

**SME Development Fund (SDF)/
Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund)
(Organisation Support Programme) (OSP)**

Final Report on Approved Project

This report is for (please put "√" in either one box only):

SDF Final Report

BUD Fund (OSP) Final Report

Project ref. no. : BUD 16 4 005
Project title : To enhance the sales in the Mainland by exhibiting
the strength of Hong Kong watch brand owners in
terms of sales, services, product design and brand
Period covered : From 01/06/2017 to 31/05/2019
(dd/mm/yy) (dd/mm/yy)

1. Project Details

(Please mark with "*" if any of the following project details is different from that in the project proposal appended to the project agreement.)

Project Summary (in about 150 words)

Hong Kong, being a leading player in the global watch and clock market, is the second largest watch exporter by value after Switzerland and the world's second largest exporter by quantity after China. Hong Kong Watch and Clock Industry have a long history in providing an all-rounded solution, from product design, manufacturing, trading, wholesale, retail and after-sales services to the clients. Despite the strong presence of Hong Kong Watch and Clock Industry in the global market, the annual total export value and export growth, especially to the traditional market including Europe and USA are shrinking in recent years according to export statistics, due to the foreign monetary issue and reduction in tourism numbers. Hong Kong Watch Brand Owners have the urge to seek for more potential and steady markets for their products which showed less impact in the decline, the China market is one of it.

By grouping the Hong Kong Watch Brands in promoting the image of "Premium Service and Innovation" in China exhibitions, Hong Kong Brand Owners could cost-effectively demonstrate their strength to the Mainland dealers. The Setting up of Journey Corners and Pavilions in China exhibitions will provide the Mainland customers an overlook for the potential brands to cooperate with. The participation in the Chinese exhibitions allows Mainland customers to understand the strength and market position of the Hong Kong Brands. Through the setup of project webpages and the production of a promotional video for the industry, the image of the Hong Kong Watch Brand will be promoted further.

Project Objective(s) (in about 80 words)

To promote Hong Kong's watches and clocks in the Mainland by demonstrating our core values of professionalism in sales, services, product design and brand.

To provide assistance to Hong Kong's watch and clock brand owners to growth their domestic sales in the Mainland

Grantee/Collaborating Organisation/Implementation Agent

Grantee : The Federation of Hong Kong Watch Trades and Industries Limited
(FHKWTI)

Collaborating Organisation(s) : Hong Kong Watch Manufacturers Association Limited (HKWMA)

Implementation Agent(s) : Hong Kong Productivity Council (HKPC)

Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. & Fax No.</u>
Project Co-ordinator :	Harold SUN	The Federation of Hong Kong Watch Trades & Industries Limited	(852) 2523 3232 (852) 2868 4485
Deputy Project Co-ordinator :	Samson SUEN	Hong Kong Productivity Council	(852)2788 5552 (852)2788 5522

Project Period

	<u>Commencement Date</u> (day/month/year)	<u>Completion Date</u> (day/month/year)	<u>Project Duration</u> (No. of months)
As stated in project agreement	<u>01/06/2017</u>	<u>31/05/2019</u>	24 months
Revised (if applicable)	<u>N/A</u>	<u>N/A</u>	N/A

2. Summary of Project Results

Project Deliverables

(Please list out the project deliverables as stated in the project proposal appended to the project agreement and provide details related to the actual result achieved for each of them.)

	Project deliverable (e.g. First seminar)	Quantifiable target (e.g. 100 participants)	Actual result achieved (e.g. 90 participants)	Reasons for not achieving the target, if applicable (e.g. The total number of registered participants was over 120. However, some of them did not show up eventually. Will strengthen promotion and try to make up for the shortfall in the following two seminars.)
a)	Hong Kong Pavilion (4 times)	<p><i>(i) Exhibition 1 – 2017 China Watch & Clock Fair (2017中國(深圳)國際鐘錶展覽會)</i></p> <ul style="list-style-type: none"> • Establish an around 200 sqm Pavilion with image “Premium Service and Innovation” • Invite Hong Kong Brands Owners to join the Pavilion • Prepare and distribute 1,000 copies of promotional leaflet (Folded A3 size) • Prepare advertisements on business journals before the exhibitions • Post the information of the Hong Kong Pavilion on the project webpage and introduce Hong Kong Watch Brands and the innovative features of their products on the leaflet • Upload e-version of leaflet to the project webpages <p><i>Journey Corner</i></p> <ul style="list-style-type: none"> • Establish a Journey Corner to demonstrate the professional of 	<p>The “Hong Kong Pavilion” in Shenzhen was completed during 22-25 June 2017.</p> <ul style="list-style-type: none"> • Pavilion size: 210 sqm with sectioned area “Premium Service and Innovation” was built. • Over 100 Brands Owners were invited to join • 1,000 copies of promotional leaflet were prepared and distributed. • 1 full-paged advertisement in colour was placed in “Hong Kong Watch Review Vol. 2/2017”. • Information of the Hong Kong Pavilion was posted on the project webpage. • E-version of leaflet was uploaded to the project webpages. • A Journey Corner and a Design Showcase were established. 	

	<p>after-sales services</p> <p><i>Design Showcase (Product Display Area)</i></p> <ul style="list-style-type: none"> About 30 products from about 20 Hong Kong enterprises 	<ul style="list-style-type: none"> 130 products from 30 Hong Kong enterprises 	
	<p>(ii) Exhibition 2 – 2018 China Watch & Clock Fair (2018中國(深圳)國際鐘錶展覽會)</p> <ul style="list-style-type: none"> Establish an around 200 sqm Pavilion with image “Premium Service and Innovation” Invite Hong Kong Brands Owners to join the Pavilion Prepare and distribute 1,000 copies of Promotional leaflet (Folded A3 size) Prepare Advertisements on business journals before the exhibitions Post the information of the Hong Kong Pavilion on the project webpage and introduce Hong Kong Watch Brands and the innovative features of their products on the leaflet Upload e-version of leaflet to the project webpages <p><i>Journey Corner</i></p> <ul style="list-style-type: none"> Establish a Journey Corner to demonstrate the professional of after-sales services <p><i>Design Showcase (Product Display Area)</i></p> <ul style="list-style-type: none"> About 30 products from about 20 Hong Kong enterprises 	<p>The “Hong Kong Pavilion” in Shenzhen was completed during 21-24 June 2018.</p> <ul style="list-style-type: none"> Pavilion size: 210 sqm was built Over 100 Brands Owners were invited to join. 1000 copies of promotional leaflet were prepared and distributed. 1 full-paged advertisement in colour was placed in “Hong Kong Watch Review Vol. 2/2018”. Information of the Hong Kong Pavilion was posted on the project webpage. E-version of leaflet was uploaded to the project webpages. A Journey Corner and a Design Showcase were established. 140 products from 43 Hong Kong enterprises were shown. 	
	<p>(iii) Exhibition 3 – 2018 Watch Brand Show of the</p>	<p>The “Hong Kong Pavilion” in Shanghai was completed</p>	

		<p><i>Watch & Clock Commercial Enterprise</i> (中國商業企業管理協會鐘錶商業企業管理委員會 2018會員大會鐘錶品牌展)</p> <ul style="list-style-type: none"> • Establish an around 150 sqm Pavilion with image “Premium Service and Innovation” • Invite Hong Kong Brands Owners to join the Pavilion • Prepare and distribute 1,000 copies of Promotional leaflet (Folded A3 size) • Prepare Advertisements on business journals before the exhibitions • Post the information of the Hong Kong Pavilion on the project webpage and introduce Hong Kong Watch Brands and the innovative features of their products on the leaflet • Upload e-version of leaflet to the project webpages <p><i>Journey Corner</i></p> <ul style="list-style-type: none"> • Establish a Journey Corner to demonstrate the professional of after-sales services <p><i>Design Showcase (Product Display Area)</i></p> <ul style="list-style-type: none"> • About 30 products from about 20 Hong Kong enterprises 	<p>during 19-20 November 2018.</p> <ul style="list-style-type: none"> • Pavilion size: 150 sqm • Over 100 Hong Kong Brands Owners were invited to join. • 1000 copies of promotional leaflet were prepared and distributed. • 1/2-page advertisement in colour was placed in “同行Tongxing” 特刊; and 1 back cover header advertisement in colour was placed in the show directory. • Information of the Hong Kong Pavilion was posted on the project webpage. • E-version of leaflet was uploaded to the project webpages. • A Journey Corner and a Design Showcase were established. • 180 products from 52 Hong Kong enterprises were shown. 	
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		<p>1 project steering committee to oversee the implementation of the project and set out the selection criteria for participants in the pavilions</p>	<p>A project steering committee was formed with 6 members from the FHKWTI, HKWMA and HKPC. The selection criteria were set and followed.</p>	
b)	Business Matching (2 times)	<p><i>Exhibition 1 – 2017 China Watch & Clock Fair (2017中國(深圳)國際鐘錶展覽會)</i></p> <ul style="list-style-type: none"> • Arrange business matching events <ul style="list-style-type: none"> - 2 hours - 50 Hong Kong companies to join 	<p>A business matching event was held on 22 June 2017 during the Fair in 2017.</p> <ul style="list-style-type: none"> • The duration was 2 hours and over 50 representatives from the Hong Kong companies attended the event. 	

		<ul style="list-style-type: none"> • Invite 50 potential buyers 	<ul style="list-style-type: none"> • 219 Chinese dealers were invited and 80 dealers attended. 	
		<p><i>Exhibition 2 – 2018 China Watch & Clock Fair (2018中國(深圳)國際鐘錶展覽會)</i></p> <ul style="list-style-type: none"> • Arrange Business matching events <ul style="list-style-type: none"> - 2 hours - 50 Hong Kong companies to join • Invite 50 potential buyers 	<p>A business matching event was held on 21 June 2018 during the Fair 2018.</p> <ul style="list-style-type: none"> • The duration was 2 hours and over 50 representatives from the Hong Kong companies attended the event. • 242 Chinese dealers were invited and 65 dealers attended. 	
c)	Project webpages	<ul style="list-style-type: none"> • Establish a set of project webpages under FHKWTI's website • Show the Hong Kong Watch Brands' information • Provide interactive elements including a list of Hong Kong Watch Brands' information, directory search, and the contact shortcut • Promote webpages through the Hong Kong Pavilion, exhibitions, leaflet and other events with easy means of access for e.g. QR code, Social Media invitation (for eg, WeChat) • Open registration to all Brand Owners. 80 companies registered the webpage is expected • Maintain the webpage for at least 3 years after the project completion by FHKWTI. 	<ul style="list-style-type: none"> • A set of project webpages was produced. https://fhkwti.i2hk.net/ • 91 Hong Kong Watch Brands' information was shown. • Interactive elements were provided including Brand information list, directory search and contact shortcut. • The project webpages were promoted through the Hong Kong Pavilions of exhibitions, seminar, leaflet with QR code and WeChat • There are 91 brands or companies shown on the webpage. • The applicant will maintain the webpage for at least 3 years after the project completion. 	
d)	Promotional video	<ul style="list-style-type: none"> • Produce a promotional video 	<ul style="list-style-type: none"> • A promotional video was produced. <ul style="list-style-type: none"> - https://www.youtube.com/watch?v=iQsrNhQV1G0 - https://youtu.be/d3J7xUSUIMU 	

		<ul style="list-style-type: none"> • Introduces the professionalism of the Brand Owners • Express the views from the representatives of Hong Kong Watch Brand Owners • voice-over in Cantonese and Mandarin and subtitles in Chinese and English • The video will be around 5 minutes. • Publish the video in the exhibitions and the project webpages, and played at various FHKWTI events. 	<p>- https://youtu.be/48T3jnFOR9Y</p> <ul style="list-style-type: none"> • The professionalism of the Brand Owners was introduced. • The views from three representatives from the industry were expressed. • Voice-over in Cantonese, and Mandarin and subtitles in Chinese and English was included. • The length of the video is 5 minute. • It was displayed during <i>2018 China Watch & Clock Fair, 2018 Watch Brand Show of the Watch & Clock Commercial Enterprise, International Jewelry, Watches and Wedding Expo of Western Guangdong</i> and the dissemination seminar. It was also published on the project website. 	
e)	Dissemination Seminar	<ul style="list-style-type: none"> • Conduct a full day (6 hours) seminar to disseminate and share views and findings • Include presentations, discussion session, sharing session on market trend, customers' feedback • Invite 2 participants of the exhibitions to present and summarise views and findings in the exhibitions. • Present the depth knowledge about the current market situation. • 80 participants are expected. • Open registration to all SMEs/enterprises 	<ul style="list-style-type: none"> • A full-day (6 hours) dissemination seminar was held on 12 April 2019 in HKPC. • 6 sessions were arranged for presentations, discussion session, sharing session on market trend. • 2 participants of the exhibitions were invited and presented in the seminar. • The depth knowledge about the current market situation was presented by three speakers. • 91 participants were enrolled. 77 participants attended the event. • The registration was opened to all interested 	Some of the enrolled participants did not shown up.

		<p>of the industry free of charge</p> <ul style="list-style-type: none"> • Upload the seminar handouts to the project webpages • Prepare and distribute 1,000 copies of Promotional leaflet (A4 size) 	<p>parties from the industry in free of charge.</p> <ul style="list-style-type: none"> • The seminar handouts were uploaded to the project webpages. • 1,000 copies of Promotional leaflet were prepared and distributed. 	
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Details of the deliverables (e.g. date, duration, venue, speaker, topic discussed, etc.)

(Please list out in table format if necessary.)

a) A project steering committee, consisting of representatives of applicant, collaborating organisation, implementation agent and industrial representatives, was set up to overseeing the implementation of the project, to review the project progress and set up the selection criteria for selecting appropriate Hong Kong Brands for the participation in the Hong Kong Pavilion in the exhibitions. The selection criteria are listed as below:

1. Open to all companies from the watch and clock sector. Affiliation with FHKWTI and HKWMA could be free from providing proof of insider;
2. Hong Kong companies representing own or licensed brands with proper registration in China; and
3. Submission within proposed deadline

List of steering committee:

1. Mr. Harold Sun (孫大豪), Chairman of FHKWTI
2. Ms. Esther Wong (黃麗嫦), Honorary Advisor of FHKWTI
3. Mr. Daniel Tsai (蔡宗富), Vice-Chairman of FHKWTI
4. Mr. Kenneth Wong (王堅全), President of HKWMA
5. Mr. Enders Lam (林偉雄), Executive Vice President of HKWMA
6. Mr. Samson Suen (孫國偉), Principal Consultant of HKPC

(i) The “Hong Kong Pavilion” (210 sqm) in Shenzhen was completed during 22-25 June 2017. 130 products from 30 Hong Kong enterprises were shown at 2017 China Watch & Clock Fair. A Journey Corner and a Design Showcase were established. Essential maintenance and adjustment works were demonstrated by a watchmaker. 1,000 copies of promotional leaflet were distributed and 1 advertisement was placed in “Hong Kong Watch Review Vol. 2/2017” to bring out the information of the Pavilion and attract the trade visitors to come.

(ii) The “Hong Kong Pavilion” (210 sqm) in Shenzhen was completed during 21-24 June 2018. 140 products from 43 Hong Kong enterprises were shown at 2018 China Watch & Clock Fair. A Journey Corner and a Design Showcase were established. Essential maintenance and adjustment works were demonstrated by a watchmaker. 1,000 copies of promotional leaflet were distributed and 1 advertisement was placed in “Hong Kong Watch Review Vol. 2/2018” to bring out the information of the Pavilion and attract the trade visitors to come.

(iii) The “Hong Kong Pavilion” (150 sqm) in Shanghai was completed during 19-20 November 2018. 180 products from 52 Hong Kong enterprises were shown at 2018 Watch Brand Show of the Watch & Clock Commercial Enterprise. A Journey Corner and a Design Showcase were established. Essential maintenance and adjustment works were demonstrated by a watchmaker. 1,000 copies of promotional leaflet were distributed, 1 half-page advertisement was placed in “同行Tongxing” 特刊 and 1 back cover header advertisement was placed in the show directory to bring out the information of the Pavilion and attract the trade visitors to come.

(iv) The “Hong Kong Pavilion” (130 sqm) in Maoming was completed during 30 December 2018 – 1 January 2019. 120 products from 30 Hong Kong enterprises were shown at International Jewelry, Watches and Wedding Expo of Western Guangdong. A Design Showcase was established. 1,000 copies of promotional leaflet were distributed and 1 half paged advertisement was placed in “茂名日報” to bring out the information of the Pavilion and attract the trade visitors to come

b) Business Matching

(i) Business matching event in the “Hong Kong Pavilion” at 2017 China Watch & Clock Fair were arranged and completed on 22 June 2017. The duration was 2 hours and over 50 representatives from the Hong Kong companies attended the event. There were 219 Chinese dealers invited and 80 dealers attended.

(ii) Business matching event in the “Hong Kong Pavilion” at 2018 China Watch & Clock Fair were arranged and completed on 21 June 2018. The duration was 2 hours and over 50 representatives from the Hong Kong companies attended the event. There were 242 Chinese dealers invited and 65 dealers attended.

c) A set of project webpages namely “Hong Kong Timepiece” was produced in Traditional Chinese, Simplified Chinese and English, and is available for desktop and mobile navigation. The website included the following pages: “Home”, “FHKWTI Information”, “Hong Kong Watch Story”, “Hong Kong Watch Brands” and “Contact Us”. Under “Hong Kong Watch Brands” section, there is a directory of Hong Kong

Watch Brands with filtering function. Each of the brands contains information including brand story, company details and product portfolios, showing the innovative design and features of the brands. The brand shown on the webpage is currently 91.

- d) A 5-minute promotional video was produced in voice –over in Cantonese and Mandarin and subtitles in Chinese and English. The video filmed the luxurious Hong Kong Watch retailer, trendy boutique, new generation designer and after-sales service centres, which aimed to showcase the daily operation of Hong Kong Watch Brands with valued added feature in design stages, quality assurance practice and after-sales services. It was played to the Chinese dealers during 2018 China Watch & Clock Fair, 2018 Watch Brand Show of the Watch & Clock Commercial Enterprise, International Jewelry, Watches and Wedding Expo of Western Guangdong and the dissemination seminar on 12 April 2019 as well. It was also published onto the project webpages.
- e) A full-day, 6-hour dissemination seminar namely “2019 Seminar on Branding and Market Trends for Watch Industry” was held on 12 April 2019 at Theatre 1, Hong Kong Productivity Council. The seminar disseminates and shares views and findings to the industries for the marketing situation in four exhibitions, as well as the new market trend in the Mainland market. 1,000 copies of Promotional leaflet (A4 size) for seminar recruitment was prepared and distributed. The registration number is 91. 77 participants attended the event.

The followings are the details of topics and speakers.

- i. 香港產品如何符合享有CEPA零關稅的規定、BUD專項基金新增東盟計劃及ReTAAS計劃為行業帶來的商機 - 麥兆豐先生 (工業貿易署)、葉沃建先生、蒙順娟女士 (BUD專項基金：企業支援計劃) 秘書處)
- ii. 香港鐘表業總會BUD專項基金項目受惠企業分享 - 蔡宗富先生 (雷米高科技有限公司)、劉希立先生 (捷達錶業製品有限公司)
- iii. 中小企業發展支援基金如何協助香港鐘錶品牌拓展內地及海外市場 - 沈慧林先生 (萬希泉鐘錶有限公司)
- iv. 智能營銷及線上銷售內地及海外市場策略和趨勢 - 蘇增慰先生 (香港零售科技商會主席)、林溢鋒先生 (T12M Digital Ltd)
- v. 純智能穿戴機芯及混能機芯內地及海外市場發展趨勢 - 陳利先生 (Leader Radio Technologies Ltd)、黃超立博士 (瑞時信製品有限公司)

Milestones (in chronological order)

(# Please indicate if the milestone is completed (C), deferred (D) or not achieved (N). If it is deferred, please indicate the revised completion date. For those milestones which are deferred or not achieved, please also provide the reasons under item 2.4.)

	<u>Milestone</u> (as set out in the approved project proposal appended to the project agreement)	<u>Original target completion date</u>	<u>Revised target completion date</u> (if applicable)	<u>Status</u> (C/P/D) #	<u>Reason for deviation from its original target completion date</u>
(a)	Production of Promotional leaflet	31/10/17		C	
(b)	Organization of the 1st exhibition (Shenzhen) (June 2017)	31/10/17		C	
(c)	Production of the Project webpages	31/10/17	31/10/18	D	Note 1
(d)	Production of the Promotional video	31/10/17	30/05/18	D	Note 1
(e)	Organization of the 2nd exhibition (Shenzhen)	31/10/18		C	
(f)	Organization of the 3rd exhibition (Maoming)	31/10/18	31/01/19	D	Note 2
(g)	Organization of the 4th exhibition (Shanghai)	31/10/18	31/05/19	D	Note 3
(h)	Organization of the Dissemination seminar	31/05/19		C	

Note 1: Since the Shanghai Exhibition (*2018 Watch Brand Show of the Watch & Clock Commercial Enterprise*), which provides opportunity to make connections with the key dealers in mainland, was postponed to 2018, in order to ensure the webpage and video could provide latest and relevant information to the targeted audience, the promotional video and the project webpages have not been launched until the completion of Shenzhen Exhibition and Shanghai Exhibition in June and November 2018 respectively.

Note 2: The Maoming Exhibition (*International Jewelry, Watches and Wedding Expo of Western Guangdong*) was held during 30 December 2018 – 1 January 2019. Therefore, the Hong Kong Pavilion in Maoming was organised in that period.

Note 3: The Shanghai Exhibition (*Watch Brand Show of the Watch & Clock Commercial Enterprise*) was held during 19-20 November 2018. Therefore, the Hong Kong Pavilion in Shanghai was organised in that period.

Future Plan for Promoting the Project Deliverables (Nil if not applicable)

The applicant will maintain the project webpage for at least 3 years after the project completion under its official website. The promotional video would also be played in various associations' event.
