

SPHERE

25



Face Lift

How urban renewal can change people's lives

CONTENTS

NUMBER 25 AUGUST 2009

A Few Words from the Editor

WELCOME to the latest issue of Sphere. Our cover story looks at the important issue of urban renewal. The process is complex, bringing together economic, physical, social and environmental agendas to help meet the public's ever-higher aspirations. The new five-star Harbour Grand Hong Kong hotel in North Point is ready to meet this challenge and follow a long tradition of Hutchison developments improving the urban landscape and making a difference to people's lives.

We also discover why Watsons has been so successful in China's huge but complex retail market and look at the wonderful work of the Caritas Family Crisis Line & Education Centre. There are also some words of advice from Cheung Kong chief Victor Li for graduating students in Canada.

There's still time to visit Macau, the former Portuguese territory that has changed almost beyond recognition in the last decade. But behind all the glitz, there is enough of the old Macau left to please visitors and locals alike.

We hope you enjoy the magazine. Please send feedback and suggestions to info@hutchison-whampoa.com

2 **UPDATES**
NEWSBITES
What's happening in the world of Hutchison Whampoa Limited

8 **FOCUS**
THE VALUES THAT MAKE A DIFFERENCE
Victor Li on the importance of traditional values in business

10 **COVER STORY**
FACE LIFT
How urban renewal can change people's lives

16 **RETAIL**
MORE THAN SKIN DEEP
Why Watsons is the store of choice for beauty products in China

20 **FOCUS**
TRAVELLING THROUGH TIME
Macau, a city where the old and new happily co-exist

24 **COMMUNITY**
LIFE SUPPORT SYSTEM
The Caritas hotline is always there for those in need

26 **RETAIL**
THINKING SMALL
Micropayments made easy

28 **THEN...AND NOW**
LET THERE BE LIGHT
Street lamps old and new



10



16



20



24

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Newsbites



Shanghai Expo Donation

CHINA The Cheung Kong Group and Hutchison Whampoa Limited (HWL) donated RMB100 million (about HKD113 million) to support the construction of the China Pavilion at the 2010 Shanghai Expo. Victor Li, Managing Director and Deputy Chairman of Cheung Kong (Holdings) Limited, Deputy Chairman of HWL and a member of the Standing Committee of the National Committee of the Chinese People's Political Consultative Conference (right), received a souvenir plaque from Yu Zhengsheng, a member of the Political Bureau of the Communist Party of China (CPC) Central Committee and Secretary of the CPC Shanghai Municipal Committee, to mark the occasion. **C**



APPLAUSE!

HWL is ranked 281st in the latest Fortune Global 500, a list of the world's largest corporations.



CHALLENGER

IRELAND Ireland's Shane Lowry won the 3 Irish Open golf tournament and immediately received warm words of praise from Robert Finnegan, Chief Executive of 3 Ireland. "As Ireland's newest entrant into the mobile marketplace, 3 is delighted that Shane showed how a young, dynamic challenger can take on the big established players and win!" he said. **T**



COMING SOON...

HONG KONG The Harbour Plaza 8 Degrees is scheduled to open in October near Hong Kong's former Kai Tak Airport. The hotel will offer 702 wireless broadband Internet accessible guestrooms and suites, one large banquet room divisible into nine meeting rooms as well as two stylish restaurants, a bar, business centre, fitness centre and an outdoor swimming pool. **H**



Electric Switch

CHINA Ningbo Beilun International Container Terminals is introducing electric rubber-tired gantry cranes (eRTGCs) to save energy and reduce emissions and noise. By the end of 2009 more than 30 RTGCs will be converted from diesel to electric power. **P**

POWER PLAY

CHINA Hongkong Electric has entered the electricity generation business in Mainland China by acquiring interests in three power plants in Zhuhai, Jinwan and Siping. "We have been looking for some time for an opportunity to invest in the China power market and this transaction will allow us to acquire very high quality generating assets, most of which are strategically located in Guangdong Province adjacent to Hong Kong," said Group Managing Director Tso Kai-sum. **I**



CONGRATULATIONS!

INQ¹ received the "Handset of the Year" Meffys Award 2009 from the Mobile Entertainment Forum (MEF) in June. The MEF is a global network of mobile entertainment businesses and entrepreneurs.



Golden Moment

AUSTRALIA **3** Australia's New South Wales youth partner for Spirit of **3**, Youth Off the Streets, raised almost AUD40,000 (HKD250,000) through its Pave the Streets with Gold campaign. The line of coins collected in central Sydney was 485 metres long – an Australian record. **T**



THANKS WHAM

UNITED KINGDOM Staff at WHAM helped produce a promotional Website for Cancer Research UK's music and sound event, Sound and Vision. **C**

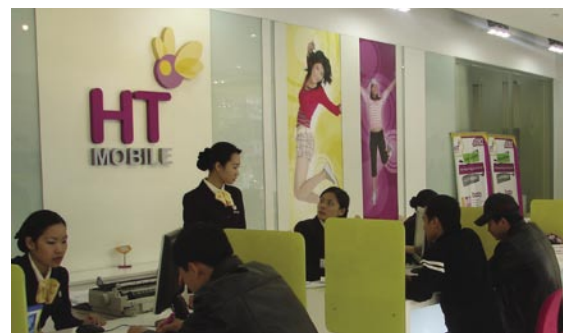
VIETNAM LAUNCH

VIETNAM Hutchison Telecommunications International Limited's Vietnamese operation, Vietnamobile, has launched its GSM service, covering 64 of the country's provinces. The move will help tap the potential of one of the fastest-growing mobile markets in the region. **T**



Mountain High

AUSTRIA Hutchison 3G Austria has won two marketing awards for its innovative "3experience" promotion. The campaign to boost interest among retailers of **3** products saw 13 finalists take part in the adventure of a lifetime – mountain biking on Mount Kilimanjaro in Tanzania. **T**





Open for Business

HONG KONG Invest in Sweden Agency, a Swedish government body which helps attract foreign investment to the country, has opened an office in Hong Kong. "The Swedish Government has been very receptive to foreign investments and has good and stable systems that are conducive to business interests," said Canning Fok, Group Managing Director of Hutchison Whampoa Limited (HWL), in his keynote speech at the official opening. HWL is one of the largest foreign investors in Sweden. Mr Fok (middle) at the Invest in Sweden Agency's inauguration cocktail party. **G**



HORSE SENSE

UNITED KINGDOM

3 UK has helped a young girl in England keep her new foal called Bertie. Phoebe Bone, 11, was given a horse called Lily by her parents but found that she was pregnant with Bertie, doubling the costs. "I was wondering if you would like to use his pictures in your adverts or if you would like to sponsor him

and maybe pay something towards his stable and feed," wrote Phoebe in a letter to the company. "I

would really like to keep Bertie but I don't think that my mum and dad can afford it." **3** came to the rescue by paying the stable fees and giving Bertie a **3** blanket. **T**



Husky Energy has received three awards for its safe handling and loading of rail cars at its plant operations.



Husky Leads the Way

CANADA Husky Energy has become the first energy corporation in Canada to improve oil production using renewable natural resources rather than petroleum-based chemicals. The Government of Alberta has announced funding to help Husky research the application. **I**



PATH FINDERS

HONG KONG A S Watson Group is stepping up its staff development programme. Nine graduates have been selected from a field of 650 to enter the Asia Future Leaders Programme, while selected staff will get the chance to work on short-term assignments in different regions through the Senior Management Development Programme for Asia, Management Development Programme for Asia and the Commercial Management Programme for China. **R**

PORT EXPANDS

INDONESIA Jakarta International Container Terminal (JICT) held an inauguration ceremony to mark the second stage of its expansion programme. JICT has taken delivery of 10 new cranes and 26 new terminal tractors and also expanded its container yard and commissioned a new control tower. **P**



Flying High

HONG KONG

China Aircraft Services Limited, a Hutchison joint venture, has opened its new aircraft maintenance hangar at the Hong Kong International Airport. **I**



YEAH!

Promenade restaurant at the Harbour Plaza Metropolis in Kowloon won the U Favourite Buffet Award presented by U Magazine - Ufood.com.hk.



Hutchison Telecom
Hong Kong Holdings

New Listing

HONG KONG Hutchison Telecommunications International Limited has listed its Hong Kong and Macau operations on the Hong Kong Stock Exchange. Shares of the new company, Hutchison Telecommunications Hong Kong Holdings Limited, began trading on 8 May 2009. **I**

BALLOON TIME

HONG KONG More than 60 colleagues participated in a balloon-twisting workshop organised by the HWL Volunteer Team. They will use the skills they developed to help entertain people at future volunteer events. **C**





A Grand Time

HONG KONG It's been a busy time at the Harbour Grand Hong Kong, the new five-star hotel in North Point. It hosted a wedding fair and a party to mark its soft launch within days of each other. **H**

Slam Dunk

HONG KONG TOM Group relaunched its NBA.com/Hongkong Website to provide fans with the opportunity to watch live NBA play-off games online for the first time. TOM has the exclusive operating rights to the official NBA Websites in Mainland China, Taiwan and Hong Kong. **I**



APPLAUSE!

Watsons was voted best brand in Hong Kong in the Asia's Top 1000 Brands survey by Media Magazine and TNS.

ERICSSON DEAL

ITALY Ericsson and 3 Italia have signed an exclusive contract that includes a seven-year agreement to modernise and upgrade the existing WCDMA/HSPA network with Ericsson technologies and architectures. **T**



Service with a Smile

LATVIA Drogas Latvia participated in the "Praise Good Service Month" campaign for the second year. Of the 5,000 phone, e-mail and Website responses from customers, 1,370 voted for the Drogas store in Kauguri, making it one of the most praised service points of the year. Competition was tough, with 75 companies representing more than 1,000 stores and service points taking part. **R**

HIT FIRST

HONG KONG Hongkong International Terminals' Information Security Management System has been certified ISO/IEC 27001:2005 compliant by the British Standards Institution, Hong Kong. HIT is the first container terminal operator in Hong Kong to receive this certificate. **P**



QUEEN KAY

HONG KONG Pop queen Kay Tse has been named the first Watsons brand ambassador in Hong Kong. As part of a new "Love Your Body" campaign, Kay starred in a television commercial that revealed fun facts about the human body, including:

- The skin renews itself every 27 days
- Hair lengthens between 6 and 12 inches every year
- A woman blinks twice as many times as a man
- Kissing for one minute consumes 26 calories
- Everyone walks the equivalent of twice the diameter of the earth during their lifetime. **R**



YEAH!

Harbour Plaza Hong Kong won six awards at HOFEX 2009, the popular food and hospitality trade show. Pastry cook Law Man-kin won gold in the Young Pastry Chefs category for his chocolate fragrant tea cake.



Famous Fossils

CHINA The largest exhibition of prehistoric mammal fossils ever held in a shopping centre in China attracted huge crowds at the Metropolitan Plaza Chongqing. **H**



Teaming Up

AUSTRALIA Vodafone and Hutchison Telecommunications (Australia) Limited (HTAL) are merging their telecommunications businesses in Australia. Vodafone and HTAL will have an equal ownership of 50 per cent in the joint venture, which will be renamed VHA Pty Limited. **T**



SMILEY ASIA

HONG KONG The Smiley Company is joining forces with PMW International, a subsidiary of Hutchison Harbour Ring, to help build the Smiley brand in Asia through licensing and marketing initiatives. To kick-off the campaign, PMW International organised a Smiley World Easter carnival and exhibition. **I**



THE VALUES THAT MAKE A DIFFERENCE

Cheung Kong's Victor Li tells students graduating from the University of Western Ontario about the importance of traditional values in business



Dr Victor Li (centre) pictured here with Dr Fred Longstaffe, Acting Chancellor of University of Western Ontario (centre left) and Professor Kathleen Slaughter, Dean of Richard Ivey School of Business – Asia, University of Western Ontario (centre right).

THE 24TH OF MAY was a memorable day for Mr Victor Li, the Managing Director and Deputy Chairman of Cheung Kong (Holdings) Limited. First, he received an honorary degree, Doctor of Laws, from the University of Western Ontario and then he gave the address at the university's annual Hong Kong convocation in which he offered students advice about business values.

Mr Li and his family have strong links with Canada. He became a Canadian citizen in 1987. While working in Toronto, he oversaw other family investments in the country. The Cheung Kong

Group is one of the largest foreign investors in Canada and Mr Li is also co-Chairman of Husky Energy Inc, among the country's largest energy companies, in which Hutchison and the Li family own a majority stake.

"Victor has shown himself to be a prudent and straightforward business leader with a strong business sense that he's honed from a very young age," said Carol Stephenson, Dean of the university's Richard Ivey School of Business. "He also has a long-standing commitment of giving back. We are privileged to be awarding him this honour."



EXTRACT FROM DR VICTOR LI'S CONVOCATION ADDRESS

"FROM THE TIME I started working in the Cheung Kong Group to now, I have witnessed growth which many commentators have described as exponential. The Group has grown from a local property development company in the early 70s to a multinational with operations spanning property development, retail, infrastructure, energy, telecommunications, ports and life sciences in 54 countries, with more than 240,000 staff.

Currently, we are developing well over 200 million square feet of property worldwide; our terminals look after 13 per cent of global container throughput; and our health and beauty stores make us the largest retailer of this industry in the world. We are also one of the largest foreign investors in Canada, the United Kingdom, Australia and Italy . . . the list goes on, but I won't bore you with any further details.

For many years, magazines and newspapers love to ask us whether there is a formula for the success of the Cheung Kong Group. To this question, my answer is: I would be crazy to even pretend that there is a single formula. However, I do know several things that would reduce the chances of success. As an engineer, I like to express my answers in point form:

Point 1

It is very difficult to improve yourself or your company if you consider yourself very successful already. We tend to stop learning when we are too satisfied with ourselves. I have a favourite Chinese saying from Confucius: 「三人行，必有我師焉：擇其善者而從之，其不善者而改之。」 Roughly translated, when three people walk together, one of them has something he/she can teach you. There are always lessons to be learnt from the people around you – learn what to do and what not to do from their virtues and their vices. As long as you do not consider yourself successful, the learning process never stops – never stop walking the path of knowledge.

Point 2

It is difficult to succeed or to maintain your fruits of success if you do not look long term. Do not get me wrong – be it long or short term, profit is always good. But short-term profit is almost too much fun, too many people like it – as a result, the scene is usually crowded and competition is keen. On the other hand, long-term investment needs patience and hard work. The process involves several up and down cycles and is usually less exciting. As a result, most people do not enjoy it as much and the competition scene is less crowded – wonderful news for those who prefer the longer process. Unfortunately, today a lot of public companies have to do quarterly reports. Analysts focus on short-term profit so they can advise clients who prefer short-term gains. If the boards of these companies do not have the backing of one or two major long-term shareholders, the senior management of these companies may have no choice other than to focus on short-term profit. This is even better news for those who have the luxury of focusing on long-term projects.

Point 3

It is difficult to succeed if you forget what your grandparents/parents taught you when you were a little kid: honour, responsibility, integrity, honesty and sincerity – all the traditional values. Today, when we talk about the "global village", most people concentrate on the word "global"; I tend to focus on the word "village". In the small corporate village we live in today, when almost all the key players practically know each other, reputation becomes more important than ever. When one villager acts irresponsibly or not honorably, his partners, shareholders, colleagues and customers will remember for a long time. A successful villager must be a good villager at the same time, or else his good fortune will be short lived. The Cheung Kong Group operates in 54 countries. I do not pretend to know all their local customs. Sincerity is my door-opener to friends and partners around the world. I certainly would not leave home without it.

So there it is, I do not have any single formula for success; but if you do not consider yourself successful, focus on the long-term, and remember what your grandparents teach you about honour, integrity, responsibility and sincerity, your chances of success will be better, and you will be a more reputable villager in this global village."



Dr Victor Li gave his Convocation Address, entitled "Traditional Values in Business".

FACE LIFT

*How urban renewal
can change people's lives*

By Robin Lynam



THERE WERE PROBABLY more than a few eyebrows raised in Hong Kong at the news that Harbour Plaza Hotels and Resorts was to open a new five-star luxury property in North Point. Facilities and services of that quality are more typically to be found in Central or Tsim Sha Tsui. Those who know the history of the hotel group's parent companies will have been less surprised, however.

For Hong Kong, as in most developed cities around the world, urban renewal is an increasingly important issue. The process is complex, bringing together economic, physical, social and environmental agendas to help meet the public's ever-higher aspirations. The list of examples is long and varied, from Lan Kwai Fong, the pulsating nightlife area that emerged from a couple of crumbling streets in downtown Hong Kong, to the huge face lift that parts of London are receiving as part of preparations for the 2012 Olympic Games. The aim is the same though, to improve the urban landscape and make a difference to people's lives.

North Point is a good example. Thanks to good transport links, recent years have seen the area begin to smarten up, with a growing number of commercial tenants served by a better standard of retail outlets and restaurants. The soft opening of the Harbour Grand Hong Kong on 1 June 2009, marked one

of the biggest milestones in North Point's history. It also reflects a commitment to the area on the part of Cheung Kong and Hutchison Whampoa. Hongkong Electric, a Hutchison Whampoa associated company, has a long history with North Point dating back to the early 20th century, when the present slightly run down urban area was mostly open countryside. Harbour Plaza Hotels and Resorts, which manages hotels in Hong Kong, Mainland China and the Bahamas, opened the popular four-star Harbour Plaza North Point in 2000.

"When you open a five-star hotel it upgrades the entire area, and I think North Point will gradually change to something more upscale. Higher-end restaurants and shops will be attracted because the hotel is here," said General Manager Benedict Chow.

The Harbour Grand Hong Kong is not the first landmark building that helps prompt significant improvement in the neighbourhood. Hutchison Whampoa has well documented expertise in helping erstwhile industrial areas make the transition to mixed residential and commercial use.

Hutchison developed the hugely successful "Garden City" concept for Whampoa Gardens on the site of the former Whampoa Dockyards, completed in 1991. The





‘When you open a five star hotel it upgrades the entire area, and I think North Point will gradually change to something more upscale’

project converted an area formerly dedicated to heavy industry into a whole new community, and the estate now has an estimated population of 50,000. Amenities include schools, sporting facilities, quality retail in supermarkets and shopping malls, numerous restaurants, a cinema and a public transport terminus. The initiative radically revitalised Hung Hom.

Hutchison’s second Garden City project, South Horizons, beginning in the same year Whampoa Gardens was completed, occupies the site of the former Hongkong Electric Power Station on Ap Lei Chau, decommissioned in 1989.

Again, the creative contrast in use of the space is dramatic. A high-rise low-density development with first class recreational facilities, offering its residents a stress-free lifestyle just a short distance from the business districts, South Horizons utterly transformed the formerly industrial island of Ap Lei Chau.

Today the development, completed in 1995, has over 40,000 residents who enjoy facilities including a residents’ club with one indoor and two outdoor swimming pools, flood-lit tennis courts, golf practice driving ranges and well-equipped children’s playgrounds, as well as a jacuzzi, a gymnasium and fitness centre, squash, badminton and basketball courts, an aerobic dance room, two golf practice rooms, each equipped with an electronic golf simulator, and function rooms for entertaining.

Bo Bo Luk has lived in Ap Lei Chau for more than 15 years and has watched the area develop into a thriving community. “My first impression of Ap Lei Chau was that it was a bit isolated. In the early days, the transport network was insufficient but this changed when South Horizons was completed in 1995. Now it’s easy to get anywhere in Hong Kong,” she said.

“The fact that there are so many middle-class families living



THE HARBOUR GRAND FACTS

HARBOUR GRAND HONG KONG is the latest addition to Hutchison Whampoa's hotel group which manages seven properties in Hong Kong as well as Harbour Plaza Chongqing in Mainland China and the Our Lucaya resorts in the Bahamas.

The 41-storey hotel boasts 828 guest rooms and suites as well as meeting and banquet facilities, and five restaurants and bars. The rooms all feature LCD televisions, wired and wireless broadband Internet access, DVD players and bathrooms with rainforest showerheads and circular bath tubs in selected rooms. Executive floor privileges include a personalised butler service and access to the Harbour Club Lounge for daily complimentary breakfast, afternoon tea and evening cocktails.

A central feature of the hotel is the elegant high-ceil-



pool and Jacuzzi, a state-of-the-art fitness centre and spa and massage facilities.

inged 6,200 square foot pillarless Grand Ballroom, while the seven function rooms are equipped with the latest audio-visual technology and Internet connectivity.

A variety of authentic cuisines ranging from international and continental to Japanese and Chinese are provided in the hotel's restaurants, while Le 188° Restaurant & Lounge on the top floor offers guests sweeping views across Hong Kong. Other amenities include an outdoor heated swimming

POSITIVE CHANGE



1980s



Present

South Horizons occupies the site of the former Hongkong Electric Power Station on Ap Lei Chau.



1990s



Present

Albion Riverside in London turns a former bus depot into an up-market residential development.



1970s



Present

Whampoa Gardens is built on the site of the former Whampoa Dockyards in Hung Hom.

In London, with the Albion Riverside project, designed by Lord Norman Foster, Hutchison turned a former bus depot into a high profile up-market residential development that has significantly improved the image of the generally run down Battersea area and substantially raised the value of nearby property.

Lawrence Pigeon is the Director of elite kitchen and bathroom outfitters Alternative Plans, which has a retail outlet in the Albion Riverside complex. “We have been in this location for about 30 years and Albion Riverside has improved the area enormously,” he said. “Since its completion, Albion Riverside has helped the area go up-market.

“The improved river access has been an attractive addition and the whole place now has a more presentable environment and is more sales friendly. Albion Riverside has lifted the profile and is now much more of a destination. This area has now become a prestigious location.”

Back in Hong Kong, Harbour Plaza Hotels and Resorts already manages more than a half dozen hotels across the territory, but the Harbour Grand Hong Kong is the Group’s first five-star luxury hotel on Hong Kong Island, and is now its flagship.

This is a major vote of confidence in North Point, and the new hotel – built on a spectacular waterfront site formerly occupied by a warehouse – will have a positive effect on the district as a whole.

One obvious reason for this is that guests of luxury hotels automatically have a certain spending power and the quality of local retailing and food and beverage (F&B) services tends to align itself with the elevated expectations of the new visitors.

North Point may also become more attractive as an office location with the development of new commercial buildings conveniently close to the complementary new facilities the hotel offers. International companies which want easy access to accommodation of a high standard for visiting clients and senior executives are likely to be particularly attracted.

here has attracted a lot of different types of restaurants. There are French, Italian, Thai, and Japanese and of course plenty of Chinese restaurants. It adds to the enjoyment of living here.”

Nor has Hutchison confined its urban renewal initiatives to Hong Kong. On the Chinese mainland the Chongqing Metropolitan Plaza & Tower, which includes the Harbour Plaza Chongqing Hotel, is one of the largest comprehensive development projects in southwest China. Formerly occupied by a meat and vegetable market, it has been acknowledged by the authorities as one of the most influential projects in the city’s revitalisation and a key element in Chongqing’s branding.

‘We can offer a fantastic experience. It is a beautiful and unique property’

“Right behind the hotel we have several A-grade buildings. North Point is very convenient,” explained Mr Chow. “People who work in Central or Taikoo Shing can get a taxi here very easily. Hong Kong is a very small area.”

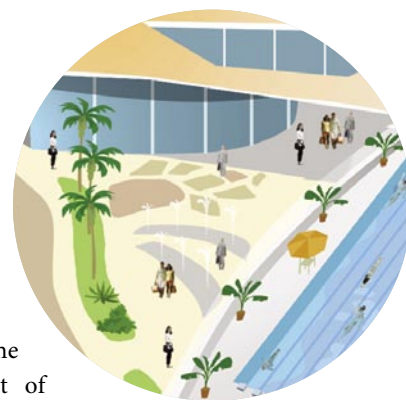
According to Dr John Ap, Associate Professor at the Hong Kong Polytechnic University’s School of Hotel & Tourism Management, the new hotel in North Point should have a major impact on the area. “Usually, a new major project will provide flow-on benefits for the surrounding neighbourhood and if the area was previously run down, it may provide the catalyst to revitalise the neighbourhood,” he said.

“Besides providing services to tourists and business travellers, local residents also use hotels, especially the F&B or recreational/club house facilities. If the area is developing, a new major hotel can certainly enhance the civic pride of the locals who can take pride in seeing the area developing and modernising. At the same time, it also provides employment oppor-

tunities and a boost to the local economy.”

While it is of course too early to evaluate the full long-term impact of the new Harbour Grand Hong Kong on North Point, it is certain that Hong Kong’s waterfront has an iconic new landmark and that guests and visitors will have good reason to ponder the potential of the surrounding area.

“I believe we are the only hotel in Hong Kong to have all of our guestrooms facing a harbour view, and most of our restaurants as well,” said Mr Chow. “Several of our rooms and suites also have a patio with a sunken Jacuzzi, so guests can relax in an open environment and at the same time appreciate the harbour. We can offer a fantastic experience. It is a beautiful and unique property.”



NORTH POINT’S CHEQUERED PAST

THE FIRST major milestone in the urban development of the northernmost part of Hong Kong island was the opening of the North Point Power Station in 1919. Electric Road today commemorates the station, which spurred growth in the area, and was not decommissioned until 70 years later in 1989.

By 1941, North Point had become the site of a refugee camp for Kuomintang soldiers, and although it was used as a prisoner of war camp for captured Canadian military personnel after the Japanese invasion, a pattern had been established.

After the war another wave of refugees arrived and made their way to North Point – although this time many of the new arrivals had money. They came from Shanghai, generally regarded at that point as the most sophisticated city in China, and set about stamping their own identity on the area. North Point began to acquire a certain glamour as Hong Kong’s “Little Shanghai”.

As Hong Kong historian Jason Wordie points out in his authoritative book *Streets: Exploring Hong Kong Island* (Hong Kong University Press, 2002): “These days Japan and its fashion trends symbolise the modern and the smart to Hong Kong’s young people...but until the 1950s it was Shanghai styles that were emulated; ageing signboards in North Point today still advertise beauty parlours, restaurants and barbershops first established and popularised 50 years ago”.

Even today there are many reminders in North Point of its 1950s heyday, and for a while the Shanghainese stuck together in a single community. Eventually, they realised that for the

most part they were not going home, and many moved to other areas of Hong Kong, mingling and intermarrying with the Cantonese majority of the population.

As the Shanghainese presence waned, the Fujianese took their place. Ethnic Chinese immigrants originating from that area of China came in from unstable Indonesia, and over time “Little Shanghai” morphed into “Little Fujian”.

North Point also became for some time, according to the *Guinness Book of Records* when it was first published in 1955, the most densely populated place on earth.

There are still many reminders of “Little Shanghai” and “Little Fujian” in the streets of North Point today, including Shanghainese barber shops and Indonesian style grocery stores. Those with an ear for Chinese dialects will notice southern Fujian’s Min Nan dialect being spoken alongside Hong Kong’s native Cantonese.

The political outlook of those immigrants has also left a legacy. The famous Sunbeam Theatre on the corner of King’s Road and Shu Kuk Street was established in 1972 to screen patriotically themed Chinese movies promoting ideology with which many North Point locals were in sympathy. The Sunbeam has since been converted into a venue for theatrical performances, and is the last privately owned theatre in Hong Kong to stage Chinese operas. Although its future has often been in question in recent years, its lease was renewed in early 2009, and the future of Cantonese opera there is assured for at least another three years.

MORE THAN SKIN DEEP



WATSONS IN CHINA:

Shanghai

Beijing

Guangdong

Chongqing

Shenzhen

Why Watsons is the store of choice for beauty products in China

By Mark Redvers



RETAILERS TRYING TO CRACK the notoriously difficult China market look with envy at the way Watsons make it seem so effortlessly simple: the company has more than 450 stores spread throughout the vast nation, a figure that is continuing to rise rapidly.

Watsons has long had an entrenched presence in the major first and second tier cities of China and is now expanding into the third and even fourth tier, ready to take advantage of the increased spending power and brand awareness among consumers in the less developed provinces.

Despite the phenomenal expansion figures of the past few years, Watsons is no overnight success story. Experience, based on some 20 years of trading in the country, has played a major part in knowing just what Chinese customers want and need; like other major international retailers, there were difficulties along the way, inevitable in a nation that had no culture of consumerism until two decades ago.

In fact it is only the last decade that has witnessed a major surge in retail consumption, with virtually all the major European and American brands sizing up China as a potential market for their clothes, cars, wines, perfumes, beers and bags. Many is the retailer who has been seduced by the figure of 1.3 billion potential consumers but failed to do enough detailed, on-the-ground research about levels of disposable income.

Exhaustive research, focused customer service and the right range of quality products are the ingredients that go into the Watsons recipe for success. Its clientele consists largely of affluent young women with plenty of money to spend on make-up, skin care and perfume. They are a discerning breed, totally familiar with the big-name brands of the western world and also enthusiastic users of Watsons own-label products.

“They might not be able to afford a Mercedes-Benz or an expensive overseas vacation, but they can do something to make themselves look better by spending money on quality products that are luxurious,” said Christian Nothhaft, Managing Director of Watsons China. “Our research has shown that using these products makes them feel good about themselves; they are able to indulge, but at the same time Watsons is seen as having a good price perception image. A lot of it comes down to being in the business a long time in this country. We have the experience of how to get things to work in China and have a track record of learning about China.

“We have introduced many brands into China and people have a relationship with us. Our brand is hot in China. We have 2.5 million customers per week – twice the amount of customers per store as our other outlets in Asia. They don’t spend as much, but that is still quite an impressive figure. In fact, by the end of this year we anticipate it will be up to 3.1 million a week.”

Watsons now has stores in 69 cities in China. The company’s strategy is to look well ahead and decide when the less-developed cities are likely to be ready for a Watsons store; as soon as that moment comes, advance-planning staff target a prime retail spot and set up shop.

The strategy has worked to great effect so far. The vast array of international beauty brands makes Watsons a place that young trendy women instantly recognise as somewhere they want to browse – and spend.

“Having previously lived in Hong Kong for seven years, I view Watsons as a store that I can count on, a place where I can be sure of getting quality products, whereas other pharmacies in China are not consistent,” explained Chris Baker, General Manager in China for the Eight Partnership, a company that advises retailers on marketing in China. “The service and product experience at Watsons in Mainland China is very closely modelled on the one in

Hong Kong and is a consistent experience.

“Watsons have made the most of their time in China building deeply-entrenched relationships with its customers. Watsons were early to the market and have timed entry to the right places at the right times. They have a very clear, tested retail concept. Most importantly, they are exceptional both in terms of city selection and the right locations in each city.”

Another major string to the company’s retail bow is the Watsons membership club, which will have four million members by year end, most of them under 35. As well as accumulating loyalty points, members are alerted to special offers and are invited to try new products arriving in stores.

Customer service is also very important, whether it is well-trained and friendly staff, or customer-friendly store layouts that allow easy product identification. Each of the stores is carefully designed to appeal to young female shoppers, starting with the instantly-recognisable pale turquoise logo. Inside, the style is deliberately feminine, using subtly light colours that will appeal to young, beauty-conscious women.

The layout of the aisles, shelves, islands and tills is also carefully planned to match local tastes and shopping patterns. Skin care products, for example, are placed right at the front of the store; health products are arranged so customers can have a closer look at the packaging; cosmetics are sold from well-lit counters, so that different colours stand out.



Another major string to the company’s retail bow is the Watsons membership club, which will have four million members by year end



Clockwise from above: Watsons now has stores in 69 cities in China; men are starting to splash out on grooming products; well-trained staff are on hand to help customers; the layout of each store is planned to match local tastes.

Customers looking for a certain kind of eye shadow, colour of lipstick or type of shampoo can call on the well-trained Watsons employees for advice. In fact, all staff are fully in tune with the likely needs and wants of twenty-something women, the core Watsons demographic.

And it’s not just the women who are prepared to spend money to look and feel good. The men of China, generally far less fashion conscious than the fairer sex, are starting to splash out on grooming products, a new and growing phenomenon.

Elsewhere, men who spend heavily on deodorant, facial creams, cologne and hair gel are known as metrosexuals; the poster-boy figure for the movement is superstar footballer David Beckham. The launch of Man code, an own-brand skin care range by Watsons, has shown that there is a whole metrosexual community of men in China, ready and willing to splurge on keeping their skin in good shape.

“We think the men’s growth rate is about 40 per cent a year,”

said Mr Nothhaft. “Men are persuaded to use the products by their wives or girlfriends. The recent launch of Man Code has been phenomenal, one of our biggest product launches.”

The China outlook is so bright, despite a worldwide recession, that this year will see the opening of a total of 150 new stores, including cities such as Hohhot, the capital of Inner Mongolia. Even in cities where Watsons does not yet have a presence, people are familiar with the name through the Internet. Beauty-related blogs and forums on sites such as Sina and Sohu discussing the best products and services have the potential to reach tens of millions of people.

Young women in the larger cities began patronising Watsons long before blogging became a popular pastime. Watsons first opened in the capital city of Beijing some 20 years ago, growing gradually at first, with subsequent outlets opening in the coastal cities of Shanghai and Guangzhou.

The early part of this century saw rapid expansion, with the 100th store opening in 2005, the 200th in 2006 and the 300th in 2007. There are currently more than 450 stores which cover




some 60 per cent of the cities in China.

The Watsons formula of offering quality products, great display and efficient service sounds simple. But if it was just a case of transplanting a western-style business model into China, every brand would succeed and that is patently not the case.

“Looking at it from the outside, it sounds like a no brainer to sell products in a population of 1.3 billion but it is not that simple,” says Mr Nothhaft “You need to have the right timing and be in the right place with, of course, the right people and to stay ahead of the competition.

“You have to make sure that you arrive in a city with the right location and premises at the right time, in other words

not too soon, just when that city’s population has the spending power to be able to afford to shop at Watsons.

“You have to have a way of predicting when the growth will come. We put a lot of time and effort into planning. Two years from now we want to be able to say that that particular city is ready for a Watsons store. We are now looking at second, third and even fourth tier cities up as far as the Russian border.” 

LEARNING THE ROPES

EXCELLENT SERVICE has helped Watsons build up an impressive following in China – close to three million customers a week patronise the country’s 450 stores. The company is constantly looking at ways to upgrade and fine tune service levels to meet the increasingly high expectations of discerning shoppers.

To that end, the Retail Academy was recently launched in nine Asian nations, including China, to help train staff to even higher levels. The in-store programme is for all staff – from the most junior employees right through to the most senior and experienced – and has two levels, with

additional modules for beauty and healthcare advisors.

Subjects covered in the training sessions are customer service, selling skills, product knowledge and store operations. As well as helping customers, the Retail Academy also allows employees to develop their skills and increase their job satisfaction. This, in turn, helps to reduce staff turnover and grow the business.

In China, the Retail Academy scheme was launched initially in the southern provinces, close to Watsons home base of Hong Kong, a city renowned for its great service, and will expand to other parts of the nation.





TRAVELLING THR



NOT SO LONG AGO the adjective most often used to describe Macau was “sleepy”. Historically an important China coast trading port – and the first and last European administered settlement in Asia – its glory days seemed over, but the enclave’s relaxed, old fashioned, quasi-Mediterranean atmosphere made a welcome change from hectic Hong Kong, just a short jetfoil ride away.

Nobody calls Macau sleepy now. In 1999 the Portuguese, who had administered the enclave since 1557, formally handed Macau back to China as a Special Administrative Region, and the new government under Chief Executive Edmund Ho came in with big plans for the place.

In less than a decade the city has changed almost beyond recognition. Its casino revenues are now greater than those of the Las Vegas Strip, and it is the highest volume gaming centre in the world. The hotel, conference and entertainment facilities planned for the Cotai Strip connecting the islands of Taipa and Coloane, along with all the land reclamation and fast-tracked construction work, has transformed the sleepy backwater into a modern city.

Many visitors come for the casinos, the designer label shopping and the major show business and sporting events Macau now stages. This rapid pace of development has also created a thriving consumer market and retail scene. Hutchison has played an important part in this trend through Watsons and Hutchison Telephone (Macau) Company Limited (see sidebar).

“The challenge has been to synchronise promotions in Hong Kong and Macau. Consumers in Macau are exposed to Hong Kong TV channels every day and they expect to be offered the same promotions as we launch in Hong Kong. Our store teams have to ensure that they can deliver products to Macau promptly,” said Peter Louie, Regional Manager (Store Operation) for Watsons Macau.

“The customer mix has changed too – most of our customers used to be either locals or visitors from Macau, but now there are also mainlanders who have different needs. We ensure our stores are customer friendly to all, and therefore have unified pricing across the Hong Kong, Macau and Chinese currencies. Travelling customers shop hassle-free and can focus on choosing their favourite items.”

While the new Macau blossoms, the old Macau is quietly



Counter clockwise from top right:
The Largo do Senado, or
Senate Square, is the focal point
of the city's Historic Centre;
Macau's ever-changing cityscape
and the city's famous egg tarts

OUGH TIME

*Macau, a city where the
old and new happily co-exist*
By Robin Lynam

holding its own, and its attractions remain among the best reasons to visit the city. The lovely old waterfront with its winding tree-lined Praia was lost years ago to land reclamation, and many of the elegant colonial style buildings of the old town have given way to more modern structures, but China and the West have met and mingled in Macau for almost half a millennium, and the fruits of that multi-faceted and fascinating interaction have not disappeared overnight.

“For me, Macau is the best city of Asia, where the hospitality of the people is present at all times. Much in Macau has changed, but much remains the same,” says Antonio Coelho, chef-proprietor of Antonio Restaurant on Taipa, who is one of the best known of Macau’s Portuguese restaurateurs.

“There are still areas of Macau, particularly out on the islands, where the old way of life has been preserved, and right here you can certainly find authentic Portuguese cuisine and wine. It’s what many people who live here like, and what many others have been coming here for over many, many years. A whole culture doesn’t simply disappear overnight. In Macau, you can find the mix of cultures and religions that made Macau unique.”

In 2005 the Historic Centre of Macau was designated a UNESCO World Heritage Site, with UNESCO stating that “with its historic street, residential and religious and public Portuguese and Chinese buildings, the historic centre provides a unique testimony to the meeting of aesthetic, cultural, architectural and technological influences from East and West.”

There are still areas of Macau where it is possible to get a truly vivid sense of the city’s long and colourful history, and many of them are within fairly easy walking distance of each other.

Perhaps the best starting point is the A-Ma Temple, from which the city takes its name. There has been a temple on this site in the Porto Interior, or Inner Harbour, dedicated to A-Ma, a Chinese deity thought to protect seafarers, since the 15th century. When the Portuguese landed and asked the name of the place they were told “the Bay of A-Ma”, in Cantonese “A-Ma Gao”. Over time the name contracted to Macau or sometimes Macao.

For an insight into Macau’s history of maritime trade it is only necessary to cross the road to the Museu Maritimo which puts Macau’s Portuguese and Chinese seafaring history nicely into perspective. After that you could flag a taxi to the Guia Fortress



In the words of UNESCO, Macau bears witness to one of the earliest and longest lasting encounters between China and the West based on the vibrancy of international trade



*Clockwise from top left:
The famous A-Ma Temple, casino action; the ruins
of the church of Sao Paulo; a Macau street scene;
traditional cookies; the Macau Tower.*

which dates all the way back to 1622 and look at the lighthouse, completed in 1865 and the first of its kind on the China Coast.

The focal point of Portuguese Macau and the heart of the Historic Centre is the Largo do Senado, or Senate Square, an elegant cobbled public space surrounded by some of the best preserved examples of Macau's colonial architectural heritage, including the Leal Senado, or Loyal Senate building.

Have a stroll around the square, then walk uphill to Macau's most famous monument, the church of Sao Paulo, construction of which began in 1602, and of which only the façade remains since a catastrophic fire in 1835. Built by Japanese converts to Christianity under Jesuit supervision, it remains one of Asia's most remarkable ruins.

Macau's unique atmosphere, however, is not just to do with monuments and buildings. The side streets of the Historic Centre, with their tiny cafes selling fragrant coffee and Portuguese pastries, and shops crammed with supposedly antique Chinese furniture, are a real repository of the old Macau, particularly if you crane your neck to look up from time to time at the rusty wrought iron on the balconies, decaying wooden shutters, and disintegrating pastel plaster. Equally absorbing are the city's gardens and the cemeteries where the history of the town is simply and movingly recorded on the headstones.

The Cemiterio Protestante in the Camoes Garden area is perhaps best known as the final resting place of George Chinnery, the greatest Western painter of South China Coast scenes and portraits of the 19th century, but the epitaphs of the less famous record many early deaths from now curable diseases or accidents aboard ship or ashore. For centuries life here was harsh and often brief, but the cemetery is nevertheless a serenely restful place.

Macau's gardens are also known for their easy tranquillity, and perhaps the finest is the Jardim Lou Lim Ieoc, modelled on classical Chinese lines with its carp ponds, pavilions and bamboo groves, but also including, in the best Macau tradition, elegantly integrated European elements.


The same delicate balance of East and West is nowhere better reflected than in Macau's unique cuisine. Macanese is arguably the world's first true "fusion" food – simmered over centuries like a good stew in which a huge array of flavours and aromas gradually resolve.

No simple combination of just China and Portugal, Macanese food involves home cooking unique to this town, and integrates Chinese kitchen ideas and ingredients with influences from the whole of what was the Portuguese empire, including many exotic herbs and spices. It includes modified specialities from Africa, Goa and Brazil as well as from Portugal and Guangdong Province, including such enduring favourites as intensely spicy African Chicken, Macanese Chilli Prawns and Tamarind Pork.

Two of the best places in town for authentic Macanese food are A Lorcha and Litoral which both serve a combination of Macanese and Portuguese dishes. A Lorcha is known for its curried crab, clams with coriander and a creamy dessert known as Serradura. Litoral's crab speciality is oven baked crab meat,

cooked in the shell, coated with golden breadcrumbs, and served with a couple of black olives set into the crisp crust so as to resemble eyes. Other house favourites include succulent stewed duck and spicy-hot African chicken.

Purely Portuguese cuisine also thrives in Macau, and the perfect setting in which to enjoy it is the restaurant of the Clube Militar de Macau on Avenida da Praia Grande – worth visiting not just for the food but for its immaculately preserved colonial era ambience. Built in 1870 and originally an officer's mess for the Portuguese military, it is now a private members' club but the dining room is open to the general public. The local Portuguese still like to congregate there, particularly for lunch on Sundays. With its lazily rotating ceiling fans and polished wooden floor, the restaurant epitomises a particularly Portuguese style of gracious living.

Today, Macau has a plethora of new, fashionable and up-market restaurants. But behind all the glamour and the glitz, the old Macau remains, and perhaps the real anomaly in its history was that "sleepy" period. In the words of the UNESCO description of the Historic Centre: "It bears witness to one of the earliest and longest lasting encounters between China and the West based on the vibrancy of international trade." 

HUTCHISON IN MACAU

AS A SUPPLIER of both goods and services, Hutchison has a long history in Macau and continues to make important contributions to the city's development. While respecting and complementing the town's traditional heritage, innovation has played a key role in many of the company's successes.

Hutchison Telephone (Macau) Company Limited is well established, offering superior voice, data, IDD and roaming services through its GSM dual-band network and Macau's first 2.5G GPRS high-speed network. Hutchison Telephone connects Macau to more than 180 countries around the world, with state of the art services which include GPRS roaming.

The company was also the first operator to launch a WAP service, Hutchisonworld, which allows mobile users to browse online via their WAP handsets, as well as Macau's first Multimedia Messaging Service.

Watsons was the first international chain to establish itself in Macau more than 20 years ago and now operates a total of eight stores there. In 2006, the company opened a new flagship store on historic Senate Square. The store has set new standards for health and beauty retailing in a rapidly growing market.



THE MOST DESPERATE CALLS come in the dead of the night, the time when distraught, distressed and depressed people are at the end of their tether and feel they have nowhere else to turn. They are alone and without hope.

Their problems range from gambling debts and business worries to love affairs, but the most common issue is marital discord. The economic downturn has made matters worse, increasing pressure on family finances and deepening rifts that may already exist in troubled marriages.

But help is always at hand. Founded in 2001, the Caritas Family Crisis Support Centre is the first of its kind in Hong Kong, providing telephone hotline services for those in need.

“We are often the last chance for people who are in despair and want to take their own life or do something drastic,” said Angie Lai, the organisation’s Head of Family

Services. “The first job is to calm them down, give them hope and show them that there are resources in the community that can help them. The middle of the night is often the time when people reach their lowest point. That’s why it is so important to have a professional social worker available 24 hours a day, seven days a week.”

Today, round-the-clock service from the Catholic charity is possible thanks to financial support from the Li Ka Shing Foundation that has helped the centre double its manpower, move into new offices and add new hotlines. The enhanced Caritas Family Crisis Line & Education Centre was launched on 15 April 2008. As well as adding specialised hotlines covering marital affairs, children’s issues, love and addiction, the new centre also offers



LIFE SUPPO



support group services and community education.

With increased manpower and upgraded facilities, the number of calls handled by the centre has tripled, resulting in more timely responses to those in need. The centre often refers callers to other services and professionals such as the police, hospitals and welfare units for further help and treatment.

“We get calls from people of all sorts of different ages and backgrounds but the majority of our cases are about marital relationships, especially affairs,” said Ms Lai. “The financial crisis has made things worse for a lot of people. People have more worries about business failures and debt. When the economy is bad we get more calls as worries about money also cause more marital conflicts.



RT SYSTEM

The Caritas hotline is always there for those in need
By Jon Marsh

She recalled one particular case the centre had dealt with recently involving a middle-aged couple who both had small businesses. The husband ran a factory in Mainland China with his younger brother and the wife owned a beauty salon.

“Both businesses were forced to close because of the downturn and the husband found himself in debt and became depressed,” said Ms Lai. “The wife then discovered that her mother and sister were seriously ill and she was also worried about her son, who was dyslectic and was struggling at school. She also felt the husband’s younger brother should share the responsibility for the debts he was facing.

“The relationship deteriorated and she became very depressed, so she rang the hotline. We advised her to come to our centre and discuss her problems. We then arranged for the husband and wife to attend a financial management workshop that also helps to resolve conflicts between couples.

“The fact that they sat down and discussed their problems helped them to communicate better and the couple began to show mutual understanding. The marriage was saved. They were so grateful that they wrote a letter to thank us. As they have experience of running their own businesses,

the husband and wife were very impressed to hear that the services provided by the centre were the result of a donation from a foundation funded by another businessman – Li Ka-shing.




“When people thank us it is the ultimate satisfaction and keeps the social workers going. It is a difficult job always talking to depressed, angry people.”

Ms Lai also recalled another case when a suicidal young woman rang the hotline. After several conversations with a social worker it emerged that she had been the victim of sexual abuse when she was a child. She had told no one and the sense of shame and anger had festered for years. After sharing her burden, the woman decided that life was worth living and the centre was able to refer her to the appropriate service for further counselling.

“This case was an example of how important it is to gain the trust of the caller,” said Ms Lai. “It takes time to build a relationship so people are willing to talk about things that have been hidden for a long time. There’s a lot of shame. This is where the hotline is so good.

People are more willing to talk about sensitive subjects over the phone especially when they do not have to reveal their identities. Once we know what the problem is we can refer people to medical or social services where they can get long-term help if needed.”

The centre is also subvented by the Social Welfare Department, reflecting the benefits of public-private partnerships. While the Foundation provided financial aid, Mr Li’s companies supplied technical support on website design, the telephone system and hotline recording.

The overall result is clear – an improved, expanded operation that can help more people in need of these important services. 

Clockwise from left: Hard at work in the centre’s new offices; answering a call on the hotline; problems range from gambling debts and business worries to love affairs and marital discord.



THINKING SMALL

Micropayments made easy

By Michelle Park



IN JUNE 2004, an article in *The Observer*, an up-market British Sunday newspaper, peered into a crystal ball and predicted huge changes in the way people make small purchases. In 2010, the report suggested, you would be able to buy a coffee from a vending machine by waving a mobile phone in front of a scanner, with details of the purchase appearing on your next phone bill.

The newspaper article was right about the trend but wrong about the geography and the date. This type of purchase is not

yet possible in Britain but it is already commonplace in Japan, pilot schemes are in place in Singapore and later this year consumers in Shanghai will be able to use mobile phones to make purchases for leading brands of fast food and coffee.

In fact, the move away from using cash for small purchases – or micropayments as they are commonly called – is accelerating, largely as a result of developments in Asia. And while the use of mobiles may be the latest manifestation of the trend, it is essentially



being driven by the increase in pre-paid contactless smartcards.

In Hong Kong, the Octopus card is one such example. Launched in 1997 to pay fares on the city's burgeoning mass transit rail system, the Octopus card can now be used on virtually all the city's public transport networks and in convenience stores, supermarkets and fast-food restaurants as well as for parking metres, car parks and other point-of-sale applications such as service stations and vending machines.

With its high-density urban population and compact geography, Hong Kong is perhaps the perfect model for these types of cards. Banks have been quick to see the benefits for customers and have produced their own cards, and now the co-branded DBS Bank and Hutchison Whampoa Limited ComPass Visa card is joining the club.

Selected ComPass Visa cardholders will be able to make purchases of up to HKD500 (USD64) at a wide range of retail outlets, including Hutchison group stores such as PARKnSHOP, GREAT, TASTE, Watsons and Watson's Wine Cellar, and other retailers, by simply holding the card in front of a scanner.

The benefits are obvious. The transaction takes place in the blink of an eye – there's no fumbling for cash or waiting for your card to be swiped and then having to sign the credit card slip.

"It's a growing trend in the Asia Pacific. The whole retail industry is moving in the direction of a cashless society," said Bernard Chan, Senior Vice President of ComPass Visa. "Our research in Hong Kong shows that more than 70 per cent of purchases made by Compass Visa customers are for less than HKD500. The technology is advanced, secure and very convenient. The card saves so much time for both the customers and the merchants. It's what people want and customers can check their purchases and transactions on their credit card statements.

"When customers make micropayments they also enjoy all the same cash rebate reward. We think using the credit card for a lot more low ticket items will become a habit, especially as the same loyalty programmes and merchant discounts apply."

Cardholders simply place their cards in front of a secure reader at the checkout counter. The card utilises the latest Visa payWave technology which uses a Europay MasterCard Visa (EMV) chip to securely store and encrypt confidential information. An EMV chip is virtually impossible to copy and uses RSA public key algorithms with up to 1984-bit keys that uniquely identifies each transaction. No two cards share the same key, and the key is not transmitted.

"When payWave cards were first launched in Hong Kong, there were some customers who were concerned about security. But with our Lost Card Total Protection Service, customers are protected and are totally free from liability for unauthorised transactions. We also offer a 24-hour customer hotline for their peace of mind," said Mr Chan.

Payments are made via radio frequency, much like those used in mass transit environments. A Visa payWave card has an an-

tenna embedded in the card plastic. By simply holding the card to the reader, the chip in the card allows the instant transfer of information. The cardholder's account is charged, and the purchase is processed in the same manner as a swiped transaction.

This saves consumers valuable time. Watsons in Taiwan said that Visa payWave reduced queuing time by 77 per cent in its

outlets. According to Visa, the average transaction by credit card takes 25 to 35 seconds, cash 12 to 14 seconds and Visa payWave four to six seconds. Contactless payments are also more secure – the card never leaves the cardholder's hands, thereby reducing the opportunity for the card to be skimmed.

Globally, the move away from cash to contactless smart cards is gathering speed. Huge steps have been made in the United States and

Europe in recent years and a quick glance at the Contactless-News Website shows that the process is also gathering steam in less developed markets. PayWave cards are now available in Tbilisi, Georgia!

So, while society may never become entirely cashless, it seems almost certain that it will play an ever decreasing role in day-to-day life in developed, urban society.

The chip in the card allows the instant transfer of information



Left: Consumers are moving away from using cash for small purchases such as a cup of coffee. Above: Selected ComPass Visa cardholders will be able to use Visa payWave to make purchases of up to HKD500 at a wide range of retail outlets, including GREAT.

Let there be Light

HONGKONG ELECTRIC has been maintaining street lamps in Hong Kong since 1890. Before that, the city had to rely on gas lamps – four are still used on Duddell Street, Central.

Then... At precisely 6 pm on the evening of 1 December in 1890, Hong Kong's first street lights were turned on in Des Voeux Road, Central. At the time, the city was one of only a few places in Asia to have electric street lamps. They were 11 metres high with a hat-shaped lampshade and had to be switched on manually.

Now... With advanced technology, the designs have improved along with bulb durability and energy efficiency. Today, street lights are controlled by a photo-electric system which ensures that they are switched on and off according to a pre-determined luminous intensity. Hongkong Electric has always supported the application of renewable energy and has installed eight solar photovoltaic (PV) street lights at Lamma Power Station. Solar energy generated by PV panels is stored in batteries during daytime and supports around eight hours' operation at night.

