Interview with Tan Yew Chin, Chief Executive Officer, Ascendas

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Tags: Ascendas

As a pioneering member of Arcasia, before it merged with JTC International and became what is Ascendas today, you know the history of the company very intimately. What are the main elements that have enabled Ascendas to become one of the leading business space solutions provider in the country?

I have been with this company for 22 years and I have seen Ascendas grow from 16 people to a total staff strength of 900. I think that one of the driving forces for success has been our customer-focused approach. At Ascendas, all of what we do revolves around our customers.

Furthermore, as a customer- centric business whose hallmark is delivering integrated solutions, we focus at the specific needs of each industry we work for. It is a meticulous process, as every detail is analyzed in order for us to truly understand and deliver the appropriate solutions, which enable us to stay ahead of our competition.

Given the high level of competition in this industry, what would you say is Ascendas’ unique proposition?

Ascendas’ unique business model, i.e. our customer-centric and integrated solutions, enable us to stay ahead of the game.

While we are a real estate developer, we don’t only focus on real estate. We create integrated communities and offer integrated solutions that inspire our tenants and customers to excel in their operations. We believe in fostering a close-knitted community within the parks we manage.

With the boom of the construction industry in Asia, what are the main challenges that Ascendas face?

While it is relatively easy for our competitors to replicate the hardware, i.e. real estate development, we focus on the software aspects of providing integrated solutions that are customised to meet our customers’ needs. It is in this software where Ascendas differentiates itself from the rest and we proactively innovate to deliver higher value-add to our customers.

The company has been extensively expanding throughout Asia, how have you been expanding your know-how?

We started the Singapore Science Park here 30 year ago. We were the pioneers of introducing the “work, live and play” concept into science parks. We strongly believe in this value-enhancing concept and continue to innovate to provide human-centric and interactive space and activities in all parks owned and managed by Ascendas. We have replicated this model to our overseas parks in India and China. The International Tech Park Bangalore in India is a very good example.

We actively look into ways to enhance our parks, seamlessly integrating lush green spaces with interactive zones for community activities because they not only add value to our customers, but they also create an atmosphere where our tenants and employees feel proud to belong. They have developed such a strong sense of belonging that some of our tenants call themselves “Parkites”.

Employees love coming to work, which is one of the key reasons why our customers choose to locate in our parks. We are very proud to say that we have a very high retention rate as well as a high number of repeat customers in the other countries we operate in. We are glad that our customers grow with us and use our services in other Asian countries. As an example, Quintiles, a tenant of ours here in the Singapore Science Park, has expanded to China where they have taken up facilities in our Dalian Ascendas IT Park.

With the “work, live and play concept” Ascendas has managed to create a sense of community in many of its properties. Does this community sentiment work everywhere?

Yes it does, it has worked in all the locations that we have a presence in, from Singapore, to India, to China. We believe that this is a concept that people love because you don’t just want to go to a place and work; you want to go to a place where you can enjoy and participate in other activities, where you can get together with your colleagues and network.

Which countries does Ascendas have a presence in and what are 3 of your flagship projects?

Our headquarters are in Singapore and because we have been very proactive in implementing our concept overseas, we have a strong footprint in 33 cities across 10 countries in Asia. We are proud to have been the first company to do an IT park, 18 years ago, in Bangalore, India. This park was built based on the same model of an integrated community with solutions that connects the working community, which we have implemented here in the Singapore Science Park.

Our footprint extends to most Asian countries, such as India (Bangalore, Chennai, Hyderabad and soon we will be in Pune); China (Shanghai, Suzhou, Hangzhou, Dalian, Nanjing, Xi’an, Beijing); South Korea; Philippines; Vietnam and Malaysia.

Our flagship projects include the Singapore Science Park, International Tech Park Bangalore in India, and Dalian Ascendas IT Park in China.

How is the Singapore Science Park divided, what is its occupation and what has been the response of the pharma and biopharma sector?

We started 30 years ago when we built Singapore Science Park I. At that time the government was more focused on IT, therefore IT companies occupy the majority of the first park. When the government began promoting biomedical sciences, we started putting together the capabilities to cater to them in Singapore Science Park II. Today we have a significant number of pharmaceutical, biopharma and life science companies in the park.

Beyond the physical space solutions (lab spaces and infrastructure), our Integrated Customer Solutions go into providing solutions to help business needs and enhance operational efficiencies. For example, together with our partners, we develop the biomedical cluster with components ranging from R&D to pre-clinical to clinical to manufacturing and, finally, distribution. It also helps when the Singapore Science Park is located in close proximity to the National University of Singapore and National University Hospital where the academia and commercial companies collaborate. These have been the key reasons for the continued attraction of biomedical companies to our park.

As a subsidiary company of JTC, Ascendas is known for building the Science Parks, whilst the Biopolis is traditionally associated with JTC. How do the two companies work in order to not jeopardize each other’s interests?

We do not see the Biopolis as our competition, but rather as a development that complements us. The Biopolis was developed by JTC, our parent company. Different from Singapore Science Park, it was launched a couple of years ago when the Singapore government decided that life sciences would be one of the country’s growth engines. JTC provided the required infrastructure to boost the industry.

Within its development, the Biopolis has undergone different construction phases and JTC has invited private developers to participate in it. There have been 5 phases so far and we undertook the development of Biopolis Phase II— namely Neuros and Immunos – and most recently we won the tender for Biopolis Phase 5, which will be named Nucleos.

In the past years Ascendas has been very adamant about “Green” practices. How committed is the company to continuing in this ecological line?

“Green” has always been a very high priority in the Ascendas agenda. We take a long term view of the real estate business and we are committed to minimizing the impact of our business activities on the natural environment. Hence, we focus on ensuring that our parks, buildings and business space are energy efficient, green and environmentally-friendly.

Some of our buildings were built more than 10 years ago and have energy efficiency plans that were adequate at that time. We keep relevant to the times and review our buildings actively to ensure they operate at optimal energy efficiency, and where required, invested in initiatives to reduce energy consumption of our existing buildings. In this building (the Galen), for example, we invested approximately S$3.5 million to upgrade the chiller plant at the building. By doing so the energy consumption was reduced considerably. The payback period is less than 4 years while the optimal lifespan of the chiller is about 15 years. This demonstrates that green initiatives can be both environmentally as well as economically viable.

For Ascendas “green” is an imperative. MNCs demand business spaces that are energy efficient and will not even consider any location that lacks green practices. “Green” is no longer a trend but a necessity, and we are very committed to it.

What is your final message for our international readers?

We believe in our current business model and when we build any park, we always put the interest of our customers at the forefront. We are a facilitator of integrated solutions and we are committed to delivering quality infrastructure and solutions.

With Ascendas as their trusted partner in business space solutions, our clients can be assured of a win-win partnership. We are committed to growing with them.

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