

# Eyewitness Account

## India Impressive; U.S. Must Respond

By Steve Beck

In May, Scott Prince (one of my colleagues at the Indiana Venture Center), Ramesh Shah – a longtime business associate – and I spent 10 days in India to determine the potential for business relationships for new high-growth companies in Indiana. While there, we visited Mumbai, Delhi, Agar and Bangalore.

Our primary goal was to visit with the best universities, selected government officials, leaders in the Indian investment community and both large and small businesses, especially as they relate to alternative energy, transportation logistics, advanced manufacturing, life sciences and information technology. We visited with some of the top educational institutions, including IIT (India's equivalent of Purdue or MIT), the Tata Institute for Fundamental Research (India's leading center for basic research), the Indian Institute for Science (tops in the country for medical research) and the Christel House of Learning (founded by Christel DeHaan of Indianapolis).

In the investment community, we met with ICICI Ventures, which is the venture capital arm of India's largest bank, Tata Investments, itself the investment arm of India's largest company and several other leading investment groups. We also visited with several government officials in Mumbai and Delhi to determine the regulatory climate relating to foreign companies investing in India. We learned it is good and getting better. Lastly, we visited with various companies such as Infosys, Silicon Graphics India, Biocon, Mastek, Jubilant Organosys, Divya, Japcon, Interra Information Technologies, Ginni International and numerous other both large and small companies.

### Open arms

There are several things that we were able to determine while we were there. First, the Indian people, regardless of where they were located, were very open and interested in pursuing business opportunities both in India and the United States. We also learned that the young people in India, while they are extremely bright, are really no more intelligent than their peers in the U.S. Probably the key difference is that the students in India have a lot of "fire in their bellies." They are very hungry to achieve success, both for themselves and for their country.

Second, the Indian schools are preparing their students, all of them, for tomorrow by ensuring that they have basic knowledge in science and math. Indiana, and many U.S. schools,

could learn something from the Indian school system. It may be poor, underfunded and, in most places, have inferior facilities, but it is very, very focused on making sure that students have the skills for today's and tomorrow's marketplaces.

Third, while India is a nation of over a billion people, the business community is dominated by a small number of giants at both the large and entrepreneurial company levels. If you are fortunate to meet some of the key "movers and shakers," which we were able to do, it opens the door to endless potential business opportunities. Fourth, the Indian government is moving quickly to open the Indian economy to outside investment

to assist in the development of their country, and it seems to be working.

Every major U.S. company seems to have some type of presence in India: from IBM and Silicon Graphics to McDonalds and Domino's Pizza. Lastly, the fact that almost everyone speaks some level of English made it much easier for us to communicate and find our way around.

### Meeting the challenge

A key question that we had when we headed for India: Does the U. S. have anything to be concerned about from

countries like India? You bet we do. Countries like India have marshaled their limited resources to make sure that they will be able to participate in the economy of the future. They are educating their people, building roads (although I don't see how they will ever keep up with the growth of their population), developing new sources of energy to reduce their dependence on oil and focusing on high-growth, knowledge-based industries to create jobs for their growing population (52% of their 1.2 billion population is less than 25 years old).

The key for the United States will be to make sure that we don't squander our resources and be left behind. Personally, I have great faith in the U.S. ability to not only stay up with, but stay ahead of the rest of the world. The key question for me is, "Do we have the will to do what it takes to remain the world's leader?" I sure hope we do.



Steve Beck (far right) with colleagues and the management group of the Christel House of Learning in Bangalore.

### INFORMATION LINK

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