

Mr Chairman, Members of the Panel and Fellow Industry Representatives,

I am Cliff Wallace, Managing Director of HK Convention and Exhibition Centre (Management) Limited. This private professional management company is under contract with the HK Trade Development Council and is responsible for the day-to-day operation and management of the HKCEC. This responsibility includes the booking and scheduling of events activities in the HKCEC.

I would like to leave no doubt in the minds of the panel today that our company does not provide preferential treatment to any client in connection with booking dates at the HKCEC. Our dates are offered on a first-come-first-served basis and standard industry practices are exercised in connection with booking and scheduling the HKCEC. The operating agreement requires this.

Also significant, it is important to note that our management company has not, to my recollection (9 years as Managing Director), received any formal complaint from a client suggesting that another client has received preferential treatment, much less, any specifics of preferential treatment perceived or otherwise.

Please allow me to speak for just a minute about perceptions, allegations and statements regarding preferential treatment.

The HKCEC averages nearly 7 separate events per day. In addition, we average nearly 6 activities a day that are moving in or moving out of the Centre. In other words, we average working with nearly 13 different clients per day on activities within the HKCEC. We work with over 1,000 different clients during the year in booking, scheduling, coordinating and, in many cases, shuffling event dates to accommodate other clients.

As with most businesses, we have major clients that use the HKCEC's space and services more than others. To use an analogy of an airline, we have our gold card frequent flyers. Most of them are represented in this room today. The TDC, for example, uses the HKCEC well over 100 times a year for a variety of conferences, receptions, business meetings and some of Asia's premiere exhibitions. In using the venues as much as they do, I can understand that perceptions are that the TDC may receive a higher level of attention. In some cases, this would be so by virtue of the TDC's presence in the facility so often. Again, it is

natural that such “frequent flyers” would receive extra attention.

However, I will state very emphatically once again, and in conclusion, that dates are offered to our clients, “frequent flyers” or not, on an availability basis and on a first-come-first-served basis.

I am happy to answer any specific questions during your deliberations today. Thank you.