



ASIA HOUSE

HOME OF BUSINESS - CULTURE - PEOPLE



BAGMANE TECH PARK, BANGALORE, INDIA

BANGALORE - THE SILICON VALLEY OF THE EAST

India is one of the fastest growing economies in the world but at the same time is also one of the most competitive and complex markets to operate in. The old saying, 'Made in India, made for the world' still holds true due to the diverse demographic and geography: if you are able to succeed in India, then your product is robust and sharp enough to weather the economic and consumer conditions in any other part of the world.

With plenty of support for early-stage start-ups, often the SME companies are left to fend for themselves and miss out opportunities in markets like India. They have to try to work around networking issues, cultural misalignments, local partner coordination, customer co-creation, resource management and a host of other problems whilst still trying to run a successful business in their home countries. No wonder SMEs are not inclined to move to complex markets!

NORDIN, the new Asia House project with funding from the Danish Industry Foundation, is designed

to help Danish SMEs clear the very hurdles that make India a market tough to crack.

NORDIN has opened its office in Bangalore, India and will serve as the hub for the project's activities.

Why setup in Bangalore?

Imagine walking into a Starbucks and as you order your coffee, you overhear conversations about pitching to Sequoia Capital or Soft Bank or getting into YCombinator. The only change in this scene is that this could very well have been down the street in Silicon Valley but this is a common occurrence in Bangalore, India these days. What has changed over the years that has taken Bangalore from being the outsourcing city or, as people joked, 'where all your customer support calls were answered', to becoming a leading economic powerhouse and a breeding ground for investments?

A strong community of engineers with global work experience, savvy customers, massive influx of venture funding, the presence of global business offices and growing pools of early-stage capital, are transforming the Bangalore into a global start-up hub, much like the Silicon Valley in the United States. With over 7500 start-ups and the largest amount of investors (6200+) Bangalore is home to some of the largest multinational companies like Accenture, IBM, Tata, along with leading knowledge institutions like the Indian Institute of Management and National Centre for Biological Sciences to name a few.

For SMEs and start-ups, Bangalore has been laying the foundation to become a strong ecosystem incubator. With over 60% of India's VC funding based in Bangalore (\$2.6 billion), global SMEs and start-ups are crowding to take a piece of the action by establishing a presence in the city. The availability of co-working spaces like WeWork along with the presence of venture capital firms, availability of high-quality talent and a growing ecosystem of unicorns is ensuring a safe landing spot for international players into India.

With over 3500 engineering colleges in India producing around 1.5 Mn engineering graduates every year, the availability of high-quality talent serves as a primary attraction for global firms to set up base in Bangalore. Global firms have taken up to working with universities to ensure that frontier technologies like Artificial Intelligence, deep machine learning and data sciences are taught in professional courses to ensure a cutting edge resource pool to rival other global countries.

Foundations like the [Wadhvani Foundation](#) and the [Ministry of Small and Medium Size Enterprises](#) in India have also initiated several initiatives to focus on ensuring the SMEs in Bangalore receive equal if not additional support to grow their businesses. As part of such initiatives, global partnerships, investment support and talent augmentation are offered to the SMEs. Combined with [accelerator programmes](#) of global repute like TechStars, Kyron Global Accelerator (Swiss Re InsurTech Accelerator, LEAP, etc), Microsoft Accelerator, Target Accelerator, Lowe's Accelerator, Cisco LaunchPad Accelerator, NUMA and many more, Bangalore offers a host of opportunities for any SME company aiming to build customers, penetrate markets or just build a more robust product that can be sold anywhere in the world.

At a more practical level, costs incurred in setting up and running a business is around 20% lower in Bangalore as compared to other cities in India like Mumbai, Delhi and Gurgaon and over 80% lower than the costs in international hubs like Silicon Valley and Beijing. The similar trends are also pervasive in the cost of hiring junior tech talent which ranges from \$10,000- 20,000 per year as compared to 3-5 times the cost in the West.

According to [Harvard Business Review](#), building your start-up in Silicon Valley reduces the lead-

time for raising funds, increases your chances of being bought, and enhances your odds of success. To extend the same logic to Bangalore wouldn't be wrong. The early success of start-ups based out of Bangalore along with the above factors has brought the investors to the city. Of the about 80 active PE & VC funds in India, almost 30 are based out of Bangalore. Every major fund has offices in Bangalore. In early-stage investment, one of the better ways to convert a potential investment into actual investment is first-hand experience. Being in Bangalore increases one's chances of meeting/showcasing their company to potential investors and professional partners in person. While this by itself is not a guarantee of investment, it surely increases your likelihood of investment and ultimate success.

To be successful in any market, it's not only enough for companies to be present in the market but also to merge into the ecosystem of talent, investment and partnerships. NORDIN will give Danish SMEs a ready platform to integrate into to gain access to the business ecosystem through guided mentorship, co-creation and, well, doing business the good old fashioned way - through developing honest and trustworthy relationships.

UPCOMING EVENTS IN ASIA HOUSE



20.03.19: Asia Days 2019

Asia Days, an organization at Copenhagen Business School, will once again host their networking event at Asia House as a part of their yearly two-day event. Asia Days is organized by students, and features talks, panel debates, and networking events for students and industry alike.

Read more about Asia Days 2019 on their facebook page [HERE](#).

LAST MONTH IN ASIA HOUSE



24.01.19: Om Blæksprutter

On January 24, the Danish-Japanese Society hosted a talk by Professor in Gastrophysics and Culinary Food Innovation Ole G. Mouritsen on squids and octopi, not only as animals, but as a source of food. During this talk, Ole G. Mouritsen discussed these odd animals from a cultural, scientific and culinary perspective - as well as the use of squids and octopi in a Japanese context. The participants of the event had the opportunity to taste different types of these animals.



26.01.19: Vietnam New Year Reception

The new Vietnamese Ambassador, H.E. Pham Thanh Dung, recently hosted a New Year's Reception in Asia House for the local Vietnamese community and other guests.



19.02.19: Is India your (next) business adventure?

On February 19, the Maritime Development Centre held an event in Asia House focusing on business opportunities in India for maritime companies in Denmark. H.E. Ajit Gupte, the Indian Ambassador to Denmark, gave an introductory speech to the subject at hand, which was followed by a presentation of different cases from the maritime industry. The event concluded with a reception and a networking opportunity with key stakeholders in the business.

GOODBYE TO...



RUTH H. ANDERSEN, our dear colleague, had her last working day in Asia House on February 14. Since June 2015, Ruth has provided excellent service to our many customers and professionalized Asia House's event management. We wish Ruth all the best and look forward to welcoming her again, now as a guest, and will strive to provide the same level of customer focus that Ruth has always extended during her time here.

SIMONE VON BURGWARD IS OUR NEW EVENT AND COMMUNICATIONS MANAGER:
svb@asia-house.dk

TOP STORIES FROM ASIA

25.01.19: Malaysia elects new king

Sultan Abdullah Sultan Ahmad Shah, ruler of the state of Pahang, has been elected new king of Malaysia by the leaders of Malaysia's royal houses, also known as the Conference of Rulers. The 59-year-old Sultan



will serve for 5 years, and will be sworn in on January 31. Malaysia's rotational monarchy is unique, having elections every 5 years. The former king served for 2 years before abdicating.



23.01.19: Toyota and Panasonic team up to make electric car batteries

The joint venture between Toyota and Panasonic in making electric car batteries will most likely benefit both companies. Panasonic has previously been supplying electric car batteries to Tesla, but Panasonic has been hurt by Tesla's production delays. Toyota is just in time, as electric vehicle sales pick up in China.



09.01.19: China opens up for more foreign investment

The deputy director of Nation Development and Reform Commission (NDRC) in China encourages foreign investors to focus on a "broader range of areas". The NDRC will be promoting a second batch of major investment projects, mainly in the new energy sector, in the first quarter of 2019, continuing the trend from the fourth quarter of 2018, where the first batch of projects were promoted. These projects have an estimated value of several billion US dollars.

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Indiakaj 16 / DK-2100 Copenhagen Ø / +45 35 26 56 11 / ah@asia-house.dk



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ah@asia-house.dk

EU's privacy regulation GDPR came into force on 25 May 2018. Asia House has updated its Privacy Policy and these changes reflect the increased transparency requirements of the EU GDPR. The revised policy clarifies your privacy rights and how to exercise them; how Asia House collects, uses, shares and protects personal data; and the legal bases we rely on to process personal data. Please click here to read our updated [Privacy Policy](#).

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