

Contents

1	SME and SME Board of China's Capital Market	1
1.1	A Turbulent Time for SMEs in China	1
1.2	The Challenges for Financing SMEs	3
1.3	The SME Board: A Cradle for Invisible SME Champions	5
2	The Power of Batteries: The Story of BYD	7
2.1	A Fast Growing Legend	7
2.2	Choose a Budding Industry	9
2.3	All Movement Starts with Power	11
2.4	The Energy of New Energy Industry	12
2.5	Money Is Power, Too	15
2.6	Innovation through Imitation	16
2.7	The Vertical Integration of An Entire Industry Chain	16
2.8	Can BYD Continue its Legacy?	17
3	Urban Mining: The Story of GEM	19
3.1	The Age of Recycling	20
3.2	Characteristics of the Recycled Cobalt and Nickels Industry	21
3.2.1	It's a Tech Game	22
3.2.2	Rechargeable Batteries: The Source of Recycling Cobalt and Nickels	23
3.3	In China, You Never Have to Worry About Playing Alone	23
3.3.1	A Leading Miner	24
3.3.2	The Core Business of GEM	25
3.3.3	Parallel Circulation	25
3.3.4	High-End Recycled Products	26
3.3.5	Growth through Funds	26
3.4	The Right Thing at the Right Time	27
3.4.1	Urban vs. Natural Mines	27
3.4.2	Replicating Success and Economies of Scale	28
3.4.3	The Integration of Research, Innovation and Commercialization	29

3.5	Exploring New Growth Areas	29
3.6	Looking Forward	31
4	Moving Towards New Agriculture: The Story of Western Animal Husbandry	33
4.1	Raw Milk: An Industry in Chaos	34
4.2	Western's Journey of Growth.	37
4.3	Parallel Development Strategies	38
4.4	The Parallel Model: Western's Competitive Advantage.	39
4.5	The Parallel Model: Gains for Small Suppliers.	40
4.6	Winning Through Technology	41
4.7	The Extended Supply Chain.	41
4.8	A Small Company with Large Market Share	42
4.9	Decentralized Standardization and Centralized in House Production	42
4.10	Expansion through Vertical Integration	44
4.11	Moving Towards Modern Agriculture	44
5	The King of Mobile Game: The Story of Ourpalm	47
5.1	The Mobile Space	48
5.2	Players in the Space	49
5.3	What They Hold in Their Palm	52
5.3.1	Who Owns Ourplam?	52
5.3.2	The Linchpin of Success: Competitive R&D	53
5.3.3	The Shade of a Big Tree	53
5.3.4	Not All Eggs in One Basket	54
5.3.5	Vertical Integration: First-Mover Advantage	54
5.4	Money in the Palm of Our Hands.	55
6	You Only Need to Dial One Number: The Story About Eternal Asia.	59
6.1	An Era of Outsourcing: Non-core Businesses.	60
6.2	The Rapid Growth of the Logistics Market	62
6.3	Segment Player vs. One-Stop Shopping Provider?	63
6.4	A Rising Star.	64
6.5	A Smart First Move: Catching the Big Fish in Familiar Waters	65
6.6	How They Played the Game	66
6.6.1	The Keys to One-Stop-Shopping: Specialization and Economies of Scale	67
6.6.2	A Game Changer: Supply Chain Financing	69
6.6.3	Ahead of the Game.	71
6.7	From Private Equity to Public Financing.	72

7	The Bird of First Light: The Story of Sunbird Yacht.	75
7.1	Not All Boats Are Yachts	76
7.2	Late Bloomers: China's Yacht Industry.	77
7.3	Who are the Players in the Water.	78
7.4	A Golden Waterway	78
7.4.1	An Early Bird with Great Ambitions	81
7.5	What Made Sunbird Stand Out.	82
7.5.1	The Capital Market: Giving Sunbird Wings.	86
8	The Era of "Designed in China": The Story About Alpha Animation	89
8.1	Made in China, Designed Elsewhere: The Global Toys Industry.	90
8.2	An Underdeveloped Domestic Market.	92
8.3	Animated Toys: A Path to Transformation	93
8.4	Alpha's Road to the Top.	95
8.5	The Secret of Alpha's Success.	95
8.5.1	Horizontal Cross-Media Integration	96
8.5.2	Sticking with Big Names.	97
8.5.3	Vertical Integration of Sales Channels.	97
8.5.4	Competing on Branding, Not Pricing	99
8.5.5	Innovation as the Bottom Line.	99
8.6	Can't Make it Without Investors, and So Make it for Investors	100
9	China's Warner Brothers: The Story of Huayi Brothers Media	103
9.1	China's Film Industry in Past Decades	103
9.2	Who Owns the Box Office?.	104
9.3	Huayi's Core Businesses	105
9.4	What Is Behind Huayi's Success?.	106
9.4.1	Celebrities as Shareholders	106
9.4.2	Double Core Competencies: Production and Talent	107
9.4.3	Triple Play and Butterfly.	109
9.4.4	Winning Through Differentiation	110
9.4.5	Industrializing Operations Management.	111
9.4.6	Going Far with Funding	113
9.5	Looking Forward: Huayi's Rising Legacy	114

10 A Paver of the Road Not Taken: The Story of Huace	
Film and TV	115
10.1 A Rising Industry: From Exploration to Prosperity	115
10.1.1 Excess Supply and Growing Demand	117
10.1.2 The Need for High Quality TV Series.	118
10.1.3 New Media Boosts and Enlarges the Market	118
10.1.4 A Government-Licensed Industry	119
10.1.5 Private vs. State-Owned TV Producers	119
10.2 Huace's Road to Industry Leadership	120
10.3 The Core Business: TV Series Production	120
10.3.1 Supplementary Businesses: Movie Production	121
10.4 A Unique Business Model	121
10.4.1 The TV Production and Selling Process	122
10.4.2 The Secret of Huace's Fast Growth	123
10.5 Lessons from Huace's Success	125
10.5.1 Complementary Team Structure	126
10.5.2 Looking Forward	126
11 The Window to China's New Economy—What Can We Learn from these Case Studies?	129
11.1 Final Words	135
Index	137

Who Gets Funds from China's Capital Market?

A Micro View of China's Economy via Case Studies on
Listed Chinese SMEs

Wang, J.G.; Yang, J.

2013, XVIII, 139 p. 12 illus., Softcover

ISBN: 978-3-642-44912-3