

Bristling with high-tech companies and talent



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Classical-style buildings set in the midst of trees provide a sharp contrast with the modern high-rise architecture of the Zhongguancun area.

By ZHANG ZHAO

From its street crammed with electronics shops to its 336-square-kilometer nationally recognized center known as China's Silicon Valley, Zhongguancun Haidian has been a showcase of achievements for the world to see, for the past three decades, the vice-mayor of the Beijing Haidian district, recently remarked.

And, Zhongguancun's success story starts with the Haidian Science Park (HSP), which is at the core of Beijing's Zhongguancun National Innovation Demonstration Zone. It bristles with high-tech companies, talented people, and advanced management techniques, the vice-mayor, Yang Zhiqiang, noted.

The Haidian district has benefited from HSP, with a GDP of 146.2 billion yuan in the first half of the year, up more than 10 percent from the same period of last year.

Zhongguancun has more than 1,400 companies with revenues of 100 million yuan (\$15.6 million) each, which, together did around 700 billion yuan worth of business in the first half. That was a stunning 20 percent increase over the same

period last year.

The total figure for all of Zhongguancun companies for the same period was nearly 800 billion yuan, up 19.3 percent.

The output value of the larger companies increased 10 percent, nearly half of that from high-tech businesses.

Meanwhile, the service sector grew 12 percent, and tourism revenues increased 11.3 percent.

In addition to the rapid growth in traditional industries, emerging sectors such as IT, financial services, e-business, and new materials grew around 20 percent in the first half.

Twenty-four of the HSP's companies went public during that period, while its companies got more than 4,200 patents, or more than half of the city's total.

The district has taken steps to improve the lives of local people, with more highways and two subway lines to improve transportation.

More than 11,000 jobs were provided in the first half and unemployment in the district has been held below 1 percent.

R&D, high-value industries

The northern part of Haidian contains a number of top

companies and, thanks to them, "the area is a thriving industrial cluster".

More than 5 billion yuan was invested in the area in the first half of this year, a 67-percent increase over the same period last year. It attracted 29 major projects to the Cuihu Science Park, which was planned in the beginning of this year. Another 25 key projects were started in the software park.

There are some leaders among the new materials companies and research organizations, such as the AT&M Co Ltd and Beijing Institute of Aeronautics Materials, as well as incipient cloud computing service providers, such as UFIDIA Software.

There is also WBL Peking University BioTech Co Ltd, whose traditional Chinese medicine products are on the US market.

To the zone's decision makers, education is a priority and there are many policies that provide an incentive for improving education facilities, building new schools and kindergartens, or training better teachers.

The local government has a "science town" in the works for

an approximately 75-square-kilometer piece of ground in the middle of HSP. It will focus on life science, new materials, aerospace technology, and IT technologies.

The science town houses top universities and research institutes, along with many talented people and is expected to cooperate with universities in founding R&D centers. It already has 11 such institutes, including the emerging industries technology institute, which cooperates with University of Science and Technology Beijing; the Internet industry institute, which cooperates with Beijing University of Posts and Telecommunications; and the advanced industrial technologies institute, which is affiliated with Beihang University.

There are also 21 industrial parks covering various fields.

The HSP administrative committee is encouraging building research related to emerging industries, and had 37 contracts for projects in this area in the first half of this year.

Future developments

HSP's goal is to do better with its resources and help its com-



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YANG ZHIQIANG,
VICE-MAYOR OF HAIDIAN

panies be more competent, by balancing economic and social benefits," Yang said.

In the future, HSP's management will come up with more innovative ideas so the area will become a center for innovation, research and production, and a place that allows companies to share resources to help them grow.

"In the future, Zhongguancun will lead the nation, and even the world, in innovation and HSP will take an active role in that," said Yang. More effort needs to be put into attract talented people, investment and major projects, with improved services."

Huawei Digital now calls Haidian home

By HAN TIANYANG

Huawei Digital Technology Co Ltd, the Beijing branch of the world's No 2 telecommunication equipment maker Huawei Technologies Co Ltd, is now building its biggest domestic R&D center in the capital city's Zhongguancun Haidian Science Park.

Established in Haidian district in 2006, the company has completed development of 260,000 square meters in the northern part of the district. About 8,000 people started working in the new



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ZHAO YONG
PRESIDENT OF HUAWEI DIGITAL TECHNOLOGY CO LTD AND CHIEF OF BEIJING R&D CENTER HUAWEI TECHNOLOGY CO LTD

facilities in the beginning of this year.

The total office area of the company is expected to reach 400,000 sq m in the next three years.

Zhao Yong, president of Huawei Digital Technology Co Ltd and chief of Beijing R&D Center Huawei Technology Co Ltd, said that the company chose Haidian for its favorable policies, talent pool, innovation tradition and pleasant natural environment.

The science park has offered tax breaks to high-tech enterprises and public housing for talented employees, Zhao said.

The area also has rich human resources comprised of graduates from top nearby universities such as Peking University, Tsinghua University and Beijing University of Posts and Telecommunications, Zhao said.

Every year large numbers of talented graduates join the company, based on its long and solid cooperation with famous universities and research institutions, he said.

He added that 60 percent of the personnel in Huawei's Beijing branch have master's degrees, 30 percent have bachelor's degrees and 5 per-



Huawei Digital Technology Co Ltd

cent are Ph.Ds.

Last year, Huawei Digital Technology generated 10.8 billion yuan in revenue and paid 340 million yuan in taxes, among the top 50 high-tech companies in Zhongguancun.

Innovation is the common value that Huawei shares with the science park, said Zhao.

"Our innovation is based on customer demand as well as the understanding of industrial trends," Zhao said, noting that every year the company invests at least 10 percent of its R&D budget in innovative research.

"In stead of short-term interest, we more value long-term and sustainable development," Zhao said.

"We also have an effective internal mechanism, including promotions, bonuses and stock ownership, to encourage innovation," he said.

The company is also competitive in saving energy.

Zhao said that Huawei's telecom products have very strict standards in power consumption, materials and thermal design.

"We never waste resources," Zhao said, noting that the company is a good example to illustrate "quality growth" — an agenda at the ongoing Summer Davos in Dalian.

Huawei unveiled its first mobile phone offering cloud computing services in early August, the latest achievement in the company's devices business.

But Zhao noted that talent remains one of the company's biggest challenges, since technological innovation is a rapid process and its staff has to consistently learn new things to adapt and lead in the fast changes.

In addition, the mindset of the company's management also needs to change to cope with future challenges, Zhao said.

Executives say this is a great environment for independent innovators

Editor's note:

Executives of high-tech companies in the Haidian Science Park told China Daily's Chai Hua about the sort of environment, the services, and even the officials they have and the benefits, as well as their feeling about doing business there.



Li Yanhong, chairman, Baidu

In choosing the Haidian district for our headquarters, I didn't hesitate at all. Baidu was founded in Zhongguancun, about 10 years ago and has become the largest Chinese search engine in the world.

I also believe that Baidu needs to go out and have an influence on overseas markets. And the local government has many policies to assist innovative, growing companies. So, for us, the Science Park is good for Baidu's development.

Wang Wenjing, chairman, UFIDA Software Co Ltd

Our company developed out of a personal software service agency and now our goal is to become an international company, and the Haidian Science Park has created an environment where we can reach that goal.

And we're confident that the Haidian Science Park will be a global, R&D-oriented high-tech industrial area.

Yu Minhong, founder and president, New Oriental Education and Technology Group Inc

In the past, the Haidian district was more like a rural area, but now it's one of the most creative science zones in the whole country.

And, no doubt, New Oriental is the most innovative training school in the whole nation, and, as a part of the Haidian Science Park, we believe that it will develop into one of the top schools in the world.



Luis Sanz, secretary general, International Association for the Study of Pain (IASP)

Whenever someone in my office asked me, "Could you make a short list of the most important science and technology parks in the world?", well, this park [HSP] is always at the top of my short list. It's one of the top 10.

Every time I come here, I learn new things that are very useful to me, so, then I can go to other places in the world and tell them how things are done here.



Moshe Kam, president and chief executive, IEEE

It's perhaps the most respected and most varied science park as it is. And it's also, I think, the one that is the most experienced.



Hard work contributes to the nation's development strategy,

By ZHANG ZHAO

Good service, and plenty of technological resources and talent and universities in the area — those were the reasons one telecoms company made the move to Beijing's Haidian Science Park, according to its board chairman.

"The Zhongguancun Haidian Science Park (HSP) has an excellent investment climate, and many preferential policies and funds to support companies. These are important for growing our company," explained Wang Jing, board chairman of Beijing Xinwei Telecom Technology Inc.

HSP's management also help their client companies attract and keep talented personnel. It has billboards with key company advertisements, and preferential policies to



Wang Jing

provide schooling for the children of executives.

In its 16 years of existence, Xinwei has committed itself to the development and commercialization of China's wireless communications technologies, Wang said.

And it has helped draft some national and international standards in the telecommunications industry, including SCDMA, TD-SCDMA and McWiLL.

The McWiLL solution is a combination of several radio and wireless communications technologies that results in more efficient products and service. It has an integrated system for mobile voice and broadband data that is cost effective for operators and consumers.

Because of its technology, stable performance, and security, the McWiLL system has great potential in many fields such as defense, oil production, power supplies, transportation, and hydraulic projects, according to Wang.

In the international market, the company is telecommunications operator, equipment provider, and technology partner, all in one.

The McWiLL system has been applied in 23 countries and has been licensed in

Cambodia, North Korea and Russia. Operators in many countries have welcomed it for its performance and easy maintenance.

Company revenues reached 120 million yuan (\$18.8 million) last year, and this year's figure is expected to reach 2 billion yuan, according to Wang.

In this day and age, Xinwei expects to provide the world with leading wireless communications technologies, products and services. And, based on the McWiLL technology, wants to build a "complete wireless broadband communications network that covers the land, sky and space" in the next five to 10 years.

"With our hard work, we're contributing to the nation's developmental strategy," Wang concluded.

