



April 23, 2007

Our Ref: HKITF20070425

For the Attention of:

Hon Jeffrey LAM Kin-fung
Chairman, Panel on Economic Services
Legislative Council
8 Jackson Road,
Central, Hong Kong

Dear Sir,

RE: Recent TIC Directive on 100% Money Back Refund Policy

Recently, Travel Industry Council (TIC) is considering issuing directive to change the 100% Money Back Refund Policy from 14 days to 6 months, in order to improve the confident of tourists while they are shopping in Hong Kong.

I think TIC has to re-examine a more detail policy since this will affect across all kind of industries & products vertically in the retail market. Take an example, if someone (no matter a tourist or a local person) purchase a mobile phone, he can use this mobile phone for 6 months and then return to the dealers and got refund. This policy will be abused not only by tourists but also general public, and the price won't be the same (or the same models may phased out already) anyway after 6 months for fast moving and price sensitive IT, Electronics and communication products, such as mobile phone in this example.

But if suppliers don't follow, those big chain stores (even they are not members of TIC) won't work with medium & small suppliers, thus create unfair trade competition. Although this policy only address to those who sign agreement with TIC, but it will set examples across the retail market. Last time when TIC has set the 14 days policy within their members, it had already set example so most of the electrical appliances chain stores had requested their suppliers to follow already. 14 days is somehow acceptable but 6 months is far more than realistic and applicable.

On behalf of HKITF, we think this policy will worth further discussion before execution. TIC should consider not just making a very tough policy because there are some shops cheating visitors, while the benefit of other sectors is neglected.

For further information, please don't hesitate to contact the undersigned at

Tks & Rgds,



Francis Fong (FCIS, FCS, FHKCS)

Vice President

Hong Kong Information Technology Federation Ltd.

<http://www.hkitf.org>