

DEFINING “FIRM NATIONALITY”
--
AN EXPLORATION OF THE MODERN
FIRM WITHIN THE CONTEXT OF
UNITED STATES-CHINA RELATIONS



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INTRODUCTION

- Industrialization —→ Fragmentation of production, modularization, and global outsourcing
- US vs China conflict over industry
- CM2025
- US Response (CFIUS)
- Ex. Tik Tok
- How should we define firms?

METHODOLOGY

- Crunchbase
- Chinese HQ Firms (30,462),
 - 51+ employees (12,921)
- Lead five investors (6,411)
 - Ranked the list
 - Filtered to chosen subset (80 most mentioned investors=30% of total # of investors)
 - Most frequent = most significant in terms of capital

HQ LOCATION VS. FOUNDING LOCATION OF INVESTORS



Figure 4.1: A ranked chart of the locations with the highest density of investor headquarters.

Source: *Crunchbase*.

China, Beijing	5792
USA, California, Menlo Park	2771
China, Shanghai	1946
China, Shenzhen	1804
New York, New York	1556
USA, California, Santa Clara	1309
Hong Kong, Hong Kong	906
China, Zhejiang	544
Singapore	422
USA, California, San Diego	408
USA, California, Palo Alto	349
China, Liaoning, Chaoyang	147
USA, MA, Boston	93
China, Jiangsu, Nanjing	65

Table: 4.1: A table with the sums of investor headquarters in each city as of January 2021.

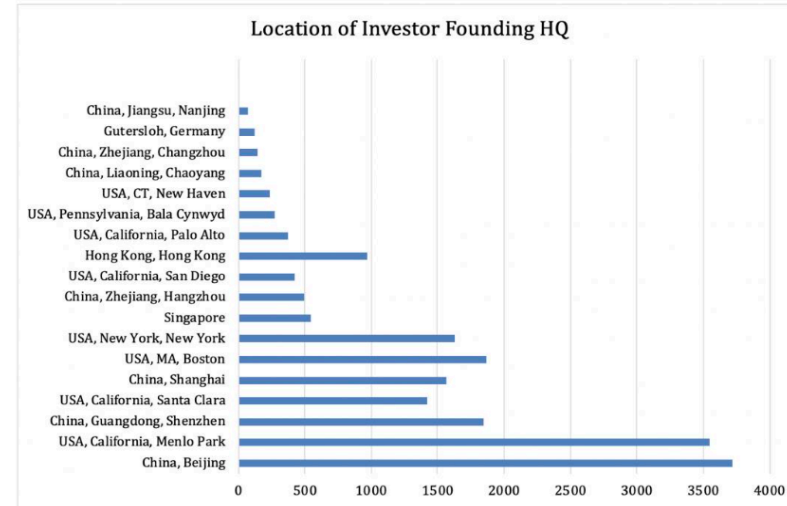


Figure 4.2: A ranked chart of the locations with the highest density of investor founding.

Source: *Crunchbase*.

China, Beijing	3720
USA, California, Menlo Park	3544
China, Guangdong, Shenzhen	1845
USA, California, Santa Clara	1419
China, Shanghai	1568
USA, MA, Boston	1868
USA, New York, New York	1631
Singapore	543
China, Zhejiang, Hangzhou	492
USA, California, San Diego	421
Hong Kong, Hong Kong	971
USA, California, Palo Alto	371
USA, Pennsylvania, Bala Cynwyd	275
USA, CT, New Haven	238
China, Liaoning, Chaoyang	170
China, Zhejiang, Changzhou	140
Gutersloh, Germany	124
China, Jiangsu, Nanjing	73

Table: 4.2: A table with the sums of investor founding headquarters, per city, as of January 2021.

NATIONALITY OF THE INVESTMENTS OF THE LEAD INVESTORS

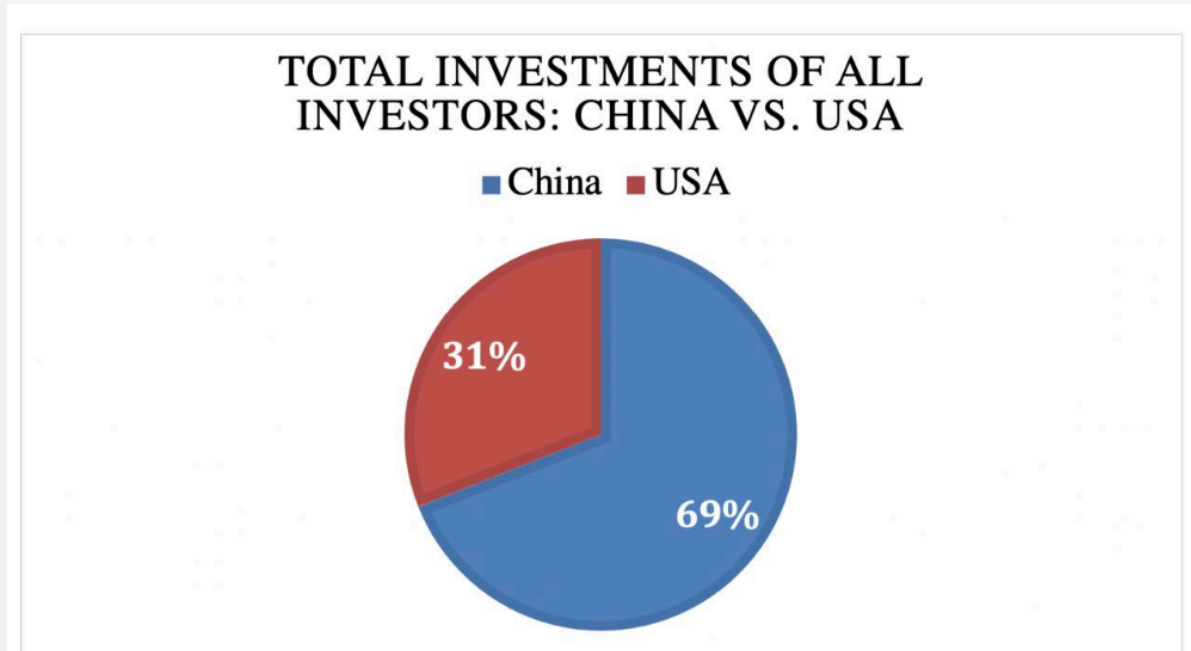


Figure 4.3: A pie chart comparing the locations of the investments, US v. China.

Source: Crunchbase.

China	\$3,011,290,000,000.00
USA	\$1,353,525,541,845.00

Table 4.3: A table with the values of US vs. China investments in the data set as of January 2021.

MOST COMMON TYPES OF FUNDING USED IN INVESTMENTS

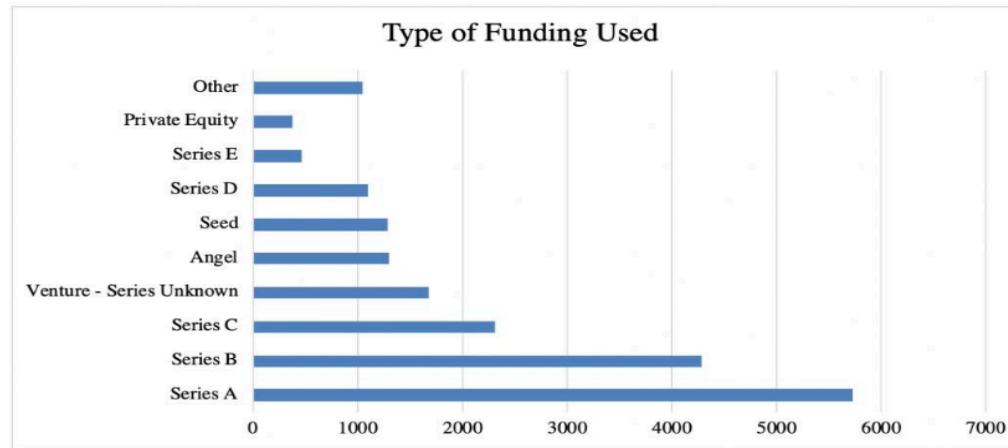


Figure 4.4: A pie chart comparing the types of funding used.

Source: *Crunchbase*.

Series A	5723
Series B	4280
Series C	2313
Venture - Series Unknown	1678
Angel	1292
Seed	1283
Series D	1091
Series E	468
Private Equity	369
Other	1049

Table 4.4: A table with the sums of investment types used in the dataset.

HQ LOCATION VS. FOUNDING LOCATION OF INVESTORS IN CHINESE-BASED FIRMS

HQ Location of Investors in Chinese Firms



Figure 4.5: A ranked chart of the locations with the highest density of investor headquarters for investors in Chinese firms.

Source: *Crunchbase*.

China, Beijing	5423
China, Shanghai	1712
China, Guangdong, Shenzhen	1704
USA, California, Menlo Park	693
China, Zhejiang	512
USA, California, Palo Alto	278
Hong Kong, Hong Kong	437
China, Liaoning, Chaoyang	159
Hong Kong, Kowloon, Kowloon City	147
USA, New York, New York	164
USA, California, Santa Clara	111
Singapore	97
USA, MA, Boston	84
China, Jiangsu, Nanjing	70
USA, California, San Diego	50

Table 4.5: A table with the sums of headquarters, per city, for investors in Chinese firms, as of January 2021.

Founding Location of Investors in Chinese Firms



Figure 4.6: A ranked chart of the locations with the highest density of founding for investors in Chinese firms.

Source: *Crunchbase*.

China, Beijing	3113
China, Guangdong, Shenzhen	1576
USA, Boston, MA	1562
China, Shanghai	1326
USA, CA, Menlo Park	1237
Hong Kong, Hong Kong	647
China, Zhejiang, Changzhou	512
USA, California, Palo Alto	278
USA, Pennsylvania, Bala Cynwyd	230
Singapore	190
USA, CT, New Haven	175
New York, New York	164
China, Liaoning, Chaoyang	159
Gutersloh, Germany	113
USA, California, Santa Clara	111
China, Jiangsu, Nanjing	70
USA, California, San Diego	50

Table 4.6: A table with the sums of founding headquarters, per city, for investors in Chinese firms, as of January 2021.

HQ LOCATION VS. FOUNDING LOCATION OF INVESTORS IN UNITED STATES-BASED FIRMS



Figure 4.7: A ranked chart of the locations with the highest density of investor headquarters for investors in United States firms.

Source: *Crunchbase*.

USA, California, Menlo Park	1871
USA, California, Santa Clara	951
New York, New York	925
China, Beijing	583
USA, California, San Diego	233
China, Shanghai	209
Singapore	176
China, Guangdong, Shenzhen	143
USA, California, Palo Alto	72
Hong Kong, Hong Kong	47
China, Zhejiang, Changzhou	35
USA, MA, Boston	10
China, Liaoning, Chaoyang	4
China, Jiangsu, Nanjing	1

Table 4.7: A table with the sums of headquarters, per city, for investors in United States firms, as of January 2021.



Figure 4.8: A ranked chart of the locations with the highest density of founding for investors in USA based firms.

Source: *Crunchbase*.

USA, CA, Menlo Park	1900
USA, California, Santa Clara	951
New York, New York	925
China, Beijing	384
USA, California, San Diego	233
Singapore	177
USA, Boston, MA	148
China, Guangdong, Shenzhen	139
Hong Kong, Hong Kong	118
China, Shanghai	113
USA, California, Palo Alto	72
China, Zhejiang, Changzhou	35
USA, CT, New Haven	25
USA, Pennsylvania, Bala Cynwyd	24
Gutersloh, Germany	7
China, Liaoning, Chaoyang	4
China, Jiangsu, Nanjing	1

Table 4.8: A table with the sums of founding headquarters, per city, for investors in United States firms, as of January 2021.

CM2025

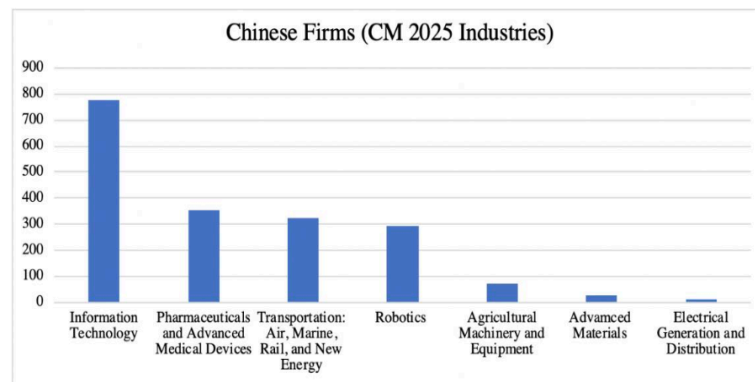


Figure 4.9: A bar graph comparing CM2025 industries within China.

Source: *Crunchbase*

Information Technology	777
Robotics	293
Transportation: Air, Marine, Rail, and New Energy	323
Electrical Generation and Distribution	11
Agricultural Machinery and Equipment	74
Advanced Materials	25
Pharmaceuticals and Advanced Medical Devices	352

Table 4.9: Sum of CM2025 industry-based firms, located in China, in the dataset.

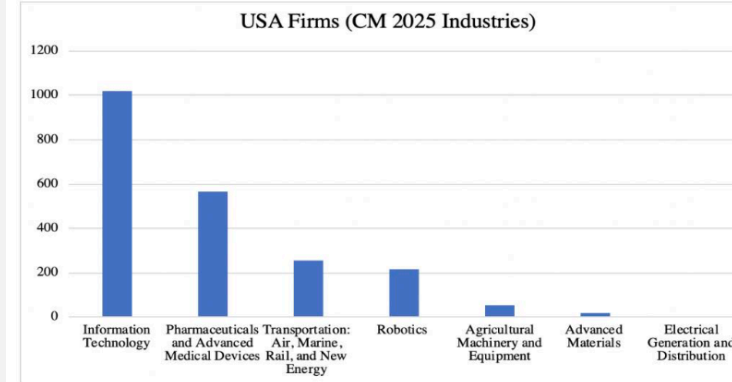


Figure 4.10: A bar graph comparing CM2025 industries within the United States.

Source: *Crunchbase*

Information Technology	1017
Pharmaceuticals and Advanced Medical Devices	565
Transportation: Air, Marine, Rail, and New Energy	255
Robotics	216
Agricultural Machinery and Equipment	54
Advanced Materials	19
Electrical Generation and Distribution	5

Table 4.10: Sum of CM2025 industry-based firms, located in the United States, in the dataset.

EDUCATION OF EXECUTIVES

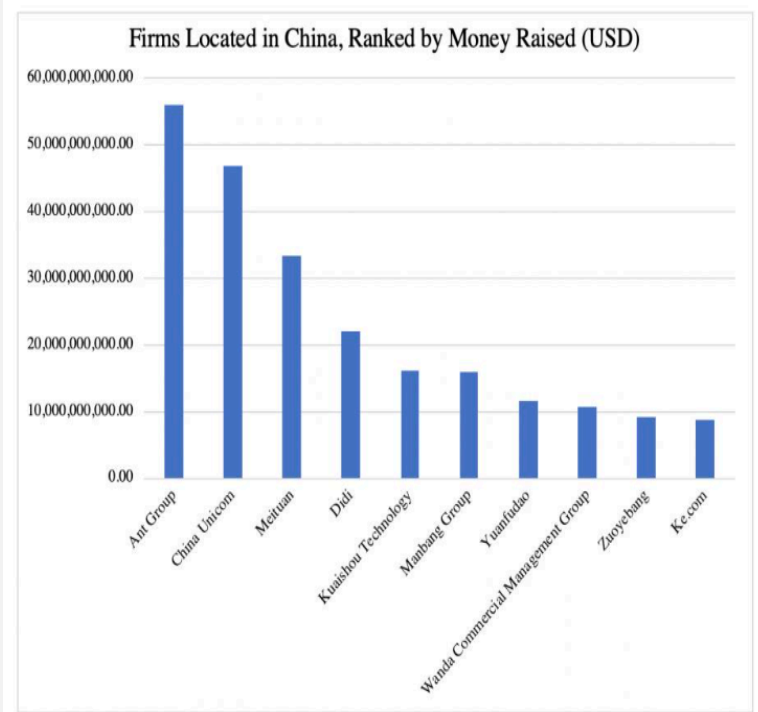


Figure 4.11: A bar graph comparing the largest firms within China.

Source: *Crunchbase*

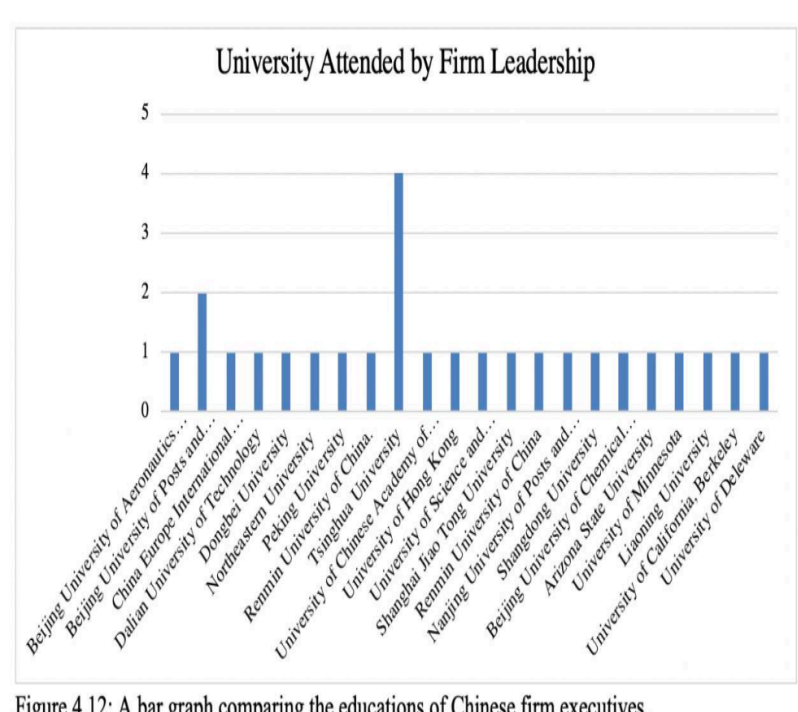


Figure 4.12: A bar graph comparing the educations of Chinese firm executives.

Source: *Crunchbase*

EDUCATION OF EXECUTIVES PT. 2

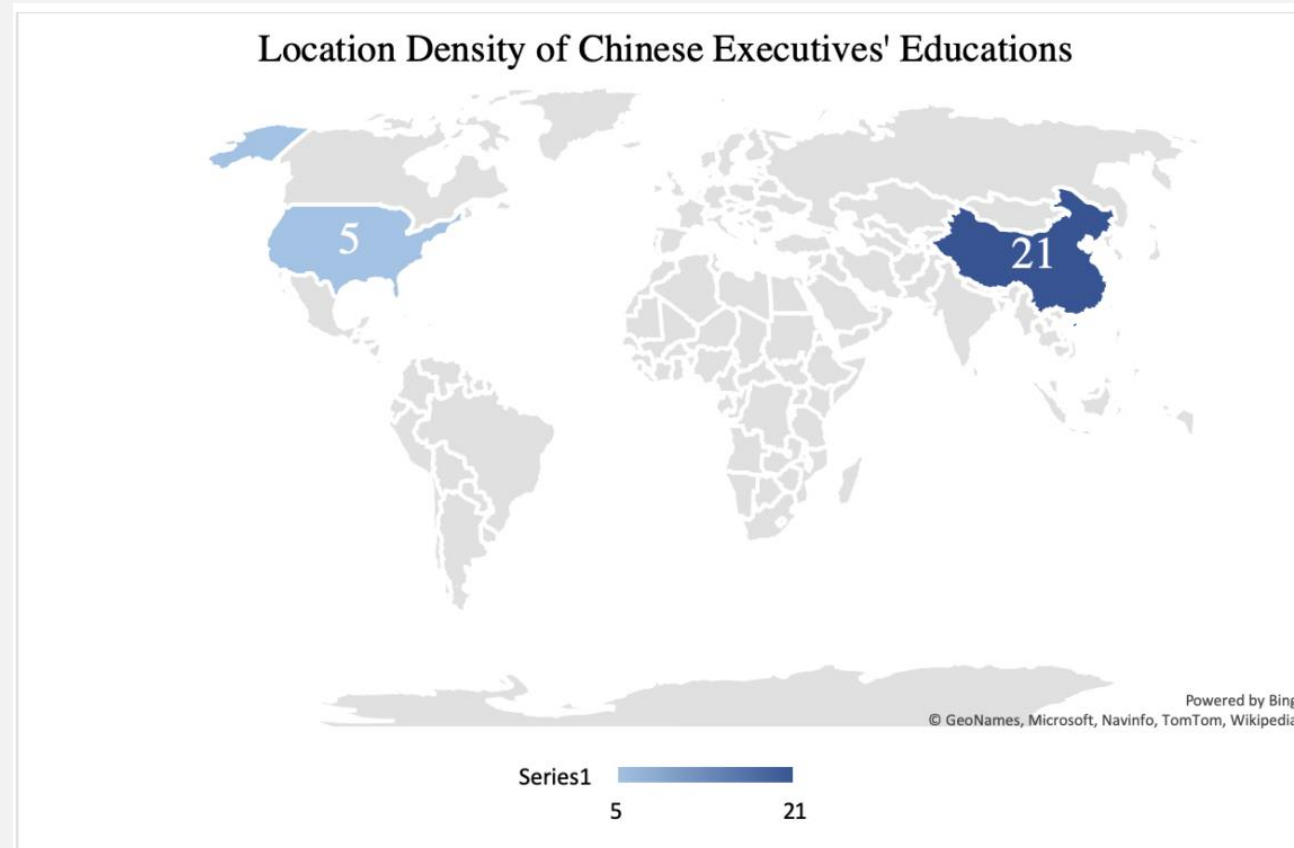


Figure 4.13: A map comparing the locations of Chinese executives' educations.

Source: *Crunchbase*

CONCLUSION

- HQ location vs Founding Location (workforce nationality and legal jurisdiction)
- Investor Location vs, Investor Founding Location (path of capital)
- Education of Investors (influence on decision making and firm behavior)
- CM2025 industries and defining firm nationality going forward