Community of Global Growth Companies

Annual Meeting of the New Champions 2013 - Global Growth Companies Report

October 2013
The Annual Meeting of the New Champions 2013 in Dalian, People’s Republic of China, focused on science, technology, innovation and sustainability. The Meeting constituted an excellent opportunity for Members of the World Economic Forum’s Global Growth Companies (GGC) Community to learn first-hand about the trends and forces in these areas that are impacting the world.

Some 250 participants from more than 40 countries represented 180 GGCs. Together with the Meeting’s 1,600 participants, they explored the innovation imperative under four thematic sub-themes: Transforming Industry Ecosystems; Unleashing Innovation; Building Societal Resilience; and Connecting Markets.

The Forum’s New Champions Communities represent growth, innovation and entrepreneurship at their very best – precisely the topics that were at the center this year’s meeting in Dalian. As New Champions, GGCs enjoyed a dedicated programme that gave them the opportunity to experience:

- Unique peer-to-peer exchanges on topics that are most relevant to them
- Maximum networking opportunities with other GGCs and New Champions Communities, including Young Global Leaders, Technology Pioneers, Social Entrepreneurs and Global Shapers
- Exposure opportunities in the official programme, including speaking roles

We look forward to continuing offering a comprehensive set of impactful activities and knowledge exchange opportunities for GGC Members in the coming months.

Sincerely,

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Tuesday 10 September

Global Growth Companies (GCC) face similar challenges to expand successfully in a sustainable way while keeping the innovative DNA that was at the foundation of their growth. In this exclusive workshop, GGC chief executives shared experiences and insights on how their organizations can encourage and successfully manage disruptive innovation.

Krisztina “Z” Holly, a seasoned entrepreneur and an adviser to the USA National Advisory Council for Innovation and Entrepreneurship, moderated the session. Joep van Beurden of Cambridge Silicon Radio, Guo Xiao of ThoughtWorks and Srikar Reddy of Sonata Software – three chief executive officers of the GGC Community – shared their innovation challenges and experiences with the larger group.

A Conversation with Li Keqiang, Premier of the People’s Republic of China  
Tuesday 10 September

All chief executives of the GGC Community in Dalian participated in the first private session of the new Chinese premiere with the Forum business community. Premier Li Keqiang shared with the CEOs his vision for sustainable growth of the Chinese economy in the coming years and took questions from the audience.

Global Growth Companies Welcome Reception  
Tuesday 10 September

Professor Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, hosted an informal reception for all GGC Members participating in the Annual Meeting of the New Champions 2013. Besides sharing the importance of innovation and the role it plays in countries’ competitiveness, he also shared his vision for the future interaction for Member companies and the World Economic Forum.
Summer Davos Circle
Wednesday 11 September

GGC Members that have participated in the Annual Meeting of the New Champions five times or more joined a reception to exchange views about current affairs in a relaxed atmosphere.

Disruptive Innovation for Social and Business Value
Thursday 12 September

Corporations recognize that creating positive social impact is not just a cost or a public relations effort; it is a core ingredient to ensuring long-term business success. Multinationals – more than charities or even most governments – have the distribution channels, logistics capability and global value chains to scale products and services that improve people’s lives. In this WorkSpace, executives from the GGC Community and other New Champions communities explored strategies to better utilize their corporate assets to generate benefits for both the company and society.

Jazz and Improvisation with the New Champions
Thursday 12 September

During this interactive workshop, Chris Washburne, acclaimed jazz trombonist, Associate Professor of Music and Director of the Louis Armstrong Jazz Performance Program at Columbia University, shared life lessons with jazz and improvisation and its role in the innovation process with GGCs and other Members of the New Champions Community.
Annual Meeting of the New Champions: Official Programme and GGCs

During the Annual Meeting of the New Champions 2013, GGC Members could participate in close to 130 sessions in the official programme in topics varying from quantum information, to what actions are needed today to reverse income inequality and the circular economy.

This year, two Mentors of the Meeting, Andrea Illy, Chairman and Chief Executive Officer, illycaffè, Italy, and Liu Jiren, Chairman and Chief Executive Officer, Neusoft Corporation, People’s Republic of China, two longstanding members of the GGC Community, discussed the art of branding and the talent imperative, respectively. Additionally, 50 chief executives of the GGC Community had speaking roles in the official programme, a testament to the importance of the Community in the Forum’s activities.

Key takeaways from each pillar of the programme:

Transforming Industry Ecosystems
- Industry ecosystems are rapidly transforming, none more so than the energy ecosystem, where advances in horizontal drilling and fracturing have awakened an energy giant in the form of shale gas.
- Cities consume 80% of the world’s energy, and with urbanization being the mass human migration of our time, that figure is going to grow. Already, 50% of the world’s population lives in urban areas; by 2050, that will increase to 75%. But following urbanization – like the spectres of a sedentary lifestyle – come non-communicable diseases such as diabetes, obesity and cardiovascular disease.
- In a world of dwindling resources, the traditional “take, make, dispose” model of doing business has to be rethought. Instead, we need a “circular economy” – one that is restorative by design and intent, and where nothing is wasted.
- Consumers want transparency and one of the places they most want it is in the value chain. Again, technological innovation is helping here. Reacting to consumer demands for transparency, manufacturers and logistics operators are fitting webcams in supplier factories. It gives manufacturers advanced warning of supply interruptions, allowing them to phase their insurance coverage according to a part’s passage through the value chain.

Unleashing Innovation
- Entrepreneurs turn ideas into businesses. Once the start-up phase is over, the next challenge is to grow the business to a successful, sustainable scale, creating good jobs, value-added products and services, and wealth for owners and employees. Fostering entrepreneurship requires understanding the skills and attributes of successful entrepreneurs.
- Governments must continue to invest in basic research. They can provide the patient, long-term funding that large technological breakthroughs often require. They should provide stability and support education systems that keep drop-out rates low and impart skills both during school years and throughout people’s working lives. These skills are demanded by job markets in rapidly changing, information-driven economies. They should adopt innovative policies and promote attitudes that encourage risk taking and do not stigmatize failure.
- New opportunities for innovation are arising from the decentralization and democratization of research. Research is moving outside of traditional venues; boundaries are breaking down between professional and amateur researchers; new, inexpensive tools – such as smartphones – permit amateurs to gather and analyse data; and crowdfunding is providing new sources of support.
- Big data promises to promote innovation by allowing companies and governments to better understand and respond more quickly and appropriately to customer and citizen preferences and needs. It also promises to enable better policy-making regarding such issues as transportation systems design, pollution control, and disaster prediction and response.
Building Societal Resilience

- The world has hit the ceiling for supporting human development. The planet is caught in a “quadruple squeeze” – overpopulation, climate change, collapsing ecosystems and surprise tipping points in the Earth’s systems.

- By understanding and respecting planetary boundaries, we can create a new paradigm: prosperity within planetary boundaries, with business leading the way. Two immediate transitions are imperative – creating a safe, sustainable food system and moving to a renewable green energy future.

- For the host country, resonating across this year’s Meeting was the theme of not just growth, but “quality growth”. Chinese Premier Li Keqiang set the tone in the opening plenary, confirming that China is on course for sustainable growth and that “innovation is the running theme and spirit of the policies adopted by the Chinese government”.

- Around the world, inequality is pervasive and increasing, threatening growth for rich and poor countries alike. It is inextricably linked to education and unemployment. Inequality fuelled the Arab Spring and sparked protests worldwide. It is up to governments, in partnership with the private sector and civil society, to address the structural roots of inequality.

- Meeting the healthcare needs of populations requires innovative solutions, technologies and delivery systems. ICTs are powering new frontiers in preventive healthcare as societies grapple with the dilemma of ageing populations. This dilemma could spiral into crisis if people live to 150 – a prediction made in a session on Innovating for Healthy Living.

Connecting Markets

- The monetary policy unwinding that the US central bank, the Federal Reserve, is launching signals a strengthening American economy, albeit with joblessness just creeping down, and its anticipated scale is already having ripple effects across the world, wreaking havoc with currencies in emerging markets such as Brazil and India, as investors run for the dollar. It will shake some economies, but benefit others, particularly those whose exports become cheaper.

- The global economic crisis made all too clear how closely linked markets are. It also sent countries searching for new sources of growth and ways to bolster resilience and competitiveness. While the crisis rescue operations of the G20 showcased a rare period of global collaboration, the long road to recovery has highlighted the paradox of the connected world: the more economies seem to be integrating, the more they seem to differ.

- In the unconventional and often unfathomable world of connected markets, without a highly sophisticated and nimble approach to the rapid changes in risk and opportunity, New Champions can get very old quickly and Old Champions can swiftly become new again.
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