

29 December, 2011

Bills Committee on Competition Bill

Legislative Council Secretariat

Legislative Council Complex, 1 Legislative Council Road

Central

Hong Kong

Ms Linda Lai

Deputy Secretary for Commerce & Economic Development (Commerce and Industry) 1

22-23/F, West Wing, Central Government Offices

2 Tim Mei Avenue, Tamar, Hong Kong

Dear Sirs/Madam,

**Submission to Bills Committee on Competition Bill -
Appeal for an exemption for Hong Kong Trade Development Council**

Concerning the passing of Competition Bill which may affect Hong Kong Trade and Development Council's (HKTDC) role and therefore exert impacts on the exhibition industry and the benefits of the exhibitors, traders and visitors, I am writing on behalf of Hong Kong Wireless Technology Industry Association (WTIA) to request for the reconsideration of exempting HKTDC from the Bill.

WTIA is a non-profit trade association established in 2001. It is registered in Hong Kong to provide a platform for wireless-related business to work together for a better industry development and growth. With over 100 company members from local and overseas, covering various aspects of the wireless industry, WTIA strives to work with the excellence to create a better wireless environment through the implementation of many meaningful projects for the sake of our members and the wireless industry as a whole.

Over the past years WTIA has been working closely with HKTDC. With the funding support of the government, HKTDC does not place profit maximization to their priority and instead focuses on scale enlargements and service enhancements. She has been providing professional exhibition services of high quality at a relatively low cost beneficial to local SME users and non-profit making organizations with limited operation budget. More than 40,000 companies/ organizations used HKTDC's services in 2011. Yet, exhibitions solely hosted by HKTDC



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only took up not more than 30% of the total market share. The scale of economy HKTDC attained does not make her the sole player in the industry.

WTIA is happy to have HKTDC as our partner and supporter in many large-scale exhibitions and study missions. One of them are the annual event ICT Expo which offers a solid ground for Hong Kong ICT Award winners to showcase their winning products and the ICT professionals to inform the public on the latest technologies. It also provides a valuable opportunity for our members to reach a wide group of target traders drawn by the Council at one time. Apart from the Expo, the study missions we jointly organized overseas also facilitate information and cultural exchange among ICT experts across boundaries through the connection the Council has established through the years.

HKTDC has been offering great support to local associations and their events through venue sponsorship and electronic promotions. For example, their support of one of our international projects “Hong Kong International Mobile Film Award” since 2011 not only significantly lowers our burden on venue rental, but also assists our exchange and possible collaborations with international movie lovers and content providers through hosting the award ceremony in FILMART.

If HKTDC is not exempted by the Competition Bill, part of her exhibition organization or management may be outsourced, forcing a rise in the operation costs and a reduction of profits gained by the Council. The resulting increase in cost and decrease in sponsorship may therefore be transferred to and borne by the users. It not only reduces the incentive of users in organizing exhibitions, one of the main sources of attracting their customers, but also makes comprehensive exhibition managements and promotions HKTDC have been providing impossible.

In short, with the acquisition of 45 years of experience and economical benefits brought by the large-scale operations HKTDC has achieved, we believe the Council should be exempted from the Competition Bill for her positive functions and contribution in serving the local companies and industries of various fields.

Yours Faithfully,

To Cheung
Chairman

Hong Kong Wireless Technology Industry Association (WTIA)