



The TDC is in the information business. With a wealth of industry and market seminars and workshops, along with business publications, a dynamic research department and targeted advisory services, the TDC creates opportunities for companies in Hong Kong, the Chinese mainland and the world beyond.

Informing

Business



TDC Executive Director Fred Lam (centre) moderates a round-table meeting between Hong Kong business leaders and a delegation of high-level officials from Guangdong in February 2008. Discussions centre on Guangdong's investment environment and business prospects between Hong Kong and Guangdong. Hong Kong participants include Li & Fung Group Chairman Victor Fung (left) and Shun Tak Holdings Ltd Group Executive Chairman Stanley Ho (right). Mr Ho is also President of the Real Estate Developers Association of Hong Kong

## Seminars that Assist SMEs

The TDC organises a wide variety of trade seminars, workshops, symposiums and other industry forums to keep Hong Kong SMEs abreast of the latest critical issues, developments and opportunities at home, in the Chinese mainland and beyond.

Outward processing arrangements in the Chinese mainland, toy safety and the mainland's new labour-contract law are three of the major issues that Hong Kong SMEs contended with this past year. In each case, the TDC organised seminars with the relevant

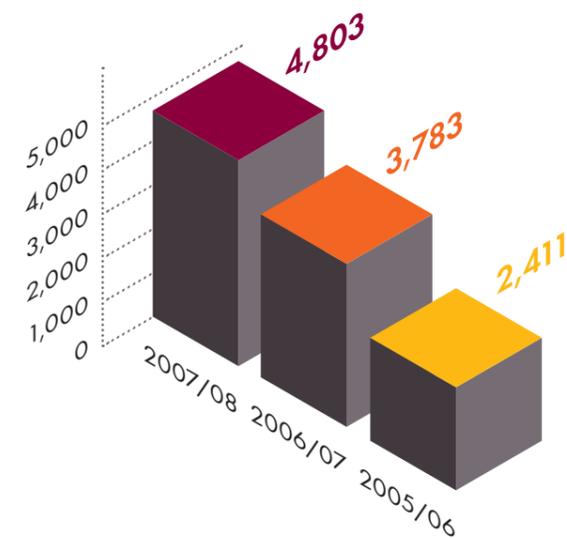
trade and industry bodies to spotlight the issues, consider the implications and map out workable ways forward.

The TDC organised three mainland business missions for Hong Kong companies considering suitable provinces in which to relocate their manufacturing production. The missions were organised in response to the mainland's outward processing trade policy changes and rising costs in the PRD.



Above: Hong Kong Secretary of Commerce and Economic Development Frederick Ma leads a Hong Kong business delegation to Chenzhou, Hunan Province, in August 2007. The delegates meet with senior government officials to discuss the possibilities of relocating some Hong Kong manufacturing production from the Pearl River Delta to Chenzhou

## Number of Hong Kong companies taking part in TDC Customer Service Department seminars targeting trade in the mainland



## Duck Soup

Riding the wings of a duck and the welcome support of the TDC, Sëmk Products Ltd is taking flight. That's the word from Eddie Hui, Sëmk's Design Director (above) and one of the Hong Kong company's founding partners.

Established in 2001, Sëmk has grown into a gifts and novelties company engaged in original design, manufacturing and marketing. In 2007, the company did US\$15 million in business, led by B. Duck, its line of playful products for the bath.

The company's big push this year is in franchising and licensing. To that end, Mr Hui and his partners are working closely with the TDC. "We took advantage of the TDC's China Business Advisory Service twice in early 2008, the first time for two hours, the second for more than three hours," says Mr Hui. "It was very helpful. We got excellent information on developing the market and good contacts in China."

Those contacts included the TDC's own Shanghai office. When Mr Hui and his partners visited Shanghai in March 2008, the TDC office was their first stop. "It was a very efficient meeting," says Mr Hui. "We came away with contacts for Shanghai's most prestigious shopping malls. We also got the names of potential investors there."

Sëmk is close to opening a retail outlet in one of those Shanghai malls. Already this year, the company has opened more than 20 shop-in-shop corners and three full retail shops in the mainland. The plan, says Mr Hui, "is to open at least 40 Sëmk outlets this year, including shops in Hong Kong, Singapore, Taiwan and Malaysia."

A regular exhibitor at the TDC's Gifts and Premium Fair and the Summer Sourcing Show, Sëmk this year is also exhibiting at the Hong Kong International Licensing Show. "We want to make B. Duck the next Hello Kitty," says Mr Hui, "and we know the TDC can help."



At Li Yuan Villa in Nanning, Guo Sheng Kun (third from right), Party Secretary of the Communist Party of China's Guangxi Committee, presents a work of art to TDC Chairman Jack So (third from left). Mr So accepts the artwork on behalf of a Hong Kong delegation visiting four cities in Guangxi Province. It is one in a series of mainland missions organised by the TDC for Hong Kong companies interested in relocating their manufacturing production from the PRD. Also taking part in the ceremony are (far left): KB Chan, Chairman of the Hong Kong Electronic Industries Association; TDC Executive Director Fred Lam (second from left); Li Jinzao, member of the Standing Committee, CPC Guangxi and Executive Vice Chairman of the Guangxi Government (second from right); and Che Rongfu, member of the Standing Committee and Secretary-General of the CPC Guangxi (far right)

In August 2007, Hong Kong Secretary of Commerce and Economic Development Frederick Ma led 45 delegates to Chenzhou, in Hunan Province. Representing a wide variety of industries, from electronics and textiles to jewellery, plastics, toys, logistics and food, the delegates met with a number of senior government officials, including Gan Lin, Vice Governor of the Hunan Provincial Government. In December 2007, Mr Ma led 68 Hong Kong business people to Ganzhou, in Jiangxi Province. Among others, they met with Pan Yi Yang, Secretary of the Ganzhou Municipal Committee of the Communist Party of China (CPC). Then, in March

2008, TDC Executive Director Fred Lam led 70 delegates to four cities in Guangxi Province. The group, which included TDC Chairman Jack So as Honorary Mission Leader, met with Guo Sheng Kun, Party Secretary of the CPC Guangxi Committee, and other senior government officials.

In addition, the TDC organised several seminars on outward processing trade arrangements. A "Land Policy in China" seminar, held in Hong Kong, in February 2008, looked at land issues for processing trade enterprises, drawing representatives from about 700 Hong Kong companies. Mainland officials from

Below: The TDC organises a Product Safety Forum in September 2007. Legal expert Brenda Jacobs briefs attendees on the recent US-Sino Consumer Product Safety Summit and on product safety trends in the US and their implications for Hong Kong exporters

Right: At this February 2008 seminar, Zhao Yu Fang, Director of the Lands and Resources Department of Guangdong Province, addresses a large Hong Kong business audience on the mainland's land policy



the Land and Resources Department of Guangdong Province also briefed the audience on legal procedures involved in land acquisition.

When product safety in the global toy industry became an issue last year, the TDC responded quickly, organising a product-safety conference last September with support from the Hong Kong Toys Council and the Hong Kong Toys Manufacturers' Association. That was followed, in mid-November, by an industry networking luncheon attended by Richard O'Brien, Director of the Office of

International Programs and Inter-governmental Affairs for the US Consumer Product Safety Commission.

Then, in January 2008, as part of the annual Hong Kong Toys and Games Fair, the TDC organised the "Latest Product Safety Directives of the Toy Industry and Good Practices in Achieving Safety Standards" seminar. The forum attracted more than 700, including senior players from the Chinese mainland, the US and Hong Kong, among them Hong Kong Financial Secretary John Tsang.



Left: The TDC organised 17 emerging market seminars in fiscal year 2007/08, including this June 2007 market briefing on Thailand, Vietnam, Malaysia and India. Held in Hong Kong during the annual Branch Directors Meeting, the seminar is conducted by the TDC's overseas staff

Below, left: TDC Deputy Executive Director, Marketing, Eric Tai presents a souvenir to Doan Duy Khuong, Vice Chairman of the Vietnam Chamber of Commerce and Industry, at the August 2007 "Vietnam: Star of the Southeast Asia Market" seminar. Prior to the seminar, a cooperation agreement is signed between the Vietnam Chamber of Commerce and Industry and the TDC



Below: A seminar on the mainland's new labour-contract law, in March 2008, draws nearly 1,000 SMEs



In March 2008, a seminar on the Chinese mainland's new labour-contract law attracted nearly 1,000 people. Organised by the TDC and the Commercial Office of the Economic Affairs Department, Liaison Office of the Central People's Government in the HKSAR, the seminar featured officials involved in the drafting of the new regulation, along with lawyers specialising in mainland labour law. The seminar, which included an extended Q&A session, provided the authoritative information SMEs needed to understand the law and comply with it.

Regular education and training seminars on doing business with the mainland – from the mainland's

new corporate income tax law to emerging regions in the mainland – were also well received by SMEs.

TDC branding workshops are popular among SMEs in Hong Kong and the mainland. Over the past year, the TDC organised several brand-building workshops for SMEs in Hong Kong and a mainland seminar series on Hong Kong design and branding. The branding workshops were held in Qingdao, Beijing, Wuhan and Chengdu in collaboration with the mainland's Ministry of Commerce. Well-known Hong Kong designers and brand-management consultants took part, attracting nearly 900 mainland enterprises.



Above: Nearly 400 senior executives and government officials from the mainland and Hong Kong attend a CEO Forum in Guangzhou in May 2007. The high-level business forum promotes Hong Kong as a regional services hub and encourages mainland enterprises to use the Hong Kong platform

## Expanding Mainland Ties

Two CEO Forums were organised this past year. These high-level conferences highlight issues of concern to business in Hong Kong and in the mainland. The CEO Forum in Guangzhou drew nearly 400 CEOs, senior executives and government officials from the mainland and Hong Kong in May 2007. In December, a CEO Forum was held in Hong Kong for the first time. Organised under the theme "Growth of Chinese Enterprises and the Challenges Ahead," the forum attracted nearly 600 senior players and close to 40 international journalists.

The TDC put on its Executive Training Programme for mainland CEOs six times in the past year. The programme, which also attracts senior government officials, generally runs for three or four days. It's a practical, hands-on way of building the 3ms – the marketing, management and money skills senior mainland executives need – while also promoting Hong Kong services.

Each year, the TDC organises a number of trade seminars and workshops covering promising emerging markets. This past year, they included sessions on Brazil, Chile, the Czech Republic, Hungary, India, Indonesia, Iran, Malaysia, Mexico, the Middle East, Poland, Russia, Thailand and Vietnam.



The publications produced by the TDC's Research Department offer SMEs, in Hong Kong and around the world, a wealth of timely business and trade information, statistics and research reports focusing on Hong Kong, the Chinese mainland and promising emerging markets around the world. The wine study (left) highlights the growing demand for wine in Asia, particularly in the mainland, and outlines the opportunity for Hong Kong to become Asia's wine-trading hub



Monthly online publications *Hong Kong Trader* (right) and *CEO Express* (above) promote Hong Kong as a base to do business, with *Trader* reaching international decision-makers and *CEO Express* targeting mainland business executives. *Trader* is published in English, with mini-versions in French and Spanish, while *CEO Express* is produced in Chinese

## The Rewards of Research

The Research Department of the TDC produces about 150 timely trade reports, market reviews, targeted newsletters and other business publications each year, including *Hong Kong Trade Quarterly*, an authoritative trade journal that focuses on Hong Kong, the Chinese mainland and other emerging markets. Over the past year, Research has offered unique industry insights and market intelligence on such diverse subjects as the "Construction Boom in UAE and Saudi Arabia: Opportunities for Hong Kong" and "Breaking into the Mainland Consumer Market: HKTDC's Top 30 Cities."

Equally important, Research frequently plays a significant, behind-the-scenes role in monitoring

and analysing critical trade and business issues that affect Hong Kong SMEs. This was particularly evident this past year in its response to the mainland's new processing trade regulations. Knowing that the changes would have a serious impact on Hong Kong companies, the department issued regular email alerts and e-newsletters to keep Hong Kong companies abreast of developments.

The department also conducted a detailed research study examining the mainland's new processing trade policy, commissioned by the Greater Pearl River Delta Business Council. The report, "Implications of Mainland Processing Trade Policy on Hong Kong," included recommendations for the

Central Government, the Guangdong Provincial Government and the Hong Kong Government. The report, which included measures to assist Hong Kong manufacturers adapt to the changes, was well received. Indeed, it underlined the TDC's role in providing information about the processing issue for the trade community.

Identifying promising new markets for Hong Kong SMEs is central to the department's mission. Each year, Research selects several emerging markets for in-depth study. In the past year, it conducted field studies on Cambodia, the United Arab Emirates, Argentina and Brazil, producing market reports that

detail the business potential and challenges for Hong Kong companies.

To help Hong Kong companies move up the value chain, the TDC emphasises the need to develop brands and market them, particularly to the Chinese mainland and its booming consumer culture. The Research Department plays an active role in this regard. In the past year, it published a study detailing the new generation of consumers in the mainland. It also conducted consumer surveys for the jewellery, watch and clock industries, providing SMEs with the market intelligence to help them reach mainland consumers effectively through brand promotion.



Left: *Style Hong Kong*, a trendsetting publication promoting Hong Kong's creative industries, their products and the designers behind them, received a smart makeover this year. The magazine went from two issues to three and was redesigned as a supplement to a Chinese lifestyle publication with a circulation of nearly 200,000 upmarket mainland readers

Opposite: Published daily during TDC trade fairs at the HKCEC, *Fair Daily* features a lively mix of exhibitor and product spotlights, as well as the latest fair events and exhibition news

The TDC Business InfoCentre (far right) holds the largest collection of market and trade information in Hong Kong, including more than 60 electronic databases, multimedia resources and the China Trade and Investment Resource Centre. For buyers looking to the Chinese mainland market, the InfoCentre's China Business Advisory Service offers one-on-one advice from mainland industry specialists



## In Print, Online, Invaluable

Of the 30 publications produced annually by the TDC, 14 are focused product magazines. The rest offer market intelligence covering a wide world of industries and markets. These appear in print or online (or both) and vary in frequency from weekly to monthly, biannually and annually.

*Hong Kong Trader* is the TDC's signature business publication, producing original material for a broadly targeted, international readership. *Hong Kong Trader* was launched in 1976, becoming a dedicated online magazine in 2001. Reaching more than 250,000 global decision-makers, the magazine promotes Hong Kong as a base to do business. Mini-versions of the publication are published in French and Spanish.

*Style Hong Kong*, a glossy magazine promoting Hong Kong fashion, design and creativity, went from two issues to three this year. Beginning with the second issue, in November 2007, *Style Hong Kong* was redesigned and repackaged as a supplement to *The Outlook Magazine*, a Chinese lifestyle publication. This gets *Style Hong Kong* into the hands of nearly 200,000 upscale mainland readers.

One of a number of TDC online publications, *tdctrade.com express* is sent to about 300,000 global business executives. Produced in English and Chinese versions, *tdctrade.com express* can be customised, allowing readers to select the news that fits their specific industry and regional interests.

## Business Advice from the Pros

SMEs from Hong Kong, the Chinese mainland and around the world receive the business advice they need through the TDC Business InfoCentre, located in the HKCEC.

The InfoCentre conducted about 1,600 one-on-one business advisory sessions for SMEs last year, offering practical information and advice on a variety of issues, including mainland marketing strategies, government regulations, customs, intellectual property rights and taxation.

The InfoCentre offers two main advisory services: China Business Advisory Service; and SME Advisory Service, the latter focusing on Hong Kong and overseas markets.

InfoCentre advisors include representatives of the China Ministry of Commerce, the Shanghai Foreign Economic Relations and Trade Commission and the Guangdong Trade and Economic Cooperation Department, together with industry experts and professional bodies in Hong Kong.

In addition to one-on-one sessions, the InfoCentre this year organised a China Business Workshops' series. More than 300 SMEs attended such practical workshops as: "How to Settle Trade Disputes in China," "China Compulsory Certification on Six Types of Toys," and "China Export Processing Policy: Changing Business Model to Face Challenges."

The Business InfoCentre's advisory services are offered free of charge.

## Fast Facts: Informative Numbers

- More than 240,000 copies of *Fair Daily*, produced each day during TDC trade fairs at the HKCEC, were published this fiscal year
- Of the TDC's 1,600 one-on-one business advisory sessions this past year, about 1,400 focused on the Chinese mainland
- The TDC Business InfoCentre houses Hong Kong's largest collection of market and trade information and receives about 10,000 visitors a month from all over the world
- The TDC's Research Department produces about 150 timely trade reports, market reviews and targeted business newsletters a year
- Nearly 1,000 CEOs, senior executives and government officials from the mainland and Hong Kong, along with more than 80 international media representatives, attended the TDC's two CEO Forums in 2007