



東風 Tung Feng



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What Happened Last Week

President Chris was on vacation and VP Rudy, acting as the President's role, opened the meeting with a humorous remark: "Today, I have to do it again!" He further welcomed Rtn. Kenny, who returned from Canada. The birthday boys today were Rtns. Clark and Andrew Shek, which PP. George described as the most eligible members of the club.

On behalf of the IPDG Johnson, PDG Uncle Peter presented three certificates to PDG YK in recognition of the latter's outstanding contribution.

VP Rudy then welcomed representatives from the Rotaract Clubs of Lingnan University, who had just completed their trip to Zhaoqing. On behalf of the team, VP RuRu Chung presented a banner and gift to PP. Hubert in appreciation for his generous contribution. The team also thanked VP Rudy, Rtn. Jason and Rtn. Clark for their help and additional contribution.

Miss Chung and her team then went on to describe their trip to Dou Tau Primary School, which was a three-hour journey from Zhaoqing Central. The Rotaract team taught three subject areas: English, Science and Drama/Art. For the English subject, they had taught the students the alphabets through songs and recitation. For the Science subject, team decided to use four "fun" experiments to teach the students about the properties and characteristics of air and water. For the Drama/Art subject, the team guided the students to stage a play for two stories, namely, the "Wolf and Seven Lamb" and "Snow White".

On the whole, the Rotaract team was happy and satisfied with their experience in the trip. In particular, they treasured the friendship that was built up through close interaction with the students. Through this trip, they also found new insights and understanding about the needs and hardships that the students in the mainland had to go through. In summary, the Rotaract team felt that they had the opportunity to enhance their overall skills for leadership, group management, tolerance and listening.



THE ROTARY CLUB OF HONG KONG ISLAND EAST

香港東區扶輪社週報

Club 4350

District 3450

Chartered on 6 April, 1954 by Charter President
PDG (Uncle) John Yuen

Meanwhile, the students of the Dou Tau Primary were appreciative of the Rotaract's team effort. Through a hand-written letter, the student expressed their gratitude and appreciation of the fun and wonderful experience that were given to them. The students felt that their horizons were widened and they really enjoyed the interactive teaching method and new knowledge that they gained. The students asked the Rotaract team to keep close contact and the school also asked for more exchange activities.

Today, Laurence, our Sergeant-at-arms collected a handsome amount of HK\$1600.00

IPP Stephen reminded members on the changes of grants formula for the Rotary Foundation, in order to make available additional funding for the World Fund to cater for the needs of more clubs and districts. The details of the changes are published on Vol. 50 No. 2 issues of Tung Feng dated, July 17, 2002.

For our feature presentation, Rtn. Clark introduced Mr. Daniel C. Li as our speaker. Daniel was born in Taiwan and immigrated to New York in 1982. He lived in New York for 12 years. For college, Daniel attended Columbia University. After college, he joined Merrill Lynch with its Mergers and Acquisition (M&A) division for five years. After Merrill Lynch, Daniel worked for Warburg Pincus. To date, it has been 6 years. Dan is currently a director of 6 companies, which includes MediaNation (8160.HK). Dan is also an avid golfer and tennis player.

Daniel's talk focused on Private Equity Investment, which he light-heartedly alluded to as "buying and selling of companies using other people's money!" He first introduced Warburg Pincus (WP) as an international company with 35 years of track records and more than 200 companies in its investment portfolio, but only, 110 staff worldwide (with seven in Hong Kong.) Currently, Warburg Pincus has about US\$ 17 Billion of assets worldwide. The company adopts a long-term and value-added principle of investment philosophy and often hold their investment for five to six years, as opposed to two to three. As an investor, WP aims to guide companies through various stages of growth, look out for sources of financing, and provide CEO sound strategic advises.

To familiarize the audience with WP's business nature, Daniel went on to cite two successful cases of investment that WP had made in the late 90's. Both companies are in Korea, namely, NorthPole and Little Brenn. NorthPole was the largest tent manufacturer globally. WP invested US\$ 50 Million investment in NorthPole in April, 1999, and subsequently, raised another US\$ 70 Million from European banks. WP helped with NorthPole's strategic activities, further asset acquisition, and strengthening its MIS (Management Information System) adoption. As a result, NorthPole's revenue doubled and is planning to go into public next year. On the other hand, WP invested US\$ 32 Million in Little Brenn, which was a large children's apparel company. WP strengthened Little Brenn's operational independence from its parent company, helped the latter to make acquisition for expansion, and revamped the latter's operation to improve its efficiency.

When addressing the current state of private equity investment, Daniel mentioned that there were a number of difficulties, including the departure or downsizing of European and US equity firms, the economy slowdown, the shrinking of cash pool for investment in Asia, and the cautious attitude of fund managers to make investment. Daniel expected to see further consolidation of the investment funds in the next 12 months, with some of the weaker ones exiting the business.

Daniel further explained that WP's investment strategies had adopted a macro-driven approach. By this approach, he meant that the first task was to identify the macro trends of various sectors, such as, massive urbanization, aging population, China becoming the manufacturing capital of the world, huge growth in service sector, and increasing investment in IT infrastructure and software. Then, WP would identify the particular industry sectors and their consumers. Today, WP is focusing their investment in China, Hong Kong and Korea, geographically.

VP Rudy then thanked Daniel for giving such informative and enlightening speech on private equity investment. Today's session ended with a toast to the Rotaract Club of Lingnan University.

Rotary Information

Up-coming Rotary Events

Members are reminded to mark in their diary of the following Rotary events which require members' participation to strengthen our club activities :

<i>Date</i>	<i>Event</i>
<i>August 9th 2002</i>	<i>Presidential Conference in Kuala Lumpur</i>
<i>August 17th 2002</i>	<i>Membership Development & Retention Seminar</i>
<i>Sept. 7th 2002</i>	<i>Rotary Foundation Seminar</i>
<i>Sept. 18th 2002 (tentative)</i>	<i>D.G. visit to R/C of H.K. Island East</i>
<i>Oct. 8th 2002</i>	<i>Vocational Service Seminar</i>
<i>Oct. 19th 2002</i>	<i>District Conference of D.3450 in Macau</i>

(Further events will be announced later)

LAUGH FOR THE WEEK

An American touring Spain stopped at a local restaurant following a day of sightseeing. While sipping his sangria, he noticed a sizzling, scrumptious looking platter being served at the next table. Not only did it look good, the smell was wonderful. He asked the waiter, "What is that you just served?" The waiter replied, " Ah senior, you have excellent taste! Those are bulls testicles from the bull fight this morning. A delicacy!" The American, though momentarily daunted, said, "What the hell, I'm on vacation! Bring me an order!" The waiter replied, "I am so sorry senior. There is only one serving per day because there is only one bullfight each morning. If you come early tomorrow and place your order, we will be sure to save you this delicacy!"

The next morning, the American returned, laced his order, and then that evening he was served the one and only special delicacy of the day. After a few bites, and inspecting the contents of his platter, he called to the waiter and said, "These are delicious, but they are much, much smaller than the ones I saw you serve yesterday!" The waiter shrugged his shoulders and replied, "Si senior. Sometimes the bull wins."



YEAR 2002-2003

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PP George Leung

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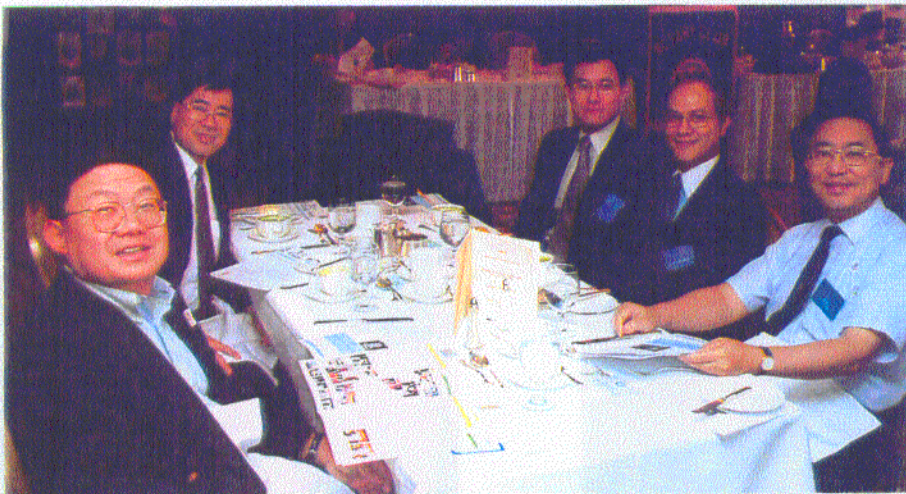
**ROTARY CLUB OF HONG KONG ISLAND EAST MEETS EVERY WEDNESDAY, 12:30 p.m. AT
EXCELSIOR HOTEL, CAUSEWAY BAY**



We welcome back from Canada Rtn Kenny seated between Raymond & Danny.



Uncle Peter hands over the many honor scrolls bestowed upon our PDG Y.K. which was given to him in his absence last week.



PDG Y.K. relaxing with the rest of the Rotarians at our lunch.



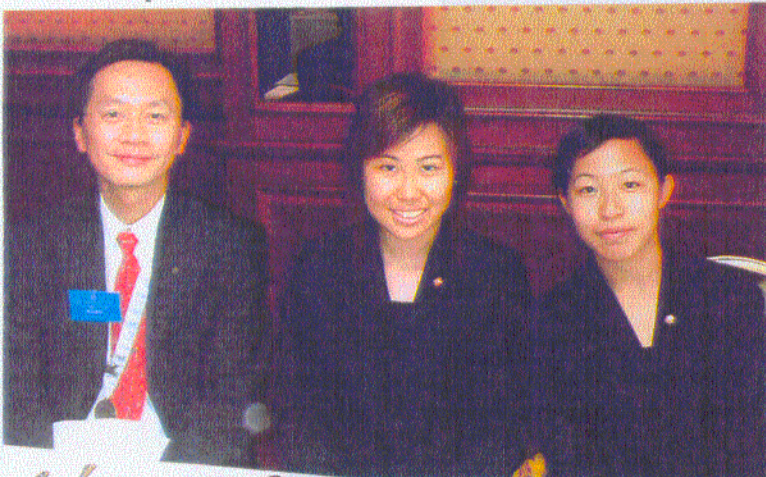
Group picture of our Acting President, our guest speaker & PDG Peter & other members of our club taken with the Rotaractors from Lingnam University on 17th July, 2002.



Our guest speaker this week was Mr Daniel Li from Warburg Pincus. He spoke about Private Equity Investments.



PP George has the honor to lead the birthday song for the two birthday boys Clark & Andrew II.



Hon Sec Eddy seated next to our Rotaractor Club's VP RuRu Chung at the head table.



VP RuRu Chung presented a banner and gift to PP. Hubert in appreciation for his generous contribution.



Some of the Representatives from the Rotaract Clubs of Lingnam University, who had just completed their trip to Zhaoqing.