

# Big expectations from big data

Guizhou province takes advantage of new technology to develop economy, boost employment and combat poverty

By CHENG YU in Beijing and YANG JUN in Guiyang

Guizhou in Southwest China struggled with unemployment and poverty before big data created a big future for the province.

Nestled in a mountainous region, it has been transformed in the past three years into an innovation hub as major global companies, such as Apple Inc, Alibaba Group Holding Ltd and Hyundai Motor Group, flocked to the area.

"Big data has helped relieve local poverty as it has brought huge opportunities to impoverished areas and created jobs at the same time," said Jing Yaping, deputy director of the bureau responsible for Guizhou province's big data development.

Innovation and cutting-edge technology has fueled economic growth across China with big data playing a crucial role.

This transformation is in line with General Secretary Xi Jinping's remarks during the 19th National Congress of the Communist Party of China.

Xi emphasized that innovation is the primary force driving development.

"We will move Chinese industries up to the medium-high end of the global value chain, and foster a number of world-class advanced manufacturing clusters," he said.

Xi called for more efforts to develop advanced manufacturing, promote further integration of the internet, big data and artificial intelligence with the real economy.

Guizhou has certainly adopted this approach to achieve rapid growth.

Official data showed the industrial output of large-scale digital information manufacturing in the province was at 5.26 billion yuan (\$800 million) in the first half of this year, a jump of 64 percent compared to 2016.

It was first time the sector had contributed double-digit numbers to industrial growth.

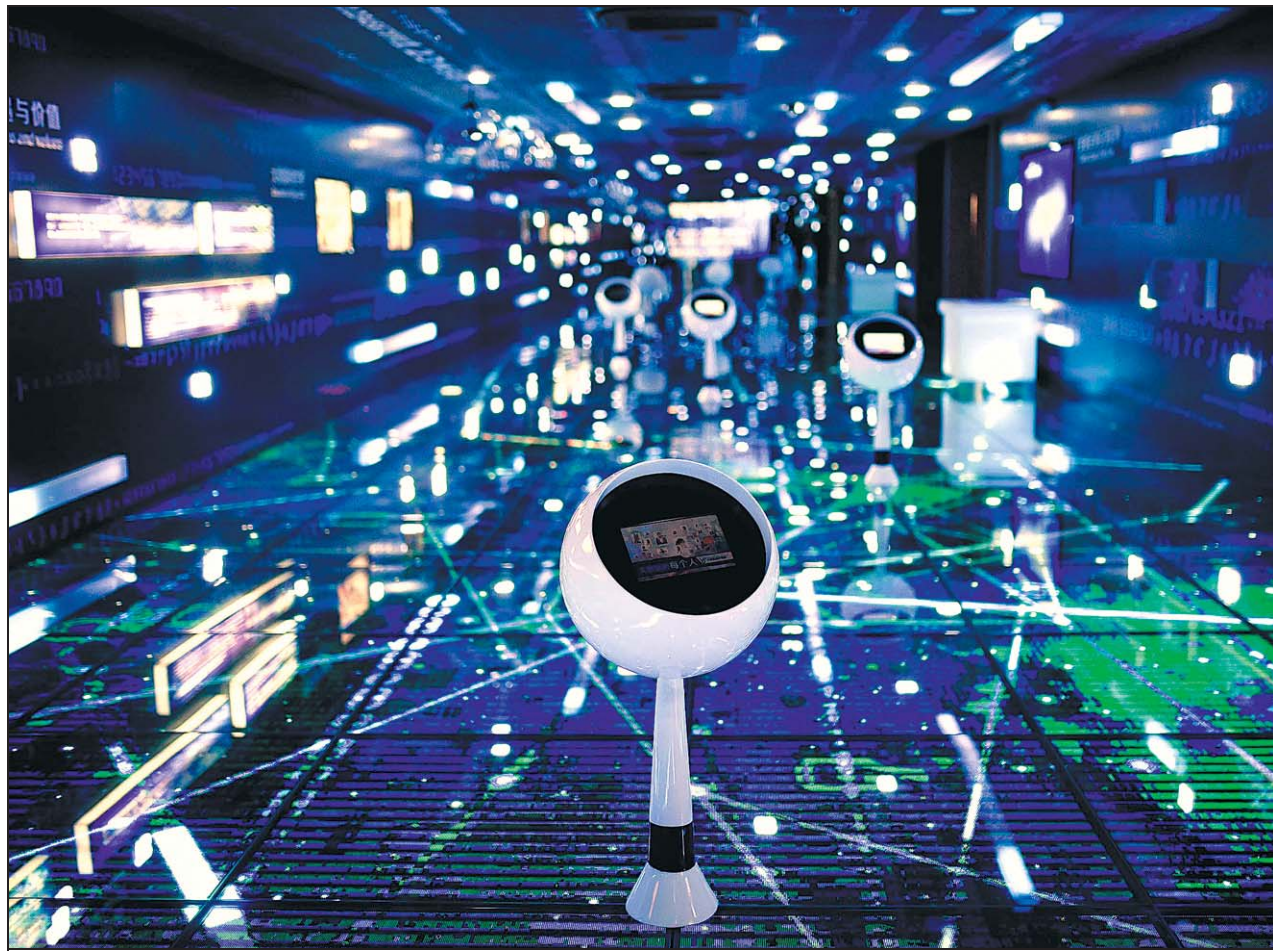
"In Guizhou, big data has become the new growth engine for economic transformation," said Qin Rupei, executive vice-governor of Guizhou, and a delegate at the Congress.

Figures also revealed that software and IT services produced revenue of 15.59 billion yuan in the first half of 2017, a 36.4 percent increase year-on-year.

"Thanks to big data, Guizhou has been able to rejuvenate itself," Jing, of the big data bureau, said.

An hour's drive out of the provincial capital of Guiyang is Guian New Area, a 1,795-square-kilometer industrial technology park, packed with blue-chip brands.

Hyundai is one of the latest big names to open a big data center there. The South Korea-based automotive company plans to collate and analyze



A "time tunnel" effect is displayed at Guizhou province's big data demonstration center in Guiyang. XINHUA



The China International Big Data Industry Expo 2017 in Guiyang attracted more than 310 enterprises and institutions. XINHUA

massive data for its advanced automated vehicles. It will also use the information for research and development.

"Hyundai Motor's know-how in big data analysis, coupled with Guizhou province's push into (the sector), will surely accelerate development in connected car technologies," Hwang Seung-ho, executive vice-president and head of the auto intelligence division at Hyundai, told the company's website.

Earlier this year, China Daily reported that more than 400 companies in the big data industry had set up in Guian

New Area, including Apple, Microsoft, Alibaba, Tencent Holdings Ltd and Huawei Technologies Co Ltd.

China's major telecom operators, China Telecommunications Corp, China Mobile Communications Corp and China United Network Communications Group Co Ltd, also have centers there.

Up to 20 Fortune 500 companies and 14 of China's top 500 firms have a presence in the technology park.

Apple, for example, invested \$1 billion on its first big data center in the country. The Guian setup will be used to help

meet growing demand for advanced cloud services.

The global tech giant's decision to ramp up investment in China comes at a time when it is losing ground to domestic rivals such as Huawei.

Still, this move will cement its place in the market here.

"The big data industry will play an important role in helping Guian build a modern industrial system, create more jobs and improve administrative efficiency," said Ma Changqing, then head of the administrative committee of Guian New Area.

"We are developing a

“Thanks to big data, Guizhou has been able to rejuvenate itself.”

Jing Yaping, deputy director of Guizhou's big data bureau

**\$800 million**

industrial output of Guizhou's large-scale digital information manufacturing

tance to solving key physics problems," the National Astronomical Observatories of China stated in a media conference.

Back on earth, leading cloud service provider Baidu has increased its sales volume by more than 50-fold since opening up in Guizhou in 2015, although the private company declined to disclose further financial information.

Indeed, firms such as Baidu have helped create jobs and fuel the province's economy.

Last year, e-commerce turnover in the province's rural areas increased by 27.1 percent and helped the added value side of the agricultural processing industry.

Statistics from Guizhou Poverty Alleviation Office also showed that poverty rates dropped from 26.8 percent in 2012 to 10.6 by the end of last year. Additionally, up to 1,500 villages have been removed from the poverty-stricken list.

"We have made significant progress in fighting poverty in the past few years through industry development," said Qin Rufang, deputy director of Poverty Relief Office of Guizhou province.

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## Truck Alliance turns into a unicorn

By CHENG YU in Beijing and YANG JUN in Guiyang

Truck Alliance is a Uber-type Chinese company for heavy vehicles and a global "unicorn".

Guiyang Huochebang Technology Co Ltd, or Truck Alliance for short, is one of 55 startups in China worth more than \$1 billion, consultancy CB Insights reported.

"Huochebang impressed us a lot with its business model, scale of platform and operation," said Wu Wenjie, a managing partner at Baidu Capital, which is part of online giant Baidu Inc.

"It has a deep understanding of China's logistics market and has established the largest and the only nationwide matching system between truckers and shippers, holding a dominant position in this sector," Wu added, pointing out that Baidu Capital is a major investor in the startup.

Earlier this year, Truck Alliance received \$56 million in series B-3 funding, led by All-Stars Investment Ltd, a specialized hybrid fund.

More than \$327 million has been raised through series B funding.

Naturally, big data has played a crucial part in Truck Alliance's success as it helps connect drivers with commodities which need transporting. It is also vital to run the app's truck sales and auto finance services.

"We are bullish about the prospects for the integration of the logistics industry and mobile internet," said Ji Weidong, co-founder of All-Stars Investment.

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Ji Weidong, co-founder of All-Stars Investment

Based in Guizhou province, Truck Alliance is also backed by online juggernaut Tencent Holdings Ltd, as well as an array of big players.

In May, the company announced it had developed language apps in Uygur, Russian and Mongolian in a move to promote trans-border logistics, and commerce for economies involved in the Belt and Road Initiative.

"The combination of railways and highways will be significant in the future when it comes to the Belt and Road Initiative and for Eurasia," said Tang Tianguang, co-founder and chief technology officer of Truck Alliance.

"Logistics mainly rely on these networks," he added.

Many Eurasian economies and regions still lag behind in internet infrastructure development and smart freight transportation.

By the end of July, Truck Alliance had 4.5 million registered vehicles and 880,000 corporate customers.

More than 140,000 transactions go through the company's books each day with total freight charges exceeding 1.7 billion yuan (\$260 million).

Truck Alliance has also signed a deal with China Shenhua Rail and Trucks Co, which is heavily involved in road-rail transportation in economies involved in the Belt and Road Initiative.

"In the past, we built a logistics network covering many parts of China," Tang said. "In the future, we plan to go out and connect different countries and regions in the Belt and Road Initiative."

# Unique model to cultivate the talent of tomorrow

By CHENG YU in Beijing and YANG JUN in Guiyang

A group of 295 freshmen at the Big Data College in Guizhou's provincial capital of Guiyang are going through a unique experience.

These undergraduates are attending China's first higher education establishment dedicated to one of the driving forces of innovation and technology in the 21st century.

In a move to cultivate talent in the field of big data, the college has put a partnership together between industry, universities and research institutes.

Last month, it opened its doors for the first time after being founded by Guizhou provincial government, the

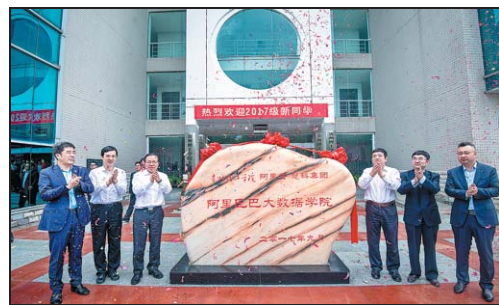
Guizhou Institute of Technology, online giant Alibaba Group Holding Ltd and educational platform Huikedu Group.

The college's main mission is to train technicians and scientists of the future.

"We are different from other colleges as students will not only get diplomas in big data but also certificates from Alibaba," said Long Fenjie, president of Guizhou Institute of Technology.

"This will be beneficial to their careers in the long term," he added.

Up to 2,500 big data and cloud computing students are expected to graduate, as well as another 10,000 in related professions, during the next three years.



The opening ceremony at the Big Data College of the Guizhou Institute of Technology on Sept 15, 2017. PROVIDED TO CHINA DAILY

Majors in network engineering, or cloud computing, as well as data science and big data technology are on the curriculum for the four-year bachelor's degree course.

Part of which will also include tutorials from senior Alibaba technology staff.

"We will dispatch core technology experts, and contribute to the research and

“Students will not only get diplomas in big data but also certificates from Alibaba.”

Long Fenjie, president of Guizhou Institute of Technology

development of teaching materials," said Michael Yang, vice-president of Alibaba Cloud Computing.

The company plans to recruit stellar students from

the program, Yang pointed out, or recommend them to other high-tech firms.

Apart from cooperating with Alibaba, Guizhou has agreed a partnership deal for an electronics college with the National Institute of Information Technology in India.

A China-United Kingdom data park, which will house 30 companies, is also being developed for healthcare-related technology.

"More high quality resources will be integrated into Guizhou with the help of such collaborations," Long, of Guizhou Institute of Technology, said.

"This will inject energy into future big data development in the province," he added.