

Creative Corridor Speaker Program
Meeting and Discussion with the Chiang Mai Creative City Development
Committee
30 September 2010
Office of the President, Chiang Mai University

1. **Introduction:** Asst. Prof. Nat Vorayos, CMU
2. **Introduction of Speaker:** Ms. Susan Stevenson, US Consul General Chiang Mai
3. **Presentation:** Ben Ramirez, International Program Manager, Economic Growth & Redevelopment Services Office, City of Austin, Texas (www.WorldWideAustin.org)

Austin, TX attributes

Primary employers: University of Texas and State Government. IT focus and manufacturing began 50 years ago (Tracor Corp. in the 1950s.), Texas Instruments, IBM). In 1980s, technology sector began to take off (MCC, Sematech). Main drivers were personal efforts driving collaboration between public, university, and private. Ground up or top down?

Local attributes: Workforce, Infrastructure, University administration interest, Community networks, and Government commitment. Of which:

- **Workforce:** Well trained for job opportunities in new and existing firms. Does school system support entrepreneurship? Mindset: Does community support and respect entrepreneurship? Austin attracts talent from across US and internationally. 43% of those over 25 has college degree or higher (5th in US). Computer and electronic product manufacturing, IT and telecoms economic drivers. Number of organizations target youth workforce development Campus2Careers organization that matches young college graduates with small/medium enterprises.
- **Infrastructure:** Physical infrastructure supports new and growing business firms. Austin Technology Incubator at UT, Austin: focuses on bioscience, clean energy, IT, and wireless industries.
- **University administration interests:** Offer instruction in entrepreneurship, mid-career education, specialized training that fits needs of firms.

- **Community networks:** Named “Best City for the Next Decade” in part due to variety of creative attractions including live music scene, “funky” businesses, and others. Establish business–membership organizations in targeted industries. Nurture young/new firms. “Make a scene” in order to facilitate cross–community collaboration breaking down barriers. Annual conference (Relationship and Information Series for Entrepreneurs (RISE)) on small businesses / growing entrepreneurs.
- **Government commitment:** Government does not interfere with business start–ups. Procurement policies apply equally across long–established and new firms. Affordable business support services. Emerging technology funds and other localized incentives for targeted industries. Produces interactive business web directory. Assist companies navigate permit process.

Potential Next Steps

- Examine strengths/weaknesses
- Develop long–term plan
- Nurture creativity through apprenticeships/internships for academic credit with small businesses
- Social media marketing
- Do not fear failure
- Determine entity to take lead
- Establish achievable goals

4. Asst. Prof. Dr. Nat, CMU discusses CNX Creative City. Initially looking to IT industry opportunities but may extend to food and handicrafts. Will build on CNX existing strengths. Currently submitting funding proposals.

5. Discussion / Question and Answer

Smith, FTI: Q. What are key government regulations that would enable a city to become a “Creative City?” A. Engage/meet with businesses often.

Christopher, Manao Software Company Limited Q. ----- A. Businesses should coordinate to present requests to government.

Peter, CNX Wood: Q. CNX at the beginning of process, not well developed like Austin. How to start? A. Austin originally a sleepy college town. Ridiculed for looking to IT. Start small with small successes. From small successes, can attract national government and other funding. Q. But how does CNX bring a major business to CNX as Austin did with IBM, etc. early on? Peter continues by pointing out that if CNX can attract, through a variety of SMEs, the equivalent

employment of recruiting one large corporation, maybe that would be a good start and then could attract larger corporation. Unlikely to initially attract a large corporation.

Wiboon, IBM: Q. What were keys to success? A. Tap retirees as angel investors for new industries here in CNX

Martin, TDCI, CMU: Q. Austin linked venture capital and businesses but CNX does not have that opportunity. Lacking that, what linkages can CNX make with financial community to educate on risk? A. Austin actually lacks resources of venture capital resources of CA or NY. Austin writes to CA and NY and sends representatives to talk with them. Relies heavily on local “angel” investors. Uses UT to locate/tap wealthy alumni.

Simon, Intropica Co.Ltd.: Q. Was it top down or bottom up? A. Both, but must have something very strong from ground up. Majority of drivers should come from bottom/ground up.

Smith, FTI: Q. Advertising, marketing? A. City has limited budget. Very little spent on marketing. Austin has taken advantage of UT (2nd largest university system in US). Very few tourist attractions to draw outsiders. Have built from ground up including festivals including Austin City Limits.

Martin, TDCI, CMU: Q. You say no marketing but would appear to be some alignment of story about Austin across variety of sources if outsiders access web, whether through government, university, or private. A. Yes. Greater Austin Chamber of Commerce has website for potential investors.

Tul, small IT business, Chiang Mai: Q. Where is budget to support CNX CC? If Government, he is concerned will be too little, too late. A. **Martin, TDCI, CMU:** Want to do many small things to create success to then attract bigger things. **Asst.Prof.Dr. Nat, CMU:** Some of small successes already there. Need to promote and extend them. UT played a significant role in funding projects in Austin. In contrast, CNX universities have limited funding resources. **Dr. Nopasit, Dean, College of Arts, Media and Technology, CMU:** CMU focusing on placing new students in good jobs in CNX. Providing space and licensing opportunities for software businesses from BKK to come to CNX to employ recent graduates. CNX has 100,000 university students out of 300,000 residents.

Assoc. Prof. Dr. Anop, Chiang Mai University International College: CNX CC Project should also focus on tapping Governor’s office.

Oracha, Chiang Mai Community group: Q. Projects at community level? A. Hike and bike trail. Aggressive biking plan for city. Assist music community. Q. CNX has many cultural treasures. Last time had conference here, participants not impressed with meeting room but impressed with treasures of city. Need to make residents proud of its city first, then focus on tourists and investors. A. It is a matter of resources.

Input from Mr. Ben Ramirez (post meeting)

Issues discussed, important points clarified and reactions.

I really enjoyed the opportunity to participate in discussions and provide presentations on technology development in five provinces of Thailand pursuant to the Creative Corridors initiative of the USA–Thailand Creative Partnership.

Issues discussed include: Local government techniques in promoting business expansion in creative industries and City of Austin initiatives; Growth of a new technology-based economy towards a creative and professional workforce; Building a young, creative workforce and collaboration with the university; Economic development collaboration among IT industry businesses, government and the universities; Development of a strong entrepreneurial community; Fostering innovation to stimulate growth and job creation; Austin's Climate Protection Plan and green initiatives; and methods of establishing a technology-based economy.

Reactions were mostly positive. There was much discussion about whether establishment of a cluster initiative should come from the top down or from the bottom up. Austin's example includes strong individuals within the private, public and university sectors. These individuals encouraged their respective institutions to adopt an economic plan, drawing upon an existing creative workforce to establish a small technology cluster and eventually win federal funding to further propel the initiative.

The number of incentives to lure brand-name companies and encourage creation of a cluster should not be the main focus. Creation of new or providing assistance to existing small to medium sized businesses which encourage growth in targeted industries is very important. One or two existing industries in Thailand should be targeted for development within the IT sector.

To all extent possible, there should be effective and speedy resolution of governmental regulation of new business initiatives. Nurturing an existing entrepreneurial spirit within Thailand will depend upon making the creation of new businesses within targeted industry sectors uniform. Companies should have access to resources which provide them with the paperwork they need to get started and a known timeline with real dates to anticipate and obtain financing for purchasing property, opening the doors and conducting regulations with the necessary regulatory permit approvals.

A recurring theme from the Thai experience was the need for: 1) Assistance for start-up companies. 2) Identifying opinion leaders/policymakers to drive the

initiative. 3) Growing entrepreneurs by encouraging institutions to instill an entrepreneurial mindset within the population.

There was also much interest in learning how the community could be encouraged to participate in sustainability and climate protection initiatives. Specific Austin examples included solar powered mobile music shows and single stream recycling.

During the Chiang Mai office of the Board of Investment meeting, several similarities between Austin and Chiang Mai (as well as other locations in Thailand) were identified:

- 1) An educated, creative and skilled workforce.
- 2) Entrepreneurial spirit in populace.
- 3) Existing industries which may be strengthened or expanded via new innovations. Focus on strengths within the existing industry sectors.
- 4) Existing industries requiring employee skill sets which may be redirected toward employment in new targeted industries.
- 5) Youth have access to English language instruction.
- 6) Thailand federal institution(s) interest in establishing and commitment to funding creative industry projects.
- 7) The convergence of interests among the public at large, businesses, universities and government in obtaining a vibrant economy.