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The Official Magazine of The British Chamber of Commerce in Hong Kong **Issue 49 July-August 2017**

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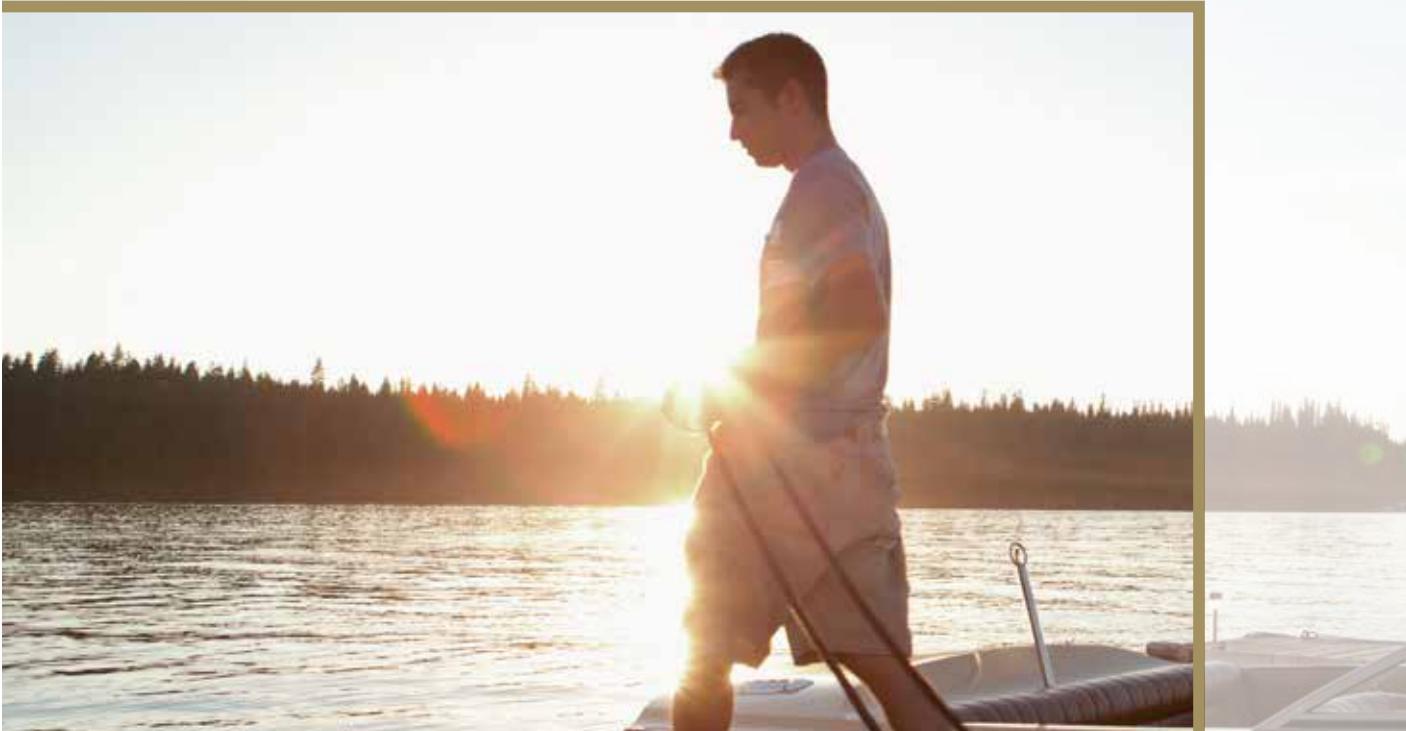


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The Official Magazine of The British Chamber of Commerce in Hong Kong

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July - August 2017



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BUSINESS UPDATE: CHAIRMAN'S MESSAGE



Dear Members,

Since I last wrote, we have seen the inauguration of the new SAR Chief Executive and her administration. I have written to Mrs Lam to pass on the Chamber's congratulations on her appointment and expressing our support for her and her team, as she leads Hong Kong through the next stage of its development. We have also been in touch about developing our dialogue with the new administration on the key policy issues of interest to Chamber members.

It was good to see so many of you at this year's well-attended Annual General Meeting of the Chamber. It is an honour to be elected to serve a second term as Chairman and I look forward to working with all of you, with the two Vice-Chairs, and with the General Committee to carry forward the activities and work of the Chamber.

An important policy area for the Chamber is reflected in the theme for this edition of the magazine – healthcare. We are fortunate to have such high-quality healthcare available in Hong Kong. But like many other societies, Hong Kong is grappling with how to provide high-quality and affordable healthcare given an ageing population and rising healthcare costs. In this, as in many other areas, Hong Kong's willingness to embrace innovation, whether in technology or in the use of more public/private partnerships, seems likely to be a necessary part of the response. Our Healthcare Committee leads the Chamber's work on this critical sector. I would like to take this opportunity to thank them for all their excellent work.

The Chamber's events programme has been as busy and diverse as ever, covering a huge range of topics. Just to take a few examples, some of these include: the workforce of the future; doing business in Myanmar; fintech in China; innovation in construction;

the prospects for the shipping industry; and the UK general election. I urge you to take full advantage of the great menu of thought-provoking events the Chamber offers.

On a lighter note, this year's Scottish Ceilidh saw 150 members and their guests enjoying themselves dancing until the small hours.

On 1 September we have our biggest social event of the year, the Chamber's Annual Ball. This year's theme is "Lights, Camera, Action", with the focus on great British films, everything from *Lawrence of Arabia* to *Trainspotting*, from *Harry Potter* to *Dracula*. It is a great coming together of the Chamber community and is one of the most enjoyable evenings you will find in Hong Kong. I look forward to seeing you there.

A handwritten signature in black ink, appearing to read "Mark Greenberg".

Mark Greenberg

Chairman,
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* Years 1 & 7 Central Admissions process for August 2018 entry will be a 'one form' application system for ESF primary and secondary schools including Discovery College and Renaissance College. Parents may only submit one online application per child with their selected preference of schools.

Mark Greenberg elected for second term as Chamber Chairman

The British Chamber of Commerce in Hong Kong (the Chamber) held its Annual General Meeting on Thursday 1 June 2017 at the Hong Kong Club. Mark Greenberg, of Jardine Matheson, was elected for a second term as Chairman of the Chamber for 2017 - 2018. In the Chairman's report Mr Greenberg looked back on a busy and successful year for the Chamber and thanked members for their support during his Chairmanship.

The meeting also saw Anne Kerr, Mott MacDonald Hong Kong, and Peter Burnett, Standard Chartered Bank Hong Kong, re-elected as Vice-Chairs.

Mr Greenberg said "I am honoured to have been elected for a second term as Chairman of the Chamber and am delighted that Anne Kerr and Peter Burnett have agreed to serve again as Vice-Chairs. We, together with the newly-elected General Committee and the Chamber Executive, look forward to continuing the great work of the Chamber."

Since the the Annual General Meeting, the Chamber has released its annual policy submission, organised by the Business Policy Unit Committee. The submission can be accessed online at www.britcham.com.

Data analytics, technical architecture skills in high demand

Big data/analytics and technical architecture skills are in high demand, but a majority of Chief Information Officers (CIOs) in China and Hong Kong view skill shortages as one of the main challenges. As many as 84% of CIOs in China and two-thirds in Hong Kong highlighted skills shortage as a concern, higher than the average of 68% in Asia Pacific and 62% globally.

Adam Stuckert, Director of IT Advisory, KPMG China, said, "Companies are well aware of the advantages of automation and digitisation. As Hong Kong has

HKTDC and Chamber join forces on belt and road opportunities



The Hong Kong Trade Development Council (HKTDC) and the British Chamber of Commerce in Hong Kong have signed a Memorandum of Understanding that will provide both organisations' members further opportunities to understand and benefit from China's Belt and Road Initiative. The agreement will enhance business opportunities between Chamber member companies and Hong Kong and will enhance the strategic partnership between the two organisations.

HKTDC and the Chamber will regularly exchange the latest information relating to the Belt and Road Initiative and other international infrastructure projects including research reports, risk analysis, case studies, information of investment projects, events and local investment policies.

The Chamber and its member companies will also participate and support relevant HKTDC's international trade fairs and anchor events such as the Belt and Road Summit, Asian Financial Forum, and Asian Logistics and Maritime Conference.



a high level of manual and paper-based business processes, companies are seeing digital labour as a pathway to enhance process efficiency by 30% or more."

In its 19th year, the Harvey Nash/KPMG CIO Survey is the largest IT leadership survey in the world in terms of the number of respondents. The survey of 4,498 CIOs and technology leaders was conducted between 19 December 2016 and 3 April 2017, across 86 countries.

Giles Publications supports AIA's new internship programme

Giles Publications has announced that it is proud to participate in the "LET'S WORK TOGETHER Internship Programme", jointly organised by AIA MPF and CareER. The initiative is designed to help graduates with disabilities secure a place in the workforce and forge successful careers.

Giles will be contributing to the programme by providing training in Better Business Communications. The practical, hands-on course has proved very popular with clients in Hong Kong and Singapore and will be offered free of charge to the programme interns.

The programme was launched 13 June 2017 at AIA Building in Central with Stephen Fung, Chief Executive



Stephen Fung, Chief Executive Officer of AIA MPF; Jade Lai, Political Assistant to Secretary for Labour and Welfare; Freya Simpson Giles, Director, Giles Publications; and Walter Tsui, Co-founder of CareER

of AIA MPF, Sui Wai Keung, JP, Secretary for Labour and Welfare and programme supporters all in attendance.

Freya Simpson Giles, Director of Giles Publications said, "We're very happy to be contributing to LET'S WORK TOGETHER. We are passionate about the power of effective communication and I hope the skills we teach these young men and women will help them stand out as valuable employees."

HSBC return as sponsors for China Insider Series



After a hugely successful first series, HSBC has returned as the sponsor for the second China Insider Series.

Series One covered some of the major talking points affecting Chinese and Hong Kong business relations. Highlights included a panel on Brexit's impact on business in Hong Kong and China, and a look at China's economic landscape from Lenovo and Swire board member, Gordon Orr. The first event in Series Two examined the boom in Chinese investment in fintech, and how the country has positioned itself as a leader in this rapidly expanding industry. The Chamber is delighted to continue working with HSBC on this series.

New series: Business Class for Entrepreneurs, sponsored by DBS

In June, the Chamber – in partnership with TiE Hong Kong – started the new Business Class for Entrepreneurs series, sponsored by DBS Bank. This series aims to be a constructive and informative discussion on common challenges facing SME companies in Hong Kong. Some topics to be covered include growth management strategies, protecting company IP and the impact of (and how to become) industry disruptors. Each event will feature three to five expert panellists sharing their experiences and insights from conducting business in Hong Kong and internationally.

Rapid Growth vs. Sustainable Growth: the Pros and Cons of Different Growth Strategies

19 June 2017 – The Vault, Overseas Trust Bank Building, Basement, 160 Gloucester Rd, Wan Chai



On 19 June 2017, the Chamber launched its new series "Business Class for Entrepreneurs", in partnership with TiE, and sponsored by DBS. The first event of the series, held at the home of DBS's accelerator The Vault in Wan Chai, addressed a common challenge that faces most startup companies at some point, namely how to approach their growth strategy. Should the entrepreneur race to acquire customers and grow market share before the money dries up, or should they hoard the pennies, grow slower, and potentially miss out on critical market opportunities?

A panel moderated by angel investor Tony Chan featured a range of panelists with experience in different growth strategies. Speakers from a variety of industries and development stages included: Hong Kong corporate giant Jardine Matheson's Group Strategy Director Mark Greenberg; Dragon Law's founder and CEO Daniel Walker, a Hong Kong-based startup that has enjoyed rapid growth; and two

accelerator hubs for startups Nest VC's Dennis Plomp, and SuperCharger's Veronika Kuznetsova.

Whether companies grow fast or slow, the ultimate indicator of success long term is a company's sustainability. How do you achieve this sustainability? Well, our panel suggested that it is by creating shareholder value, serving the community, and providing satisfaction to customers. Additionally, the importance of intelligent and thoughtful investment of funds and resources is key. Of course, all companies should aim to generate as much revenue with limited costs before funding runs out, but Veronika Kunetsova also stated, somewhat counter intuitively, that overfunding is actually very dangerous for a fledgling company, especially if a robust business plan is not in place.

The Chamber would like to thank DBS for their sponsorship of the series and for the use of their space. Stay tuned for the next event in the series focusing on how to protect your business.

Distinguished Speaker Breakfast with Thomas Ho, CEO of Gammon Construction

6 June 2017 – Oasis Room, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wan Chai

In June, the Chamber was pleased to host Thomas Ho, Chief Executive of Gammon Construction, as he spoke on the topic of "Remaking Hong Kong: Innovation is our Future". Thomas talked about the progressiveness of the construction industry, and the innovative technology and ideas that are moving it forward. Thomas shared Gammon's roadmap to innovation and explained how he thinks the industry should evolve to suit the ever-changing challenge of productivity and sustainability.

Thomas is a strong advocate for artificial intelligence shaping the future of the industry. With the obvious aging of the construction industry workforce, automation and modernisation of work are extremely important solutions to creating a more sustainable future. Gammon itself has been looking for ways to increase productivity for its employees, testing new

technology such as the "exoskeleton", a suit that increases the wearer's strength and endurance when lifting and carrying heavy loads.

Thomas also looked at innovation in other countries, saying that Hong Kong should follow in the footsteps of Asia's innovators: Singapore and Mainland China. He believes that Singapore's national strategy for development, Public Private Partnerships, is the way forward; that by cutting down on outsourced labour, Singapore is encouraging local innovation with the support from the government.

We would like to thank Thomas for his insightful presentation on innovation in the construction industry, and how Hong Kong needs to embrace new technology and methods to not only stay competitive, but to also ensure a sustainable future.



Better Business Innovation Series: Developing our Future Workforce – Innovation in Education: Event 2

8 June 2017 – T.T. Tsui Building, HKU Campus, Bonham Road,
Sai Ying Pun



There's a growing realisation amongst all sections of society that education systems around the world, as well as here in Hong Kong, need to quickly evolve to prepare future generations for what lies ahead. With that in mind, the British Chamber, along with several other Chambers, invited a cross-section of the business and education ecosystem to share their thoughts and ideas on how to bring more innovation into education in Hong Kong.

This event built on our highly successful first BBIS event in November 2016, which focused on the Innovation of Work, and BBIS2 didn't disappoint!

In two hours a packed crowd listened to 17 speakers discussing a wide range of perspectives. Students, educators, businesses, investors, NGOs, sporting organisations and a music academy all shared their thoughts. Again, to keep things punchy, speakers were given just three minutes "on a soapbox" to air their thoughts.

Professor Peter Mathieson, Vice Chancellor of the University of Hong Kong, kicked off proceedings by telling us that "the primary mission of universities has changed ... we must innovate in our teaching and research in order to equip our graduates for the modern world".

Given that the focus was on the next generation, it was apt that it was students from Kellet School – Emily Harber and Sam Helliwell – who spoke first. Later on, Ignacio Hui, a student from Harbour



school, spoke about how his interest in architecture led him to helping design parts of the new campus in Aberdeen.

Brian Cooklin, Principal of Nord Anglia, Irene Au, Director of the Vienna Boys Choir, Kalen Curtis, Executive Director from SCAD, and Carrie Yau, Executive Director of the Vocational Training Centre, all gave us examples of how their organisations are already looking to best equip their students for the future. Twiggy Chan, Founder of the Boaz International Education Institute, spoke about students with special educational needs and how her aim was to give them strength-based learning strategies to become independent learners inside 18 months.

There was also a discussion that focussed on experiential learning. Robbie McRobbie, CEO of the Hong Kong Rugby Union, spoke about the partnerships that the HKRU has developed to help teach English to the less privileged children in Hong Kong. Similarly, Gary Wong, Founder of Inspiring HK Sports Foundation, is seeking to empower less privileged youth through long-term sports training.

Wang Liwei, CEO of the China Development Foundation spoke about how the purpose of education was not just to teach knowledge and skills, but also "to cultivate common sense". In the same vein, Raymond Ng, CEO of Chatteris Educational Foundation, urged us, in regard to innovation in English education, to "look beyond the world of exams". Albert Ma, Executive Principal, ITS, continued with this theme, suggesting that since one of the biggest challenges is not knowing what our future needs are, "we must invest in transferable skills".

Mark Cameron, Sustainability Director at JLL, reminded us of the role that the business world can play in education, while Professor Shui-fong Lam



from the Department of Psychology, HKU, spoke of how mindfulness in schools can enhance the well-being, not only of students, but of teachers and parents as well.

Ian Gilbert, Founder and CEO of Independent Thinking, and the author of *Why Do I Need A Teacher When I've got Google* introduced the concept of "Thunk", an approach to getting children (and anyone for that matter) to think creatively.

Despite all the insight of the speakers and the opportunity for networking, there is little doubt that the Medici Cantano Acapella Singers from the Medical Faculty of HKU stole the show. They stunned the audience, first with a beautiful rendition of "Can't Help Falling in Love", followed by "When I'm Gone" and rounded off with John Lennon's "Imagine".

It was a reminder that Hong Kong is full of outstanding talent. And as for the future, it's certainly important to imagine, but even more so that we start to prepare.

Our thanks go to everyone involved in making the event such another tremendous success. Preparations for BBIS3, likely to be held towards the back-end of the year, will shortly be getting underway. Watch this space!

Education Intelligence Breakfast Briefing: Operationalising the Sustainable Development Goals

25 April 2017 – KPMG Office, The Hub, 22/F, Hysan Place, 500 Hennessy Road, Causeway Bay



– By Simon Phipps, Anna Esaki-Smith and Zainab Malik

Executives from a wide variety of industries gathered at the Hong Kong Club on 26 April to hear insights on how demographics, technology and global economic realignment are influencing the shape of the future workforce. Education Intelligence, the British Council's global higher education research service, presented a vision of how top talent today is scattered across the globe, no longer aggregated in the traditional education hubs of the UK and US, as the quality and availability of education rises in regions such as Asia and Latin America. The presenters stressed that to stay competitive in today's challenging marketplace the quality of human capital was key, but a new way of assessing education credentials was necessary to secure an effective workforce.

First, Research Director Zainab Malik set the scene by presenting a macro overview of global demographics and economics, focusing on a projected decline in youth population in the Asia contrasting with huge growth in young people in Sub-Saharan Africa. She noted that tapping and investing in new university graduates has grown increasingly nuanced and complex, as corporates now need to track where talented youth are from and where they are going,

the direct impact of government policy on graduate opportunities, and how shifting global economic power is influencing graduate career trajectories.

Editorial Director Anna Esaki-Smith followed with a close examination of factors on the ground, such the evolving definition of "brand", the reasons behind the much-discussed skills gap, and the challenges in managing millennials. In today's challenging work environment, students are preoccupied with employability as well as cost, and many seek measurable value in their pursuit of a university education. The growth in the global middle class has resulted in record numbers of students earning a university degree, however the needs of their home economies aren't necessarily aligned with the skills of business and law graduates. In addition, employers complain that recent crops of university graduates don't wield the skill sets they need for success, pointing to a disconnect between university curriculums and workplace demands. And lastly, today's youth are known to be more inspired by meaning and fulfilment rather than simply a salary raise or a bonus.

In the brisk question and answer session that followed, an attendee asked what role the English language would play in the future, both in terms of student mobility and workplace success. While English would definitely remain a necessary tool in today's international and integrated economy, the presenters noted that the advent of technology, including that related to translation, would most likely lessen the necessity of language ability. The breakfast briefing concluded with guests mulling the points that had been discussed – that corporates need to link student mobility, national education policies and skills acquisition trends in order to create evidence-based recruitment strategies that are efficient, streamlined, and impactful. And while the impact of technology is currently being felt, the degree to which the workforce of the future will be disrupted is yet to be seen.

Dragons vs. Unicorns – China as the Global Fintech Investment Leader

20 June 2017 – Thomson Reuters, 18/F ICBC Tower, 3 Garden Road, Central



In June, the second China Insider Series, sponsored by HSBC, started with a panel discussing China's role as the global leader in fintech investment. Jeff Chen (HSBC), Chris Harvey (Accenture), and Dave Chapman (ANX International) gave their thoughts on the topic with James Mirfin (Thomson Reuters) moderating.

Fintech investment in China more than tripled to \$10 billion from just 55 deals last year, representing 90% of fintech ventures in the Asia-Pacific region. It has also unseated America as the global investment leader in fintech. The panel accredited some of this growth to the fact that China is an attractive, mobile-friendly market, with many people's first exposure to the Internet happening through mobile, allowing for fast adoption and chances for innovation. Another notable area in which there has been significant change in recent years in China is the growth of peer-to-peer lending. Out of all the loans in China, now only 20% will go to a bank, opening the door for innovative solutions and a growth in investment.

But what of the fintech landscape in Hong Kong? Well, the HKMA now has a Chief Fintech Officer,

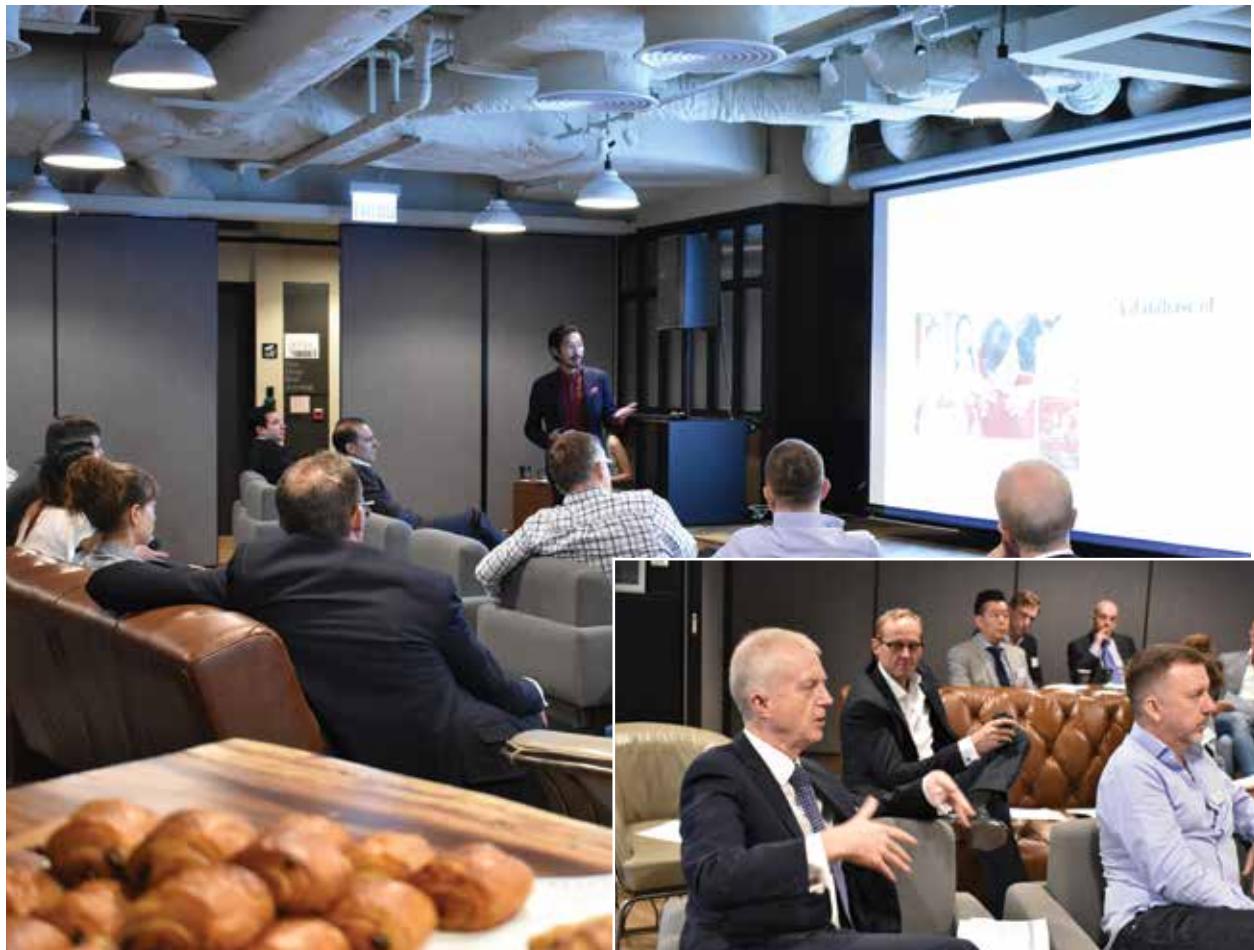
which will ensure that the regulatory scene continues to improve. The panel noted that reinforcing the talent pipeline and developing STEM skills in education will be of utmost importance to ensure Hong Kong's competitiveness in fintech in future. Although there's very little chance that Hong Kong will be able to truly compete with China on all aspects of fintech, perhaps there is a way for Hong Kong to play on its strengths and position itself as a leader in a specific field, such as in trade.

The panellists agreed that a looming threat, and potential opportunity, for Hong Kong in the near future would be with the adoption of faster payments, as seen by the rise of Alipay and WePay in China. They suggested that financial institutions in Hong Kong could benefit from this disruption to their industry, if they take a more strategic view to innovation, rather than just seeing it as additional technology adoption.



Business Angel Programme

21 June 2017 – Eaton House, Central



The Chamber's 23rd Business Angel Programme, sponsored by Baker Tilly Hong Kong, was open for applications from the beginning of April. After two stages of vetting by our committee of industry experts, the top five candidates were selected to pitch front of angel investors on 21 June. These candidates were given one-on-one mentoring with the help of TiE Hong Kong, and presentation training, provided by Connect Communication, to learn how to effectively sell their business idea in a 10-minute pitch and successfully capture the audience's attention.

The Pitch Event, held at Eaton House in Central, brought together a network of angel investors eager to hear the next big idea. A diverse group of start-up candidates were selected, including Lucid Smart Pill, a performance enhancing pill; Our Big Day, an online



wedding planning platform; Startec Dynamics, an electronic fuel injection system for motorcycles; Line Dock, a multi-device charging and storage dock; and Coach Connector, a coach connecting platform. All candidates brought exciting and innovative ideas to the event, which sparked much interest in the angel investors.

We thank Baker Tilly Hong Kong for sponsoring the Business Angel Programme, and supporting organisations, including Connect Communication, Compass Offices, Eaton House and TiE Hong Kong for taking part and making this valuable initiative a success.

New British Chamber Members for April 2017

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You Can See The Doctor's Fees Now

Has the drive for greater transparency in Hong Kong's private healthcare market led to more clarity or created further confusion? And who asked for it anyway?

– By James Kelly



All is not well in Hong Kong's private healthcare market. New healthcare "transparency" measures initiated by the government have fallen afoul in some quarters, earning criticism from many and cautious optimism from others.

The drive for greater transparency in the private healthcare sector stems from the government's policy to introduce a mandatory insurance scheme as part of its wider reform agenda to alleviate some of the pressure on the public health system through greater take up of private healthcare. The policy met stiff resistance from various sectors and – in particular – a wary public, still reeling from the introduction of the Mandatory Provident Fund (MPF). Following further consultation, it was watered down to become the Voluntary Healthcare Insurance Scheme or VHIS, which is supposed to launch next year.

"It's all a mess. This proposed transparency is rearranging deckchairs on the Titanic", says Jason Brockwell, Founder and Medical Director of Asia Medical Specialists and Chair of the Chamber's Healthcare Committee. "There has been no real demand for it from the market".

Carry on charging

"There is very limited transparency", says Thalia Georgiou, Founder of boutique healthcare advisory firm Asia Care Group. "There's no transparency on quality, no transparency on patient experience, and the price transparency we are beginning to see is of very limited value. I would say it is a deeply opaque market".

A pilot scheme launched in October last year saw private hospitals publish their fees for a range of common procedures, it also made historical data on hospital and doctors' charges available to the public to act as benchmarks for people to have a rough idea of whether the policy they purchase would cover the healthcare they needed.

"This really isn't working because hospitals can publish whatever price they want. There is no real advantage for the hospitals to diligently try and collect this information and make it available because – apart from

the government saying you have to do this – no one is really asking for it", says Brockwell, an orthopaedic surgeon who has practised in Hong Kong since 1991.

"Patients don't phone up hospitals and ask 'what do you charge for this, this and this?'".

"In fact the common procedures have been so loosely defined that the fees could be different by orders of magnitude but not be wrong", he says. "There is significant confusion here, you can't define all these procedures with a simple 20-item bullet list. The way in which they have requested the fee examples, certainly in orthopaedics, has been overly simplistic".

If it had been a strong government, the Voluntary Healthcare Insurance Scheme would have been pushed through because it really helps everybody. But all the terms that were favourable for the insured have been watered down because of objections from the insurance providers
– Dr Anthony Lee, Chairman of the Hong Kong Private Hospitals Association

Comparing apples and oranges

Instead of adopting the international standard of diagnostic related grouping (DRG), which is a language or coding to describe procedures recognised by both medical and insurance professionals, the Hong Kong model opted for package pricing which, critics say, has created greater confusion by allowing vast discrepancies between hospitals, while complying with the spirit of the voluntary pilot scheme.

"Even the Hospital Authority (HA) has DRG in the public system here", says Georgiou. "The initial

rationale (behind the Government reforms) was that we need to get the private care system transitioned across to the DRG in order to allow transparency; it would be effectively coded and allow us to do amazing things like proper comparisons of quality, outcomes, and length of stay. And we could internally benchmark it because we would be using the same language as everyone else. The insurers were all behind it because they use DRGs in most other markets".

There was a lot of push-back from the private providers who were concerned about the level of change and complexity it could involve, as well as the impact on the bottom-line. Eventually it was toned down to package pricing, which is something that doesn't really exist in any other market", said Georgiou.



"With package pricing, because there isn't that level of specificity, there are loads of exclusions so it's not really a true package price because if anything goes wrong you could be billed more. It's not really a huge step up from fee for service or pay as you go".

You won't feel a thing

The Chairman of the Hong Kong Private Hospitals Association, Dr Anthony Lee, says that if the government's scheme was implemented in its original form then the healthcare scene in Hong Kong would see changes for the better.

"If it had been a strong government it would have been pushed through because it really helps everybody. But the thing is that all the terms that were favourable for the insured have been watered down because of objections from the insurance providers", says Lee, who is also Chief Hospital Manager and Medical Director of Union Hospital.

He says the government's intention is to get the insurance companies to agree to reimbursement of the packages with the private hospitals.

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The Hong Kong Federation of Insurers (HKFI) show that the number of people with private or group medical insurance policies reached 4.4 million in 2016, that is 300,000 more than a year earlier.

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"If there is such a deal it would be very good for the patient and I think it would be good for the insurers as well, as they can have such deals with a few private hospitals then they should be able to attract more clients and at the same time the hospitals would have a steady flow of patients as well. So everybody has to compromise on the profit margins but the higher number of patients can offset the lower profit margin per patient. So it all depends on the negotiating skill and power of the hospital and the insurance company", said Lee.

He notes that greater transparency has resulted in fewer complaints about fees, and under-quoting by doctors is no longer a problem. "To some extent doctors tend to be very conservative in quoting, but not too much off the mark".

In March this year Gleneagles Hong Kong was the first new private hospital to open in 20 years. It received its land grant in Wong Chuk Hang, based on an agreement with the government that it would offer package pricing. Its 500 beds bring the total of private healthcare beds in Hong Kong to 4,400.

In 2020, the HK\$6.3 billion Chinese University Hospital is expected to open with 619 beds. It will offer a new model of affordable private care, in anticipation of the government successfully implementing its reform package with greater uptake of private healthcare by the middle class. It is expected to serve about 250,000 patients every year.

Other more established private healthcare providers are also seeing the need to adapt with the changing needs of patients. From its first 84 patients in 1907, Matilda International Hospital now cares for about 46,000 patients a year and offers more than 250 packages.

"People want faster access to medical experts and services, which has led to an increasing number of people to purchase private healthcare insurance. This trend does have an impact on patient numbers and the type of support they need which is why we have introduced a dedicated patient service centre, to help patients in navigating the practical arrangements", says Linda Burgoyn, CEO of Matilda International Hospital.

"We encourage patients to check with us for a price estimate of the hospital fee and related charges before they are admitted, 95% of charges are in line with the estimates we provide", she said.

Risky business

There have also been calls for insurance companies to provide greater transparency of their healthcare policies and what they actually do and do not cover.

"For those without health insurance who are looking to buy, the most important decision is about value for money", says a spokesman for Bupa, one of the top four health insurance providers in Hong Kong. "We always advise customers to pre-authorise any major medical treatments they are having with us. That will help them to ensure they know what will be covered under the policy they have".

The latest statistics from the Hong Kong Federation of Insurers (HKFI) show that the number of people with private or group medical insurance policies reached 4.4 million in 2016, which is 300,000 more than a year earlier.

"We support there being much more consistency in the language customers and patients in the private healthcare market are given", says Bupa's spokesman. "We have been a member of, and

currently chair, the HKFI's Medical Insurance Association, which has worked hard to develop a standard set of terms and conditions for private health insurance contracts. That draft document has been provided to the Food and Health Bureau as part of the wider reform process to implement the Voluntary Health Insurance Scheme".

If this transparency fever has left you more confused, then see what others have to say. As with travel and dining, there is now an online forum offering "reviews" of Hong Kong hospitals. The website Hospitaladvisor.org.hk, developed through a collaboration between the Harvard Global Health Institute, Hong Kong University's School of Public Health, and local non-profit social policy think-tank, The Zubin Foundation, covers all public and private hospitals, and seeks to empower patients to make more considered decisions about their hospital care. So far, more than 800 patients have shared their experiences on the site. ■

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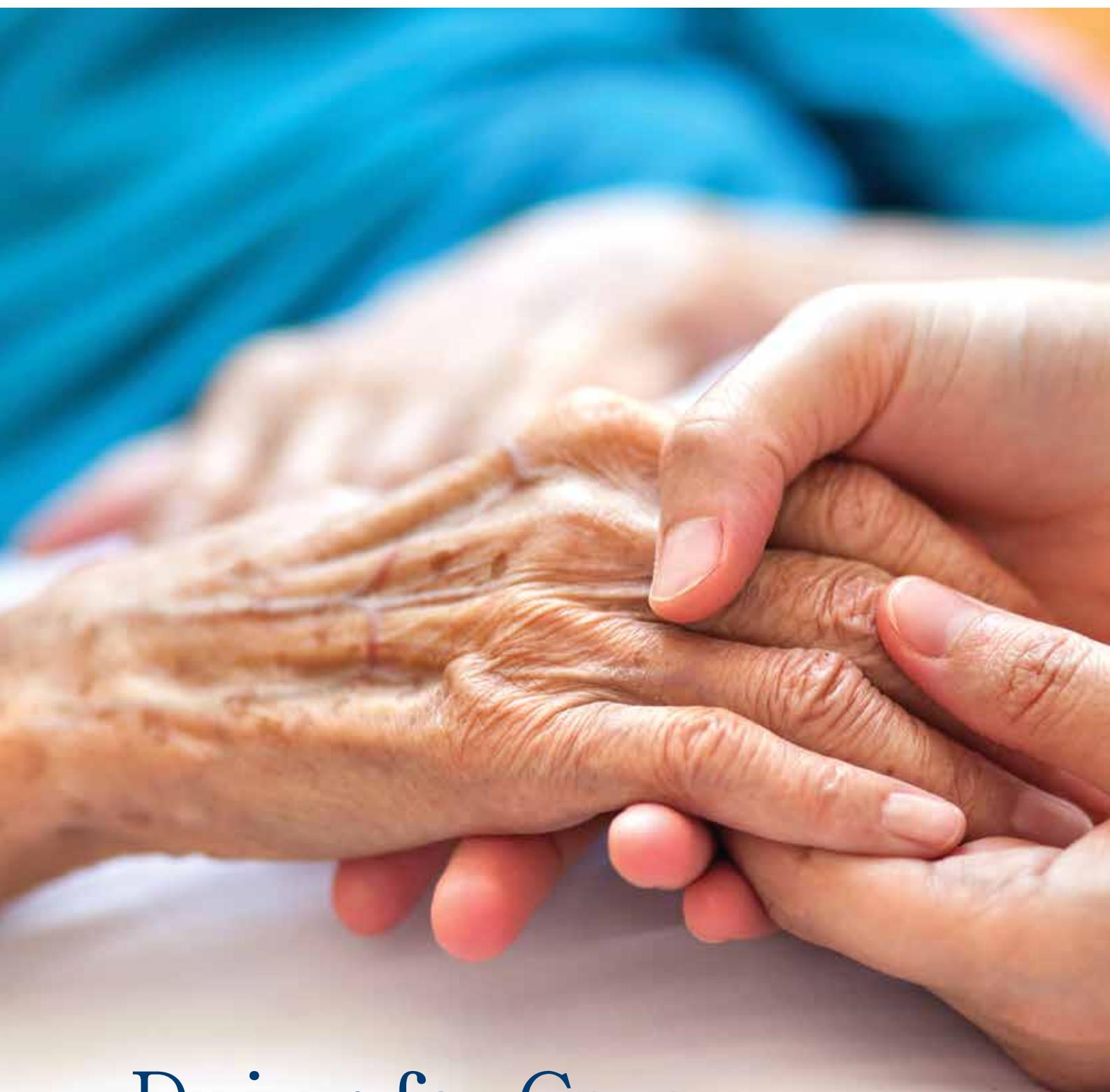
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Dying for Care

A rapidly ageing population and long waiting lists are putting pressure on Hong Kong's ability to provide quality end-of-life care.

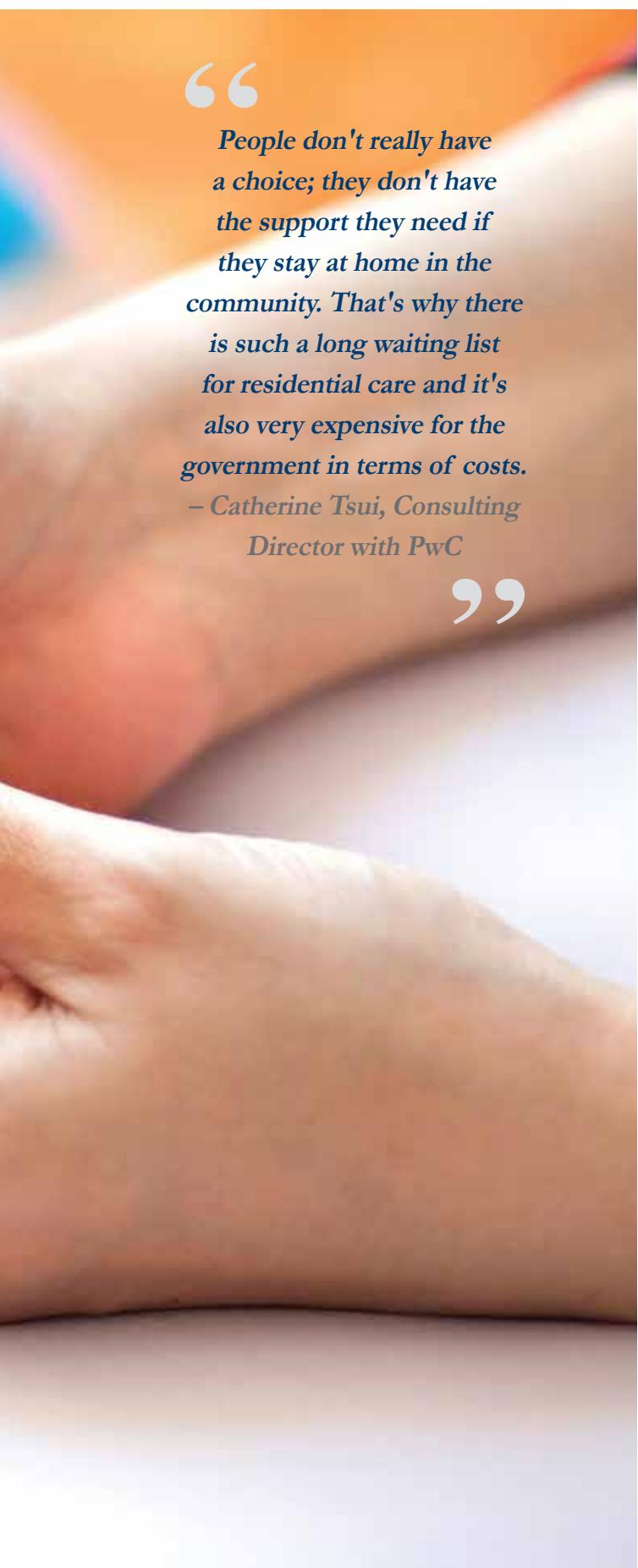
– By James Kelly

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People don't really have a choice; they don't have the support they need if they stay at home in the community. That's why there is such a long waiting list for residential care and it's also very expensive for the government in terms of costs.

– Catherine Tsui, Consulting Director with PwC

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Death is not usually a laughing matter, but it seems the reason why so many people in Hong Kong prefer to die in hospital, rather than at home, inspires black humour.

“When I am presenting at international conferences most of the people laugh when I say that a lot of people are actually concerned about property prices”, says Dr Roger Chung, Assistant Professor, Jockey Club School of Public Health and Primary Care at the Chinese University of Hong Kong. “This is very uniquely Hong Kong”.

Chung is leading a team on a three-year study commissioned by the Food and Health Bureau on the quality of healthcare for the elderly and possible end-of-life care models. The report is due this October.

Home and away

In a survey of 1,067 adults aged 30 or older, 80% of respondents said they did not want to trouble their family by dying at home or “in place”. Another 10.7% of people said they would rather die in the hospital than risk damaging the value of their property by choosing to die at home.

“Space is a very important factor; it kind of creates a barrier to facilitate dying in place (at home) in Hong Kong to such an extent it can get ridiculous”.

This preference for death in a public hospital is putting pressure on Hong Kong's healthcare system and compromising the quality of life during what is referred to as the “last journey”.

“If you look at the system in Hong Kong now, about 90% of people have their place of death as a hospital; in the UK it's about 50%”, says Thalia Georgiou, Founder of boutique healthcare advisory firm Asia Care Group. Given Hong Kong's rapidly ageing population, this is of grave concern to health and social care professionals. “It's a very hospitalised-based system with nothing in between. It's a very, very sad situation”.

Last year it was reported that Hong Kong overtook Japan to become the longest-living population on earth, with women now on average expecting a lifespan of 87.3 years and men 82.2. By 2043, close to two in five (36%) of the population are expected to be 65 or above, and 10% will be 85 or older. At present almost a third of Hong Kong's elderly live below the poverty line.



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Where support for older people falls down is often not medical. It's usually because something basic didn't happen. – Linsey Lambeth, Age UK's Strategic Programme Manager

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In Hong Kong, there are 16 hospitals under the Hospital Authority (HA) that provide palliative care services for terminally-ill patients through multi-disciplinary services to ease physical pain, provide counselling and support to patients and their families. The Hong Kong Jockey Club supports hospice and palliative care centres. There are also privately or NGO run hospices, nursing homes, and residential care homes for the elderly (RCHE), many of which operate 30% understaffed due to the lack of trained care professionals in Hong Kong.

Community care

Healthcare experts agree that more emphasis and resources need to be put on community-based care and home support to alleviate the long waiting lists for residential care and ease the pressure on public hospitals.

“Ageing in place as the core, institutional care as back-up” is the Hong Kong government’s fundamental eldercare policy. Its estimated expenditure for subsidised community care and support services for the elderly in 2017-18 is about HK\$2.3 billion.

Professional services firm PwC has been looking into the future of elderly care in Hong Kong and says there needs to be greater focus on community care and the potential of technology like big data to coordinate and share information between patients, families, caregivers and healthcare professionals.

“Because of the ageing population, Hong Kong should really strengthen the community base for the elderly in terms of providing better support, especially on the medical side, and screening to be able to identify the frail elderly earlier and provide more at home support so that they can stay with

the families and relatives”, says Catherine Tsui, Consulting Director with PwC.

“People don’t really have a choice, they don’t have the support they need if they stay at home in the community. That’s why there is such a long waiting list for residential care and it’s also very expensive for the government in terms of costs”, she says.

According to Hong Kong government statistics, residential care may be as much as six times more expensive than home or community care.

It is estimated that about 6,000 elderly die each year while waiting for residential care.

“Anywhere else it would be a front page scandal”, says Georgiou. “We’re a rich city and we’ve got all these people who have been assessed as having a need but are dying before they get the right care that they need. And what a horrible way to spend your last few years, probably bed bound, probably stuck in a flat, ill-equipped for your needs”.

UK experience

According to the 2015 Quality of Death Index, conducted by the Economist Intelligence Unit, Hong Kong ranks 22nd in terms of palliative care across the world. The UK is ranked number one. Last year a delegation of UK care service providers and universities visited Hong Kong to look at the provision of integrated end-of-life care.

“What became apparent from that visit is that there are a lot of solutions to these issues in other markets which aren’t being adopted here”, says Georgiou.

“Age UK is a fantastic exemplar of that; it’s a really patient-centred model. It keeps people happy, healthy, living their lives as free as they can be of hospital admissions and so forth so that last journey is as enjoyable as it can be. There are huge economic benefits for the overall system”.

Age UK is Britain’s largest charity working with older people. It is staffed by care professionals and volunteers, providing a range of support services such as doing the shopping, picking

up a prescription, arranging transportation for appointments, assisting with paperwork or giving the social care professional a break, as well as providing advice and support in advanced care planning.

"The health and social care professionals think this service is invaluable", says Linsey Lambeth, Age UK's Strategic Programme Manager. "Where support for older people falls down is often not medical. It's usually because something basic didn't happen".

Age UK is working with the Royal College of General Practitioners and the National Health Service (NHS) to develop a programme to more accurately identify those people who should be included on a GP's end-of-life register.

"Our priority is helping GPs identify people with 12 months or less and then supporting those people through their journey. If people have enough time they can plan a good end of life", says Lambeth.

We need to talk about...

Closer to home, Hong Kong could also look at the delivery of palliative care in Taiwan, which was

ranked sixth in the Quality of Death Index, the highest-placed Asian country. Chung says this is due to Taiwan's investment in end-of-life care over the past 20 years.

Unlike the culture in Hong Kong, where talk of death is regarded as taboo, Taiwan has a more open approach, says Chung. "They have life and death education in Taiwan even for primary school students, they have to talk about these things.

"In Hong Kong the medical curriculum does expose students to the subject but a lot of these courses are not compulsory. Even for doctors in Hong Kong they say death is not our business, we are here only to treat and cure. I've heard these kind of comments".

Taiwan has also legally recognised advanced directives as part of advanced care planning which allow patients to have a say in their medical care at the end of life. From Chung's survey, more than 60% of people in Hong Kong said they would sign an advanced directive document that gives them more control on how they spend their final moments when they are terminally ill, if it was backed up by legislation. B



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Plugging In

How businesses can use online learning to develop their workforce.

– By Julie Stone

Online learning has seen a prolific growth in recent years, with individuals seeking a more flexible way for part-time study and businesses now realising the value of a developing workforce. This mode of studying is increasingly popular among professionals in the workplace as a CPD (Continuing Professional Development) tool and, the introduction of MOOCs (Massive Open Online Courses) and short courses, has supplemented the growing demand that business has for online learning solutions.

A recent study by the Chartered Institute for Professional Development (CIPD) – the professional body for HR and people development in the UK and overseas – found that businesses rated online learning sixth as their preferred method of staff development but, in a study about how businesses feel online learning will be used in the future, it was rated as the second choice.

be used in the future, it was rated as the second choice – clearly indicating that a significant change in workforce development will occur.

Employer benefits

For employers, staff development can be a time consuming, expensive process but online learning enables employees to develop their skills and knowledge through a range of courses. MOOCs and short courses, for example, are a great way for professionals to enhance and progress their career development while remaining informed and updated about the industry they work in.

It's important that the training solutions are the right "fit" for the organisation. I would always suggest asking: are there any skill gaps? Do your employees indicate any areas of need? Does your customer feedback indicate any service deficiencies? Once the



goals have been identified, the most appropriate methods can then be selected.

Online learning solutions have multiple benefits for businesses. They can be used to motivate and engage workforces, enhance existing workforce development strategies, and contribute to the organisation's overall success, be it through part-time online degree programmes, professional development courses or bespoke in house online training programmes.

Performance benefits

Training and development is also linked to performance – if you do not provide your workforce with these opportunities, their outputs may not be optimal and there is a good chance that they will leave for another employer who does offer them.

As a cost-saving strategy, online learning can be a good route for businesses, especially if there is a high staff turnover and immediate training is required. Purchasing online training in volume can result in good discounts and makes economic sense for the business.

It is crucial however, that the solutions are flexible and offer tailored study options for businesses, which adapt to their changing needs over the course of the delivery. One organisation may choose online learning to delivery mandatory statutory training as part of an employee's induction while another might have the need for a completely bespoke, tailor-made virtual learning environment where they host their own online learning material. 



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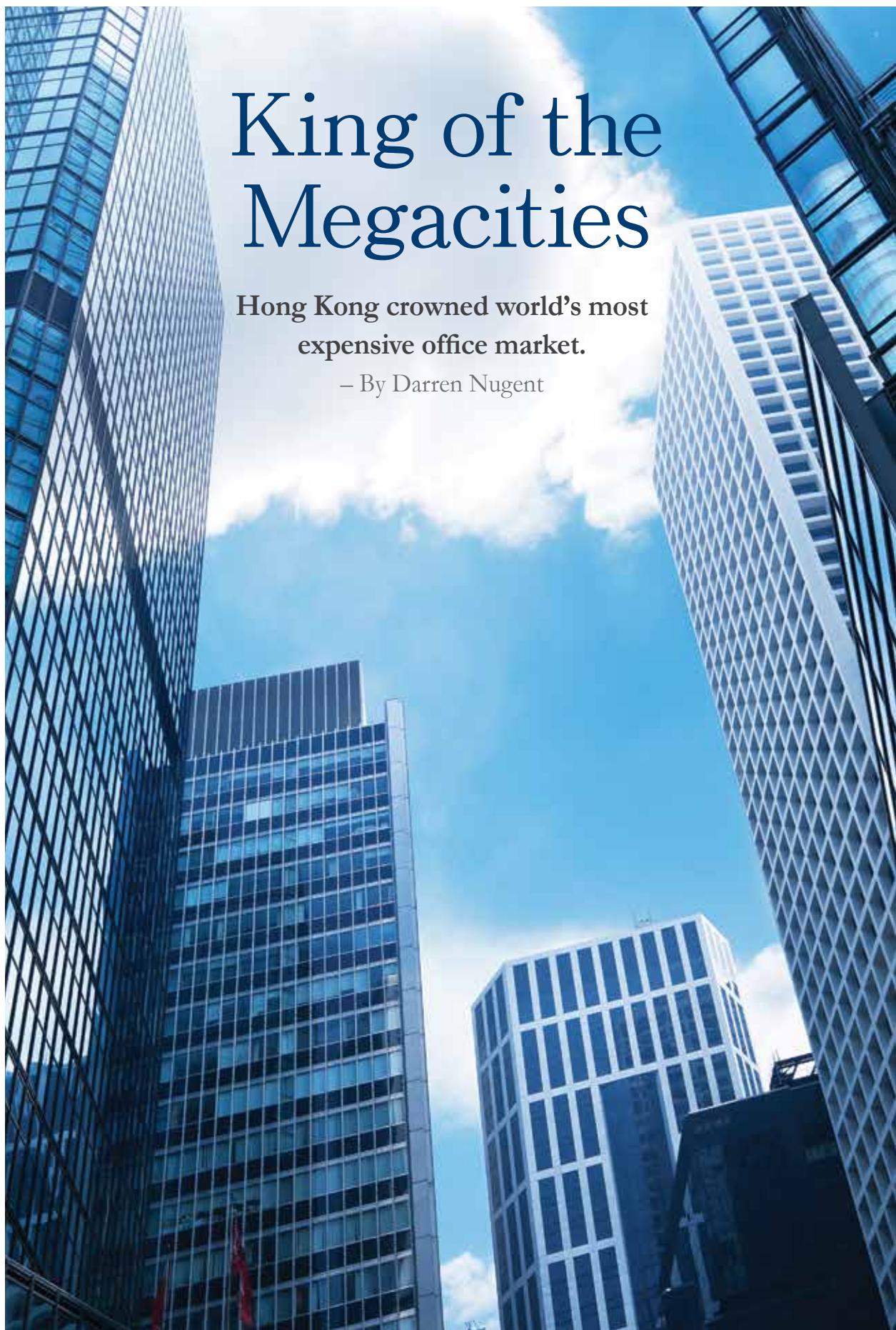
UDOL is the online learning division of the University of Derby, in the UK, dedicated to providing part-time online degree programmes, professional courses and CPD opportunities to people and businesses around the world. UDOL currently offers more than 40 different Undergraduate and Postgraduate Degree courses – many of which are accredited by professional bodies – alongside a strong portfolio of MOOCs and short courses.



King of the Megacities

Hong Kong crowned world's most expensive office market.

– By Darren Nugent



Hong Kong's real estate market continues to make the headlines both locally and abroad this year. First it was the record-breaking Murray Road Site land sale in May, which some reported as the world's costliest land plot. Then, in less than one month, it was revealed that Hong Kong also holds the title for the most expensive office market in the world. When will we be able to pass on the torch to another market? Not any time soon, it appears.

According to CBRE's annual *Global Prime Office Occupancy Costs* report, Hong Kong continues to eclipse London and New York as the most exorbitant city for office occupiers. Hong Kong's Central topped the list with prime office occupancy costs reaching US\$303 per sq. ft. per annum, followed by London's West End (US\$213.85 per sq. ft.) and New York's Midtown Manhattan (US\$203 per sq. ft.). Prime office occupancy costs reflect rent, local taxes and service charges for the prime office properties.

Highlighting the extremity of Hong Kong's prices, it is the only city in the world with occupancy costs surpassing US\$300 per sq. ft., and the only market to have two spots in the top five most-expensive lists. West Kowloon (US\$190 per sq. ft.) ranked fourth while Beijing's CBD (US\$183 per sq. ft.) rounded the top five.

What factors have come together to create this perfect real estate storm? The answer is extremely low vacancy levels and robust demand from Mainland Chinese occupiers. The combination of these two circumstances have ensured that grade A office rents in Central have remained at a sky-high level. Hong Kong's office rent edged up 3% in the first half of 2017 after already surging more than 8% last year.

Since 1997, the number of Chinese firms in Hong Kong has almost tripled, thanks to the closer economic ties

between Hong Kong and Mainland China since the Handover. Cross-border economic activities have been strongly encouraged by policies implemented by both the Beijing and Hong Kong governments.

One of the by-products of these policies is an increasing number of initial public offerings (IPOs) being launched by mainland firms, resulting in growing demand for prime office space. In the first half of this year, Mainland occupants made up 35% of gross office leasing in the Greater Central area, which includes Admiralty and Sheung Wan.

What factors have come together to create this perfect real estate storm? The answer is extremely low vacancy levels and robust demand from Mainland Chinese occupiers.

Of course, it's not just mainland firms demanding office space and driving up prices. Hong Kong maintains its attractiveness as a business hub for companies from all parts of the world. Over the past 20 years, an additional 3,700 foreign firms have registered and operated in Hong Kong. More than 476 companies have established their regional headquarters in the city, translating into one new headquarter being set up in Hong Kong every two weeks.

However, while mainland firms are targeting Central, the surging office rents in Hong Kong's core CBD have prompted multinational corporations (MNCs) to look to alternative locations for expansion or relocation. Areas that have become increasingly popular for MNCs include Kowloon East, Wong Chuk Hang and Quarry Bay.

As long as Hong Kong retains its status as an international business hub, occupancy costs in the territory will unlikely abate. Office occupiers can look forward to paying similar prices in the future unless a dramatic amount of office supply is added to the market. At this stage, this won't likely happen for a few more years. **B**



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CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (in terms of 2014 revenue). CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting.

CBRE



Expansion on a Budget

PEO employment is a perfect solution for companies that wish to overcome obstacles in expanding their business.

– By Scott Thomson

Are you looking to expand your business across Asia? You might want to hold on. By setting up a local company you could be wasting time and money that could be better spent.

One of the easiest, most flexible and cost-effective methods to enter a new market in Asia is not by setting up a legal entity, but by using PEO (Professional Employment Organisation) employment, or hiring staff under a PEO arrangement. PEO employment is the perfect solution for companies looking to expand their business and who:

- Do not have a legal entity set up to hire staff in the new country; or

- Want to test the market without making a significant investment; or
- Do not have the headcount to hire people in that market.

Employment under a PEO service provider is becoming increasingly popular throughout Asia as companies look for more cost-effective and flexible ways to set up offices.

What is PEO employment?

PEO essentially involves a PEO service provider legally employing staff in another country on your behalf and seconding them back to you under

a services agreement (that is, the PEO provider becomes your employer of record). This arrangement simplifies your expansion, enabling you to effectively hire staff immediately to perform sales activities, market research and set-up activities without the need for the various costs, times and commitments associated with setting up an entity.

Why do companies use PEO employment when expanding their business in Asia? The answer is cost and time saving: In general, hiring under a PEO arrangement is at least 50% cheaper than setting up a legal entity. If we compare the costs of setting up a legal entity in Singapore, for example, and using PEO employment in Singapore, the cost savings are driven by PEO employment, removing the need for the administrative costs of maintaining a legal entity. More importantly, a good PEO service provider will save you time by allowing you to hire personnel immediately and remove any HR administration, such as visa applications, employee insurances, pension and tax payments that prevent you from focusing on your business growth.

Flexibility and reduced complexity

Hiring staff under a PEO service provider gives you a much higher level of flexibility than if you were to set up a company. Not sure about whether a particular market is right for you? PEO employment ensures that you can quickly scale up and down before taking the plunge. Are you six months in and want to put operations on hold and focus on another market? Simply cease the PEO employment and turn it back on again once you are ready. Try to do this with a legal entity and you will have to bear the on-going administration costs, any other wind down costs and the inevitable questions from management associated with putting the expansion on hold.

Speed to market

Obtaining approval from HQ for the set-up of a legal entity, obtaining the relevant documentation, arranging signatories and completing set-up of a

legal entity can be a slow and lengthy process. PEO employment fast-tracks your time to market by skipping all of these issues through removing the need to set up a legal entity, enabling you to go to market in as small a timeframe as a single day.

Standard services covered under PEO employment include:

- Arranging employment contract and onboarding of employees;
- Arranging any employee insurance, such as employee compensation;
- Visa processing, if your employee is a foreigner who needs an employment visa;
- Salary and payroll processing, including social contributions, tax and other required statutory submissions;
- Maintenance of annual and sick-leave records;
- Service delivered from an HR Portal, where seconded staff can access their HR records, pay slips and apply for leave online;
- Recruitment services, should you need help to find the right person and go to market quickly; and
- HR support and advice on employment law and any employment risks.

For more information about how PEO employment could help you expand your business across Asia cost-effectively and flexibly, speak to a PEO service provider. **B**



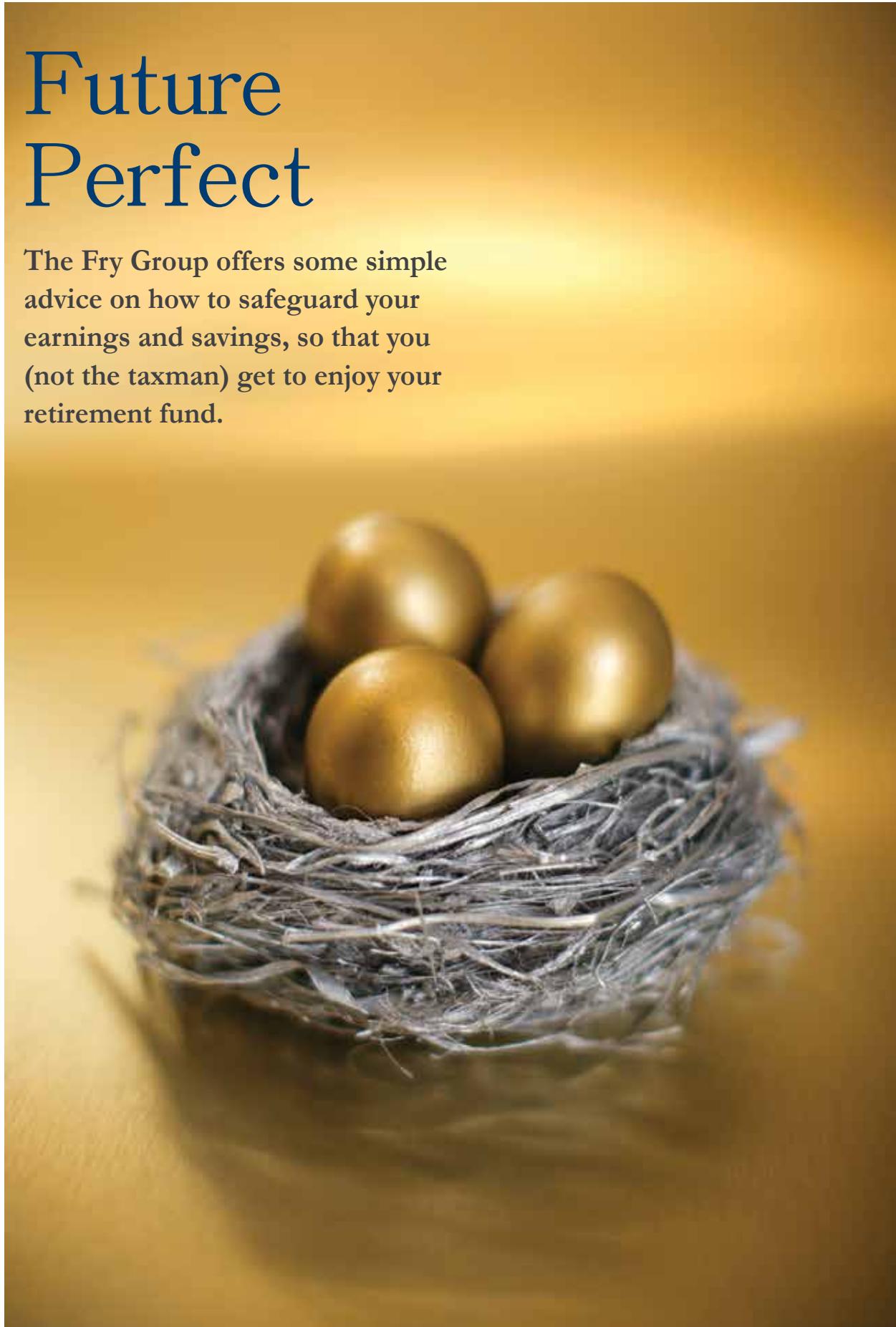
Scott Thomson
Chief
Operating
Officer

Links International is an award-winning industry leader in innovative Human Resources outsourcing in Asia. Links provides a broad range of services, including retained and contingent recruitment, payroll processing, visa processing, PEO employment and HR analytics as a service for over 15 countries across Asia-Pacific. Visit www.linksinternational.com



Future Perfect

The Fry Group offers some simple advice on how to safeguard your earnings and savings, so that you (not the taxman) get to enjoy your retirement fund.



Financial planning is an important, but often overlooked priority in any expatriate's life. While it's easy to enjoy the fruits of higher earning power and lower tax rates in Hong Kong, having something to show for the long hours and hard work when you return home, can be a bit tougher.

Everyone should undertake financial planning of some description. With a fiscal roadmap for your future, you can make yourself as financially secure as possible.

This might be needed to protect your income in the event of illness, and protect your family if anything happens to the breadwinner.

Following this, planning ahead to make sure you have enough money for emergency funds, children's schooling, a deposit on a future home, and ultimately securing an income for retirement should be high on the priority list.

Of course, it is equally important to have a back-up if you lose your job in this economic climate. There's nothing worse than someone not being prepared for any of these events. While for many it's easier to accumulate assets in a tax efficient jurisdiction such as Hong Kong, how you turn that wealth into income for your retirement, and then protect as much of it as possible for your children or beneficiaries when you pass on, is another story.

Start early

The first step in any Financial Plan is to start as early as possible: the earlier you start the easier it is for you to meet your goals. The common trap many expats fall into, is putting off today what they can do tomorrow, especially if they are living on a comfortable salary.

Assuming a 7% growth rate on investments, a 40-year-old aiming to retire at age 60, will need to save nearly 2.5 times as much on a yearly basis than a 30-year-old taking action with the same retirement goals. The cost of life and health insurance also increases considerably each year, as you get older. The monthly costs for a 20-year-old taking out a life, health or medical insurance policy until they retire, is significantly cheaper than someone in their 30s, 40s, or 50s.

Find the right planner

Next is to identify the right financial planner for you.

There are a vast number of financial products on the market, so an independent financial planner can narrow down the options and help decide the most suitable approach for you and your financial goals, in a professional and transparent manner. It is important to distinguish between a product sales person and a financial planner.

Try to seek financial advice, independent of any insurance or financial institutions. A financial planner

who can give impartial advice and is not tied to a specific product, and who is fee-based rather than commission focussed will almost certainly serve your needs more fairly. By working on a fee-based structure, the cost is declared, agreed and typically remains the same regardless of financial product or investment taken.



Realising any gains after you return to the UK will likely be subject to UK taxes. If the investments are structured correctly, and planned for in advance, UK taxes can be reduced, minimised and sometimes even avoided.



It is also important to find a company that is fully regulated in Hong Kong and also has offices around the world so that upon your return home, or next overseas assignment, advice can continue in a regulated and consistent manner.

Returning home

With that in mind, it's imperative not to be tied into policies that aren't suitable when you return home. Consider the length of the policy, and earning capabilities after you return home, and don't fall into the trap of taking out a long-term, contractual plan without fully understanding costs, penalties, and impact of making any changes or withdrawals in the future. Select a fully flexible plan without any penalties or fixed commitment period.

One of the biggest oversights for expats is not taking tax implications into consideration when planning for their future, and a potential return home. For British citizens, the UK has a fairly complicated tax system. For example, just because an expatriate spends most of their time abroad doesn't necessarily make them exempt of UK Inheritance, Income or Capital gains tax.

There have been cases where the UK courts have classified people as UK residents retrospectively and made them liable for hefty tax bills. One may remember the widely publicised case of Robert Gaines-Cooper a few years ago, who believed himself to be non-resident and non-domiciled for UK tax



Unless you consider Hong Kong to be your permanent home or were born with a “domicile” outside of the UK, your global assets are likely to still be fully within the UK Inheritance Tax regime when you die.

purposes. The courts found on the facts that he was both resident and domiciled in the UK and applied retrospective assessments back to 1992! Thankfully the residence rules have moved on since that time and there is now greater clarity and certainty. But the point remains that unless you are vigilant in ensuring that you remain non-resident and that you understand the rules, you may be at risk of falling back into the UK tax system unexpectedly.

Tackling tax

For many expats, cashing in gains on offshore investment funds, share portfolios, or overseas properties and taking the gains back to the UK is not as straightforward as it seems. Realising any gains after you return to the UK will likely be subject to UK taxes. If the investments are structured correctly, and planned for in advance, UK taxes can be reduced, minimised and sometimes even avoided. In general

terms, the sooner you start to plan that process, the more effective it can be to be tax efficient without minimising investment opportunities. It is advisable to seek advice to learn how best to manage these assets to avoid complicated repercussions and unnecessary tax implications.

Inheritance Tax is another major consideration. Unless you consider Hong Kong to be your permanent home or were born with a “domicile” outside of the UK, your global assets are likely to still be fully within the UK Inheritance Tax regime when you die. The UK operates a “US style” global tax system for Inheritance Tax where your “domicile” is in the UK. As a concept, “domicile” is quite different from “residence” and most British people in Hong Kong are “UK domiciled non-residents” for UK tax purposes. Inheritance Tax is charged at 40% on all assets over the nil rate band, which is currently £325,000.

Plan for the future today

Three financial planning objectives:

- To have a clear road map for your financial future;
- To sleep soundly at night knowing your financial affairs are being looked after at a level of risk you are happy with; and
- To structure your finances to ensure you are increasing your financial security over time whether it be by paying off a mortgage/debts, covering insurance premiums to protect your financial position, accumulating assets for future outgoings, and increase the return on existing investments.

Five questions to ask yourself

- Who do I trust when seeking financial advice?
- Is the advice being offered suitable for me, or is this an off-the-shelf product sold to every customer?
- Are the offerings flexible, transparent and easily understood?
- Do I understand all fees and are they fair?
- Will it help me get closer towards my financial goals and enhance my financial security?

Although transfers between British spouses are exempt for UK inheritance tax, often, British nationals are married to non-UK domiciled individuals. In this case, the allowable transfer to the non-UK domiciled spouse free from tax is limited to £325,000 plus the nil rate band. Planning for this area is vital.

Hong Kong's key advisors

In Hong Kong, there are three main regulatory bodies for financial planning: the CIB (Confederation of Insurance brokers), PIBA (Professional Insurance Brokers Association), and SFC (Securities and Futures Commission). Licensing by PIBA, or the CIB allows brokers to offer advice on insurance-based products.

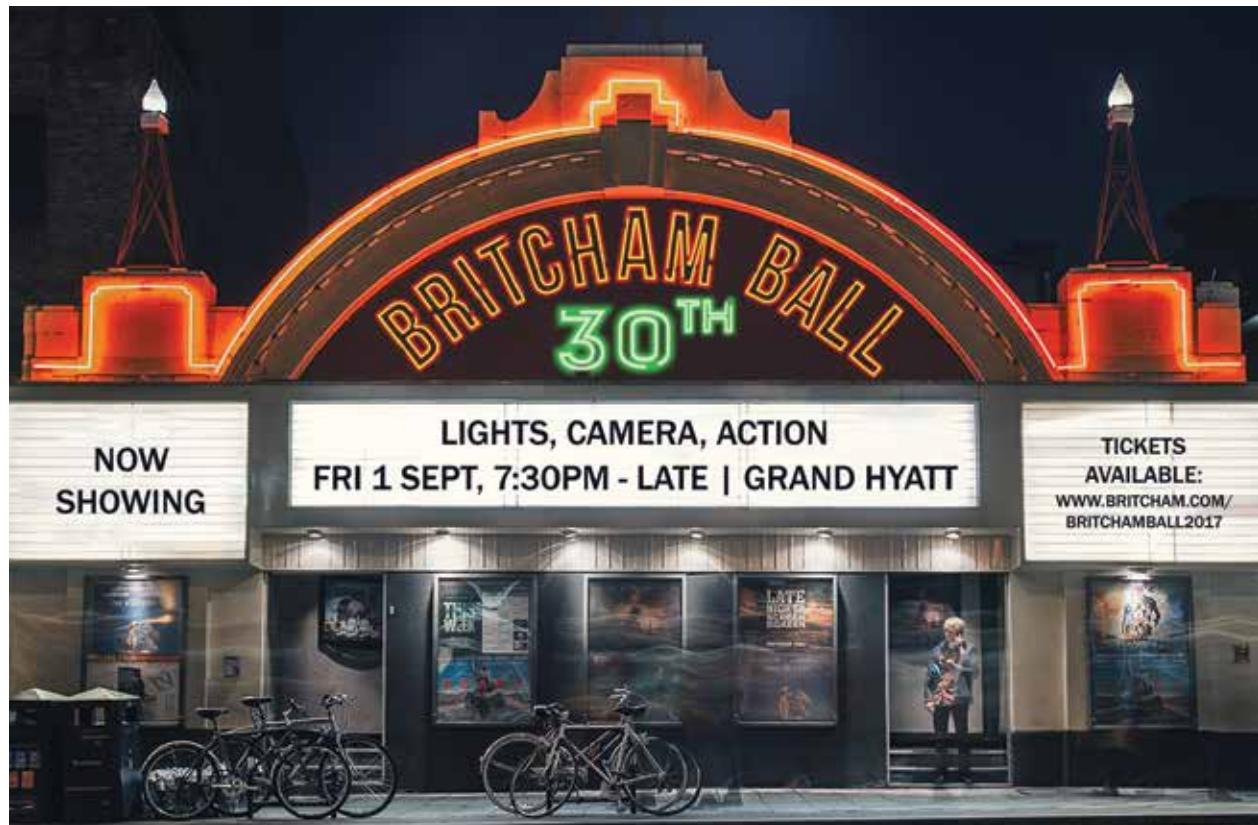
Both the Company and the individual Financial Advisor must be licensed and regulated in Hong Kong by the Securities and Futures Commission (SFC) to provide investment advice. Advisors who are not regulated and/or licensed by the SFC are unable to provide advice on the sale of specific investment funds.

Don't be confused between an insurance sales person and an individual who is regulated to provide investment advice. **B**

Winners of 'Best Adviser Firm Hong Kong' and 'Excellence in Investment Planning' by the International Adviser Best Practice Adviser Awards 2016

The Fry Group has a long standing reputation with British expatriates around the world. Established in 1898 in the UK, the Hong Kong office is fully regulated by the SFC and CIB, and offers a transparent fee based financial planning service. For a no-cost initial consultation, please call one of our experts on +852 25269488 or email us for an appointment on enquire@thefrygroup.hk.

 **The Fry Group**



At a Premium

In Hong Kong, space is a luxury few can afford. Here are a few ways to push luxury to the limit and maximise your space.

– By Kevin Renshaw



For most people with big city dreams, compact living spaces are an unavoidable reality. It's a small price to pay for living in some of the greatest cities in the world. While this might prove to be challenging for some, it's not impossible to transform a small and uninspiring living space into a snug and cosy utopia through these clever space-saving solutions. A perfect balance of practicality and aesthetic appeal is essential to creating a stylish and versatile home.

Plan your living space

Map out the floor plan and clearly define how you would like to utilise the space to its maximum potential. Keep an open mind and don't hesitate to completely reconfigure the existing layout of the room. Never alter a room to make a piece of furniture work, always select furniture that works for the available space. Have a theme in mind, and whether you want to go contemporary or traditional, try to stay consistent to the theme.

Minimalism

Remember, clutter is your enemy and can make a small space appear even more claustrophobic. The adage "less is more" has never been more true than in the battle against clutter. The trick is to reorganise

and disguise clutter through clever storage. Don't hesitate to get rid of things that aren't necessary. Resist the temptation to buy large furniture pieces that can feel quite overwhelming and make the room appear smaller than it actually is. If your ceiling height is quite low, keep the furniture low, such as a low coffee table or sofa, which can create a perception of more height.

Think neutral

There's nothing like crisp white decor to lend a bright and airy touch to a living space. You can always add accents of vibrant colour to infuse personality by introducing colourful cushions and accessories. It's important to choose a dominant colour and use accent colours to complement it. If white décor makes the room feel cold and uninviting, add soft other neutral shades including beige, grey, taupe and soft shades of blue.

Mirror, mirror on the wall

Strategically placed mirrors are the most popular and easy way to create the illusion of space. By reflecting light, they add more depth to the room. We recommend you choose mirrors with light frames. Creating a stylish mirror wall can also serve as a focal point, while almost doubling the perceived size of



the room. Positioning a mirror opposite a window is useful to reflect natural light. Invest in mirrored furniture or glass/metallic accessories that are a chic way to bounce light around to create a welcoming space.

Smart storage

Invest in multi-purpose savvy storage solutions. Shelving that doubles up as wall decoration or floor-to-ceiling shelving can draw the eye away from the floor and towards the ceiling creating the impression of more height. Under-bed storage is a no-brainer for small spaces and the handy ottoman can serve as a coffee table or seating. As opposed to large freestanding pieces, adopt the use of concealed storage that seems to appear out of nowhere.

It's all about lighting

Natural light is the most organic way to inject life and energy into a confined space. Avoid using thick, dark curtains, which block natural light and take up valuable space, instead use white translucent

The adage 'less is more' has never been more true than in the battle against clutter. The trick is to reorganise and disguise clutter through clever storage.

curtains or window blinds. Replace chunky or old-fashioned light fixtures that take up space with recessed ambient lighting that can be controlled to create the mood that suits you.

Keep it stylish

Remember, a smaller property doesn't mean you need to compromise on style. A breakfast bar with stools is a great space saving solution if your kitchen isn't big enough for a dining table. Some breakfast bars have concealed storage, which is convenient for storage of kitchenware.

Create distractions

An attractive feature wall, bold painting or a statement piece of furniture or artwork become focal points of the room and distract attention from the size of the room. Geometric patterns are popular now and can serve to create more depth; horizontal stripes can widen a room while vertical stripes create the impression of more height. Be careful though, and remember to keep it subtle! **B**



Penny Cheung
HK, Taiwan &
China,
Benham & Reeves
Residential
Lettings

With 16 branches in prime residential London locations and international offices in Hong Kong, China, India, Malaysia and Singapore, **Benham and Reeves Residential Lettings** is recognised as one of London's largest independent letting agents. The company offers a full letting and property management service to property investors with rental investment properties in London. For more information, reach Penny at 2537 5443, or by email at hongkong@brlets.co.uk



Shoot the Moon



Blockchain is a powerful technological instrument that has threatened to destabilise the status quo of big business and big banks, but it is only one tool in the business toolkit. What more does an entrepreneur need to know to succeed in business today?

– By Paul du Long

Technology is relentless. At one time, the world communicated via paper, used engines that ran on steam and moved by rail. Innovation led to telephones, while oil and cars started to drive the economy, which led to the current paradigm of capitalism.

A simplistic overview of our current state of capitalism would have us understand that it is made up of a consolidation of businesses by several oil majors, global banks and a few hundred global companies. This concentration of wealth and power has led to massive vertically integrated companies that produce at a margin above cost.

This is capitalism today as we know it, but I believe a change is coming, and a new technological revolution is upon us. Powered by the Internet, renewables and connected devices, we are entering

the arena of post-capitalism, where vertically-integrated multinationals are challenged by gigantic horizontal, scalable networks that produce at near-marginal cost.

The new economy

A sharing economy has been growing year-on-year in the last decade, and this has fostered a new wave of entrepreneurship, which has – in part – been accelerated by blockchain technology.

What is blockchain actually? A quick Internet search will likely summon a host of confusing terms like “decentralisation”, “ledgers” and other complex computer or accounting terms. Let’s forget about all of this for a minute; when the world was sending its first emails, it was not discussing the underlying TCP protocol that facilitated email messages.

The same is true of blockchain – the discussion of how blockchain is powered comes a distant second in importance to the discussion of what it can do. With blockchain, it is now possible to create trustworthy computer systems (with a low barrier of entry) to develop systems. And if one desires, these systems can be shared with others to create an ecosystem for sharing information in a secure manner.

For instance, we trust the longstanding and developed systems our banks have in place to show us our correct bank balance. With blockchain, it is possible to create a similar system within hours. This new ability has triggered a boom of ambitious start-ups that, using blockchain technology, plan to take on or eradicate big companies.

Cart before the horse

In their excitement, many start-ups come to believe that they are building the next moon-lander; unfortunately, in relying on blockchain to be the answer for their goals, these young companies forget that they need to build rockets for take-off as well as a ship to fly.

Their overestimation of blockchain's capabilities has pushed it past the peak of inflated expectations into the trough of disillusionment on Gartner's Hype Cycle. One moonshot after another has been launched, and massive amounts of money was poured into them. But now that we are past the initial hype, it is time to look at the bigger picture and ask why the adoption of blockchain still is low and is met with hesitation from the business world.

Most of the noise around blockchain has been made by a small clan of new entrepreneurs. A typical profile of a blockchain entrepreneur is often a technologist who blithely assumes that technology

can and will easily replace hard won experience and time in the market. Moreover, new tech entrants rarely understand that regulations (particularly in banking and currency) have been put in place for a purpose, and that purpose is not to thwart the ambitions of the young. What we need is for blockchain aficionados to understand the legacy and investments of the current businesses and business processes.



The discussion of how blockchain is powered comes a distant second in importance to the discussion of what it can do.



These long-standing operations have been iterated and have evolved over time, often proving their resilience to business disruptions. They have grown to size organically, or have earned funding from larger organisations, and as a result they have created the critical systems on which we unconsciously rely and often take for granted.

Building a start-up myself, I am experiencing the same issues, building something that can do one thing better is easy, but building an organisation that confronts every business process brings a whole new set of challenges. At some point you realise that the moon-lander you are building does not fly alone. It must operate in an ecosystem that is subjected to rules and regulations. Although we entrepreneurs often have the tendency to dismiss regulatory measures as the unnecessary friction that we want to eradicate, we must not forget that they exist for a reason.

That said, we must not underestimate the revolution that is happening right now. There is a paradigm shift on its way that is accelerated by blockchain. This will allow smaller organisations to quickly build trustworthy ecosystems to compete with the bigger and centralised organisations. This is how I imagine people felt when the internet was first introduced. This should also serve as a wake-up call to other entrepreneurs to think about their journey – about how to get to the moon and all the challenges they will face along the way. **B**



Paul du Long
Asia Managing Director

Otonomos is engineering the world's first blockchain-chartered company, in which clients hold their shares in the same way as owning bitcoins in a digital wallet.

OTONOMOS

When you form a BCC through Otonomos, you can transfer equity peer-to-peer to attract co-founders, remunerate collaborators, invite new private investors or get funding from the crowd at large.

What is WeChat?

WeChat is a “SuperApp”, and at the core of China’s social and digital landscape.

– By Alan Ma



WeChat (Weixin) is part of Tencent, China's most prolific Internet service provider, and one of the largest Internet companies in the world. Released in 2011, WeChat began as a messaging app and has since developed into what the New York Times describes as a "SuperApp". It has become not only a multi-level lifestyle app, but is at the absolute core of China's social and digital landscape. With 938 million-plus active user accounts, and 10 million-plus WeChat Official accounts, it is the star of the mobile Internet era in China, revolutionising the mobile commerce industry.

WeChat's status

WeChat owes its popularity to several unique factors in China's local market. The number of people in China who access mobile data on their telephones is more than the total number of users in the US, Brazil and Indonesia together. A large proportion of China's population use multiple mobile devices, creating an increase in the need to have one app across all devices to integrate a single identity.

WeChat users

The largest group of WeChat users is young urban residents from the Internet savvy generation, born in the 80s and 90s. This social group of young urbanites has an increasing level of disposable income and has quickly become very adept at using digital platforms for a variety of functions. With e-commerce now one of the drivers of the business model, WeChat Pay has become an integral part of the app. Users can attach their bankcards to the WeChat wallet, thereby doing away with cash or card payments, and facilitating transactions on the app.

Changing the business landscape

The first targeted ads launched by WeChat in January 2015 were sent out on its Moments page as a trial, and included BMW, Coca-Cola and domestic smartphone

maker Vivo. The ads quickly caused a stir in the world of WeChat. It was assumed that those who received the BMW ad were wealthier than those who received the Vivo or the Coca-Cola ads, but it certainly got everyone's attention. A spokesperson for BMW was quoted in the Global Times as saying "so far the company is satisfied with the results of the campaign. In the first 17 hours after the WeChat ad was launched, it reached 46 million WeChat users and 7 million of them responded to the ad. Also, 200,000 followers were added to BMW's official WeChat account."

“
With 938 million-plus active user accounts, and 10 million-plus WeChat Official accounts, WeChat is the star of the mobile Internet era in China.
”

WeChat is evolving as the go-to marketing tool for brand communication, event sharing, new launches, sales promotions, global trends, and customer feedback. It allows businesses and brands to communicate and interact directly (daily) with their followers, promoting their product, and allowing companies to gauge the impact their products or services are having. Live streaming, lecture broadcasting and direct communication with followers allows dialogue and story telling targeted towards a specific audience. WeChat groups get first-hand information about the user and their feedback, and can use this as a platform to connect and strengthen their following by inviting more users to join via QR code.

The global market

China now has the world's largest group of mainstream consumers. Businesses across the globe cannot ignore the importance of having "a foot in China's door". WeChat has opened up to foreign companies, allowing them to open China visible official accounts for China marketing. With constantly evolving new formats, live-streaming, picture and video editing directly within the app, and the imminent possibility for publishers to post videos directly to an individual's news feed, WeChat has become an essential powerhouse for any business on a global level. ■



Alan Ma is a China digital marketing specialist whose teams have created business-building WeChat campaigns for clients including ABB, Estée Lauder, Porsche and Tencent. Alan has worked in China for her entire career, joining Ruder Finn Innovation (RFI) Asia in July 2016.

RFI Studios is the digital marketing division of Ruder Finn Asia, a communications consulting firm.

**RFI
STUDIOS**

Lock them Down

The house without an alarm gets burgled first. Don't make it easy for Cyber Criminals.

– By Phil Aldridge

I recently sat on a conference panel in Hong Kong on cyber security where the title of the panel was "Cyber Security – Should I Be Concerned?". Considering this was a conference for financial institutions in Hong Kong, the title somewhat scared me. In this day and age, it is bizarre that we are still asking whether or not a company should take cyber crime seriously. Days when cyber crime didn't affect everyone are long gone and every company should have a strategy to deal with this serious issue.

This article is not meant to cover all aspects of cyber security; it is extremely complex and can be very expensive to implement. The purpose here is to cover the basics, with real world examples of how protect yourself enough that the criminals will go after someone else because your business is just that bit too hard to get into.

In this article, I will cover a few points: from definition of cyber crime, to types of cyber crime, to how to prevent it (with free and cost-based initiatives). First, let's start with some interesting statistics.

Some cyber stats

Gone are the days where the targets of cyber attacks were large organisations or government bodies. It is important to know that today 43% of cyber attacks target small business. Of those unfortunate to be successfully attacked, 60% go out of business with six months of the attack. One of the main reasons for this is that in small and midsized companies, 60% of all employees use the exact same password for everything they access. The result is that 63% of all data breaches are caused by a weak, default, or stolen password.

Once the criminals are in, they stay dormant for an average of 200 days while they gather information



about your company. On average, such breaches go unnoticed for roughly 17 months.

By 2019, the global cost of cyber crime will reach US\$2 trillion, so it is best to try to ensure that your business is not contributing to that amount!

What is cyber crime?

Cyber crime is defined as a crime in which a computer is the object of the crime (hacking, phishing, spamming), or is used as a tool to commit an offense (child pornography, hate crimes). Cyber criminals may use computer technology to access personal information, business trade secrets or use the Internet for exploitative or malicious purposes.

Common types of attack

- **Phishing** – when someone sends an email pretending to be genuine but trying to get passwords or credit card info etc.;
- **Spear phishing (whaling)** – an attempt to extract confidential information from a specific person by pretending to be a known trusted person;
- **Malware** – malicious software delivered by attachments to email or websites that are supposed to disrupt business or control computers;
- **Ransomware** – a type of malware that encrypts data and demands a ransom to unlock it (Wannacry); and
- **Watch out for mobile malware** – 300% growth month on month. Delivery by email, social media, and SMS. Infection can mean full access to corporate email.

Cyber action items

Before anything else is done, the absolute first thing to perform is security patching and updating of your servers, firewalls and desktops and laptops. A policy and strategy on patch management could be drafted at this stage.

Next is to engage a third-party security company to do an independent vulnerability scan of all external facing infrastructures. With that report your internal or outsourced IT should perform remedial work to fix any issues found in the report.

While the first two items are being performed, take the opportunity to check your backup strategy and perform restore testing. A good backup strategy will ensure you do not have to pay any ransomware fees.

Also at this point, a complete change of passwords should be implemented if it has not been done recently. A strong password policy should be implemented with regular updates.

Here is where it gets a bit more complex. Get your IT vendor or department to implement the following four solutions:

1. An email gateway solution on top of your email system to filter out threats and add an additional layer of security. There is a cost to this but it is well worth implementing. If you have a good firewall, implement its web filtering functionality to block malicious sites. If you don't, then use an external third-party solution. Again this will cost but this should reduce the risk of infection from users clicking links in emails or websites etc.

Two-factor authentication is becoming more readily available and in many instances it is free.

This helps to prevent stolen access to accounts because if someone gets your password and tries to log in you will get a mobile SMS;

- 2. Enable encryption** for all mobile and laptops. If you then lose your device the contents are secure because no one can see them.
- 3. Never use free public Wi-Fi.** Always hotspot from your mobile phone if you want to use your laptop in a coffee shop. Ensure in the office you have separate Wi-Fi for corporate from guests.

If you are really paranoid then at home separate your Wi-Fi for business use from your family used Wi-Fi.

4. Finally, the most important of all aspects of cyber crime prevention is staff **training, training, and more training**. Engage an external vendor to train your staff on how to be cyber aware and act accordingly to suspicious situations.

Days when cyber crime didn't affect everyone are long gone and every company should have a strategy to deal with this serious issue.

HK Government support

And now to the easy part: in November 2016, the Hong Kong Innovation and Technology Bureau launched the Technology Voucher Programme (TVP) which is a 2:1 cost matching programme for projects up to HK\$300,000. This means if the company wants to implement a cyber security project that costs HK\$300,000 then the company initially pays HK\$300,000 and the Government will reimburse HK\$200,000.

This can be applied for projects that improve the use of technology in a company that can be packaged as an application to the government for funding.

The scope of projects covers many areas where technological improvement can be made to a company but specifically it includes Cyber Security. Details can be found at <https://tvp.itf.gov.hk/> 



Phil Aldridge
COO,
FunctionEight
Limited

FunctionEight is a full-service technology company, providing outsourced business IT support, and bespoke advice, infrastructure and website development services to premium SMEs throughout Asia. Key services include IT needs assessments and network, file servers, change servers, firewalls / security and hardware setups. If your operations are in Hong Kong or Singapore and you would like to assess whether you are at risk, please contact phil@functioneight.com

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Bristol and West of England China Bureau

The Bristol and West of England China Bureau has successfully extended its area of interest further into the Pearl River Delta region and to Hong Kong.

Fifteen years hard work laying the foundations for stronger cultural and business links between China and the South West of England is finally coming to fruition for the Bristol and West of England China Bureau. The bureau has its roots in a sister city relationship between Bristol and Guangzhou in southern China, which began in 2001.

Constantly recruiting business people to support its fast-expanding role, the Bristol and West of England China Bureau has successfully extended its area of interest further into the Pearl River Delta region and to Hong Kong.

Bureau members recently welcomed the Hong Kong Trade Development Council to Bristol's Radisson Blu Hotel for a special seminar marking the 20th anniversary of Hong Kong being handed back to China.

Supported by Hewlett Rand and the Bristol West of England China Bureau, the seminar attracted business people who were given a rundown of the global trade initiatives emerging from the international business and financial hub.

Ms Priscilla To, Director General of the Hong Kong Economic and Trade office, the most senior Hong Kong Government official in the UK, delivered the opening address at the seminar, "Think Asia, Think Hong Kong: Your Super Connector to the Belt and Road".

China's Belt and Road initiative is the world's largest infrastructure project, spanning 62 countries and promotes international cooperation giving new impetus for economic growth for decades to come.

Ms To said the message to Bristol entrepreneurs and businesses was to take up the opportunities within Hong Kong for the Belt and Road initiative – the trade route based on the ancient Silk Road linking Asia to Africa and Europe.

The Bristol and West of England China Bureau is playing its part, bringing these various strands together as an information hub for West Country business people who may not have considered the opportunities presented by mutual trade opportunities between UK and China.

The Lord Mayor of Bristol, currently Councillor Jeff Lovell, is Honorary President and has supported the organisation's aims throughout the 15 years in which it has grown.

Many of the Bureau's Board are from local businesses and universities, helping West Country firms foster deeper relationships with their counterparts in China.

Chief Executive Officer Dianne Francombe has led the organisation for several years and her name is synonymous with everything to do with China in the South West region of the UK.

A growing board of talented and enthusiastic specialists supports her, including: Richard Lowe, Director of Business Initiatives; Tony Prescott, Director of Culture & Community Initiatives; Lingxi Wang, Director of China Affairs; Martin Powell, Director of PR & Marketing; Michael Dando, Director of Business Projects; Saso Puksic, Director of Finance and Business Systems; Pete Read, Director of Market Insights; and Paul Hardman, Company Secretary.



Photo, from left to right. Dianne Francombe, CEO, Bristol and West of England China Bureau; Richard Lowe, Owner, Hewlett Rand and Director of Business Initiatives, Bristol and West of England China Bureau; Priscilla To, Director General, Hong Kong Economic and Trade Office; Thorsten Terweiden, Deputy Head (Fintech), Invest HK; David Marsden, Director UK, Benelux and Ireland HKTDC

The Bureau's events, hosted and sponsored by major firms, usually feature speakers featuring UK and Chinese business experts in partnership with many trade organisations such as Hong Kong Trade and Development Council, Invest Hong Kong, UK Department of International Trade, CBBC. Chair of Shenzhen British Chamber of Commerce, Barry Wilson of Barry Wilson Project Initiatives recently shared his insight into sustainable urban planning in China's mega cities.

Lingxi Wang, Bristol and West of England China Bureau Director of China Affairs, said: "Building closer connections with China is more important than ever given our upcoming exit from the European Union. Open dialogue and cultural exchanges help to build trust and foster closer relationships. It is through harnessing these exchanges that we can build on the opportunities in the Belt and Road Initiative and continue the new golden era of UK-China relations."

Bureau Director Richard Lowe added: "We have developed special relationships in Hong Kong and other parts of China working in partnership with our sister city Guangzhou and across the Pearl River Delta and recognise that China and UK's golden age provides infinite opportunities for collaboration and trade development opportunities."

Bristol and Guangzhou marked the 15th anniversary of their sister city partnership with Bristol Mayor Marvin Rees travelling to China along with members of the Bureau to sign a Bilateral Agreement forging closer economic and trade connections. The Bureau also signed an MoU with the Provincial Government in London in June.

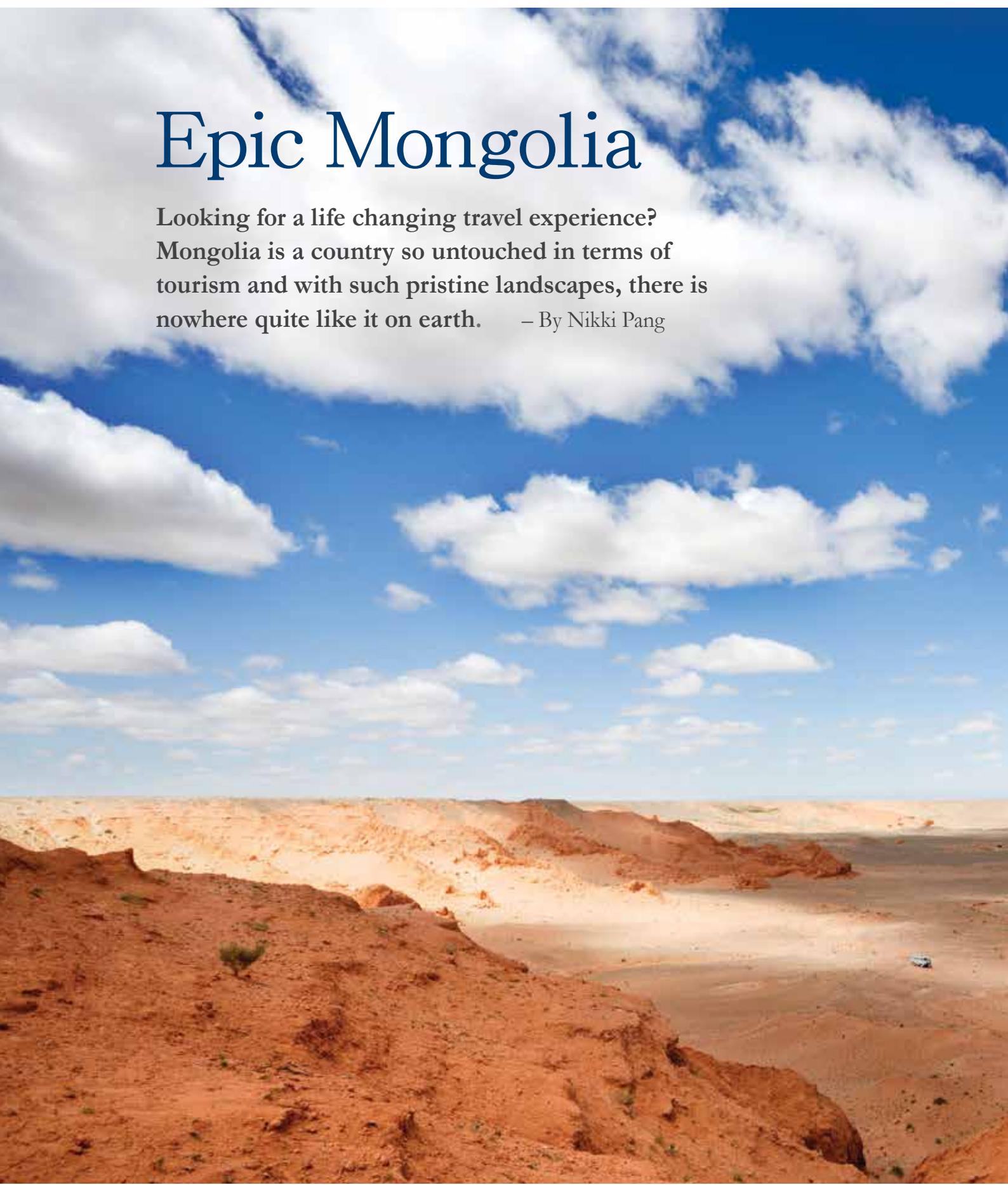
As the China Bureau extends its reach across the West of England it has a growing membership from helping to continue to bridge on-going relationships for long-term prosperity. **B**

Issued on behalf of the **Bristol and West of England China Bureau**, trading name for Bristol China Partnership Company limited by guarantee and registered in England under number: 8350142. For further information contact Richard Lowe Tel: +44 778 757 2062

**Bristol and
West of England
China Bureau**
布里斯托及西英格兰
中國交流中心

Epic Mongolia

Looking for a life changing travel experience?
Mongolia is a country so untouched in terms of
tourism and with such pristine landscapes, there is
nowhere quite like it on earth. – By Nikki Pang





The following itinerary takes you on a seven-day journey through the country's heartland and the Gobi Desert.

Day 1 **Arrival in Ulaanbaatar**

Upon arrival in Ulaanbaatar, meet your local guide and transfer by private car to your hotel. Settle down and find your bearings before setting out for a walk through Chinggis Khan Square and a visit to the Museum of National History. Here, gain wonderful insight into Mongolia's remarkable past – a fantastic introduction to the country's culture and history. In the evening, dine at one of our favourite restaurants and get your first taste of Mongolian cuisine.

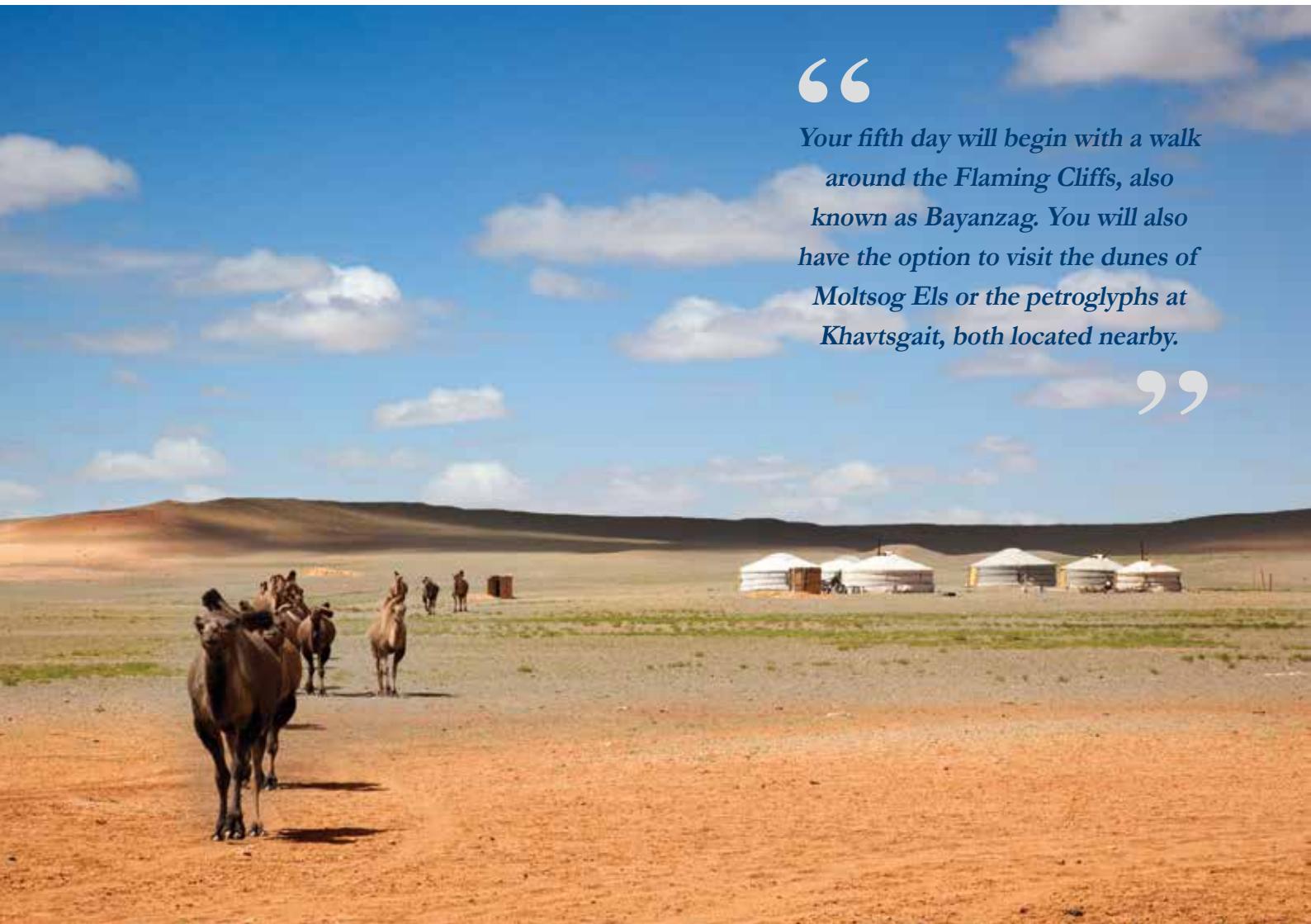
Stay: Shangri-La Hotel, Ulaanbaatar

Day 2 **Ulaanbaatar – Dalanzadgad – Yoln Am**

Your second day begins with an early flight to Dalanzadgad, the gateway to the Gobi Desert. Venture west to Yoln Am in the Gurvan Saikhan mountains, before heading off to "Eagle Gorge" for the chance to spot the area's unique wildlife: lammergeyers gliding in the sky as they search for prey or argali sheep and ibex marching across the sheer cliffs. Tonight you will get your first chance to sleep in a ger, or Mongolian felt tent, the design of which has changed little over centuries.

Stay: Three Camel Lodge





“

Your fifth day will begin with a walk around the Flaming Cliffs, also known as Bayanzag. You will also have the option to visit the dunes of Moltsog Els or the petroglyphs at Khavtsgait, both located nearby.

”

Day 3

Yolyn Am – Khongoryn Els

Navigate further west in the Gurvan Saikhan National Park as you keep your eyes peeled for graceful gazelles and majestic Alpine ibexes. Later in the day, drive across the endless dunes before trekking to the top, coming face to face with some of the most astounding views in Mongolia.

Stay: Private ger camp

Day 4

Kongoryn Els – Camel Trek

After a leisurely breakfast, visit a camel breeder and learn all about his trade. Afterwards, trek with the breeder and his animals across the hauntingly beautiful desert landscape. In the early evening, walk up to another high point and enjoy breath-taking sunset views.

Stay: Private ger camp

Day 5

Kohngoryn Els – Bayanzag

Your fifth day will begin with a walk around the Flaming Cliffs, also known as Bayanzag. You will also have the option to visit the dunes of Moltsog Els or the petroglyphs at Khavtsgait, both located nearby. One of the benefits of staying in such a remote location is that you can witness the natural kaleidoscope of endless stars in the evening without the disruption of any light at all.

Stay: Three Camel Lodge

Day 6

Bayanzag – Ulaanbaatar

This morning, fly back to Ulaanbaatar and spend some time shopping for souvenirs such as cashmere jumpers, Mongolian boots, fur hats or traditional instruments.

Stay: Shangri-La Hotel



Day 7 Gorkhi-Terelj National Park

Today, head east out of the city to visit the giant Chinggis Khan Equestrian Monument at Tsonjin Boldog. Make sure to climb up into the statue for uninterrupted views of the Mongolian steppe. Continue northwards to the Gorkhi-Terelj National Park and see the Turtle Rock, and you can't leave Mongolia without trying to ride a Mongolian horse! This evening, enjoy a farewell dinner with live Mongolian music performances.

Stay: Shangri-La Hotel

Lightfoot Travel is a Hong Kong-based luxury tour operator specialising in tailor-made travel to all seven continents. If you can't make these dates, the journeys can be created on a bespoke basis and tailored to your exact requirements. Call 2815 0068 or visit www.lightfoottravel.com to enquire now.

Day 8 Depart

This morning transfer to the airport in time for your onward flight home.

The above is a sample itinerary and can be tailored to fit your specific interests. Prices are from US\$11,420 for two guests travelling and are inclusive of accommodation, all meals, domestic flights in Mongolia and excursions. Call +852 2815 0068 to speak to a Mongolia specialist or visit www.lightfoottravel.com for further inspiration. 

DESIRE MADE REAL

Food and Drink

Hong Konger's love a macaron, so give the perfect gift of Moet and Macarons, from **Invisible Kitchen**. Whether it's for an office farewell, team treat or simple thank you, the Moet and macarons package is a perfect gift for sharing.

RRP HK\$880.00. Order online at www.invisiblekitchen.com



Fashion

This classic navy bow tie from Menswear brand, **Alfred Dunhill**, is carefully crafted from knitted mulberry silk. Soft to the touch and sleek in appearance, an ideal finishing touch for any formal ensemble.

RRP HK\$1,250. Available to purchase in store or online; visit www.dunhill.com for details.

Iconic British

brand, **Links of London**, have introduced the Sweetheart

Sterling Silver Bracelet, a new take on the bestselling Sweetie bracelet. This new refined design features the traditional Sweetie rings infused with small globe shapes to create a lighter aesthetic that is perfect for everyday wear. Inspired by traditional sweet shops, this bracelet is the perfect gift for any lover of the Sweetie collection.

RRP HK\$2,000. Visit www.linksoflondon.com/hk-en for store locations.

Bling

Style

A joy to write with, **Shanghai Tang's** (Modern Chinese Chic) vibrantly coloured pen features the deeply romantic Double Fish symbol – a sign of love, harmony and abundance in Chinese culture. The pen comes with one refill.

RRP HK\$980. Available at various locations, visit www.shanghaitang.com for details.



Luxury Holiday



The gorgeous white beaches of Phuket have always been a popular choice for Hong Kongers looking for a short weekend escape from busy city life. Head to the South coast, and you will find the quaint village of Nai Harn near Rawai, a hub of wellness and health clubs. **The Nai Harn Hotel** offers beachfront luxury on Thailand's most famous Andaman Isle. Each of The Nai Harn's 130 luxurious guestrooms and suites features panoramic views of the azure bay dotted with sailing boats, making it one of Phuket's most relaxing beach resorts. The luxury resort also features two restaurants, a rooftop lounge bar, swimming pool, water sports and day spa and offers a unique welcome, far away from the hustle and bustle of daily life.

For best available rates, book online at www.thenaiharn.com

Appetite



Local favourite, **The Pawn by Tom Aitkens**, has recently extended its popular brunch to all day every Sunday, from 11am 'til late. You'll find a variety of good old brunch staples, from a full English breakfast, to burgers and fish and chips. Choose from one of the free-flow brunch options starting at HK\$498. They didn't forget about the kiddos – those up to the age of 12 still eat for free!

The Pawn by Tom Aitkens, 62 Johnston Road Wan Chai. For reservations book online www.thepawn.com.hk or call 2866 3444.

Book Shelf

Book Shelf presents the favourites – new and old – of Chamber members for your suggested reading pleasure.



Ideas are Your Only Currency

By Rod Judkins

In a world of change, where skills become out of date quickly, it is ideas that last. We all need to be prepared for a world that is fluid, global and interdisciplinary. Distinctions between specialties will blur and overlap. Change is happening at electrifying speed. In this vortex there are no maps. Featuring 100 interactive chapters to inspire ground breaking new ideas.

Recommended by Janine Tam, Growhouse

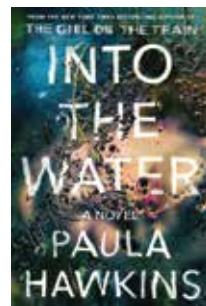


My Health: Upgraded

By Bertalan Meskó

Information in our DNA can predict our future health. Biotechnology advances enable medical scientists to produce cells that fight tumours. Wearable devices measure our vital signs while at home. What we would have considered science fiction a decade ago is quickly advancing modern health care, and we haven't seen anything yet. Trained physician and medical futurist Dr Bertalan Meskó, offers us a fresh look at how innovative technologies enable us to change health care for the long term.

Recommended by John Hesketh, Serco Group (HK) Limited



Into the Water

By Paula Hawkins

A single mother turns up dead at the bottom of the river that runs through town. Earlier in the summer, a vulnerable teenage girl met the same fate. They are not the first women lost to these dark waters, but their deaths disturb the river and its history, dredging up secrets long submerged. Beware a calm surface – you never know what lies beneath.

Recommended by Jennifer Tattersall, The British Chamber of Commerce in Hong Kong

After Angels

Each year, many businesses apply to the British Chamber's Business Angel Programme to seek mentors, advice and possible funding to get their dreams off the ground. In a brief Q&A in each issue *Britain in Hong Kong* will endeavour to reacquaint our members with the successful applicants of the Programme, and showcase who they are and where fortune and hard work has taken them.



Jordan Miller

Director of Operations &
Joshua Miller
CEO
OKAY.com

- Red Herring 100 Global award winner
- Best Hong Kong property website (awarded by Squarefoot.com.hk)
- Numerous features in the media (CNBC, Bloomberg, Forbes, Sing Tao, SCMP, Hong Kong Economic Times)
- Exclusive Hong Kong partner to Juwai.com, the largest online portal in China for overseas real estate investors.

When did you apply to the British Chambers Angel Business Programme?

We applied in October 2012.

What funding or other support have you received through the programme?

As a result of the Chamber's Business Angel Programme, we secured funding from an institutional angel fund, which has since participated in subsequent rounds as we have grown.

What has your growth or development been since then?

When we applied to the Programme in late 2012/early 2013, we were a team of approximately 10 people building the foundation for our platform. Since then, we have grown to approximately 100 employees; we have achieved profitability and are now growing quickly (more than 60% revenue growth in 2016).

What's next for the company and your team?

Having spent several years building and refining our platform, we're now focusing on scaling back in Hong Kong while looking to expand to other markets.

What are some notable achievements you would like to mention?

- Red Herring 100 Asia award winner

About The Company:

OKAY.com is a disruptive real estate platform targeting the large yet historically inefficient brokerage markets in Asia. We use proprietary mobile technology and aligned incentives to collect and aggregate real estate data so our agents can provide more information and a far superior experience to home seekers and property owners.



About the Business Angel Programme:

The British Chamber's Business Angel Programme, launched in late 2007, was the first such initiative to be launched in Hong Kong. Since its inception, the Business Angel committee has reviewed applications from hundreds of enthusiastic Hong Kong entrepreneurs, introducing many of them to a wealth of Angel Investors and Professional Advisors drawn from the membership of the British Chamber. The Business Angel Programme runs a series of events every year, which allows shortlisted candidates to present their business plans in front of a panel of investors and enjoy the opportunity to network and make valuable contacts. The British Chamber Business Angel Programme is sponsored by Baker Tilly Hong Kong and supported by TIE HK and Connect Communication.

For more information visit angel.britcham.com

SME 高 • MARKETPLACE •

As part of The British Chamber of Commerce's SME Marketplace, we have a range of offers available to members, which are especially tailored to SMEs and start-ups. Here is a snapshot of the available offers as well as the member companies taking part in the programme. For more information please visit our website www.britcham.com

Accounting



Baker Tilly Hong Kong offers accounting and payroll services. An exclusive customised service package is available, that includes professional

advice to enhance operational efficiency and achieve financial agility.



TMF Group knows a company's first forays into Hong Kong will most likely be on a strict budget, since start-up costs are many and can quickly spiral out of control. That's why, they are

offering to waive all start-up costs for their services, for SME and start-up members!

Banking



HSBCnet is an online tool for commercial customers to manage accounts on a one-stop platform. HSBC are offering start-up members a preferential rate for HSBCnet setup and monthly fee.

Business Coaching



Transitions Intl. Ltd. assists executives and professionals succeed in the business world by focusing on behavioural change. This involves building executive presence in the three areas of gravitas, communication and appearance. Visit the Chamber's website to look at the packages that are exclusively available for SME and start-up members.

Business Services



DRAGON LAW
Legal tools for the 21st century

Dragon Law makes it easy, fast, and affordable for businesses of all sizes to access law in Asia. Through their subscription services, SMEs and start-ups can access their easy-to-use document builder which takes you through a series of simple questions to build a well-drafted legal document, which can then be downloaded or signed electronically.



Vistra is a leading corporate services provider offering international incorporations, trust, fiduciary and fund administration services. Vistra has created a unique start-up package, "Vistra Kick-start", exclusively for SME Marketplace.



PRIMASIA
Corporate Services Limited

Primasia are offering reduced prices on incorporation and assistance with bank account opening, as well as first-year accounting. They are also offering a free introductory period and free set-up for payroll services.

Consulting



Vendigital is a specialist supply chain consulting and software company.

Specialising in Asian supply chains and sourcing safely, Vendigital gives

business owners confidence in knowing they enjoy cost leadership in the region. Vendigital is offering a number of discounted services, including Product Costing and Sourcing Strategy Advice for SME and start-up members.

Financial Services



Bibby Financial Services is one of the world's leading Invoice Finance Specialists providing cash flow solution

to support SMEs' businesses growth. They are offering start-up members exclusive welcome offer to get factoring facility in place.



The CFO Centre provides high calibre Chief Finance Officers to US\$5m - \$100m turnover businesses on a part-time basis and for a fraction of the cost of a full-time CFO. They offer sole Chief Finance Officer within a company or in a support role to existing Chief Finance Officers on the high value projects within your business.



CurrenXIE offers FX tailor-made solutions to SMEs with a service offering and competitive pricing schedule traditionally only available to larger corporates.

HR



Tricor Executive Resources provide high quality executive search and human resources solutions backed by in depth specialist resources and expertise. Through the SME Marketplace, members will receive special discounts on all recruitment, HR advisory, compliance and consulting services.

Insurance



Mercer is a global consulting leader in talent, health, retirement and investments. Mercer will help save your money by finding the right insurance partner. Take advantage of the affordable health and benefits solutions that are available through the SME Marketplace.

IT



FunctionEight is a full-service technology company, providing outsourced business IT support, and bespoke advice, infrastructure and website development services to premium SMEs throughout Asia. Key services include IT needs assessments and network, file servers, change servers, firewalls / security and hardware setups. They are offering free registration of a domain name, basic website hosting, dns hosting and basic email for up to five users for 12 months for all SME and start-up members of the Chamber.



CITIC TELECOM CPC CITIC CPC provides SmartCLOUD™ DaaS (Desktop-as-a-Service) solution. With this virtual desktop solution, SMEs and start-ups can set up or expand offices quickly and easily without purchasing any expensive hardware.



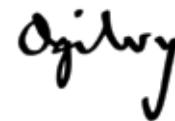
InfoScreen provides IT consulting and support for SME's and start-ups to upscale and streamline the operations by deploying the best-fit and customisable Quorum solution, Quorum is offering start-up members a discount on their services.

Legal Services



Tanner De Witt offers a range of services that appeal to start-ups and established companies alike. From company formation to shareholder agreements, and joint ventures to mergers and acquisitions, our Corporate and Commercial team works closely with clients to achieve desired results, offering commercial, practical and cost-effective advice.

Marketing



Ogilvy is offering not just one special offer but four! As the Agency Of The Year, they've created four special offers – all highly-customisable and personalised – that will cover all marketing needs from Strategy to Social, PR to Production. All priced exclusively for SME and start-up members to help their business grow.

Serviced Offices



Compass Offices are providing SMEs and start-ups with cost-effective and time saving workspace solutions. To start their businesses, SMEs and start-ups can use virtual offices to benefit from a strategic business address as well as professional team support to manage calls and mail.



The Executive Centre is dedicated to the incubation of new start-ups and entrepreneurs by providing cost-effective and flexible office solutions. They'll provide premium furnished offices on flexible lease terms from 3 to 36 months, with state-of-the-art conference meeting facilities and complete business administrative services supported by bilingual professional teams.



With 3000, locations globally, Regus operates in premiere business locations worldwide. Regus provide cost-effective and flexible workspace solutions with difference solutions to meet any budget and requirement. They are offering an exclusive business solution to SME members of the Chamber.

Travel



SME and Start-up Members can enjoy a free cabin upgrade from Hong Kong to London by enrolling onto The British Airways' On Business programme.



Serving a worldwide network of time-limited professionals, Halo Travel makes the business of travel stress-free and cost-effective. Halo Travel are offering SMEs and start-ups an exclusive 10% discount on the first hotel booking to any worldwide destination.



Virgin Atlantic is offering new SME clients' exclusive benefits to help their corporate ventures take off. With tailor-made fares, flexible ticketing and door-to-door limousines, doing business is now a whole lot smoother.

Member Offers

There are many great benefits of being a member of The British Chamber of Commerce. One of those is the Member Offers programme, an exclusive package of member discounts which range from dining and hospitality, to travel and business services.

Please present your membership card to enjoy these special offers. Full offer details are available online at www.britcham.com/membership/membersoffers



Food & Beverage & Accommodation



Up to 10% room discount on "Best Available Rate" of the day



10% discount on dining bill in Central, Wan Chai and Stanley locations



10% discount on a-la-carte dining



10% discount on the dining bill



10% discount on the dining bill



15% discount on dining between Monday to Saturday



15% discount on evening dining, and any Plateau A La Carte treatment over \$900



10% discount upon spending \$300 in one transaction



15% off food & beverage at all restaurants and cafés at Island Shangri-La



10% discount on the dining bill



Save \$90 Upon Spending \$900 Online at ParknShop.com



10% online discount on 'Best Available Rate' at Rhombus Group's Hotel Panorama, Hotel LKF, Hotel Bonaparte and Hotel Pennington

Lifestyle & Travel



15% discount on dry cleaning services only



15% discount on Premiere and Economy class flights for all Jet Airways online destinations



15% discount on published lettings & management fees



20% discount on treatments for first time clients, and 10% on subsequent visits

Business Services



Free 5 days office pass access for 1 person, including free Wi-Fi and coffee/tea



Discounts on meeting room rentals and 5 days free business lounge visit

Email marketing@britcham.com to suggest an offer to our members. Strictly limited to members companies only.

Women in Business Summer Lunch

28 June 2017 – Zafran, 43-55 Wyndham Street, Central



Towards the end of June, the Women in Business committee and other like-minded professionals gathered to celebrate the start of summer at Zafran, a Spanish bar & restaurant in the heart of Central. Guests enjoyed a variety of tapas, which included patatas bravas and croquettes, followed by traditional paella, all washed down with dessert and a glass of crisp white wine.

The networking series provides a great opportunity for businessmen and women to make new connections and network with fellow Chamber members and non-members alike.

The Chamber would like to thank Sheila Dickinson, Chair of the Women in Business Committee, and The Fry Group for its continued sponsorship of the series. Keep up to date with the latest event schedule on the British Chamber website.



Summer Ceilidh

16 June 2017 – Aberdeen Marina Club



Despite the bad weather, on 16 June, more than 150 people made the trip to the Aberdeen Marina Club for a night of Scottish food, Scottish whisky and Scottish dancing. The annual Ceilidh, supported by the Emerging Leaders Committee, is a firm favourite in the Chamber's social events calendar, with plenty of networking opportunities and fun to be had by all!

The evening started with a Glenfiddich whisky cocktail, before guests made their way into the ballroom for the night ahead. A piper, kindly provided by the Hong Kong Highlanders, kicked off the night in earnest with a haggis procession through the audience. This was swiftly followed by a rousing rendition of the traditional Address to the Haggis from the Chair of the Chamber's Scottish Business Group, John Bruce.

After guests enjoyed a delicious three-course dinner accompanied by a bottle of Glenfiddich on each table, the ceilidh band kicked off with the first reel, the ever-popular "Dashing White Sergeant". The dance floor stayed packed dance after dance for the rest of the evening with other ceilidh favourites including "Strip the Willow", before finishing off the evening with everyone singing "Auld Lang Sine" at the top of their voices.

A big thank you to our whisky sponsor Glenfiddich for their generosity, and also to our Lucky Draw Prize sponsors The Artist, who contributed some brilliant personalised craft beer. **B**







SHAKEN NOT STIRRED

S p o n s o r e d b y

 **Berkeley**
Group

25 May 2017 –
Honi Honi, 3/F Somptueux Central,
52 Wellington Street, Central



SHAKEN NOT STIRRED

Sponsored by

 **Berkeley**
Group

29 June 2017 –
The Pawn, 62 Johnston Road,
Wan Chai



Perspectives

In each issue of **Britain in Hong Kong**, the Chamber checks in with one of its Sterling Members to get a fresh perspective on our local businesses, and a peek into the personalities of our captains of industry.



Ian Cocking
Partner at *Clyde & Co*

CLYDE&CO
其 禮 律 师 行

How's business?

Growing: revenue for APAC in 2016-17 was in excess of £60 million. Asia Pacific has increased its share of global billings from 6% to 12%, following the opening of our four Australian offices, Beijing and Chongqing. The Hong Kong office has achieved a 13.5% increase on 2015-16 figures. In the past four years (2012-13 to 2016-17) we have achieved an increase in revenue of more than 100%.

What are your plans for the firm in the region this year?

Clyde & Co has been in Hong Kong for more than 35 years and more than 10 years in Mainland China. We continue to focus on growing our capability in key areas in addition to increasing our service offerings. The Belt and Road initiative is a clear focus for those of us involved in construction and infrastructure, and we have seen a big increase in work for Chinese contractors from our Beijing office

to Hong Kong and across the network, especially to Africa and the Middle East where we are a major presence.

More generally Hong Kong is a key arbitration centre and we expect to see more commercial disputes of all kinds. Third-party funding of arbitration also has good potential.

What, to your mind, has been the most crucial element in the success of Clyde & Co over the years?

Our focus on five core global sectors: Infrastructure, Insurance, Energy, Trade & Commodities and Transportation. We have been on a terrific run of growth in the last six years as one of the fastest growing law firms in the world. Since 2011, revenue has climbed by 140% from £212 million to over £510 million, and we have more than doubled our number of offices from 20 to more than 45.

To achieve double-digit growth in the unsteady complex legal market, while improving profitability, is a very good result. Overall these results demonstrate a clear vision and a continued focus on strong operational delivery.

What does your work involve personally?

I head up the construction team in Hong Kong and China. Our work starts at the front-end in drawing up the contracts, continues through contract administration, mediation and disputes, usually by arbitration or in the courts. We also specialise in technical and commercial disputes, industrial summonses, planning, environmental, and basically anything technical or complicated like IT (I worked on the Octopus Card projects for many years). Our work is increasingly international, and I would expect this trend to continue.

What's the most exciting business-related news you've heard recently?

The Legislative Council public works subcommittee's approval of the Kai Tak Sports Park upon which we are acting. China's Belt and Road initiative represents clear development opportunities for Hong Kong-based infrastructure lawyers. There is potential to advise on cross-border regional infrastructure projects like railways, roads, gas pipelines, ports and maritime facilities. Hong Kong, as a leading international financial centre and a regional business hub, is ideally placed to capitalise on the initiative. Not least in the provision of legal, arbitration, financial, management, and other professional services.

And the biggest news recently for your industry?

So far as the construction industry is concerned, the biggest news is filibustering, followed by safety,

declining productivity and the need to innovate. The establishment of the Project Cost Management Office under John Kwong is an important development. So far as construction law is concerned, the introduction of Security of Payment legislation and adjudication will be a radical change to domestic construction dispute resolution. My colleagues and I have already qualified as an HKIAC accredited adjudicators. The adoption of NEC3 by Government is also an important development, and I sit on the CIC's NEC taskforce (NEC4 coming soon). Big projects such as the Hong Kong-Zhuhai-Macau Bridge and the Guangzhou-Shenzhen high-speed rail link, the third airport runway and the expansion of East Kowloon central business districts are rarely far from the front page in Hong Kong.

How does the British Chamber of Commerce add value to your business?

The Chamber is a great place to keep a finger on the pulse of business in Hong Kong, and it has been especially interesting to meet senior officials and participate in various consultations such as 2030+, Security of Payment, the Construction Industry Council's Interim Report, BritCham's Vision 2020 and the Chamber's regular policy papers. The Construction Industry Group is a large and energetic committee under the able chairmanship of Nigel White of Gammon. We are especially fond of early mornings and full English breakfasts, as members will have noticed from the constant stream of briefings.

How long have you been living here?

I have been here for 29 years.

What's your favourite spot in Hong Kong?

Pui O in Lantau, where most of my wife's family are based. There is a completely different relaxed vibe that you cannot find in any other part of Hong Kong.



**What is your domicile ?
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“

The Belt and Road initiative is a clear focus for those of us involved in construction and infrastructure, and we have seen a big increase in work for Chinese contractors from our Beijing office to Hong Kong and across the network.

”



Although I visit site offices all over the territory, Pui O is quite unlike anywhere else. Of course the children adore the beach.

What would you say is the chief Hong Kong-related issue that takes up a lot of your time at the moment?

By definition, Hong Kong-related issues are at the root of almost everything in construction. Kai Tak Sports Park is at the prequalification stage and is taking a fair amount of my time at the moment.

One of the frustrations of the job is not being able to say too much about what we do on the disputes side because arbitration and mediation are confidential. What we do get to understand is the pathology of disputes, which hopefully helps our clients either avoid them where possible, or keep them on a commercial footing. I look out of my window and see projects that I can connect to almost everywhere!

What's something you've learned recently that you didn't know before?

There is a wonderful jellyfish exhibit at Ocean Park. I have been going to Ocean Park for years, but it was only when a colleague insisted that I find the

jellyfish that I discovered they were even there. Highly recommended, they are amazing!

Which words or phrases do you find most overused?

Apologies to all; to me a “smart city” still sounds like a well-dressed town!

What is your favourite (non-professional) occupation?

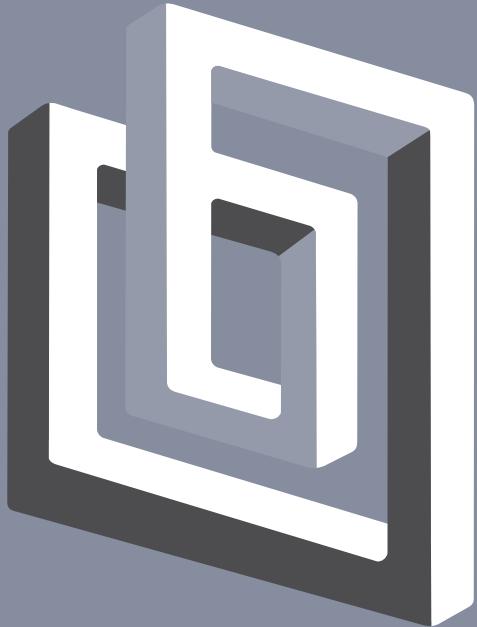
Playing guitar at the Wanch, Hong Kong's premier live music venue, or going to Clockenflap.

What is your most marked characteristic?

On holiday I was about to jump into the hotel pool when my four-year-old daughter, announced, “That's my daddy. He doesn't have any hair”. Apart from baldness, I would hope a reasonable sense of humour and a touch of humility. The serious answer is tenacity. When I put my mind to something I am very determined.

If you had a motto, what would it be?

“When the going gets tough, the tough get going”. My maths teacher used to have it posted across the classroom, I struggled, but persevered with maths and eventually passed with flying colours. It comes in handy as a litigator. B



Outstanding media

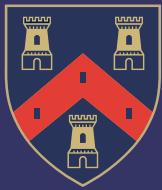
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A Direct Pathway to Entry



Design and Technology



Our Extended School Day



Shackleton Programme



Daily Chinese language



Summer Exchange
programme

Mount Kelly School Hong Kong

From a Heritage of 140 Years of Premier British Schooling



**Applications open for
2017-2018 & 2018-2019**



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Admissions and Playgroup Centre:

2/F, Austin Tower Phase Two, 152 Austin Road, Tsim Sha Tsui, Hong Kong

Mount Kelly International Preschool

Shop 5 on G/F & 1/F, The Austine Place, 38 Kwun Chung Street, Jordan, Hong Kong

Preparatory School:

Whole Block of East Villa, Cheung Kei Center, 18 Hung Luen Road, Kowloon, Hong Kong

New Territories Campus (2018 / 2019)

Mount Kelly, So Kwun Wat Road, Tuen Mun, New Territories, Hong Kong



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Disclaimer:

The opening of the Mount Kelly School Hong Kong is subject to approval of the provisional school registration by the Education Bureau.