Interview: Dami Qiu – Founder and CEO, EMP, China



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29.06.2018

Tags: China, EMP, Medtech, Strategy, CSR

Dami Qiu, founder and CEO of EMP, shares her personal story of how she decided to establish EMP two decades ago, the market opportunities in ultrasound medical equipment in China, and her groundbreaking poverty alleviation medical devices distribution platform for rural and community hospitals in China, which she hopes to take global.

Mrs. Qiu, could you share the story of how EMP was founded?

21 years ago, I decided to leave a comfortable lifestyle and environment in Sichuan province with state-owned Changhong Electronics (□□□□□□) to come to Shenzhen to start my own company. As you know, at that time, Shenzhen was opening up to the world and there were many business opportunities. Chinese people from all over the country moved to Shenzhen in search of these opportunities. Same for us: we focused on our company and product development over the past two decades and were also fortunate to have received significant government support during that time. As a result, EMP has had very rapid and quick development.

The past 20 years has been like a rollercoaster! Not only has my company grown significantly, I have personally grown with it. My background is in engineering, not management, so I had to acquire management skills very quickly. Even now, I know I still have room for improvement. In addition, the global market is changing very quickly. Our past success in the first 21 years does not guarantee future success for the next 21! We need to constantly improve, innovate and re-strategize to offer the best products and solutions to our clients.

When we started, we were the first private company to offer black-and-white ultrasound medical equipment. All the other enterprises in China were state-owned. We grew very quickly to become the market leader with 30 percent of the Chinese market. We were – and still are – a highly recognized brand in the domestic market in this area, and even provided OEM services for many of the multinational brands.

Then in 2003, we saw a market opportunity in color Doppler ultrasound medical equipment. All the products then were imported and cost around CNY 3-4 million, which was unaffordable for most Chinese hospitals and institutions. We saw a market need and decided to create our own product! This took us ten years – but we are proud that we now have 100 percent independent innovation and R&D technology in this area. We are the first Chinese company to have our own 100 percent independent IP rights in this area. Our commercial success in black-and-white ultrasound machines enabled us to fund the lengthy R&D process, which was critical.



How did being based in Shenzhen help your company's development?

Firstly, the Shenzhen government is exceptional in China. In general, government officials are very educated – for instance, many of the directors in the local FDA have doctorates. They also have an admirable mentality of being willing to support industry, instead of making demands of us. The government in Shenzhen is keen to foster industrial development and growth, so they make the

effort to understand our needs, and implement supportive policies. What is also beneficial is that Shenzhen is a relatively wealthy city, so the municipal government is able to offer strong financial and economic incentives for individuals, projects and companies to promote innovation and R&D. This is highly significant, especially to newer innovative companies like EMP.

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For instance, we are in the process of applying for a three-year funding program, which will give us millions of each year for three years! Even the national government grants may only go up to CNY tens of millions ,so this is huge.

After all, young companies like ours cannot easily make it alone. We need help, whether in terms of funding, resources, talent or policy

In addition, Shenzhen's ecosystem is also very entrepreneurial. Life here is very fast-paced – everyone is highly motivated to improve themselves and build something for themselves. I have spent some time abroad and I can say that things that take six years to do in other countries can be achieved in only one year in Shenzhen! You do have to sacrifice a lot, but as long as you find your work meaningful and are passionate about what you do, this city is the best place to be in for an ambitious company or person.

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Specifically in terms of the industry, Shenzhen also has one of the best supporting environment because as a medtech company, we can find all the necessary hardware components within a 50-kilometer radius. This means we do not need to do everything ourselves, we can just focus on our core business and R&D, and outsource the rest of our hardware requirements. While other cities are now investing in the medtech industry as well, they lack this environment.

With the new Greater Bay Area strategy coming to fruition, our global positioning will also be strengthened, which will help us in our international business. We already attend some of the largest international trade shows and fairs globally, which helps us to understand market dynamics and customer needs. In general, Shenzhen has a very open mentality, and we are definitely at the forefront of Chinese innovation.

What is the main focus of the company at the moment?

We have a number of very exciting projects going on at the moment! The ultrasound market is very mature with large players like Philips and GE. Against them, we do not have a strong

advantage in the general market. We need to identify specific niches that we can be strong in. For now, we are looking at using AI and robotics in ultrasound therapy and diagnostics.

We are working with some research institutes and medical institutions for the prevention and early screening of some major diseases, and the project has made some progress.

What is even more incredible is that we do not simply offer our own products. This is a platform that we have managed to build in collaboration with other large companies, including all the international brands like GE Healthcare Altogether, there are around 70 to 80 brands on this platform now. This is a win-win-win situation: we are helping the first-tier hospitals to improve their service offerings to patients, we help companies access the Chinese market easily and more cost-effectively by cutting out the middle man, and finally, we save billions for the national healthcare budget.

We also have another project that we are very proud of, the United Healthcare and Poverty Aid Project (□□□□□□□□). We came up with a really innovative product distribution platform (□□□□□□□□) specifically targeting the community and rural hospitals, the lowest tier of public hospitals in China. These are often located in more rural places and face significant financial constraints in terms of the medical technology and equipment they can offer. I have personally visited some of these hospitals to better understand their needs and see how we can help them to better serve the poor in China. We realized that they not only lack equipment or technology but also expertise, funding, medical personnel and management capabilities! Therefore, we came up with this project to offer a one-stop solution to bring all these resources to the hospitals. We partnered with the state organization, China Association of Poverty Alleviation and Development (□□□□□□□□), do this and now cover the whole country.



I see it as us fulfilling our national duty. We want to do our part for poverty alleviation in China.

In fact, this project has been so successful in China that it has since gained international attention. I recently met with former UN Secretary-General Ban Ki-moon to discuss how we can use this platform as a model to replicate in other countries. It can be helpful not just in emerging countries but even developed markets in Europe and North America, because governments all across the world are struggling with the burden of rising healthcare expenditures. This is a very strategic and cost-effective partnership model linking the public and private sectors.

At the same time, we are planning some special projects for major diseases and product research and development, hoping to help more grass-roots people.



Do you have a final message for our audience?

EMP is a strong company with a clear strategy and a clear mission to improve the lives of people globally. In a few years, we hope to IPO in order to raise capital for further domestic and international expansion. We already have around 30 to 40 percent of our sales from international markets, across Africa, Americas, Europe, Middle East and Asia, which we are proud of.

Since we have built such a strong foundation over the 20 years, now is really the time to seize the opportunity to grow exponentially and start executing our strategy to go global!

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