

**For discussion
on 27 May 2013**

**Legislative Council
Panel on Information Technology and Broadcasting**

**Report on the work of the Hong Kong Design Centre
from April 2012 to March 2013**

Purpose

This paper seeks to update Members on the work of the Hong Kong Design Centre (HKDC) from April 2012 to March 2013.

Background

2. The HKDC was established in 2001 and is a non-profit making organisation that seeks to serve a public mission of helping to promote the design sector in Hong Kong. Apart from promoting Hong Kong's design excellence, it has been advocating wider use of design thinking for value creation by all sectors of the community. The HKDC delivers services to design professionals, business leaders and executives, public entities and the general public through various programmes. In May 2007, the Finance Committee (FC) of the Legislative Council approved vide FCR(2007-08)14 the provision of \$100 million to provide funding support for the HKDC. In April 2012, the FC approved vide FCR(2012-13)3 additional funding to support the continued operation of HKDC and its programmes for three years¹. Apart from the aforementioned funding support, the HKDC also obtains funding from

¹ The additional funding covers \$70 million for supporting the continued operation and basic activities of the HKDC for three years from July 2012 to June 2015; \$37.5 million for enabling the HKDC to organise the Business of Design Week and the HKDC Awards in 2012, 2013 and 2014; and \$26.25 million for partially supporting the HKDC in operating the second phase of the Design Incubation Programme with effect from May 2012.

other sources, such as the CreateSmart Initiative (CSI) and sponsorship from the private sector.

3. The projects and activities carried out by the HKDC are categorised under the following broad programme areas -

- (a) enhancing public education, advocacy, networking and communications;
- (b) promoting design leadership and excellence, and nurturing design talents;
- (c) nurturing design-preneurs; and
- (d) promoting public design.

4. At **Annex 1** is a summary of the key performance indicators of the HKDC from July 2007 to June 2012.

Review of HKDC's major activities from April 2012 to March 2013

Basic programmes and other projects

5. During the period from April 2012 to March 2013, the HKDC continued to thrive on the foundation laid down over the past decade to enhance the impact of design on the economy and community of Hong Kong. For example, the HKDC launched the Institute of Design Knowledge programme to provide executive training programmes on design leadership and innovation management; undertook a number of design-related programmes for youths and the public at large; and enhanced the programme contents, outreach and impact of its recurrent programmes. Highlights of the selected programmes organised by the HKDC from April 2012 to March 2013 are at **Annex 2**.

BODW and HKDC Awards

6. With the availability of a dedicated project funding which facilitates planning of programmes over a three-year horizon (paragraph 2 above), the Business of Design Week (BODW) and the HKDC Awards have continued to scale new heights.

7. BODW is a week-long programme with conferences, forums, design awards presentation, exhibitions, outreach programmes, networking events and business matching activities with a focus on design, branding and innovation. Each year, BODW collaborates with a partner country to highlight the latter's impressive design achievements. Design masters and business leaders from the partner country are invited to share their insights on design thinking, and exchange with participants knowledge relating to different disciplines of design, brand building and design management. In partnership with the Hong Kong Trade Development Council (HKTDC), a pavilion is set up at the HKTDC's Inno Design Tech Expo to display the partner country's forefront design concepts and innovative products and services. The "partner country" approach has fostered stronger collaboration between Hong Kong and the rest of the world. It brings to Hong Kong not only trade delegates from the partner country and the resulting business development opportunities, but also design and business professionals from different parts of the world who would like to tap the international network offered by the BODW. The partner country of BODW 2012 was Denmark. BODW 2012 and its concurrent events, such as DETOUR², Brand Asia Forum³, DesignEd Asia Conference⁴, etc. registered a record-high number of some 100 000 participants.

² DETOUR is a community outreach programme seeking to provide an opportunity for the general public to appreciate design and creative culture. DETOUR 2012, which consists of design exhibitions, design marts, workshops and design talks held at the anchor and some 50 satellite sites, has drawn some 60 000 participants.

³ Brand Asia Forum seeks to provide a forum for brand owners, creators and designers to exchange views on brand building, marketing, licensing and sales.

⁴ DesignEd Asia Conference has become a platform facilitating the sharing of views, knowledge and experiences among international design educators and professionals since its launch in 2004. The Conference enables participants to challenge, develop or refine design education framework and methodologies, having regard to the educational and business practises in different parts of the world.

8. The HKDC Awards programme consists of design award judging and presentation, promotional programmes, exhibitions, etc. with the objectives of recognising excellent design as well as the achievements and contributions of design practitioners, business leaders, promising young designers and students. While major international design awards such as G-mark from Japan and Red Dot and iF from Germany have a longer history and an expanding coverage in Asia, the HKDC Awards programme is making an increasing impact in Asia in terms of influence and recognition despite its relatively short history since its launch in 2003. Seasoned members of the international design community who join the judging panel add to the credentials of the awards. With growing participation of the design communities from different parts of Asia, the HKDC Awards programme provides an excellent platform for Hong Kong designers and business organisations to benchmark their design works with their peers and to gain recognition and media exposure. In 2012, the HKDC Awards programme received some 800 entries from 27 countries or regions, and presented 133 awards.

9. With sponsorship from the CSI, the Hong Kong Design Institute and the School of Design of the Hong Kong Polytechnic University, each winner of the Hong Kong Young Design Talent Awards (YDT Awards) under the HKDC Awards programme may receive maximum sponsorship ranging from \$250,000 to \$500,000 for undertaking work attachments at overseas design firms or furthering studies at overseas design educational institutions, depending on the awards obtained. This enables the award-winning design students and young designers to acquire new perspectives and design inspirations through exposure in other places with rich design and cultural elements. In 2012, six design students or practitioners received the YDT Awards.

DIP

10. In 2012, the HKDC embarked on nurturing design start-ups, taking over from the Hong Kong Science and Technology Parks Company Limited (HKSTPC) the operation of the DIP at InnoCentre. Based on the funding agreement between the Government and the HKDC, the latter recruits 60 incubatees in three years starting May 2012 and

continue to provide incubation services to those incubatees previously recruited by the HKSTPC until completion of their respective incubation period.

11. Each incubatee receives funding support of up to \$500,000 over the two-year incubation period to cover office rental, overheads, costs of business promotion and development, training expenses, etc. The incubatees are required to attend a tailor-made training course, which covers an Entrepreneurship for Design and Creative Business Certificate Programme (“7+1 Entrepreneurship programme”)⁵ and certain programmes of the BODW and Knowledge of Design Week. The HKDC has also engaged the Centre for Entrepreneurship of the Chinese University of Hong Kong to provide incubatees with on-site coaching and mentoring consultancy services and to review business operation with the incubatees. HKDC will continue to line up more media exposure and networking sessions for the incubatees, and to run an “entrepreneur-in-residence” programme to offer business advice to the incubatees on a weekly basis.

12. As at end March 2013, there were 40 incubatees under the DIP, of which 23 were admitted by the HKDC and 17 were admitted by the HKSTPC. Since the HKDC took over the DIP, 20 incubatees recruited by the HKSTPC have successfully completed incubation. Since the launch of the DIP in 2006, the survival rate of the incubatees, which is measured in terms of the number of graduated incubatees which are still in business two years after graduation from the DIP, is 93.5%.

2012 Hong Kong Design Year

13. The 2012 Hong Kong Design Year (HKDY) was a year-long, community-wide promotional programme presented by the Government and organised by the HKDC. Adopting the slogan ‘A City Driven by Design’ to advocate design as a driving force to transform Hong Kong

⁵ The “7+1 Programme” covers topics on design and business management, accounting, branding, products/marketing, business report writing, presentation skills, networking with design and manufacturing industries, as well as visits to the design enterprises and manufacturers in the Pearl River Delta.

into a creative city and to communicate the value of design to the general public, the HKDY provided a promotional vehicle to raise the profile of the those accredited programmes. Activities were classified under four specific themes: nurturing design talents, creating business value, bettering life, and celebrating Hong Kong's design excellence.

14. There were altogether 63 programmes and events organised and promoted under the banner of the HKDY. HKDC itself hosted 19 of them while 44 others were hosted by the strategic partners and participating organisations of the HKDY. These programmes and events spanned across areas such as architecture, urban design, public space, education, business, branding, fashion and interior design, jewellery, toy and industrial design, technology and illustration art. The activity formats included master talks, conferences, forums, design competitions, summer camp for students, exhibitions, design marts, community arts, online voting campaign by the public, etc. Details of the programmes and events organised by the HKDC under the HKDY are set out in **Annex 3**.

15. The HKDY programmes have registered attendance/participation rates of close to 2.6 million. The year-long initiative has helped promote creativity and good design of the local design and business communities, and educate and communicate to members of the public the value of design as an integral part of the fabric of our city, economy, culture and living. It also underlines our commitment in furthering the development of Hong Kong as an international hub of design in Asia.

16. The HKDC coordinated and implemented the publicity and promotion of the HKDY, with funding support of some \$9 million from the Government and the rest of the budget of some \$3 million absorbed by the HKDC. Various channels have been used to promote the HKDY programmes and events, reaching a broad diversity of members of the public. Those platforms encompassed online and social media, including websites, Facebook, weibo, smartphones, Youtube; print media, including newspapers and magazines; and outdoor exposure and advertising, including bodies of buses and trams, outdoor billboard.

Totems were displayed at the exhibitions and fairs of the Hong Kong Trade Development Council as well as other venues. Posters or promotional materials were also displayed in 475 secondary schools, 50 MTR stations, over 450 bus shelters, Government buildings, footbridges and Mid-levels escalator, as well as over 700 temporary mail storage boxes all over Hong Kong. HKDY programme booklets were also inserted in magazines and newspapers distributed at MTR stations, convenience stores, cafes, galleries, speciality stores, hotels, etc. The booklets were also distributed in museums; various design schools; and commercial outlets. The total advertising value generated in local and overseas media in print, online, radio and TV format is estimated to be equivalent to some \$68 million.

17. Questionnaire surveys were conducted to collect the feedback of the participants of the HKDY programmes. The participants were generally positive about the programmes. Over 90% of the respondents gave “excellent”, “very satisfactory” or “satisfactory” ratings for the programmes. 91% of the respondents found the programmes and events to have enhanced their understanding about the value of design, while 94% were interested in attending other design-related programmes in future.

Finance

18. The HKDC manages its finance and enhances its cost-effectiveness through better project planning and human resources deployment. The HKDC also strives to generate additional income by offering paid programmes and seeking sponsorship and donations from the private sector. **Annex 4** sets out the estimated expenditure in respect of the HKDC’s basic operation and Government-funded programmes from 2012-13 to 2015-16.

Future direction

19. In the medium and long terms, the HKDC seeks to achieve the following where resource permits –

- (a) to continue advocacy, networking and communications efforts with a view to further raising the corporate image of the HKDC, the profile of its programmes and activities and the profiles of Hong Kong designers and design-preneurs;
- (b) to introduce new programmes and enhance the outreach and impact of the signature events (e.g. Knowledge of Design Week, BODW and the HKDC Awards). In this connection, the HKDC will continue to invite world-class business leaders and design masters to take part in these events, and entice more participants from other Asian Pacific regions and the rest of the world;
- (c) to enhance synergy in collaboration initiatives with other stakeholders. For example, HKDC will seek to synergise between DIP and the PMQ (the former Police Married Quarters at Hollywood Road), and leverage on the knowledge platform and other resources of the PMQ project to help nurture more creative professionals and design-preneurs;
- (d) to develop a progressively sustainable business model, covering fund-raising strategies;
- (e) to make more proactive marketing pitches targeting the public, private and non-profit-making sectors;
- (f) to offer design-related advisory and project management services with the dual objectives of promoting more strategic and wider application of design and design thinking in society as well as generating income. HKDC will focus on projects that enhance service delivery, design and innovation leadership training, and development programmes for the

executives and professionals of the public and private sectors;
and

- (g) to support the Government's efforts to promote the development of the local design sector by, for instance, helping enterprises to create value and upgrade their business through design and branding, and enhancing cooperation with the Mainland and Taiwan.

Communications and Technology Branch
Commerce and Economic Development Bureau
May 2013

**Key performance indicators of the Hong Kong Design Centre
(July 2007 - June 2012)**

Key performance indicators	Jul 2007-Mar 2008*	Apr 2008-Mar 2009	Apr 2009-Mar 2010	Apr 2010-Mar 2011	Apr 2011-Jun 2012*
(a) Number of events/activities	41	35	67	66	84 [#]
(b) Number of participants	176 501	96 277	207 617	1 401 971 [^]	382 091
(c) Number of news clippings	276	537	1 338	964	1 884
(d) Estimated PR value (advertising value equivalency rounded to the nearest million)	\$14 million	\$37 million	\$65 million	\$68 million	\$81 million
(e) Number of page views of the websites of HKDC's programmes and events	54 734	248 724	360 332	467 924	799 838
(f) Number of publications	1	3	2	3	2
(g) HKDC Awards					
<i>Number of entries</i>	552	704	527	709	1 115
<i>Number of awards presented</i>	93	80	130	158	146
<i>Number of nominations received</i>	32	31	28	39	25
(h) TV Programmes					
<i>Number of episodes</i>	8	-	8	-	-
<i>Average number of viewing households per episode</i>	1 000 000	-	960 000	-	-

Note

* To align with the funding period in respect of the \$100 million provided by Government, the first and the last reporting periods cover the nine-month period from 1 July 2007 to 31 March 2008 and the 15-month period from 1 April 2011 to 30 June 2012 respectively.

More programmes and activities were organised from April 2011 to June 2012 as a result of the 2012 Hong Kong Design Year.

[^] The number of participants during the period from April 2010 to March 2011 includes 1 million visitors to the exhibition staged at the Aqua City of Ocean Park to display the 3D artworks of the finalists of the open competition organised under the theme of 'Home Fish Home' of the "Design to Empower" programme.

**Selected programmes organised by the Hong Kong Design Centre
from April 2012 to March 2013**

Enhancing public education, advocacy, networking and communications

The **International Design Summer Camp Programme** was first organised in 2012. In the first part of the programme, 50 local design undergraduates joined the **Milan Design Study Tour** in April and visited the internationally renowned Salone Internazionale del Mobile 2012. They were exposed to the rich design culture of Milan. The second part of the programme, **World Design Summer Camp**, was held in Hong Kong from 1 to 10 July 2012. About 200 tertiary design students, including some 100 overseas students, participated in the camp for cultural exchange and sharing of views on design.



Photograph of World Design Summer Camp in 2012



Photograph of Milan Design Study Tour in 2012

The **'Ingenuity Follows Nature' Exhibition**, held from early July to early August 2012 at ArtisTree in Hong Kong, sought to enhance public interest and understanding of calligraphy and how it related to design. The exhibits included 24 original scripts of Ms Tong Yang-tze, a prominent contemporary calligrapher from Taiwan, and posters created by



Asian and local designers as well as design students. The exhibition attracted some 11 000 visitors.



Photographs of 'Ingenuity Follows Nature' Exhibition

Creative Ecologies+ Exhibition, held from November 2012 to early January 2013 at the Heritage Museum, was a special project dedicated to the tenth anniversary of the Hong Kong Design Centre (HKDC). The exhibition featured the history of the design industry development in Hong Kong and the development of creative ecologies in Hong Kong vis-à-vis other Asian cities. It also showcased some iconic works of a diversified group of established local designers. The exhibition attracted some 32 000 visitors.



Photographs of Creative Ecologies and Creative Ecologies+

The **Fourth Asian Museum Network Conference** held in Hong Kong was organised by the HKDC in collaboration with Vitra Design Museum of Germany to facilitate exchange on contemporary museum concepts and designs among the participating professionals and specialists. It also raised awareness of the public through open conferences.



Photographs of the Fourth Asian Museum Network Conference

Promoting design leadership and excellence, and nurturing design talents

The **Institute of Design Knowledge** programme launched in August 2012 is an executive training programme held in Hong Kong focusing on design leadership and innovation management. The HKDC has enlisted a number of world-class design institutes, including Delft University of Technology (The Netherlands), Institute of Design of the Illinois Institute of Technology (United States), and the Helen Hamlyn Centre for Design of the Royal College of Art (United Kingdom), in providing lecturers and content for the programme. Ten out of a total of 40 modules have been completed thus far. A total of 108 persons from 55 corporate and public entities have enrolled in the programme.



Photographs of Institute of Design Knowledge

Themed ‘Designing Change’, the **Knowledge of Design Week (KODW) 2012** was held in Hong Kong featuring three half-day conferences, 13 workshops and two forums. Over 20 world-renowned masters and business innovators took part in the event which attracted over 700 participants.



Photographs of KODW 2012

Nurturing design-preneurs

The **Design Mart** has been an annual event launched since 2010 and was previously held at InnoCentre. It was held for the first time at the Art Mall of K11 on two consecutive weekends in October 2012. 81 design start-ups (including 12 incubatees of the Design Incubation Programme (DIP)) showcased and offered for sale their creative design works and innovative products in an open market setting. The participating design start-ups had gained valuable hands-on business experience from the Mart, and found the business matching sessions very



Photographs of Design Mart 2012

useful. A majority of the participating DIP incubatees had identified new business opportunities.

The HKDC is a strategic partner of the **PMQ** (the former Police Married Quarters at Hollywood Road) project, which seeks to become a creative centre for designpreneurs and a design-led cultural “hot spot”. The HKDC provides strategic advice on programming, international exchange, entrepreneurial support, branding, business development and marketing, etc. The HKDC helps maximise synergy among the PMQ, DIP and other design platforms.



Photographs of PMQ

Public design and other special projects

Terracotta Warrior Inspired Programme, sponsored by the Leisure and Cultural Services Department (LCSD), comprised a series of inspiring competition and activities in visual arts and design with a “Terracotta Warriors” focus, targeting especially at young students. The activities included –

- an animation and video design competition under the Design to Empower programme;
- a Terracotta Warrior product design competition under the Discover Design programme;
- a Fashion Show on Terracotta Warrior relics;
- a parents and kids workshop for making Terracotta Warrior robots; and
- the Terracotta Warrior Inspired Design Exhibition.

More than 170 000 participants took part in the aforementioned activities.



Photographs of 'Terracotta Warrior Inspired Design' Public Art Programme

The **Cornwall Street Park** project sponsored by the LCSD had been completed, with an opening ceremony held on 4 September 2012. Visitors to the redecorated park were impressed by the uniquely curated park environment with a user-centric design focus.



Photographs of Cornwall Street Park Opening Ceremony 2012

The HKDC is working on a legacy booklet on the **Mong Kok Post Office** renovation project. This booklet will be a good reference for future public service delivery projects.



Photograph of Mong Kok Post Office legacy booklet

**Projects and activities organised by the Hong Kong Design Centre
under the 2012 Hong Kong Design Year**

The **HKDY@apm** held in March 2012 featured talks by experts on the value of design and uniqueness of Hong Kong design, games with the audience and a fashion parade.



Photograph of HKDY@apm

Five **2012 Hong Kong Design Year (HKDY) Master Talks** featured designers of various disciplines, who shared their design experience with the public and insights on how design was related to our city and everyday life.



Photographs of HKDY Master Talks

The Hong Kong Design Centre (HKDC) participated in the **2012 Hong Kong Book Fair** for the first time to reach out to book lovers.



Photographs of 2012 Hong Kong Book Fair

The HKDC collaborated with the Hong Kong Tourism Board to organise the programme “**Wine Bottle Art Display**”, as part of the programme of the Hong Kong Wine & Dine Month. A total of 30 giant wine bottles being the works of 11 local renowned local designers were displayed at various tourist spots from mid October to end November 2012.



Photographs of Wine Bottle Art Display

As the finale of the HKDY, **Design Jam Party** crossed over with DETOUR 2012 on 15 December 2012, attracting hundreds of invited guests, students and members of the public.



Photographs of Design Jam Party

The HKDC organised the ‘**Design, I Say**’ campaign where people scribbled and doodled their thoughts on “what is design” on Post-it notes for display at the apm shopping mall. Some of the ideas collected were subsequently developed into outdoor advertising tools. Members of the public were also encouraged to express their views through a dedicated ‘Design, I Say’ website. The website will live beyond HKDY, whereby people in Hong Kong and from all over the world can continue to engage in discussion on design thinking and value.



Photographs of ‘Design, I Say’ campaign

The HKDC partnered with Yahoo! HK in organising the **Emotive Design Campaign**, which invited Hong Kong netizens to vote on their favourite emotive designs. More than 170 000 votes were casted.



Photographs of Emotive Design Campaign

<p>The HKDC will publish a 2012 HKDY Yearbook entitled ‘Design, We Say’ to commemorate the legacy of the campaign, and as an archive of the views and expectations on design as expressed by members of the public. The HKDC will also create a video archive to recount the major milestones and achievements of HKDY, including the successful promotion of design knowledge and the resulting impact on the public at large.</p>	
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**Estimated expenditure in respect of the basic operation of
the Hong Kong Design Centre (HKDC) from 2012-13 to 2015-16**

	2012-13¹	2013-14	2014-15	2015-16²	Total
	\$ million	\$ million	\$ million	\$ million	\$ million
Expenditure					
(a) staff	13.9	14.9	15.8	4.1	48.7
(b) overhead and administration	4.3	4.2	4.3	1.1	13.9
(c) basic programmes ³	12.1 ⁴	6.2	9.1	2.2	29.6
Total	30.3	25.3	29.2	7.4	92.2

Note: The estimated total expenditure will mainly be met by Government's funding support while the remaining balance will be met by sponsorship and other income. Apart from the basic programmes, HKDC also seeks other funding support (including the funding support of the CreateSmart Initiative (CSI) and private sponsorship) to organise additional design-related projects.

¹ The expenditure figures for 2012-13 are actual figures subject to auditing.

² The estimates cover the period from April 2015 to June 2015 (i.e. end of the funding period in respect of the \$70 million provided by the Government).

³ Basic programmes cover research; website and database development; publications; networking activities on the Mainland and overseas; educational seminars; workshops and classes; designer-business networking events, etc.

⁴ The higher expenditure of the basic programmes for 2012-13 was attributable to the income-generating programmes commissioned by Government departments.

**Estimated expenditure in respect of other Government-funded programmes
of the HKDC from 2012-13 to 2015-16**

	2012-13⁵	2013-14	2014-15	2015-16	Total
	\$ million	\$ million	\$ million	\$ million	\$ million
(a) Business of Design Week (BODW) and HKDC Awards	18.0	18.8	19.0	-	55.8 ⁶
(b) Design Incubation Programme (DIP)					
- first phase ⁷	7.1	2.4	-	-	9.5
- second phase ⁸	2.4	11.4	12.4	10.4	36.6
(c) Other projects ⁹	20.3	7.8	4.9	-	33.0
Total	47.8	40.4	36.3	10.4	134.9

⁵ The expenditure figures for 2012-13 are actual figures subject to auditing.

⁶ Of the estimated total expenditure of \$55.8 million for BODW and HKDC Awards, \$37.5 million will be met by Government's funding and the remaining balance by sponsorship and other income.

⁷ The HKDC takes care of the incubatees admitted under the first phase of the DIP, the expenditure of which is funded by the DesignSmart Initiative. Such incubatees are expected to complete incubation by February 2014.

⁸ The Government has undertaken to provide the HKDC with \$42.1 million in total to cover the financial assistance package for the incubatees admitted during the second phase of the DIP and the operating expenditure of the HKDC in connection with the DIP. The estimated expenditure of the second phase of the DIP is expected to extend beyond 2015-16.

⁹ "Other projects" cover only those approved projects supported by the CSI and other sources of Government funding, such as the organisation of the 2012 Hong Kong Design Year. The expenditure in respect of "Other projects" is also partially funded by sponsorship and other income. As most of the projects are carried out in 2012-13, a bulk of the spending is incurred in 2012-13 while the residual portion, which involves smaller amount, is reflected in the subsequent financial years.