

**For discussion
on 9 February 2015**

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

**Update on the Work of Create Hong Kong and
Funding Support for the Hong Kong Design Centre**

PURPOSE

This paper updates Members on the work of Create Hong Kong (CreateHK) in 2014 and seeks Members' views on the proposal to continue providing funding support to the Hong Kong Design Centre (HKDC).

OVERVIEW

2. Creative industries, which cover advertising, architecture, design, digital entertainment, film, printing, publishing, television and music, have been thriving in recent years. CreateHK is a dedicated agency of the Government to drive the development and promotion of Hong Kong's creative industries. CreateHK works closely with the trade to nurture talents, support start-ups, explore markets and foster a creative atmosphere. CreateHK provides project funding mainly through the CreateSmart Initiative (CSI) and the Film Development Fund (FDF) for programmes and events initiated by the trade and relevant stakeholders. In addition, CreateHK also provides funding to support the HKDC's basic operation.

3. Since the establishment of CreateHK in June 2009, a total of \$427 million has been committed under the CSI to support programmes categorised into the following three areas –

- | | |
|--|---------------|
| (a) Nurturing talents and facilitating start-ups | \$125 million |
| (b) Exploring markets | \$160 million |
| (c) Fostering a creative atmosphere..... | \$142 million |

As for the FDF, it has since June 2009 approved 21 film production projects and 92 film-related projects with funding support of about \$59 million and \$166 million respectively.

4. With CreateHK's sponsorship, nearly 400 promotional programmes have been organised in and outside Hong Kong attracting more

than 15 million participants from Hong Kong and over 50 countries and regions worldwide. Some of these programmes helped the participants explore markets by bringing business contacts or enquiries to them. In general, participants of these programmes have given positive feedback on the programmes.

5. On job creation, over 2 900 job opportunities have been created through the promotional and internship programmes funded by CreateHK. It is estimated that over 9 700 other job opportunities have been indirectly created as a result of the implementation of these projects. The Design Incubation Programme (DIP) funded by the Government has since 2006 supported the incubatees to create 732 full-time and part-time job opportunities.

6. On talent development, CreateHK's support has helped create over 29 000 opportunities for nurturing creative talents and start-up companies. Designers, creative teams from advertising agencies, artistes and producers of feature films, animation films and short films have been sponsored by CreateHK to participate in international competitions, and have attained 129 awards since the establishment of CreateHK.

REVIEW OF THE WORK OF CREATEHK IN 2014

Support for the film sector

7. In the past year, CreateHK continued to promote the development of the film sector in consultation with the Film Development Council in accordance with the four-pronged strategy, i.e. encouraging more local film production, nurturing production talent, promoting film appreciation among students and young people to build up audiences, and showcasing and promoting the brand of "Hong Kong Films".

Encouraging film production

8. Four movies co-financed by the FDF were screened in 2014. "Twilight Online" and "The Seventh Lie" were particularly well acclaimed, having won several awards at overseas film festivals¹. "The Midnight After" had box office receipts of \$21 million and was ranked fifth among

¹ "Twilight Online" won the "Award of Excellence – Film Feature", "Award of Excellence – Leading Actor" and "Award of Excellence – Leading Actress" at the Indie Fest, and the "Award of Excellence – Feature Film", "Award of Excellence – Leading Actor" and "Award of Merit – Leading Actress" at the Accolade Global Film Competition; while "The Seventh Lie" won the "Grand Jury Prize Narrative Film" at the Barcelona Film Festival, the "Best Foreign Feature" at the Philadelphia Independent Film Festival Closing Night, and the "Honorable Mention" at the Los Angeles New Wave International Film Festival.

the top ten local movies of 2014. It has also just won the Best Picture and Best Director in the Hong Kong Film Critics Society Awards 2015.

Nurturing film talent

9. The First Feature Film Initiative (FFFI), which selected three winning teams in 2013 to produce their first feature-length commercial films, made steady progress in 2014. Two teams have already completed film shooting while the remaining team commenced shooting in late January 2015. CreateHK will arrange a bidding exercise to help the production teams appoint film distributors for commercial exploitation of the films. We expect that the three films will be ready for theatrical release in late 2015 or early 2016.

Promoting film appreciation among students and young people to build up audiences

10. As an audience cultivation measure, CreateHK provides funding support to the Hong Kong International Film Festival (HKIFF) Society for organising the annual mega event HKIFF. HKIFF 2014, held from 24 March 2014 to 7 April 2014, presented 397 screenings of 300 film titles from more than 50 countries, attracting more than 84 000 viewers. In 2015, CreateHK will provide additional funding for increasing the Chinese subtitling for international films shown at HKIFF, offering ticket discount to students and organising the “Film Plus” programme which enables young people to watch high quality films and participate in post-screening discussions with film professionals.

Promoting the brand of “Hong Kong Films”

11. To promote Hong Kong films overseas, the FDF provides subsidies for local films to compete or participate in international film festivals. Seven Hong Kong movies were supported in 2014. Last year, CreateHK also organised film shows in Guangzhou and Taipei to promote Hong Kong movies, and assisted the Hong Kong Economic and Trade Office in New York to organise a Hong Kong film festival in Boston, United States.

12. The FDF also funds the Hong Kong - Asia Film Financing Forum (HAF), which is organised by the HKIFF Society and has become widely recognised as a significant film financing platform in Asia. The HAF brings filmmakers with upcoming projects from Asia and beyond to Hong Kong for co-production ventures with top financiers, producers, bankers, distributors and buyers. In 2014, 25 film projects from 11 different countries/districts, of which six are Hong Kong production or

co-production projects, were selected for showcasing in the HAF. Some 1 200 visitors from 35 countries joined the HAF. 780 business matching meetings between the film production talents and filmmakers/financiers were arranged.

Location shooting and special effects materials

13. CreateHK facilitates production of local and overseas film and television programmes in Hong Kong. In 2014, CreateHK handled 544 requests for assistance raised by 160 production crews, including 27 overseas crews, on matters such as location scouting, obtaining permission for location filming in public or private premises, lane closure, etc. CreateHK also handled 1 914 filming enquiries. CreateHK also performs statutory functions of issuing licences on the use of special effects materials (e.g. pyrotechnics and inflammable materials) in production of films, television programmes and other entertainment programmes. In 2014, CreateHK issued 1 775 licences for the use of special effects materials in the production of the aforementioned programmes.

Way forward

14. As mentioned by the Chief Executive in his latest Policy Address, the Government will provide additional funding for the FDF to sustain its operation. We will provide details of the proposal to inject \$200 million into the FDF for discussion at this Panel in March 2015.

Support for the non-film creative sectors

15. In 2014, CreateHK continued to support the non-film creative sectors mainly through the CSI. Highlights of the programmes are at **Annex 1**.

16. CreateHK pledges to inform project applicants of the application result within 50 working days after receipt of full information of the application. Among the 94 projects in respect of which the project applicants have been informed of the results in 2014, 79 projects (or 84% of the total) met the performance pledge. In September 2014, CreateHK introduced a new performance pledge on the timely evaluation of completed projects. CreateHK pledges that the grantees will be informed of the evaluation result within 50 working days after receipt of full information of the completion reports. In view of the short time span between September and December 2014, the new performance pledge has not had a single applicable case.

Nurturing talents

17. CreateHK provides funding support to those initiatives which offer internship opportunities to graduates of selected creative disciplines. Under the CSI's sponsorship, digital entertainment and digital advertising companies provide graduate trainees with one-year full-time employment and on-the-job training.

18. CreateHK attaches importance to capacity building for local creative talents. In 2014, CreateHK continued to sponsor programmes such as the Knowledge of Design Week (KODW) and the Institute of Design Knowledge (IDK) programme, in order to provide training and professional development opportunities for enriching the knowledge of design practitioners and the business community. CreateHK's funding support has allowed winners of local award programmes to gain international exposure through work attachment, further study and study tours in overseas countries. Given the overwhelming response for Hong Kong Young Design Talent Award (YDTA) in the past few years, CreateHK has increased the number of YDTA awardees who are entitled to Government's sponsorship for undertaking overseas work attachment or further study from four to 12 in 2014.

19. To honour the achievements of local creative talents, CreateHK offers sponsorship for the organisation of award programmes/competitions such as Design for Asia Awards, Hong Kong Smart Gifts Design Awards, EcoChic Design Award, My Toy Design Competition, etc. CreateHK has also continued to provide incentives for local talents to participate in overseas advertising competitions and short film festivals/competitions.

Facilitating start-ups

20. The HKDC received funding from CreateHK to run the DIP. As at end December 2014, the DIP has admitted 164 incubatees, of which 60 were admitted since May 2012 when the HKDC took over the management of this programme. The incubatees have over the years filed 230 intellectual property rights (including 4 patents, 23 registered designs and 203 trademarks) for registration and attained 165 awards and public recognition, of which 37 were renowned international awards, such as iF Product Design Award and Red Dot Design Award.

21. Regarding the animation sector, the Animation Support Programme helped 15 start-ups/small companies produce original creative animation work for exploring business opportunities and showcasing their works through the Hong Kong International Film & TV Market (FILMART) and television broadcast. One of the awardees was subsequently

commissioned by a leading transport conglomerate of Hong Kong to work on the latter's promotional materials.

22. As for the advertising sector, the Support Programme for Advertising and Music Talents (Microfilm Production) offered funding support and mentorship to 15 advertising production companies. Start-ups were given subsidies for producing microfilms, which featured budding singers. Four start-ups have closed deals with some music labels for producing music/dance/concert videos and TV commercials, while some participating singers and side characters have gained further performance opportunities in feature films and TV commercials.

Exploring markets

23. CreateHK assists local creative industries in exploring markets outside Hong Kong. In general, CreateHK requires or encourages the project proponents concerned to accord priority to small and medium enterprises (SMEs) and first-time participants. In 2014, CreateHK continued to provide sponsorship to the Hong Kong Trade Development Council (TDC) for staging two promotional campaigns in the Mainland, namely the "SmartHK" trade fair in Nanjing and the "Creativity in Business" seminar series conducted in Chongqing and two cities in Fujian. "SmartHK", which attracted some 10 000 trade visitors, provided product showcase for 76 creative establishments from Hong Kong, of which 51 were SMEs which benefitted from Government's subsidies for participation in the event. As for the "Creativity in Business", it promoted the advertising, design, branding and marketing services to potential clients in the Mainland. CreateHK also sponsored the staging in London of an exhibition on selected architecture of Hong Kong and two forums, which attracted over 8 000 visitors and participants.

24. CreateHK also supports the participation of Hong Kong's creative industries in international trade fairs. In 2014, the CSI sponsored for the first time the trade's participation in the Bologna's Children's Book Fair, which is a popular international event dedicated to children's books and an important platform for trading of copyrights. Hong Kong publishers and printers directly promoted their work and services to potential buyers at the major book fairs held in Beijing, Guangzhou, Taipei and Frankfurt. CreateHK also provided sponsorship for eight emerging designer brands to set up a showcase during the Singapore Fashion Week held in May last year.

25. Other CSI-funded market exploration and promotional initiatives conducted in 2014 include a survey on the design landscapes of Hong Kong and Shenzhen; the establishment of an online resources

platform to facilitate business matching between design companies and design service users in Hong Kong and Shenzhen as well as sharing of knowledge and information for Hong Kong and Shenzhen designers; a design exhibition held in Milan, Italy; an animation exhibition held in Taiwan, etc.

26. As in the previous years, the Business of Design Week (BODW) raised Hong Kong's international profile by drawing participants and visitors from overseas countries and the Mainland, including the business and trade mission from Sweden, the partner country in 2014.

Fostering a creative atmosphere

27. CreateHK supports the staging of creative events in Hong Kong with a view to fostering a creative atmosphere in Hong Kong and raising awareness of the achievements of the local creative industries among the general public. In 2014, we supported the staging of several programmes, such as the Hong Kong Asian Pop Music Festival, My 10 Most Liked Hong Kong Architecture in the Century, DETOUR, Fashion Forward Festival, public engagement activities of the annual graduation show of Hong Kong Design Institute, etc.

Way forward

28. CreateHK is conducting a review on the administration and way forward of the CSI. It is expected that the review will be completed by the middle of this year. We will report the findings of the review to this Panel in due course.

FUNDING SUPPORT FOR THE HKDC

Overview of the work of the HKDC

29. The HKDC has been the Government's key partner in promoting design, nurturing design talents, incubating design start-ups and raising the profile of Hong Kong's design sector regionally and internationally. As a key design promotional agency in Hong Kong, the HKDC was founded by the associations representing the interests of the major design disciplines in Hong Kong².

² The founding members of the HKDC are Hong Kong Federation of Design Associations, Hong Kong Designers Association, Hong Kong Interior Design Association, Hong Kong Fashion Designers Association, and Chartered Society of Designers.

30. The HKDC organises programmes targeting the needs of a wide spectrum of the society. For start-ups and young talents, the HKDC is entrusted by the Government for administering the **DIP**, and runs the **YDTA** to enable some awardees to undertake overseas work placement or study abroad. For practising designers and those business executives who are interested in harnessing design to enhance corporate competitiveness, the HKDC offers professional training and continuing education opportunities under the **KODW** and the **IDK** programme. Young people and members of the public have benefitted from the **design exhibitions** and **community programmes** launched for the purpose of advocating the value of design thinking. Hong Kong as a whole also benefits from the business and networking opportunities as well as international limelight and publicity mileage brought by the **BODW**.

31. The HKDC also worked with the trade and related organisations. As a strategic partner of PMQ, HKDC provides PMQ with advisory and operational assistance and supports PMQ in setting up a resource centre. As mentioned in paragraph 23 above, the HKDC co-organised with the TDC “SmartHK 2014” in Nanjing to promote Hong Kong’s design services to potential clients in the Mainland. The HKDC was engaged by the TDC to act as the project manager in setting up the latter’s new Design Gallery at PMQ. HKDC assisted in the design management, design brief writing, and selection of designers and initial design concepts. The Design Gallery was opened in July 2014 with positive feedbacks. The HKDC has also initiated a new cooperative arrangement with the Hong Kong Science and Technology Parks Corporation and the Cyberport Management Company Limited to organise regular management meetings for exchanging views and promoting interactions among engineers, programmers, technologists and designers, including incubatees of the three organisations, and achieving better coordination of programming and marketing efforts.

32. The HKDC has also built up broad networks internationally, regionally and locally through various design knowledge and exchange platforms and design exhibitions. The partners or collaborating organisations of the HKDC range from design education institutions, cultural establishments, design promotional agencies, design and related industry associations and business chambers. The eagerness of overseas economies in establishing partnership with the HKDC in the context of BODW is a testament of the success and value of the HKDC in connecting Hong Kong with the rest of the world³.

³ Since 2005, BODW has collaborated with a partner country each year. Scandinavian countries (2005), the United Kingdom (2006), Italy (2007), The Netherlands (2008), France (2009), Japan (2010), Germany (2011), Denmark (2012), Belgium (2013) and Sweden (2014) were the previous partner countries.

33. The Government has provided funding support for the basic operation of the HKDC since its establishment in 2001. The Finance Committee of the Legislative Council approved vide FCR(2012-13)3 the allocation of non-recurrent funding of \$70 million to support the operation of the HKDC for three years from July 2012 to June 2015. Such operational funding support mainly covers the manpower cost and overheads, which enables the HKDC to undertake programme development of flagship events; conferences and workshops; youth and student programmes; community outreach programmes; international networking and general public relations activities. The HKDC also seeks project funding from the CSI and/or the private sector to implement a majority of the programmes mentioned in paragraph 30 above.

Proposed funding support for the HKDC

34. We consider it appropriate to continue providing funding support for the HKDC. The value added of the design sector has tripled from 2005 to 2013 and the number of jobs increased by 57%. The design sector has also outpaced all other creative sectors in recent years in terms of the increase in the number of jobs and establishments. The growth trend points to the buoyancy of market and increasing demand for design services. The HKDC has certainly played its part, but it would be hard if not impossible to precisely quantify the outcome of the HKDC's work, which is in most cases intangible given the promotional, educational and nurturing nature of HKDC's programmes. Given the growth potential of the design sector, the Government needs to continue making necessary investment in order to enhance the competitiveness of the design sector.

35. The Government has reviewed the operating performance of the HKDC. The HKDC has in the past two and a half years enhanced programming content while continuing to raise the international profile of its signature events such as BODW. Various talent nurturing initiatives conducted by the HKDC have also been well received. From July 2012 to December 2014, the HKDC organised 228 events/activities, which attracted about 1.7 million participants. The number of newspaper clippings exceeded 2 600 and the estimated public relations value generated amounted to \$157 million in total. A brief account of the major initiatives undertaken by the HKDC during the current funding period is at **Annex 2**.

36. Given its proven track record and the important roles it plays, we consider that the HKDC will remain the Government's key partner in supporting the trade. The HKDC has accumulated rich experience and project management expertise in curating and delivering design-related programmes. It has also established itself as a reputable design promotional agency in the international arena. There is no comparable

organisation in the public and non-governmental sector with the expertise and established local and international networks to deliver design programmes of a similar scale as the HKDC.

37. The HKDC, which is a non-profit making body with a public mission, has constrained capability to generate income from its programmes, which are largely promotional, educational and nurturing by nature. Such programmes have so far been unable to generate sufficient income or attract sponsorship and donations sizable enough to fully recoup the cost of the HKDC's basic operation. The HKDC has indicated to the Government that it will not be able to achieve self-financing when the time-limited funding of \$70 million lapses in end June 2015.

38. We consider it appropriate for the Government to continue its funding support for sustaining the basic operation of the HKDC, which will in turn continue its support for the trade. We therefore propose to allocate \$80 million to support the basic operation of the HKDC from July 2015 to March 2019. Major planned initiatives of the HKDC for the next funding cycle are set out at **Annex 3**. The HKDC would require funding support from the CSI for some of the initiatives. This will be subject to the established vetting and approval mechanism of the CSI. The Government will commence a review in 2016 on the financial position and long-term funding arrangement for the HKDC. We will consult this Panel in due course.

Control and review mechanism

39. As in the past, the Government will enter into a funding agreement with the HKDC to set out checks and controls in relation to the use of the government funding provided. Disbursement of funding to the HKDC will continue to be subject to the Government's acceptance of the HKDC's annual plans, operational reports, budgets and audited financial statements. The HKDC will not be allowed to keep and retain any unspent balance of the government funding provided. Any unspent portion of the funding which has been disbursed to the HKDC by the end of the new funding period will have to be returned to the Government.

40. The HKDC will continue to be subject to value-for-money audits by the Audit Commission throughout the new funding period. We will also continue the existing practice of regularly reporting the work of the HKDC to this Panel⁴.

⁴ During the current funding cycle, we reported the work of the HKDC to this Panel vide LC Paper No. CB(4)667/12-13(04) on 27 May 2013, vide LC Paper No. CB(4)590/13-14(03) on 12 May 2014, and vide LC Paper No. CB(4)201/14-15(05) on 8 December 2014.

Financial implications

41. The indicative cashflow requirements of the additional non-recurrent funding support for the basic operation of the HKDC are as follows –

2015-16	2016-17	2017-18	2018-19	Total
\$18,500,000	\$19,500,000	\$20,500,000	\$21,500,000	\$80,000,000

Way forward

42. As mentioned in LC Paper No. CB(4)361/14-15(01), we will include and reflect the above proposed time-limited funding support for the HKDC in the 2015-16 Draft Estimates of the Communications and Technology Branch of the Commerce and Economic Development Bureau.

ADVICE SOUGHT

43. Members are invited to note this paper and comment on the proposal to continue to provide time-limited funding to the HKDC in support of its basic operation.

Communications and Technology Branch
Commerce and Economic Development Bureau
February 2015

Key programmes funded by CreateHK in 2014

Nurturing talents

The **Hong Kong Digital Advertising Industry Fresh Graduate Support Scheme** aims at nurturing talents for the local digital advertising industry. Thus far, a total of 81 graduates have been provided with a one-year full time employment and on-the-job training by the participating advertising companies. Of the 57 graduates who have completed their one-year employment under the scheme, 41 of them remained to work in the digital advertising industry. Career talks, CEO/master talks and open house visits have also been conducted for the benefit of the graduates.



LIVETUBE 2014 is a live music performance platform for 54 budding or un-signed artistes/bands to perform live. The Project aims to nurture creative talents in the music sector by providing a platform for creators/performers to present their music on stage and to facilitate exchanges within the music sector. Each event was video-taped and re-run on the project website and TV. Since LIVETUBE was launched in 2013, three artists have been signed by music labels through participation in this CSI project.



Under the **Hong Kong Young Design Talent Award (YDTA)**, five awardees of the CreateSmart Young Design Talent Award receive \$500,000 sponsorship each and seven awardees of the CreateSmart Young Design Talent Special Award receive \$250,000 sponsorship each to undertake overseas training from six to twelve months in 2015.

The four awardees of YDTA 2013 commenced in 2014 their overseas training in Denmark, Germany, the Netherlands and the United Kingdom.

Upon completing the overseas training, awardees will have to return to Hong Kong to contribute to the development of creative industries for at least two consecutive years.

The Hong Kong Design Centre launched an educational programme, **Institute of Design Knowledge (IDK)** in 2012. The programme offers design and design management training on a flexible module basis. IDK involved a high degree of international exchanges and enlisted a number of world-class design institutes, including Delft University of Technology (the Netherlands), the Institute of Design of the Illinois Institute of Technology (the United States), and the Helen Hamlyn Centre for Design of the Royal College of Art (the United Kingdom), in providing teaching staff, advice and programme contents.

Up till end December 2014, 32 modules have been offered to 542 participants in total.



The **Industry Guideline for the Hong Kong Interior Design Industry** is the first of its kind compiled for uplifting the professionalism of the local interior design industry. Published in June 2014, the Guideline sets out the role and responsibilities and defines the skills and knowledge that local interior design practitioners should possess.



My Toy Design Competition 2014-15 organised by the Federation of Hong Kong Industries aims at nurturing creativity of students and designers and providing them with a platform to showcase their creativity in making innovative toys.



In the 2013/2014 edition of the **“Hong Kong Short Film: New Action Express”**, 57 filmmakers made 79 sponsored trips to participate in various major international festivals or competitions since October 2013. Two awards were attained by the filmmakers during their participation in the international festivals/competitions, namely the “Best Cinematography Award” at 1st China (Hangzhou) International Micro Films Exhibition and the “People Choice Awards” at the 3rd VideoMaker Film Festival in Italy; while some filmmakers gained opportunities to be further exposed to international business development opportunities or further screening arrangement after their showcases in the overseas festivals/competitions.



Facilitating start-ups

Under the **2nd Animation Support Program**, CSI has provided \$80,000 subsidy to each of the 10 participating animation start-ups and \$150,000 subsidy to each of the 5 participating small companies to produce 3 or 5 minutes original creative animation work. A premiere and networking session, an exhibition at FILMART and TV promotion will be launched in early 2015 to promote the works with a view to seeking more business opportunities.



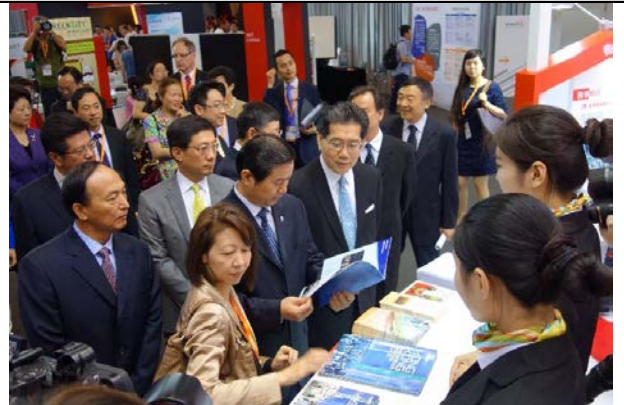
According to those start-ups who participated in the first edition of the programme, the programme facilitated business and network development and gave them exposure opportunities. Eight start-ups have reported successful conclusion of 22 business deals in total.

Under the **Support Program for Advertising and Music Talents (Microfilm Production)**, each of the 15 advertising production start-ups was provided with a subsidy of up to \$80,000 to produce a microfilm, which features new singers. The produced microfilms were promoted through FILMART, TV, social media etc. with a view to attracting potential business opportunities. In addition, two of the microfilms produced won awards in the Second China (Hangzhou) International Micro-films Festival and the Second China (Wuhan) Microfilm Competition.



Exploring markets

SmartHK (Nanjing) held in June 2014 attracted around 10 000 trade visitors. Over 50 companies from the creative sectors have benefitted from sponsorship from the CSI to participate in the exhibition to explore business opportunities. Participating small-and-medium enterprises from Hong Kong have concluded business deals or initial partnership agreements with Mainland enterprises.



In the “**Creativity in Business**” series, a total of over 50 companies participated in the delegations to Chongqing and Xiamen and Jinjiang of Fujian Province in 2014 to showcase their portfolios.



The Hong Kong Institute of Architects (HKIA) Annual Awards 1965-2014 – 50 Years of Hong Kong Architecture was held in London from 30 October to 26 November 2014 to promote Hong Kong’s architectural excellence to the world. The project included an exhibition which featured some 30 selected winning architectural projects recognised by the HKIA Annual Awards, and other outstanding projects of architectural significance from 1965 to the present day. Two opening forums were held with distinguished Hong Kong architects as speakers.



CSI supported Hong Kong's **participation of the printing and publishing sectors in international and major book fairs** held in Beijing, Guangzhou, Frankfurt, Taipei and Bologna. Over the years, the trade received over 1 200 business enquiries at the aforementioned book fairs as a result of Government's support.

In 2014, the CSI sponsored for the first time the trade's participation in the Bologna's Children's Book Fair. Visitors were particularly impressed by the Hong Kong printers' ability to include different special effects (e.g. pop-up, sound, 3D, etc.) in children's books. A total of 199 business enquiries were received by the trade during the said book fair.

With CSI's funding support, Fashion Farm Foundation led eight emerging designer brands participating in the **Fashion Guerilla - Singapore** to set up a showcase during the Singapore Fashion Week in May 2014. These designer brands displayed their latest collections to buyers, distributors and media. Three brands have confirmed buying orders ranging from HK\$20,000 to HK\$80,000 with overseas buyers after returning to Hong Kong. Moreover, a large department store in Singapore offered a free pop-up counter in January 2015 to one of the participating brands to sell its Spring/Summer collection.



Under the **Break the Cocoon, Sparkling Hong Kong** programme organised by the Hong Kong Exporters' Association, an exhibition booth was set up in Ambiente 2014 (one of the largest trade fairs for consumer goods and giftwares in the world) to showcase the winning designs of the second Hong Kong Smart Gifts Design Awards (HKSGDA).

The programme also brought 10 winning designers to Ambiente 2014. They were given the opportunity to present their designs at the Awards exhibition booth, take part in the trade fair activities and visit design and industry and trade organisations in Frankfurt. The winning designs attracted more than 3 000 buyers to visit the booth and 50 trade enquiries were received. One of the winning products, "Flatware Organizer" was also chosen for display in the Ambiente 2014 Solution Exhibition trade hall to honour its functional innovation, together with the 22 other shortlisted products from different countries.



The two-year **Hong Kong/Shenzhen Initiatives** project initiated by the Hong Kong Federation of Design Associations covers the staging of the 4th Hong Kong / Shenzhen Culture and Creative Forum 2013 in Hong Kong, conducting a survey on the design landscapes of Hong Kong and Shenzhen, and setting up an online resources platform.

In November 2014, the initial survey findings on Hong Kong were announced and the final report consolidating findings on Hong Kong



and Shenzhen will be published in February 2015.

The online resources platform “DesignHub” was formally launched in August 2014 to facilitate sharing of knowledge and information for Hong Kong and Shenzhen designers and business matching between design companies and design service users in both cities.

The Hong Kong – Shenzhen Bi-City Biennale of Design held in Shenzhen during September and November 2014 was the first design biennale between the two cities. With eight exhibitions covering different design disciplines, and eight corresponding events (such as forum, fashion show, workshop, design mart, guided tour), the biennale aims at celebrating design excellence and strengthening cross-border exchange. The Biennale has attracted over 680 000 visitors and participants. The CSI funding support covers the participation of the design sector of Hong Kong in the Biennale.



The “**Hong Kong : Constant Change**” exhibition held during the Milan Design Week 2014 demonstrated the creative power of Hong Kong designers and Hong Kong’s vibrant creative landscapes to overseas audience. Creative works from 61 designers / design projects covering 11 categories were showcased in a virtual street of Hong Kong projected in the exhibition hall of the Triennale Design Museum. Over 25 000 visitors were recorded.



The **50 Years of Hong Kong and Taiwanese Animation** funded by CSI was one of the programmes of **Hong Kong Week 2014** held in Taipei in October and November 2014. The program showcased the animation development between Hong Kong and Taiwan over the past 50 years through exhibitions, seminars, discussion forums, screening of renowned Hong Kong and Taiwanese animations to feature the cultural interactions and collaborations between the two places. The program attracted over 47 000 visitors during the 17-day exhibition period.



Fostering a creative atmosphere

The fourth edition of the **Hong Kong Asian-Pop Music Festival**, a core programme of the Entertainment Expo, was held in March 2014. The show consisted of music performance by top artistes and music contest of top new artistes from seven countries/regions in Asia, attracting 6 900 live audience. Hong Kong singer J. Arie won the Super Nova Award during the Hong Kong Asian-Pop Music Festival 2014.

The show was broadcast to over 18 million local and overseas audience through 25 broadcasters in 12 countries/regions. The show was also live-casted in four local cinemas.



An online public voting is arranged for the community to choose **My 10 Most Liked Hong Kong Architecture in the Century**. In this connection, an exhibition will be staged and a series of architecture lectures and guided tours will be conducted with the aims to raise awareness, understanding and appreciation among members of the public of Hong Kong's architecture.



DETOUR 2014 was held from 28 November to 7 December 2014 at PMQ with a wide variety of public engagement activities, including exhibition, workshop, creative mart, design dialogue etc. Satellite events were also held at various locations in Hong Kong to celebrate the creative aspects of our city and for the public to experience the creative culture. This ten-day event attracted over 90 000 participants / visitors.



Through a wide range of public engagement activities and events for industry participants such as buyer and media presentation, demonstration sessions on styling, International Emporium, workshop, seminar, exhibition, the **Fashion Forward Festival 2014** (“the Festival”) aimed at creating exposure opportunity for local fashion designers to showcase their designs and enhancing public awareness on local fashion design.



The Festival runs from mid-December 2014 to end January 2015 featuring more than 25 local emerging fashion brands.



To provide an opportunity for the general public to appreciate the creativity of local young design force, Hong Kong Design Institute organised public engagement activities in the annual graduation show, **Emerging Design Talents 2014 : New Voices** in June 2014. Creative works of design graduates were showcased through different events, including jewellery and lifestyle product presentation, fashion show, image show, music show, multimedia entertainment show and micro film screening. More than 46 000 exhibition visitors and event participants were recorded.



**Major initiatives undertaken by the Hong Kong Design Centre
in the current funding period**

Below is a brief account of the major initiatives undertaken by the Hong Kong Design Centre (HKDC) in the current funding period which commenced on 1 July 2012.

(a) International promotion and networking activities

- HKDC has been keen to forge strategic partnership with neighbouring and overseas economies and counterparts. It signed a Memorandum of Understanding with the Seoul Design Foundation in 2012, participated in a series of Hong Kong - Shenzhen joint design promotion events including the “The 1st Hong Kong - Shenzhen Design Biennale” held in September 2014.
- HKDC has been playing an active role in the Global Design Network by hosting or co-hosting annual thematic symposia in Hong Kong, which serves as a useful exchange platform among the 30 plus influential member associations from around the world.
- In April 2014, HKDC launched the “Hong Kong: Constant Change” exhibition in Milan during the Milan Design Week. The exhibition featured the rich legacy and vibrancy of Hong Kong design, presenting some 200 creative works of 61 Hong Kong designers and design projects.

(b) Community advocacy efforts

- HKDC has been striving to nurture community-wide appreciation and awareness of design through a range of public engagement activities, such as television programmes, exhibitions, master talks, seminars, and integrated design promotion programmes including “DETOUR”, “2012 Hong Kong Design Year (HKDY)” and the “Terracotta Warrior Inspired Programme” sponsored by the Leisure and Cultural Services Department.
- For example, HKDC had co-produced a 13-episode TV drama series entitled “Y2K x Design”, highlighting contributions of the local design industry to Hong Kong’s sustained development. HKDC had also

organised the “Creative Ecologies+ Exhibition” from December 2012 to January 2013 to feature the history and evolution of the local design industry as well as development of Hong Kong’s design ecologies vis-à-vis other Asian cities; and to showcase some iconic works of a diversified group of local designers.

- As the project manager, HKDC helped organise “DETOUR 2013”, which aimed to showcase Hong Kong as a creative hub in the region and to feature inspiring designs from Hong Kong’s young and emerging design talents. DETOUR 2013 included exhibitions, pop-up stores, fashion shows, design workshops, programmes on trams and some 80 satellite events, which together attracted some 60 000 participants.
- HKDC organised the community-wide “2012 Hong Kong Design Year (HKDY)” under the theme “A City Driven by Design”, hosting 19 programmes and events of its own which had attracted some 390 000 participants; and helping to promote another 44 activities with strategic partners and other organisers. These programmes fell under four specific themes: nurturing design talents, creating business value, bettering life and celebrating Hong Kong’s design excellence.
- As a sequel to the 2012 HKDY, HKDC launched a series of four “Designing Change” roundtables in 2013 and 2014 to gather the views, insights and recommendations of the participating academics, professionals, and executives in the corporate and public sectors on various design topics, and to carry forward the spirit of “A City Driven by Design” spirit.

(c) *Youth programmes*

- HKDC had strived to broaden the design horizons of secondary school students and those at tertiary level, and to inspire their creative thinking through a series of programmes including “Design to Empower”, “Discover Design” and “International Summer Camp”. Such programmes comprised design seminars, master talks, workshops, dialogue with designers and cultural activities.

(d) *Integration of design into the business and public service sectors*

- HKDC has been advocating the value of design for business to corporate leaders, entrepreneurs and senior professionals. It organises the “Business of Design Week (BODW)” annually with a partner

country (e.g. Belgium in 2013 and Sweden in 2014), which is widely recognised as a premier international exchange and networking event in Asia dedicated to design, innovation and brands. Notable personalities are invited to share ideas of good designs, creative mindset and enterprising spirit with the participants. The BODW 2014 programme covered conferences, forums, design awards presentation, networking and business matching activities, and nine concurrent events, attracting some 100 000 participants and visitors.

- HKDC also organises “Knowledge of Design Week (KODW)” annually as a knowledge learning and networking platform for business executives, design practitioners and professionals. KODW 2014 was held at the PMQ under the theme “Design Service Futures for Retail and Hospitality” in view of the significant contribution of the relevant sectors. Some 550 participants took part in the related conferences, seminars and workshops.
- HKDC has established the “Institute of Design Knowledge (IDK)” which is a virtual institute serving as a continuous learning platform for decision makers, business executives and professionals. The pilot “InnoDesign Leadership Programme” launched under IDK is a learning programme for executives focusing on design leadership and innovation management. Lecturers from world-renowned design and education institutes share their experience and insights on a wide range of design practices and management issues. By end 2014, 32 modules have been completed with 542 participants. Two of the modules have been offered as a new Design and Innovation elective under the EMBA programme of The Chinese University of Hong Kong.
- HKDC was commissioned by the Civil Service Training and Development Institute to organise four training sessions on service innovation and implementation, involving the participation of 142 civil servants. Similar bespoke workshops entitled “Unleashing Leadership Quality” will be arranged for 40 executives of the Department of Health.
- HKDC had helped Hongkong Post and the Leisure and Cultural Services Department adopt a design-oriented approach in delivery of public services. Such projects involve renovation of the Mong Kok Post Office and the Cornwall Street Park.

(e) *Celebrating design excellence*

- HKDC continues to run the “Design for Asia Awards” (formerly known as “HKDC Awards”) annually to celebrate design excellence and commend the outstanding achievements of business leaders, designers and design practitioners.
- With enhanced research, promotion and publicity efforts, Design for Asia Awards 2014 received a record high of 1 024 entries (970 for 2013) from 23 countries and regions. Hong Kong designers accounted for 48 of the awarded entries including two Grand Awards and one Special Award out of a total of 168.

(f) *Nurturing of design start-ups and talents*

- HKDC has been administering the “Design Incubation Programme (DIP)” since May 2012, and has fully achieved the target of recruiting 60 incubatees over a period of three years. As of end January 2015, all the incubatees taken over from the Hong Kong Science and Technology Parks Corporation and 17 out of the 60 incubatees admitted by HKDC have successfully completed incubation. HKDC has strengthened the scope and intensity of its support services for the incubatees, particularly with regard to business advice, mentorship and problem solving.
- The “Hong Kong Young Design Talent Award” had a record high of 193 nominations in 2014, and 18 design graduates and young design practitioners were awarded. With the benefit of additional CSI funding, 14 winners will receive financial support (versus six in 2013) for their overseas work placement or further study.
- HKDC organises Design Marts to enable design start-ups to showcase creativity and market their services and products. In 2014, 59 design start-ups (including 22 DIP incubatees) participated in the Design Mart held at a major shopping mall, which took the form of a three-day design carnival. The sales turnover was close to HK\$450,000. Many participants have obtained further business opportunities in the form of custom order, consignment with shops, collaboration with factories in terms of product design and development and exhibition opportunities.

Major Planned Initiatives of the Hong Kong Design Centre (HKDC) in the Next Funding Period

The HKDC's missions are to promote design and design thinking as value-added input to enhance Hong Kong's credentials as a creative city and vibrant design hub in the region; and to integrate strategic design and innovation into business, economic and societal developments.

International Promotion and Networking Activities

- Continue to foster international cooperation, and reach out to a wider cluster of Government, business and design contacts especially beyond the current geographic coverage.
- Organise overseas promotional activities to enhance Hong Kong's eminence as an international design hub and a creative city in the Asian region.
- Continue to participate in prominent design-related events in the Mainland or overseas to promote Hong Kong design.

Community Advocacy Efforts

- Continue to organise exhibitions, public forums, talks, workshops, ad hoc community-wide events and activities, etc. to promote Hong Kong design and awareness of design among the general public.

Integration of Design into the Business and Public Service Sectors

- Continue to organise the Business of Design Week and the Knowledge of Design Week.
- Enhance the business relevance, programme impact and legacy work of the Business of Design Week and Knowledge of Design Week.
- Intensify engagement with Government bureaux and departments in regard to the application of design and innovation to improve public service delivery.
- Review the future development of the InnoDesign Leadership Programme and the development model of the Institute of Design Knowledge.

Celebrating Design Excellence

- Continue to organise the Design for Asia (DFA) Awards with a particular focus on increasing entries and related income.

- Develop the DFA brand into a premier and high-quality international awards programme in Asia and the Mainland.
- Further enhance the DFA Awards Book as a major awards legacy.

Marketing and Communications, and Partnership Efforts

- Devise and implement a proactive marketing and communications strategy on corporate and programme level.
- Enhance corporate appeal to support HKDC's mission and programmes.
- Promote good design and local designers through various media channels.
- Enhance legacy through publications and multi-channel communications including digital.

Nurturing of Design Start-ups and Talents

- Engage in the administration of a new Design Incubation Programme (DIP) in consultation with the Government.
- Further enrich programme contents and mentorship service for DIP incubatees to advance their entrepreneurship, and understanding of the market and branding.
- Continue to organise Design Marts at different venues and occasions.
- Continue to organise the Hong Kong Young Design Talent Award to recognise achievements of young designers or design graduates and to offer opportunities for overseas placement or further study.

Collaboration with Police Married Quarter (PMQ)

- Enhance mutual cooperation and strategic partnership with PMQ, in terms of programming, joint entrepreneurship training, networking and promotional efforts.

Note: This Annex sets out the major planned initiatives of the HKDC for the next funding cycle. The HKDC plans to seek funding support from the CreateSmart Initiative (CSI) for some of the programmes/activities. Funding support from the CSI is subject to the established vetting and approval mechanism. Where necessary, the Government may also commission the HKDC to undertake specific projects with additional funding.