

Competition among CBDs becoming ever fiercer

By GRACE CHAI

Guangzhou, capital of Guangdong province, is a South China trading center with centuries of history and a bright future. Despite being beaten in some competitiveness lists by other burgeoning cities, it still attracts the interest of a host of companies.

According to Sina online news, Zung Fu China, one of the country's leading Mercedes-Benz retailers, is moving its headquarters, national operations and management from Shenzhen to Guangzhou Tianhe central business district.

The GDP of Shenzhen's own Nanshan business district increased by 9.3 percent last year, compared with a more than 8.8 percent rise at Tianhe CBD.

However, in the first quarter of this year, Nanshan's GDP growth rate slowed to 8.3 percent while Tianhe CBD recorded growth of 9.1 percent.

Such competition even occurs within the same city, with the Guangdong Free Trade Zone's Nansha New Area in Guangzhou also looking to attract companies with preferential pilot policies.

Jiang Sangeng, executive director of the Central Business District Development Research Base in Beijing, said most CBDs in China were targeting the same clients.

He suggested that each one should attempt to highlight its own unique selling points, such as the level of development of its market economy.

Qiu Weiqing, chairman of Tianhe CBD Administrative Committee, said companies needed little encouragement to set up shop in the district.

"We don't have so many preferential policies, so companies who choose to locate their offices here are mostly attracted by our business and trading environment," he said.

As an example, Qiu mentioned foreign diplomatic ventures, with more than 75 percent of Guangzhou's consulates and chambers of commerce based in the CBD — where the offices are either rented or bought, instead of being assigned by the government.

Comprehensive solutions create headquarters economy

Guangzhou Tianhe CBD is now home to operations of 140 Fortune 500 businesses

By GRACE CHAI grace@chinadailyhk.com

Enterprises both foreign and domestic have been wooed by the "headquarters economy" of Guangzhou Tianhe central business district, as it strives to cater for high-end companies and high net-worth professionals.

In June, Tesla Motors Inc opened its first sales store in Guangzhou and delivered the SUV Model X on-site to its first buyers in South China.

The store is located at a luxury shopping mall in the CBD, an area which has attracted 140 Fortune 500 businesses and also hosts the regional headquarters of 13 international firms including Standard Chartered Bank and the China Southern Power Grid Company.

Angela Wang is the managing director of Guangzhou Teemhood Investment Service Co Ltd, which was contracted by the district's administrative committee to help Tesla and other registered companies with site selection and the registration process. Teemhood has assisted nearly 1,000 multinational companies to establish businesses nationwide with a total investment exceeding \$5.5 billion.

She said such comprehensive solutions have become a decisive factor for firms looking to select their regional headquarters, often trumping cost concerns or tax breaks.

Tesla, for example, had only one person responsible for national store site selection in the whole of China — a common occurrence in the streamlined operations of emerging international companies, she recalled, citing Disney, Zung Fu China, UC Sina and Sohu as some other companies that have benefited from its professional services.

Harley Seyedin, president of the American Chamber of Commerce in South China, said a particular advantage of Tianhe CBD is its livability.

As a space designed for mixed commercial and residential use, Guangzhou "is one of the best CBDs in the region", he said, adding that it does not suffer from a dearth of people after working hours — as is often the case with other business districts in first-tier cities.

"Our members who are located in the Tianhe CBD report that it also offers a great place for living, with many restaurants, cafes, museums,



Our members who are located in the Tianhe CBD report that it also offers a great place for living, with many restaurants, cafes, museums, theaters, shopping malls."

Harley Seyedin, president of the American Chamber of Commerce in South China

theaters, shopping malls, and practically everything which provides for a high quality of life," Seyedin said.

Habitability was also a major draw for David Liang, manager of the Guangzhou branch of Hang Seng Bank (China) Ltd.

After graduating from the city's South China University of Technology in 1997, Liang studied and worked in London, Hong Kong and Shenzhen for almost 20 years.

But he eventually returned to Guangzhou and moved his family into Tianhe CBD, where they enjoy the district's upmarket opera house, library and museum.

The area's talent pool is another reason for businesses like Hang Seng Bank to set up its regional branch there, Liang added.

More than 80 universities and polytechnic schools surround Tianhe CBD, offering upward of 300,000 students and technical professionals who can provide a talented, educated workforce for the sustainable development of enterprises.



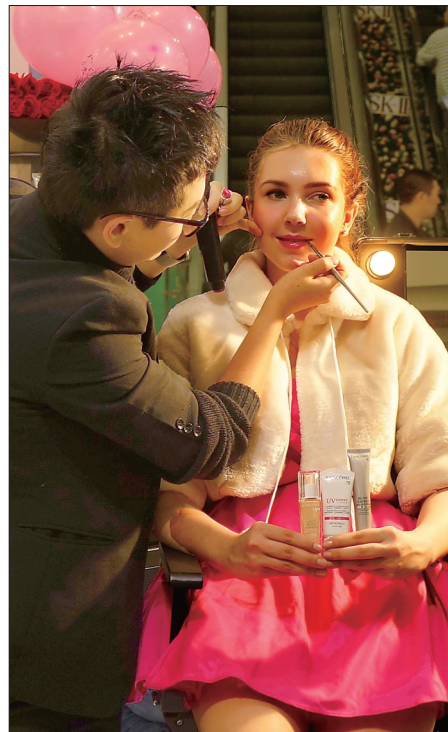
Expats in Tianhe participate in a TV show. LUO LIANGBIAO / FOR CHINA DAILY



Foreigners can participate in various sports events in Tianhe. DONG CAIZHANG / FOR CHINA DAILY



A music show on the southern side of the Pearl River, with several landmark buildings in Tianhe as the backdrop. WANG XIANG / FOR CHINA DAILY



Foreigners can enjoy a high-quality lifestyle in Tianhe CBD, where they can find almost every well-known international brand in a number of shopping malls. CHEN JINDE / FOR CHINA DAILY



Foreigners can experience the local traditional culture in Liede village in Tianhe. ZHANG SHENSHENG / FOR CHINA DAILY

Focus on livability for future development

By ZHOU MO sally@chinadailyhk.com

Despite being known for its so-called headquarters economy, Guangzhou Tianhe central business district is keen to emphasize its livability.

Tianhe CBD comprises dozens of high-end shopping malls and international hotels, as well as a number of cultural and sports facilities, such as Guangzhou Opera House, Guangdong Province Museum and Tianhe Sports Center.

Each establishment is trying, in its own way, to provide new experiences to its customers.

In Grandview Mall, for example, shopper can enjoy an aquarium, while TaiKoo Hui, another shopping center, is preparing to welcome 20 new brands.

Herman Chui, general manager of TaiKoo Hui (Guangzhou) Development Co Ltd, said increasing numbers of overseas brands are becoming aware of Tianhe CBD as it matures and attracts high-end industries and talented people.

Since 2014, TaiKoo Hui has introduced more than 50 new brands into Guangzhou. "Tianhe CBD has developed into an area with mature commerce, entertainment and living facilities. It provides a good platform for businesses to operate here," Chui said.

"The headquarters economy of Tianhe CBD and the large number of businesses and people it attracts have promoted our business."

From January to May, 3,738 enterprises had registered in Tianhe CBD. Among them, 871 had a registered capital surpassing 10 million yuan (\$1.5 million).

Commodity sales in the Tianhe Road Business Circle, a part of Tianhe CBD, reached 890 billion yuan last year, accounting for 17.5 percent of Guangzhou's total. Grandview Mall, TeMall and TaiKoo Hui are all in the top 10 shopping centers nationwide in terms of sales.

However, Max Xie, head of Tianhe Road Chamber of Commerce, argued that to sustain the CBD's economic vitality, commerce should not be its only feature.

"Spiritual well-being is also important," he said. "The area needs to introduce more cultural elements by improving infrastructure and organizing high-quality cultural activities."

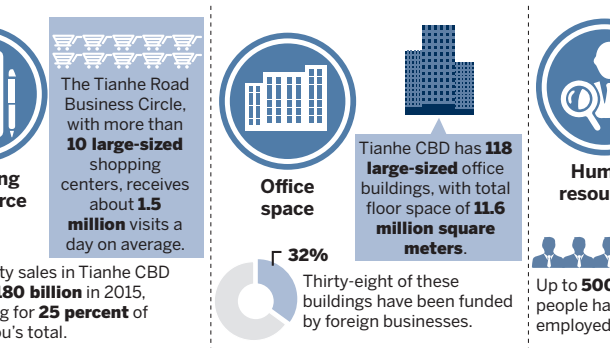
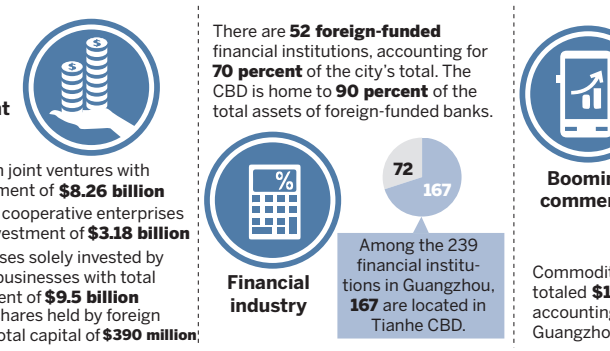
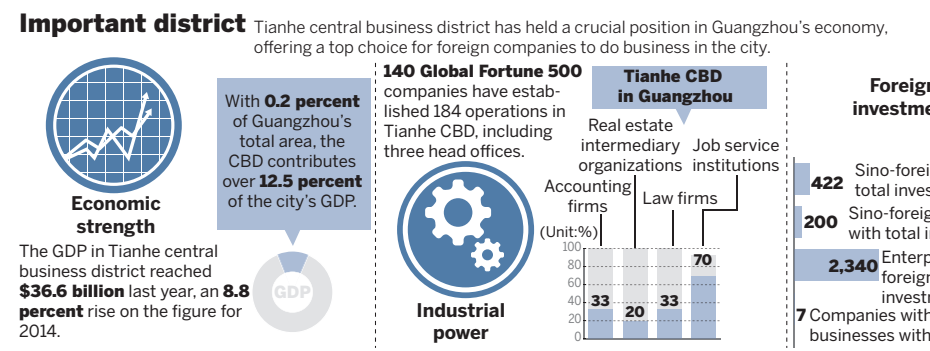
Tianhe CBD has been making efforts in this regard, with more than 200 international performances held in Guangzhou Opera House since the start of this year. A number of overseas artists have also been invited to host lectures and seminars.

"Tianhe CBD is a place suitable for living. Life here is convenient and pleasant," said Jin Duo, 25, an actress for Cookin Nanta, which is an art show at Grandview Mall.

"There are gymnasiums where I can exercise. Supermarkets are also within several minutes' walk from where I live."

Despite these advantages, Chui from TaiKoo Hui thinks there are still issues with the area that need to be resolved.

"Guangzhou East Railway Station is the first place many visitors arrive due to its proximity to Tianhe CBD. The infrastructure of the station needs to be improved so that visitors to Tianhe CBD can gain a wonderful experience from the first minute they arrive," he said.



what they say

One of my first concerns before coming to China was safety. This country is culturally so different that you don't know what to expect beforehand. But once I got here I realized there's nothing to be afraid of. People are super friendly, helpful and respectful. This is the safest city I ever lived in. Lic. Sebastian E. Tosi, business manager of Topquin Ltd. Argentina



Most often for Australian companies, Tianhe is the preferred district to live and run a business in Guangzhou. Many great Australian companies are based in Tianhe as it is the most convenient location to connect, communicate and do business in Guangzhou. Chris Roberts, chairman of AustCham South China, Australia



The local people are extremely kind. All Brazilian nationals I meet are very much satisfied as well. The inauguration of the complex of shopping and amusement facilities at the K11 will make life in Tianhe CBD even more exciting. Jose Vicente Lessa, consul-general of Brazil in Guangzhou

Everything is unique and could be used as a model for any urban development project. But above all those incredible elements, the most impressive for me is the coherence, the harmony of the whole area. There are a lot of places to rest under the shade of greenery and by the rivers. Andre Poulin, executive director of Destination Centre-Ville-Montreal and vice chairman of World Business District Network, Canada



It is comparable to La Defense, one of the top CBDs in Europe. They are similar in offering the best business environment and in the ambition to be top CBDs in their respective continents, Europe and Asia. Alexandre Beaudoux, the French Chamber of Commerce and Industry, France

I like sports, and I like most the convenient location and urban green space planning of Tianhe CBD. There are many parks and green spaces for running. Michael Li, board director and CEO of Allianz China General Insurance Company Ltd, Germany



It's an excellent place to live and truly justifies the statement that "it is a city for the people" with all the prerequisite facilities. I like the ease of access and convenience to reach the place. Sunil Kumar Sahu, researcher with Sun Yat-sen University, India



My law firm is conveniently located in the heart of Zhujing New Town, one step from the IFC and the K11 buildings, that I saw grow taller everyday from my office window. Franco Fornari, senior consultant and team leader for a prestigious law firm, Italy



This is a really nice and cool city. You can find everything you need here. A great variety of food, hangouts such as bars and shopping malls. It is definitely an ideal place for me. It is very convenient for expats. Andrea Zamboni, Chef de Cuisine, the Ritz-Carlton Guangzhou, Italy

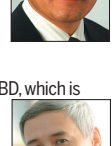
I felt great because of the activities. Not only did I get to know Chinese culture, but also I was able to make friends with people from other countries. Naoko Tsukada, housewife, Japan



I was surprised to see that Tianhe is full of shopping malls and restaurants, you can find almost every well-known international brand and buy imported products. I feel that it is a vibrant zone, with cultural vitality that comes with the merging of different cultures, languages and religions. Carlos I. Giralt Cabrales, consul-general of Mexico in Guangzhou



With a design approach that harmoniously integrates the past, the present and the future, Tianhe CBD has become the best example of a modern and environmentally friendly district in Guangzhou. Rhee Sang Gi, president of Korea-China Regional Economic Assn, Republic of Korea



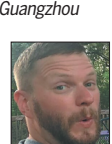
I am glad my company is located in Tianhe CBD, which is conducive to our corporate image. I enjoy its prosperity and vitality, which is typical of Guangzhou's business atmosphere. Alexy Fedotov, vice-chairman of the Russian Asian Union of Industrialists and Entrepreneurs, Russia



Tianhe CBD is magnificent all the way from the airport to the Canton Tower. So many skyscrapers and the glittering river-side view make this area stand out. Is it the city's CBD? Nicholas Kotch, former editor of Business Day, South Africa



I am delighted that the UK has made such a big contribution to the skyline of the Tianhe CBD. The IFC building was designed by Britain's Wilkinson Eyre. And following a joint initiative by the British Consulate-General and the Guangzhou Tianhe CBD Administrative Committee, UK companies will help bring new skills into Guangzhou's financial services sector. Matthew Rous, consul-general of the UK in Guangzhou



If we can think of the different districts of Guangzhou as parts of the body then Tianhe is the brain. Tianhe is the center of everything that happens in Guangzhou. Zach Wortham, managing director of the Manufacturing Operations Base of Skullcandy Audio, the US

