

CB(1)429/03-04(01)

8th October 2003

Hon Kenneth Ting Chairman Panel on Commerce and Industry Legislative Council

Dear Mr Ting

I would like to draw your attention to a recent decision by the Trade Development Council (TDC) to start organizing an annual trade exhibition for toys, gifts, premiums and household products in July from 2004 onwards.

We, a private exhibition organizer, strongly protest at such a decision for two main reasons.

First TDC has ignored the views of the industries

We have conducted three independent surveys, two on related exhibition participants and one on international buyers, to assess the demand for a new trade exhibition for toys, gifts, premiums and household products. The key findings are:

- only 30% of local manufacturers agree that there is a need to hold another exhibition in

July:

only 36% of overseas buyets are interested in attending a new exhibition in Hong Kong.

While TDC has released data that are very different from the findings of our own surveys, it has not provided full details about their survey methods. We query the reliability of their data. For your reference, please find enclosed the full reports of our three independent surveys and the data released by TDC itself with our questions raised against them.

Second. TDC's decision will cause unhealthy competition against the interests of private sector

At present, TDC holds two exhibitions in January and April every year for toys, gifts, premiums and household products respectively, and April is the most favourable timing for such exhibitions in the year. We, a private exhibition organizer, hold an exhibition in October for the past twelve years. Without doubt, TDC's holding another exhibition in July will encroach upon the private sector's interests.

In recent years, TDC's share of the exhibition market on consumer products and light industries in Hong Kong has kept expanding. Many private exhibition organizers have already been squeezed out of the market. The decision to hold an additional exhibition on toys, gifts, premiums and household products will reinforce such a trend. It is not in the long term interests of the society.

Because of the above reasons, we sincerely call for your consideration to arrange for this matter to be discussed by the Panel on Commerce and Industry. We are most willing to present our views to the Panel and believe that representatives from the industry will be willing to do so too.



Please contact the undersigned or our consultant, Dr. C.K. Lo on 2864 4868 or cido@hkcg.com.hk, should you need more information or wish to discuss the matter further.

Thank you and we look forward to hearing from you.

Yours sincerely

Duncan Cheung Managing Director

cc. Members of Panel on Commerce and Industry