



香港特別行政區政府創新科技署

Innovation and Technology Commission

The Government of the Hong Kong Special Administrative Region

檔號：ITCCR 2/3801/09 Pt 15

電話：2810 2733

香港中區立法會道 1 號  
立法會綜合大樓  
立法會秘書處  
立法會政府帳目委員會秘書  
(經辦人：朱漢儒先生)

朱先生：

政府帳目委員會  
審計署署長第七十三號報告書

第 2 章：香港生產力促進局提供顧問、研發和培訓服務的工作

謝謝閣下於 2019 年 12 月 20 日的來函，本人現應委員會要求，提供以下資料—

- (a) 政府於 1985 年修訂了《香港生產力促進局條例》，容許香港生產力促進局(生產力局)在香港以外的地方承擔與生產力有關的工作，目的是為了更全面及有效地服務港商，並可善用生產力局的人力資源。就審計報告第 2.11 段提到生產力局在 2014-15 至 2018-19 年度期間有 308 個未收回全部成本的香港以外顧問項目，當中有 286 個(93%) 是為位於廣東省的香港企業或其附屬公司進行的顧問項目，能為香港的企業帶來裨益。

- (b) 有鑑於當時香港經濟及科技急速發展，前工業署(創新科技署的前身)於 2000 年建議生產力局委託顧問公司，就生產力局的定位及策略進行研究。在理事會的同意下，生產力局在 2001 年委託了顧問公司檢討該局的角色、管理和運作。

自 2002 年該顧問報告完成後，生產力局並沒有就其角色、管理和運作另行委託外界顧問公司作全面研究。然而，過去十年，生產力局曾於 2011 年舉行了策略規劃會議，與理事會成員討論當時業界的需要以訂立生產力局長遠的目標及方向；並於 2016 年召開了特別理事會會議，討論生產力局未來的策略和定位，以滿足業界各方面新的需要。近年來創新及科技局推動再工業化及發展創新科技的政策方向清晰，生產力局亦緊密配合，因此生產力局未有進行類似的研究。

因應本港未來的經濟發展情況，創新科技署會與生產力局商討就生產力局的營運模式、未來業務發展方向及政府資助模式進行檢討的事宜。

- (c) 特區政府於 2002-03 年提供予生產力局的資助為 200,789,804 港元，佔其總收入約 33.6%。

特區政府於 2009-10 年提供予生產力局的資助為 186,179,758 港元，佔其總收入約 39.8%。

由於當時汽車零部件研究及發展中心仍未與生產力局合併，以上資助只包括政府提供予生產力局的經常資助金，以及每年整筆撥款以外的資助金。

- (d) 在 2015 年 6 月、2016 年 6 月、2017 年 6 月及 2018 年 6 月，生產力局總裁在與創新科技署署長舉行的內務管理會議<sup>1</sup>時，均有向署長匯報上一財政年度主要表現指標(Key Performance Indicators)的表現，及有關指標未能達標的原因。例如，在 2018 年 6 月 14 日的內務管理會議上，總裁表示正如 2016-17 年度，雖然顧問項目數目在 2017-18 年度不達標，但由於部份顧問項目規模較大，顧問項目的收入達致超標。此外，由於

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<sup>1</sup> 內務管理會議每年舉行三次，由生產力局總裁向創新科技署署長簡報下一輪理事會及常務委員會會議的主要討論事項。

客戶對綜合方案的需求日增，很多製造支援服務納入顧問項目內，因此造成製造支援項目收入不達標。有關情況在 2017-18 年度持續。創新科技署署長當時已接納總裁的解釋。會後，創新科技署亦會透過電郵要求生產力局再次以書面提供有關解釋，以作記錄。有關文件見附件(1)。

**(e)(i)** 創新科技署在審計署於 2019 年進行審計工作期間發現生產力局於 2018 年 7 月決定更改顧問項目的定義前，並不知悉有關更改。

**(e)(ii)** 2009 年簽署的《有關管理香港生產力促進局資助金的行政安排備忘錄》(《備忘錄》)並沒有就生產力局在沒有通知創新科技署的情況下更改主要表現指標的定義而訂立罰則或列明後果。我們在檢視《備忘錄》時，會列明生產力局日後如欲更改某項主要表現指標的定義時，須事先得到理事會和創新科技署署長的同意。倘若生產力局在這方面出現違規情況，行政總裁在其年度表現報告中會有所反映，對其浮動薪酬水平帶來影響。

**(e)(iii)** 根據《備忘錄》第 7 段，為確保能善用政府的資助金來提供服務，生產力局須建議一套衡量其活動進度的表現指標，供創新科技署署長批核。這些表現指標須包括生產力局的服務提供、運作效能、財務狀況和效率等範疇。生產力局和創新科技署署長可不時檢討表現指標和目標，並在雙方同意下，以書面作出修訂。生產力局須按表現指標編製成果報告，並連同年度計劃及預算一併呈交創新科技署署長。如生產力局未能達到協定的表現水平，便須向創新科技署署長作出令人滿意的解釋。

一般來說，每年 7 月，創新科技署會收到生產力局的理事會會議文件，報告其上一財政年度的主要表現指標的表現。生產力局每年 11 月會向理事會提交下一財政年度的年度計劃及預算，當中生產力局會列出下一年度擬舉辦的活動、各項主要表現指標及其目標、以及相關財政預算。在獲得理事會通過後，生產力局便會將下一財政年度的主要表現指標及其目標提交予創新科技署署長批核。於 2015 年 11 月獲生產力局理事會同意採納及其後創新科技署署長批核後，自 2016-17

年度起至今，生產力局的主要表現指標共有 23 個。

就是次審計署報告中指出生產力局更改顧問項目的定義一事，生產力局在 2019 年 11 月向理事會提交的 2020-21 年度計劃及預算內註明主要表現指標「所接受的顧問項目數目」的定義如下：「建議目標包括估計在 2020-21 年度接受的含有顧問元素而服務費為 5,000 元以上的製造支援項目」。

生產力局亦計劃於 2020 年 1 月內向理事會提交 2018-19 年度主要表現指標「所接受的顧問項目數目」經修訂後的定義及更正後的實際表現數字(889 個)，供理事會審議。獲得理事會通過後，生產力局便會將有關資料及相關解釋提交予創新科技署署長。

- (e)(iv) 創新科技署及生產力局同意審計署的建議，會檢視現行 23 個主要表現指標，並在聽取審計署及政府帳目委員會在今次審計及公開聆訊的意見後，計劃於 2020 年 3 月將經檢視的主要表現指標及 2020-21 年度的目標提交予理事會審議。獲得理事會通過後，生產力局會按《備忘錄》的要求在 2020 年 3 月底前將建議提交予創新科技署署長批核，以期於 2020-21 年度開始實施更新的主要表現指標和目標。
- (f) 在 2018-19 年度延遲完成的 129 個顧問項目當中，並無創新科技署委託生產力局進行的項目。至於其他政府部門委託生產力局進行的顧問項目，生產力局表示有向有關部門匯報項目進度和交代延誤的情況。
- (g) 生產力局在 2017 年 10 月設立「知創空間」，為初創企業、中學或大學學生及畢業生提供工作空間及技術支援，協助他們將創新意念構建成為工業設計，並通過原型製作變成產品，以培育本港的初創文化及支持香港「再工業化」。創新及科技局近年積極推動「再工業化」、支援初創企業及培育本地創科人才，生產力局營運「知創空間」與政府政策方向吻合。政府自 2017-18 年度起，分兩年向生產力局提供了共 1,776 萬元的額外資助，作為設立「知創空間」及資助其首兩年營運之用。我們相信生產力局有能力持續營運「知創空間」，生產力局會不斷檢討其營運模式及重點服務對

象，以更適切地為服務對象提供支援。

**(h)** 創新科技署與生產力局自 2016 年 7 月開始商討設立「知創空間」的建議，生產力局的建議於 2017 年 5 月獲創新科技署接納。有關詳情如下：

- 生產力局於 2016 年 10 月向創新及科技局、創新科技署及其他有關部門代表簡介了設立「知創空間」的構思。有關會議簡報見附件(2)；
- 由於設立「知創空間」的目的是提供工作空間及技術支援，讓使用者可以將他們的創新意念構建成為工業設計，並通過原型製作，轉化成產品，符合創新及科技局推動「再工業化」的政策，亦屬於生產力局的服務範疇，因此政府同意為生產力局設立「知創空間」提供資助，並將建議納入 2017 年 1 月行政長官發表的《二零一七年施政報告》，相關節錄見附件(3)；
- 其後，創新科技署與生產力局在工作層面討論有關方案的詳情。
- 生產力局於 2017 年 3 月舉行的理事會會議上向委員介紹了「知創空間」的計劃(簡報見附件(4))；
- 生產力局於 2017 年 4 月向創新科技署提交設立「知創空間」的詳細建議書(見附件(5))以供批核；
- 創新科技署於 2017 年 5 月通知生產力局接納其建議書，並同意於 2017-18 年度及 2018-19 年度發放共 1,776 萬元的額外資助(見附件(6))。

**(i)(i)** 根據創新科技署與生產力局簽訂的《備忘錄》的第 5.3 及 5.4 段，政府向生產力局提供資助，而創新科技署署長則是指定的管制人員，會確保生產力局的活動符合其目標及有關的公共政策和優先次序，資助的使用及分配恰當。創新科技署署長會確保生產力局的政策目標恰當，並且在情況有變時仍保持恰當。在經濟環境改變時，創新科技署署長可建議生產力局檢討這些目標。根據《香港生產力促進局條例》第 5 條及《備忘錄》第 5.1 段，生產力局在管理及監管其活動及資源方面享有自主權。

具體來說，生產力局須提交予政府審視的包括以下各項：

- 生產力局在每個財政年度須按《備忘錄》第 6.1 段，在提交年度計劃及預算之前，向創新科技署署長提交一份三年預測。該份預測須列明生產力局的策略目標、為達到該等目標而採納的計劃，以及對資源影響的評估。該份預測須每年更新並逐年推展。生產力局一般會在每年七月以理事會會議文件形式向創新科技署提交有關的預測。
- 根據《備忘錄》第 6.2 段，生產力局在每個財政年度須向政府提交下一財政年度的年度計劃及預算供政府批核，當中生產力局須列出下一財政年度擬舉辦的活動、各項主要表現指標的目標及相關財政預算。生產力局一般會於每年十一月將下一財政年度的年度計劃及預算提交予理事會討論，理事會通過後生產力局會於十二月提交予政府批核。在財經事務及庫務局局長審視後，創新及科技局局長會根據《香港生產力促進局條例》第 16(1)條及其獲轉授的權力，批核生產力局的年度計劃及預算。生產力局須根據批核的年度計劃及預算行事。
- 根據《備忘錄》第 7.3 段，生產力局在提交年度計劃及預算時，須同時向創新科技署署長提交成果報告，報告上一年度各項主要表現指標是否達標。《備忘錄》第 7.4 段規定，如生產力局未能達到協定的表現水平，便須向創新科技署署長作出令人滿意的解釋。生產力局總裁一般會在每年 6 月或 7 月與創新科技署署長舉行內務管理會議，包括報告上一財政年度主要表現指標的達標情況，並就不達標的指標提供解釋。創新科技署亦一般會在每年七月收到生產力局相關的理事會會議文件。
- 此外，根據《備忘錄》第 5.8 段，在每個財政年度結束後，生產力局須在六個月內向創新科技署署長提交該年度的活動報告及經審核的帳目報表。創新科技署一般會於每年七月收到生產力局以理事會會議文件形式提交的年度經審核帳目，通常每年 8 月生產力局會向理事會提交年報。根據《香港生產力促進局條例》第 19(1)條，生產力局須不得遲於每個財政年度終結後六個月向行政長官作出活動

報告，並向行政長官傳送相關財務報告及審計報告。生產力局會在每年九月底前將年報、財務報告及審計報告提交行政長官辦公室，創新科技署一般會於 10 月或 11 月向立法會呈交相關文件，以供省覽。

- 根據《香港生產力促進局條例》第 6(1)條的規定，生產力局在設立或更改職員的任何薪級(包括任何津貼及其他金錢福利的級別)前，須將上述薪級的詳情呈交行政長官批准，相關權力已轉授給創新科技署署長。通常每年七月，生產力局會將薪酬調整建議提交理事會審視，並在獲得理事會通過後，呈交創新科技署署長批核。

**(i)(ii)** 特區政府於 2008 年 12 月發出了一份有關政府人員獲委任為政府擁有或資助的法定機構/公司董事局成員的內部指引，當中指出如有關政策局認為有需要委任政府人員為政府資助的法定機構的董事局成員時，由於政府人員有可能在罕有情況下面對該機構的利益與公眾利益未必完全一致的情況，該政策局應在有關法例進行檢討時加入條文，要求政府人員在該等情況下首要代表公眾利益，先於有關機構的利益，以減低相關法律風險。

創新科技署當時參考了上述指引，並諮詢了律政司的意見後，於 2009 年檢討《備忘錄》時更新了第 5.9 段，以釐清政府人員在生產力局理事會的角色(首要代表政府的利益，先於生產力局的利益)。有關改動於 2009 年 6 月亦取得生產力局理事會的同意。

根據經驗，上述改動並沒有影響生產力局的運作自主。

創新科技署署長 潘 婷 婷

副本送： 創新及科技局局長  
財經事務及庫務局局長  
香港生產力促進局主席  
香港生產力促進局總裁  
審計署署長

2020年1月3日



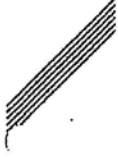
## Key Performance Indicators (KPI)

- 10 out of 10 on “Effectiveness” all surpassed target,  
e.g.
  - New services and products introduced (30 vs 29)  
*20. 2. 2015. machines.*
  - Number of patent/ licence / royalty (19 vs 8)
  - Number of products / technologies commercialized (15 vs 13)
  - Customer satisfaction index (8.9 vs 8.7)



## Key Performance Indicators (KPI)

- Financial performance in 2014-15 generally meeting estimates, e.g. external income and “surplus” both beyond target.
- Though income from some streams of business (e.g. consultancy, training, study missions, etc.) fall below target, income from government funded projects being better and more than compensating the shortfall (e.g. \$79M government-funded project achieved vs budget of \$33M).



## Key Performance Indicators (KPI)

- Good overall progress on key targets, e.g.
  - Income/expenditure ratio (71.1% vs 67.4%)
  - Overall income/employee (\$637k vs 580K)
- So, while meeting and performing beyond targets for 13\* out of 22 targets and missing the other 9, the overall performance is commendable.

\*incl. 1 newly adopted KPI (% of business employee hours charged to billable projects) for which no target has been set for 2014/15

**HKPC<sup>®</sup>**

Follow-up email to HKPC (2014-15)

(2014-15)



Re: Fw: Supplementary Information for Consideration of Variable Pay for 2014-15

Cc: @hkpc.org to: @itc.gov.hk  
@hkpc.org, @hkpc.org

2015/07/03 下午 06:30

From: @hkpc.org  
To: "Lavita MY CHAN" <@itc.gov.hk>  
Cc: @hkpc.org, @hkpc.org

History: This message has been forwarded.

1 attachment



Previous set of KPIs.docx

Dear Lavita,

Your email to Alfonso refers. Atth. pls. find the requested information.

Best regards,  
Gillian

From: "Lavita MY CHAN" <@itc.gov.hk>  
To: @hkpc.org,  
Cc: @hkpc.org, "BS YEUNG" <@itc.gov.hk>, "Emily ML LEUNG" <@itc.gov.hk>  
Date: 03/07/2015 09:54  
Subject: Fw: Supplementary Information for Consideration of Variable Pay for 2014-15

Dear Alfonso,

Further to my preceding email, I should be most grateful for your urgent input, in Word format, on the list of KPIs in 2014-15 (measured against the original set of 30 KPIs with targets set for that year) not meeting targets and reasons for the variance. This would facilitate our internal consideration of HKPC's proposed VP which would be discussed at the coming Staffing Committee Meeting to be held on 10 July.

Regards,  
Lavita  
Tel: 3655 5491

----- Forwarded by Lavita MY CHAN/ITC/HKSARG on 2015/07/03 上午 09:49 -----

From: Lavita MY CHAN/ITC/HKSARG

**2014/15 KPIs – Previous Set**

A. KPIs with more than 10% variation

KPI	Target	Actual	Achievement	Reason for Variance
1. No. of consultancy projects accepted	1250	970	78%	<ul style="list-style-type: none"> <li>– The &gt;1000 target was ambitious and aimed at driving staff performance. Last year (2013/14) actual figure was 964.</li> <li>– Actual consultancy income largely met target (91%).</li> <li>– Major development initiatives such as implementation of business development corporate goals, R&amp;D efforts, government funded projects and promotion programmes have impact on new consultancy project number.</li> </ul>
2. No. of fee-charging training courses launched	300	180	60%	<ul style="list-style-type: none"> <li>– The focus of training continued to be high-end courses in niche areas in 2014/15 (e.g. business processes in SAP human capital management, governance of enterprise IT etc.)</li> </ul>
3. Number of people attended fee-charging training courses	5800	3041	52%	<ul style="list-style-type: none"> <li>– It takes time for the market to get ready for such courses, especially during volatile market conditions and in face of rising operation cost.</li> <li>– To enhance recognition of HKPC's training programmes, a lot of effort in 2014/15 was devoted to preparing for QF accreditation for the Productivity Training Institute and develop QF training programmes.</li> </ul>

KPI	Target	Actual	Achievement	Reason for Variance
4. Number of exhibitions/ study missions/ conferences	50	28	56%	<ul style="list-style-type: none"> <li>The shortfall was largely caused by a reduction in number of exhibitions and study missions held.</li> </ul> <p><u>Exhibition</u></p>
5. Number of people attended exhibitions/ study missions/ conferences	2900	1355	47%	<ul style="list-style-type: none"> <li>HKPC had reduced involvement in the business and chosen to participate in exhibitions rather than acting as an organizer.</li> </ul> <p><u>Study Mission</u></p> <ul style="list-style-type: none"> <li>Non-fee-charging seminars and networking events attracted more than 23,500 participants in 2014/15, surpassing the target by 30%.</li> <li>42 industry consultation events were organized, surpassing the target by 14%.</li> </ul>
6. Income from training courses	\$19.81M	\$12.898 M	65%	Same as above under "no. of fee-charging training courses launched"
7. Income from exhibitions and fee-charging study missions/ conferences	\$5.506M	\$3.495M	63%	As explained above under "Number of exhibitions and fee-charging study missions/ conferences organized"
8. Income from manufacturing support projects	\$33.103 M	\$26.027 M	79%	<ul style="list-style-type: none"> <li>Clients increasingly seek integrated solutions rather than one-off manufacturing support service.</li> <li>The reduction in activities in the electronics manufacturing industry in Guangdong and HK resulted in a reduction in bureau testing services.</li> <li>Actual figure represents an 13% growth from that of 2010/11.</li> </ul>
9. Income per consultancy project in progress	\$0.15M	\$0.129M	86%	<ul style="list-style-type: none"> <li>Ambitious target was set to drive performance. The target has been on the rise since 2011/12.</li> <li>This indicator has continued to reach new levels since 2010/11. The 2014/15 figure achieved represents an 11% increase over 2010/11.</li> </ul>

KPI	Target	Actual	Achievement	Reason for Variance
10. Number of new government funded projects	35	28	80%	<ul style="list-style-type: none"> <li>- HKPC was heavily involved in government funded projects and R&amp;D projects carried forward from previous years.</li> <li>- In 2013/14, 43 government funded projects for \$109.1M were approved which was the highest level in the past 5 years both in terms of project number and approved funding. Implementation of the majority of the projects continued into 2014/15.</li> </ul>
11. Funding approved for new government funded projects	64.7	49	76%	<ul style="list-style-type: none"> <li>- The number of on-going R&amp;D projects in 2014/15 exceeded target (67 on-going projects against the target of 43). This number is the highest in the past 5 years.</li> </ul>

B. KPIs with less than 10% variation

KPI	Target	Actual	Achievement	Reason for Variance
1. Percentage of employee hours charged to billable projects	68%	62%	91%	<ul style="list-style-type: none"> <li>- The variance was due to an increase in staff engaged in public mission-related activities like service platforms (SME One, TecONE) and corporate goals for 2014/15 to strive for sustainable business development (e.g. software testing certification scheme, best practice models for retail/food lifecycle management etc.)</li> <li>- Excluding corporate divisions, the figure will be 86.1% which exceeded last year's actual figure (85.9%).</li> </ul>
2. Income from consultancy projects	\$290.675M	\$265.44M	91%	<ul style="list-style-type: none"> <li>- An ambitious target was set to drive staff performance.</li> <li>- Actual figure has been the rise since 2010/11. Overall, there was a 31% increase over 2010/11.</li> <li>- That the target was largely achieved indicated staff effort to excel.</li> </ul>



Powerpoint Presentation for Housekeeping Meeting on 28 June 2016  
(on 2015-16 KPIs)

KPI		2015/16 Performance Target	2015/16 Actual	Achieved %
<b>(1) Key Performance Measure: Service Delivery</b>				
(a)	Number of consultancy projects accepted	1070	917	86%
(b)	Number of fee-charging training courses launched	285	186 (Note 1)	65%
(c)	Number of people attended the fee-charging training courses	5370	3941 (Note 2)	73%
(d)	Number of people attended exhibitions/fee-charging study missions/conferences organized	2180	2230 (Note 4)	102%
<b>(2) Key Performance Measure: Operating Efficiency</b>				
(a)	Percentage of business employee hours charged to billable projects	87.0%	92.8%	107%
(a)	Overall income/expenditure ratio	68.4%	70.7%	103%
(b)	Income from consultancy projects (\$M)	300.000	307.716	103%
(c)	Income from training courses (\$M)	19.000	8.910	47%
(d)	Income from exhibitions/study missions/conferences (\$M)	3.900	4.844	124%
(e)	Income from manufacturing support projects (\$M)	34.000	23.602	69%
(f)	Overall income per employee (\$M)	0.620	0.676	109%
(g)	Income per consultancy project in progress (\$M)	0.150	0.152	101%
<b>(4) Key Performance Measure: Effectiveness</b>				
Industry consultation	(a) Number of theme-based industry consultation organized: Hong Kong Industry Network Cluster (HK-INC) and non-HK-INC	40	51	128%
HKPC services and marketing effort	(b) Number of people attended events/networking activities for associations/non-fee-charging seminars	18430	20620	112%
New products, new services, new technologies, new applications, new methodologies, commercialization	(c) Number of new services and products introduced	24	30	125%
	(d) Number of patents/licence/royalty	8	13	163%
	(e) Number of products/technologies commercialized	14	21	150%
Outcome of consultancy projects	(f) (i) Number of R&D projects - new projects	29	38	131%
	(f) (ii) Number of R&D projects - on-going projects	52	99	190%
	(g) Percentage of customers reporting productivity increase	95%	100%	105%
Customer satisfaction	(h) Customer satisfaction index	8.8	8.92	101%
Satisfaction of training participants	(i) Training participants satisfaction index	8	8.4	105%

Notes:

- Figure includes 46 courses held under government funded projects
- Figure includes 2085 participants in courses held under government funded projects
- Figure includes 2614 participants in events held under government funded projects
- Figure includes 1459 participants in events held under government funded projects
- Figure includes \$5.891M from events held under gov't funded projects

**HK**

Follow-up email to HKPC (2015-16)

(2015-16)

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**Re: supplementary information for consideration for VP for 2015-16**

2016/07/06 上午 10:56

From: @hkpc.org  
To: "Abby SH CHENG" <@ltc.gov.hk>  
Cc: "BS YEUNG" <@hkpc.org>, "Jason KP CHEUNG" <@ltc.gov.hk>

History: This message has been forwarded.

1 attachment



Supplementary Information for 2015-16 VP Consideration - 20160706.docx

Hi, Abby,

Enclosed please find the updated file for your information.

Updated information are highlighted in red for your easy reference.

Should you have any queries, please feel free to discuss.

Regards,

**Ling Pang**

HR

Tel 2788 5908

From: "Abby SH CHENG" <@ltc.gov.hk>  
To: @hkpc.org,  
Cc: @hkpc.org, "BS YEUNG" <@ltc.gov.hk>, "Jason KP CHEUNG" <@ltc.gov.hk>  
Date: 05/07/2016 11:16  
Subject: supplementary information for consideration for VP for 2015-16

Dear Ling,

To facilitate our consideration for the VP for 2015-16, grateful if you could verify and provide the information in the attached document.

Many thanks.

**Supplementary Information for Consideration of 2015/16 Variable Pay**

1. Grateful if HKPC could fill in the blanks highlighted in yellow below.

**Number of HKPC PPS Staff (include APAS)**

	2013-14	2014-15	2015-16
Total no. of HKPC staff (excluding GM and above) <i>Data as at 30 June</i>	617	626	610
Total no. of Directorate staff (i.e. GM and above) <i>Data as at 30 June</i>	12	14	12
Total no. of PPS staff (excluding GM and above) <i>Data as at 30 June</i>	507	531	528
No. of PPS staff eligible for VP (excluding GM and above)	426	423	459
No. of GM staff eligible for VP	8	8	9
No. of BD & ED staff eligible for VP	3	4	4

**HKPC Performance**

2.	2013-14	2014-15	2015-16
External income <sup>@</sup>	\$375M (+3.3%)	\$391M (+4.3%)	\$413M (+5.6%)
Value added (External income – project expenses)	\$215M (+7.5%)	\$227M (+5.6%)	\$234M (+3.1%)
Total expenditure (incl. capital exp. + depreciation, etc.)	\$542M (+4.6%)	\$541M (-0.2%)	\$575M (6.3%)
Income per HKPC staff	\$0.615M (+0.5%)	\$0.637M (+3.6%)	\$0.676M (+6.1%)
Surplus before VP disbursement	\$19.5M (-31.3%)	\$43.2M (+121.5%)	\$36.4M (-15.7%)
No. of KPIs met or exceeded	20 out of 30 KPIs	*15 out of 22 KPIs	17 out of 22 KPIs

<sup>@</sup> Excluding APAS Division's results.

\* Percentage of business employee hours charged to billable projects has no target set in 2014/15.

3. Please provide a table setting out the KPIs not meeting targets and reasons for the variance.

KPI	Target	Actual	Achievement	Reason for Variance
1. No. of consultancy projects accepted	1070	917	86%	<ul style="list-style-type: none"> <li>- The &gt;1000 target was ambitious and aimed at driving staff performance.</li> <li>- Actual consultancy income exceeded target by 3%, indicating larger project size (e.g. in the areas of environmental management, automation service etc.) and the below target number of consultancy projects had minimal impact on consultancy income.</li> <li>- Major development initiatives such as implementation of business development corporate goals, R&amp;D efforts, government funded projects and promotion programmes have impact on new consultancy project number.</li> </ul>
2. No. of fee-charging training courses launched	285	196	69%	<ul style="list-style-type: none"> <li>- The focus of training continued to be high-end courses in niche areas in 2015/16. It takes time for the market to get ready for such courses.</li> <li>- The volatile economic climate has dampened employer interest in investing in non-essential expenditure items like human resource development.</li> </ul>
3. Number of people attended fee-charging training courses	5370	4248	79%	<ul style="list-style-type: none"> <li>- The 2 QF accredited courses launched during the year are insufficient to make a significant impact to uplift the overall training income.</li> </ul>
4. Income from training courses	\$19M	\$8.910 M	47%	
5. Income from manufacturing support projects	\$34M	\$23.602 M	69%	<ul style="list-style-type: none"> <li>- Clients increasingly seek integrated solutions rather than one-off manufacturing support service.</li> <li>- Some manufacturing support service incorporated into consultancy e.g. diffusion bonding, conformal cooling, mould component fabrication</li> </ul>

4. Please advise the estimated increase in VP payment (in both absolute amount and % increase compared to the VP payment in 2014-15) arising from the annual pay trend adjustment and merit increment of PPS eligible staff in 2015-16 only. This is to estimate the net increase in VP after discounting the effect of annual pay trend adjustment and merit increase on the basic salary of staff. You are welcome to suggest alternative methodology on how to discount these basic factors.

	2014-15 Actual Payment	2015-16 Estimated Amount #	Increased Amount & Percentage
VP Amount Exclude APAS	\$9.302M	\$9.568M	\$0.266M (+2.86%)

# Subject to final performance bands and Council approval

If the “pay trend adjustment and merit increments (total average at 6.32% for PPS)” are excluded from the basic salary in calculation of the 2015-16 VP payment, the comparison of VP payment will be changed as follows:

	2014-15 Actual Payment	2015-16 Estimated Amount (exclude pay trend adjustment and merit increments)	Adjusted Amount & Percentage
VP Amount Exclude APAS	\$9.302M	\$8.963M	-\$0.339M (-3.64%)

A downturn in 2015-16 variable pay after net-off the year-to-year salary adjustment.

5. Please provide special circumstances to justify the proposed variable pay, internal or external, if any (with reference to the various factors endorsed by the Council, e.g. staff morale, PR, etc).

VP is one of our important performance management tools whereby we could award and recognize performers for their valuable contributions. The Management considers that granting the VP is necessary against the backdrop of sustainably good corporate performance such that VP continues to be seen by staff as part and parcel of the institutional arrangements to drive performance and that performance would be duly rewarded. After considering all the factors and staff sentiment, the Management considers that the proposed VP payouts, following our past three years’ practices, will appropriately recognize the staff members’ exceptional contribution in the past year and promote staff morale.

## **2016/17 KPIs**

- As agreed by the Council in 2015, starting from 2016/17,
  - the KPIs would contain 23 indicators:  
13 core KPIs + 10 other KPIs
  - 2 new KPIs would be introduced:
    - Total external income
    - A score of 7.5 or above out of 10 in terms of productivity gain by clients (replacing “% of customers reporting productivity increase”)

## **2016/17 KPIs**

- In 2016/17, 18 out of 23 KPIs exceeded targets.
- All core KPIs exceeded targets.

# 2016/17 KPIs

KPI	2015/16 Actual	2016/17 Performance Target	2016/17 Actual Performance	Achieved %
<b>Part I Core KPIs</b>				
<b>(1) Key Performance Measure: Operating Efficiency</b>				
(a) Percentage of business employee hours changed to billable projects	92.8%	87.5%	96.4%	110%
<b>(2) Key Performance Measure: Financial Result</b>				
(a) Overall income/expenditure ratio	70.7%	69%	74.1%	107%
(b) Overall income per employee (\$M)	0.68	0.65	0.76	117%
(c) Total external income (\$M)	413.2 (new KPI from 2016/17)	429.4	447.3	104%
<b>(3) Key Performance Measure: Effectiveness</b>				
<b>Industry consultation</b>				
(a) Number of theme-based industry consultation organized; Hong Kong Industry Network Cluster (HK-INC) and non-HK-INC	51	40	42	105%
<b>HKFC services and marketing effort</b>				
(b) Number of people attended events/networking activities for associations/non-fee charging seminars	20,620	22,000	22,074	100%
<b>New products, new services, new technologies, new applications, new methodologies, commercialization</b>				
(c) Number of new services and products introduced	30	24	28	117%
(d) Number of patent/licence/royalty	13	8	18	225%
(e) Number of products/technologies commercialized	21	14	19	136%
(f) Number of R&D projects - new projects	38	30	46	153%
(g) Percentage of customers giving a score of 7.5 or above out of 10 in terms of productivity gain	n/a (new KPI from 2016/17)	75%	87%	116%
<b>Customer satisfaction</b>				
(h) Customer satisfaction index	8.9	8.8	9.0	102%
<b>Satisfaction of training participants</b>				
(i) Training participants satisfaction index	8.4	8	8.4	105%
<b>Part II Other KPIs</b>				
<b>(1) Key Performance Measure: Service Delivery</b>				
(a) Number of consultancy projects accepted	917	1,020	948	93%
(b) Number of fee-charging training courses launched	196 (Note 1)	226	203 (Note 1)	90%
(c) Number of people attended the fee-charging training courses	4,248 (Note 2)	3,390	4,198 (Note 5)	124%
(d) Number of people attended exhibitions/fee-charging study missions/fee-charging conferences organized	2,721 (Note 3)	4,000	4,236 (Note 6)	106%
<b>(2) Key Performance Measure: Financial Result</b>				
(a) Income from consultancy projects (\$M)	307.7	312.6	344.1	110%
(b) Income from training courses (\$M)	8.9	17.6	9.4	53%
(c) Income from exhibitions/study missions/conferences (\$M)	4.8	3.9	7.7	197%
(d) Income from manufacturing support projects (\$M)	25.8	36.6	25.2	69%
(e) Income per consultancy project in progress (\$M)	0.15	0.15	0.14	93%
<b>(3) Key Performance Measure: Effectiveness</b>				
<b>New products, new services, new technologies, new applications, new methodologies, commercialization</b>				
(a) No. of R&D projects - on-going projects	99	49	99	202%

Note 1. figure includes 55 courses held under government funded projects

Note 2. figure includes 2396 participants in courses held under government funded projects

Note 3. figure includes 1460 participants in events held under government funded projects

Note 4. figure includes 32 courses held under government funded projects

Note 5. figure includes 1459 participants in courses held under government funded projects

Note 6. figure includes 3019 participants in events held under government funded projects



## 2016/17 KPIs

### HKPC's Performance in Perspective

- Of the 5 KPIs with variance from targets,
  - 3 recorded 10% or less shortfall from target
    - no. of consultancy projects accepted
    - no. of fee-charging training courses launched
    - income per consultancy project in progress
  - 2 are income-related KPIs which recorded more than 10% shortfall:
    - income from training
    - Income from manufacturing support projects

Their shortfall (totalled \$20M) is compensated by income from consultancy projects which exceeded target by \$32M.



## 2016/17 KPIs

### HKPC's Performance in Perspective (con't)

- Overall, total external income in 2016/17 (being \$447M) is higher than budget (being \$429M).
- Income/expenditure ratio and overall income per employee both exceeded targets (74% vs 69%, \$0.76M vs \$0.65M).



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**RE: Confidential: HKPC - 57th Meeting of Staffing Committee (4/7/2017)**

2017/06/30 下午 06:20

From: Gillian Siu Lan LUK <@hkpc.org>  
To: Abby SH CHENG <@itc.gov.hk>  
Cc: Alfonso Shik Wing TAM <@hkpc.org>, Flora Shuk Hing LI <@hkpc.org>, Agnes Tsz Wan TANG <@hkpc.org>

1 attachment



KPI.docx

Dear Abby,

Your email to Agnes Tang refers. Atth. pls. find our reply.

Best regards,  
Gillian

From: Abby SH CHENG [mailto: @itc.gov.hk]  
Sent: Wednesday, June 28, 2017 9:25 AM  
To: Agnes Tsz Wan TANG < @hkpc.org>  
Cc: Flora Shuk Hing LI < @hkpc.org>; Gillian Siu Lan LUK < @hkpc.org>  
Subject: Fw: Confidential: HKPC - 57th Meeting of Staffing Committee (4/7/2017) – Paper no. SC 6, 7 & 8

Dear Agnes,

Thank you for the papers.

We understand from the paper on VP that HKPC did not achieve the KPI targets in 2016/17 for the following 5 indicators. Can HKPC provide reasons for our assessment? Thank you.

(1) "Number of consultancy projects accepted"

(2) "Income from fee-charging training courses launched":

(3) "Income from training courses"

(4) "Income from manufacturing support projects"

(5) "Income per consultancy project in progress"

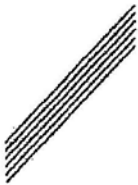
Abby

**2016/17 KPIs Not Meeting Targets and Reasons for the Variance**

KPI	Target	Actual	Achievement	Reason for Variance
1. No. of consultancy projects accepted	1020	948	93%	<ul style="list-style-type: none"> <li>- Actual consultancy income exceeded target by 10%, with larger scale projects accepted in the areas of environmental management, automation service and smart manufacturing and materials. The below target number of consultancy projects had minimal impact on consultancy income.</li> <li>- Indeed, engagement in larger scale consultancy projects was beneficial and necessary for HKPC to continually build up its capabilities, and experience and R&amp;D results in larger projects would also be gainfully cascaded by HKPC to SMEs later on.</li> <li>- The &gt;1000 target was ambitious and aimed at driving staff performance.</li> </ul>
2. No. of fee-charging training courses launched	226	203	90%	<ul style="list-style-type: none"> <li>- Employers, adopting a prudent stance pending the emergence of a clearer picture of economic recovery, scaled</li> </ul>

KPI	Target	Actual	Achievement	Reason for Variance
3. Income from training courses	\$17.6M	\$9.4M	53%	<p>back on non-essential expenditure items like human resource development and preferred to send employees to shorter duration courses which deliver more immediate results and caused less disruption to their operation.</p> <ul style="list-style-type: none"> <li>- Arising from the above, more training courses were of shorter duration, and hence contributing to falling income.</li> <li>- Furthermore, courses in new technologies and business methodologies took a longer time for market to accept.</li> </ul>
4. Income from manufacturing support projects	\$36.6M	\$25.2M	69%	<ul style="list-style-type: none"> <li>- Some manufacturing support services were incorporated into consultancy e.g. diffusion bonding, conformal coating, mould component fabrication, as clients increasingly seek integrated solutions rather than one-off manufacturing support service.</li> </ul>

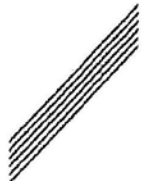
KPI	Target	Actual	Achievement	Reason for Variance
5. Income per consultancy project in progress	\$0.15M	\$0.14M	93%	<p>– The marginal difference is arithmetic in the main, as the calculation is based on consultancy project income generated by the number of consultancy projects in progress.</p> <p>– There was a higher number of consultancy projects in progress in 2016/17 as compared with 2015/16, leading to a diluting effect causing a slight drop in income per consultancy project in progress. In this regard, it must be noted that some of these projects were newly launched towards the end of the review period and hence were mainly in the preparatory stage and did not generate much income.</p>



Powerpoint Presentation for Housekeeping Meeting on 14 June 2018  
(on 2017-18 KPIs)

## **2017/18 KPIs**

- In 2017/18, 20 out of 23 KPIs exceeded targets.
- All core KPIs exceeded targets.

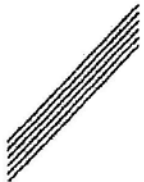


## 2017/18 KPIs

- Overall financial targets exceeded

KPI	2017/18 Performance Target	2017/18 Actual	% Met
Total external income	\$449.81 M	\$471.70M	105%
Overall I/E ratio	69.1%	76.40%	111%
Overall income per employee	\$0.68M	\$0.82M	120%





## 2017/18 KPIs

- 3 KPIs with variance from targets:

KPI	2017/18 Performance Target	2017/18 Actual	% Met	Remark
Number of consultancy projects accepted	968	699	72%	despite the shortfall, income per consultancy project in progress exceeds target by 7%, indicating larger project size
Income from training courses	\$14.0 M	\$8.0M	57%	the shortfall of these 2 KPIs (\$13M) is compensated by income from consultancy projects which exceeded target by \$16M
Income from manufacturing support projects	\$33.7M	\$26.7M	79%	

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**Key Performance Indicators**

2018/07/12 下午 05:38

From: Abby SH CHENG/ITC/HKSARG  
To: @hkpc.org  
Cc: BS YEUNG/ITC/HKSARG@ITC, Jason KP CHEUNG/ITC/HKSARG@ITC

Dear Gillian,

As spoken, we understand that HKPC has met 20 out of 23 targets for 2017/18. On the remaining three KPIs not meeting the target, we would like to seek your clarifications on the following:

(1) No. of consultancy projects accepted (699 against target of 968. For the past two years, the figures were 948 and 917 respectively.)

While we note HKPC's explanation in the SC paper, the drop seems to be more significant this year, and we are also concerned that HKPC will be alleged of focusing more on larger enterprise, while services to SMEs are insufficient. We would like to know HKPC's further clarifications on this, as well as the anticipated results for the years to come.

(2) No. of training courses (7.979M against target of 14M. For the past two years, the figures were 9.4M and 8.9M)

We note that the income from training courses has been on the low side in recent years. Grateful to know the reasons behind. Besides, we will be launching the Reindustrialisation and Technology Training Programme (RTTP) later this year. We encourage HKPC to actively participate in this programme with a view to increasing the training income.

(3) Income from manufacturing support services (26.653M against target of 33.7M. For the past two years, the figures are 25.2M and 23.602M)

HKPC previously advised that the income could not meet target as some manufacturing support services have been incorporated into consultancy projects, in line with market demand for integrated solutions. Grateful to know if this reason is still valid, or that the target of 2017/18 has already reflected this phenomenon.

Grateful for your advice on the above. We will also raise these questions at the SC meeting tomorrow.

Happy to discuss. Thanks!

Abby

Powerpoint Presentation for Housekeeping Meeting on 4 July 2019  
(on 2018-19 KPIs)



KPI	2018/19 Performance Target	2018/19 Actual
<b>Part I Core KPIs</b>		
<b>(1) Key Performance Measure: Operating Efficiency</b>		
(a) Percentage of business employee hours charged to billable projects	92.0%	95.2%
<b>(2) Key Performance Measure: Financial Result (HK\$M)</b>		
(a) Overall income/expenditure ratio	67.6%	77.5%
(b) Overall income per employee (\$M)	0.74	0.8
(c) Total external income (\$M)	433.9	464.5
<b>(3) Key Performance Measure: Effectiveness</b>		
Industry consultation	40	65
HKPC services and marketing effort	22,000	28,564
New products, new services, new technologies, new applications, new methodologies, commercialization	27	27
Outcome of consultancy projects	10	21
Customer satisfaction	18	18
Satisfaction of training participants	35	43
	82%	90%
	8.8	9.07
	8.2	8.56
<b>Part II Other KPIs</b>		
<b>(1) Key Performance Measure: Service Delivery</b>		
(a) Number of consultancy projects accepted	935	944
(b) Number of fee-charging training courses launched	200	234
(c) Number of people attended the fee-charging training courses	3,000	6,084
(d) Number of people attended exhibitions/study missions/conferences organized	4,000	4,039
<b>(2) Key Performance Measure: Financial Result (HK\$M)</b>		
(a) Income from consultancy projects (\$M)	322.8	340.9
(b) Income from training courses (\$M)	12.6	7.6
(c) Income from exhibitions/study missions/conferences (\$M)	5.5	6.2
(d) Income from manufacturing support projects (\$M)	26.1	30.0
(e) Income per consultancy project in progress (\$M)	0.15	0.2
<b>(3) Key Performance Measure: Effectiveness</b>		
New products, new services, new technologies, new applications, new methodologies, commercialization	65	132

## 2018/19 KPIs

- 22 out of 23 KPIs exceeded targets
- All core KPIs exceeded targets
- Only 1 KPI (Training Income) missed target
- Recovery Plan being taken in 2019/20:
  - Appointed a new Head with significant experience in executive training
  - A new cross-division cooperation model with strategic focuses
  - Emphasis on Executive Training with focus on Innovation and Technology, Leadership and Management in partnership with leading international institutes
  - Enhanced resources for promotion and marketing including social media

Urgent  Return Receipt Requested  Sign  Encrypt  Mark Subject Restricted  Expand personal&publ



**RE: Confidential: HKPC: 141st Council Meeting (31/7/2019) - PC 16/2019**

2019/07/29 下午 02:01

From: Gillian LUK <@hkpc.org>  
To: Abby SH CHENG <@itc.gov.hk>  
Cc: Jason KP CHEUNG <@itc.gov.hk>

History: This message has been forwarded.

Dear Abby,  
Pls. find our reply below.

Reason for shortfall

- -The uncertain international economic situation has somewhat affected companies' resources commitment on public in-class training.
- -Some corporations have increased the proportion of using internal resources or engaging customized corporate training to meet their learning objectives.
- -The abundance of training providers in the market and training materials available online have intensified competition in the in-class training business.
- -There is room for improvement in the collaboration and synergy between subject divisions and HKPC Academy. In previous years, the organisation of technology training had little input from the experts from subject divisions, thus not creating strong synergy on market demands and prevailing technology trends.

Actions taken to achieve a better result in the coming years

- A new Head with significant experience in executive training has been appointed.
- -Business development focus has been placed on executive training with focus on innovation and technology, leadership and management in partnership with leading international institutes.
- -A new cross-division cooperation model with strategic foci has been adopted.
- -Enhanced resources for promotion and marketing including social media

Best regards,

**Gillian Luk**

Senior Manager

Council Secretariat

T: (852) 2788 6283

HKPC Building, 78 Tat Chee Avenue, Kowloon, Hong Kong



From: Abby SH CHENG <@itc.gov.hk>

**Sent:** Wednesday, July 24, 2019 9:34 PM  
**To:** Gillian LUK < @hkpc.org>  
**Cc:** Jason KP CHEUNG < @itc.gov.hk>  
**Subject:** Re: Confidential: HKPC: 141st Council Meeting (31/7/2019) - PC 16/2019

Dear Gillian,

We note from the paper that the KPI for "income from training courses" fell below target by 40%. Grateful if HKPC could account for the reason, and provide the plan to achieve a better result in the coming years.

Abby

From: Gillian LUK < @hkpc.org>  
To:

Cc:

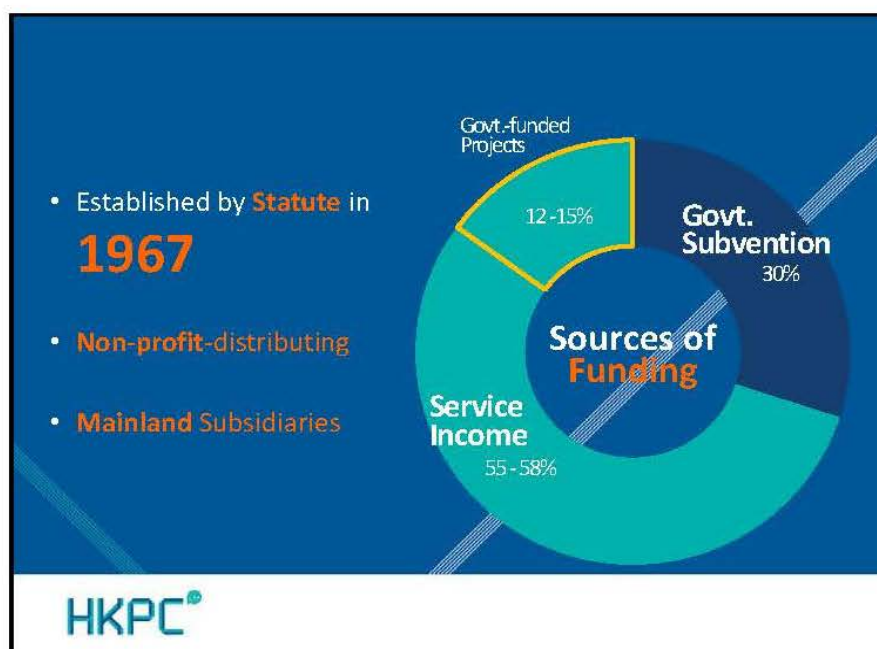
Date: 2019/07/24 下午 07:10  
Subject: Confidential: HKPC: 141st Council Meeting (31/7/2019) - Agenda and Meeting Papers

24 July 2019

To: Council Members

Dear Member,

I refer to the 141<sup>st</sup> Council meeting to be held at **3:00pm on Wednesday, 31 July 2019** in the Board Room, 2/F, HKPC Building, 78 Tat Chee Avenue, Yau



\* 委員會秘書附註：本文件只備英文本。

## Inno Space – The Concept

- Inno Space is a concept of community-operated workspace where people with common interests can meet, socialise and collaborate.
- Tools and equipment are provided to makers to facilitate product development

HKPC®

## Inno Space – The Benefits

- Provide a physical space for peer experience and knowledge sharing
- Connect the community to foster innovation, search for inspiration and provide hands-on skills to youngsters and students to address the needs of the growing technology adoption of tomorrow
- Serve as a micro-factory and provide them with an understanding on manufacturing industry. This can help nurture a pool of creative young human capital which forms the backbone of our creative economy and further contribute strategically to our re-industrialisation policy.

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## Existing Makerspace in HK

- 7 makerspaces  
(in operation or in the process of being setup)
- All makerspace in Hong Kong occupies a floor area of about 20,000 sq. ft in total  
(each ranging from 600 sq ft to 7000 sq ft)



## Weakness of Existing Makerspace in HK

- **Limited scope of makers' service** by providing only basic tools and machineries
- **Limited capabilities** on processing different materials and realising complicated design
- **Limited capabilities on pilot production** for realizing near final product with good functional and aesthetic performances

## HKPC Inno Space - Establishment

- HKPC will take the lead to design and build the “HKPC Inno Space” through tendering and manage the Inno Space as its off-site facilities.
- Cooperation with similar facilities managed by local universities and existing makerspace operators will be considered for widening the service scope.

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## HKPC Inno Space – Site Selection

- Propose locating at Kowloon Bay or Kwun Tong industrial area or their vicinity
  - high accessibility by public transport from HKPC building in Kowloon Tong
  - Easy sourcing of raw materials / accessories / components


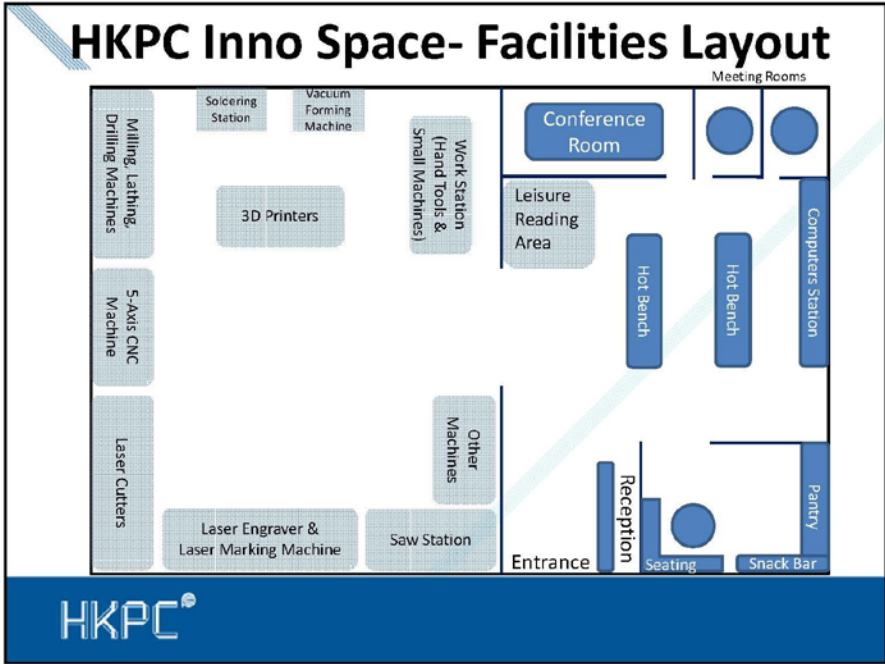


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## HKPC Inno Space – Capacity of Premises

HKPC envisages the Inno Space will be able to take up 8,000 – 10,000 sq. ft. subject to

- actual configuration of the premises
- scope of services to be offered
- floor space selected/ provided by the owners of revitalised industrial buildings

### HKPC Inno Space – Equipment Capability Fundamental design & fabrication apparatus



Laser Cutting / Laser Engraving / Laser Marking

3D Printer  
(Single & Multi-Colour)

Soldering Station

Bench Circular Saw

Band Saw

Disc & Belt  
Sanding Machine

Scroll Saw

Sewing Machine

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### HKPC Inno Space – Equipment Capability Fundamental design & fabrication apparatus



5 axis CNC Machine

Milling Machine

Lathing Machine

Drilling Machine

Sand Blasting Machine

Vacuum Forming  
Machine

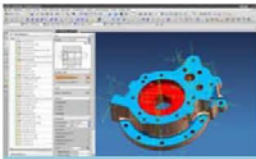
Strip Heater

Electronic Component


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## HKPC Inno Space – Equipment Capability


Fundamental design & fabrication apparatus




CAD / CAM /EDA Software




Office Equipment



Hand Tools



Measuring Instrument



Protective Equipment

HKPC<sup>®</sup>

## HKPC Inno Space – Equipment Capability

- Laser cutters, Laser engraver, Laser marking machine
- 3D printers
- Soldering station
- Sewing machine
- Spray painting system
- 5-axis CNC machine
- Milling machine, Lathing machine, Drilling machine
- Vacuum forming machine
- Bench circular saw, band saw & scroll saw
- Sand blasting device, Disc & belt sanding machine
- Strip heater, function generator, oscilloscope, power supply
- CAD/CAM/EDA software
- Office Equipment, etc.

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## HKPC Inno Space – Accessibility of Facility

### Main target users

- Young entrepreneurs, secondary/university students and graduates
- Generally accessible by the public

### Proposed Opening Hours

- Mon – Fri 12:00-21:00
- Sat – Sun 10:00-19:00

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## HKPC Inno Space – Business Model

### Methods of Charging-

- Membership
- Pay-per-use
- Pay-per-entrance
- Group booking

for events, competitions, workshops & training classes

(patrons may be invited to subsidise the rent of HKPC Inno Space)

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## HKPC Inno Space- Cost Estimate

### • Capital Cost

Fitting-out of premises

\$ 3.1 million HKD

Procuring equipment

(hardware & software)

\$ 7.2 million HKD

### • Recurrent Cost

Annual operating cost

(assuming nil rent)

\$ 3.8 million HKD

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## HKPC Inno Space - Capital Cost

Government funding support for the capital works and procurement of equipment will be required for HKPC to take up a sizable premises of the industrial building to operate the HKPC Inno Space.

(subject to the configuration of premises and conditions of entire building)

- Power loading, Gas & Water supply
- Floor loading, Ceiling
- Lifts & Carparks
- Occupational health & safety, etc.

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## HKPC Inno Space – Recurrent Cost

- About 5 – 8 experienced technical officers will be needed for maintaining daily operation, providing direct coaching and maintaining healthy & safe environment for users.
- HKPC will meet the recurrent cost of operating “HKPC Inno Space”

(assume only nominal rent of the premises being charged by some local funding organization or patron. Or else, users will need to pay a higher fee for individual services in order to obtain full recovery of the cost, which may in turn discourage usage by the general public.)

Items	Estimated Cost (HKD)
Overhead Cost (machine maintenance, management fee, electricity, water, internet, etc.):	850,000
Salary for Manpower (6 staff):	2,500,000
Consumable:	400,000
<b>Total:</b>	<b>3,750,000</b>

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## Terms of Allocation

- Preferably 10 years or more  
vis-à-vis the upfront capital costs involved and  
growing demand for the concerned facilities
- HKPC is prepared to operate the “HKPC Inno  
Space” on a long term and self-recovery basis

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## Our Niche

- Provision of diverse equipment and software for design and fabrication of metal, wood, plastic, textile, ceramic, electronic models/ prototypes/ products.
- Experts from HKPC will be available to provide supervision and training to users. Direct coaching will be provided to the users before using the high-end equipment.
- Support the pilot production with advanced manufacturing equipment by HKPC. Services of HKPC Inno Space will be more comprehensive in terms of capability and functionality when comparing with existing ones in the market of Hong Kong.

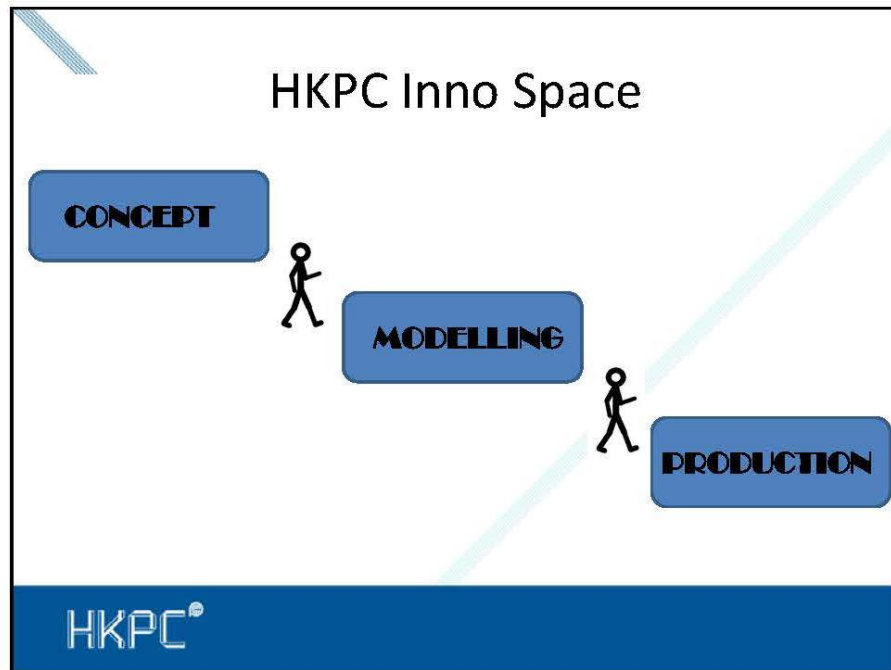
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## Extending Equipment Capabilities

To supplement the capability of HKPC Inno Space, HKPC will make available our advanced equipment at Kowloon Tong premises to perform different production processes for the makers if necessary

- Injection moulding, Ceramic & metal injection moulding
- Metal stamping
- 3D scanning, 3D metal printing
- Laminated object manufacturing
- Stereolithography
- Thermal coating & Brazing
- Diffusion bonding
- Laser polishing

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HKPC®

Q & A

All-round Productivity Partner  
全方位企業伙伴

This slide is titled 'Q & A' and features the HKPC logo in the top left. The background is split into a white top half and a blue bottom half with a diagonal line. Two 3D cartoon characters are shown: a white, rounded character with large blue-rimmed glasses, and a white, boxy character with blue safety goggles. At the bottom left, the text 'All-round Productivity Partner' is written in English, with its Chinese equivalent '全方位企業伙伴' below it.

## 推動產業發展及「再工業化」

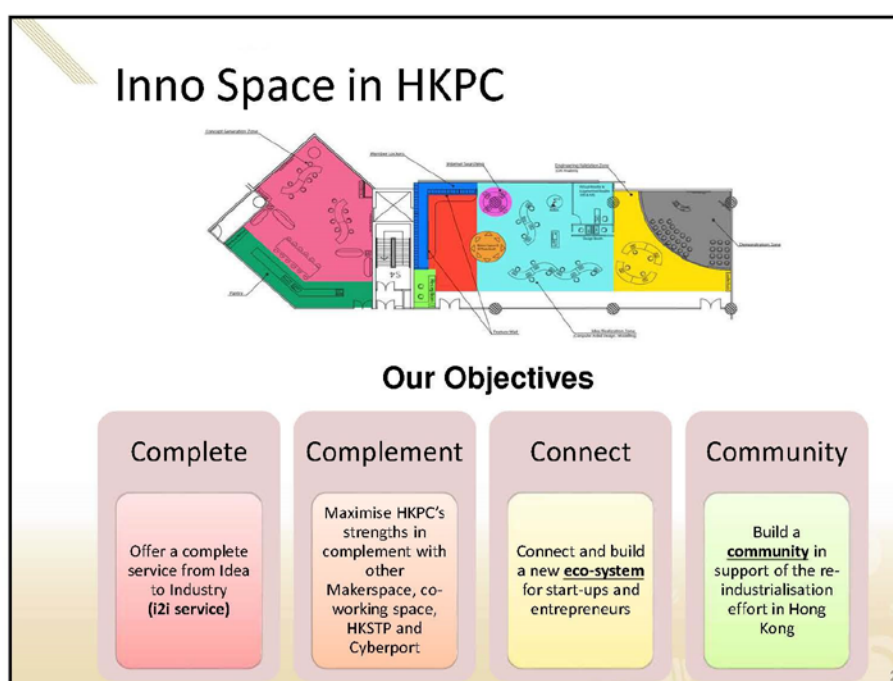
64. 科學園正在擴建，3年後落成，將科學園的總樓面面積增加至40多萬平方米。

65. 為推動「再工業化」，政府正籌備在將軍澳工業邨興建數據技術中心及先進製造業中心，分別在3年後及5年後落成。此外，政府已在兩個月前推出「科技券計劃」，資助中小企利用科技提高生產力或升級轉型。

66. 香港「再工業化」進程中的優勢產業包括生物科技、大數據、物聯網、人工智能、智慧城市等。創科局、投資推廣署及各地的經貿辦會主動爭取相關企業來港。

67. 政府會與生產力促進局成立「知創空間」，分享實用技術和技能，推動轉化科技創意為工業設計或產品，支援本港的初創文化及「再工業化」。

68. 政府已預留大面積用地，包括在蓮塘／香園圍口岸附近一幅超過50公頃的土地，供創科（包括科學園及工業邨）及其他新興產業或工業之用，亦會建議科學園用好大埔、元朗和將軍澳工業邨內可發展的土地。



\* 委員會秘書附註：本文件只備英文本。

### Our Visits - Local

Lion Rock 72 - HKSTP

Smart Space - Cyberport

Ing Dan



50HKPC® 3

### Our Visits - Local

Dim Sum Lab

Makerbay

Private MakerClub



50HKPC® 4

### Our Visits - Overseas

Finland Hackspace



MIT Innovation Initiatives



5

### Our Visits - Overseas

MIT Media Lab



MIT Bits and Atoms Lab



6

## Our Visits - Overseas

MIT Martin Trust Centre



Cambridge Innovation Centre (CIC)



7

## Our Operations

### Our Key Areas

- Inno-Idea
- Inno-Prototype
- Inno-Network

### Our Charging Model

- Monthly membership fees
- Reciprocal discount for other makerspace and co-working space members
- Limitation on number of access hours per month

### Our Activities

- Prototyping
- Small batch and full production advisory
- Equipment training
- Safety training
- Entrepreneurship training
- TEC talk
- Business Networking
- Membership Fun Activities



8

## Our Facilities

Floor Areas: Around 8,000 sq.ft. in 1<sup>st</sup> and LG1 floor

### Computer Software

CAD
CAE Analysis
2D and 3D modelling
Motion Capture
Electronics Design
3D Rendering

### Machines (examples)

CNC
Laser Cutting
Laser Marking
3D Printers
3D Scanner
Grinders
Welding
Sewing
Vacuum Forming



9

## Our Budget

	Cost (HK\$'000)
1. Manpower	4,440
2. Equipment	7,160
3. Centre Fitting Out	3,100
4. Other Direct Costs	3,060
<b>Total Project Cost:</b>	<b>17,760</b>



10





# **Service Proposal for “Inno Space”**

**Prepared by  
Hong Kong Productivity Council  
27 April 2017**

**\*委員會秘書附註：本文件只備英文本。**

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## **1. Hong Kong – A Fast Growing and Vibrant Start-up Community**

In recent years, Hong Kong has become one of the fastest growing start-up hubs in the world with a burgeoning number of co-working spaces and makerspaces. According to the latest figures from the HKSAR Government, the number of start-ups has risen from 1,558 in 2015 to 1,926 - that is a 24% year-on-year increase in 2016. This has become one of the key developments of Hong Kong Industry in its pursue of becoming a high value industry and ultimately achieving re-industrialisation. In many ways, Hong Kong Industry already possesses all the basic ingredients for success in being a start-up hub. We are well established with world-class designer, excellent R&D facilities, a well-proven banking and financial system as a World Financial Centre, well-established manufacturing base in Pearl River Delta, and, efficient supply chain and logistics. Ultimately, the final ingredient of a “make-it-happen” spirit is what makes it tick for Hong Kong.

With the excellent facilities set up and policy support by HKSAR Government to start-ups, many university graduates, SMEs and new entrepreneurs are attracted to join the “start-up bandwagon” in developing their ideas into a reality. In addition, many overseas entrepreneurs and even MNCs are flocking to Hong Kong to join the start-up community in Hong Kong. As a result, Hong Kong has grown a vibrant start-up and entrepreneur community.

## **2. A Community of Start-ups – the Backbone of Re-industrialisation**

Chief Executive proposed undertaking re-industrialisation of Hong Kong in his 2016 policy address as he spoke about diversifying the economic growth engines of Hong Kong.

Indeed, many developed countries such as Germany, the United States and Japan are proposing different strategies to push re-industrialisation. They mostly rely on advanced technologies in their bid to transform the manufacturing sector towards high value-added development.

In a similar manner, the re-industrialisation of Hong Kong is not about bringing back labour-intensive and low skill manufacturing process to Hong Kong. Instead, it is about the development of a high value-added manufacturing industry by making the best use of advanced technologies and integrating them with Hong Kong's practical environment.

To this end, with their advanced technologies and innovation, the growing vibrant community of start-ups and entrepreneur will form the basis of many new high value-added industry sectors in Hong Kong. Eventually, the community will become the backbone of the re-industrialisation effort in Hong Kong.

### **3. Inno Space – HKPC Positioning, Synergy and Value Proposition**

As the start-up and entrepreneur community is becoming more mature, they are faced with a new issue. While they are well supported in their early stage of development with various funding schemes and investment, incubation programs and R&D support, they generally find the support for the later stage of their development cycle lacking. They are yearning for getting technical and advisory support for producing prototype, small batch production and full-scale manufacturing. These are the necessary ingredients for making their ideas to become a reality and eventually a success.

To address the above issue, in the 2017 Policy Address, the Government announces that they will establish an **Inno Space** with the Hong Kong Productivity Council (HKPC) to facilitate the sharing of practical technologies and skills to promote the translation of innovative and technological ideas into industrial designs or products, and support a start-up culture and re-industrialisation.

In order to facilitate the establishment of Inno Space and to provide targeted support to the entrepreneurs and start-up community in Hong Kong, HKPC conducted a survey and visit of a number of major co-working spaces and makerspaces in Hong Kong and Overseas (for details please refer to Appendix III). It is found that start-ups and entrepreneurs are generally faced with the following key issues:

1. Lack of space, equipment and facilities to develop a prototype
2. Lack of a “focal point” for growing their community
3. Lack of business skills
4. Lack of small batch production support
5. Lack of information on International standard compliance
6. Lack of knowledge on and connection to mass production

While there are a number of makerspaces and co-working spaces in Hong Kong, they are generally not adequately equipped and well connected with various facets of Hong Kong Industry to provide all round support to the Hong Kong start-up communities.

In order to address the above issues, HKPC will establish the Inno Space as a one-stop support centre for developing an ecosystem for the entrepreneur and

start-up community in Hong Kong. There are four key objectives for Inno Space:

1. **Complete**

- To offer a complete service from Idea to Industry (**i2i service**)

2. **Complement**

- To maximise HKPC's strengths in complement with other makerspaces, co-working space, HKSTP and Cyberport

3. **Connect**

- To connect and build a new **eco-system** for start-ups and entrepreneurs

4. **Community**

- To facilitate the building of a community in support of the re-industrialisation effort in Hong Kong

For achieving the above objectives, Inno Space will have the following four key elements in its services:

1. **Equipment and Machinery** for developing prototypes

2. **Business Training** for Entrepreneur and Start-ups

3. **A Focal Point** for developing an eco-system for the start-up community

4. **Technical Advisory** on patent application, standard compliance, testing, small batch and full production

With the technical know-how, industry knowledge and business network developed by HKPC in its 50 years of operation, Inno Space will be uniquely positioned to provide an all-round support to the growing and vibrant entrepreneur and start-up community in Hong Kong. From the generation of ideas, development of concept, making of a prototype, refinement of the

prototype, compliance testing, patent applications for their ideas, small batch production to introduction of business network, Inno Space supported by HKPC will be offering a complete end-to-end, “**Idea to Industry (i2i)**” eco-system of services, people and business network.

With the key aim to establish “Connection” and “Collaboration” amongst the start-ups in Hong Kong, Inno Space will enable all its members to share their skills and knowledge, and ultimately putting their innovation into a reality. Inno Space will play a key role in supporting the robust eco-system to spur innovation and nurture start-ups on a sustainable basis, ultimately, help developing an all-round innovative start-up culture into a key driving force of the re-industrialisation of Hong Kong.

#### **4. The Inno Space – Service and Operations**

##### **4.1 The Inno Space – The Centre**

###### **4.1.1 Floor Space, Location and Facilities**

Inno Space will occupy a total floor space of over 8,000 sq. ft. within HKPC Building at Kowloon Tong, housing all the equipment, machinery, tooling, networking areas and demonstration zone on two separate floors in HKPC. It will consist of THREE key functions:

- 1. Inno-Idea**
- 2. Inno-Prototype**
- 3. Inno-Network**

###### **Inno-Idea**

Inno-Idea has a floor space of approximately 4,300 sq. ft. and is located on the 1<sup>st</sup> floor of HKPC building. With HKPC’s central geographical location, the Inno Space will be ideally located to serve as a focal point for the entrepreneur



and start-up communities. It will have a maximum capacity of around 100 members simultaneously using the facilities, software tools and packages set up there. Inno-Idea will have the following support and services:

1. **Concept Generation** – An area will be set-aside for users to think, brainstorm and develop innovative ideas. Users can make reference to books and magazines and conduct Internet search for inspiration and ideas generation.
2. **Idea Realisation** – Users can translate their ideas or concepts into design drawings. Key software for design and industrial modelling will be available.
3. **Engineering Validation** – Design verification tools including various computer-aided engineering (CAE) software for structural analysis, animation, process simulation and performance evaluation are available for members to evaluate their designs before making prototypes. Fitting in with the development in creative industry, there are also facilities for 3D scanning, robotics, motion capturing and virtual reality (VR) / augmented reality (AR) application development.
4. **Idea Demonstration** – Users can make use of Inno-Idea for publicity events like seminars, sharing talks, product dissemination and demonstration. Lockers are available for users who need to keep their drawings or samples for later use. It is estimated that the Inno-Idea can concurrently accommodate over a hundred users.
5. **Work and Rest** – A pantry where users can make light refreshment, drinks and coffees using the provided kitchen appliances.

## **Inno-Prototype**

On LG1 floor, Inno Space will house the Inno-Prototype where all the tools, machinery and equipment, both mechanical and electronics, for helping start-ups and entrepreneurs to develop functional prototypes. It will occupy a floor space of around 3,000 sq. ft. The Inno-Prototype is designed for model making and prototype development. It is composed of various small workshops, tailoring for different processing methods. Some key tools, machinery and equipment are:

1. 3D printing machines
2. Cut & Sew
3. Metal works – Casting, Laser Cutting and Machining
4. Wood Works
5. Electronic Fabrication
6. Crafting – Laser Processing, Spraying, Welding, Sanding and Blasting
7. Storage – There will also be a storage area for users to keep their semi-finished works during the fabrication process.

It is estimated that the Inno-Prototype can concurrently accommodate for a maximum of around 50 users.

## **Inno-Network**

Inno-Network will be set up at the LG1 of the HKPC Building and it will provide a comfortable and relaxing area for users to take a short break, relax, talk and meet people. The Inno-Network has an area of around 900 sq. ft., featuring sofas and vending machines. Events such as social gathering or cocktail reception can be held with a maximum of around 40 participants.

Please refer to the tentative floor plans as shown in Appendix I.

### **4.1.2 Equipment**

The Inno Space will be well equipped with various kinds of machines and tools for idea realization. Computer systems with software for 2D or 3D modelling, programming and design evaluation will be set up. Desktop or lab-scale machineries, basic hand-tools, raw materials and electronic components will be available for making prototypes with metals, plastics, wood, fabric and electronics. A tentative list of equipment is shown in Appendix II.

### **4.1.3 Marketing and Promotion**

The Inno Space will make use of various digital social media (such as YouTube, Facebook, Twitter, We Chat, etc.) to broaden our network and awareness in the maker, start-up and entrepreneur communities. Promotional videos, attractive highlights of events and snapshots will be posted on the Internet. A dedicated website and smartphone app will be established for promoting the objectives and functions of the Inno Space and an introduction of the equipment and facilities available. All events organized by the Inno Space will also be updated regularly.

Media interviews will be arranged for selected success stories to show how Inno Space help individual members on their road to success. The members can share their experiences and lesson learnt so that it will give good encouragement to upcoming entrepreneurs and start-ups on one hand, and promote Inno Space on the other.

Regular group visits and tours will be set up for potential users of Inno Space. Target groups will include the secondary and university students, start-up and entrepreneur communities from other Maker Club, makerspaces, co-working spaces and organisations such as HKSTP, the Cyberport, trade associations etc.

Separately, as Grand Opening of Inno Space is targeted to be before October 2017, a ceremony will be organized to mark this special occasion. Guests from the Government, local tertiary institution and secondary schools, various industrial sectors and commercial organisations will be invited. Media will also be invited on this occasion in order to maximise the exposure of Inno Space.

#### **4.1.4 Networking Events and Activities**

Building a community of start-ups, entrepreneurs and makers with the Inno Space is a key task for the success of Inno Space. As such, Inno Space will create a space for people to interact, brainstorm and share information. Apart from the provision of “spaces” and “equipment” to users, a number of activities will be organised to create an open and sharing environment for users with common interests. Casual sharing talks with specific themes will be organized regularly. TED (Technology, Entertainment, Design) talks on different categories, e.g. technology management, entrepreneurship, new technology development, etc., will also be organised. Overseas renowned experts will be invited for delivering training and sharing talks in order to wake up the creativity of young entrepreneurs. Business matching or networking sessions will also be arranged to link up our members with different industry/trade associations.

There will also be technical seminars aiming at introduction of new technologies and new applications for our daily lives. Technology demonstrations will be organized to provide an opportunity for the members to display their innovative ideas or products.

#### **4.1.5 Business and Entrepreneurship Training**

Inno Space will organise a number of business and entrepreneurship related training courses on a cost recovery basis. The training courses will be open to both members and non-members to join by paying fees. However, members will be given a priority and discount in participating in these training courses. The training courses will be organised in association with leading business schools, universities and institutions locally and from overseas. It is aimed to build up the business skills of members of Inno Space, start-ups and entrepreneurs in areas such as marketing, pitching skills, innovation management, IP and patent management, financial etc.

#### **4.1.6 Operating Hours**

In order to cater for the usage patterns for all parties, particularly the makers, the proposed opening hours will be 9:00-23:00 from Monday to Friday and 09:00 – 21:00 on Saturday and Sunday, and close on public holidays. The opening hours will be regularly reviewed taking into account the usage pattern.

#### **4.1.7 Membership Scheme**

The Inno Space will adopt a membership system. Users are required to register as a member before they can enjoy the facilities in the Inno Space. There will be two tiers of membership: General and Advanced.

**General Membership** – it is designed for all users who would like to meet with different people, socialize and collaborate for idea creation and design generation. They can freely enjoy the facilities provided at the **Inno-Idea** and **Inno-Network** such as books and magazines, computer software for designs, 3D scanning and printing, motion capturing, etc. but they will NOT be allowed to use facilities in **Inno-Prototype**. Free admission to the events organized by the Inno Space will also be provided. A nominal membership fee will be

charged. Membership fee of general membership for full-time secondary/university students will be waived.

**Advanced Membership** – For users wishing to use the equipment and facilities at the **Inno-Prototype** will need to join for the **Advanced Membership**. Safety and Equipment Training will be provided to advanced members before they are eligible to use the equipment, machinery and tools at the Inno-Prototype. Membership fee for advanced membership will be higher than general membership. A generous discount will be offered to full-time university students.

A summary of the respective privileges of membership level is listed in the table below:

	Advanced Members	General Members	Non Members
Admission to Inno-Idea	✓	✓	✗
Admission to Inno-Network	✓	✓	✗
Admission to Inno-Prototype	✓	✗	✗
Casual sharing talks	✓	✓	✗
TED talks	✓	✓	✗
Sharing talks by renowned experts	✓	✓	✗
Business matching or networking sessions	✓	✓	✗
Regular group visits and tours	✓	✓	✓
Open Day with guided tours	✓	✓	✓
Technical seminars	✓	✓	✓
Technology demonstration	✓	✓	✓
Business and entrepreneurship training	✓	✓	✓

## Eligibility for Membership

**Advanced Member** – People aged from 18 or above are eligible to register for membership. They will be allowed to use all the facilities, tools, and equipment in Inno Space, subject to availability and the completion of necessary usage and safety training.

**General Member** – People aged from 16 or above are eligible. This would provide opportunities to senior secondary school students to learn and develop their interests in creativity, innovation and R&D. They will be allowed to join all the free events and TED Talk, as well as use all the facilities, tools, and equipment in Inno-Idea and Inno-Network areas subject to availability and the completion of necessary usage and safety training. No person under the age of 18 will be allowed to operate machinery and equipment in Inno-Prototype area.

## Check-in & Check-out System

After the membership registration, all members are eligible to visiting the Inno Space (Inno-Idea) by registering at the Reception Counter at the Inno-Idea. However, for advanced members who want to use the equipment and facilities at the Inno-Prototype, they have to check-in and check-out for safety considerations. To avoid disappointment, members are encouraged to make an appointment for machinery operation. This establishes a mechanism in limiting the number of users at any given moment such that we can provide sufficient attention and support to them.

## Eligibility for Participation in Public Events

All are welcomed to come to our public events such as open days, seminars, talks, exhibitions, demonstration sessions to spark their interest in innovation



and technology. These events will be open to both members and non-members. Depending on the nature of the events, fees may apply on a cost recovery basis. Reservation may be required in order to manage the number of participants joining these events but members will be given a priority and discount in participating in these events. Safety briefings will be held at the beginning of events to inform participants the location of emergency exits and the escape routes.

#### **4.1.8 Safety and Security**

Safety in Inno Space is of paramount importance. The Inno Space will follow the Health and Safety policy of the HKPC, conforming to OHSAS18000 International Safety standard. Some key elements of the safety measures are as follows:

1. **Safety briefings** will be held at the beginning of each public event to inform participants the location of emergency exits and the escape routes.
2. **Basic Safety Training** will be provided to all members of the Inno Space on the fundamental safety precautionary measures. The training will include the potential hazards, location of safety equipment, location of the emergency exits and the escape routes. Completion of the basic safety training together with signing of Form of Undertaking would be a mandatory requirement for a successful membership registration.
3. **Machinery Operation and Safety Training** – Members who wish to use the machines at the Inno-Prototype must complete a Machine Operation and Safety Training. Upon completion, members have to go through a capability test to demonstrate their capability in operating those machines.
4. Within Inno-Prototype, a “**never work alone**” policy will be adopted. All machines can only be used within the opening hours of the

Inno-Prototype with its technical staff present. A 24-hour CCTV monitoring system will be also set up at the Inno Space (Inno-Idea and Inno-Prototype).

#### **4.1.9 Business Model**

The Inno Space will adopt a member-based business model and a pay-per-use charging system for member use of all the facilities, tools, machinery and equipment in Inno Space. The membership fee will be set on a cost recovery basis and by making reference to the fees charged by other makerspaces in HK. For the first two years of operation when a part of the centre operational cost will be covered by Government subvention, a discount will be applied to the membership fees as a means to attract a higher number of members in its initial operation. The rates will be given to both the Business Development Committee (BDC) and Finance Committee (FC) of HKPC for information and approval respectively.

Members who wish to make prototypes on their own with the equipment and facilities at the Inno-Prototype will be charged according to the time used. As we have to ensure that tools and equipment are used on an equitable basis, members will be allotted a limit on their use of each tool and equipment. Exceeding the set limit will accord the member a lower priority for the use of that piece of equipment.

Members can purchase raw materials (such as 3D printing filaments, metal powders, blocks and sheets, plastic sheets, electronic components, fabrics, etc.) from the Inno Space for making their own prototypes. Lockers will be available for rent by members who wish to store their works or prototypes at the Inno Space.

All net incomes from membership fee and other fee-charging items will be kept as reserves of the Inno Space for supporting the continuous operation of the Inno Space after the first two-year subvention period.

#### **4.1.10 Collaboration and Synergy with Other Organizations**

The set up of Inno Space is not aimed at competing with any existing makerspaces, co-working spaces and other set ups in Hong Kong. It is the aim of Inno Space to complement other facilities by using some of the equipment others do not have, giving consultancy and advices with the knowledge HKPC built up throughout the years, and, providing business networks from HKPC with the broad manufacturing and industry sectors. Inno Space will actively seek collaboration with other organisations such as the existing commercial co-working spaces and makerspaces, the universities in Hong Kong, R&D Centres, the Hong Kong Science and Technology Park, the Cyberport, trade associations and professional institutions, etc.

In order to strengthen the cooperation between existing “Makerspaces” in Hong Kong and to create a synergy effect by leveraging the strengths of different co-working spaces, makerspaces and sharing resources, the Inno Space will work on establishing a reciprocal membership scheme with other makerspaces in Hong Kong. Reciprocal members will receive a discount when joining Inno Space membership and vice versa. Details of the reciprocal membership scheme will be worked out in the ensuing months. In addition, where applicable, Inno Space will explore other collaborative activities such as business and enquiry referral, sharing sessions, joint events and functions, etc.

## 4.2 Project Timeline

Proposed Commencement Date: 01/04/2017

	<b>Milestone Completion Date</b>	<b>Work Progress</b>
1 <sup>st</sup> Project Milestone: (6 <sup>th</sup> month from commencement)	30/09/2017	<ul style="list-style-type: none"> <li>- Renovation work of the Inno Space – 1<sup>st</sup> Phase</li> <li>- Purchase of equipment</li> <li>- Preparation of opening ceremony of the Inno Space</li> <li>- Establishment of the Inno Space website</li> <li>- Membership-drive Program – 1<sup>st</sup> round</li> </ul>
<b>Opening of the Inno Space before end of October 2017</b>		
2 <sup>nd</sup> Project Milestone: (12 <sup>th</sup> month from commencement)	31/03/2018	<ul style="list-style-type: none"> <li>- Membership-drive Program – 2<sup>nd</sup> round</li> <li>- Promotion events</li> </ul>
3 <sup>rd</sup> Project Milestone: (18 <sup>th</sup> month from commencement)	30/09/2018	<ul style="list-style-type: none"> <li>- 1<sup>st</sup> Anniversary Event</li> <li>- Membership-drive Program – 3<sup>rd</sup> round</li> <li>- Promotion events</li> </ul>
4 <sup>th</sup> Project Milestone: (24 <sup>th</sup> month from commencement)	31/03/2019	<ul style="list-style-type: none"> <li>- Membership-drive Program – 4<sup>th</sup> round</li> <li>- Promotion events</li> <li>- Review of the operation mode of the Inno Space</li> </ul>

From 01/04/2019 onwards, the Inno Space will be operated by HKPC on a self-recovery basis.

## **Equipment**

The purchase of the equipment will be carried out in phases with most equipment purchased in the 1<sup>st</sup> milestone period in order for adequate support to be ready for the opening of the Inno Space. However, in case some equipment cannot be delivered in the 1<sup>st</sup> milestone period, we will continue the procurement work in the 2<sup>nd</sup> milestone period.

## **Membership-drive program**

The Inno Space will carry out programs that aim at attracting potential users of the Inno Space to become our members. We will, from time to time, approach relevant groups such as members of other makerspaces, university and senior secondary students, professional bodies, etc. In the program, we will carry out activities such as regular group visits and tours for targeted groups.

## **Promotional events**

The Inno Space will organise a number of events such as open days, seminars, talks, exhibitions, and demonstration sessions to help promote Inno Space and also build up a community of start-ups and to spur innovation and nurture start-ups on a sustainable basis. While most events will be technically or innovation oriented, some events may involve a bit of fun activities for in order to build a team spirit for the younger generations using the Space.

### 4.3 Budget

The budget set out in this section is for:

1. The set up and renovation cost of the Inno Space, the purchase of equipment and facilities at the Inno Space, the establishment of the Inno Space website and smartphone app, and the promotional events.
2. The recurrent cost of the Inno Space for the first two years of operation will also be budgeted including direct manpower cost of the Inno Space and the monthly overhead cost including the standard internal management fee charged by HKPC per unit floor space.
3. There will also be budgets for other office/workshop materials and consumables and for software/hardware/website maintenance.

The table below lists all the expenditure items to be incurred in this project.

Summary:

	Cost (HK\$'000)
(i) Manpower	4,440
(ii) Equipment	7,160
(iii) Other Direct Costs	6,160
Total Project Cost:	17,760 (A)+(B)+(C)

(i) Manpower

Position/Rank	No. Required	Duration (months)	Monthly rate or equivalent (HK\$'000)	Total (HK\$'000)	Justifications
Centre Manager	1	Around 23 months	62.5	1,440	1
Centre Officer	1	Around 23 months	26.0	600	2
Technical Officer	4	Around 23 months	26.0	2,400	3
			Sub-total (A):	4,440	

(ii) Equipment

Equipment to be used	Quantity	Unit Cost (HK\$'000)	Total (HK\$'000)	Justifications
Equipment	N/A	7,160	7,160	4
		Sub-total (B):	7,160	

(iii) Other Cost

Item	Quantity	Unit Cost (HK\$'000)	Total (HK\$'000)	Justifications
Renovation and Infrastructure	N/A	3,100	3,100	5
Establishment of Website	N/A	50	50	6
Venue Management Fee	20 months	116	2,320	7
Software/Hardware /Website Maintenance	N/A	300	300	8
Consumables & office equipment	2	195	390	9
		Sub-total (C):	6,160	

## Justifications:

<sup>1</sup> A centre manager at HKPC Consultant rank (Grade 5) will be responsible for the overall operation of the Inno Space including daily operations, manpower and resources planning. He/She has to ensure that the project milestones are met. He/She also has to develop a marketing plan for the Inno Space in order to maximize the number of beneficiaries. He/She will also be responsible for actively liaising with other makerspaces and co-working spaces with the purpose of building a community of start-ups and entrepreneurs.

<sup>2</sup> A centre officer at HKPC Associate Consultant rank (Grade 4) will be responsible for assisting the centre manager in executing the marketing plan and maintaining the daily operation of the Inno Space. He/She is also required to provide administrative and logistic support to the Inno Space.

<sup>3</sup> Four technical officers (Grade 3 or 4) will be responsible for providing technical support to users of the Inno Space in operating the computer software, facilities, tools and equipment. They have to maintain the proper function of all the software and hardware as well as to ensure safety. They are also required to provide administrative and logistic support to the Inno Space.

<sup>4</sup> Please refer to Appendix II for a detailed list of equipment.

<sup>5</sup> This budget item is for the infrastructure set up and renovation for the Inno Space. The renovation and fitting out works will include centre interior design, demolition works of the existing office and workshop area, ceiling (false ceiling) and flooring works, electric sockets outlet, pipework and ports for telephone and network, general requirements of building service (lighting;



fire service installations, air conditioning & ventilation; emergency public address), wiring works, water piping, paint works, wood works, insurance, construction waste removal fee, etc. However, since the layout of the interior design of the Inno Space is not yet finalised, the figure presented in this proposal is for budgetary purpose.

<sup>6</sup> This budget item is for the establishment of the Inno Space website.

<sup>7</sup> This budget item is for the standard venue management fee of the HKPC Building, which includes air conditioning, electricity, water, compressed air, telephone & Internet, cleaning service, security, etc. In first four months during the renovation and fitting phase, Inno Space will be exempted for management fee. The standard venue management fee is the same prevailing rate charged for other ITC R&D centres such as HKRITA and APAS.

<sup>8</sup> This budget item is for hardware/software/website maintenance for the Inno Space. It is expected that software/website maintenance will only be required one year after the purchase/establishment.

<sup>9</sup> This budget item is for other office equipment and office/workshop materials and consumables such as stationery, raw materials for prototyping, kitchen appliances at the pantry, etc.

#### **4.4 In-kind support from HKPC**

##### Support from Management, Technical Advisory and Marketing

Senior management of HKPC will oversee the strategic direction, functions and

operations of the Inno Space and support its business management and marketing strategy. The HKPC team will provide advices on the marketing plan and support on the marketing events of the Inno Space, including the Opening Ceremony, the design and content of the Inno Space website, etc. The HKPC team will also assist the procurement of equipment by identifying the technical specifications of the equipment and help the technical officers of the Inno Space to acquire the technical knowledge in related processing and machine operation. Experts from HKPC will be available to provide supervision and training to the users on those basic tools and desktop/lab-scale machinery installed at the Inno Space. They will also provide preliminary advisory service for FREE to members of the Inno Space who come across difficulties during their development work.

#### Support on advanced machinery and equipment

To supplement the capabilities of the Inno Space, HKPC will also make available various advanced machinery, equipment and facilities at the HKPC Building for different prototype making and pilot production processes such as injection moulding, metal stamping, 3D printing, stereo-lithography, thermal coating & brazing, diffusion bonding, metal/ceramic injection moulding, ceramic injection moulding, laser polishing, PCB assembling, materials analysis and testing, etc., for the makers if necessary. For these advanced machinery of HKPC, members of Inno Space will not be allowed to operate by themselves because of higher safety risks. Those advanced machinery are made available for use but must be operated by HKPC staff upon request and will be charged on the usage under specified standard rates.

#### Support on training courses and events

HKPC will provide discounts to members of the Inno Space for participating in the training, seminars, conferences and study missions organized by HKPC.

This is to encourage members to acquire the latest market information and advanced technology development. Participating in HKPC events also provides them with chances to build up their networks in the business world.

#### **4.5 Governance and Performance Monitoring**

While the management of Inno Space will report to the Senior Management of HKPC, the Business Development Committee (BDC) of HKPC will serve as a Steering Committee of Inno Space providing steering and direction to the management of Inno Space.

On a half-yearly basis, the management will produce progress reports on the centre's activities and achievements to BDC for comment and to the Government for review within one month after each half-year period. The report will contain key information on Inno Space such as its utilisation, visitor counts, milestones achieved, major collaboration with other parties, a summary of the activities held as well as the financial report. Members will be invited to give comment on the report and provide suggestions on how the Inno Space will create better impact.

On a yearly basis, the management will give an annual plan on Inno Space to BDC for approval and comment. The annual plan will include the key focuses of the Inno Space for the year, its major initiatives, resource requirements, marketing and manpower plan.

Any unspent budget over the initial two years would have to be returned to the Government.

## **4.6 Way Forward**

In view of the amount of upfront capital costs involved and the growing demand for concerned facilities, it is estimated that the Inno Space will serve the community for around 10 years until substantial revamping is required. After the first two years of operation with government funding, HKPC is prepared to run the Inno Space on a long-term and self-recovery basis.

In order to ensure a smooth operation of the Inno Space after the first two years of government subvention, HKPC will conduct a review on the operation model of the Inno Space in order to evaluate the financial position of the Inno Space and adjust the service scope of the Inno Space if necessary. This is to ensure that HKPC can maintain a healthy development of the Inno Space in the coming years without additional funding support from the Government.

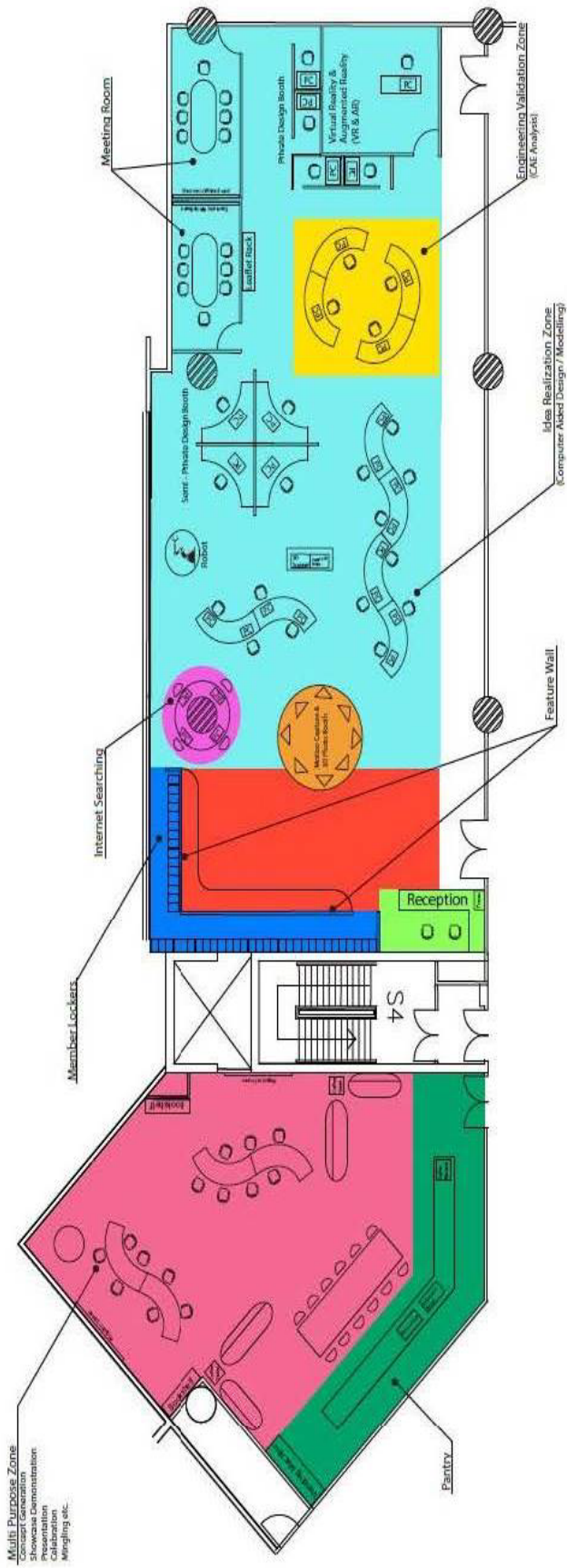
## **4.7 Appendices**

Appendix I: Tentative Floor Plans of the Inno Space

Appendix II: Equipment List

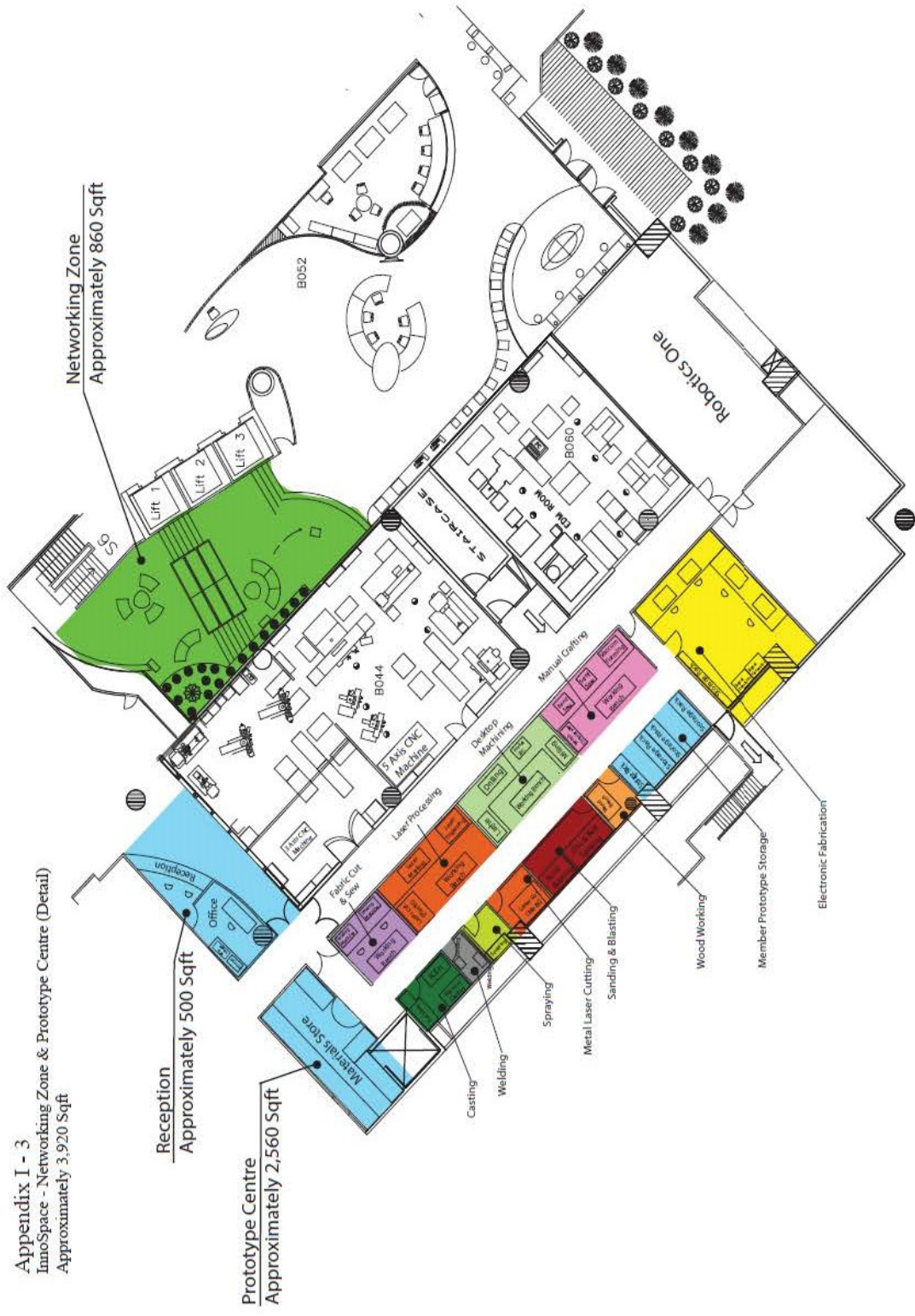
Appendix III: Market Study

Appendix I - 1  
 InnoSpace - Main Centre (Detail)  
 Approximately 4,360 Sqft

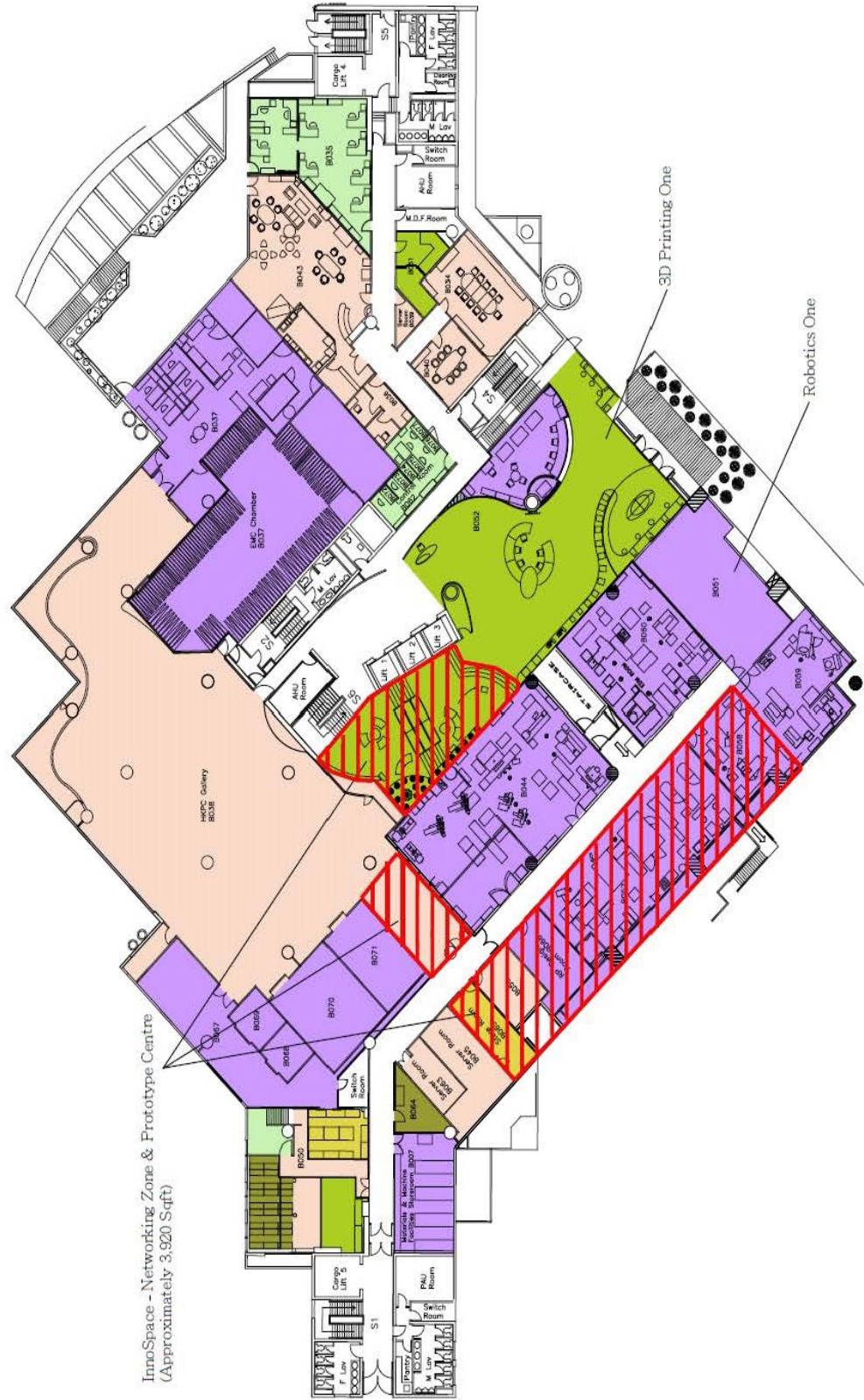




Appendix I - 3  
 InnoSpace - Networking Zone & Prototype Centre (Detail)  
 Approximately 3,920 Sqft



Appendix 1 - 4  
 InnoSpace - Networking Zone & Prototype Centre (Location)





Appendix II – Equipment List

<b>Machine/Machining System</b>	<b>Unit Price</b>	<b>Unit</b>	<b>Total Price</b>
<b>3D Scanner</b>	HK\$200,000	1 EA	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>3D Photo Booth Infrastructure</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>3D Photo Cameras</b>	HK\$10,000	15 SET	HK\$150,000
		<b>Sub-Total</b>	<b>HK\$150,000</b>
<b>3D Photo Connection System</b>	HK\$150,000	1 SET	HK\$150,000
		<b>Sub-Total</b>	<b>HK\$150,000</b>
<b>Motion Capture Cameras</b>	HK\$2,000	5 SET	HK\$10,000
		<b>Sub-Total</b>	<b>HK\$10,000</b>
<b>VR Headsets (Oculus Rift + HTC Vive)</b>	HK\$18,000	2 SET	HK\$36,000
		<b>Sub-Total</b>	<b>HK\$36,000</b>
<b>High Power Laser Source for Sintering</b>	HK\$200,000	1 EA	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>High Precision 3D Printing X-Y Table</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>3D Composite Printing Control System</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Multi-Colour 3D Printing Heads</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Multi-Colour 3D Printing Control System</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>3D Printing Safety Equipment &amp; Other Mechanical Frame &amp; Structure</b>	HK\$200,000	1 LOT	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Robotic Arm</b>	HK\$180,000	1 EA	HK\$180,000
		<b>Sub-Total</b>	<b>HK\$180,000</b>
<b>Disc &amp; Belt Sanding Machine</b>	HK\$5,000	1 EA	HK\$5,000
		<b>Sub-Total</b>	<b>HK\$5,000</b>
<b>Blasting Machine</b>	HK\$35,000	1 EA	HK\$35,000
		<b>Sub-Total</b>	<b>HK\$35,000</b>

<b>Spraying System</b>	HK\$150,000	1 SET	HK\$150,000
		<b>Sub-Total</b>	<b>HK\$150,000</b>
<b>Grinding Machine</b>	HK\$54,500	1 EA	HK\$54,500
		<b>Sub-Total</b>	<b>HK\$54,500</b>
<b>Welding Machine</b>	HK\$70,000	1 EA	HK\$70,000
		<b>Sub-Total</b>	<b>HK\$70,000</b>
<b>Laboratory Muffle Furnace</b>	HK\$104,000	1 EA	HK\$104,000
		<b>Sub-Total</b>	<b>HK\$104,000</b>
<b>Sewing Machines</b>	HK\$8,000	3 SET	HK\$24,000
		<b>Sub-Total</b>	<b>HK\$24,000</b>
<b>Laser Head for Metal Cutting</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>High Speed X-Y Table</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Mechanical Protection System</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Laser Optical System</b>	HK\$200,000	1 EA	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Laser Engraving &amp; Marking Machine</b>	HK\$170,000	1 EA	HK\$170,000
		<b>Sub-Total</b>	<b>HK\$170,000</b>
<b>Laser Cutting Machine (Plastic)</b>	HK\$200,000	1 EA	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Desktop CNC Machine</b>	HK\$200,000	1 EA	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Milling Machine</b>	HK\$150,000	1 EA	HK\$150,000
		<b>Sub-Total</b>	<b>HK\$150,000</b>
<b>Lathing Machine</b>	HK\$150,000	1 EA	HK\$150,000
		<b>Sub-Total</b>	<b>HK\$150,000</b>
<b>Drilling Machine</b>	HK\$30,000	1 EA	HK\$30,000
		<b>Sub-Total</b>	<b>HK\$30,000</b>
<b>Saw Machines (Circular, Band &amp; Scroll)</b>	HK\$12,000	3 EA	HK\$36,000
		<b>Sub-Total</b>	<b>HK\$36,000</b>
<b>Vacuum Forming</b>	HK\$105,000	1 EA	HK\$105,000
		<b>Sub-Total</b>	<b>HK\$105,000</b>

<b>Electronic Kits (Oscilloscope, Power Supply &amp; Soldering Stations)</b>	HK\$40,000	5 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Signal Generators</b>	HK\$18,000	2 EA	HK\$36,000
		<b>Sub-Total</b>	<b>HK\$36,000</b>
<b>CAD Software – SolidWorks (Parametric Design)</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>CAD Software - SolidThinking Evolve</b>	HK\$50,000	4 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>CAD Software - Siemens NX (Freeform Design)</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>CAD Software - Siemens NX (Geometric Design)</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>CAE Analysis Software (Multiphysics)</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>CAE Analysis Software (Structures)</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Electronic Design Software (Electronic)</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Programming / coding Software</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>CAM software - Siemens Simscenter</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>3D Rendering Software - Keyshot</b>	HK\$25,000	4 SET	HK\$100,000
		<b>Sub-Total</b>	<b>HK\$100,000</b>
<b>Computers</b>	HK\$13,000	15 EA	HK\$195,000
		<b>Sub-Total</b>	<b>HK\$195,000</b>
<b>Monitors</b>	HK\$1,300	15 EA	HK\$19,500
		<b>Sub-Total</b>	<b>HK\$19,500</b>

<b>Safety Items, Measuring Instruments &amp; Other Hand Tools</b>	HK\$200,000	1 LOT	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
<b>Measuring Scope</b>	HK\$200,000	1 SET	HK\$200,000
		<b>Sub-Total</b>	<b>HK\$200,000</b>
		<b>Total</b>	<b>HK\$7,160,000</b>
		Budget	HK\$7,160,000

### **Appendix III: Market Research**

A market research through desktop search and site visits was conducted to have a better understanding on the latest development of “Makerspaces” in Hong Kong and around the world. A summary is listed in the table below:

Table 1: Comparison of Various “Makerspaces” in Hong Kong and around the World

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
Smart-Space	Co-working spaces for local start-ups and overseas companies	Cyberport, Hong Kong	12	Tenant	Local start-ups and overseas companies which are looking for scaling their business in Mainland China and other parts of Asia	<ul style="list-style-type: none"> <li>- Internet access</li> <li>- Open Wi-Fi</li> <li>- Complimentary subscription to the Corporate Subscription Programme to access Mainland China market</li> <li>- Cyberport Cloud Development Platform</li> <li>- Cyberport IP Telephony (for Room setting only)</li> <li>- 24-hour access</li> <li>- Complimentary use of meeting room facilities</li> <li>- Complimentary use of fitness centre</li> <li>- Enjoy a corporate rate at Le Meridien Cyberport Hotel</li> </ul>	Smart-Space 3F: 27,000 sq. ft. (There are other Smart-Space at the Cyberport, including Smart-Space 1, Smart-Space 2, Smart-Space 3C, FinTech and FinTech-1)	<p>Subscription fee of:</p> <ol style="list-style-type: none"> <li>1. Office room: the fee is subject to tenant's size</li> <li>2. Workstation: HK\$1,500 per month</li> <li>3. Flexi-space: HK\$800 per month</li> </ol>	Smart-Space offers 24 hours access from Monday to Sunday with front desk operator managing use of all the facilities provided in Smart-Space from 9:00am – 1:00pm and 2:00pm – 5:30pm. Users are required to present their registered Octopus Card at the entrance of Smart-Space for access to the Premises.	

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
Hong Kong IngDan Experience Centre	Exhibition and event space for showcasing the latest hardware innovations to the public	Cyberport, Hong Kong	8	Consultancy service	Internet of Things (IoT) entrepreneurs and small and medium-sized enterprises	- Showroom - Venue for workshops, forums on product releases and exchanging ideas	6,500 sq. ft.	Nil	Rental of facilities and consultancy service fee	Follow the general safety and security system of Cyberport for general tenants
Soft Landing Centre by HKSTP	Co-working spaces	Hong Kong Science & Technology Park, Shatin, Hong Kong	4	Tenant	Entrepreneurs (Technology Business), International Technologists (Technology Transfer)	- Office workstation with recreational facilities - Meeting rooms - Printers & photocopiers	No information available	Nil	Renting premises	Follow the general safety and security system of HKSTP for general tenants
Robotic Garage by HKSTP	Machine shop	Hong Kong Science & Technology Park, Shatin, Hong Kong	5	Membership	Students (18+), Company/Entrepreneurs, Hobbyists	- Metal, Wood & Plastic Workshop - Basic Electronics Workshop	1000 sq. ft.	- High-power Laser Cutter (Plastic) - 4-axis CNC Milling Machine - Manual Drill Press - Manual Lathing Machine - Robot (Baxter & UR5) - 3D Printer - Basic Hand Tools	1. Day: \$ 25 2. Week: \$ 100, 3. 1-Month \$ 250, 4. 3-Month \$ 600, 5. 6-Month \$ 1000, 6. Concession for Full-Time Students	Liability Release Form, Mandatory Safety Courses, Machinery Training Courses

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
Lion Rock by HKSTP	Co-working spaces	Kowloon Tong, Hong Kong	2	Incubation Program Enrolment	HKSTP Incubation Program Members	- Multi-purpose Activity Room - Conference Room - Lounge Area - Lockers - 3D Printer	10,000 sq. ft.	Nil	Serve tenants of HKSTP only	24 hours access from Monday to Sunday with front desk operator managing use of all the facilities
MakerBay	Machine shop + office spaces	Yau Tong, Hong Kong	2	Membership & Tenant	Family, Adult {18+}, Teens {16+}, Young Teens (12+), Kids {6+} Local start-ups and small enterprises	- Metal, Wood, Textile & Electronics Workshop - Chemistry & Biology Lab - Work Studio - Meeting Room - Benches - Café - Tools Shop	6,500 sq. ft.	- 3D Printer (Plastic) - 4-axis CNC Milling Machine - 100 W Laser Cutter <b>Electronic Prototyping</b> - Soldering Station - Fume Extractor - PCB Oven & Reflow Oven - Wind Turbine & Testing, <b>Wood Work</b> - Miter Saw with Laser - Band Saw & Table Saw - Nail Gun <b>Power Tools</b> - Circular Saw & Jig Saw - Impact Drive - Angle Grinder	1. Day: \$ 200, 2. Week: \$ 750, 3. 1-Month \$ 1500, 4. Concession for Full-Time Students	Induction Classes for: Power Tools, CNC Milling, Laser Cut, Metal Work & Wood Work



Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
								<ul style="list-style-type: none"> <li>- Water jet Pressure Washer,</li> <li>- Demolition Hammer</li> <li><b><u>Chemistry &amp; Biology</u></b></li> <li>- Microscope (40x - 1000x),</li> <li>- Hot plate with Programmed Timer,</li> <li>- Microcentrifuge (4000rpm)</li> <li>- Incubator (30C-40C)</li> </ul>		

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
Dim Sum Lab	non-profit, community-based Makerspace that bring creative artists and specialists together	Sheung Wan, Hong Kong	No employed staff	Membership	open to public with screening by the board	- discussion area - sofa, chair, coffee table - projector and screen	1,000 sq. ft.	- CNC machine -desktop - drill press - band saw & scroll saw - mini mill - laser cutter - 3D Printer - soldering station - bench power supply - hand tools - computer with free and open source software	1. full member: \$6,000 per year 2. sponsored member: free (especially for students)	No special measures

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
MIT - Innovation Node	Project Space	Kowloon Tong, Hong Kong (Pending)	4	Program Enrolment	University students from MIT and Hong Kong (Engineering, Science, Design & Business Discipline)	Chair, sofa, projector, screen and pantry	5,000 sq. ft.	Light-duty machine such as drilling machine, CNC machine	Education programmes	No information available
MIT - MakerWorks	Machine Shop	Cambridge, MA 02139, The U.S.	35 student mentors on part-time basis	MIT Affiliation	MIT Mechanical engineering undergraduates, graduate students, post-doctoral researchers, professors, staff & Martin Trust Center Affiliates	Modelling, Prototyping and Validation Resources	3,000 sq. ft.	<ul style="list-style-type: none"> <li>- Mill</li> <li>- Lathe</li> <li>- Waterjet Laser Cutters</li> <li>- 3D printers</li> <li>- Hand Tools</li> <li>- Electronics Tools</li> <li>- CAD/CAM &amp; machine related software</li> </ul>	Mainly by sponsorship contributions from Martin Trust Center (Charges for some machines and materials)	Introductory Session (Maker Mondays) to train newcomers on policies and basic tools

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
MIT - Fabrication Lab	Machine Shop + Project Space	Cambridge, MA 02139, The U.S.	No information available	Participate in Research Group	MIT Research Groups	- Working tables - Workshop - Prototyping tools and equipment	No information available	- Focused Ion Beam - Atomic Force Microscope/ Scanning Tunneling Microscope - Solid State Micromachining Laser - Precision Wire Electric Discharge machine - 3D printers - Laser Cutters - Precision 5-axis Milling Machine - Robot Arm (UR5) - CNC Lathe - Cold Saw / Band Saw - Sewing Machine - Vacuum Former - Coil Winder - Micro CT - 3D Scanner	University Funded	No information available

Name	Type	Location	Manpower	Operation Mode	Target Customer	Facilities	Space	Equipment and Machinery	Business Model / Charging Model	Safety and Security
Helsinki Hacklab	Non-profit working space and community environment for people to work on a variety of technical projects, ranging from electronics to heavier-build or assembly jobs	Helsinki, Finland	No employed staff	Membership	open to public	- working tables - workshop - Prototyping tools and equipment - Pantry & lockers	2,600 sq. ft.	- CNC machine - 3D printer - laser cutting machine - desktop drilling machine - soldering station - band saw & scroll saw - sanding machine - hand tools - bench power supply	1. general member: EUR35 per year 2. keyholder members: EUR40 per month	No special measures

Ref : ITCCR 13/1608/16

Tel : 2810 2750

4 May 2017

Dr Lawrence Cheung  
Director, Technology Development  
Hong Kong Productivity Council  
HKPC Building, 78 Tat Chee Avenue  
Kowloon, Hong Kong

Dear Lawrence,

**Hong Kong Productivity Council (HKPC)  
Service Proposal for the Inno Space**

I refer to your service proposal dated 27 April 2017 (enclosed) on the establishment and operation of the Inno Space from 1 April 2017 to 31 March 2019. I am pleased to inform you that the Commissioner for Innovation and Technology has accepted the service proposal.

For this purpose, the Innovation and Technology Commission (ITC) will disburse an additional subvention of \$17,760,000 to HKPC, payable in 2017-18 and 2018-19 subject to the passing of the Appropriation Bill for the relevant years at the sum –

2017-18 : \$14,010,000

2018-19 : \$3,750,000

Please be reminded that the additional subvention should only be used for the purpose of establishing and operating the Inno Space. Any unspent subvention should be returned to the Government. HKPC is required to provide half-yearly progress reports on the implementation of the Inno Space and notify ITC of any substantial changes to the service proposal.

If you have any questions, please feel free to contact me or Mr Yeung Ba Sang at 2810 3276.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Bryan Ha', written in a cursive style.

(Bryan Ha)  
for Commissioner for Innovation and Technology

Encl.