

## Relationship-Centric

An Interview with Raymond L Qiao, Chief Lending Officer and Executive Vice President, Bank of China, U.S.A.

**EDITORS' NOTE** Raymond Qiao joined Bank of China's New York Branch in 1998 and currently serves as Chief Lending Officer and Executive Vice President. In this role, he oversees all of the bank's corporate banking and lending practices, including project finance, commercial real estate and financial institutions. In addition, Qiao supervises the operation of Bank of China's Los Angeles Branch. In 2016, he was ranked #1 among the 50 Most Important Figures in Commercial Real Estate Finance by Commercial Observer. He was also awarded the Outstanding 50 Asian Americans in Business in 2015, recognizing his contribution to local Asian community development. Qiao holds a master's degree in economics and an MBA degree in finance.



Raymond L Qiao

**COMPANY BRIEF** As China's most globalized and integrated bank, Bank of China ([boc.cn/en](http://boc.cn/en)) has a well-established global service network with institutions set up across the Chinese mainland as well as in 57 countries and regions. It has established an integrated service platform based on the pillars of its corporate banking, personal banking, financial markets and other commercial banking business, which covers investment banking, direct investment, securities, insurance, funds, aircraft leasing and other areas, thus providing its customers with a comprehensive range of financial services. Bank of China U.S.A. ([bankofchina.com/us/en](http://bankofchina.com/us/en)) has branches in New York City, Queens, Chicago and Los Angeles.

### Will you discuss Bank of China, U.S.A.'s history in New York City and how the business has evolved?

Bank of China, U.S.A. ("BOC U.S.A.") has a long history and presence in New York City, having first established a presence in New York in 1936 to facilitate trade and foreign exchange between the two countries. In 1981, Bank of China reopened a branch at 410 Madison Avenue and expanded its offering to include retail and commercial services. Shortly thereafter, a second branch was opened in Downtown New York City in 1985, which was relocated to Queens in 2013.

As BOC U.S.A.'s business expanded across the United States, our office requirements also increased and in 2016 we acquired a newly built

office building at 1045 Avenue of the Americas, designed by world renowned architect IM Pei. Totalling 471,000 square feet, the iconic building, adjacent to Bryant Park, now serves as the U.S. headquarters of BOC U.S.A. representing the New York, Queens, Chicago and Los Angeles branches. Since 1981, BOC New York has grown from a handful of employees to over 700 full-time employees today, which is a manifestation of our long-term commitment to the city.

### Will you highlight BOC U.S.A.'s offerings and key areas of focus?

As the oldest and largest Chinese bank in America, we have directly experienced the development of close financial ties between the U.S. and China, often with New York at the center. In our nearly 40 years operating in the U.S., we have grown from a middle-market trade finance bank into a full-service commercial bank equipped to serve New York City's dynamic and diversified corporate clientele including Fortune 500 companies. We now provide comprehensive services to local businesses and global corporations. Through our lines of business spanning corporate banking, commodities finance, financial institutions, trade services, global markets and personal banking, we offer a wide array of financing products, deposits, clearing house activities, letters of credit and capital markets services.

We also provide bespoke financing solutions to top-tier commercial real estate projects located throughout New York City which is a major primary target market. We have long been committed to the New York City real estate market, expanding our lending capabilities to fund key projects even during and immediately after the financial crisis in 2008. Through our close connection to the community and our commitment to serving New York, we were an active part of the city's recovery during this time, channeling the city's vitality and ability to rise from any and every challenge.

Our impact on the city can be seen in the developments which have leveraged real estate capabilities including term, value add and construction debt for institutional quality real estate. Some of our most significant recent projects include: One Vanderbilt Avenue, adjacent to Grand Central Station; The Eugene, a multifamily high rise with an affordable housing component; 50 Hudson Yards; and the mixed-use Industry City complex in Brooklyn.

Another key focus area for BOC U.S.A. is promoting the internationalization of the RMB, which has been of increasing significance to the global economy in recent years. Thanks to our global RMB clearing network, a broad customer base from home and abroad, professional talent pool and cross-border financial products, BOC U.S.A. is the premier bank for cross-border RMB services. By the end of March 2020, Bank of China U.S.A. ranked 24th among 170 foreign-funded banks and 54th among 4,464 commercial banks in the American banking industry.

### How do you define the target market for BOC U.S.A.?

Over 90 percent of BOC U.S.A. clients are leading American companies with whom the bank partners to support their business objectives locally and across borders. Fortune 500 companies based in New York City, local SMEs, and best-in-class institutional and high-net-worth individual real estate owners and developers for commercial real estate finance is our target market. We proudly manage banking relationships with New York-based Pfizer, IBM, Pepsi, Blackstone, Brookfield Properties, SL Green Realty Corp. and Vornado Realty Trust.

### How critical is corporate responsibility and community engagement to BOC U.S.A.?

BOC has a global platform with a footprint in 61 countries, but our culture is grounded in a commitment to the local communities in which we serve. This is especially true here in New York City where we have a very active CSR program to engage with and support those who need it most. We provide financing for low- and medium-income real estate projects, which includes grants to local nonprofit organizations, participation in small and medium size business-financing programs and staff engagement. We also established a workplace mentoring program with Big Brothers and Big Sisters of New York where BOC professionals mentor high school students and help map out their career goals at our New York City office building.

More recently, as COVID-19 spread across New York, we immediately mobilized and determined where we could provide the most impactful relief efforts. We secured and donated over 120,000 pieces of PPE to local hospitals, senior care facilities, NYPD, MTA and the New York Sanitation Department. As ICU capacity was running low, we helped sponsor the expansion of the ICU at NewYork-Presbyterian Downtown hospital, which was severely in need. We also





*The headquarters building of BOC U.S.A. in Manhattan*

partnered with a local nonprofit and restaurant to provide free home-delivered meals to medical workers and the elderly. We also of course supported our customers during this difficult time, participating in the Paycheck Protection Program (“PPP”) to provide for those small businesses that were adversely affected by business shutdowns or reduced trade as a result of the virus.

**What is your outlook for New York’s reopening and recovery?**

New York City earned the moniker “The City That Never Sleeps” for a good reason. New York is a major domestic hub for finance, commerce, education, healthcare, culture and lifestyle, which means that many want to base their business here. This is in addition to a vibrant tourism market.

Founded centuries ago, it has survived numerous challenges from the Great Depression, 9/11, blackouts and numerous hurricanes. Each time adversity struck, we persevered, adapted and came out much stronger. New York is resilient and while we face this latest challenge in COVID-19, we are confident that once a vaccine is developed, people will start feeling safe again and the economy will start to recover. It will take time, but we anticipate a return to the energy level associated with New York in due course.

**How critical is a strong New York City economy to the overall U.S. economy?**

New York is one of the richest and most powerful states in the United States, with the city alone encompassing the largest municipal

and regional economy in the U.S. New York’s economic output is so significant that its gross domestic product is comparable to many other countries in the world, such as Canada. In 2019, the GDP of New York State was \$1.73 trillion according to the Bureau of Economic Analysis, comparable to the GDP of Canada (\$1.73 trillion) and more than South Korea (\$1.64 trillion).

As a global hub of business and commerce, many Fortune 500 corporations are headquartered in New York City, as are a large number of multinational corporations. Finance, technology, real estate, insurance and healthcare all form the basis of New York City’s economy. The city is also the nation’s most important center for mass media, journalism, and publishing. Creative industries such as digital media, advertising, fashion, design, and architecture account for a growing share of employment. These industries experienced a 6.6 percent growth in employment from 2008 to 2017, according to the NYC Comptroller’s 2019 report on “The Creative Economy.” As a major gateway city, relevant not only to the rest of the U.S but globally, we believe that as New York bounces back from the economic impact of the pandemic, the overall U.S. economy will also benefit.

**Will you highlight the strength and expertise of BOC U.S.A.’s workforce?**

Our employees are our most valuable assets. Strong and visionary leadership enable our local lines of business to serve our clients and customers effectively and efficiently, offering them best in class service. What sets us apart from peers is the talent we invest in across our local offices to execute our business strategy and deliver a high touch, ease of execution product.

With a global platform, we benefit from the best of both worlds. We have industry-focused local talent in New York, with the support and backing of international professionals from our platform across 61 countries. We merge the best of intellectual and cultural diversity under one roof. This diversity of ideas and experiences promotes lots of learning and idea sharing. It is a rich and diverse environment to work in and allows us to stay true to our commitment of bridging the gap between the U.S. and Chinese business communities.

**What are the priorities for BOC U.S.A. in the U.S. market?**

Bank of China is committed to developing long-term relationships with our U.S. clients. As the first Chinese bank in the U.S. market, we are here to serve the local economy and support U.S. businesses, from the small local enterprises to large Fortune 500 organizations. Being relationship-centric is intrinsic to our core and this approach has grown our brand across the U.S., resulting in the majority of our deal flow being sourced from existing relationships and word of mouth referrals.

We also embrace the highest standards of compliance in all markets in which we operate and continuously promote a strong ethical and compliant culture throughout our global organization. One of our highest priorities is that we continue to maintain an exceptional operational environment and system of internal controls and processes that proactively identify and report improper activities in order to best protect our customers, investors, Board, and employees. ●