# SUCCESS STORY
# Clusters Build Tech Competitiveness

**Regional industry groups give a boost to Vietnam's emerging software industry**



Photo: VNCI
Fifty three cluster members attended the 2004 Vietnam IT Week tradeshow.

*By promoting clusters, USAID is helping the industry devise strategies and solutions that address constraints and cultivate opportunities.*

To effectively compete with established players like China and India, Vietnam's emerging software industry must develop brands, understand and meet customer requirements, nurture a quality workforce, strengthen intellectual property rights and improve national infrastructure.

USAID is helping to build the capacity of Vietnam's software industry by encouraging the formation of regional industry groups — "clusters" — that collaborate to resolve common issues. By promoting activities and cooperation through clusters, USAID is helping the industry devise creative, effective and sustainable strategies and solutions that address constraints and cultivate opportunities in a unified manner.

Once formed, clusters outline a joint mission, strategy and plan of action to help them establish Vietnam as a high-value provider of specialized products and services in the global and domestic markets by 2010. Cluster members also cooperate through a variety of regional and national activities, including developing branding materials, participating in tradeshows, organizing training activities and networking.

Fifty-three cluster members from Hanoi and Ho Chi Minh City attended the national 2004 Vietnam IT Week tradeshow, where they attracted a great deal of attention, including regional and national media coverage, and eight new applications for membership. One cluster company, Pythis, was awarded the Vietnam IT Golden Cup 2004 for the best enterprise-planning software package for small and medium-sized businesses.