

# Newsletter

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## Cover Story

### Outsourcing Thought Leaders Joined IAOP Beijing Chapter Meeting During IAOP China Week 2012

BEIJING, April 26, 2012 -- The Beijing Chapter meeting of the International Association of Outsourcing Professionals® (IAOP®), chaired by Neusoft Corporation, and co-chaired by Information Services Group (ISG) and VancelInfo, was held today in Beijing, China. This meeting of IAOP Beijing Chapter is part of IAOP's China Week campaign during April 23 to April 27, 2012. Michael Corbett, IAOP Chairman, Angela Wang, Chair of IAOP Beijing Chapter, Senior Vice President & Board Secretary of Neusoft, and other participants from outsourcing community, including buyers, providers, advisers, government and academia etc. joined in this meeting and exchanged their insights on the trends of global sourcing and the challenges and opportunities of China in this global transformation.

The IAOP Beijing Chapter was launched in 2008, with its primary focus to bring together outsourcing professionals from all stakeholder communities, to share their thought leadership, knowledge and best practices on outsourcing. The theme of this IAOP Beijing Chapter meeting is "The Future of Outsourcing in the Era of Transformation", and attendees shared their views on the latest trends of global sourcing, China's huge potential in the community, and how to leverage outsourcing to build innovation capability etc. at the meeting.

"China is one of the fastest growing outsourcing markets today," said Michael Corbett, IAOP Chairman. "It is important for IAOP members to have the opportu-



nity to understand and leverage the China market, connect with each other regionally, and at the same time for IAOP to expand its global community across Asia."

"It is a great honor for Neusoft to chair the IAOP Beijing Chapter," said Angela Wang, Chair of IAOP Beijing Chapter. "The dramatic transformation of global economy has brought both opportunities and challenges to the global sourcing landscape, and I believe that China has great potential to become one of the world's top outsourcing destinations. IAOP Beijing Chapter will continue the commitment to promote and enhance the rapid growth and development of



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outsourcing industry in China."

"As the founder and innovator of the sourcing advisory industry, ISG knows that the increasing maturity of buyers, service providers and professionals is critical to China achieving global prominence in this important global industry," said Michael Rehkopf, Partner, ISG. "We are proud to support the work of the IAOP Beijing Chapter and the ongoing growth of the outsourcing industry in China."

### About IAOP

The International Association of Outsourcing Professionals® (IAOP®) is the global, standard-setting organization and advocate for the outsourcing profession. With more than 120,000 members and affiliates worldwide, IAOP helps companies increase their outsourcing success rate, improve their outsourcing ROI, and expand the opportunities for outsourcing across their businesses. To learn more, visit <http://www.IAOP.org>.

### About IAOP Chapters

IAOP chapters provide a forum for members to collectively focus on professional development, networking, and the advancement of outsourcing within specific areas of common interest. Each chapter is led by chairs and co-chairs with deep knowledge in the area covered. For more information, please visit

[www.iaop.org/Content/23/162/1127/](http://www.iaop.org/Content/23/162/1127/)



## Neusoft in Media

# Innovation, skills to drive outsourcing industry

By Wei Tian (This article comes from China Daily 05/02/2012)

China's outsourcing industry is likely to double in volume by 2016 on account of a fast growing domestic market, with innovation rather than low costs being the leading driving force, industry insiders said.

Although for many, an Indian call center is still the first image that comes to mind when mentioning outsourcing, "China has the opportunity to develop an outsourcing industry much more robust than India ever will", Mike Corbett, chairman of the International Association of Outsourcing Professionals, said in Beijing last week.

India is still the top global outsourcing service provider, but China is catching up rapidly because it combines the development of offshore business with the support of a rapidly growing domestic market, Corbett said.

Corbett predicted that China's outsourcing market will be among the world's top three in the next five years along with the United States and Europe, and customers from the technology, automobile, logistics and healthcare sectors will be the key drivers of development.

As a result, "I would be surprised if the industry (in China) does not at least double in the next four years", Corbett said. "More multinational companies select China not only because of its low costs, but also to cash in on the fast-growing Chinese consumer market," said Angela

Wang, chair of IAOP's Beijing chapter and senior vice-president of Neusoft Corp, the largest IT solution and service provider in China.

With a profound understanding of the local market, Chinese providers have more resources and advantages, Wang said. "That is why multinational companies would like to establish partnerships with Chinese providers," she said. "Such partnerships are not only about outsourcing, but winning the China market."

According to statistics from the Ministry of Commerce, the revenue of China's outsourcing industry in 2011 totaled \$32.4 billion, of which \$23.8 billion came from offshore business. The industry grew more than 60 percent year-on-year.

Outsourcing contracts carried out by Chinese companies currently account for 23 percent of the global total, coming second after India.

According to Wang, the general costs of outsourcing in China are still 20 to 30 percent lower than in India. "But China's cost advantage compared with developed countries will disappear in a few years, because of a diminishing demographic bonus and the continued appreciation of the renminbi," Wang said.

Corbett considered a closing cost gap in wages between China and the West to be a good thing for the industry, "because the real competition will eventually come down to business models, talent and technologies, which would trigger an 'explosion' of innovation in the

economy".

Meanwhile, "it will bring an end to complaints about 'outsourcing causing job losses due to cheap labor', "Wang added.

Nevertheless, offshore business will continue to grow rapidly, not at the lower end of the market, but from creating new opportunities in the higher end of the market through technical innovation.

Neusoft aims to expand the total revenue of its cross-border services over the next 10 years to 60 percent of its total income from the current level of about 30 percent, Wang said.

"An often asked question in the outsourcing industry a few years ago was 'When will China have super-big companies such as Infosys and Tata?' The question is no longer meaningful for Chinese providers," Wang said.

"A large group of employees keeping down the human cost is not the growth model for Chinese companies," she said.

According to Wang, China will be the driving force in the next round of development of the outsourcing industry through innovation and skills, and it will change the stereotypical image of the industry as a low-value added business.

"It's like in a hockey game," Corbett said. "The key to success is to have the ability to go where the puck is going to be, not where it is."

## Neusoft Medical Launches NeuViz 64 Multi-slice CT Scanner at CMEF Spring 2012

SHENYANG, China, May 14, 2012 -- Neusoft Medical Systems Co., Ltd. ("Neusoft Medical"), a wholly-owned subsidiary of Neusoft Corporation, today announced its introduction of NeuViz 64 multi-slice CT scanner into the global market. This device, developed independently by Neusoft Medical, debuted at the 67th China International Medical Equipment Fair (CMEF) Spring 2012.

Currently pending approval from the U.S. Food and Drug Administration, the NeuViz 64 challenges the current paradigm which places the clinical advantages of 64-slice scanning beyond the financial means of all but the largest hospitals and clinics. Neusoft Medical has pioneered the rapid evolution of CT technology in China to meet the global demand for high-quality affordable imaging -- rapidly progressing from a single slice scanner to the release of the NeuViz 64. The launch of the NeuViz 64 CT further demonstrates Neusoft Medical's extensive research, development and manufacturing capacity to introduce technology with unprecedented economic feasibility for healthcare providers around the globe.

The NeuViz 64 is the latest installment in what has been a long line of innovative product offerings from Neusoft. This de-

sign is focused on minimizing patient X-ray dose, without compromising image quality. These design strategies have resulted in a low dose CT system that delivers high patient throughput, is easy to use, performs advanced Cardiac Imaging and provides for a wide variety of clinically relevant post processing and diagnostic techniques.

At the launch ceremony of NeuViz 64 CT, Mr. Jiang Genmiao, Vice President of Neusoft Corporation and President of Neusoft Medical said, "As a medical system supplier focused on software technologies, Neusoft Medical has been driving the trends of China's CT industry by innovatively combining software and product engineering. Neusoft Medical is the only Chinese medical system supplier that can produce CTs, and we are committed to continuous innovation and investment in CT and other new medical products."

At present, Neusoft Medical is expanding its global presence by developing sales and service systems in international markets to support imaging products. Neusoft Medical has achieved ISO9001 Quality System Certification for all products, among which, CT, MRI, X-ray, diagnosis ultrasound and PET products have

been certified by CE and FDA. The NeuViz 64 complements a full suite of Neusoft Medical CT systems that include the NeuViz Single, NeuViz Dual, and NeuViz 16. These systems are available in over 60 countries. Neusoft has installed bases in the United States, Italy, Russia, Portugal, India, Eastern Europe, Middle East, South America and Africa.

### About Neusoft Medical

Neusoft Medical is located in Shenyang, China. As a wholly-owned subsidiary of Neusoft Corporation, the largest IT solution and service provider in China, Neusoft Medical has become the premier developer and manufacturer of advanced medical equipment in China. The company produces a wide range of diagnostic imaging products including computed tomography (CT), magnetic resonance imaging (MRI), Ultrasound, X-Ray and positron emissions tomography (PET) systems. Combining strength in R&D, software development and system integration with collaboration with top medical institutes and academic institutions, Neusoft Medical has released more than 20 new products since its founding in 1998 and installed thousands of medical systems worldwide. Learn more at <http://medical.neusoft.com/en/>

### About Neusoft

Neusoft is the leading IT solution and service provider in China with operations across the globe. Focusing on software technology, Neusoft provides industry solutions, product engineering solutions and related software products & platform, and services. With more than 20,000 employees around the world, Neusoft has a comprehensive marketing and service network in more than 40 cities across China, as well as subsidiaries in the U.S., Europe, Japan and the Middle East. The Company is the first listed software company in China and is traded on the Shanghai Stock Exchange. For more information, please visit: <http://www.neusoft.com>

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