

13<sup>th</sup> April 2004

The Hon. Kenneth Ting Woo-shou, JP Panel Chairman Panel on Commerce and Industry Legislative Council Secretariat 3/F Citibank Tower 3 Garden Road Central Hong Kong

Fax: 2121 0420

Dear The Hon. Kenneth Ting,

## Re: Panel on Commerce and Industry Invitation for submission on Policy and Role of the Trade Development Council (TDC) in organizing trade fairs/exhibitions

The Hong Kong Exporters' Association has been working in cooperation with the TDC in the organizing of the "Hong Kong Houseware Fair" and "Hong Kong Gifts and Premium Fair" for years. I would like to take this event as an example to share with you the importance of the TDC to various export industries.

During the SARS period in last year, the industries had different opinions whether the "Hong Kong Houseware Fair" and "Hong Kong Gifts and Premium Fair" should be cancelled. Some companies requested to cancel the Fairs but some of them still preferred to exhibit or to postpone them. Some on the waitlist also would like to grasp this opportunity to participate.

To address the various needs of the exhibitors, TDC provided very flexible alternatives to the industries within 10 days, including: to choose whether to continue in April consolidated fair; to defer to July supplementary fair; to participate in both April and July fairs; or to withdraw for a full refund of participation fee.

As a consequence, the consolidated fair in April 2003 still retained the support from 468 exhibitors and 13,000 buyers against the backdrop of freezed exhibition activities in Hong Kong. Both the exhibitors and buyers were provided the opportunity and physical platform to do business and as such, continuing the exports business of Hong Kong during the SARS period. The TDC also took all reasonable measures to maintain a clean, sanitized and healthy fairground and additional services to facilitate exhibitors to reach overseas buyers during and after the fair.



In July, the TDC kept on offering new resources by organizing the Supplementary Fair and the result was overwhelmingly successful. More than 62,000 buyers were attracted, creating the newest highest record of TDC and also unveiling the new timing of promotion and merchandizing opportunities in the summer season.

Some private exhibition organizers did not agree to the TDC's full refund arrangement to the withdrawal exhibitors, but TDC had put the overall benefits of the Hong Kong economy with priority, hoping to offer the exhibitors a hand in the difficult moment.

With a clear mandate of promoting HK's external trade and services, TDC bears the responsibility to protect the interest of local SMEs. Through the international trade fairs organized by the TDC, SMEs are facilitated to create sizable economic returns by communicating with buyers from all over the world without going abroad. SMEs with inititatives can even promote their products or services and expand their overseas markets over the fairground. In light of this, I would like to say that fair competition opportunity to the exhibition industry should be emphasized in order to maintain beneficial business environment.

In view of the measures initiated by the TDC against the threat of SARS in last year, it is explicit that a statutory body liked the TDC is required to stand for the interests of the SMEs.

I hope you will find the above information useful in better understanding the role of TDC in the organizing of trade fairs in Hong Kong.

Yours sincerely,

Cliff K. Sun, JP Chairman The Hong Kong Exporters' Association