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New North Zone: China's own Bangalore

By ZHANG ZHAO

The New North Zone in the mega-city of Chongqing says it has taken a lesson from the southern Indian city of Bangalore, which has been a success in the software and IT business over the last decade.

The zone's software and service outsourcing businesses had an output value of nearly 27 billion yuan ($4.2 billion) last year, an increase of 34.57 percent over the previous year, the latest statistics show.

It also has policies that promote development, a good environment, and advanced facilities, and is regarded as an "outsourcing industry paradise", according to Xiong Xue, administrative director of the new zone.

Xiong said that software and service outsourcing are a "clean industry" using global resources.

"In expanding the industry, we should examine our efforts using high standards," he said.

"We want to make this the best zone of its kind in western China over the next two to three years. The more ambitious long-term plan calls for making it the best nationwide, with 50 billion yuan in software and service outsourcing revenues by the year after that. And 100 billion yuan by 2015," he added.

The new zone has attracted a number of major IT and electronics companies, such as Microsoft, Fujitsu, ABB, Honey-

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well, Global Digital Creations, Tencent and Baidu. Many have said they will set up headquarters in the zone.

Li Zhiyou, general manager of CISDI Engineering's Chongqing branch, said it was "lucky" that his company had opened an office in the new zone.

Prior to moving there last Nov 22, his company had visited Shanghai, Chengdu and Hong Kong, but finally concluded that this zone was the proper place because of its potential.

"It's actually rising, from an ordinary industrial zone to a major area," explained Li.

Its software segment had an output value of 2.8 billion yuan in 2009, putting it in first place among all software manufacturers in western China. Sales are expected to exceed 4 billion yuan in five years, Li has reported.

Talent and infrastructure

Software and service outsourcing needed the support of talented people and, "with Chongqing's many universities, we have a rich supply of them. But, we still lack some leading people," said Han Baochang, deputy director of administration for the New North Zone.

Nonetheless, Han believes that talented people can be tailor-made for various companies.

The city announced the opening of the Chongqing International College of Software and Service Outsourcing, on June 8, at a cost of 500 million yuan. It covers nearly 10 hectares and is expected to provide training for around 9,000 students, with accommodations for 3,000 on campus.

It will work with other training schools and prominent companies, such as Microsoft, IBM, Intel and Oracle.

In addition to hiring talented people from Chongqing, the zone administrators plan to look for high-quality people in other cities, using their preferential policies.

Work has already begun on a software center and office building that will cover a 2.14-million-square-meter area, with plans for an additional 15 million sq m of office buildings, to be completed by 2015.

"This large a scale has rarely been seen elsewhere in the country," Han pointed out, so, the zone will not only serve the manufacturing industry but people's lives as well.

Administrative heads of the New North Zone visiting the southern Indian city of Bangalore to get a lesson from a city that has been a success in the software and IT business over the last decade.

Artist rendering of the Chongqing International College of Software and Service Outsourcing. It is expected to provide training for around 9,000 students.

'Lele Bear', from the Chongqing Xianghong Film & TV Co, has become a household name and animation star.

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The software industrial base in Chongqing North New Zone, a national project, is already home to 550 enterprises.

ZONE PROFILE

Chongqing New North Zone is a national service outsourcing, high-tech service and digital press base.

Many well-known enterprises, including Microsoft, Fujitsu, NEC, and Huawei have R&D centers there.

It has more than 300 software and service outsourcing companies, such as CISDI Engineering, Founder and T.Y. Lin International, employing nearly 50,000 people.

Over the next five years, the zone will focus on key sectors such as cloud computing, industrial designing, Internet of things, and digital press.

It is expected to have more than 100,000 new professionals in the next five years, and jobs for 80,000 college graduates.