

Bringing the world to Hong Kong

INVEST HONG KONG

What do luxury car-maker Rolls-Royce, information storage provider EMC Corporation, global direct-seller Amway and international airline Kenya Airways have in common?

At first glance, not much, apart from the fact that they are all leaders in their respective industries. But think again, they all chose Hong Kong as the base for their global/regional headquarters or as the location for their Asian expansion.

Along with Swedish biotechnology firm Perbio Science, Danish casual shoemaker Ecco, hotel-marketing company IndeCorp Corporation and US information technology firm Rainbow Technologies, they are among a sizeable list of foreign companies that see the benefits of doing business in Hong Kong.

These benefits are many – a simple taxation system and low tax, rule of law and independent judiciary, outstanding financial systems with world-class business and technology infrastructure, close proximity to Mainland China, free flow of information and a clean and efficient civil service. While these are all important factors in attracting foreign companies to Hong Kong, the role of Invest Hong Kong (InvestHK) in providing inward investment support services to prospective and existing foreign investors is indispensable.

Achievements of InvestHK

InvestHK's mission is to attract investment to Hong Kong and to help foreign companies establish their businesses here. Last year was an exemplary year for the agency. It attracted and successfully assisted 142 foreign companies to set up or expand existing operations in Hong Kong. The projects generated total investment of more than HK\$2.49 billion and created over 2,400 jobs. Leading Italian fashion retailer Giorgio Armani, for instance, established its Asian headquarters in Hong Kong. It also chose Hong Kong as the location for its largest flagship store in the world outside Milan.

“Hong Kong has maintained its position as one of the best business hubs in the world,” Head of Marketing & Events for InvestHK, Ms Mimi Lam, said.

“Despite the sharp decrease of about 24% of the overall direct investment value in the Asia-Pacific region, Hong Kong has seen an extraordinary performance in attracting direct investment.”

InvestHK's success in attracting business is evident from the decisions of a string of corporate giants to relocate to Hong Kong. For example, Europe's largest

electronics company, Royal Philips Electronics, and the world's second largest cigarette producer, British American Tobacco, moved their Asian headquarters to Hong Kong from Singapore and Malaysia, respectively. Hong Kong remains the location of choice for foreign companies to launch international brands in the global market and the best springboard for accessing the Mainland market.

“The remarkable achievements we have seen already encourage us to try to do even better. We know we are heading in the right direction,” Ms Lam said.

A roaring success at the IPA Awards 2003

InvestHK's hard work in promoting Hong Kong's advantages was recognised at the inaugural Asia Pacific Investment Promotion Agency (IPA) Awards 2003 organised by Strategic Direct Investor magazine, a Euromoney Institutional Investor publication. It won Best Overall Managed IPA, Best North Asia IPA, Best IPA in Creating Partnerships and Best IPA in Attracting Financial Services Investment.

InvestHK was also runner-up for the Best Marketing Campaign, the Best Targeted Strategy and the Best Client Service Provision.

The Director-General of Investment Promotion at InvestHK, Mr Mike Rowse, was runner-up in the CEO Lifetime Achievement category.

InvestHK was also named “category winner” in the Banking, Financial Services category by the Superbrands Council of Hong Kong, which consists of senior advertising and marketing professionals, including DDB Hong Kong, Grey Global Southeast Asia, D'Arcy, Saatchi & Saatchi, and Bates Advertising.

“These wonderful awards will encourage us to work even harder and more effectively to promote Hong Kong as the leading international business location in Asia,” Mr Rowse said.



Director-General of Investment Promotion, Mr Mike Rowse (fourth from left) and several investors who have established offices or expanded their businesses in Hong Kong.

One-stop shop for investment support services

Established in July 2000, InvestHK is charged with attracting and retaining economically and strategically important investment that brings benefits to the Hong Kong economy. Since then, it has completed over 400 projects, attracted more than HK\$7 billion in investments and created over 6,000 jobs.

“Setting up a business is not just opening an office,” Ms Lam said. “It involves information gathering, site visits, business matching or interface with government departments. Our mission is to ensure that companies have all the support required to establish or expand operations and continue to prosper in Hong Kong.”

Hong Kong dragon back on international stage

After the lifting of the World Health Organisation's travel advisory on Hong Kong after the restrictions due to SARS, InvestHK embarked on an intensive programme to relaunch Asia's world city to the international community.

To boost morale and build long-term confidence both locally and overseas, InvestHK sponsored the exhibition match featuring the Premier League Liverpool Football Club in July 2003. Despite the sweltering heat, 40,000 local and expatriate soccer fans were thrilled to witness the skills of the superstars of Liverpool, led by Michael Owen. The Invest Hong Kong Football Challenge 2003 was a great success.

“This kind of international sports event serves to send important signals to investors, traders and tourists of the international community that Hong Kong is open for business and for tourism,” Ms Lam said. “We were glad to see the smiling faces of our local citizens as well as those of visiting tourists.”



The Chief Executive greets Liverpool football stars at their training session.

Hong Kong's role as stepping stone to China

Hong Kong's advantage as a leading centre for business has been greatly enhanced by China's accession to the World Trade Organisation. “We see great opportunities to co-operate with our Mainland counterparts in promoting the advantages of Hong Kong and the Mainland, especially the Pearl River Delta – separately and jointly – as an investment destination,” Ms Lam said. “In recent years, foreign companies have made lots of enquiries about ways to move into China. InvestHK has been quick to grasp the advantage of these opportunities to promote Hong Kong's role as an unrivalled platform.

“We are good partners. It is one of our top priorities to assist companies in taking advantage of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) to help them succeed in Mainland markets,” Ms Lam said. “Our dedicated staff will do their best to safeguard Hong Kong's competitive edge.”

The way forward

InvestHK will continue to strive for excellence on the foundation it has developed. The proactive and practical culture it has developed over the years in providing sincere advice and assistance to foreign companies, is best reflected in the companies' own words:

“Everyone at InvestHK is extremely helpful and professional!”

“Your service is excellent – very responsive and professional.”

“Response was prompt and advice given very helpful!”

“Their support and appreciation are our source of power,” Ms Lam said. “We have set a higher target for next year and are confident we will bring Hong Kong more good news.”