



BUTZEL LONG
ATTORNEYS AND COUNSELORS

DCBA-Butzel Long Seminar

Work with U.S Buyers

By David Cui, Chaoli NA GM

- **Chaoli Introduction**
- Characterize U.S Automotive Buyers
- Some Common Misunderstandings from Chinese Management
- Approach U.S Buyers
- Effectively Work with U.S Buyers
- Q & A

Brief Profile

- **500 employees, HQ - Chongqing, China**
- **Privately owned Automotive Climate Control Supplier**
- **2 Plants in China**

Major Domestic OEM Customers



CHANGAN

HAFEI

GM

CHERY
更安全 更节能 更环保

上汽通用五菱 SGMW

FIAT

mazda 海南马自达

GEELY

Milestones in U.S Market

- Establishment of NA Office, 12/2004
- First Customer Quality Audit, 12/2004
- First Purchase Order, 4/2005
- First Container Shipment to U.S, 5/2006

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U.S Automotive Buyers:

- All under great pressure to develop LCC Suppliers
- Know very little of you and be skeptical
- Your Champion to navigate system
- They want you to be successful
- Lucky to have your buyer with strong Engineering/manufacturing product knowledge
- One voice of whole multi-functional decision making team
- Need your consistent/credible support
- Help you to solve issues, but never sympathetic
- U.S buyers change job quick

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Common Misunderstandings:

- **Work on the top will be fine**
- **Buyers decide**
- **Buyers don't know our cost**

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Approach Buyers:

- **Cold calls are fine**
- **Understand their strategy & need**
- **Willing to work for free**
- **Be consistent & credible**
- **Strong team to local support**
- **Take time to fit in**

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Work with Buyers:

- **Quality/Delivery is the king**
- **Be transparent on commercial issues**
- **Be serious on every request and act promptly**
- **Manage issues for buyers**
- **Always update on competition dynamics**