

Foreign funding finds right formula in ETDA



Lee Myung-bak (center), president of South Korea, looks at new cell phone products at Qingdao-based Haier Group in May.
Ju Chuanjiang

By ZHAO RUIXUE

One of the world's biggest alumina producers is among the range of foreign firms ramping up investment in the Qingdao Economic and Technological Development Area (ETDA) to benefit from the port city's infrastructure and investment climate.

Almatis Inc recently stepped up spending on its Qingdao branch with a \$36 million investment to enlarge its production facility in the ETDA.

Statistics from the development zone show 23 foreign-invested projects increased their capital investments by a total of \$121 million in 2007. In the first five months of this year, 13 existing projects announced plans to spend another \$175 million.

"It is the sound investment environment that makes overseas investors pump more money here," said Jiang Jie, director of the management department of the ETDA.

Foreign companies with

expansion plans include those making machinery, electronics and automobile parts, which in turn triggered supporting companies to expand production.

A piston factory begun with \$13 million by Federal-Mogul Corp a decade ago has evolved into a \$200 million industrial park for auto parts.

"The development from a small operation to an industrial park benefited from the sound investment environment and policy assistance. Our investment here has paid off," said Wang Bin, deputy general manager of the industrial park.

ETDA's support policies include simplified examination and approval procedures for foreign-invested firms, quality administrative services and international standard infrastructure.

Industrial clusters including automobile manufacturing, shipbuilding and other marine industries have attracted foreign companies that registered a production value of 42.6 billion yuan

in the first five months this year.

The Qingdao ETDA is home to more than 150 support companies for home appliances and electronics, 30 makers of automotive parts and more than 20 that make ship components.

Modern services led by financing and tourism have also registered strong growth in the ETDA.

Administrators of the zone said further development will include 10 research institutes and centers from home and abroad in three to five years in a bid to cultivate 10 new hi-tech enterprises.

Statistics from the ETDA show companies from 55 countries and regions have invested in the zone. It is also home to increasing numbers of regional headquarters and development and research centers for foreign firms.

The ETDA now has 387 facilities each worth over \$10 million, 17 valued at more than \$100 million and 54 operations by Fortune 500 companies.

Hi-tech flying high in Laoshan

By XUE XIAOYING

After it was established in 1992 with the approval of China's State Council, the Qingdao Hi-Tech Industrial Park evolved over the ensuing years into a national and global producer of high value goods. It has now entered a period of rapid growth.

"The park has become a dynamic incubation center for innovation," Kang Qingquan, secretary of Laoshan District Committee of the Communist Party of China told China Daily.

Figures from the district's science and technology bureau show that the park was home to 202 hi-tech corporations and produced 528 types of hi-tech products at the end of 2007, both accounting for one-third of the city's output.

Combined production value of the park's hi-tech companies exceeded 35 billion yuan last year, accounting for 74.5 percent of the total by large industrial enterprises in the district.

The park's major industries include household appliances, computers, medical equipment, biochemicals and auto parts. Their output value have increased at 40 percent annually over the past three years, Kang said.

Production of household appliances and electronics, new materials and marine biological pharmaceuticals was valued at more than 35.7 billion yuan last year. Sales revenues of the IT and software industry reached 12.7 billion yuan.

The park has also become a think-tank for hi-tech innovation. It is surrounded by four universities and State-level research centers for the oceanic administration, national marine biology industrial institute and the national animation industry center.

Some 39 large research centers for large corporations are also operating in the park, including Lucent's global technical support center, Caterpillar's research center in China and IBM's software evaluation center.

Two achievements at the park in science and technology were awarded national first prizes last year, while 24 received Shandong provincial awards. More than 200 projects are part of national science and technology development programs.

The park has become an important manufacturing base for exports including air conditioners, televisions, washing machines and mobile phones.

Qingdao's Laoshan district was lauded for "rejuvenating trade through science and technology" by the ministries of commerce and science and technology last year.

Exports of hi-tech and electric products of last year exceeded \$1.7 billion, accounting for over 40 percent of the district's total.

More than 30 new hi-tech facilities opened in the park in the first half of this year, including light vehicles by First Automobile Works and precision machinery made by Germany's Nuoma.

To further promote the development of its hi-tech industry, a plan is underway at the park to build a "science and technology city" in Laoshan.

Designed to cover 30 sq km the "city" will bring even more innovation and vitality to the area in the next three to five years, Kang said.

Olympian technology ready to sail at Qingdao venue

By GUO XIN

More than 50 new technological achievements are ready for use in Qingdao's Olympic sailing competition in August.

"These technology achievements cover weather reporting, intelligent transportation, application of wind power and food safety, as well as sanitation and medical treatment," an official from the Olympic Sailing Committee (Qingdao) of Beijing Organizing Committee of the Games told China Daily.

China's first vehicle-borne Doppler radar will be used in the coming Olympic sailing

competition to provide highly accurate information on wind speed and direction of the sea surface.

"This is the first time this technology will be used (in a sailing event)," said the official. "Only a few countries — for example the United States, Germany and France — have Doppler radar."

Twenty-five new technologies have been used in construction of the Olympic Village and the Athletes Center of the Qingdao International Sailing Center, including solar water heating and solar street lights.

Construction of the village and the athletes center have now passed examinations by

experts in new technology applications.

According to the experts, technologies used at the Qingdao center lead the nation and can efficiently serve the 2008 Olympic sailing competition.

For the first time in China, a remote medical center and international clinic will have expert knowledge available from 35 hospitals nationwide using video links.

Beijing Tiantan Hospital, Peking Union Medical College Hospital, Shanghai Huashan Hospital and China PLA General Hospital will collaborate and provide medical services for using video conferences.

Spanish sailors return to port after training. Thirty-four teams are now in Qingdao for 15 days to familiarize themselves with the course for the Olympic sailing competition in August.

Ju Chuanjiang



'Pioneering Park' explores new route to innovation



Tire production at the Qingdao Economic and Technological Development Area



Coca-Cola production facility in Qingdao's Laoshan district

By DU SHU

Qingdao's Pioneering Park is nurturing companies that "inject vitality into the development of the hi-tech industry," said Liu Zhihua, vice-director of Qingdao Hi-Tech Innovation Service Center.

Liu said the park generated total revenues of 4.9 billion yuan last year. It now has 13 innovation centers and 240 scientific and technology companies.

As important promoters of hi-tech projects, the innovation centers last year attracted 60 new companies engaged in IT, software, biotech and new materials, 12 of which were awarded national innovation funds.

To develop both companies and new approaches, the park has teamed with banks and venture capital firms to provide financing services, which exceeded 100 million yuan last year.

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Vice-Director of Qingdao Hi-Tech Innovation Service Center

To date the park has attracted domestic investment of 174.48 million yuan, while foreign capital reached \$1.75 million. Fifty-five projects that now are under consideration will require 230 million yuan in domestic capital and \$16.41 million in foreign funds.

The park also cooperates with Ocean University of China and Qingdao University — as well as several others — in information exchange, talent development and new

technology.

The park is now home to 208 IT and software companies, more than 33 percent of the total in Qingdao.

The new products developed by the park's companies include an intelligent traffic system for the upcoming Olympic Games. A transducer developed by Qingdao Zitn Micro-electronics Co Ltd was used on the Shenzhou V and VI spaceships.

Biology companies like Sinder and Boxin have grown along with the park. Boyite Biomaterial Co Ltd has been awarded a research project in marine technology by the central government.

Five companies in the park had sales revenues of over 100 million yuan last year. Many rapidly developing firms are preparing for public listings.

Plans now call for the park to expand to 275,000 sq m and increase its number of companies to 245.

History and nature provide backdrop for filmmakers

By ZHANG YING

Visitors to Qingdao's coastal regions or the neighborhood of Badaguan often find film crews busy with their work.

"The city has become the filming center — more than 40 production crews come here every year," an official from Qingdao Cultural Bureau told China Daily.

The city's adjacent blue sea, scenic beaches and fishing villages that offer local flavor are complemented by a warm and sunny climate suitable to filming.

Badaguan or "Eight Great Passes" — tree-lined streets named after famous mountain passes in China — is one of the most famous areas in Qingdao and a favorite with directors for its combination of building styles from Russia, Great Britain, France, Germany, the US and Japan.

Films or TV series, either modern, rural or romantic, can find suitable locales in Qingdao, a reflection of the port city's real history.

During the 1930s, at the

inception of China's cinema industry, Qingdao's character and beauty attracted many filmmakers. The city's scenery can be seen in the famous films *Down-Trodden Peach Blossom* (1935) and *Return to Nature* (1936).

Children of Troubled Times (1935), ranked one of China's 100 classic films on the centenary of the nation's cinema, was also filmed in Qingdao. Its theme song "March of the Volunteers" became China's national anthem.

Prestigious films like *Miao Miao* made in the 1980s opened a new window for foreigners to know more about Qingdao.

Since the 1990s, increasing numbers of filmmakers from

home and abroad have used the city as the setting of their movies or TV shows. Celebrities and new dramas have brought another cultural breeze to the city.

Qingdao's local government is now making efforts to make the city itself a film and TV production center.

Plans are underway to make Phoenix Island off the west coast a movie and media base.

Blocks of European style buildings in the Great Eight Passes area of the city have been renovated to provide a better backdrop.

Birthplace of actors

Qingdao is also the birthplace of some famous actors and actresses such as Tang Guoqiang,

Ni Ping and Huang Xiaoming. Tang, who won high praise for his film portrayal of Chairman Mao, is the current president of the Chinese Film Performance and Arts Academy.

Production crews like to choose extras in Qingdao. Directors say there are many talented extras in the city.

The city has been the setting of influential recent films and TV series, including *Women's Prison*, *Plainclothes Police*, *Cell Phone* and *The Touch*.

Qingdao has also played host to the International Forum on Asian Movies and Cultural Cooperation, the First Domestic Film Fair, and the Commemoration Gathering of Centenary Film Classics.

"Qingdao holds an absolute advantage in forging a brand as a film center and developing its movie industry," said Xie Fei, a professor at the Beijing Film Academy.

The 11th National Film Performance and Arts Academy Awards, known as the Golden Phoenix, was held in the Qingdao economic development zone last year, where the prestigious event will now be held every two years.

More than 30 Qingdao companies are currently engaged in film and TV production, while the local government has begun to protect and improve the local setting and help forge a complete movie industry chain.