



BY FAX & BY MAIL

25th Feb 2005

Mr. Fransis Kong
President
The Hong Kong Beverage Association Limited
P.O. Box No. 796
General Post Office
Hong Kong

Dear Fransis,

With reference to your letter dated 17th Feb. 2005, we have the following comments to make on the licensing issue:

Re. Food Factory Licences

Applicant

In our experience, the application procedure is too cumbersome in one respect - this concerns "the applicant". The applicant is identified as an individual person even for a corporate organisation. As such, when that particular person leaves the company, a whole new application will have to be submitted even though there have been no other changes.

It would be more practicable if the applicant for a corporate organisation is designated to be a company official (such as the position of the General Manager or Plant Operations Director). On this basis, any change in the person acting in that particular capacity would not necessitate another whole new application to be submitted.

De-merit point system

HKBA has already raised the issue of the present Demerit Points System for larger corporate organisations. This remains a subject of great concern.

For School Tuck Shops (STS)

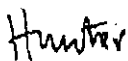
Restricted Food Licence

School Tuck Shops need to submit applications to FEHD for several individual licences for "restricted food" to be sold in school tuck shops (namely of 3 types: Milk, Sushi & Frozen Confectionery). It would be much easier if there could be just one licence covering the different types of restricted food.

Food Factory Licence

Under the current statutory requirement, a specific exemption is granted to a school tuck shop to apply for a Food Factory Licence. Before licences are granted & the tuck shop is allowed to operate, an FEHD inspector from the relevant local district will make a site inspection at the school tuck shop. Quite often, different inspectors require different actions for the exemption of food factory licence before allowing the school tuck shop to operate. The different requirements for exemption by different district inspectors cause a lot of extra work & delay to the operation of the school tuck shop. We would ask the FEHD Head Office to please provide clear guidelines to district offices on this subject so that district offices can be more consistent in future. This would also expedite the work of the FEHD as well as the commencement of new school tuck shops.

Yours sincerely,


Hunter Crawford
Director & General Manager