

Clerk to Bills Committee on Competition Bill

Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Sir/Madam,

Arcotect supports the Competition Law. It is particularly important to provide a fair playing ground for SME vs. large corporation. However, putting TDC under Competition Law may reduce their support to SME and indirectly jeopardize our competitiveness.

In the past years, Arcotect participated in many trade fairs and exhibitions arranged by TDC. This has been a very successful model in engaging business opportunity, which we would not able to afford in full cost. TDC has supported many other SMEs in various sectors to promote their business in local exhibitions, overseas exhibitions and business matching with overseas buyers/partners. We deeply concern the impact on local SMEs' marketing capability if TDC is being put under the Competition Law.

If TDC cannot subsidize local SME anymore, many vertical industries i.e. information technology, toys, watches, clothing will suffer higher exhibition fees in promoting overseas market. They may call off future participation due to limited marketing budget, indirectly cutting their business opportunity.

TDC has done very well in branding HK products and services. Individual company could not achieve that on its own. TDC had led us to many cities and their overseas offices have helped us to sign MOU and form partnership. TDC did a great job promoting us.

We understand there are some remarks from other smaller exhibition contractors that TDC is dominating the exhibition market, but TDC is important to maintain HK's leading exhibition role in Asia Pacific region. Singapore, even Macau is trying to get a share of the profit, if not taking over us. We will easily lose our number 1 position if TDC cannot fully perform under the Competition Law. Smaller exhibition contractors cannot maintain HK's #1 exhibition position.

There is also another potential risk. Reducing local exhibitions also indirectly cut our income from the overseas exhibitors, which will impact on the retail and hotel industries.

Therefore we would appreciate LEGCO takes into consideration the above impacts. We look forward to LEGCO's sensible judgment and let TDC continuous to support the local SMEs in all industries particular the IT companies that have been going through tough survival.

Best Regards,



Judy Leung
Chief Operating Officer
Arcotect Limited