

# Just like home

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By Todd Balazovic (China Daily)



Feng Yongbin / China Daily

Cascade aims to combine Western elements with Chinese-style assisted living

Chris Alberti is all too familiar with the agony of a child faced with making tough decisions about a parent's medical future. When his father suffered blood circulation problems in 2006, doctors had to amputate part of his father's left foot, a decision that meant he would require expert medical attention daily.

It was a trying time for Alberti and his family, who had to tackle the tough decision of whether or not to put their father in an assisted-living facility.

But the decision also spurred the 59-year-old Boston native to make a dramatic change in his own life, shifting from the number-filled world of government finance and investment banking to helping set up what he says is one of the most comprehensive assisted-care facilities in China.

"It was one of the major drivers for why I'm now doing what I'm doing," he says.

Alberti is director and one of the founders of Cascade Healthcare, or Kai Jian in Mandarin, a joint venture with US senior care giant Emeritus and one of the largest foreign players pushing to get involved in China's senior assisted-living sector.

Cascade's first assisted-living facility opened in Shanghai's Xuhui district in mid-October, and is one of more than a dozen set to open in China in the near future.

But long before Alberti turned his passions toward helping the nation's aging population live comfortably, he was steering

foreign investment in China from the driver's seat, working with Morgan Stanley to head up the China International Capital Corp in the late 1990s.

"Back in those days not every investment banker in New York had his hand in the air to come to China, it was not considered the top place to work like it is now. But for me it was an enormous opportunity," Alberti says.

Combining a degree from Columbia Law School and several years working in public and corporate finance for companies like Lehman Brothers and Morgan Stanley, he says his background meshed perfectly with China's business culture.

"If you look at China at that time, its system was both public financing and corporate financing. It was much more like government finance with added corporate infrastructure, not the other way around," Alberti says.

Working with figures like finance guru Cai Jinyong, now executive vice-president and CEO of the International Finance Corp, and Bi Mingjian, a senior advisor for China International Capital Corp Limited, Alberti spent a decade helping engineer some of China's biggest finance projects. These included everything from discovering ways to fund the Three Gorges Dam through a bond system to book-building for Beijing's China World Hotel.

"I had the privilege of working with some of the finest people in China," he says. "We laid the foundations for the way a lot things are done now."

Years later, while working for US real-estate firm Colony Capital, Alberti was involved in underwriting the \$6.1 billion (4.6 billion euros) bid for the largest senior housing company in the United States, Holiday Retirement.

Though the bid was unsuccessful, it was a chance for him to meet the then-owner of Holiday Retirement, Dan Baty, one of the founders of Emeritus and the primary backer of Cascade Health.

"I got a chance to know him and I saw how he ran these businesses. He's very good at creating a product that's affordable for the middle class and that's exactly what China needs right now," Alberti says.

After having seen his father go in and out of assisted-living centers that provided healthcare but did little to offer residents a good quality of life, Alberti began drafting plans to bring world-class elderly care facilities to China's booming population of seniors.

While this may not be the first attempt at establishing senior housing in China, he says it is the first of its kind to fuse retirement living with high-standard medical assistance.

"Many people think of senior housing as housing in China. My own view, particularly as a foreign investor is - I'm not so sure," Alberti says.

"There's plenty of real estate, there's no shortage of apartments."

"I've had friends who have bought their parents a house, but they can't live there. They are constantly asking themselves questions like 'What if they fall?'. What they struggle with is what do you do when your parents need more care."

By focusing on the service side of assisted living, he says they are producing a business model that has not yet been tried in China.

Despite the recent easing of restrictions allowing wholly-owned foreign enterprises to compete in China's senior-health sector, Cascade is opting for a joint-venture, working with domestic companies like real-estate giant Sino-Ocean as they plan to establish more than a dozen care centers in Beijing and beyond.

Alberti says they made the decision to enter into a joint venture in order to ensure that their product offers a genuine local touch.

"When you're dealing with issues that are closest to home to Chinese people such as taking care of your parents, you want the benefits and clarity that a local partner can bring to an enterprise," he says.

"We're not bringing a foreign company to China. We're creating a Chinese company affiliated with foreign companies, but with a design toward creating a great Chinese brand."

Describing their newest facility as "Western with Chinese characteristics", Cascade's newly opened Shanghai facility has adjusted for the Chinese market by incorporating local designs and elements of traditional Chinese medicine.

But he says it's also important to keep Western elements, specifically in the realm of care, to help distinguish Cascade from local competition and continue to learn about this uncharted dimension of China's health industry.

"If we do a good job here, there's an enormous market and we'll all do well and maybe, just maybe, we can make a difference in China."

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CHRIS ALBERT, DIRECTOR OF CASCADE HEALTHCARE

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