

S. C. M. P.

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AmCham, the growing US voice

By the end of 1969, there were 212 active members of which about 200 were company chartered members representing a majority of the noticeable American corporations here at the time. The rest of the founding membership was made up of individual entrepreneurs.

Since then AmCham's numbers have risen to the current membership roll of some 1,500.

One of the reasons for AmCham's success probably lies in its democratic committee structure. There are 17 active committees which carry out most of the creative, non-administrative activities.

The committees are headed by elected chairmen who hold their respective positions for a year. The ultimate choice of who is to head which committee is left to the president.

There is a nominations committee that requests nominations once a year from the existing chairmen.

The presidency is an honorary elected position; this year's president is Mr Tom King.

What one member described as a steady order of succession means it will be no surprise when Mr Frank Martin of the Bank of Canton is elected as the next president.

In order to maintain the day-to-day running of the chamber an executive director is appointed as the only paid employee. The man who fills this position is Mr Raymond Purl, whose other main function is to act as the official public representative of the chamber.

AmCham Hongkong is a voluntary non-profit organisation which was incorporated with limited liability under the Companies Ordinance for the specific purposes of developing commerce between Hongkong and the United States, and advising on Hongkong-related investments in the US.

It seeks to "represent, express and give effect to" the relevant opinions of the American business community in Hongkong, particularly in the trade, commerce, finance and industrial fields.

Just over 13 years ago, a small group of American business people banded together to form the Hongkong chapter of the American Chamber of Commerce. From those small beginnings has emerged a group prominent in the Colony's business life. FELICITY STAPLEY investigates.

The chamber also promotes commercial and technical education, through scholarships and training programmes for young people intent on a commercial career.

There is a variety of memberships available, from company charter and individual charter members to honorary membership, which is restricted to those voted to it.

Company membership is open to firms or corporations in which American nationals have a majority interest.

Company associate membership can be acquired by firms or corporations in which the majority interest is other than American but which do have interests in trade or other activities between the US and Hongkong. Non-Americans can become individual associate members.

An institutional membership scheme is open to any legal entity or non-profit organisation primarily concerned with education. Educator/student membership is open to the faculty or administration of an institutional member. Any student deemed qualified to benefit from membership can do so whether the institution he or she attends is a member.

Voting rights are limited, with company members entitled to one voting representative and individual members entitled to one vote; all other types of membership are non-voting.

The entrance fee for corporate organisations is HK\$1,650 — with lesser amounts for individuals — which is fairly modest com-

pared with other chambers.

There is also an annual fee of \$1,650 for the company voting representative and \$550 for each additional company member. Many local companies, especially the banks, have between 30 and 35 additional members.

AmCham is an off-shoot of the Association of American Chambers of Commerce in the Asia Pacific region, which covers the whole of Southeast Asia and Australasia.

Its chairman-elect, Mr Bob Adams, said his organisation (which came into existence at about the same time as AmCham) "basically looks after the concerns of American businesses in Asia.

"While AmCham is geared to looking after local interests, we deal mainly with problems that are not just related to one country but have a common element with regard to Washington or a host country."

This year's chairman of AmCham's independent American business committee, Mr Eric Rasmussen, said:

"Unless one is in a position to take advantage of the opportunities that come up through the various committees, the cost of a small company joining and remaining a member of AmCham is not justified.

"That is why we are trying to introduce as many types of services as possible. These new services are specifically geared towards solving our members' financial and organisational problems."

Expanding on the theme, the chairman of the transport

committee, Mr John Christie, said:

"Personal recognition in the business world can't hurt anybody, although there is an unwritten law within the chamber that an individual is not supposed to advertise or publicise his own companies."

The chairman of the business expansion committee, Mr Paul Cheng, is a Hongkong-born Chinese with dual nationality. "I grew up in Hongkong but I hold an American passport, so I can go both ways to my advantage.

"I joined AmCham because I work for an American company. My committee was set up to help encourage investment here in Hongkong and provide any information and assistance we can to US businessmen.

In particular, he mentioned "those coming into Hongkong for the first time and needing some basic information about Hongkong rules and regulations.

"Basically we serve them through information and data. For example we could help them to decide whether or not they should open up a regional office or set up a plant here in Hongkong."

In addition, his committee works "to enhance the US community presence image in the local community, which we are doing with programmes such as the Summer Careers for Youth."

AmCham also plays a vital role in the delicate relationship between China, the United States and Hongkong.

According to an AmCham member, Mr Gage McAfee: "In 1963 America sent a diplomatic letter to China and one of the subjects they broached was the position of Hongkong. The Chinese responded that Hongkong was an integral part of China that can be historically explained.

"At that time the Chinese publicly stated that the date 1997 does not play a role because the treaties were unequal and that means in international legal terms they are virtually not valid, so 1997 is a non-issue.

"I suppose that China will define the right time to start talks. I do know that I travel

S.E.M.P.

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into China quite frequently and in our case we don't ever talk about the future of Hongkong in terms of 1997. What we do talk about is the immediate future of Hongkong in connection with off-shore oil exploration.

"We have also suggested to the Chinese authorities that AmCham would be in a position to help them establish training facilities in Guangzhou or elsewhere, should they require this help.

"Everybody agrees, including myself," he said "that China should set up its own training facilities as soon as possible.

"AmCham itself, however, is not in a position to set up training programmes in China; we don't have the capacity. What we could do though is to act in a liaison capacity by trying to help members identify investment opportunities.

"The only way we can help China is to provide as much information as they need including locating funding. For example, maybe the Rockefeller Foundation or the Ford Foundation might be in a position to donate funds.

"The oil companies will of course be reluctant to help until they know exactly what their involvement will be. They don't want to commit themselves to that kind of project until they are sure that they are going to invest in China and even that is not clear at present because they are still negotiating for their own contracts."

The chairman of the energy committee, Mr Bernd Gerhard Knoll (the only German to head an AmCham committee), added:

"The energy committee is

mainly made up of bank-related people. That gives you a fairly good idea of who controls the energy industry in Hongkong.

"The banks are represented by people who are trying to monitor energy developments in China and provide liaison to member companies. The actual execution of projects is up to the members themselves.

"The energy committee recently attended a seminar in Guangzhou which dealt specifically with two of the support issues: AmCham support for off-shore oil industry and exploration as it occurs in the foreseeable future.

"We also held talks with a delegation of the China National Oil Corpn about a month ago when they were in Hongkong. At that time we made a few recommendations."

This year's head of the China relations committee, Mr Bob Cook, who recently headed an AmCham delegation into South China at the invitation of the Foreign Trade Bureau of Sichuan, said:

"In Sichuan our delegation was given the opportunity to explain the aims of AmCham in Hongkong." This was an opportunity of particular interest "because we had heard of the new economic reforms in that part of China.

"The Foreign Trade Bureau then explained to us what their position was and what their plans and aims were. They also told us that while most of their foreign trade is now done through the coastal provinces of Guangdong and Shanghai, they hope to expand inland to Sichuan where there are about 100 million people.

"On another trip I made to China earlier this year I was very interested to see large notices displayed at many of the factories and plants we visited," Mr Cook said.

"The notices displayed the letters TQC — top quality control — part of a new programme that has recently been implemented all over China."

AmCham's China relations committee would like to organise more trips of this nature. But, as Mr Cook said, "the problem we are facing now — and I think all businessmen in Hongkong are facing it — is that time is short."

"Whereas two years ago we could organise a trip and take off when we liked, now it's much more difficult to get a group of businessmen together who are free at the same time."

AmCham is so representative of American interests in Hongkong that on a recent trip back to the United States on what they call an annual door-knock exercise, some of the chamber's top people met at the State Department for a one-hour briefing with the Reagan administration's national security advisers.

A member of the board of governors and a past president of AmCham, Mr Glendon Rowell, said: "We were highly encouraged by the Reagan administration's standing on issues that are close to our hearts."

AmCham's executive director, Mr Purl, added: "We are now more systematic in influencing legislation in Washington for the ultimate benefit of business in Asia and specifically in Hongkong."