

SPECIAL REPORT

A quarter-century of service to industry

By FRANK MURDOCH

It would be difficult to exaggerate the contribution made by Hongkong's Trade Development Council — which today celebrates its 25th birthday with an Open Day at the Hong Kong Conference and Exhibition Centre — to the economy over the past 25 years, or indeed the part it will continue to play in future.

The figures, however, speak for themselves and they are truly impressive. Hongkong's total volume of trade has risen 71-fold since 1966, the year the TDC was established. Growth in re-exports during the same period recorded a phenomenal 224-fold increase.

Despite Hongkong's emergence as a regional business and financial services centre, trade and manufacturing remain critical to the territory's economic performance.

Of Hongkong's total labour force, 26 per cent is employed in manufacturing. However, taking all related fields such as banking and finance, transport, insurance, communications and business services into account, it could be said that about 50 per cent of Hongkong's work force is actually engaged in activities related to trade and industry.

In addition, two million workers in China are employed by about 14,000 factories engaged in outward processing activities for Hongkong.

Total trade, including imports, exports and re-exports, equates in value to more than 2.3 times Hongkong's total gross domestic product (GDP). The val-

ue of total exports alone is 1.2 times the territory's GDP. Despite its diminutive land area, Hongkong is the world's largest exporter of garments, toys and watches and the largest importer of textiles and watch movements.

Since all the territory's foodstuffs and raw materials have to be imported, it continues to be totally reliant upon effective sourcing and successful exporting in order to sustain its economy and generate growth.

With more than 400 foreign buying offices established locally, the territory can claim to be one of the world's major merchandising centres. Indeed, it is the 11th largest trading entity in global terms.

Such an achievement would not have been possible without long-term planning, a stable government and, of course, considerable expertise in manufacturing and marketing.

The TDC promotes exports, imports and re-exports through the provision of information, contacts and product exposure. Its maxim: "We create opportunities", is apt.

Its overall objectives are:

- To develop new markets, diversify product lines and increase the competitiveness of Hongkong products in quality and design.
- Establish Hongkong as the "trade fair capital of Asia".
- Provide market intelligence, through research and trade enquiries, to those who use its services.
- Achieve effective direct marketing by way of publications, trade missions, exhibitions, shows, etc.

- Improve the image of Hongkong and the territory's products.

The Council has an ambitious worldwide programme for this year and next. It has planned 242 overseas promotions (one for every working day of the year). Last year, more than 5,000 companies participated in TDC-sponsored events, which together generated \$12.3 billion in business.

The Council, in its constant quest to expand and develop new markets, always precedes any fresh move by exhaustive research. In the past few years, the TDC has pioneered and penetrated many new markets — Japan, Russia,

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Eastern Europe, Latin America, Taiwan, South Korea, Vietnam and other Southeast Asian nations.

With the completion of the Hongkong Convention and Exhibition Centre, the council has been consciously expanding local trade fairs in order to make Hongkong Asia's "trade fair capital" and also to take advantage of the world class facilities available at the centre.

The TDC has expanded the size and scope of its existing trade fairs, many of which now occupy every available exhibition space at the centre. It organises and participates in a total of 22 fairs held locally each year.

In 1990, TDC-organised trade and consumer fairs attracted more than one

million consumers, 94,000 trade visitors, and 3,300 participating exhibitors. More than 20,000 overseas buyers came to these fairs, benefiting the hotel and tourist trade to no mean degree.

These figures reflect growing recognition by the international business community of Hongkong's strategic value as a trade fair capital.

To support the expansion of local trade fairs and the TDC's high quality overseas promotions, the Council built a special Exhibition Services Centre in Yuen Long to provide back-up for its promotions. The centre's staff will design and produce custom-built booths

Campaign with seminars and exhibitions.

Taking a leaf out of its own advice book the TDC, which is ever conscious of the need to adopt or adapt to new technology, revolutionised its computerised information to the business sector in March this year.

The introduction of the TDC-Link provides users with a much expanded and up-dated version of the previous on-line retrieval trade information system. It enables local businessmen to access the Council's extensive database direct from their own office desks.

The menu of information now includes overseas trade enquiries, name lists of overseas importers and Hongkong manufacturers and exporters, import regulations, market profiles, local industry profiles, textile quota prices, foreign exchange and interest rates, shipping news, and TDC news and promotions schedules.

TDC-Link now has more than 1,000 subscribers and plans are in hand to develop the service even further.

As well as its Trade Enquiry Service, the TDC also received more than 330 foreign trade delegations to Hongkong last year, many of which were buying missions. The council's Incoming Mission Section arranges their programme and puts these visitors in touch with manufacturers and exporters.

Another important medium for keeping the international trading community alert to Hongkong's manufacturing capabilities is the TDC's stable of 10 industry-specific publications, mailed free to a target audience of 2.5

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million buyers and decision-makers in more than 100 countries.

These include Hong Kong Gifts & Premiums, Hong Kong Household, Hong Kong Jewellery, Hong Kong Toys, Hong Kong Electronics, and the new Hong Kong Garments & Accessories which supplements the TDC's prize-winning fashion magazine Hong Kong Apparel.

In addition, the TDC newspaper, Hong Kong Trader, which was recently up-graded to a monthly, achieved a circulation in excess of 40,000, being distributed to 140 different countries. This publication is now available on all Cathay Pacific flights.

The effectiveness of these publications in reaching potential buyers is demonstrated by the advertising response rate of the TDC's flagship magazine, Enterprise... on average, each advert generates 200 responses.

Understandably, the TDC's Research Department plays a significant role in gathering much of the information which is disseminated among the territory's entrepreneurs.

This department works closely with the Council's network of overseas offices

to collect the most up-to-date market information.

Last year some 70 research reports were produced covering market information on countries in each of the continents. Total circulation of these reached 123,000 during the 12-month period.

Much of this work, such as a recent survey on Hongkong's re-exports; market potentials in Vietnam, South Africa, Brazil, Czechoslovakia; a report on the Single European Market; and studies concerning Hongkong's industries, is widely used by people in the trade.

The department's own monthly magazine, Overseas Market News, which has more than 7,000 Hongkong subscribers, provides market intelligence to the local business community.

To meet an expanding local demand for practical trade skills in fields such as marketing, design, distribution, documentation and foreign languages, this year the Research Department has launched a programme of workshops, seminars and training courses.

As well as conducting seminars and training courses this section also offers its professional services to companies specialising in organising conventions,

conferences and related trade exhibitions.

As the marketing agent for Hongkong, the TDC invests heavily in market intelligence and effective communication.

The TDC maintains in-house a trade library and four specialist libraries on China trade, electronics, fashion and design. These facilities have proved popular and attract more than 60,000 visitors a year.

Close liaison with people in the industry is maintained through specific advisory committees and they are kept informed of the TDC's activities by direct mail, brochures and pamphlets.

A regular user of the TDC's services, Ms Annabella Lau, personal assistant to the chairman of Tse Sui Luen Jewellery (Holdings) Ltd, said: "As a member of the TDC's Jewellery Advisory Committee (JAC) and the China Trade Advisory Committee (CTAC), I have found the TDC's services to be highly efficient and professional. Information papers, reports and circulars are always received on time.

"The TDC's jewellery exhibitions are also organised with professional aplomb and the China TAC gives its members good opportuni-

ties to explore business and trade ties with the mainland," said Ms Lau.

Another enthusiast and supporter of the TDC, Mr Tony Fong, director of South Chia Artcrafts and Gems Co Ltd, said:

"Our company uses its services to expand our horizons. We also participate in trade shows held under the TDC's auspice as these events help us to widen our market and get to know many more people in the industry both locally and internationally.

"For similar reasons, we also attend many of the seminars and lunches organised by the TDC," said Mr Fong.

Last year, the TDC issued more than 1,000 press releases which generated 10,000-odd pressclippings.

More than 65 advertisements were placed to generate exhibitor participation and buyer/visitor attendance at TDC trade fairs and overseas exhibitions. Some 85 foreign journalists were invited by the Council to visit Hongkong.

To introduce the territory's talented clothing designers to the local market and generate greater interest in Hongkong fashion, during the 1990/1991 year the TDC's Fashion Co-ordination and Press Sections organised 18 lunchtime fashion shows at major Hongkong hotels.

With its extensive overseas trade promotion programme, executed through 19 foreign offices and 14 consultancies established in every major trading centre around the globe, the TDC is well equipped to help maintain the angle and rate of climb on the territory's export graph.