

Nike succeeds in China

BEAVERTON (AP) — No American company has a firmer foothold in the formerly forbidden Chinese mainland than Nike, whose worker incentive plan for shoemaking appears to be at odds with the basic premise of communism.

In just 14 months, a Chinese-born David Chang has engineered an agreement to manufacture Nike athletic shoes at factories in his native land.

Three such factories are in operation. A fourth will begin producing shoes soon. And the Chinese government has approved a plan for more factories in the Fujien province on the country's south coast.

Plans call for 1.5 million Nikes to be produced in China by the end of the year. A high official in China has told Nike Pres. Phil Knight to go ahead with a plan to offer cash incentives to some factory workers.

"We're looking at having 29 percent of our total shoe production to come out of China by 1985," Chang says. "That's damn near 18 million shoes by 1985."

The factories — two in Tientsin and one in Shanghai — aren't making Nike-brand shoes yet. They are manufacturing unbranded shoes until the six Nike officials working in China determine the quality is good enough to bear the Nike name and "swoosh" trademark, Chang says.

Although other American corporations have failed, Chang was able to set up the Nike operation in a little over a year. The reason: Money.

"We happen to be in a business that the Chinese have recently identified as one of the fairly quick and relatively easy areas in which they could earn hard currency," he says. "The desperate need for hard currency continues to exist."

All transactions are on a cash basis in China.

"If you have to pay a \$4,000 banquet bill, you have to carry around a sack of \$10 bills," he says.

So Nike became partners with a communist government, a new experience for a company that does most of its business with South Korea and Taiwan.

"They're very conscious of their emergence into the 20th

Nike: 'That's damn near 18 million shoes.'

century," Chang says of the Chinese. "And the fact that any large company would treat them with the kind of respect of being called a partner makes them sit up and take notice."

"That was our approach from the start," he says, "to kind of put away the image of the one-shot trader."

From the beginning, Chang pointed out that the Chinese should be getting some of the business Taiwan is enjoying.

At a recent trip to China to inaugurate the Nike operation, Knight met with a high-ranking Chinese official. After asking him about offering workers cash

incentives, the leader said to go ahead and try it.

"We've been given considerable encouragement that this will not be rejected," Chang says.

"We realized that this begins to touch upon some dangerous ground," he adds. "What it is, in a sense, is refuting their whole ideology, which they've begun to do."

Nike sent three U.S. college basketball coaches to China for a series of clinics last year and plans to outfit, free of charge, the Chinese national basketball and track and field teams with Nike shoes and apparel.

Then there is the question of exploiting cheap labor.

The average Chinese worker earns \$30 per month. The main reason Nike wants to rely less on Taiwan and South Korea is the rapidly increasing wages in those two nations.

"I suppose the bleeding heart might say it's exploitation," Chang says, "but I prefer to say we're encouraging and guiding them toward technological advances."

And he is quick to guard against labeling Nike an exploiter from the West.

"China historically has been exploited for so long by the West," Chang says. "So I want to do everything that we can to come across, for lack of a better term, as good guys."

"We don't want to be the rapers and plunderers of colonial days," he adds, "because the Chinese are very, very sensitive to any possible re-emergence of that kind of attitude."

MOHAN

Provides

Live Music

Tonight from 8 - 11

- Happy Hours Daily
- Check our new Winter Hours

PIZAN'S

1255 Alder St. 343-9661
Call ahead for to go orders

a benefit for
SPONSORS, INC.

The "Rhythm Method"

- * classic rhythm and blues!
- * great for dancing!

at

B.J. KELLY'S

JANUARY 28 — 9 pm
\$4.50.....at the door

ANDERSON'S JANUARY SHOE SALE



ADIDAS SL-80
Training Flats
reg. \$48.95

NOW \$34.50

Factory Seconds 1255 Nastasse Super, Blue stripes, polyurethane sole for comfort, traction. Uppers of lightweight mesh



reg. \$39.95 **NOW \$29.95**

ADIDAS NASTASSE SUPER



NIKE CORTEZ II

Nylon Navy/White
reg. \$31.95
NOW \$23.95



NIKE LADY BRUIN
Lo-Top Leather

reg. \$36.95

NOW \$25.95



NIKE LADY OCEANIA

Tan/Brown
reg. \$23.95 **NOW \$16.95**



NIKE LADY ROADRUNNER
Powder Blue/Electric Blue
reg. \$29.95 **NOW \$20.95**

NIKE Lady Blazer Hi-Top Leather reg. \$36.95 **NOW \$25.95**
NIKE Lady Blazer Hi-Top Canvas reg. \$23.95 **NOW \$16.95**
NIKE Mens Blazer Hi-Top Canvas reg. \$25.95 **NOW \$18.95**
NIKE Terra T/C Training Shoe reg. \$49.95 **NOW \$29.95**
NIKE Men's Yankee Grey/Blk reg. \$34.95 **NOW \$24.95**

BROOKS # 417 Training Flat reg. \$29.95 **NOW \$20.95**
BROOKS # 421 Hugger GT's reg. \$45.95 **NOW \$27.95**
BROOKS # 430 Men's Vantage reg. \$35.95 **NOW \$21.95**
BROOKS # 216 Lady Vantage reg. \$35.95 **NOW \$21.95**
BROOKS # 407 Silver Hawk reg. \$27.95 **NOW \$16.95**
BROOKS # 229 Lady Silver Hawk reg. \$27.95 **NOW \$16.95**
BROOKS # 790 Astro-Turf reg. \$27.95 **NOW \$22.95**

CONVERSE Factory Irregular Turf Star's Men's & Boy's reg. \$21.95 **NOW \$12.95**
CONVERSE Factory Irregular Pro-150 Stud Astro Turf reg. \$64.95 **NOW \$39.95**

PRO KED Royal Master Lo-Cut reg. \$39.95 **NOW \$26.95**
PRO KED Royal Master Hi-Cut reg. \$42.95 **NOW \$28.95**

NIKE Dynasty Basketball Hi-Cut reg. \$36.95 **NOW \$29.95**
NIKE Dynasty Basketball Lo-Cut reg. \$34.95 **NOW \$27.95**

For best selection shop downtown store

HARVEY FOX'S
ANDERSON'S
SPORTING GOODS
199 W. 8th St.
Phone 484-7344

EUGENE • CORVALLIS • ALBANY • SALEM