

Feb 2015

Jelena Vukicevic

Workshop for Early Career Researchers
“The Impact of Emerging economies and their Multinational Enterprises on the
World Economy”
Almaty, 26-28 February 2015

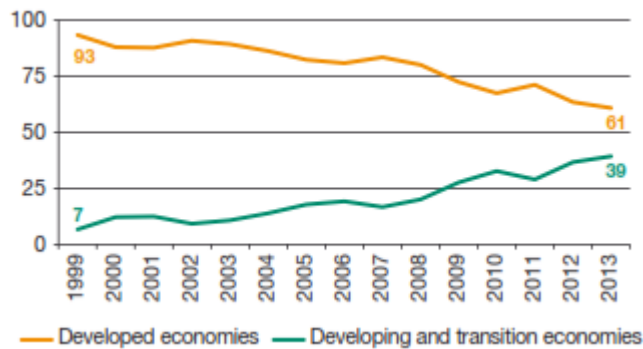
**Title: Chinese acquisitions in Britain – Effects on acquired
companies**

Author: Dr Jelena Vukicevic
University of Northampton, UK

Introduction

Developing and transitional economies are key destinations for FDI (Foreign Direct Investment) having received 61% of global investment in 2013 (UNCTAD 2014). Over the last 14 years these economies have also evolved into significant sources of FDI. In 1999 outward investment from developing and transitional economies represented 7% of total global outward flows but in 2013 they accounted for 39% (UNCTAD 2014).

Fig. 1 Global FDI outflows 1999-2013 (%)



Source: (UNCTAD 2014)

Like many other emerging economies China's outward investment was limited until the early 2000s. The introduction of the 'Going Out' policy by the Chinese government in 1999 encouraged and supported successful Chinese enterprises to internationalise. By this time Chinese companies had accumulated sufficient capital to invest overseas as a result of the sweeping economic reforms that had taken effect. Outward investment from China has been increasingly rapidly since the early 2000s. Outward FDI flows and FDI stock have shown a steady increase from 2002 to 2010 as illustrated by the table below:

Fig.2. China's outward FDI flows and stock 2002-2010 (billion USD)

Year	flows	stock
2002	2.7	29.9
2003	2.85	33.2
2004	5.5	44.8
2005	12.26	57.2
2006	21.16	90.63
2007	26.51	117.91
2008	55.91	183.97
2009	56.53	245.75
2010	68.81	317.21

Source: (Ministry of Commerce, People's Republic of China 2010)

Official statistics issued by the Chinese government suggest that Chinese companies are continuing to expand their overseas investment activities. Brief statistics published regularly by the Ministry of Commerce show that the value of China's non-financial direct investment overseas has been rising over the last three years. The overall figures for 2014 have not been published yet but are likely to exceed those of the previous year having already reached the value of USD 81.88 billion in October 2014.

Fig. 3 Value of China's outward FDI 2011-2014 (billion USD)

Year	Value (billion USD)
2011	60.07
2012	77.22
2013	90.17
2014 Jan – Oct	81.88

Source: (Ministry of Commerce, People's Republic of China 2012, Ministry of Commerce, People's Republic of China 2013, Ministry of Commerce, People's Republic of China 2014, Ministry of Commerce, People's Republic of China 20.11.2014)

The rise in Chinese outward investment over the last decade is mirrored by growing academic interest in this discipline. Researchers have become increasingly interested in the phenomenon of Chinese FDI and the investment behaviour of multinational enterprises from China. Existing studies have a tendency to observe Chinese outward investment from the investing firm's point of view. Many research papers examine their investment motives (Child, Rodrigues 2005, Deng 2007) and the strategies (Clegg, Voss 2012, Hanemann, Rosen 2012) they employ when investing overseas. Few researchers approach this phenomenon from the host country point of view, especially when it comes to Chinese investment activity in advanced economies. Some researchers have touched upon the effects of Chinese acquisitions in France (Nicolas 2012) and Germany (Knoerich 2010) but this is not something that has been studied in great detail.

The effects of Chinese FDI in Britain have not yet been examined and the purpose of this paper is to provide insight into acquisition activity of Chinese MNEs in this country. In particular, to develop a detailed understanding of the effects that Chinese firms have on the companies they acquire. This study is guided by the central research question 'To what extent do Chinese investors influence the stability and development prospects of the companies they acquire?'

Literature Review

The literature on Chinese outward investment in advanced economies is dominated by studies about investment motives and strategies. It appears that Chinese MNEs are mostly motivated by access to strategic assets (Child, Rodrigues 2005, Deng 2007, Luo, Tung 2007, Wright et al. 2005) and access to markets (Knoerich 2012, Schuller-Zhou, Schuller & Brod 2012, Liu, Tian 2008). Examples of strategic assets of interest to Chinese investors include brands, technology and know-how. Access to such assets allows the companies to compete more effectively in international markets. Entry into new markets gives the Chinese investors access to national and regional markets in fulfilment of their global expansion strategies. Their preferred modes of entry into developed markets are mergers and acquisitions (Clegg, Voss 2012, Hanemann, Rosen 2012) and greenfield site development (Klossek, Linke & Nippa 2012, Burghart, Rossi 2009).

Although scarce, extant studies on the effects of Chinese MNEs in Europe indicate that these companies are an important source of capital for acquired firms. French firms in financial difficulties managed to survive as a result of being taken over by the Chinese (Nicolas 2012), while some German firms actively sought Chinese investors because of the associated financial benefits (Gentile-Ludecke 2013). Evidence of employment effects in Europe is mixed. Some studies show that Chinese FDI has preserved and created jobs in Europe (Hanemann, Rosen 2012, Milelli, Hay & Shi 2010). However research from France is inconclusive because some Chinese investments led to plant closures and job losses while

others resulted in new jobs and plant expansion (Nicolas 2012). Meanwhile employment effects in Germany are found to be low relative to other foreign investors (Xu, Petersen & Wang 2012).

Existing research suggests that Chinese FDI facilitates the market entry of small and medium-sized European firms into China (Clegg, Voss 2012). In the UK the presence of Chinese companies was found to encourage British companies to invest in China (Hanemann, Rosen 2012). Meanwhile German firms are in favour of being taken over by Chinese investors because of the prospect of expanding into the Chinese market with the support of the acquirer (Gentile-Ludecke 2013). The German companies can receive help in building relationships in China, understanding Chinese business culture, getting to know appropriate suppliers and resolving legal and administrative issues (Knoerich 2010). The literature also suggests that Chinese MNEs are setting up extensive R&D networks across Europe. These include large companies such as Haier, ZTE and Huawei and smaller ones such as Goldwind, Beijing No.1 and Shenyang Machine Tools (Schuller, Meuer & Schuler-Zhou 2012).

Recent theoretical developments have greatly improved our understanding of why MNEs from emerging markets expand into advanced economies. The mainstream view is based on the concept of competitive advantage whereby companies from emerging economies invest in developed countries to upgrade their strategic assets (Luo, Tung 2007, Mathews 2006). The investing MNEs are primarily interested in accessing advanced technology, established brands and know-how (Luo, Tung 2007, Lall 1983) by forming relationships with foreign MNEs.

However theory relating to the investment effects of emerging market multinationals on enterprises in advanced host countries is less clear. Existing explanations examining the impact of FDI on host economies are based on evidence from MNEs originating from developed countries. In this sense direct effects such as employment and capital flows have been identified decades ago (MacDougall 1960). More indirect effects such as productivity and market access are recognised in spillover theory (Blomstrom, Kokko & Zejan 2000). In light of this theoretical deficiency the purpose of this paper is to examine whether existing explanations of FDI effects caused by MNEs from developed countries also apply to investors from emerging economies especially those from China.

Research Method

This research uses the case-study method which is suitable for in-depth study of a contemporary phenomenon in its real-world context (Yin 2014). It enables us to appreciate the uniqueness and complexity of a particular case (Stake 1995). This study is based on multiple units of analysis because of the robustness and analytical strengths of this approach compared to the single case study. With two or more case studies the researcher benefits from a replication effect. Replication logic suggests that conclusions replicated in several cases are more powerful than conclusions made on the basis of a single case (Yin 2014).

The multiple case study method was chosen for several reasons. First, the research question calls for a contemporary study of Chinese MNEs undertaking investment activities abroad. Unlike historical research which is focused on the past, case studies are designed for the present. Second, there is a need for development of detailed knowledge about a particular group of companies. The need for detail in this research led to the selection of the case study because of its strong capability to provide in-depth understanding of the subject of analysis. Third, the companies need to be studied in their natural environment. Unlike other research

methods such as experiments which are conducted in a carefully controlled environment, case studies facilitate the study of a phenomenon in a real-life context. Fourth, the nature of the research is context-specific because it is about Chinese investment effects in Britain. The case study was chosen because of the central role of context in this research method.

This study is designed on the basis of three Chinese firms – Shanghai Automotive Industry Corporation (SAIC); Chongqing Machinery and Electric (CQME) and Zhuzhou CSR Times (CSR). SAIC is an automotive company, while CQME and CSR belong to the manufacturing sector. All three companies acquired British businesses for the purpose of accessing competitive assets. SAIC needed vehicle blueprints and development know-how from MG Rover, CQME was interested in PTG's technology and innovative capability, while CSR acquired Dynex in order to access its semiconductor technology and R&D capability. These particular companies were included in the study on the basis of self-selection i.e. their own willingness to participate. Most of the companies that were asked to take part were reluctant to do so. Very few were prepared to participate and those that did were included in the research.

The overall approach of this study is inductive as it seeks to generate theory based on case study data. The present study uses qualitative evidence from interviews as well as a range of quantitative evidence where appropriate. This research is guided by the following generative questions:

1. What is the extent of financial investment in acquired companies?
2. How does the acquisition affect employment in acquired companies?
3. In what way has the acquired companies' access to new markets changed?
4. How does the acquisition influence R&D activity in acquired firms?

Data collection took place from May 2011 to October 2012. Primary data was collected using semi-structured interviews with respondents from: acquiring companies (SAIC, CQME and CSR); acquired companies (MG Rover, Holroyd and Dynex); and UK government agencies. The interviewees are from Chinese or British national backgrounds. Many are managers in their organisations while others hold key non-managerial positions. Secondary data was gathered simultaneously. It was sourced from freely available public resources and subscription-based databases. Examples include company websites, English versions of Chinese news portals, Chinese government websites, business portals, specialised trade publications and non-government organisations.

The overall approach to data analysis was inductive because of the exploratory nature of the study. Once all the data was converted into textual form it was coded using NVIVO. The codes were then organised into themes. Next the themes were analysed to reveal the relationships that exist between them. The conceptual framework that emerged continued to be developed until it could sufficiently address the research question.

Results

The Chinese companies invested substantial financial resources into newly acquired businesses. Prior to receiving investment the British companies were in financial arrears to varying degrees. Access to fresh capital enabled the companies to improve cash-flow and consolidate their financial positions. MG Rover's legacy company SMT UK was created on the basis of funding from SAIC. It was established as SAIC's R&D arm and as such all its activities were funded by SAIC (Interviewee A1 2012). PTG's financial troubles came to an end when it was acquired by CQME. The financial resources provided by the Chinese

investor improved PTG's operational performance and its finances (Interviewee B3 2012). Thanks to CQME's strong links to the Chinese banking industry it was able to expand PTG's credit limit which improved its cash-flow situation. Similarly Dynex's access to financial resources was improved by investment from Zhuzhou CSR Times which enabled the company to make improvements to its facilities (Interviewee C1 2012).

The companies also received considerable investment capital from the Chinese investors which was used to upgrade existing facilities or build new ones e.g. offices, R&D facilities and production lines. SAIC refurbished the main office building at SMTC's Longbridge site which houses most of its employees. It also expanded the assembly workshop and built a new design studio. CQME has also been proactive about developing the facilities at PTG. The Chinese manufacturer has agreed to support PTG's relocation to a new site designed to enhance the company's facilities, production capacity and market image (Interviewee B1 2012). Similarly Zhuzhou CSR Times invested £30 million in Dynex to improve its facilities (Interviewee C1 2012). The Chinese parent company purchased the land and buildings used by Dynex and then built a new energy efficient building which was completed in 2012. It houses Dynex's R&D team, financial team, executive offices and conference rooms. Zhuzhou CSR Times also invested £12.5 million to upgrade Dynex's production line.

The companies acquired by Chinese investors have managed to preserve, and in some cases, increase employee numbers. Following the closure of MG Rover 600-700 development engineers were made redundant (Interviewee A2 2012). SAIC's decision to develop an engineering centre in the UK led to the initial employment of 60 of them. As the business developed the number of employees increased to approximately 300 (Interviewee A1 2012). PTG was previously owned by venture capitalists who were primarily interested in generating short-term profits (Interviewee B3 2012) which meant that there was little job security. However once it was acquired by CQME job security increased substantially because of the Chinese investor's long-term plans for the company. PTG managed to retain all 220 as a result of CQME's investment (Bannan 2012). Similarly Dynex retained all 200 of its employees when Zhuzhou CSR Times bought a majority share in the company. Since then Dynex has recruited 100 new employees based on growing business needs (Interviewee C1 2012).

The acquired companies gained access to new markets in China, Russia and the USA. SAIC's UK subsidiary is dedicated to designing and developing new vehicles primarily for the Chinese market (Interviewee A2 2012). So far its engineers have been involved in three completely new products for the Chinese market (Interviewee A4 2012). Parts of Holroyd are breaking into new markets. For instance PTG Heavy Industries is entering the Chinese market having recently designed and developed a Powerstir friction-stir-welding machine for a Chinese company (Machinery Market 2013). It is also expanding into Russia and the US. Zhuzhou CSR Times' strong position in the railway construction industry in China has secured Dynex's route to this market (Interviewee C1 2012). Since the acquisition Zhuzhou CSR Times has become Dynex's most significant customer accounting for one third of the company's total sales (Liu 2013). The Chinese parent company has also played a key role in distributing Dynex's products to a range of high tech companies across China.

R&D activity has been intensified since the British companies were taken over. SAIC's British subsidiary specialises in R&D and its facilities have been upgraded significantly. It carries out high end R&D work including vehicle design and development. The centre covers the whole creative journey of a car, system or component from concept to reality. It also

undertakes testing of whole vehicles, systems or components. SAIC's investment in R&D facilities will increase the centre's capacity for vehicle design and development. The UK design studio is currently being expanded. The value of the expansion is estimated at £1.5 million. The studio's size will be doubled and it will be equipped with a new visualisation suite, improved modelling facilities and a CNC (computer numerical control) five axis milling machine. Its increased capacity will allow designers to work on a maximum of five full-size models at a time (Interviewee A5 2012).

PTG has continued to develop highly innovative products since having been acquired by the CQME Group. For example PTG introduced the Holroyd Zenith 400 helical profile grinder in 2011, the first of its kind to combine all three grinding wheel technologies (Albert 2011). CQME's intentions to develop PTG's existing Rochdale site into a high end R&D centre (Marsh 2012) suggest that PTG is likely to be heavily involved in R&D projects in the foreseeable future. Dynex's capacity to conduct high end R&D is likely to be increased as a result of investment from Zhuzhou CSR Times. The parent company invested £1.8 million in a new R&D centre in Lincoln (Dynex Semiconductor 2012) to meet growing demand for semiconductor products in China and other parts of the world. The new products and technologies will be developed for railway transportation, wind power, smart grids and electric cars (Dynex Semiconductor 2012). The significant investment indicates the parent company's intent to increase Dynex's capacity for high end research for the benefit of the entire organisation.

Conclusions

The findings of this study provide insight into the effects of Chinese acquisition activity on firms in Britain. Although some research on Chinese acquisitions has been undertaken in Europe, the effects on acquired companies in Britain have not been examined until now. The results of this research suggest that Chinese investors significantly contributed towards the stability and development prospects of British companies they acquired. The acquirers provided target firms with access to fresh capital and improved employment prospects in these organisations. The Chinese investors assisted and supported the acquired companies to enter China and other new markets. They also intensified research and development activity in the companies they acquired.

Emerging results from Britain are more or less in line with existing empirical research from other European countries. Access to fresh capital was a common effect in companies that had been acquired by Chinese MNEs in France (Nicolas 2012), Germany (Gentile-Ludecke 2013) and Britain. The effects on employment in British companies are largely positive while existing research from Europe is mixed. Some studies highlight positive employment effects (Hanemann, Rosen 2012, Milelli, Hay & Shi 2010) while others are inconclusive (Nicolas 2012) or indicate little impact (Xu, Petersen & Wang 2012).

Access to the Chinese market is a highly significant investment effect in the UK and Germany. Previous research suggests that Chinese FDI increases the chances of UK firms investing in China (Clegg, Voss 2012, Hanemann, Rosen 2012). Similarly German companies are particularly keen to attract Chinese investors because this could improve their chances of succeeding in the Chinese market (Gentile-Ludecke 2013). Evidence from the UK confirms existing findings. Namely the results of this study show that British companies taken over by Chinese MNEs were able to access the Chinese market without difficulty. The expansion of R&D activity by Chinese companies such as Haier, Huawei and other smaller companies (Schuller, Meuer & Schuler-Zhou 2012) has been widely observed.

However existing studies do not consider the effects of Chinese acquisitions on R&D activities in acquired European firms. The findings of this research show that Chinese investors impact the extent of R&D activities conducted in acquired companies in Britain. Target companies were found to intensify their R&D activities as a result of Chinese acquisition. This finding is new but it is not surprising given that the Chinese investors examined in this study are technology-seeking. Thus much of their activities in the UK are likely to be geared towards technological development.

Based on the outlined results, the empirical contributions of this study are threefold. First of all this study extends our knowledge of Chinese FDI in advanced economies. Second, it builds on our understanding of the effects of Chinese FDI on acquired firms in Europe by examining the effects on target companies in the UK. Finally, this research confirms some of the effects of Chinese acquisitions discussed in other studies but it also reveals one new effect which has not been discussed in existing literature. From a theoretical point of view this research shows that Chinese FDI has similar direct effects on host countries as MNEs from developed economies. Such effects include employment and capital flows (MacDougall 1960). Moreover other indirect effects caused by investors from developed countries were also identified as consequences of Chinese FDI. For example spillover effects such as market access (Blomstrom, Kokko & Zejan 2000) occurred when Chinese investors assisted acquired British companies to enter the Chinese market. There is also evidence of productivity spillovers (Blomstrom, Kokko & Zejan 2000) whereby British companies intensified their R&D efforts once they had been acquired by Chinese MNEs.

Implications

The direct and indirect effects of Chinese FDI appear to be similar to those caused by investors from advanced economies. Overall the results of this research suggest that Chinese investors positively influenced the stability and development prospects of the companies they acquired. They provided financial and employment stability, while enhancing development prospects through intensified R&D activity and access to new markets.

Taken together these findings imply that the public should not be apprehensive about Chinese takeovers of UK firms. Moreover UK policymakers may wish to encourage Chinese investors to acquire UK firms, especially those facing financial or other difficulties. National and regional investment promotion agencies could be taking more effective action to attract inward investment from China. For example UK Trade and Investment (UKTI) and Local Enterprise Partnerships (LEPs) could provide a free service which connects potential Chinese investors with British companies looking for foreign partners. The costs of administering the service would be offset by the benefits of attracting new FDI.

The findings of this study serve the purpose of encouraging British companies to form partnerships with Chinese enterprises as they could potentially have much to gain from doing so. This is particularly true of British firms that are in financial difficulties and are finding it difficult to develop their business and expand into new markets themselves. Chinese partners have much to offer in terms of stability and development prospects and may well be suitable partners for many British firms interested in forming partnerships with foreign enterprises.

References

- Albert, M. 2011, *Helical Profile Grinder Uses Superabrasive and Aluminium-Oxide Wheels*, Volume 84, Issue 7 edn, Gardner Business Media Inc., Cincinnati.
- Bannan, T. 2012, *Interview with Tony Bannan, CEO of Holroyd*, Radio Programme "PM" edn, BBC Radio 4, London.
- Blomstrom, M., Kokko, A. & Zejan, M. 2000, *Foreign Direct Investment: Firm and Host Country Strategies*, Palgrave, Basingstoke.
- Burghart, N. & Rossi, V. 2009, *China's Overseas Direct Investment in the UK*, Chatham House, London.
- Child, J. & Rodrigues, S.B. 2005, "The Internationalization of Chinese Firms: A Case for Theoretical Extension", *Management and Organization Review*, vol. 1, no. 3, pp. 381-410.
- Clegg, J. & Voss, H. 2012, *Chinese Overseas Direct Investment in the European Union*, Europe China Research and Advice Network, London.
- Deng, P. 2007, "Investing for Strategic Resources and its Rationale: The Case for Outward FDI from Chinese Companies", *Business Horizons*, vol. 50, no. 1, pp. 71-81.
- Dynex Semiconductor 2012, 06.08.2012-last update, *Lincoln Company Gears-Up for Power Electronics Revolution* [Homepage of Dynex Semiconductor], [Online]. Available: <http://www.dynexsemi.com/corporate/news/items/20120806-corp-a.htm> [2013, 13.02.2013].
- Gentile-Ludecke, S. 2013, "What motivates German companies to agree to be sold to Chinese investors? The case of Chinese acquisitions in the German automotive sector", *EIBA 2013: Transnational firms, markets and institutions* University of Bremen, Bremen, Germany, 12-14.12.2013.
- Hanemann, T. & Rosen, D.H. 2012, *China Invests in Europe: Patterns, Impacts and Policy Implications*, Rhodium Group, New York City.
- Interviewee A1 2012, *Director - Business Development Shanghai Motor Technical Centre UK*, Birmingham.
- Interviewee A2 2012, *Head of Vehicle Trim Engineering Shanghai Motor Technical Centre UK*, Birmingham.
- Interviewee A4 2012, *Vice Director - Chassis Shanghai Motor Technical Centre UK*, Birmingham.
- Interviewee A5 2012, *Head of Vehicle Program Shanghai Motor Technical Centre UK*, Birmingham.

Interviewee B1 2012, *General Manager Advanced Developments*
PTG, UK, Rochdale.

Interviewee B3 2012, *Engineering Manager*
CHMTI, China, Rochdale.

Interviewee C1 2012, *R&D Centre Director*
Dynex, Lincoln.

Klossek, A., Linke, B.M. & Nippa, M. 2012, "Chinese Enterprises in Germany: Establishment Modes and Strategies to Mitigate the Liability of Foreignness", *Journal of World Business*, vol. 47, no. 1, pp. 35-44.

Knoerich, J. 2012, "The Rise of Chinese OFDI in Europe" in *Chinese International Investments*, eds. I. Alon, M. Fetscherin & P. Gugler, Palgrave Macmillan, Basingstoke, pp. 175-211.

Knoerich, J. 2010, "Gaining From the Global Ambitions of Emerging Economy Enterprises: An Analysis of the Decision to Sell to a German Firm to a Chinese Acquirer", *Journal of International Management*, vol. 16, no. 2, pp. 177-191.

Lall, S. 1983, "The Rise of Multinationals from the Third World", *Third World Quarterly*, vol. 5, no. 3, pp. 618-626.

Liu, C. 2013, 25.01.2013-last update, *A Fitting Acquisition* [Homepage of China Daily], [Online]. Available: http://usa.chinadaily.com.cn/weekly/2013-01/25/content_16172821.htm [2013, 11.04.2013].

Liu, L. & Tian, Y. 2008, "The Internationalisation of Chinese Enterprises: The Analysis of the UK Case", *International Journal of Technology and Globalisation*, vol. 4, no. 1, pp. 87-102.

Luo, Y. & Tung, R. 2007, "International Expansion of Emerging Market Enterprises: A Springboard Perspective", *Journal of International Business Studies*, vol. 38, no. 4, pp. 481-498.

MacDougall, G.D.A. 1960, "The benefits and costs of private investment from abroad: A theoretical approach", *Economic Record*, vol. 36, no. 73, pp. 13-35.

Machinery Market 2013, 18.02.2013-last update, *Increased Sales for PTG Heavy Industries* [Homepage of Machinery Market Media], [Online]. Available: <http://www.machinery-market.co.uk/news/2542> [2013, 01.04.2013].

Marsh, P. 2012, *Chinese Drive to List UK Engineer*, The Financial Times Limited, London.

Mathews, J.A. 2006, "Dragon Multinationals: New players in 21st Century Globalisation", *Asia Pacific Journal of Management*, vol. 23, no. 1, pp. 5-27.

- Milelli, C., Hay, F. & Shi, Y. 2010, "Chinese and Indian Firms in Europe: Characteristics, Impacts and Policy Implications", *International Journal of Emerging Markets*, vol. 5, no. 3, pp. 377-397.
- Ministry of Commerce, People's Republic of China 2014, 17.01.2014-last update, *Brief Statistics on China's Non-Financial Direct Investment Overseas in 2013* [Homepage of Ministry of Commerce, People's Republic of China], [Online]. Available: <http://english.mofcom.gov.cn/article/statistic/foreigntradecooperation/201401/20140100464237.shtml> [2015, 19.01.2015].
- Ministry of Commerce, People's Republic of China 2013, 24.01.2013-last update, *Brief Statistics on China's Non-Financial Direct Investment Overseas in 2012* [Homepage of Ministry of Commerce, People's Republic of China], [Online]. Available: <http://english.mofcom.gov.cn/article/statistic/foreigntradecooperation/201301/20130100011531.shtml> [2015, 19.01.2015].
- Ministry of Commerce, People's Republic of China 2012, 03.02.2012-last update, *Brief Statistics on China's Non-Financial Direct Investment Overseas in 2011* [Homepage of Ministry of Commerce, People's Republic of China], [Online]. Available: <http://english.mofcom.gov.cn/aarticle/statistic/foreigntradecooperation/201202/20120207950258.html> [2012, 06.11.2012].
- Ministry of Commerce, People's Republic of China 2010, *2009 Statistical Bulletin of China's Outward Foreign Direct Investment*, Ministry of Commerce, People's Republic of China, Beijing.
- Ministry of Commerce, People's Republic of China 20.11.2014, 17.01.2014-last update, *Brief Statistics on China's Non-Financial Direct Investment Overseas Jan-Oct 2014* [Homepage of Ministry of Commerce, People's Republic of China], [Online]. Available: <http://english.mofcom.gov.cn/article/statistic/foreigntradecooperation/201412/20141200835732.shtml> [2015, 19.01.2015].
- Nicolas, F. 2012, "Chinese ODI in France: Motives, Strategies and Implications", *China Economic Policy Review*, vol. 1, no. 1, pp. 1-30.
- Schuller, M., Meuer, J. & Schuler-Zhou, Y. 2012, "China's OFDI Footprint in Europe: Investment Patterns, Drivers and Implications", *DG Enterprise and Industry Brown-Bag* Institute of Asian Studies, German Institute of Global and Area Studies, Brussels, 28.12.2012.
- Schuller-Zhou, Y., Schuller, M. & Brod, M. 2012, "Push and Pull Factors for Chinese OFDI in Europe" in *Chinese International Investments*, eds. I. Alon, M. Fetscherin & P. Gugler, Palgrave Macmillan, Basingstoke, pp. 157-174.
- Stake, R.E. 1995, *The Art of Case Study Research*, Sage, Thousand Oaks.
- UNCTAD 2014, *World Investment Report*, UNCTAD, Geneva.

Wright, M., Filatotchev, I., Hoskisson, R.E. & Peng, M.W. 2005, "Strategy Research in Emerging Economies: Challenging Conventional Wisdom", *Journal of Management Studies*, vol. 42, no. 1, pp. 1-33.

Xu, T., Petersen, T. & Wang, T. 2012, *Cash in Hand: Chinese Foreign Direct Investment in the US and Germany*, Bertelsmann Foundation, Gutersloh.

Yin, R.K. 2014, *Case Study Research: Design and Methods*, 5th edn, Sage, Thousand Oaks.