

香港特別行政區政府

政府資訊科技總監辦公室



OFFICE OF THE
GOVERNMENT CHIEF INFORMATION OFFICER

The Government of the Hong Kong
Special Administrative Region

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Clerk to Panel on Information Technology and Broadcasting
3rd Floor, Citibank Tower
3 Garden Road
Hong Kong
(Attn: Ms. YUE Tin-po)

Dear Ms. YUE,

**Information Requested by the Panel on Information Technology and
Broadcasting Meeting on 9 March 2009**

At the Panel meeting on 9 March 2009, the Administration has been requested to provide supplementary information about the Cyberport Project.

2. Based on information supplied by the Hong Kong Cyberport Management Company Limited (HKCMCL), we would like to furnish the information in Annex.
3. Should you have any questions on the above, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S.W. Cheung', written over a faint circular stamp.

(S.W. CHEUNG)

for Government Chief Information Officer

Encl.: Information Supplied on the Cyberport Project arising from the ITB Panel Meeting on 9 March 2009

c.c. Mr Nicholas YANG, Chief Executive Officer – Email: nickyang@cyberport.hk
Hong Kong Cyberport Management Company Limited

Miss Kathleen AU, CEO (Admin) – Email: kathleenau@cedb.gov.hk
Communications and Technology Branch
Commerce and Economic Development Bureau

**Information Supplied on the Cyberport Project
arising from the IT&B Panel Meeting on 9 March 2009**

The Administration has been requested to provide the following, which is based on information supplied by the Hong Kong Cyberport Management Company Limited (HKCMCL):

- (a) Provide examples and quantifiable information/statistics to illustrate the progress in achieving the **six public missions** of the Cyberport project, in particular, those relating to developing a regional centre of excellence in IT, to nurture and support the development of small and medium IT enterprises and creating a strategic cluster of quality IT and IT related companies for developing Hong Kong into a leading digital city in the region.

As reported in paragraph 4 of the Report on the Cyberport Project (March 2009) (LC Paper No. CB(1)955/08-09(03)), the Administration is currently reviewing the role that Cyberport can play in supporting the Statements of Desired Outcomes under the Digital 21 Strategy. We will consult stakeholders, including the Legislative Panel on Information Technology and Broadcasting and the Digital 21 Strategy Advisory Committee, to understand their expectations on Cyberport. We plan to brief the Panel again on the outcome of the review next year. The following supplements the information and statistics supplied in the Report on the Cyberport Project submitted in March 2009 and illustrates the progress as of that date in achieving the public mission objectives adopted by the HKCMCL Board.

- (i) *To create a strategic cluster of quality IT and IT related companies critical to the development of Hong Kong into a leading digital city in the region.*

Cyberport management aims to establish a good mix of quality IT and IT related companies as tenants and to facilitate the development of various forms of collaboration between the tenants and other industry clusters and companies in related businesses, particularly world-class companies in the sector.

- *As of January 2009, there were 58 local, Mainland and overseas corporate tenants at Cyberport, including fifty-two (52) commercial enterprises, five (5) not-for-profit organizations, one (1) government office and twenty-seven (27) incubatees, all of which were engaged in IT and related businesses including the development of digital and multimedia content. Of the fifty-two (52) commercial tenants, fifty percent (50%) of them have an overseas origin and thirty-eight percent (38%) of them were new to Hong Kong. Apart from the twenty-seven (27) incubatees who are undergoing the incubation programme in the Cyberport Digital Entertainment Incubation-cum-Training Centre (“IncuTrain Centre”), there are twenty-seven (27) digital entertainment enterprises who have already graduated from the Centre.*

 - *The existence of this mix of establishments at Cyberport provides an incentive for other world-class companies and clusters to develop business partnership with Cyberport tenants and incubatees, which is encouraged and proactively facilitated by Cyberport management. These overseas partners include Sony with focus on the “PlayStation 3” developments, Pixar Animation Studio – the global leader in digital animation, as well as the City of Wellington, the global leader in movie post-production. Examples of global collaboration within the Cyberport cluster led by some of its tenants include the Microsoft Xbox game development as well as the Microsoft BizSpark Creativity Centre. Another example is the recent acquisition in April 2009 of the “software as a service” assets of Outblaze, one of the first Cyberport tenants, by IBM resulting in the establishment of the first information and communications technology (ICT) development centre of IBM Research in Asia.*
- (ii) *To nurture and support the development of small and medium IT enterprises as an essential constituent of such a strategic cluster.*

Examples of initiatives led by Cyberport management are as follows :

- *In October 2004, Cyberport management launched the first Xbox game incubation programme in Hong Kong. Between October 2004 and December 2005, the programme incubated no less than 6 projects, and enterprises in electronic games development, including two incubatee companies that successfully produced their original Xbox game titles and secured publishing investments from game publishers; and*
- *IncuTrain Centre was opened in November 2005 for the incubation and development of local digital entertainment firms. Up to January 2009, the Centre has graduated a total of 27 incubatees. These start-ups have developed 64 original intellectual properties (IPs) and have created a total of 343 jobs. The Centre entered its second-phase 3-year operation in April 2009 aiming to incubate at least another 55 start-ups in the digital entertainment / digital lifestyle field.*

(iii) To provide a state-of-the-art infrastructure conducive to the creation of such a strategic cluster and its development.

Cyberport has the following features :

- *Grade A offices with advanced technology support in a self-sufficient and compatible local community environment;*
- *Full coverage of world-class, broadband and high-speed IT & telecommunications facilities available to all tenants and visitors in providing state-of the art business and innovation support;*
- *A good tenant mix as described in (i) above;*
- *Incubation and training programmes as described in (ii) above; and*
- *Industry support centres and programmes such as the Hong Kong Wireless Development Centre, Digital Media Centre and iResource Centre.*

- (iv) To develop a regional centre of excellence in IT and digital media training for creating human capital through collaboration and partnership with the industry, academia, and research institutes and professional bodies.

Apart from collaborative efforts spearheaded by Cyberport tenants in developing talents in the IT and digital media sector, examples of initiatives organized by Cyberport management are as follows :

- *Theme-based professional training programmes led by world-class experts; examples include (a) “Digital Content Creation Camp” on Sony PlayStation3 technology for over 700 local game professionals in 2008, (b) “Cyberport Animation Camp” on design by Pixar Animation Studio for over 500 local animation professionals in 2006 and (c) 7 seminars in the Cyberport Speaker Series, since 2005 with over 700 local professionals in total. Programmes (a) and (b) are both first-of-its-kind in Asia, outside of their respective countries of origin (i.e. Japan for PlayStation3 and USA for Pixar Animation training);*
- *Development and testing facilities for leading technologies such as Microsoft Xbox, Sony PlayStation, and TD-SCDMA. Cyberport has the first certified TD-SCDMA base station outside of and connected to the Mainland;*
- *Incubation and training programmes as described in (ii) above;*
- *Forums and conferences for experience sharing with world-renowned experts including Oscar-winning speakers, such as the annual Digital Entertainment Leadership Forum DELF from 2004 to 2009 with over 1,500 participants in total, the annual Cyberport Venture Capital Forums CVCF from 2004 to 2008 with over 1,270 participants in total; and*
- *Over 70 educational promotion events in collaboration with*

various local organisations to encourage creativity and showcase achievements including the “Cyberport Games Marathon” that attracted more than 44,000 visitors in July 2005, the “HK Youth 3D Animation Competition”, “Learning through Engineering, Art and Design Creativity Showcase 2008”, “Hong Kong Youth Science and Technology Competition 2007-08 Exhibition”, “Business of Design Week 2008”, “2007-2008 Information Technology Challenge Award”, and “Asian-Oceanian Computing Industry Organization ICT Summit 2008”.

- (v) *To spearhead the development of the digital media industry through the provision of hardware, software and technical support.*

Cyberport management has undertaken the following in addition to the initiatives described in (iv) above :

- Cyberport management established the Digital Media Centre and the iResource Centre in 2004; the Centre provides shared digital content creation equipment and studio facilities as well as training and support services and introduces the most advanced technology to the local industry; the Centre has provided support for over 230 local companies and enables the local sector to deliver a complete service chain and significantly enhanced Hong Kong’s competitiveness as a film and digital entertainment production centre in Asia. Cyberport operates the very first Arrilaser film recorder in Hong Kong for digital post-production processing and the very first working system for managing digital rights for digital content created in Hong Kong;*
- In support of the local digital entertainment companies, Digital Media Centre works closely with the film industry in various major industry events such as Hong Kong Asia Film Financing Forum (HAF, in 2007 and 2008), Independent Film & Video Awards, Asia Film Awards and Hong Kong International Film Festival; the Centre also organizes showcases and exhibitions such as the first UK Barbican Art Gallery – Game On Exhibition in Asia in 2007 and the first Asia High Definition Association –*

Digital Lifestyle Showcase in 2008, to promote industry and community awareness on the latest developments in computer game culture and development and digital entertainment technologies such as Digital Terrestrial TV ;

- *iResource Centre operates the facilities for managing a wide range of digital contents, including movies and short films, using advanced digital rights management technology on behalf of local content providers and enabling legal download by content users; the services won the internationally renowned World Summit Award 2007 (e-business category) award and was a finalist in The 2008 Stockholm Challenge Award (Culture Category) in May 2008;and*
- *Cyberport has already put in place the first commercial next generation Internet network (i.e. IPv6 network) in Hong Kong. Tenants can trial run IPv6 specific applications on Cyberport's advance infrastructure.*

(vi) *To promote the development of services and applications for wireless and mobile communications leveraging on Cyberport's excellent infrastructure and synergy.*

- *The Hong Kong Wireless Development Centre (HKWDC), opened in December 2003, provides a central testing platform and marketing/technical support for local wireless application developers;*
- *HKWDC installed the very first China TD-SCDMA 3G wireless base-station at Cyberport since 2006 for the local professionals to develop China 3G applications. A number of wireless applications relating to home security, streaming video broadcasting, digital entertainment and the 2008 Beijing Olympic Games have been developed and made available to local enterprises as a result;*
- *HKWDC implemented the "Ubiquitous City – HK" project to stimulate the open Wi-Fi application development and usage in*

Hong Kong. At least eight applications for provision of location-based services and delivery of multi-media content have been developed and will be launched in the public WiFi network including the GovWiFi network in Hong Kong. This promotes the Ubiquitous City image of Hong Kong; and

- *Cyberport was one of the very first premises to set up largest-scale commercial Open Wi-Fi network in Hong Kong in 2006.*

- (b) Provide a list of the 64 original intellectual properties developed by the Incu-train alumni and details, as far as practicable.

*Please refer to the **Appendix**.*

- (c) Account for the increase in the marketing, promotion and project expenses and the decrease in the operating expenses for the Digital Media Centre, iResource Centre and the Digital Entertainment Incu-cum-training Centre for 2006-2008.

As stated in the Report on the Cyberport Project submitted to the Panel on 9 March 2009, the marketing, promotion and project expenses in 2006, 2007 and 2008 are \$9,482,886, \$12,742,514 and \$17,388,684 respectively, representing a 34.4% in 2007 over 2006 and a 36.5% increase in 2008 over 2007. The increase in marketing, promotion and project expenses for 2006-2008 is due to the following :

- (i) *An increase in the number and scale of ICT and digital media/entertainment activities organized at Cyberport. In 2006, 5 events were organized. In 2007, 7 such events were organized, representing 40% increase. In 2008, 16 such events were organized, representing 129% increase. Some of such events and activities were :*

In 2005/06,

- *Cyberport Venture Capital Forum 2005*

- *Digital Entertainment Leadership Forum 2006*
- *Cyberport Games Marathon*

In 2006/07,

- *Cyberport Venture Capital Forum 2006*
- *Digital Entertainment Leadership Forum 2007*
- *International Telecommunication Union (ITU) Telecom Conference*
- *Cyberport Animation Camp (Pixar's training programme)*
- *Young Creative Entrepreneur*

In 2007/08,

- *Cyberport Venture Capital Forum 2007*
- *Digital Entertainment Leadership Forum 2008*
- *Game On Exhibition*
- *Red Herring 100 Asia 2007*
- *IT Internship Coordination and Facilitation Programme*
- *IT Exchange Programme*

- (ii) *An increase in the number and scale of promotional activities that were organized at Cyberport during holidays and weekends to draw visitor traffic to Cyberport. In 2006, 4 promotional events were organized and attracted a total of approximately 78,000 visitors to Cyberport. In 2007, the numbers are 6 (50% increase) and 103,000 visitors (33% increase) respectively. In 2008, the numbers are 21 (250% increase) and 180,000 visitors (75% increase) respectively.*

The Digital Media Centre, iResource Centre and IncuTrain Centre operating expenses in 2006, 2007 and 2008 were \$7,958,031, \$10,807,116 and \$10,727,434 respectively. There was an increase of 35.8% in 2007 over 2006 and a slight reduction of 0.7% in 2008 over 2007. The level of expenditure in 2008 was practically the same with a difference of \$79,682.

The increase in 2006/07 over 2005/06 was mainly in subsidy and costs of support to the incubatees of IncuTrain Centre when the initial recruitment stage was completed and the size of both the incubatee population and operation have reached the steady state, which was

reflected in the similar levels of operating expenses in 2006/07 and 2007/08.

- (d) Provide the average and the range of rental rate for office premises in Cyberport.

The average effective rent for Cyberport office, as of end January 2009, was \$12.77 per sq. ft. (around \$13 per sq. ft. as reported at the Panel meeting). The rental level is reviewed and revised from time to time in light of the prevailing market conditions and reflected new lettings and renewals. Therefore, the rental rates vary significantly from one lease to another. Cyberport management is not in a position to disclose the range of rates as it was considered commercially sensitive information the disclosure of which would compromise its position in future leasing negotiations.

**Office of the Government Chief Information Officer
September 2009**

List of the 64 original intellectual properties developed by the IncuTrain alumni
 已完成培育的企業所開發的 64 項擁有原創知識產權的項目

Appendix
 附錄

No.	Company	Category	Title
1	3 Dynamics (Asia) Limited 創域動能(亞洲)有限公司	Mobile Game Engine 手機遊戲驅動器	Cross-platform mobile game engine
2		Mobile Game/application 手機遊戲/應用軟件	3G MOPAS – 3G Multi-player Location-based online pet game
3		Mobile Game/application 手機遊戲/應用軟件	Hong Kong War – 3G Multi-player location-based online battle game
4		Wireless Platform 無線平台	Wireless Interactive Digital Entertainment Platform – Indoor Location-based Digital Entertainment Platform for Wi-Fi Device
5	DDA Limited 數字紀錄有限公司	Design 設計	Horizontal digital scanning system design for digital fine art
6	Dimension-S Music Productions	Digital Music 數碼音樂	Original surround music/effects for 52-episode HD animation series
7	I Character Limited 雅態創意有限公司	Character/story 角色/故事	"My Little Fire Hero"
8		Character/story 角色/故事	"Ma Lau"
9		Character/story 角色/故事	"Rescue Plus"
10	M-Inverse Holdings Limited 逆博股份有限公司	Game engine 遊戲驅動器	Original physics game engine "Blue"
11	Mobile Adventures Limited 動感信息有限公司	Mobile application 手機應用軟件	Cultural tour product "Walk-the-Talk"

No.	Company	Category	Title
12		Mobile application 手機應用軟件	Mobile content distribution platform
13	Most Wanted Limited 熱創有限公司	Animation 動畫	"Deviligon" animation series
14	Play Pen Studios Limited	Game design 遊戲設計	"Skillz"
15	Aeon Technology Limited 億安科技有限公司	PC Game 電腦遊戲	Red Bean Fantasy (2 versions)
16	Digital Life Institute Limited	Mobile application 手機應用軟件	Xtown series of mobile products - eBook platform
17		Mobile application 手機應用軟件	RSS platform for Nokia Symbian
18		Mobile application 手機應用軟件	RSS reader for Windows Media
19		Mobile application 手機應用軟件	News forum
20	Frenzoo Limited	Web Service 互聯網服務	Social network: www.frenzoo.net
21		Web technology & tool 互聯網技術及工具	3D-P2P technology
22	Hypermedia Digital Studio 超媒體數碼工作室	Characters & comics 人物及漫畫	"Cheong Fun Boy" characters & comic series

No.	Company	Category	Title
23	Gamey Studio	Mobile Game 手機遊戲	Finger
24		Mobile Game 手機遊戲	IQ Test
25		Mobile Game 手機遊戲	Blackjack
26		Mobile Game 手機遊戲	繪里物語
27	Mobile Gamer Limited	Mobile Game 手機遊戲	Mobile Mahjong 1.0
28		Mobile Game 手機遊戲	Mobile Mahjong 2.0
29		Mobile Game 手機遊戲	Mobile Mahjong 3.0
30		Mobile Game 手機遊戲	Mobile Big2 1.0
31		Mobile Game 手機遊戲	Mobile Big2 2.0
32		Mobile Game 手機遊戲	Chinese Chess
33		Mobile Game 手機遊戲	Kung Fu Mahjong

No.	Company	Category	Title
34		Mobile Game 手機遊戲	Taiwan Mahjong
35		Mobile Game 手機遊戲	Mahjong Lover 1.0
36		Mobile Game 手機遊戲	Mahjong Lover 2.0
37	505 United Limited	Edutainment product 教育娛樂產品	Sports (football) training course with e-learning kit set
38		Website 網站	1vs0.tv (co-owned with a partner)
39	Adigit Limited	Video streaming device 影像串流裝置	Gogomedia Light
40		Video streaming device 影像串流裝置	Gogomedia Pro
41	Animation Workshop 動畫工作坊	Animation 動畫	智多多
42		Animation 動畫	武松日記
43		Animation 動畫	點蟲蟲
44		Animation 動畫	小龍與小黑動畫

No.	Company	Category	Title
45	China Digital Entertainment Alliance Ltd 中國數碼娛樂聯盟有限公司	Wallpaper 壁紙	BYOD (Be Your Own Director)
46	Chronoteam Limited 光雷數碼娛樂有限公司	Web Game 網絡遊戲	魔法師的密碼 (Music Revolution).
47	Digital News Network Limited 數碼新聞網有限公司	Web Service 互聯網服務	Chinaculture.info
48 to 53	Double-Up Workshop Limited 打仔上製作公司	Documentary & Feature Film 紀錄及特色電影	Cyber Pet Channel
54	Growlong Company Limited 高爽有限公司	XBox Arcade game XBox電腦遊戲	"Dragon Tiger Gate" (developed by licensed partner)
55	I-Magic Limited 天極數碼多媒體有限公司	Digital Cinema Workflow 數碼影院工作流程	D-Cinema
56	Kara24H (Hong Kong) Limited K歌王香港有限公司	Web Service 互聯網服務	Kara24H (Online Karaoke)
57	Movielearn Hong Kong Limited	Edutainment video 教育娛樂影像	The Apprentice Movie Learn series
58	Orbit Media Int'l (OMI) Creative Studio	Animation 動畫	Rainbow Riders Animation Series
59	Xgate Corporation Limited	Mobile application & tool 手機應用軟件及工具	Mobile Voting Platform
60		Mobile application & tool 手機應用軟件及工具	Personalization Mobile Marketing Platform

No.	Company	Category	Title
61		Mobile application & tool 手機應用軟件及工具	Internal Mobile Marketing Monitoring tool
62	Playmotion Limited 柏萊媒體有限公司	Human Scale Vision Based Interactive Experience	Mystical Jelluea
63		Human Scale Vision Based Flight Simulation Experience	Super Hero - Hong Kong
64		Large Scale Multi-touch Table (6M x 2.5M)	Large Multi-touch Information Kiosk