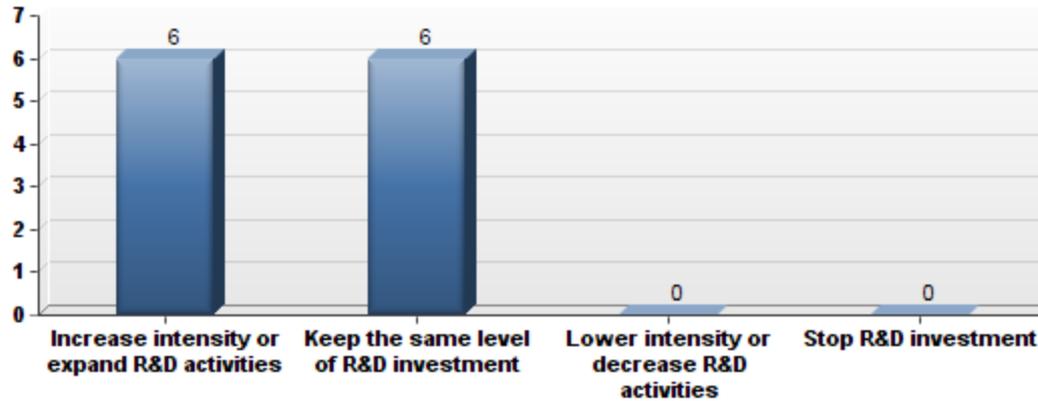
#	Answer	Response	%
1	Yes	12	48%
2	No	13	52%
	Total	25	100%

55. What is your annual expenditure on R&D as % of revenues?



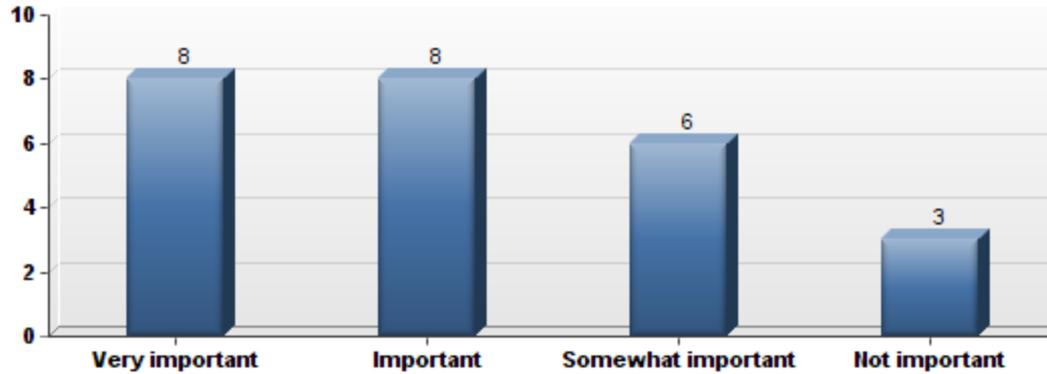
#	Answer	Response	%
1	Below 1%	2	20%
2	1-2%	1	10%
3	2-5%	5	50%
4	5-10%	1	10%
5	Above 10%	1	10%
	Total	10	100%

56. What are your plans for the next 3 years?



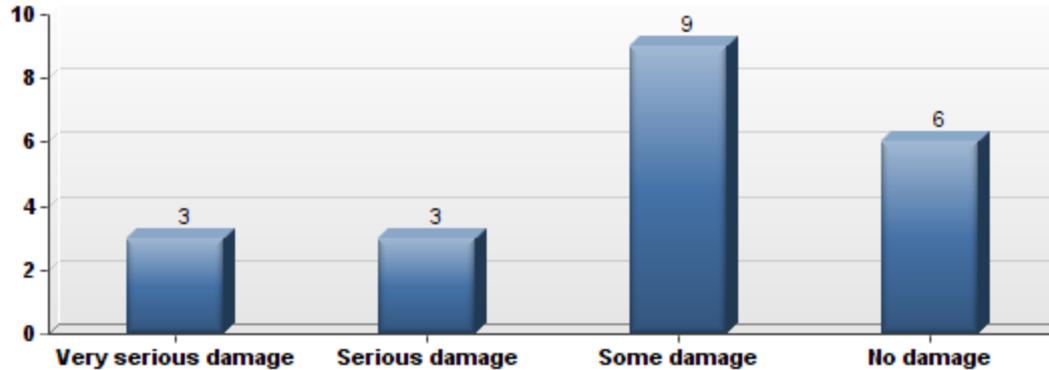
#	Answer	Response	%
1	Increase intensity or expand R&D activities	6	50%
2	Keep the same level of R&D investment	6	50%
3	Lower intensity or decrease R&D activities	0	0%
4	Stop R&D investment	0	0%
	Total	12	100%

57. How important is IP to your business in China?



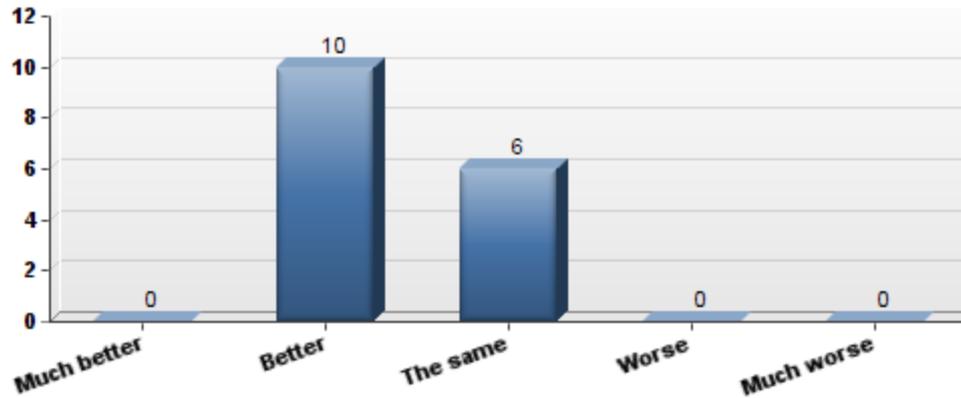
#	Answer	Response	%
1	Very important	8	32%
2	Important	8	32%
3	Somewhat important	6	24%
4	Not important	3	12%
	Total	25	100%

58. What is the damage caused to you by IP infringement?



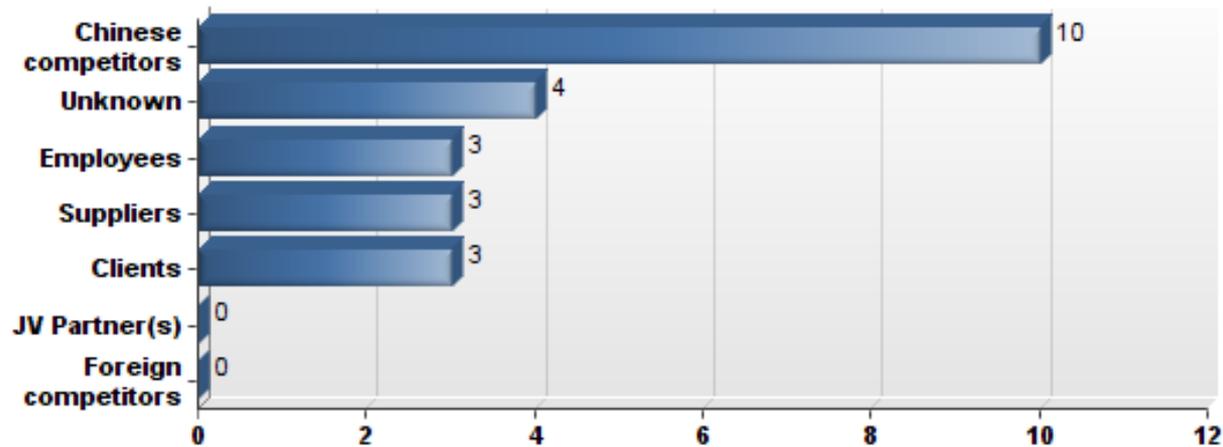
#	Answer	Response	%
1	Very serious damage	3	14%
2	Serious damage	3	14%
3	Some damage	9	43%
4	No damage	6	29%
	Total	21	100%

59. In the past three years, how do you describe the IP protection from the government in China?



#	Answer	Response	%
1	Much better	0	0%
2	Better	10	63%
3	The same	6	38%
4	Worse	0	0%
5	Much worse	0	0%
	Total	16	100%

60. Who have been the perpetrators of the IP infringements in China? Multiple answers possible

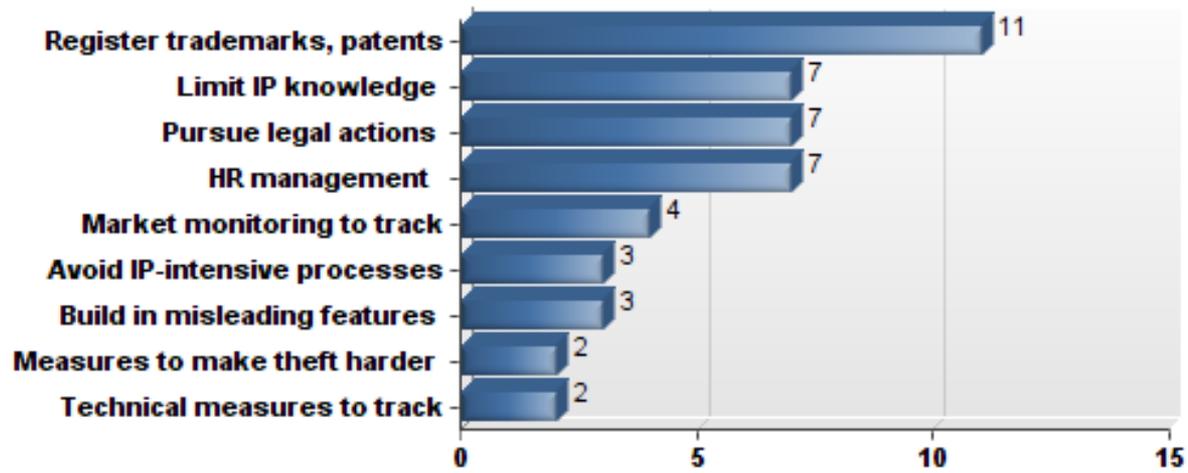


Statistic	Value
Min Value	1
Max Value	6
Total Responses	16

60. Who have been the perpetrators of the IP infringements in China? Multiple answers possible

#	Answer	Response	%
1	Employees	3	19%
2	Clients	3	19%
3	Suppliers	3	19%
4	JV Partner(s)	0	0%
5	Chinese competitors	10	63%
7	Foreign competitors	0	0%
6	Unknown	4	25%

61. Which are the key measures to protect your IP in China?



Statistic	Value
Min Value	1
Max Value	10
Total Responses	22

61. Which are the key measures to protect your IP in China?

#	Answer	Response	%
1	Register trademarks, patents	11	50%
2	HR management	7	32%
3	Limit IP knowledge	7	32%
4	Avoid IP-intensive processes	3	14%
5	Pursue legal actions	7	32%
6	Market monitoring to track	4	18%
7	Measures to make theft harder	2	9%
8	Technical measures to track	2	9%
9	Build in misleading features	3	14%
10	Other	1	5%

62. What's your gender?

#	Answer	Response	%
1	Male	18	72%
2	Female	7	28%
	Total	25	100%

63. Where are you from?

#	Answer	Response	%
1	Mainland China	2	8%
2	Hong Kong (S.A.R.) & Macao (S.A.R.)	0	0%
3	Taiwan (China)	0	0%
4	Other	23	92%
	Total	25	100%

#	Answer	Response	%
84	Italy	22	96%
61	France	1	4%
	Total	23	100%

65. How many years of total working experience do you have?

#	Answer	Response	%
1	Less than 5 years	4	16%
2	5-9 years	3	12%
3	10-20 years	8	32%
4	More than 20 years	10	40%
	Total	25	100%