



CAN DO! CHENGDU

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MAYOR: 'DYNAMIC CHENGDU' IS READY TO HOST TOP EXECUTIVES

First in west China to hold noted Fortune Global Forum

By LI YU and ZHUANTI

Chengdu is ready, just waiting for June 6, the city's Mayor Ge Honglin said in Washington DC late last month as he talked about the 12th Fortune Global Forum set to open in the capital of Sichuan province on June 6.

"It will be spectacular and fruitful," he vowed.

Chengdu will become the first city in western China to host one of the world's most important business gatherings, a meeting of Fortune Global 500 company executives. It will end on June 8.

The mayor added that 238 Fortune 500 companies now have operations in Chengdu, 31 more since April 9 last year when Fortune Magazine selected the city as this year's forum host.

"Chengdu's economic growth has been healthy and fast (since April 9 last year)," Ge said. "It has accelerated its pace in building a global transport system and logistics network."

Ge said the city now has 29 direct international cargo flight routes and a 13-day direct freight train to Europe, all "improving logistics for the Chinese inland."

"Chengdu's authorities have paid great attention to organizing the 2013 Fortune Global Forum. We will do our best to be a great host and offer high-quality services to let entrepreneurs and other participants understand the true Cheng-



Chengdu Mayor Ge Honglin (left) meets with Fortune Magazine Managing Editor Andy Serwer (center) and Chinese Ambassador to the US Cui Tiankai last month in Washington DC.

PHOTOS PROVIDED TO CHINA DAILY

du," he said, adding that the city is "dynamic and promising."

Ge said he hopes for more cooperation with Fortune Magazine, part of Time Warner Inc of the US. In addition to Fortune, it also publishes famed Time magazine.

China's Ambassador to the US Cui Tiankai acknowledged Chengdu's strategic importance in western China, saying the city's infrastructure, education and industry structure all have a lead-

ing role in that region.

"Joining hands with Fortune Magazine will make Chengdu a 'fortune city' to offer more investment opportunities for multinational corporations," he said. "I believe the forum will bring the world a better future."

Quality growth

At a time when China's model for economic development is evolving, the fast-rising western China city is

known for its commitment to quality growth.

The forum opens at a time when the Chinese leadership is determined to shift from export-oriented commerce to more high-tech, value-added and sustainable growth.

The southwestern metropolis with a population of more than 15 million people is already a key IT and financial hub in China.

Local authorities have also emphasized creation and protec-

tion of intellectual property, another important attraction to international companies.

The city is now known as the country's model city for IP creation.

Companies, institutes and individuals in Chengdu filed 48,901 patent applications in 2012, with more than 32,500 of them approved, according to official figures.

A total of the 26,008 patents came from companies, an increase of 48 percent from a year earlier.

The number of invention patent filings rose to 10,886, up 46 percent from 2011.

More than 110,000 trademarks were registered in Chengdu in 2012. It also held an IP Protection Week between April 19 to 26 to further raise awareness across the city.

The significant IP achievements have helped the city enhance its capacity for innovation, which has in turn given a boost to the local economy.

Talent pool

The city's talent pool is another strong attraction for overseas businesses.

"It has a relatively rich talent pool, with 42 universities, colleges and institutes supplying more than 100,000 graduates each year," according to Accenture, a global management consulting, technology services and outsourcing company.

The US-based advisory company sees demand for management consulting rising in western China, it said.

Its 300-strong Chengdu team founded in 2009 offers services on data analytics, sourcing and procurement to both Chinese and international businesses.

"The cost of human capital is low in Chengdu compared to coastal and first-tier cities," the company said.

The city established a 120-million-yuan fund in May for its long-term "Chengdu Elite Plan" to attract top overseas talent. Each of those selected will get 1 million yuan in sponsorship.

It wants to attract about 1,000 high-level entrepreneurs in emerging industries with strategic importance in five to 10 years.

The city attracted 167 high-level professionals in 2012.

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Heated debate, but Intel gamble pays big rewards

By LI FUSHENG
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"Chengdu can do" is the phrase Intel uses to describe its development in the capital city of Southwest China's Sichuan province over the past decade.

In 2003, after three years of negotiation and preparations, the global IT giant announced its decision to build a \$375 million chip assembly and testing plant in Chengdu.

It then made additional investments in 2005, 2006 and 2009, bringing Intel's total investment in the city to \$600 million.

At the time, the initial decision to locate in Chengdu caused heated debate among Intel's top management. Some were not sure if a city in western China would prove a good choice.

"Now no one argues about it. What is discussed most is by what amount Intel should increase its investment here," Bian Chenggang, general manager of Intel Products (Chengdu) Co Ltd, told the media.

In the past 10 years, Intel's facility has grown into the largest of its five global chip assembly and testing centers and also one of its three largest wafer pretreatment plants in the world.

Intel has more than 90 percent of the global mobile processor market, with chips made in Chengdu accounting for more than 50 percent of the total.

"Now one of every two laptops in the world is configured with a chip manufactured by Intel's Chengdu facility," said Gu Yi, Intel's public affairs director for western China.

"And we won the Intel Quality Award last year, a sign recognition

from of the headquarters of the Chengdu facility's work. To be frank, back in 2003 nobody would have predicted what we have achieved today," she added.

In January 2012, the Chengdu facility rolled out its 1 billionth chip. In the same month, Intel announced it would set up a distribution center in Chengdu, its third in China after Shanghai and Shenzhen.

The main reason for the move is the surging need for microprocessors in western China, Ge Jun, executive director of Intel China, said in a recent interview.

"With other global PC makers contemplating expansion in western China, Intel plans to ensure timely chip supplies with the Chengdu distribution center," Ge said.

He said the new center will shorten response times to customers in western China and ensure they get the latest Intel products and technologies.

With the distribution center in place, Lenovo, Dell and Flextronics International plants in Chengdu can receive Intel's chips as soon as possible, as can HP and Acer facilities in Chongqing, said Gu.



“With other global PC makers contemplating expansion in western China, Intel plans to ensure timely chip supplies with the Chengdu distribution center.”

GE JUN
EXECUTIVE DIRECTOR
INTEL CHINA



“Intel is now closely associated with Chengdu's development. As the city faces a historic opportunity, Intel is also transforming.”

BIAN CHENGANG
GENERAL MANGER
INTEL PRODUCTS (CHENGDU) CO LTD

An official of the Chengdu Economic and Information Committee said the Intel facility also attracted many downstream suppliers that set up operations in the city and helped create a high-tech industrial cluster.

He believes that the Intel distribution center in Chengdu will not only help facilitate the development

of the logistics industry, but also provide strong support for Sichuan to capitalize on the central government's go-west strategy.

"Intel is now closely associated with Chengdu's development. As now the city is facing a historic opportunity, Intel is also transforming," Bian said.

In 2013, Intel will gradually shift its focus to cloud computing as well as chips for mobile phones and Ultra-books. The Chengdu facility will take the lead in the process, Bian added.

"In the following two to three years, more and more Intel products will make their world premieres in Chengdu," he said.

COMPANY PROFILE

Intel Corp
Industry: Semiconductors
Founded: 1968
Headquarters: Santa Clara, California
Arrived in Chengdu: 2003
Staff in Chengdu: 3,000