

Dongguan reaffirms its strong position as one of China's innovation hubs

By YUAN SHENGGAO

The World Dongguan Entrepreneurs Convention, held every two years in Guangdong province's manufacturing powerhouse of Dongguan since 2012, has established itself as a platform for local companies to collaborate and share their best practices in doing businesses.

This year's event, running from Dec 13 to 14, is attracting more than 1,200 corporate representatives across the globe, up 17.7 percent from the previous show in 2016. Of these, 909 are based in the Chinese mainland, 139 from Hong Kong and Macao and 155 from foreign countries.

Dongguan's private-sector businesses have rapidly grown in tandem with the nation's reform and opening-up in the past four decades, when the city became a major manufacturing hub as well as smart tech seedbed.

At the outset of China's reform and opening-up period, Dongguan entrepreneurs seized opportunities for profitable business and established a flurry of enterprises to process imported raw materials into products for export.

Through years of endeavors, many Dongguan-based enterprises have grown into famous brands that sell well domestically and internationally. Some of these include fast fashion giant Yishion, lingerie trendsetter Cosmo Lady and smart energy system solutions supplier East.

The global financial crisis of 2008 transformed Dongguan's economic structure as the city turned its attention to advanced hi-tech and financing. Many local enterprises made the switch accordingly, including Topstar Technology.

Wu Fengli, who founded Topstar in 2007, is among the ten outstanding young Dongguan entrepreneurs to be commended during the convention. His decision to produce industrial robots and automated equipment enabled his company to benefit handsomely from the business bonanza resulting from the city's industrial transformation.



Entrepreneurs share their ideas on businesses during the World Dongguan Entrepreneurs Convention in 2016. ZHENG ZHIBO / FOR CHINA DAILY



From left: Local government officials attend the news conference ahead of this year's World Dongguan Entrepreneurs Convention. Yin Hongwei, chairman of World Dongguan Entrepreneurs Federation, shares his view on major changes in the past years.



In 2014, a wave of automation utilization swept over the factories in Dongguan, as entrepreneurs introduced intelligent equipment to replace increasingly expensive workers.

Those produced by Topstar met these needs perfectly and the company made a profit of 50 million yuan (\$7.25 million) in that year alone.

Since then, the company has

been on a fast track of growth. It has enjoyed an annual average growth rate of 30 percent, even reaching as high as 50 percent at times.

Less than three years since it was listed at the new OTC market in 2014, Topstar landed on the GME board of the Shenzhen Stock Exchange, as Guangdong province's first key listed robotics enterprise.

Following on the heels of Top-

star, there are a growing number of Dongguan-based companies joining the stock market.

In 2017, the city saw 10 new companies get listed at home and overseas.

This increase hit a record high and beat out any other city in southern China.

Some 202 companies had a place in the new OTC market, seeing Shenzhen rank third in this area

among the nation's prefecture-level cities. On March 28 this year, Dongguan gave birth to its 27th A-share listed company.

Currently, Dongguan entrepreneurs, who are generally hailed as moral, grateful, down-to-earth and pioneering, are readying themselves for emerging global innovation trends and the development of the Guangdong-Hong Kong-Macao Greater Bay Area.

Highlights

The World Dongguan Entrepreneurs Convention has been making great strides in uniting local entrepreneurs and helping them to establish their brands.

The two-day event, which kicked off on Thursday, is sponsored by the World Dongguan Entrepreneurs Federation. A ceremony commending 10 outstanding young Dongguan entrepreneurs is one highlight of the convention. The capital summit for entrepreneurs to brainstorm about the city's future is another.

Contracts for 11 projects, four industrial ones with investment surpassing 27 billion yuan and seven financial service ones entailing capital input of 3.5 billion yuan and a total credit line of 20 billion yuan, will be signed during the convention.

And a fund of funds for industrial mergers and acquisitions called Dongguan's "multiplication plan" will be launched during the capital summit. Established in 2012 by the first union of local business people in Dongguan, Guangdong province, the federation has set up a dozen overseas branches in regions and countries including Australia, Canada, South Africa, Malaysia and the United States, and domestic branches in Kashgar, Xinjiang Uygur autonomous region. These chapters act as a conduit for information and business exchanges.

The federation's membership has increased from over 500 in 2012 to nearly 1000 in 2017 when Dongguan Investment Group was established with a registered capital of 10 billion yuan (\$1.45 billion).

The group is a shining example of how Dongguan entrepreneurs can move forward as a whole. Co-sponsored by over 150 well-known private enterprises in Dongguan with capital from over 900 members of the World Dongguan Entrepreneurs Federation, the group has now become a bridge to the world and the highest-level investment platform in Dongguan.