

# OFFSHORE - A LOVE FOR LIFE IN VIETNAM HELPS

GHP FAR EAST AND DIGI-TEXX VIETNAM ARE TWO OF A FEW GERMAN COMPANIES OPERATING IN THE INFORMATION TECHNOLOGY INDUSTRY IN VIETNAM. FRANK SCHELLENBERG, FOUNDER OF BOTH COMPANIES AND CEO OF GHP FAR EAST, SAYS VIETNAM IS A FAVOURABLE PLACE FOR HIS BUSINESSES, BUT ALSO THE INTERESTING LIFE AROUND HIM IS MOST ATTRACTIVE.

A typical day at DIGI-TEXX Vietnam in Quang Trung Software City consists of computerizing data and composing pages for German newspapers. At GHP Far East, specialization is digitization of paper documents, or forms. What they process daily includes: answering letters, orders, providing research statistics, and billing.

The time difference between Vietnam and

response and postal entrances and database management, with an average daily workload of between 50,000 and 70,000 sheets.

Expertise on data digitization has prompted these two companies to move towards software development in order to build customized solutions for the best possible data entry applications. These solutions are founded on common standards set by the GHP Group.

Schellenberg says 90%

## Expansion

Both companies have developed strongly, Schellenberg says. In 2005, focus was also on software development rather than only data entry. A call center service is another point of focus which is in the pipeline, he says, and not only that, DIGI-TEXX Vietnam and GHP Far East plan to expand markets beyond Germany and Europe to other countries, with the United States being an important target.

pany was in HCM City's Tan Binh District, with a staff of only five. "The software industry has no need for huge investment in infrastructure and equipment," he says.

## Growth

Schellenberg says business began to thrive in 2002. The demand for expansion prompted him to find a new location, and Quang Trung Software City was chosen for DIGI-TEXX Vietnam. The reason for

## GHP FAR EAST

1953: Guenther-Druck set up to work in the dialog marketing business  
1999: Guenther-Druck, Hansa-Werbung and Pflueger Kuvert merge to become GHP Group  
2004: GHP Far East set up in Vietnam  
Work force: 250

Europe allows staff members to complete their job within the day in order to make the results available to the customers in Germany already in the early morning.

Schellenberg says his two companies have a similar business scope. However, operations are not identical. DIGI-TEXX Vietnam is an expert in data entry and electronic storage for newsrooms and libraries. GHP Far East is a specialist in data input from mail

of the customers of both companies are German. Although work is done in Vietnam, DIGI-TEXX Vietnam and GHP Far East strictly abide by regulations stipulated in the German data protection directive and are working with ISO 9001-2000 standards.

With highly specialized jobs, delivering the results on time while maintaining quality are the key factors to have long-term customers.

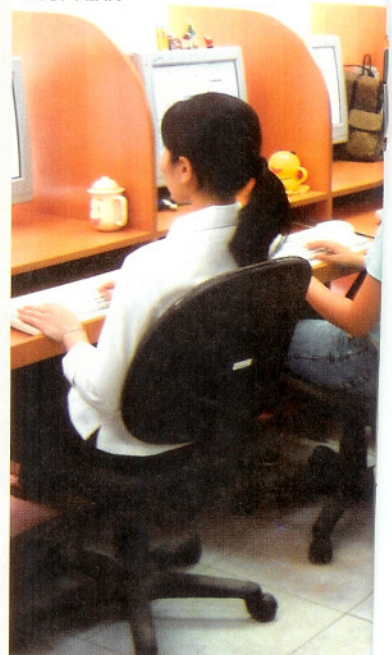
## Committed

When planning to start up his business in Asia, Schellenberg thought Vietnam would be an emerging economic tiger, the way South Korea attracted the world's attention 20 years ago. His first job in Vietnam was to manage the computer network of Au Viet Design.

A computer network engineer by profession, Schellenberg wanted to continue living in Vietnam, or, for it to be at least possible to commute between Germany and Vietnam. This idea prompted him to launch his Vietnam start-up in 2001.

Despite the modest scale, Schellenberg was determined to be successful in the IT sector in Vietnam. His first data-input com-

The young staff members of DIGI-TEXX



the choice is that the park has favorable conditions for the industry, good infrastructure and sufficient room for expansion.

In 2003, DIGI-TEXX Vietnam recruited 100 staff members. At the end of 2003, DIGI-TEXX Vietnam's best customer, GHP Holding GmbH, proposed to buy out the company or to set up a new company in Vietnam. Schellenberg decided to keep DIGI-TEXX Vietnam, but, together with GHP Holding set up GHP Far East. The new company started with a work force of 45 personnel, and, now, has expanded to 250.

Schellenberg says that when he first recruited local employees, it was tough to explain to local candidates the job description as data digitization is quite new in Vietnam. The job of

the first staff members of the company was to input data. However, they were computer literate and so they were able to understand and work better with projects than mere typists.

During the first two years when DIGI-TEXX Vietnam grew at an exponential rate, a center was set up to provide human resource. Many recruits came not only with computer skills but also graduates with project management skills. DIGI-TEXX Vietnam spared no efforts in providing adequate training to personnel in order to maintain excellent standards for customers in Germany where quality standards are even higher than those common in Europe.

Schellenberg says he has been confident in his business in Vietnam since



*The government's policies on the software industry are relatively broad-minded and the government has a positive outlook for the future of software companies.*

**Frank Schellenberg**  
GHP Far East and Digi-Texx

#### DIGI-TEXX

Founded in March 2003  
in Quang Trung Software City  
Work force: 100



the very first days. "This is a place suitable for the outsourcing industry," he says. "Government authorities have provided remarkable support for the IT and software sector, and pinned high hopes on it. The Government's policies on the software industry are relatively broad-minded and have a positive outlook for the future of software companies."

Unlike some other entrepreneurs, Schellenberg doesn't consider Vietnam's low costs as a comparative advantage. He says although it's true that the costs in Vietnam are lower than those in Germany and Europe, daily labor costs are not the decisive factor.

"Low labor costs in Vietnam are not a priority for me to decide to do business in Vietnam," he says. "It is the local life that has bound me to what I have done here."

Schellenberg says he loves Vietnam for its interesting lifestyle, hospitable people, good weather and good food. Explaining that to his mind a satisfactory lifestyle allows exploring interesting new things.

Schellenberg says he has found these elements in Vietnam. "I wouldn't come to Vietnam without my business. But if the life in Vietnam had not been so fascinating, I wouldn't have stayed for such a long time."

GHP Far East and DIGI-TEXX Vietnam are places where Schellenberg can play host to his German friends visiting Vietnam. "I have had more opportunities to meet my German friends here than in Germany before," he says.

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