

# Speech by CS at opening session of Asian Licensing Conference (English only)

Following is the speech by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, at the opening session of the Asian Licensing Conference held at the Hong Kong Convention and Exhibition Centre this morning (January 7):

Mr Cai (Associate Inspector of the Department of Cultural and Tourism Industries of the Ministry of Culture and Tourism, Mr Cai Jiacheng), Margaret (Executive Director of Hong Kong Trade Development Council, Ms Margaret Fong), distinguished guests, ladies and gentlemen,

Good morning. It gives me great pleasure to join you all today at the opening of the Asian Licensing Conference (ALC). First of all, I would like to extend my warmest welcome to all participants, especially guests and speakers from the Mainland and abroad, for taking part in this important event for the licensing industry. And, of course, a happy, healthy and prosperous New Year to every one of you!

Launched in 2012, the ALC is now the largest annual event of its kind in Asia, offering a dedicated platform for licensing industry players to expand their business network and explore new room for cross-sector collaboration in the region. We are most encouraged to note that over 1 200 professionals from the licensing and intellectual property (IP) trading sectors worldwide will attend the two-day event this year. This testifies to the international significance of the ALC, as well as the key role played by Hong Kong as a nexus for the burgeoning licensing market in Asia.

The ALC is a signature event of the Hong Kong International Licensing Show, which is being held concurrently with the Hong Kong Toys & Games Fair and the Hong Kong Baby Products Fair, both of which have close ties with licensing. That explains why I will speak again in a moment to celebrate the joint opening of these three important events this year. You are most welcome to visit all of these three events. I am sure that they will give you much inspiration on how best to make use of the tremendous business opportunities in the licensing sector.

Licensing is one of the most dynamic forms of IP trading which enables more flexible and diversified use of IP rights, thereby unleashing fully their economic value. The creativity of international licensing agents and licensees can often turn a popular cartoon figure or a trendy graphic into a wide range of merchandise products ranging from clothing, stationeries, houseware to games. E-sports, which has much to do with the skilful application of licences and IPs of games and leagues, is a new spotlight for licensing business and will be covered by one of the thematic sessions of the Conference.

Licensing business is thriving in Asia, which sees an impressive growth of almost six per cent in the sales of licensed merchandise in 2017. Mainland China is a powerful engine behind. Indeed, within Asia, the Mainland and Hong Kong are the only two economies which recorded a double-digit growth rate in the year. Going forward, the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Bay Area development will open the door to more unprecedented opportunities for licensing and related businesses across Asia and beyond.

As an international commercial and trading hub, Hong Kong is always an ideal place for any business venture to tap the enormous opportunities ahead. We are one of the major hosts to a highly developed licensing business and one of the leading markets in the region, buttressed by a vibrant creative sector which accounts for 2.4 per cent of our GDP in 2016.

The Hong Kong Special Administrative Region Government attaches great importance and provides a wide array of support to the development of the creative industries of Hong Kong. We believe that these emerging industries will help nurture more home-grown creations to enrich our pool of IPs for licensing activities. We look forward to working closely with players of the relevant sectors with a view to consolidating Hong Kong's status as the hub for licensing businesses in Asia.

On this inspiring note, let me thank the Hong Kong Trade Development Council warmly again for organising the ALC. I also wish the Conference another year of great success, all participants a most stimulating and fruitful experience, and all overseas delegates a most pleasant and rewarding stay in Hong Kong. Thank you.