

Success Stories: Ideas for Potential Players

ICT / Software

Sales / Services

UFIDA SOFTWARE ENGINEERING

UFIDA Software Engineering Japan Co., Ltd.

Providing Software Support to Businesses in Japan . . . and Soon the World



Tie-ups with major clients like the Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mizuho Corporate Bank, Ltd. have helped UFIDA Software Engineering Japan expand their business at a healthy pace.

The UFIDA Group is China's largest independent software vendor. With over 60 subsidiaries, UFIDA has the largest share of the Chinese software market in the fields of finance, business administration, and enterprise resource planning.

With a commanding presence in the domestic market, UFIDA's 2003 management plan made expansion into global markets a major goal. The firm's advance into the Japanese market is the first step of an aggressive global

strategy aimed at making UFIDA one of the world's top IT companies, with geographic coverage from Asia to Europe and North America. The last several years have seen growing business exchanges between Japan and China in the IT industry, and this too has given momentum to the company's advance into the Japanese market.

UFIDA Software Engineering Japan was established in January 2004. Led by President Yan Gao, today the company has a total of 40 people working on-site, including 25 full employees. In the early stages of setting up the firm, according to Mr. Gao, the top concern was "getting it right the first time"—clearing away all the necessary preparations and paperwork and getting right down to business as soon as possible.

He found answers to all his questions about those procedures when he attended a presentation in Dalian put on by JETRO for businesses considering entering the Japanese market. Here Mr. Gao learned about the Invest Japan Business Support Centers (IBSC), JETRO facilities that provide free temporary office space for companies getting started and guidance in the process of setting up a company in Japan. When he arrived in the country, Mr. Gao's first stop was JETRO.

- 2004 UFIDA Software Engineering Japan Co., Ltd. established
- 2004 Sales begin for offshore system development in Japan
- 2004 Receives first development project order from NTT Data Corporation
- 2004 Head office receives level 5 CMM (Capability Maturity Model) certification
- 2006 Head office receives level 5 CMMi certification



UFIDA SOFTWARE ENGINEERING

Mr. Yan Gao, president of UFIDA Software Engineering Japan, seeks to grow his company through an emphasis on efficiency and quality.

UFIDA SOFTWARE ENGINEERING



The first phase of construction for the new UFIDA Software Park, located north of Beijing, will be completed by the end of 2006.

The office space JETRO provides offers Internet access and is equipped with telephone, fax, and other needed office equipment. JETRO also has a library of English-language materials about procedures for establishing a company that, according to Mr. Gao, "made it painless to communicate with the home office about what needed to be done, and minimized the time needed to set up the company." He goes on: "If I had not attended the presentation in Dalian, I'm sure it would have taken us much longer to get this company up and running."

In the two and a half years since the establishment of its Japanese corporation, UFIDA has enjoyed steady growth in the Japanese market. The company's accomplishments include tie-ups with the Bank of Tokyo-Mitsubishi (today the Bank of Tokyo-Mitsubishi UFJ, Ltd.) and Mizuho Corporate Bank, Ltd., as well as a joint business venture with NTT Data Corporation. The UFIDA Group's strategy for Japan involves a long-term vision that includes expanding business opportunities through partnerships with Japan's largest corporations. So far, UFIDA Software Engineering Japan's steady sales activities have been producing consistent results. Japanese companies recognize the technological and developmental capabilities of the UFIDA Group.

UFIDA's original sales target for the Japanese market was ¥2 billion within three to four years. The company broke even in fiscal 2005, and it expects to have ¥600 to ¥700 million in sales in fiscal 2006. It will take a bit more effort to hit the higher figure, but Mr. Gao is optimistic: "We are right on target thus far, and I intend to continue to progress step-by-step until we reach our goal."

In the field of offshore development, one of the company's areas of expertise, UFIDA's main competitors are Indian firms, which have also been targeting the European and North American markets. Mr. Gao notes, however: "In the offshore development market in Japan, Chinese players have

the advantage of geographic proximity."

Operating out of a relatively small office, UFIDA Software Engineering Japan seems to be a minor operation. But the company by no means lacks the personnel needed to expand into many sectors of the Japanese market. There is a 200-strong development team at the group headquarters back in China dedicated to servicing the Japanese market.

Mr. Gao sees a bright future for UFIDA. He bases his confidence on the UFIDA Software Engineering management philosophy, which he describes as "providing customized software development services using the most efficient methods and the best quality."

Japanese Operation

- Established :** January 2004
- Capital :** ¥50 million
- Employees :** 25
- Business :** Computer software development, sales, and consulting
- Location :** 10th Floor, Toranomom 10 Mori Bldg., 1-18-1 Toranomom, Minato-ku, Tokyo
- URL :** <http://www.ufida.co.jp>
- Parent company :** UFIDA Software Engineering Co., Ltd. (Beijing, China; employees: 510)

