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Singapore Government

PRESS RELEASE

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SPEECH BY GEORGE YEO, MINISTER FOR TRADE & INDUSTRY, AT THE OPENING OF DELL COMPUTER'S WEB FARM ON 16 FEB 2000 AT 11.00 AM

1 I am delighted to join everyone here this morning for the opening of Dell's Asia-Pacific web farm in Singapore. Dell's decision takes us one step further in our objective to make Singapore a regional e-commerce hub.

2 Astonishing developments in information and communication technology (ICT) in the past few years have accelerated the churn of products and companies. Companies that are slow to react to these changes lose their market share quickly. Size is becoming less critical in the rapidly-growing digital economy. Speed, information and entrepreneurial dare are now the key success factors of a knowledge-based corporation.

Dell – A Knowledge-Based Corporation

3 Dell is a prime example of such a knowledge-based corporation. Despite fierce competition, Dell has been able to maintain its leadership position in the market. Since its birth in 1984, Dell has become the world's leading direct computer systems company and the world's second largest PC maker. Dell's market valuation has grown 76 times since 1994!

4 By single-mindedly focusing on the customer, Dell has been able to stay ahead of the game. Dell's direct-sell business model bypassing resellers and its customised built-to-order PCs have set new standards for the industry.

5 Dell has been able to re-invent itself and adapt to new technologies, like the Internet because of its entrepreneurial culture and the quality of its leadership. We welcome more knowledge-based corporations like Dell to hub in Singapore and we hope that, by osmosis, others in Singapore will be inspired to take calculated risks and succeed in the same way.

Singapore's E-Business Ecosystem

6 The availability of good partners in a location can give companies a competitive advantage. With this in mind, EDB and NSTB are trying to build a conducive ecosystem for e-business in Singapore, a total environment for companies to flourish on the Internet. We will provide in Singapore support for the entire value chain of e-business, including world class telecommunications, a supportive financial system, an efficient supply chain, well-trained human resources, a conducive regulatory environment, and easy links to all parts of the world.

Dell's Web Farm in Singapore

7 Dell's partnership with Singapore players like SingNet, Pacific Internet and National Computer Systems is a good example of such an ecosystem coming about.

8 By working with Singapore Internet service providers to host its web farm in Singapore, Dell has improved its response time to customers in the Asia Pacific by 30%. Previously, it located its servers in Austin, Texas.

9 Dell has also outsourced some of its operations support for the web farm to National Computer Systems. This enables Dell to focus its energy on building up a global e-commerce application development team in Singapore which will support Dell worldwide.

10 If all goes well, Singapore will also be the centre of excellence for rolling out Dell's web-driven e-commerce infrastructure across the Asia-Pacific.

Conclusion

11 Dell's decision to make Singapore the regional hub for its Asia-Pacific web farm is a strong endorsement of the efforts that we have put in to promote e-commerce. With the opening up of our telecommunications sector, there will be many more such opportunities for ICT companies located in Singapore.

12 My heartiest congratulations and good wishes to Dell on this significant move. Dell's success will be Singapore's success.