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**COLEMAN ENERGY AND ENVIRONMENTAL SYSTEMS  
TECHNOLOGY TRANSFER PROGRAM**

**Hong Kong  
October 23 - November 3, 1994**

**Prepared for:**

**US - ASIA ENVIRONMENTAL PARTNERSHIP**



**WORLD ENVIRONMENT CENTER**

## **DISCLAIMER**

This project was sponsored by the U.S. Agency for International Development (USAID) through the World Environment Center's (WEC) Cooperative Agreement in support of the U.S.-Asia Environmental Partnership (US-AEP). The opinions expressed herein are the professional opinions of the author and do not represent the official position of the Government of the United States of America or the World Environment Center.

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## I. EXECUTIVE SUMMARY

Coleman Research Corporation (Coleman), a company in the field of environmental technical services and resource management works in conjunction with the United States government's Environmental Management Program. Coleman identifies, develops, and applies modern management strategies, techniques, and technologies. The company offers the full scope of energy and environmental planning, as well as management services to both government and private industry.

Vasiford Industrial Limited of Hong Kong (which has since changed its name to CATIC, Hong Kong) expressed interest in Coleman's environmental technologies. Thus, Coleman arranged for an Environmental Business Exchange (EBE) to establish the type of network and application CATIC required in order to introduce their technology to the market. The exchange examined ways in which Coleman's expertise could be transferred to potential markets in the Pacific Rim region, specifically Hong Kong. This interest was generated through various correspondence over a period of months, as well as the result of extensive research which highlighted the severe environmental challenges that face the region today.

Coleman's technical staff developed a series of interactive computer displays to overview specific technologies and relay relevant technical information for the meetings. In addition, a variety of company and technical data sheets were prepared for host companies.

During the meetings, however, it was established that most of Coleman's technology is too sophisticated for the types of networks and applications CATIC was interested in. Further discussion revealed that CATIC could utilize some of the less sophisticated technologies. In specific, CATIC felt that it might be able to market an array of remote sensing technologies in the manufacturing and construction markets. These technologies would allow users to monitor construction, manufacture, and warehouse operations for air quality. It can also pose as an early warning system for chemical waste spills and possible reactions. This type of technology would also lie more along the lines of CATIC's electronics and engineering capabilities.

It was determined that some of Coleman's more sophisticated technologies are marketable, but that CATIC engineers require additional information on potential applications to be able to accurately determine appropriate markets.

One of the strongholds on the Hong Kong market is plastics, and thus, the possibility of sourcing recycled plastic pellets from the United States network was discussed. Coleman Research Corporation will further investigate this notion, however, it probably lies outside of their usual business area.

In Hong Kong, Coleman also met with a variety of other organizations to increase their understanding of the market. One of the main findings was that the environmental market is in its infancy, in that technologies are viewed in terms of return on investment, rather than that being driven by a regulatory framework. Still this process is crucial in order for technologies to be seen in terms of waste minimization, workplace safety, health, and energy generation.

The exchange succeeded in determining the scope of environmental technologies needed in Hong Kong. In the future, Coleman would like the World Environment Center (WEC) or The United States Asia Environmental Partnership (US-AEP) to aid preliminary communication with organizations. Many of the Hong Kong organizations are multinational and working throughout Asia. Building appropriate relationships would allow for technology application to be spread to a variety of markets.

Follow-up activities will involve researching technical information on Coleman's technologies to find an application which relates to less remediation and more to air/water quality, waste minimization, and energy. This information and Coleman's recommendations will be forwarded to the company. In turn, CATIC will conduct a market study and develop its own recommendations.

Funding for this project was provided through a Cooperative Agreement between the World Environment Center (WEC) and the United States-Asia Environmental Partnership (US-AEP).

## II. INTRODUCTION

Coleman Research Corporation is firm in the field of environmental technical services and resource management. In support of the U.S. Environmental Management Program, Coleman identifies, develops, and applies modern tested management strategies, as well as various techniques and technologies. Coleman offers energy and environmental planning, as well as management services to both government and private industry.

The purpose of this exchange was to evaluate expertise which could be transferred to potential markets in Hong Kong and the Pacific Rim region. Interest was generated through correspondence over many months which found reinforcement through extensive research revealing severe environmental challenges that face the region today.

The two Coleman representatives on this EBE were; Mr. Brad Kabanuk, Tactical Planning Manager, Coleman Energy and Environmental Systems Division, and Mr. Franklin Jesse, Independent Corporate Counsel.

### III. MEETINGS

#### A. CATIC

##### 1) Location

CATIC (H.K.) Limited (formerly Vastford Industrial Limited)  
28/F, Catic Plaza, 8 Causeway Road,  
Causeway Bay, Hong Kong

##### 2) Ownership/Management

Subsidiary of China Aero-Technology Hong Kong Group, Ltd

##### 3) Product/Process Information

CATIC's business scope includes foreign trade, sales representation, barter trade, and joint ventures. Primary products include electronic components, plastics, and medical products. CATIC is interested in increasing their product-line representation and would like to assist U.S. companies in increasing distribution potential in the Hong Kong market.

#### *Description of Environmental Issues/Technologies Discussed*

The Coleman technologies presented to CATIC/Vastford were the Ground Penetrating Radar, Time-Domain Electro-Magnetic, Wireless Remote Sensing, and Integrated Data Fusion. These technologies were discussed\* / as potential technology transfer opportunities, or vehicles to be used in conjunction with environmental consulting services i.e. environmental assessments, site investigations, risk assessment, and regulatory compliance.

The sophistication of Coleman's technology was higher than CATIC engineers had presumed through technical literature. The primary discussions involved the potential applications of the technology, as well as applications that might allow for a more "package" technology.

The technology with the best potential for success using their distribution structure would be a self-contained remote sensing application.

Follow-up commitments include Coleman to develop technical material for each technology and make recommendations regarding possible application. CATIC has agreed to evaluate this information and conduct a market study based on this material

and quantify Coleman's assumptions with market potential.

CATIC inquired about recycled plastic pellets.

## **B. Jones, Day, Reavis, & Pogue**

### 1) Location

Jones, Day, Reavis, & Pogue  
1501 Connaught Place  
Hong Kong

### 2) Ownership/Management

Jones, Day, Reavis & Pogue, Cleveland, Ohio, U.S.A

### 3) Product/Process Information

Full-service law firm with offices throughout the world, including Hong Kong, Taipei, and Tokyo

### *Description of Environmental Issues/Technologies Discussed*

Coleman has been involved in ongoing discussions with the environmental division of Jones Day's Washington, DC office. The goal is to simultaneously combine the marketing efforts with environmental concern of clients, both domestically and internationally. In Hong Kong, discussions were focused on the types of environmental needs Jones Day's clients have in the Pacific Rim. Participants elaborated on the issue of utilizing an affiliate base which would enable reaching Asian markets where no offices exist.

The premise for these discussions is that Jones Day clients who are dealing with environmental concerns are not just limited to legal questions. Additional concerns where Coleman might be able to provide assistance include environmental assessments, site investigations, risk assessment, regulatory compliance, technology licensing, commercialization, and transfer.

A follow-up meeting is scheduled with Jones Day's Washington Office the week of November 14th, 1994.

## **Additional Relevant Meetings**

Political & Economic Risk Consultancy, Ltd  
Robert C. Broadfoot  
Managing Director  
Rm. 1603-4 Hollywood Center  
233 Hollywood Road  
GPO Box 1342, Hong Kong

Coleman met with Mr. Broadfoot to discuss Political & Economic Risk Consultancy's operations in Asia and evaluate the potential for joint projects. Though this consultancy is only peripherally involved in environmental issues, they have the political and cultural knowledge that would make them a valuable partner in the right application. The initial result was that technical information will be exchanged, but that these discussions should be continued in the future.

Asia Law & Practice Ltd  
Vicki Williams  
2/F, 29 Hollywood Road, Central, Hong Kong

This meeting was strictly to investigate potential sources of market intelligence in Hong Kong. Asia Law & Practice Ltd produces a variety of books and literature regarding business in the region. They assured some effort to increase the production of information regarding environmental issues, but argued that the reception in Hong Kong has been limited.

#### **IV. CONCLUSIONS**

This exchange was successful in that it painted a much clearer picture of the environmental market in Hong Kong, and of the attitudes regarding environmental issues in this region. As an environmental technology firm, Coleman frequently works with clients whose environmental activities are driven by regulatory mandates. The Hong Kong market, however, is still in a position where environmental issues are primarily driven by return on investment questions. This realization leads to the conclusion that Coleman should only pursue environmental opportunities, those that capture the market situation in Hong Kong best. Technologies, such as remote sensing, allow potential partners to improve the region's environmental situation while having a tangible product line to market. This provides the opportunity to establish distribution channels which can be expanded as more sophisticated technology is introduced.

The discussions with Jones Day demonstrated the importance of teaming with complementary organizations to penetrate the market. Discussions will continue with Jones Day. Coleman will actively search for additional potential partners.

It was recommend that in the future, potential business exchange participants make use of the Foreign Commercial Service representatives at the earliest possible date.

## **APPENDIX A**

### **ITINERARY**

October 24: Arrive Hong Kong

October 25: Introductory meetings with US-AEP/Hong Kong Technology Representative

October 26: Meeting with Jones, Day, Reavis and Pogue

October 27: Meeting with CATIC/Vastford

October 28-

November 1: Not Part of EBE

Attended Enviro-Pro Expo in Beijing (All expenses paid by Coleman)

November 2-3: Meeting with CATIC/Vastford and exit interview with US-AEP

**APPENDIX B**  
**CURRICULUM VITAE**

**RESUME OF:** Bradley J. Kabanuk

**EDUCATION:** BA, Augsburg College, 1986  
Two years of international business coursework in the United Kingdom  
Currently attending William Mitchell College of Law

**SUMMARY:**

Mr. Kabanuk has over eight years experience in project management, international business development, distribution management, technology development, and facilitation of strategic partnerships, both domestic and international.

**RELEVANT EXPERIENCE:**

**Coleman Research Corporation**  
**1993 - Present**

**Project Task Manager**

Mr. Kabanuk currently serves as Project Task Manager in support of the Department of Energy and manages the development and production of the *Environmental Restoration and Waste Management Five-Year Plan for Fiscal Years 1995-1999*. This plan represents the culmination of the integrated planning process of the Office of Environmental Restoration and Waste Management and sets the course for the DOE to achieve its environmental cleanup goals and objectives. Specific areas of concentration in the plan under Mr. Kabanuk's management have included review of current technologies and facilities; technology development activities; estimated cost and personnel requirements; actions necessary to achieve regulatory compliance; and efforts planned for waste minimization.

His duties entail managing a staff of thirty professional staff, including environmental and legal specialists, writer/editors, graphic support, and production staffs. Specific task responsibilities include acting as liaison to Department of Energy contacts and external parties, such as affected States, Tribes, local governments, and the general public. In addition to these tasks, Mr. Kabanuk also is responsible for facilitating collection and analysis of contributing author's drafts, overseeing development and production schedules, and developing internal and external review procedures.

**Brad Kabanuk - continued**

**Minnesota Global, Incorporated  
1991-1993**

**Senior Vice President**

As Senior Vice President for Minnesota Global, Inc., Mr. Kabanuk was responsible for developing and managing international distribution channels and creating and implementing targeted international marketing programs. These duties included locating and qualifying potential licensing partners for environmental protection technology, including overseeing product testing and evaluation strategies in Argentina and Brazil. He was also tasked with overseeing an international affiliate network of sales agents and product sourcing specialists and coordinated division's international banking and finance efforts, including letters of credit, wire transfers, and export financing.

**Minnesota Trade Office  
1989-1991**

**International Trade Advisor**

As an International Trade Advisor for the State of Minnesota, Mr. Kabanuk provided personal counseling to Minnesota businesses on international business and export opportunities and utilized network of the Minnesota Trade Office to locate potential distribution, licensing, and joint venture partners for his clients. He provided additional client assistance in the areas of international marketing strategy development, export finance options, market research, freight forwarding, and export licenses. Mr. Kabanuk was also responsible for developing curriculum and conducting seminars on creating international marketing plans and developing response programs to international trade leads. He assisted in the coordination of events for visiting dignitaries and buying missions.

**Gemini Incorporated  
1986-1989**

**Marketing Manager**

Mr. Kabanuk managed specific product-lines from product development through implementation of pricing, promotional and distribution strategies and maintenance of the marketing mix. He managed sales effort for product line, including national and international distributors, key accounts sales, and O.E.M. customers. Product design management responsibilities encompassed extensive primary and secondary market research efforts and coordination with engineering, production, and scheduling functions. He also managed divisional marketing activities including budgeting, development of promotional materials, and trade show scheduling.

**Other Experience:**

Mr. Kabanuk has participated as a featured lecturer for the *World is Your Market*, sponsored by AT&T, as well as lecturing on export pricing strategies, distribution strategies, and utilizing Export Trading and Export Management companies to develop international business opportunities.

He also was vice-president of the International Law Students Association at William Mitchell College of Law and was responsible for organizing a lecture series on Businesses Opportunities in Unified Germany, Ramifications of the North American Free Trade Agreement, and Strategies for Strategic Partnerships in a Unified Economic Community.

**APPENDIX C**  
**BUSINESS CARDS OF PERSONS CONTACTED**



**Jack Hu**  
*Manager  
Trading Dept.*

**CATIC (H.K.) Limited**

A Subsidiary of China National Aero Technology Hong Kong Group Limited

28/F, Catic Plaza, 8 Causeway Road,  
Causeway Bay, Hong Kong. Tel.: (852) 8816918  
Fax: (852) 8827930

**Political & Economic Risk Consultancy, Ltd.**

**Robert C. Broadfoot**  
*Managing Director*

Rm. 1603-4 Hollywood Centre, 233 Hollywood Road  
GPO Box 1342, Hong Kong  
Tel: 541 4088 Fax: 815 5032 Tlx: 46926 RISK HX



**Gong Jia Yan**  
*Manager  
Administration Dept.*

**CATIC (H.K.) Limited**

A Subsidiary of China National Aero Technology Hong Kong Group Limited

28/F, Catic Plaza, 8 Causeway Road,  
Causeway Bay, Hong Kong. Tel.: (852) 8816918  
Fax: (852) 8829216

**ASIA LAW & PRACTICE LTD**



**Vicki Williams**  
*Sales Executive*

**ASIA LAW  
& PRACTICE**

2/F, 29 Hollywood Road, Central, Hong Kong  
Tel: 544 9918 Fax: 815 9466  
Direct line: 543 1580



**Carman Lee**  
*Secretary to General Manager*

**CATIC (H.K.) Limited**

A Subsidiary of China National Aero Technology H.K. Group Limited

28/F, Catic Plaza, 8 Causeway Road,  
Causeway Bay, Hong Kong. Tel.: (852) 8816918  
Fax: (852) 8829216

(852) 526-6895

**W. ANTHONY STEWART**  
AMERICAN ATTORNEY AT LAW

**JONES, DAY, REAVIS & POGUE**

1501 ONE EXCHANGE SQUARE  
8 CONNAUGHT PLACE, HONG KONG.  
FAX: (852) 868-5871, (852) 810-5787

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## WEC/US-AEP

### Environmental Business Exchange (EBE) Trip Reports

February 22, 1995

Trip Reports as per Cooperative Agreement (CA) AEP-0015-A-00-2055-00 in Support of the U.S.-Asia Environmental Partnership

<u>EBE ID#</u>	<u>EBE DATES</u>	<u>TITLE OF TRIP REPORT</u>
INDI-1I	11/7-23/93	Oil Absorbent Demonstration
INDI-1K	12/6-29/93	Review of Incinerator Operations, Indian Thermal and Cyno Clean
INDI-2	4/23 - 5/6/94	Review of Pollution Prevention Control Technology in the Textile Industry
INDI-5	4/30 - 5/10/94	Clean Coal Technology Evaluation
INDI-1P (1&2)	5/94-8/94	Clean Technology for Paper Mills - Esvin - Parts 1&2
INDI-1R	6/18-30/94	Evaluation of Biological Formulations for Industrial Wastestreams Treatment (Premier Ziba)
INDI-1Q	6/18-7/1/94	Indian Boilers Manufacturers' Association Trade Mission
PHIL-8	9/27-10/6/94	Technical Assistance on H <sub>2</sub> S Gas Abatement Systems (PNOC)
HONG-1	10/23-11/9/94	Coleman Energy and Environmental Systems Technology Transfer
KORE-1	12/9-22/93	Fuel Gas Desulfurization Technology Assessment (KEPCO)
INDI-1L	1/17-2/23/94	Corporate Environmental Mission (IT Corporation Exchange)
INDI-4	3/11-30/94	Evaluation of CS <sub>2</sub> Recovery in Rayon Mills