

BUSINESS CLIMATE IN KIELCE

Interview with Artur Hajdorowicz, Director of Department for City Development and Revitalisation, City Planner; Mayor's Plenipotentiary for city revitalisation in Kielce.

Outsourcing&More: Who provides investors with assistance in Kielce and how big is this team?

Artur Hajdorowicz: In the Kielce City Hall, there has been a dynamically functioning team of people who perfectly know the conditions of running a business and the problems of local entrepreneurs. Although it consists of only 5 people, the Investor Assistance Centre of the Kielce City Hall (IAC Kielce) has been already well-known in the local business environment, thanks to its consistent and persistent activities. Among the team's most important achievements there are implementation of coherent economic promotion of the City and creation of efficient communication with the local business. Not only the newsletter and Facebook profile serve these purposes, but also industry meetings for entrepreneurs, allowing for an in-depth discussion about the problems of individual enterprises, bring more and more effective results. The team also succeed-

ed in establishing fruitful cooperation with the municipalities of the Kielce Functional Area to create a joint investment offer. Investment Offer Database available at: www.mapa.invest.kielce.pl is a tool for developing these contacts. Commitment of IAC Kielce's team members allowed them to develop know-how that cannot be obtained without close observing the local economy and listening to the local entrepreneurs. The IAC Kielce's employees engage themselves in promoting numerous undertakings implemented in the City, such as investment projects, business events, trade fairs. They also participate in economic events as well as take part in educational and marketing activities. All these allowed to create a favourable environment for making discussions, among people and business environment institutions, on the economy and emerging new development challenges the capital of the Świętokrzyskie Region is facing.





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Kielce has been associated with the dynamicaly developing Kielce Technology Park for over 10 years. What types of industries are developing in the Park?

Entrepreneurs already operating on the market and those who have an idea for business can count on comprehensive support of the Kielce Technology Park (KTP). There, they will rent office space and production hall, get help in running the enterprise and access to the latest technologies. In the KTP which has already been existing for over 10 years, there are, among others, IT, R&D, cosmetic, medical, creative, and production industries represented both by enterprises recognisable in Poland, as well as by those entering the market, including startups.

In the KTP, IT industry is primarily represented by Transition Technologies PSC. This enterprise, which has been operating in Kielce since 2014, employs about 50 specialists in the field of programming in Java and technologies based on this language. Podopharm, awarded by the World Bank as the Champion of Innovation, produces cosmetics and tools for feet, including a patented podobrace. Cabiomede, in turn, designs face shields and limb prostheses for people after accidents. Cossi uses non-standard solution ingredients in their cosmetics, reaching for shungite, the remaining meteorite. The KTP also consists of production enterprises, both in the food industry (Lyofood which produces freeze-dried food popular among professional athletes) and the technological and machine industry represented by Tegeno and Marbach (specialised tools and spare parts for cutting and welding). Enterprises, representing different industries, like those specialising in design and production of outlet clothing for children, youth and adults are represented by Mouse in a House and Mad Mosquito. These clothes are sold to customers looking for original and unusual designs and who ready for fashion experiments. These are often culturally and geographically remote markets for Poland, such as China and Japan. The KTP has consistently been focusing on such enterprises for many years – especially for their needs there is the Fashion Design Centre, which is equipped with a photo studio, prototype workshop, sewing room and a showroom for organising fashion shows. Such elements definitely distinguish the Kielce Technology Park from other business environment institutions.

Apart from the Kielce Technology Park, there are a number of other enterprises developing in Kielce. As compared to all investments in Kielce, how does the service sector, i.e. IT, R&D, BPO and Shared Service Centers look like?

In Kielce, modern business services were located primarily in the Kieleckie Business Centre (formerly Exbud), a well-known office building in Poland, where a number of enterprises from the BPO, R&D and ITO sectors found their seats. The most well-known one is CCIG providing call center services for large corporations. It has been operating in Kielce for 10 years and has extensive experience in providing such services as well as established market position. Moreover, Comarch – a Polish provider of IT solutions and a producer of widely used software for managing warehouses, human resources, finances, production and other business processes – has its branch office there. Kielce is also associated with Medcover which provides patients with medical services. The office located in Kielce is responsible for the majority of customer service processes in the form of call centre. At the Business Station located in a revitalised building after a former bakery at ul. Głębocka there are other enterprises representing the business services sector: Onwelo – a provider of IT solutions and Telbridge specialising in the outsourcing of sales processes in the business-to-business and business-to-customer relationships. When thinking about Kielce, one cannot forget about the most recognisable press and FMCG suppliers in Poland: the Kolporter group was established in Kielce and has been inseparably tied with the City for almost 30 years; although without expansion to other regions, it would not be possible to achieve such a spectacular commercial and image success. Infover, K-Ex (now Geis), BC&O are also the enterprises that had been previously established to service Kolporter's newer and more ambitious projects, and then were turned into independent and thriving companies of indisputable reputation.

Kielce still offers a lot of opportunities and an excellent market for developing the service sector: 10 institutions of higher education and over 20,000 university students, well-developed metropolitan functions of the City, BSS enterprises that have been operating for years, as well as experienced human capital make it a favourable climate for making investments in IT, BPO, F&A and R&D. Not without significance is the new

city authorities' favour towards investors, including Mayor of Kielce City – Bogdan Wenta who considers good contacts with entrepreneurs as a priority element of his local policy. A real quantum leap forward for Kielce will be the construction of laboratory campus of the Central Office of Measures. Many cities across the country were striving for this laboratory campus, but it was Kielce that succeeded in this competition. Very good geological conditions, a well-prepared investment plot and the close proximity of other urban centers which may provide highly-qualified employees and partners from the enterprise sector were the key reasons for choosing Kielce among other Polish cities. Implementing this investment project will strengthen the links among higher education, R&D sector, innovation system, and business. By concentrating highly-qualified staff and the most modern laboratory equipment in Kielce, it will become an important research and development centre, and that will translate into development of the entire Świętokrzyskie Region.

If you have to create a list of priority investments in Kielce, which industries will you focus on?

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Real Estate Forum in Kielce

the leaders in the Świętokrzyskie Region for ages. These factors also shaped Kielce's economic landscape, where enterprises from the machine and automotive sectors are present. Particularly numerous are enterprises producing components and spare parts for machines as well as specialised car equipment, such as KH Kipper (dump lorries and cars for mining and agriculture), Stolarczyk (cars for fire brigades), Aebi Schmidt (equipment for winter road maintenance), SHL Production and MA Polska SA (services and equipment for automotive industry), NSK Bearings (rolling bearings).

Kielce is primarily the main service centre of the Region and its administrative, academic, cultural and social capital. That is why, the development of metropolitan functions of the City and creation of good conditions for the development of services sector are so important. A well-implemented service project is Kielce Trade Fairs whose activity started 26 years ago. Its activity has built a new image of the City as a renowned trade fair and exhibition centre, and has changed the nature of tourist traffic in the Region for business tourism. In spite of trade fairs and congress centres numerous emerging in other cities, Kielce remains the vice-leader of the trade fair industry in Poland, with flagship events organised every year, such as MSPO – International Defence Industry Exhibition, PLAST-POL or AGRO TECH.

It is also worth remembering about the growing sector of modern business services. Year by year, new BSS enterprises are being established in Kielce, and those which have been present here for years are still developing. This proves the growing demand for outsourcing services and the convenient conditions that the City offers to such enterprises. Having new leaseholders in mind, new office space will be available in Kielce this year.

At the end of 2019, an office and service high-standard property covering 2,000 m² will be completed. Plaza Park is a multifunctional investment undertaking prepared for enterprises from the IT outsourcing, finance and accounting, and shared services

sectors. Currently, the leaseholders are being looked for, not only those who want to develop their business activity in Kielce, but also enterprises from outside the Region, seeking a new location in order to diversify processes and services geographically. In addition to office functions, modern apartment buildings and commercial space, a kindergarten and a health clinic will also be built in the Plaza Park. This will ensure the multifunctionality of the area in accordance with the current trends in arrangement of urban space, which require combining urban and social functions with business. An additional advantage of this location is the immediate vicinity of the Silnica River Valley Park and the Kielecki Reservoir, i.e. a zone of greenery and relaxation.

The office building that is most willingly chosen by the BSS enterprises in Kielce – the Kieleckie Business Centre (famous "Exbud") also wants to develop. An investor is being looked for to build a new facility on the area directly adjacent to the already existing office building. This investment site, one of the most attractive in Kielce, is located in the immediate vicinity of the intersection of express road no. S74 and national road no. 73 (Warsaw-Tarnów). Along the site's borders lay the campus of the Jan Kochanowski University and the Astra Park office complex, where Echo Investment SA and Cersanit SA have their registered seats. A few hundred meters away is the Kielce University of Technology, the largest technical institution of higher education in the Region. Nearby, there is also the Echo Shopping Centre being one of the largest shopping centres in Poland. The site has already had an issued decision on building conditions (July 2018) for an investment project comprising three office and service buildings. Another interesting proposal for the shared services sector in Kielce is the Business Station – an office building offering approximately 800 m² of modern-ly-arranged office space, fully adapted to the expectations of a demanding BSS customer. Additional advantages of this building are undoubtedly the restaurant located on its premises, convenient communication connection with other parts of the City and a short distance



Office complex Astra Park in Kielce.

from the city centre (about 1.5 km). One may find some detailed information about free office premises is available in the Investor Assistance Centre of the Kielce City Hall.

Cities organise or support various business initiatives – has the calendar of business events planned for 2019 in Kielce been already known?

The most known business events in the City are organised by Kielce Trade Fairs owned by the Kielce City. The newly built infrastructure of the Congress Centre (19 halls of different size) and exhibition halls (36,000 m²) allows for organising various congresses and trade fairs. Not without significance is the convenient location of Kielce on the Polish map – there are several large agglomerations (Warsaw, Kraków, Katowice, Łódź, Lublin) within a radius of 200 km, well-connected with Kielce via good road and railway links. Guests also cannot complain about the access to air transportation: Radom, Balice, Pyrzowice and Okęcie are the nearest airports, and it takes no more than 2 hours to reach each of them.

An additional advantage of the City is the wealth of tourist attractions in the Region and the availability of hotels of different standards. Each of local hotel centres has conference facilities

allowing for organising various events. There are 22 hotels operating in the City, and the five-star Odyssey Hotel was built just next to the border with Kielce.

Among the tourist attractions available for congress and trade visitors, one can mention the most beautiful in Poland – Raj Cave, the charming ruins of the medieval castle in Chęciny, the Łysa Góra Mountain in the heart of the Świętokrzyskie Mountains, as well as numerous geological reserves. And that is not the end of surprises. Already in 2020, the first tropical pools in Poland will be opened as part of the Binkowski Resort hotel complex – it will cover 17 pools with tropical vegetation and the largest sauna in Poland for 130 people. For those who love winter sports, well-prepared ski slopes await in the Świętokrzyskie Region (2 out of 7 lay within the administrative borders of Kielce!). There are also ice rinks; and in Summer, congress guests can take advantage of rope parks as well as canoeing and hiking rallies. The conditions for organising conferences and congresses are undoubtedly excellent, and the Investor Assistance Centre of the Kielce City Hall offers its assistance and comprehensive information in this regard.

Thank you for the interview.♦

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