

Kunshan park has big ideas for small business

By LIU YUN
liuyun@chinadaily.com.cn

At a time when many development zones and parks nationwide are competing for huge investment projects from big global companies, an industrial park in Kunshan, Jiangsu province, is taking a different approach by focusing on small and medium-sized enterprises.

The Kunshan German Industrial Park, founded in October 2005, focuses on providing a significant platform for European and American entrepreneurs to start businesses. The park is backed by the Kunshan city government and its partner, the Association of German Chambers of Commerce and Industry.

Like their German counterparts, small and medium-sized enterprises, commonly referred to as SMEs, are playing a vital role in the economic growth of China by creating the most job opportunities, according to the administrative committee of the park.

The committee also said it especially welcomes SMEs from Germany and other Western countries because many of them have advanced technologies and mature management and marketing skills, something local enterprises should learn from.

And it ensures that investors can have a good opportunity to grow their business because the Kunshan German Industrial Park has many advantages to offer.

Attractive location

Located in the economic boomtown of Zhangpu in Kunshan city, the park is only 43 km away from Shanghai's Hongqiao Airport and 92 km from Pudong Airport.

The park enjoys easy access to Shanghai through such land transportation systems as the Beijing-Shanghai Railway, the Shanghai-Nanjing Expressway, National Highway 312 and the Jiangsu-Shanghai Highway.

The newly built Beijing-Shanghai High-Speed Railway has shortened the travel time between Kunshan and Shanghai to 15 minutes.

These transportation facilities help better integrate the park with the economic powerhouse of Shanghai and the prosperous Yangtze River Delta region.

Kunshan German Industrial Park highlights such export-oriented industries as machinery manufacturing, mold production, automobile components and energy.

It is attractive to investors because of its good environment, top-ranking facilities and supporting services.

It has a planned area of 5 square kilometers, with a core area of 1 sq km.

The park is developed in two phases.

The 33-hectare first phase focuses on sophisticated equipment and automobile components manufacturing.

The second phase offers a destination to SMEs in the development of low-carbon and energy-conserving industries.

A total of 57 enterprises funded by European and American investors have settled in the second-phase area, with combined investment of \$380 million. They achieved 3.6 billion yuan of sales revenues in total in 2011.

'Incubation center'

A German-Chinese green business incubation center — also called "start-up factory"

— is part of the second phase, which offers technical support and standard factories for enterprises to starting business in environmentally friendly industries.

This is the result of an agreement between the government of Zhangpu township and the Association of German Chambers of Commerce and Industry signed in December 2009, aiming to help SMEs grow in the Kunshan German Industrial Park.

The incubation center is also planned to be developed in two phases.

Its first phase, located in the Jiande Road of Zhangpu town, requires an investment of 4.1 billion yuan. To date, standard factories, office buildings and other facilities have completed and occupy a total floor space of more than 21,000 square meters.

So far, four German enterprises — Sturm Holding GmbH, Mias, Hamberger Industrierwerke and Masterflex — have settled there.

Two administrative buildings will be built during the first phase of the center's construction to offer such services as exhibitions, conferences and training as well as intermediary services such as annual corporate audit checking, assistance for business registration and approval, information consultation and technological support.

The second phase of the center is located in Jujin Road. A building with a floor space of 8,260 sq m and investments worth 46 million yuan has been completed and put into operation.

More than 20 businesses, including German companies such as Berger Holding,



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Martin Zeil (right), deputy minister-president of Bavaria and also the state's minister of economic affairs, infrastructure, transport and technology, visits Kunshan German Industrial Park, accompanied by Kunshan Deputy Mayor Han Wei (second from right).

Veritas, Zeitlauf Geschaeftsfuehrung and SKZ-ConSem have agreed to set up shops in the center's second-phase facility.

Authorities of Kunshan German Industrial Park said they expect 100 to 150 European and American enterprises will set up operations there over the next five years, bringing investments up to \$800 million.

They believe the park will be one of the most attractive investment destinations in the city of Kunshan as well as Jiangsu province.



The German-Chinese Green Business Incubation Center will offer standard factories for SMEs to start business in environmentally friendly industries.