

Ancient-style royal buildings established around trees with thousands of years old serve as a sharp comparison with modern high-rising buildings in Zhongguancun area. The area was once royal family's resort.

Haidian leading low-carbon efforts

By CHAI HUA

After it was named the core of Zhongguancun national innovation model park last year, Haidian district in Beijing has moved to improve its low carbon economy.

The district has now earmarked 50 million yuan annually for development of a regional economy that conserves energy.

Government support

Since 2007, Haidian has implemented an annual program to build an environmentally friendly district and initiated 10 key projects each year in which the government encouraged local authorities and citizens to participate.

In March 2009, Haidian began transforming its economic structure to focus on high-quality products from light industry that have low

50

million yuan

fund has been earmarked annually for development of a regional economy that conserves energy in Haidian district.

energy needs.

At the end of last year the district began a series of measures to bring low carbon concepts to communities, schools and other public offices.

In March, the Women's Federation of Haidian and the Beijing municipal government co-organized the opening ceremony for a family and fashion show that encourages households to live a low carbon life.

The following month Lin Fusheng, director of Haidian district, inspected the China Energy Conservation and Environmental Protection Group (CECEP), a key

enterprise administrated by the State-owned Assets Supervision and Administration Commission.

The CECEP focuses on energy conservation, environmental protection, emission reduction, clean technologies and new energy.

Lin said the government will further strengthen cooperation with the CECEP for a "new Haidian".

In addition, the local government will hold an energy-saving competition among communities and give awards to the winners.

Financial resources

Haidian district government now invests at least 50 million yuan yearly to develop its low carbon economy.

In June of 2010, the district unveiled an energy saving provision that explicitly rewards companies for emission reductions, the first of its

kind in Beijing.

Since 2007, the district has lead in special funding for recycling and invests more than 10 million yuan a year in related new technology applications.

Haidian funded 115 projects from 2007 to 2009 at a cost of more than 60 million yuan for recycling, energy reduction technology and renovation of key energy consuming facilities.

By restructuring industries structure, developing energy information platforms, and monitoring consumption, the district has lowered energy use below the Beijing and national average.

In 2009, the district's energy consumption per 10,000 yuan of GDP declined 30.9 percent from 2005.

In the same year it was named one of the first pilot districts for a recycling economy in Beijing.

Business incubators assisting entrepreneur

By XU XIAO

Wu Hongliu studied organic chemistry for his PhD degree at America's Duke University, and completed his NIH fellow research with California based Scripps Research Institute.

But even several biopharmaceutical breakthroughs couldn't keep the young scientist from his home country.

Nearly a decade after graduation, Wu returned to China, where he founded Beijing Kaining Bioscience Co.

The corporation was made possible by a Ministry of Science and Technology business incubator.

Wu has been teaming up with five Chinese post-graduates from top overseas universities. However, faced with the 2008 financial crisis, the young entrepreneur began to struggle.

This time, he turned to Beijing's Haidian district. Wu received 800,000 yuan from the state and local government funds to salvage his floundering company.

"The year of 2009 was a lucky year for me," said Wu, who was recognized by the government as one of the nation's top 1,000 talented individuals.

"As a member of the plan, I am eligible to receive certain government subsidies and venture capital funds," he said.

Wu's company specializes in disease prevention research.



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WU HONGLIU
PRESIDENT OF
BEIJING KAINING
BIOSCIENCE CO

HSP 'more than just Silicon Valley'

By ZHANG ZHAO

Known to many as China's Silicon Valley, Beijing's Zhongguancun grew from an electronics market 20 years ago to a concentration of influential high-tech companies today.

"But the nickname echoing California's software center does not now accurately describe Zhongguancun," said Sun Lei, manufacturing president of AutekBio Inc.

A biotech and bio-pharmaceutical company headquartered in the San Francisco Bay area of the US, AutekBio has a wholly owned division in Zhongguancun's Biomedical Park.



"Silicon Valley in the US basically reminds you of its electronics and IT industries," said Sun, "While the concept of Zhongguancun is much more than that."

"The origins of the Haidian Science Park (HSP) are similar to Silicon Valley, but it has expanded to cover more emerging sectors such as biotech and education," he said. "And it will grow even bigger in the future."

A biotechnical professional with a PhD degree from the University of Minnesota and postdoctoral training at the Harvard Medical School, Sun was "imported" from abroad by the "Haiju Program" that attracts excellent overseas Chi-

nese talent back to Beijing.

Given the award for the Leading Figure of Top Industries in Zhongguancun, Sun praises the HSP business incubator model.

Started just three years ago, AutekBio's Beijing operation is one of the many emerging businesses in the HSP that have benefited from the technical support of the park, including public facilities and laboratories that save initial investment.

"Incubator is the appropriate word," he said, "I know there are similar scientific parks in Europe where companies offer jobs to local residents and get preferential policies from the local government. But unlike

what's going on in Zhongguancun, those companies work as independent units, without financial funding or support from the authority."

"The idea of sharing resources is of great help to newly established small companies like us. This model is unique to China, and is a successful innovation," he added.

Beside the incubator model, there are other factors that make HSP attractive to AutekBio. The park sits in Beijing's Haidian, home to many nationally renowned colleges and research institutes.

And HSP has been highlighting its high-tech sectors, which meets the orientation of many new companies. "Biotech was not the mainstream at the beginning, but it has received great attention in recent years as more and more bio-pharmaceutical and bio-engineering enterprises have settled in the HSP," said Sun.

Development of bio-medicine and its manufacturing the core businesses of AutekBio, lags in China due to the



Staff members of AutekBio at a laboratory

complexity of the technology.

Sun compares bio-pharmacy to building an F-16 fighter while the traditional chemical-based pharmacy is like assembling a bicycle.

"Maybe you can make something that can fly, but whether it can fight and win is another matter," he explained.

"You can see 'made in China' labels on almost all kinds of products in the US except medicine. That is largely because of technical difficulty and quality concerns," said Sun.

By establishing industrialized manufacturing lines, AutekBio is set to ease the

two bottlenecks and promote China's bio-medicine to the global market.

After introducing China's first large-scale mammalian cell culture system, AutekBio enjoyed the largest productivity last year among all companies of its kind in the nation.

But "being first last year doesn't mean you will be the first forever as there are so many others doing the same thing, and the industry is filled with severe competition," said Sun, who believes the progress of those competing companies is also an achievement of the HSP.

LeTV an outlet for gamers, film fans

By Hao Nan

Six years ago, LeTV.com only had a dozen staff members. Now, the network video company is one of China's largest private enterprises.

Based in Zhongguancun Haidian Science Park (HSP), LeTV.com provides subscribers with a wide range of online videos and games.

Liu Hong, the COO and vice chairman of LeTV.com, said HSP has been crucial to his company's success.

"The HSP is known as China's Silicon Valley. It offers a range of preferential policies for startup companies and its aggregate effects also create a good environment for innovation."

Liu continued, noting, "With the aid of HSP, we were successfully granted loans in 2009 with a total value of 25 million yuan, which has highly contributed to the company's development."

The COO also attributed LeTV.com's growth to its

25

million yuan loan

With the aid of HSP, LeTV.com was successfully granted loans in 2009 with a total value of 25 million loan.

digital copyright strategy.

"All of our online videos are legally authorized so we never get caught up in troubles like piracy or infringement," he said.

Liu's company has more than 40,000 television episodes and 3,000 films. LeTV.com has exclusive digital copyrights to 300 of the pieces.

"This gives us a huge competitive advantage," said Liu.

He explained the enterprise bought several digital copyrights when it was first founded.

"At that time, they were fairly inexpensive, because people hadn't yet realized their value."

Liu also cited LeTV.com's high-definition (HD) online video channel as a major source of corporate growth. Visitors to the site must pay to watch their favorite flicks in HD.

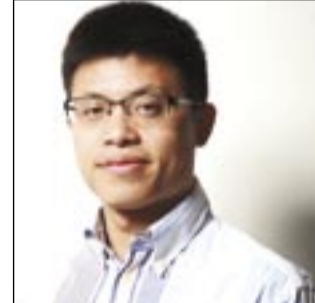
"We concentrated our efforts on the company's persistent existence rather than on the number of web page visits we received," said Liu, commenting on the site's business model.

"We had 300,000 paying customers at the end of 2009, and that number continues to increase. The profit they brought accounted for nearly 60 percent of our annual income last year," Liu reported.

Advertising sales surpassed 36 million yuan in 2009, one quarter of LeTV's annual revenue. The company also profits from exclusive digital copyright distribution and online game agreements.

3G cell phones and high-definition television users are the next major targets, said Liu.

LeTV.com has already established partnerships



Liu Hong, the COO and vice chairman of LeTV.com

with China Mobile, China Unicom and China Telecom to launch mobile phone networks.

The company will also release a high-definition media player this year. The digital device links televisions and the Internet, allowing users to browse LeTV.com on their TV screens.

"The resolution of DVD players can no longer meet the requirements of high-definition televisions. Our product can. Therefore, I'm quite optimistic about its future demand," Liu said.

LeTV.com is now the first listed network video company in China.



Working in LeTV has become a favorable choice among youth in China.

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