

Hong Kong Business Update

A Biweekly Publication of Commercial Opportunities



April 22, 2004

Inside This Issue

- * Security Trade Show Organizer Offering Special Discount to US Exhibitors*
- * Market Opportunity for U.S. Companies that Provide Radio Frequency Identification Solution*
- * China Developer's Plan to Change Affordable Housing to Guesthouses*
- * Dates for Upcoming Trade Shows in Hong Kong*
- * Asia Now*

INTRODUCTION:

This free, biweekly, e-mail service is compiled and published by the Commercial Service, U.S. Consulate General Hong Kong. It is designed to provide U.S. companies, government officials and other interested parties with information about the latest business developments and commercial opportunities in Hong Kong. For further information regarding any items in the Hong Kong Business Update, please send an email to the individual specialists listed below.

The U.S. Commercial Service offers various services to help U.S. companies access the Hong Kong market or through Hong Kong into China. Please visit our website:

<http://www.buyusa.gov/hongkong/>.

1. SECURITY TRADE SHOW ORGANIZER OFFERING SPECIAL DISCOUNT TO US EXHIBITORS

Hong Kong Exhibition Services is offering the following special discounted package to US exhibitors of Asian Securitex 2004:

- ❑ US\$3,420 for a standard 9-square meter booth. The cost includes an upgraded special design available only to US exhibitors. (The original booth rental is US\$3,735 without upgraded design.)
- ❑ Hong Kong Exhibition Services will consider accepting 6-meter booth rental from US suppliers of communication equipment for safety & security applications at a special rate of US\$2,280.

Asian Securitex is a biennial international trade event featuring the latest safety and security equipment. There was a heavy emphasis on biometrics, which the United States has a competitive advantage, on the 2002 show. For the upcoming event, transport and travel security will be the focus, along with biometrics.

U.S. safety & security equipment suppliers interested in the Asian market should consider taking advantage of this opportunity. For further information, please contact the organizer, Ms. Alice Chen via e-mail at alice@hkesallworld.com with a copy to Ms. Olevia Yim of this office via e-mail at olevia.yim@mail.doc.gov for follow up.

- ❖ The Commercial Service has prepared a market brief on the Safety and Security market in Asia, please visit our website at www.export.gov to get a copy.

2. MARKET OPPORTUNITY FOR U.S. COMPANIES THAT PROVIDE RADIO FREQUENCY IDENTIFICATION SOLUTION

Radio Frequency Identification Technology is in demand in Hong Kong. Post has received a number of inquiries from local IT contacts requesting suppliers of RFID products. One of the requests is from members of RTIA (Hong Kong Retail Technology Industry Association), who is looking for vendors for RFID (Radio Frequency Identification) products, particularly those of EPC (Electronic product Code) standard. Please contact Commercial Specialist Fanny Chau at email: Fanny.Chau@mail.doc.gov, Tel: (852) 2521-3721, Fax: (852) 2845-9800 if you are interested in this business opportunity.

3. CHINA DEVELOPER'S PLAN TO CHANGE AFFORDABLE HOUSING TO GUESTHOUSES

China National Real Estate Development Group Corp (CREA), China's biggest developer, is pressing ahead with a plan to buy 20,000 vacant Home Ownership Scheme (HOS) flats in Hong Kong and turn them into guesthouses. HOS is one of the Hong Kong government's initiatives to provide affordable housing for its people. According to Mr. Meng Xiaosu, Chairman of CREA, this is a timeshare accommodation concept in line with the central government's drive to support Hong Kong, and bolster the Hong Kong tourism industry and create job opportunities in the territory. The scheme would allow travelers, from hundreds of cities in China, to acquire accommodation rights on a weekly or monthly basis.

CREA, which has business in more than 200 Chinese cities, claims its proposal would bring in an extra USD3.9 billion a year and create 20,000 jobs in Hong Kong.

Home prices reportedly have climbed 15 to 20 percent since late August when CREA announced its proposal. Discussion with the government, however, was still ongoing since March 2003 because of criticism from hoteliers who are worried a large supply of HOS flats-turned-budget guesthouses would deal a blow to the local hotel industry.

Once approved, CREA's plan poses opportunities for U.S. suppliers of interior decoration building materials.

For assistance and information, please contact Ms. Elanna Tam, Commercial Specialist, U.S. Commercial Service, American Consulate General, e-mail: elanna.tam@mail.doc.gov

4. DATES FOR UPCOMING TRADE SHOWS IN HONG KONG

The following trade shows will be held at the Hong Kong Convention & Exhibition Center. For more information, please contact our commercial specialists.

- Hong Kong Franchise & Business Opportunities Expo, June 20-23, 2004
Ms. Swee-keng Cheong at swee-keng.cheong@mail.doc.gov
- Hong Kong International Film and TV Market (Filmart), June 23-25, 2004
Ms. Alice Lai at alice.lai@mail.doc.gov

5. ASIA NOW

Commercial Service Industry Specialists from Hong Kong will join their colleagues to provide on-site counseling and business support at the following Asia Now ShowTime events:

- Entech Pollutec Asia 2004, June 3-6, 2004
Ms. Olevia Yim at olevia.yim@mail.doc.gov
- CommunicAsia 2004 in Singapore, June 15-18, 2004
Ms. Alice Lai at alice.lai@mail.doc.gov

INTERNATIONAL COPYRIGHT, U.S. COMMERCIAL SERVICE AND U.S. DEPARTMENT OF STATE, 2004. ALL RIGHTS RESERVED OUTSIDE OF THE UNITED STATES.