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Special Issue: Zhongguancun Inno Way

- Li Keqiang Inspects Zhongguancun Science Park
- How Is the "Makers' City" Made?
- How Does Innovation Pacesetter Accelerate Innovation?
- What is the "Innovation" of Innovation Center?

#### **Leadership Update**

#### Li Keqiang Inspects Zhongguancun Science Park

On May 7, Premier Li Keqiang made an inspection tour to the Chinese Academy of Sciences and Zhongguancun Inno Way in Beijing. During the tour, he emphasized that mass entrepreneurship and innovation is a major initiative to unleash the wisdom and creativity of the masses and an important way to achieve national prosperity and affluence. Premier Li also said that all barriers must be removed to make innovation and entrepreneurship a popular trend and build new strong momentum for China's economic and social development.

Makerspaces are new platforms to drive innovation and entrepreneurship in the Internet age. During the tour, Premier Li visited 3W Café at Zhongguancun Inno Way, where he talked with many makers. He said that the aim of stable growth is to ensure employment, and innovation has served as an important tool for that end. Premier Li called for further efforts to create conditions to boost maker innovation. "As China is upgrading its growth model, your stories of striving for success will inspire an innovation-driven and knowledge-based economy," Li said.

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In his visit to Legend Star, Premier Li talked with young entrepreneurs from across the country, who were receiving training there. He said that in today's age, entrepreneurship is not the privilege of a small group of people, but the choice of many people, adding that innovation and entrepreneurship provide important vehicles for people to become rich and realize their life value. He called for more support of startups to meet their pressing needs.

Then Premier Li visited the "Inno Hall", part of Zhongguancun Inno Way, which provides convenient legal, financial, HR, IPR and venue services for small and micro-sized enterprises and entrepreneurs. Li praised the provision of the thoughtful services and said that the Chinese economy is now in a crucial period marked

by the transition from an old engine to a new engine, highlighting the necessity to keep China's economic growth within a reasonable range and foster new drivers of growth and, for this purpose, to streamline administration, delegate authority, strengthen government services, and inject impetus into reforms. He said that the government should not only effectively streamline administration and appropriately delegate authority, but also step up supervision and service to continuously remove barriers for mass entrepreneurship and innovation in order to unleash the inexhaustible vigor of China's economic development.

(Source: Science and Technology Daily, May 8, 2015)

## Investigations on Zhongguancun National Innovation Demonstration Zone

#### How Is the "Makers' City" Made?

Zhongguancun Inno Way, located in the Haidian Park of Zhongguancun, is a startup street of approximately 200 meters long, home to more than 20 makerspaces including Angel Crunch and 3W Coffee. The entrepreneurs here epitomize what Premier Li Keqiang mentioned as "makers" in this year's report on the work of the government.

As the new trend of innovation and entrepreneurship gathers momentum, the Haidian Park is increasingly becoming China's "Makers' City". The startup projects received by a makerspace in a month are often more numerous than those received in a region in a whole year. The increasingly perfected innovation and entrepreneurship ecosystem makes entrepreneurship easier by providing young entrepreneurs with favorable conditions and convenient services. According to an officer of a makerspace, they plan to help 10,000 people to start business in the coming five years, making

entrepreneurship a lifestyle of creative and ambitious young people.

A service chain is taking place among science and technology service organizations, which has become a competitive edge of the Haidian Park. Startup incubator Legend Star has provided seven sessions of entrepreneurship training and invested in more than 100 startups. YOU+, a youth entrepreneurship community established in the Haidian Park on April 26, 2015, which provides a convenient workplace for young entrepreneurs, has received venture capital from several companies. As a new model, makerspaces reflect the decisive role played by the market in resource allocation. Meanwhile, the government should also take measures to create a supportive and favorable environment for mass entrepreneurship and innovation.

(Source: Science and Technology Daily, May 31, 2015)

#### **How Does Innovation Pacesetter Accelerate Innovation?**

On May 7, Premier Li Keqiang visited "Innohall" in Zhongguancun, where he inspected the services at the policy window, the IPR window, the social security window and the legal window. He spoke highly of the reforms carried out in the Haidian Park of Zhongguancun.

On September 19, 2014, 34 innovation and entrepreneurship service organizations were certified as "centralized office areas" which, together with the 11 organizations certified before that, increased the total number of centralized office areas to 45. Currently, the Haidian Park focuses on science and technology service industry and has preliminarily formed a regional innovation and entrepreneurship service ecosystem where traditional startup incubators and new startup

service organizations coexist, physical incubation and virtual incubation are combined, state-owned, private and non-private organizations complement each other, service contents cover investment, incubation, training and alliance building, and service scope covers project discovery, team building, startup incubation, technology service and subsequent support along the entire value chain.

Along with the inauguration of centralized office areas of physical incubation, the Zhongguancun Innovation and Entrepreneurship Service Platform which provides services online was also officially launched. By providing professional services and policy support for innovation and entrepreneurship, Zhongguancun has

become a nucleus of innovation and entrepreneurship activities in China. On March 10, the Beijing Branch of the State Administration of Foreign Exchange issued The Implementation Regulations on Macro and Prudent Administration of Foreign Debts in the Zhongguancun National Innovation Demonstration Zone, according to which high-tech companies recognized by Haidian District Government and Zhongguancun Administrative Commission will be allowed for the first time to borrow foreign debts, a move that will facilitate their access to loans.

In order to enhance the synergy of S&T and economic development, Beijing Institute of Collaborative Innovation was established under the support of the Haidian Park to explore new mechanisms of collaborative innovation. Beijing Municipal Science and Technology Commission, Haidian District Government and the Institute of Innovation of Peking University jointly invested RMB 1 billion to set up a mother fund of innovation. Moreover, the Haidian Park has established a technology transfer and IPR service platform to bridge

the divide between technology and capital. With the dual function of technology transfer and IPR services, the platform has the largest technology transfer transaction database in China, which lays a solid foundation for subsequent provision of value-added services such as big data mining, integration, analysis and deep processing. "Entrepreneurship and innovation are no longer confined to a select few with specialized backgrounds but are possible for most people", said Sui Zhenjiang, Secretary of CPC Haidian District Committee. He called for efforts to create conditions to promote the integration and interaction of various innovation factors, adding that the streamlining of administration and delegation of authority should be effectively combined and coupled with effective supervision and comprehensive services to remove barriers for and inject impetus into mass entrepreneurship and innovation, thus releasing the vigor of economic development.

> (Source: Science and Technology Daily, June 1, 2015)

#### What is the "Innovation" of Innovation Center?

In mid-May, two pieces of news about Zhongguancun Science Park in Haidian District Beijing caught the attention of many: Baidu will build a computing system of 7 petaflops, which will rank among top ten most powerful supercomputers in the world; BDStar Navigation, China's leading provider of satellite navigation and positioning services, unveiled the world's first system-wide multicore high-precision navigation system-on-a-chip (SoC), marking China's accession to world advanced level in satellite-based navigation chip development.Both were boosts for China's Silicon Valley's to rise from a follower to peer runner to leader in global science and technology innovation.

## Open innovation: Make a strong Chinese presence in global innovation network

As leading enterprises in Zhongguancun like Lenovo, Baidu and Nuctech integrate themselves with the global innovation network by building their own research institutes, a number of new stars such as IZP, StarTimes and Glodon have been constantly emerging. In recent years, Haidian District Government coordinated with relevant enterprises and organizations including Zhongguancun Development Group, Tiholding and Zhongguancun Private Equity and Venture Capital Association in establishing international incubators and innovation centers in the U.S., Finland, Britain and Israel etc. The unwavering development strategy of Haidian Park of Zhongguancun is to pool international high-end resources of innovation, support Chinese enterprises' participation in global competition, and build itself into an important node of the global innovation network and the hub of China's innovation network. With a global vision and international mindset, Zhongguancun has attracted much attention from the world as an increasing number of multinationals such as Microsoft, IBM and Oracle establish their global or Asia-Pacific R&D centers in Zhongguancun. The cluster of R&D headquarters has given rise to international flow of capital, talent and technology. The model of pooling global innovation resources of Zhongguancun Science Park has become an effective means to promote enterprises' open innovation and innovation synchronization with the world, thus playing an important role in accelerating China's integration with the global innovation network.

### Strategic deployment: capture the commanding height in the new round of S&T innovation

At the just-concluded China Beijing International High-Tech Expo, intelligent products from Zhongguancun-based technology companies provided visitors with a fascinating experience of the exciting possibilities in the age of smart devices. As one of the frontier technologies in the 21st century, artificial intelligence has entered a period of accelerated development as it is applied in increasingly wideranging areas such as smart home, wearables, cars and manufacturing. Smart devices are becoming a new driver of global growth. In a bid to lead the age of smart devices and foster a globally influential cluster of smart hardware manufacturers, Haidian Park has quietly made prior deployment to capture the commanding height in the new round of S&T innovation in line with the innovationdriven development and "Internet+" strategies. On March 27, Zhongguancun Administrative Commission and Haidian District Government jointly released the Policies of Zhongguancun on the Promotion of Innovation-driven Development of the Smart Hardware Industry, which rolled out 29 measures in seven categories to provide a strong support for the development of the smart hardware industry. Zhongguancun has always been on the forefront of industrial development, from the rise of information technology to the meteoric expansion of the mobile

Internet to the dynamic development of big data and cloud computing. In fact, as high as more than 70% of leading enterprises in China's seven strategic emerging industries are headquartered in Haidian District.

## Original innovation: have a bigger say in international competition

A new nanotechnology that Academician Wang Zhonglin, chief scientist at Beijing Institute of Nanoenergy and Nanosystems of the Chinese Academy of Sciences, and his team are working on is set to bring about sea change to energy utilization. With the technology, a 6cm \* 6cm friction drive nanomotor being stepped on is capable of charging a mobile battery or lighting up approximately 600 LED lights. Haidian Park of Zhongguancun, known as China's Silicon Valley, has become a source of innumerable major innovation achievements, including Chinese Character Card, computerized laser photocomposition system for Chinese character typesetting, supercomputers, and SARS and bird flu vaccines etc. Meanwhile, standard innovation has become an important embodiment of Zhongguancun's core competitiveness and earned China a bigger say in international fields. As of the end of last year, leading Chinese mobile Internet companies including Datang Telecom, IGRS Engineering Lab Ltd. and VIMC have led the formulation of nearly 70 international standards and 600 national standards. The formation and promotion of Chinese-initiated standards have created new industries and markets worth more than RMB 100 billion, broken the technology monopoly of international giants, and driven sound and orderly development of China's strategic emerging industries such as new energy and biotechnology.

> (Source: Science and Technology Daily, June 4, 2015)