

**For discussion
on 4 February 2013**

**Legislative Council Panel on
Information Technology and Broadcasting**

Update on the work of Create Hong Kong

Purpose

We last reported the work of Create Hong Kong (CreateHK) to this Panel on 13 February 2012. This paper updates Members on the work of CreateHK in 2012 and gives a preview of CreateHK's major initiatives in 2013.

Background

2. CreateHK was established in June 2009 to provide coordinated support and one-stop services to the creative industries. It has been working closely with the trade to boost the development of various creative sectors, including advertising, architecture, design, digital entertainment, film, printing and publication, television and music. CreateHK's work is guided by a seven-pronged strategy, which was drawn up in consultation with the trade and the Legislative Council. These seven strategic directions are nurturing talents, supporting the development of start-up companies, expanding the size of local market, helping creative industries explore outside markets, fostering creative atmosphere within the community, developing creative clusters and promoting Hong Kong as Asia's creative capital. An update on the work of CreateHK in 2012 is at **Annex 1**.

3. CreateHK is responsible for administering the Government's financial support to creative industries, covering the CreateSmart Initiative (CSI); the DesignSmart Initiative (DSI); the Film Development

Fund (FDF); the Film Guarantee Fund; the grant to the Hong Kong International Film Festival Society (HKIFFS); the funding to support the operation of the Hong Kong Design Centre (HKDC) and the organisation of its two flagship events of the Business of Design Week (BODW) and the HKDC Awards, as well as the administration of the Design Incubation Programme (DIP) managed by HKDC. A summary of the latest status of the CSI, DSI and FDF as well as DIP is at **Annex 2**.

Performance indicators

4. Given the market-led ecology of our creative industries, we believe the value of CreateHK's work is less tangible and lies more in raising the profile of local creative industries in and outside Hong Kong; helping the trade expand its services and sales in the Mainland, Taiwan and overseas markets; meeting the talent development needs of the creative sectors; and promoting the excellence of Hong Kong's creative output.

5. With CreateHK's support, about 240 promotional programmes have been organised in and outside Hong Kong and have attracted more than 5.1 million participants from Hong Kong and over 50 countries and regions worldwide. These programmes range from annual signature events, including BODW, DETOUR and the Entertainment Expo, to inaugural events such as the Fashion Visionaries, Hong Kong Avenue of Comic Stars, World Design Summer Camp, The World's Greatest Catwalk 2012 Hong Kong, Colours of Asia, and many others. In general, participants of these programmes have indicated positive feedback on the programmes. Based on the questionnaire surveys conducted by the respective organisers of the CSI-sponsored programmes, 98% of the respondents rated the programmes as "Excellent", "Very satisfactory" or "Satisfactory", and 90% found the programmes "Definitely useful", "Very useful" or "Useful".

6. So far, over 2 000 job opportunities have been created through the promotional programmes CreateHK funded or organised. Another 5 800 job opportunities have been indirectly created as a result of the implementation of these projects. In addition, the incubatees supported by the government-funded DIP have engaged more than 400 full-time and

part-time staff during the incubation period, and have also filed for registration some 90 intellectual properties since the inception of the DIP in 2006.

7. On talent development, CreateHK's support has helped create over 3 000 study and training opportunities. As for promotion of excellence of Hong Kong's creative output at the international arena, CreateHK provides financial support to facilitate participation of our creative talents and creative works at renowned international competitions, thus raising the international profile of Hong Kong's creative industries and that of Hong Kong as a creative capital. Designers, creative teams from advertising agencies, artistes and producers of featured films, animation films and short films sponsored by CreateHK to participate in international competitions have attained 94 awards since the establishment of CreateHK.

Major initiatives in 2013

8. In 2013, CreateHK will continue to support creative industries on several fronts. The main focus and highlights for 2013 are elaborated below.

Topping up of the CSI

9. The Chief Executive has announced in his 2013 Policy Address that the Government will step up efforts to facilitate the development of creative industries. We will inject an additional \$300 million into the CSI to provide sustained support for programmes that seek to, among others, nurture talents, expand the Mainland and overseas markets, build brands, and stage large-scale creative events to reinforce Hong Kong's position as Asia's creative capital. We will consult this Panel shortly on the topping up.

Supporting the film industry

10. The Chief Executive has also announced in his 2013 Policy Address the launching of the First Feature Film Initiative (Initiative) as Government's latest support measure for the film industry. CreateHK

plans to launch the Initiative in early 2013 to identify new filmmakers either from students or practitioners of the film industry with no prior experience in directing commercial films through a competition on screenplay and production proposals. Financial support from the FDF, in the form of a grant, will be made available to the three winning film production teams to implement their winning film projects.

Promoting creative clusters

11. The revitalisation of two building complexes with historical significance into the Comix Home Base (CHB) and the PMQ will be completed by the middle and end of 2013 respectively. CreateHK will help the operators concerned to promote the facilities therein, with a view to building up local creative clusters and fostering a creative atmosphere within the community.

12. The CHB, formerly pre-war buildings located at Burrows Street and Mallory Street, Wan Chai, are being revitalised into a creative community with comics and animation as the main themes to provide workshops, exhibitions, seminars and archival activities. CreateHK will present an “Ani-Com Summer” (tentative title) in the summer of 2013 to tie in with the opening of the CHB, fund a series of animation and comics-related activities, and launch a promotional campaign in the Wan Chai District to heighten public awareness of the CHB. Our long-term goals are to establish the CHB as a new landmark for Hong Kong’s animation and comics sector and provide a platform to facilitate collaboration and exchange among the practitioners and lovers of the animation and comics sectors.

13. The PMQ, formerly the Police Married Quarters at Hollywood Road, will be turned into a creative industries landmark with a focus on design. It will provide about 130 studios for designers and practitioners of creative industries to create, showcase and market their creative products. CreateHK will support the staging of the activities of the annual design-related mega events, DETOUR and BODW in the PMQ in end 2013. We will also assist the PMQ in overseas marketing, with a view to attracting more organisations to hold their promotional and exchange activities in the PMQ. After the full commissioning of the PMQ

in 2014, CreateHK will consider sponsoring through the CSI the organisation of more activities at the PMQ to develop the PMQ into a local creative cluster.

Promoting market and branding development, and facilitating industry exchange in the Mainland and Taiwan

14. CreateHK will continue to facilitate efforts in promoting Hong Kong's creative industries and tapping markets outside Hong Kong. CreateHK will participate in the Hong Kong International Film & TV Market (Filmart) 2013, which is a premier film industry event in Asia and one of the world's leading events of its kind. The 2012 edition attracted over 640 exhibitors and over 5 700 buyers and visitors from 53 countries and regions. CreateHK will make use of the platform of Filmart to promote Hong Kong's film industry by setting up a promotional booth, and by organising a workshop to groom new film talents and to enhance participants' professional knowledge in small-to-medium budget film production and distribution.

15. We plan to collaborate with other Government bureaux/departments and public organisations to promote market and branding development, and facilitate industry exchange in the Mainland and Taiwan. We will also explore with the organisations concerned to continue providing support to "SmartHK" and the "Creativity in Business" series previously held in various Mainland cities including Guangzhou, Hangzhou, Wenzhou, Dongguan and Fuzhou.

Supporting the organisation of signature events

16. The organisation of mega creative events in Hong Kong helps reinforce our position as Asia's creative capital. We will continue to sponsor a series of mega promotional events through the CSI.

17. For example, CreateHK will continue to sponsor the Hong Kong Asian-Pop Music Festival, which will be hosted in Hong Kong again in March 2013 and feature music performers and contestants from Hong Kong, the Mainland, Taiwan, Japan, Korea, Malaysia and Singapore. In 2012, the show reached out to over 100 million viewers

through television broadcast in the participating Asian countries and regions.

18. Another mega event that will be sponsored by CSI and held in Hong Kong in November 2013 is “The International Comics Artist Conference”. It will gather worldwide comics veterans together in Hong Kong to discuss the latest development in the industry and to help local practitioners explore overseas network.

19. We will also sponsor the 2013 edition of the “Hong Kong Shenzhen Bi-City Biennale of Urbanism/Architecture” to promote collaboration between members of this profession in the two places, and arouse wider public interest in design, architecture, and urban development of Hong Kong.

20. The CSI will also continue to provide funding support for the design sector to organise design awards, large-scale exhibitions, seminars and workshops, etc., with a view to consolidating the status of Hong Kong as Asia’s design hub.

Communications and Technology Branch
Commerce and Economic Development Bureau
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Update on the work of Create Hong Kong in 2012

Create Hong Kong (CreateHK) is dedicated to working with members of the trades in promoting the development of creative industries. This Annex summarises CreateHK's major initiatives in 2012.

The key programme in 2012 - "2012 Hong Kong Design Year"

2. With the strong support of the Hong Kong Design Centre (HKDC) and the local design community, we presented the "2012 Hong Kong Design Year" (HKDY) with 63 design-related programmes to showcase Hong Kong's strength as a regional design hub, foster the community's interest in design and celebrate design excellence. Many of these programmes were held in Hong Kong for the first time, such as –

- (a) the "Ingenuity Follows Nature – A Poster Exhibition of Asian Designers & Tong Yang-Tze's Calligraphy", which brought together design talents from the Mainland, Hong Kong, Taiwan, Macau and South Korea to create new posters demonstrating both the beauty of Chinese traditional characters and modern styles;
- (b) the "Alliance Graphique Internationale (Hong Kong) Open & Congress 2012", which chose Hong Kong as the host for their annual two-day conference gathering some of the world's best communication and graphic designers in Hong Kong;
- (c) the "Colours of Asia", which featured an unprecedented research conducted by design professionals from 13 Asian countries or regions, and an exhibition, on the use of colours in different cultural contexts; and
- (d) the "World's Greatest Catwalk 2012 Hong Kong", which was a first-ever free and open-to-public catwalk show with

over 340 models presenting works of fashion design masters, emerging young fashion talents from both Hong Kong and Denmark as well as local fashion design award winners. The event broke the Guinness World Record in terms of the most number of models participating in a catwalk show.

3. The HKDC also organised new programmes under the HKDY, including the “World Design Summer Camp” under which a group of 50 Hong Kong design students visited the Milan Design Week, and more than 200 students from renowned overseas design institutes and major tertiary design schools in Hong Kong participated in a 10-day summer camp in Hong Kong to share their experience in design.

4. The local design community also initiated other programmes under the HKDY. HKDY registered over 2 million participants in various programmes of the HKDY, indicating the community’s interest in design activities.

5. A detailed review of the HKDY will be covered in a separate progress report on HKDC’s work to be submitted to this Panel later this year.

Nurturing Talent

6. Sponsored by the CreateSmart Initiative (CSI), a teaching kit on appreciation of architecture designed for secondary school students was launched in October 2012. Up to end 2012, teachers from over 220 secondary schools had participated in the training workshops on the use of the teaching kit. CSI has continued with the funding support for two graduate internship support schemes, namely the Hong Kong Digital Entertainment Industry New Graduate Support Scheme and the Hong Kong Digital Advertising Industry Fresh Graduate Support Scheme. The former aims at nurturing new talents in animation, comics, digital game and post production and visual effect fields of the digital entertainment sector while the latter aims at nurturing a pool of creative human capital for the local digital advertising industry. Under both graduate internship support schemes, local digital entertainment companies and advertising companies will provide a one-year full-time

employment and on-the-job training for up to 120 graduate trainees.

7. In 2012, the CSI has supported overseas exchange programmes for young designers to widen their horizon; the “Knowledge of Design Week” to provide designers and business executives with practical knowledge on new design disciplines, strategies and trends; and the “Institute of Design Knowledge” programme, which provides design and design management training offered by world-class design masters on a flexible module basis.

Promotion outside Hong Kong

8. CreateHK has continued to work with the industries in organising promotional and business matching activities to help the creative sectors tap into the fast-growing Mainland market. The 2012-13 edition of “Creativity in Business” series was held in Quanzhou and Dongguan in May and June 2012 respectively, with its final stop to be held in Chengdu in March 2013. Another large-scale promotional event, “SmartHK”, was held at Hangzhou in August 2012. Both events helped promote Hong Kong’s expertise in design, branding, marketing and advertising to our potential clients in the Mainland.

9. CreateHK also helped to facilitate exchanges between the local creative industries and their counterparts in Taiwan. CreateHK sponsored a delegation comprising members of the creative industries to attend the Second Hong Kong – Taiwan Cultural Co-operation Forum held in Taipei in September 2012. We also participated in the “Hong Kong Week” held in Taipei from 23 November to 2 December 2012 by staging the “Hong Kong Contemporary Film Showcase” and sponsoring the “Kaleidoscope – History of Hong Kong Comics Exhibition @ Taipei” to present Hong Kong’s films and comics to Taiwan audience.

10. We supported Hong Kong’s participation at major international exhibitions and events to promote our creative industries. For example, two designer exchange programmes were funded to bring two groups of local young designers to the International Design Festival Berlin held in Germany and Roskilde Festival held in Denmark. In addition, the setting up of the Hong Kong Pavilion at the four international book fairs

held in Beijing, Frankfurt, London and Taipei helped showcase the creativity and accomplishment of Hong Kong's publishing and printing sectors.

11. On the film front, in addition to showcasing Hong Kong contemporary films in the "Hong Kong Week" in Taipei as mentioned in paragraph 9 above, we assisted the Hong Kong Economic and Trade Offices in organising Hong Kong Film Festivals in Wuhan, Malaysia, Thailand, Sydney, New York and San Francisco to promote Hong Kong films. We also provided financial support for the participation of Hong Kong filmmakers in the Cannes International Film Festival in May 2012.

12. CreateHK also collaborated with the Film Development Council in organising the "Hong Kong Film New Action 2012 – Power of Media Convergence Symposium and Business Matching" in March 2012 on film and multi-media cross platform collaboration among stakeholders of the film and other media industries like comics, games, digital entertainment, publication and licensing, and guest speakers from the Mainland, Taiwan, Japan and the United States to share their experiences and to explore business opportunities.

13. On the front of comics, a Hong Kong Comics Pavilion was set up in Wuhan in April to May 2012 during the Hong Kong Week to promote Hong Kong's comics industry. In addition, the first-ever Hong Kong Comics Camp was held in June to August 2012 as a collaborative project among Guangdong, Hong Kong, Macao and Taiwan to offer a platform for renowned comic artists from the four regions to share valuable experiences and skills with young comics lovers.

Supporting the organisation of major creative events to promote Hong Kong as Asia's creative capital

14. CreateHK has provided funding support to organise the Hong Kong exhibition of the Hong Kong – Shenzhen Bi-City Biennale of Urbanism and Architecture 2011 from February 2012 to April 2012. A wide range of architectural projects and urban designs were exhibited concurrently in Hong Kong and Shenzhen, with the aim to enriching cultural life in Hong Kong and arouse wider public interests in art,

design, architecture, and city development of Hong Kong.

15. Under the sponsorship of the CSI, the Hong Kong Avenue of Comic Stars was opened in September 2012 in Kowloon Park to display the figurines of Hong Kong comics characters and symbols of selected comics artists. The project aims at enhancing the community's interest in local comics, expanding the market of Hong Kong comics and promoting Hong Kong comics to the Mainland and overseas visitors. The Avenue of Comic Stars has attracted over 259 000 visitors from September to December 2012.

16. The CSI has also provided funding support to organise the "Tian Tian Xiang Shang" Creativity-For-Community and School Development Programme 2012, which aims to stimulate creativity among students and the public, as well as encourage exchange among creative industry practitioners through sculpture creations, creative workshops and exhibitions.

17. The CSI-funded Asia Online Game Summit held in December 2012 has attracted practitioners from 10 Asian countries or regions to share the latest information and development of game industry.

18. CreateHK also funds the annual Business of Design Week (BODW) organised by the HKDC and DETOUR organised by the Ambassadors of Design. Dedicated to design, branding and innovation, BODW brings the best of the design world to showcase in Hong Kong through its week-long programme of conferences, forums, awards presentation, outreach programmes, networking gatherings and a gala dinner. As a concurrent event of BODW, DETOUR stages a fortnight of creative and cultural events with an aim to create a cross-disciplinary exchange platform on creativity and arouse wider public interest in design.

Funding Schemes administered by Create Hong Kong and the Design Incubation Programme

Funding schemes administered by Create Hong Kong

As of end December 2012, Create Hong Kong (CreateHK) has committed \$470.95 million for the approved projects since its establishment in June 2009. The number of funding applications received and projects approved, as well as the total funding committed for the approved projects, is set out below –

Funding Scheme	Number of applications received	Number of approved projects	Total funding committed for the approved projects (\$ million)
CreateSmart Initiative ¹	269	121	238.6
DesignSmart Initiative ²	295	194	62.32
Film Development Fund (film-related projects) ³	74	61	115.56
Film Development Fund (film productions) ³	45	19	54.47
Total	683	395	470.95

¹ The \$300 million CreateSmart Initiative (CSI) was launched in June 2009 to provide financial support to initiatives that are conducive to the development and promotion of creative industries. Projects approved under the CSI include supporting the participation of local creative talent in international competitions; providing paid internship opportunities in creative sectors; providing general and professional educational opportunities to nurture talents; assisting the trades in organising activities in the Mainland and overseas to demonstrate the strength of our creative talents and establish platforms for promotion and facilitation of business and marketing activities; and organising signature creative events to raise Hong Kong's profile as a creative hub in Asia.

² Design-related projects used to be funded under the \$250 million DesignSmart Initiative. Approved design-related projects include conferences, workshops, exhibitions, design competitions and awards, training courses, etc. With effect from 1 June 2011, new design-related projects have been considered and funded under the CSI, with the exception of those projects funded under the Design-Business Collaboration Scheme and the Design Incubation Programme.

³ The \$320 million Film Development Fund finances the production of small-to-medium budget films, and provides funding support to the projects which are beneficial to the long-term and healthy development of the film industry.

Design Incubation Programme

2. The Design Incubation Programme (DIP) at the InnoCentre has been operated by the Hong Kong Design Centre (HKDC) since 1 May 2012 with funding support from the Government. Before that, the DIP was administered by the Hong Kong Science and Technology Parks Corporation with funding from the DesignSmart Initiative. The DIP provides assistance for design start-ups through the provision of rental support, office facilities, training for business development, and other assistance such as mentorship, networking, etc.

3. Up to end December 2012, the DIP has admitted 122 incubatees, of which 18 are incubatees admitted by the HKDC since May 2012. Over the years, the incubatees of the DIP have created 402 full-time and part-time jobs, and offered 242 student internship opportunities. They also filed 91 intellectual property rights (including three patents, 17 registered designs and 71 trademarks) for registration and attained 66 awards and public recognition, of which 17 were renowned international awards, such as iF Product Design Award and Red Dot Design Award.

4. The DIP enhances the competitiveness of the design start-ups at their early and critical stage of development and creates design-related jobs and student internship opportunities. Some successful incubatees have shown considerable expansion of their businesses in terms of the number of staff employed and annual revenue generated during the incubation period. 15 incubatees have so far become tenants at InnoCentre after graduation.