

Shuangliu hopes to soar with airport economy

By FU CHAO

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The name Shuangliu might ring a bell with travelers because of Shuangliu International Airport in Chengdu, one of the country's four major aviation hubs.

Shuangliu county, where the airport is located, has long been a significant contributor to Chengdu's economy and industrial development.

Taking off with the airport, the county now has its eyes firmly set on a new stage of economic growth with advanced manufacturing industries and the development of a bonded area.

Airport economy

As a gateway to western China and a crucial logistics center in Southwest China, bustling Shuangliu International Airport has a total of 222 routes, including 77 international connections.

It became the first in the country's central and western region with a non-stop flight to San Francisco, which started in June.

Last year, it launched eight important non-stop flights to cities including Melbourne, Frankfurt and London.

It also has 33 non-stop air routes both for passengers and freight to Europe and North America as well as southern, central and western Asia.

Authorities in Shuangliu have stepped up efforts in developing an airport-based economy focusing on aviation, logistics, manufacturing and service industries.

In the field of logistics, an international express delivery center inside the airport bonded area became operational in July. It is a major step in Chengdu's bid to become the economic and trade hub in the southwest.

According to city customs officials, the center dealing with the international delivery business, can help form new, modern industrial clusters amid the rapid development of e-commerce.

They said international logistic giants DHL and UPS will set up operations in the center.

Chengdu began a 72-hour visa-free policy last year that allows citizens from 51 countries to spend three days in Chengdu if they have valid third-country visas and flight tickets to onward destinations.

The policy has further fueled growth in Shuangliu's tourism, conference and trade sectors and will help the county further open to the world, said local officials.

New plans

Authorities in the county are now working on plans to develop a multi-functional airport economy zone that features a bonded area and a nearby business district to host regional headquarters of local and international companies.

The Chengdu Airport Bonded Logistics Center that became operational recently is the only bonded logistic center in the Sichuan province.

According to local officials, products in the bonded logistic center will enjoy a range

of preferential tax policies. The center also offers services including warehousing and international delivery.

Surrounding the airport with the logistics center as the core, the multi-functional airport economy area will bring more extensive and professional services.

Officials said county authorities are also studying the Shanghai pilot free trade zone to explore the possibility of a free trade economy in Shuangliu.

Manufacturing

Manufacturing is also an important part of the airport economy.

The Shuangliu Aviation Economic Development Zone just inked an agreement with the Chinese Academy of Sciences in October for a project to develop and produce engines for medium and small-sized aircraft.

The facility will involve a total investment of 565 million yuan (\$90.8 million).

Local officials said it is not a very large project but represents the most advanced level of the local manufacturing industry.

Shuangliu is also developing major industrial clusters for new-energy equipment and electronic information.

In addition, the county is cooperating with major universities in the country to build industrial parks and a talent pool.

The local government said it pledges to offer good services to investors.

It has set up coordination teams of officials from different departments to communicate with local businesses and to solve their problems.

It also offers one-stop services for business registration and other administration services.



PHOTOS PROVIDED TO CHINA DAILY

With 222 routes connecting domestic and overseas cities, Shuangliu International Airport is the aviation hub for Southwest China.



Home to the fourth-busiest airport in China, Shuangliu county is on forefront of Chengdu's opening up.

222

routes

linking Chengdu Shuangliu International Airport with domestic and overseas cities

33

routes

for non-stop international flights

autospecial

Sinotruk powers ahead despite economic doldrums

By WANG QIAN

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China National Heavy-Duty Truck Group Co, the nation's leading heavy truck maker, reported sales growth in the first 11 months of the year despite shrinking domestic and overseas demand.

Statistics from the China Association of Automobile Manufacturers show China's commercial vehicle sales have continued to decrease throughout the year, down 7.3 percent in the first 11 months compared to the same period last year.

But the Shandong-based company, also known as Sinotruk, sold 162,000 commercial vehicles during the period, a year-on-year increase of 7.5 percent. Among them, 111,700 heavy trucks were sold, more than 16 percent of domestic market share.

Its sales revenue rose about 10 percent to 60.8 billion yuan (\$9.76 billion) and is expected to reach 70 billion by the year's end.

Ma Chunji, chairman of the State-owned automaker, attributed the growth to the company's efforts to promote technological innovation and develop a multiple-brand strategy.

"Multiple brands help us target various market needs and provide products with diverse features and prices, which benefit us a lot, especially amid the continued downward trend in heavy truck sales," Ma said at the Sinotruk's 2015 business and trade conference held on Dec 18.

Ma said the company, which previously concentrated on heavy-duty trucks, has developed a full range of commercial vehicles including heavy, medium and light-duty trucks,



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MA CHUNJI
CHAIRMAN OF CHINA NATIONAL
HEAVY-DUTY TRUCK GROUP CO

vans, special-purpose vehicles and construction machinery.

The company has developed brands like Sitrak, Howo, Steyr or Hohan, which are respectively designed for high-end, medium-tier and price-sensitive consumers.

To achieve sustainable growth, Sinotruk has long been working hard to upgrade its products by introducing international advanced technology and improving independent innovation.

A total of 15 billion yuan has been invested in transferring technology and independent

research since the company was restructured in 2001, said Ma, who views innovation as the lifeline of the company.

As early as 2009, Sinotruk developed technical partnerships with Europe's leading heavy commercial vehicle maker MAN SE, maker of the well-known Mann heavy trucks. The company has now built complete production and assembly lines for the Mann-style axle, engine and cab.

"Teaming with global heavyweights enables us to not only introduce advanced technologies and management experience, but also improve our own R&D capability," said Yu Tianming, head of Sinotruk's technology and development department, adding that the company holds the largest number of patents among Chinese vehicle makers with a total of 2,218.

The two companies jointly developed the Howo-T7H and Sitrak heavy truck, which have had a favorable market response since they were launched last year due to their high performance, safety and driver comfort, as well as low fuel consumption and emissions.

They are expected to rival high-end foreign brands in domestic market and help Sinotruk to extend its sales network to developed countries.

Green vehicles

"With the rise of public awareness of environmental protection and the implementation of strict emission control policies, green vehicles equipped with Mann-style engines that can meet the China V emissions standard — equivalent to Euro V — will become our new driver of sales growth in the future," said Zhang Xiaodong, general

manager of the company's sales department.

The State Council has announced that 6 million vehicles that fail to reach the Euro I petrol exhaust standard and the national III diesel emission standard will be taken off the road by the end of next year. It also plans to implement the National Phase IV Emission Standards for heavy trucks and other commercial vehicles on Jan 1.

"The central government's initiative to reduce air pollution by cutting exhaust emissions will bring us a great development opportunity," Zhang said.

"We will focus on the Mann-style green vehicles in 2015, with their output and sales expected to account for more than one third of our total," he added.

"These high-end models will be well received as many logistics companies are trying to improve their business efficiency. They are paying more attention to total operating costs rather than just the one-time investment for purchasing vehicles," said Zhang.

Sinotruk, which first put forward a globalization strategy 10 years ago, is committed to expanding its performance in global markets in response to domestic market slowdown.

Exporting vehicles to 96 countries and regions, the company has six overseas branches, more than 400 service outlets and 300 parts dealerships across the world.

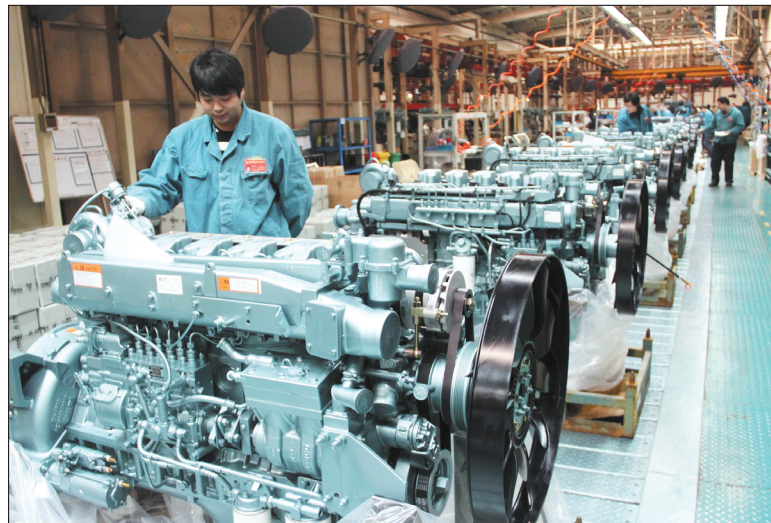
More than 21,000 vehicles were sold abroad during the first 11 months, making it the largest exporter of heavy trucks in the country for 10 years in a row.

The company is also speeding up construction of overseas assembly plants to further boost



WANG QIAN / CHINA DAILY

Sinotruk products attracted crowds during a commercial vehicle show this year.



WANG QIAN / CHINA DAILY

Sinotruk's engine plant in Hangzhou, Zhejiang province.

its competitiveness by saving transport and labor costs.

This May it signed a \$100-million deal with Africa's industrial giant Dangote Group for a new knocked-

down assembly plant to produce trucks in Lagos, Nigeria. The plant is expected to assemble 10,000 heavy trucks a year when complete. It is the eighth such plant the company has

built overseas. With these efforts, Sinotruk plans to achieve the goal of selling more than 200,000 vehicles next year, making it a top player in the sector worldwide.