

Weifang high-tech zone's growth policies work with, for residents

Regional growth sees improvements in local business environment and quality of life

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The Weifang Hi-tech Industrial Development Zone in Shandong province recently ranked No 22 among 147 national-level development zones in terms of comprehensive development power in China in 2017, an improvement on its ranking of No 23 in 2015.

The ranking was announced by China's Ministry of Science and Technology.

"All Party members and staff members have actively taken on their respective responsibilities to support the zone's development," said Chu Baojie, Weifang's director of communications and chief of the zone's working committee.

The zone is taking measures to replace old economic development power with new growth drivers, which involves the government relocating residents in old shanty towns so as to provide more space for businesses. As a result, government staff members and Party members were required to take on more responsibilities in the upgrade and relocation process.

In the first half of 2017, a total of 7,681 families that lived in old shanty towns on 470 hectares of land were relocated to new buildings.

Hebeizhangzhuang community in Xincheng subdistrict was situated in a prime location. The zone launched six relocation programs in the community between 2005 and 2016. By the end of August 2016, there were 225 families living in the community. Sun Bo, head of Xincheng subdistrict, successfully persuaded all the remaining residents to move out in 253 days.

Officials and staff members in the zone were prohibited from enforcing relocation programs without residents' full understanding. The zone established a committee formed by residents from old communities to communicate with residents who did not agree to relocate. More than 10 relocation projects were completed with their support.

The development zone released evaluation methods to judge staff members' performance in key tasks since 2016. Those with outstanding performance in dealing with important matters became more likely to receive a promotion.

Business-friendly

The zone has taken a series of measures to enhance government services to support



A technician at Shengrui Transmission assembles one of the company's front-engine, front-drive 8-gear auto transmissions.

PHOTOS PROVIDED TO CHINA DAILY



A night view of the Weifang Hi-tech Industrial Development Zone in Shandong province.



Curtis Shelby, a teacher from the United States at the Weifang Hi-tech Experimental School, instructs a student in his class.

We have to take serving businesses as the most important thing in our work."

Chen Jiakai, deputy chief of the Weifang Hi-tech Industrial Development Zone's working committee

regional business growth.

Weichai Group, a leading heavy truck engines and components developer in China, invested 50 billion yuan (\$7.63 billion) to build a new-energy power development industrial park in the zone, covering 333 hectares.

Shengrui Transmission, developer of the world's first front-engine, front-drive 8-gear auto transmission, won the

National Science and Technology Progress Award in January 2017. The award is one of the top prizes launched by the State Council, China's Cabinet, in recognition of scientific contributions made by both groups and individuals.

Shengrui's plan to expand has been limited by a lack of free, unused land area.

In April 2017, the zone's government took about two weeks to reach relocation agreements with four companies to provide 5.9 hectares of land for Shengrui's industrial park project. The process normally takes more than three months.

"We have to take serving businesses as the most important thing in our work and spare no efforts to support their expansion plans," said Chen Jiakai, deputy chief of the zone's working committee, who was assigned to provide administrative services for Shengrui's expansion projects.

The park has attracted nine component suppliers, including Zhejiang Shuanghuan

Driveline, one of the largest gear component producers in the world, and Shaanxi Aerospace Power Hi-tech.

Apart from helping locally developed companies to strengthen their market position, the zone also makes great efforts to attract more premium investment projects. The high-tech zone attracted 329 key projects involving 120 billion yuan in investment to the region in 2017. In the same period, construction work on 111 projects started.

Better living conditions

Residents' interests always come first in Weifang high-tech zone, said local officials. The zone has promoted 59 livelihood enhancement projects since 2016 with a total investment of 3.2 billion yuan.

The local government promised to provide quality residential properties, guarantee proper heat supply in winter, provide premium education services to children, provide good public cemetery services

and build museums for residents to preserve local traditional culture and history.

The zone has built 26 schools and kindergartens and has recruited many foreign teachers to improve education quality over the past two years. It has also built many subdistrict and village-level museums and culture centers for residents to preserve their family tree documents and experiences.

More parks have been planned and built in the zone to enhance residents' living environment. The zone invited world-leading urban design companies to support its internationalization.



Weichai Group announces its annual revenue is expected to reach 220 billion yuan in 2017 at a news conference.

Weichai Group sets its sights on joining Fortune Global 500

By TANG ZHIHAO

Weichai Group announced on Dec 18 its annual sales revenue was expected to reach 220 billion yuan (\$33.57 billion) in 2017. It is forecast to make it into the Fortune Global 500 in 2018, making it the third company from Shandong province to do so.

The company's total net profits will exceed 10 billion yuan in 2017, according to Tan Xuguang, chairman of Weichai.

The leading heavy truck engines and components developer and supplier is located in the Weifang Hi-tech Industrial Development Zone. It is engaged in six market sectors: powertrain development, vehicle production, construction machinery, smart logistics, luxury yacht development and financial services.

Currently, 40 percent of its sales revenue and 30 percent of its net profit are contributed by overseas markets.

Tan said the company's outstanding performance in overseas markets indicates Weichai has grown into an international company.

According to Tan, Weichai Group, established in 1946, was on the brink of bankruptcy in the 1990s. Its total annual sales revenue was only 580 million yuan and staff members did not receive their monthly payments for six months.

Today, the company's annual compound growth rate has reached 36 percent.

"Focusing on the manufacturing sector was key for Weichai to create such a miracle," Tan said. "Our goal is to make our profit margin higher than property developers."

Over the past 70 years, Weichai has made significant investment in expanding and upgrading its engine development business.

Statistics from the company show that Weichai has supplied 5.87 million engines, 6.7 million transmissions and 3.54 million axles to the heavy vehicle production industry since 2005. Shaanxi Heavy Duty Motor Co, a subsidiary of Weichai, has seen its annual sales volume hit 879,000

units in 2017, increasing from 14,000 in 2005.

Innovation has been considered the key support for Weichai's long-term growth. More than 15 billion yuan has been invested in engine development over the past 10 years, Tan said.

Global expansion

Weichai Group has speeded up its overseas expansion since 2009, when the global financial crisis put many leading manufacturing businesses under pressure. The company has successfully integrated global resources to support its expansion over the past eight years.

In 2009, its subsidiary Weichai Power acquired French marine engine developer and producer Moteurs Baudouin.

In 2012, Weichai Power bought a 25 percent stake in German forklift-maker Kion for 467 million euros (\$556.86 million) and a 70 percent controlling stake in Kion's subsidiary Linde Hydraulics, for 271 million euros. In the same year, Weichai purchased a majority stake in Italian yacht-maker Ferretti, to tap into the luxury yacht sector.

Weichai America, a wholly owned subsidiary of Weichai Power, invested in leading alternative-fuel power system developer Power Solutions International in March last year, becoming PSI's largest shareholder. The deal marked Weichai's debut in the North American power market.

Tan said all those investment projects have reported high net profit growth and Weichai has become an iconic example of Chinese companies that are keen to expand their overseas network.

Ship engines jointly developed by Weichai and Moteurs Baudouin are used on ships in the United States. A factory built by Weichai and Linde Hydraulics reported more than 100 million yuan in sales revenue by the end of 2017.

"Decision-makers have to think carefully about how to better use foreign technologies and resources to upgrade their businesses," Tan said.

Wang Qian contributed to this story.

Cutting-edge IT companies earn greater renown nationwide in 2017

By TANG ZHIHAO

Chinese internet services giant Tencent released a brand new typeface on Nov 14 in an effort to expand its global presence.

The new typeface was designed in line with global standards by Monotype and Tencent, under the guidance of Monotype designer Akira Kobayashi, and produced by Weifang Beida Jade Bird Huaguang Imagesetter Systems Co Ltd, a company located in the Weifang Hi-tech Industrial Development Zone.

The new italicized font looks more modern, coordinated and dynamic, and has been used in Tencent's new logo on the company's building.

Looking back on its cooperation with Weifang Beida Jade Bird Huaguang, Ricky

Chun, executive manager of Monotype Hong Kong, said: "Huaguang provided premium services and helped us to solve all our problems. Our design has received recognition from clients and designers."

Huaguang has made a name for itself in the Chinese font production industry. It has participated in setting more than 100 national-level industry standards, among which 78 have been ratified. In 2017, the company received an award for its innovation in industrial standards from the city of Weifang in Shandong province.

Huaguang is one of the many service providers in the zone that have become renowned across China for their professional services. Shandong Newocean Software, an information technology service provider, has



Employees with Weifang Beida Jade Bird Huaguang Imagesetter Systems Co Ltd discuss the production of Tencent's new typeface.

obtained official certifications, including ISO9001 for quality management, and has been engaged in many national-level projects. Enyuan Technology

has become a national-level e-commerce demonstration business and has launched two provincial-level research and development platforms.

Enyuan has established itself as a regional e-commerce platform service provider in China. The Singles Day shopping festival on Nov 11 developed by online retailing giant Alibaba has provided opportunities for Enyuan this year to promote its brand awareness. It provided many special products to its members on Nov 11.

By the end of 2017, Enyuan had 300,000 registered members and over 30,000 business members. Its platform provides more than 10,000 types of products in 13 categories. Its sales revenue reached 620 million yuan (\$94.64 million) in 2016. The company forecast its year-on-year sales revenue growth rate will reach 20 percent for 2017.

The Weifang Hi-tech Industrial Development Zone has made great efforts to sup-

port modern service industry development over the past few years. It has supported 15 modern service projects that involved a total of 3.8 billion yuan in investment since 2016, covering sectors such as e-commerce and animation. It has also supported Weichai Group to build a national makerspace and a cloud service platform.

The zone has successfully attracted 206 information technology service enterprises, including 19 big companies, and companies specializing in e-commerce, service outsourcing, design and creation, and software development sectors.

The zone has paid significant attention to streamlining its administration and delegating government power, aiming to create a better business environment. The time taken

to register business projects in the zone has shortened from 20 working days to just two.

"As a gathering place for talent, technology and capital, the zone offers important advantages and bright prospects for the knowledge-intensive, new-generation IT industry," said Xu Zhiqiang, general manager of Huaguang.

Zhuang Jian contributed to this story.

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