

# *Building Hong Kong as an IP Hub*

## *A proposed ROAD MAP*

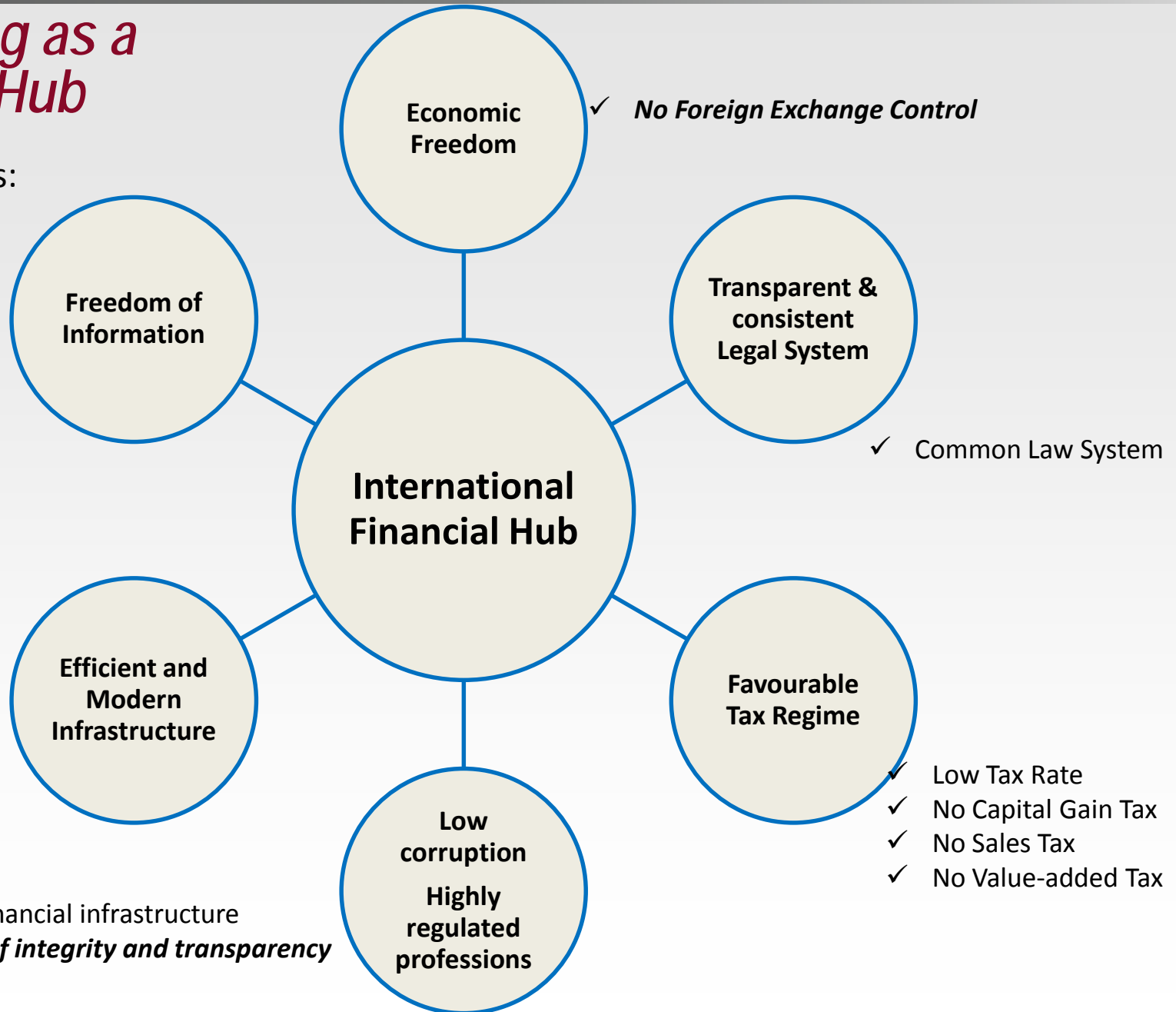
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# Hong Kong as a Financial Hub

Key Ingredients:



## What about an IP HUB ?

- Set up infrastructure and policies
- Set up regulatory & tax regime
- Can this be done? HK has never been well known as an innovation hub or IP trading hub.

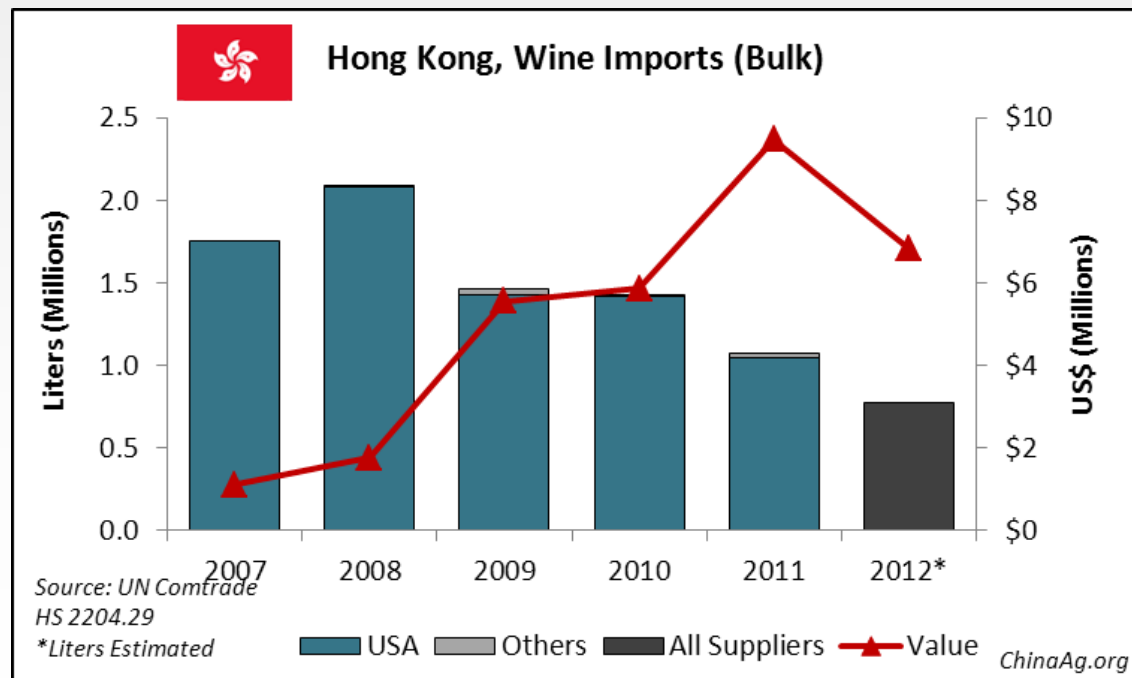
# Wine Trading

We catapulted 5x in volume to #1 in the world in a few Years !

Hong Kong abolished taxes on wine in 2008 & overtook New York to become the world's largest wine auction centre in 2010.

## Why Hong Kong?

- World-class logistics and wine storage facilities for efficient regional distribution.
- Excellent brand exposure
- Preferential customs clearance for wine entering the Mainland market via Hong Kong.
- *No wine duty.*
- *No VAT, No GST.*
- *Simplified procedures for imports and exports of wine, no duty-related admin. controls.*





## Bridge into/out of China

Hong Kong is a natural stepping stone for international companies, including wine merchants, to reach the Mainland China market.

**Producers and users not necessarily from HK !**

# *We need to modernize our Laws*

- Tax Law
  - intellectual property = real property
  - i.e. not subject to capital gains tax after trading
  - Minimize double taxation for cross-border transactions
  - IRD not collecting much from IP right now, so nothing to lose !
- Land use law
  - Provide waiver of restriction for using industrial land/buildings for companies related to IP activities, including IP services

# *We need to modernize our Laws*

- Patent Law
  - Set up an patent examination corps as ISA & IPEA
  - Do training, not just for examiners but also for private practitioners (e.g. certified patent searchers)
  - Build up expertise in patent law and searches
  - Work with SIPO to do Int'l searches and prelim exam for Chinese PCT apps

# *We need to modernize our Laws*

- Strong regulations to govern
  - IP Professionals, financial institutions, Insurance companies
  - Avoid conflict of interest
  - Infrastructure/system to provide necessary facilities
    - IP as collaterals for loans
    - escrow accounts for royalty payments
    - Infringement insurance
    - Professional indemnity insurance

# Regulated professionals

## In IP

Certified Patent Agents/Attorneys

Certified Patent Valuers

Certified Patent Analyst

Patent Broker/Trader

Indemnity Insurance Agent

Certified IP Managers



## In Finance

Certified Public Accountant (CPA)

Certified Financial Planner (CFP)

Certified Financial Analyst (CFA)

Stock Broker/Trader

Insurance Agent

Certified Financial Management  
Planner (CFMP)

# CONCLUSION

- It can be done, but window of opportunity is small
- needs full government support & Strong leadership & vision to move into the knowledge economy
- Lots of funding may not be necessary, just initial funding to get certification and training started



Join Us and be Champions  
of the  
new Knowledge Economy  
*HK Style!*

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