

SPHERE

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Leader of the Pack

S P H E R E

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Cover: *PARKNSHOP is replicating its winning formula across Hong Kong and China. Photography by Gary Chan.*

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Hutchison Whampoa Limited





HUTCHISON UPDATES News bites

CORPORATE

Half-Year Results

Hutchison Whampoa Limited recorded an unaudited profit attributable to shareholders for the half year ended June 30, 2001 of HK\$7,193 million (about US\$922 million), compared to HK\$31,126 million in the same period last year. Earnings per share were HK\$1.69, down from HK\$7.30.

The interim dividend was HK\$0.51 per share (HK\$0.51 in 2000).

69% of profits were generated outside Hong Kong.

Turnover totalled HK\$43,402 million, a 5% increase over the comparable period last year. Total EBIT was HK\$11,201 million, a 7% increase, reflecting growth in the Energy & Infrastructure businesses.

Profits on the disposal of investments less provision totalled HK\$1,900 million (HK\$25,520 million in 2000) comprising HK\$30,000 million profit realised upon the merger of **VoiceStream** with **Deutsche Telekom**, from which the Group received cash of approximately US\$885 million and a 4.9% equity interest in Deutsche Telekom, less a HK\$28,100 million provision for the effect of share price and exchange rate fluctuations on the Group's investments in **Vodafone Group** and Deutsche Telekom.

Full results are available at hutchison-whampoa.com/eng/investor.htm

HWL Acquires ICG Asia

Hutchison has assumed control of **ICG Asia** following a joint purchase with **Reading Investments** of a 53.8% stake from **Internet Capital Group**.

HWL and Reading made a voluntary conditional cash offer in June to acquire all the remaining issued shares along with outstanding ICG Asia warrants.

The offer comprised HK\$0.25 (about US\$0.03) in cash for each ICG Asia share and HK\$1 for each warrant.

Hutchison paid HK\$520.6 million for a 37.1% stake, while Reading paid HK\$234.1 million for 16.7%. Before the deal, Hutchison held 13.3%, taking its total stake to 50.4%. Shares in ICG Asia — whose core business is property investments,

NOTED

Hutchison has been ranked 96 in **The BusinessWeek Global 1000**, published in July — up from 109 in 2000.

The Group has also been named **Best Conglomerate** and received the **Best Logistics** award in the fourth annual **Global Finance Best Asia Pacific Companies Awards 2001**, which rates Asia Pacific companies from 25 industrial sectors.

manufacturing and trading toys — rose 24.73% to HK\$0.58 on June 21 after the deal was announced — a paper profit for Hutchison of HK\$687.1 million, or 131%.

Social Responsibility Recognised

Hutchison has been included in the **FTSE4Good** index series, raising the Company's profile as a socially responsible corporate entity.

The index series was established by top indexing firm **FTSE** in response to market demand for a recognised global benchmark for socially responsible investors.

Hutchison was ranked 65th out of 100 companies in the **FTSE4Good Global 100 Index**, which went live at the end of July.

Hutchison is the only index constituent from ex-Japan Asia, with the majority of companies based in Europe and the US.

To qualify for inclusion, companies that are already part of the FTSE constituent universe indices must meet a stringent set of criteria focusing on environmental sustainability, upholding and supporting universal human rights and developing positive relationships with stakeholders.

HWL Raises Stake in Priceline

Hutchison and **Cheung Kong (Holdings)** (CKH) have increased their stake in US-based **priceline.com** by purchasing an aggregate of 25,028,023 shares from priceline's founder Jay S. Walker and his trust.

As a result of this transaction, each company holds approximately 15% (a combined 30%) equity interest in priceline.com.

CKH and Hutchison will receive two additional seats on priceline.com's board, bringing the total to three.

Priceline.com meanwhile reported record revenues of US\$364.8 million for Q2, 2001, up from US\$352.1 million in the same period last year. Pro forma EBITDA was US\$13.9 million with a pro forma net income of US\$11.7 million.

HUTCHISON WHAMPOA LIMITED



Hutchison Whampoa Limited (HWL) is the holding company of the Hutchison Whampoa Group of companies with origins dating back to the 1800s.

It has a current market capitalisation of approximately US\$40 billion. HWL is also part of the Li Ka-shing group of companies, which together account for about 15% of the total market capitalisation of the Hong Kong stock market.

In 2000, consolidated turnover (including associates) was over US\$10 billion, and consolidated net profit was approximately US\$4.4 billion.

With close to 100,000 employees worldwide, the Group operates five core businesses in 34 countries: Ports & Related Services; Telecommunications & e-commerce; Property & Hotels; Retail & Manufacturing; and Energy & Infrastructure.

Website: hutchison-whampoa.com

TELECOMS

H3G Chooses Partners

H3G has chosen **Ericsson** and **Siemens-NEC** to build its 3G-infrastructure network.

H3G, which is 78.3% **Hutchison**-owned, will become the first operator in Italy to start construction of a broadband mobile network entirely designed according to the IP (Internet Protocol) standard.

Ericsson will also build the core fixed network infrastructure as well as 45% of the radio access components with Siemens-NEC building 55% of the radio access components.

An estimated 2,000 sites will be on air in the summer of 2002. These are expected to increase to more than 7,500 by 2006.

On the Ball

Hutchison 3G UK, holder of the UK's largest 3G mobile phone licence, has secured the rights to provide **Premier League** content to mobile phones and wireless devices. Under the agreement, Hutchison 3G will hold Premier League football rights for all mobile technologies until

July 2004, enabling Hutchison 3G to provide top-level football content to customers in the UK and Ireland.

Software Partners Selected

In separate deals, Hutchison 3G has selected several software suppliers to enhance its services.

• **Chordiant Software**, a leader in CRM (Unifying Customer Relationship Management) solutions, will provide multi-media customer interaction management.

• **TIBCO Software** will supply its TIBCO ActiveEnterprise™ product suite, providing EAI (Enterprise Application Integration), data messaging and business process management — a messaging solution that can cope with more than 100,000 messages per second.

• **Intec** will supply two products. Inter-mediate facilitates 'convergent

mediation,' allowing Hutchison 3G to acquire information, including multimedia messaging and location based services, over its advanced 3G networks. Interconnect facilitates 'intercarrier billing,' enabling Hutchison 3G to bill partners and carriers for providing these services.

Leading the Way

Partner continues to pioneer communications technologies in Israel with the launch of a range of advanced new services. The latest offerings include:

- **GPRS** (General Packet Radio Service) — allows customers to be permanently connected to the network via their handsets, with access to video streaming, Web-browsing, e-mail, file transfer, chat applications and animation downloads.
- **InrU** — allows customers to benefit from person-to-person information and m-commerce services based on the relative proximity of users to each other and/or points-of-sale.
- **ICQ SMS** — provides the ability to send and receive SMS messages instantly via the Web to the customer's handset.
- **Song4u** — enables subscribers to order a variety of songs which can then be sent to other subscribers, accompanied by a personal greeting.

Handset Suppliers Named

Motorola and **NEC Corp** have been separately named as preferred suppliers of 3G devices to **Hutchison's** key markets in Australia, Austria, Italy, Sweden and the UK.

The agreements ensure Hutchison will have customised handsets to launch 3G services in 2002 in all its markets, as planned.

The handsets will support multi-media capabilities and feature constant connection to the Internet, allowing seamless transition among 2, 2.5 and 3G systems.

Bearing Fruit

Subscriber numbers multiply



PARTNER REPORTS A PROFIT

ISRAEL

Partner Communications has for the first time reported an operating profit.

In its Q2 results for the period ended June 30, Partner reported that revenues increased to US\$191.3 million, up 67% from US\$114.4 million in the same period last year.

Operating profit rose to US\$10.7 million from an operating loss of US\$33.3 million.

EBITDA was US\$42.5 million, an improvement of US\$49.4 million over the US\$6.9 million negative EBITDA posted for Q2, 2000.

Gross profit was US\$13.1 million, or 7.8% of revenues, compared to a gross loss of US\$12.4 million in the same period last year.

The subscriber base soared to 1,147,000 compared to 504,000 a year ago, while Partner's market share increased to 22%, up from 15%.

10 Billion Calls

HONG KONG

Hutchison Telecom (HCHK) in July celebrated delivery of more than 10 billion calls in the past six years over the **Orange** network.

HCHK is Hong Kong's largest mobile network with over 1.7 million users, handling 12 million calls per day and with international roaming coverage to 158 countries and regions around the world.



Orange 加大碼覆蓋銅鑼灣

Newsbites



TEL AVIV LISTING

ISRAEL

Broadening its access to investors, **Partner Communications** began trading on the **Tel Aviv Stock Exchange** on July 3. The Company is already listed on both the **Nasdaq** and **London Stock Exchange**. Effective August 1, Partner has also been included in the **Tel Aviv 25 Index** and the **Tel Aviv 100 Index**.

Deals Down Under

AUSTRALIA / NEW ZEALAND

HWL, Hutchison Telecommunications (Australia) (HTAL) and Telecom Corporation of New Zealand (TCNZ) have formed a strategic alliance aimed at taking a significant share of the Australian mobile market through the early launch of 3G services and to reinforce TCNZ's continued mobile market leadership in New Zealand.

The alliance, announced in May, will result in the formation of a dedicated new operating company in both Australia (**Hutchison 3G Australia**) and New Zealand (**Telecom 3G**) focused on 3G products and services.

Key features, Australia:

- A\$1 billion (about US\$510 million) of new equity will be invested in Hutchison 3G.

- TCNZ will subscribe A\$250 million for a 19.9% stake.

- A\$750 million of additional equity funding has been committed (A\$600 million to come from HTAL and/or HWL and A\$150 million from TCNZ).

Hutchison 3G will own the 1800 MHz and the 2.1 GHz spectrum licences contributed by HTAL.

Key features, New Zealand:

- HWL has an option to acquire 19.9% of Telecom 3G for NZ\$250 million (about US\$102 million) exercisable 12 to 24 months after commercial launch of 3G services in New Zealand.

- Telecom 3G has entered into agreements with HWL to operate under HWL's global 3G brand and to have access to HWL's 3G content, products and technologies.

3G Vendor Contracts

AUSTRALIA

Hutchison Telecommunications (Australia) (HTAL) has contracted **Ericsson Australia** to supply and install a 3G infrastructure network in and around Sydney, Melbourne, Brisbane, Adelaide and Perth. The contract price is A\$830 million (about US\$423 million), to be paid over four years, and the network will be launched by early 2003.

Additionally, **Motorola Australia** will provide its radio access network in the Sydney and Brisbane licence areas.

Ericsson and Motorola have also committed to supply 3G devices while broadband company **ADC** has been appointed to supply its SingleView billing system for HTAL's future 3G requirements.

Swedish Alliances

SWEDEN

In Sweden, **Ericsson** has been selected by **Hutchison** subsidiary **Hi3G Access** to supply its core 3G network as well as 50% of the infrastructure for base stations.

In the meantime, **Orange** has signed a letter of intent to become a third partner of **3G Infrastructure Services**, the company formed by **Hi3G** and **Europolitan Vodafone** to provide 3G infrastructure for 70% of the Swedish population.

The arrangement will significantly reduce costs for all three 3G licence-holders who will retain their operating independence.

Hi3G aims to provide full population coverage in Sweden before the end of 2003.

HGC in Guangdong Alliance

CHINA / HONG KONG

Hutchison Global Crossing and **Guangdong Telecom** are cooperating to strengthen development of the Guangdong-Hong Kong International Private Leased Circuit (IPLC) Service with the aim of providing dedicated, point-to-point inter-regional communication solutions for businesses in the two regions.

Licences Boost India Footprint

INDIA

Hutchison Telecommunications has successfully acquired three more licences to operate mobile phone services in India. The licences cover Karnataka, which includes Bangalore, and Chennai and Andhra Pradesh, which includes Hyderabad, at a total cost of US\$98.5 million.

The acquisition was made as part of the Indian Government's auction of 4th mobile phone licences, through **Barakhamba Sales & Services Ltd**, the Group's joint venture company with the **Essar Group**.

The additional licences complement Hutchison's existing holdings in India's mobile business, which include coverage of Mumbai, Delhi, Calcutta and the Gujarat Circle. In total, Hutchison's footprint will cover 230 million people — or 23% of the country — and 50% of its purchasing power.

Macau Mobile Service Launched

MACAU

Hutchison Telecom Hong Kong in August launched its GSM dualband mobile service in Macau, providing coverage in over 99% of populated areas. The service offers comprehensive voice, data and international roaming services, as well as wireless Internet services through "Hutchisonworld".



E-COMMERCE

TOM in Top Sports Slot

Riding on promotional opportunities of the Beijing 2008 Olympics, **TOM.COM** (TOM) has signed a letter of intent with **China Sports Industry Co. (CSIC)** on the establishment of a 50-50 joint venture.

The JV will seek to secure commercial and TV broadcasting rights, and will explore opportunities in representing famous Chinese athletes. It will also participate in the news dissemination and related consultancy services of the 2008 Olympics.

Earlier, TOM signed a deal with the **Chinese Gymnastic Association** to organise performances by the Chinese National Gymnastic Squad and be responsible for its marketing and commercial activities.

Last year, TOM invested in **YC Companies**, a leading sports event organiser which holds commercial rights for China's national table-tennis tournament, volley ball league, bowling championships and the inter-college football league.

Through **YC Companies**, TOM in August secured a three-season contract for the commercial rights of the **Chinese Basketball Association's** League A games.

Cross Media Strategy
TOM has signed an agreement with **PC Home** and **Cité Publishing (Cité)** — respectively Taiwan's largest magazine and book publishers — to jointly form a new company.

Under the deal, TOM acquires a 49% interest in **Newco**, which aims to develop into the largest Chinese media platform in the Greater China Region.

Additionally, TOM has formed a joint venture — **CNPIT TOM Culture** — with **CNPIEC Information Technology**, a subsidiary of **China National Publications Import & Export (Group) Corp** to jointly develop publishing businesses in China.

TOM has also purchased controlling stakes in **Beijing Yanhuang Times Advertising Corp**, **China Media Network**, **Tianming Advertising Co**, **Qilu International Advertisement and Qingdao Chunyu Advertising Co**. With these five acquisitions TOM has built the largest outdoor media network in China in terms of asset scale, revenue and profitability.

Enhanced Online Service
Adding value to its online business, TOM has launched the **TOMNET** Internet access card. Offered in conjunction with **China**



TOM has become China's leading sports marketing and event organiser.

Unicom, China Netcom, 263.net and **Gosun Online**, **TOMNET** is a virtual Internet Service Provider (ISP), providing local telecom operators with an open, shared Internet platform that offers a choice of ISP access and value-added services.

Results
Announcing its Q2, 2001 results, TOM reported that revenue increased 89% over the previous quarter to HK\$145 million (about US\$18.6 million). Offline media revenue rose 101% to HK\$113 million, boosted by strong performance in sports and outdoor marketing businesses. TOM's online media revenue increased by 55% to HK\$32 million.

TOM achieved a gross profit margin of 49%. Its loss before interest, taxation, depreciation and amortisation was reduced by 15% to HK\$47 million.

On a year-on-year basis, revenue for the six months ended June 30, 2001 amounted to HK\$222 million, an increase of approximately 36 times from HK\$6 million in the corresponding period in 2000. Operating loss in the first half of 2001 was at HK\$119 million, down 40% from HK\$198 million year on year.

Added Services for Investors

Online broker **Hutchison CSFBdirect** has introduced three new services that offer clients enhanced flexibility, liquidity and accessibility.

- The Monthly Purchase Plan (MPP) provides clients with a flexible programme through which they can invest in a range of products with a monthly minimum investment of HK\$1,500 per product.

- Clients can also take advantage of the Order Dollar Limit (ODD) facility allowing them to purchase qualified Hong Kong and US stocks equivalent to up to two-and-a-half times the approved asset value of their account.

- Accessibility will be further enhanced with the Short Messaging System (SMS) which keeps clients in touch with their accounts through their mobile phones.

RETAIL & MANUFACTURING

Retail Therapy

Former US President **Bill Clinton** caused a stir when he visited **New Horizons Duty Free** shops at Hong Kong International Airport on May 11, 2001, on his way home after the Fortune Global Forum held in Hong Kong. "He purchased a Heng Ngai Topaz ring and a Montblanc pen," staff members said. The 25 retail outlets are operated by **Nuance-Watson**, a joint venture between **A S Watson** and **The Nuance Group** of Switzerland. Thank you, Mr Clinton.



Tireless Workers

The **Watson's Water** production line has become the fastest in the world thanks to the introduction of four "Robotic Arms" which can handle about 3,300 bottles per hour. The "arms" can be programmed to follow different pre-set functions and can follow a set repetitive positioning path to move objects efficiently and accurately, saving 85% of production space. In addition, all the key quality measurements can be monitored on a real-time basis in Watson's QA department and production office.



Pharmaceutical Venture

Hutchison has set up a 220 million yuan (about US\$26.5 million) joint venture **Shanghai Hutchison Pharmaceutical**, a 50-50 investment with municipal-owned **Shanghai Pharmaceutical** in Shanghai, to produce traditional Chinese medicine.

A similar joint venture, **Hutchison Healthcare**, was set up in March with **Guangzhou Masson**, with Hutchison holding an 80% stake in the 245 million-yuan enterprise.

Newsbites



Husky Earnings Soar

Husky Energy posted earnings of C\$254 million (about US\$165 million) for the second quarter 2001 (C\$0.60 per common share) — an increase of 4.6 times over earnings of C\$55 million in Q2, 2000.

Cash flow from operations increased 2.6 times to C\$561 million (C\$1.33 per common share) from C\$219 million in Q2, 2000.

Sales and operating revenue of C\$1.7 billion in Q2, 2001 increased 71% over Q2, 2000 levels.

Daily production of light, medium and heavy oil and natural gas averaged 264 mboe/day during Q2, 2001, up 2.1 times over the same period last year.

The quarterly dividend was C\$0.09 per common share.

Acquisition Trail

Husky Energy, through its subsidiary **Husky Oil Operations**, has acquired two new companies: **Avid Oil & Gas** and **Titanium Oil & Gas**.

Avid produces approximately 5,800 barrels of oil equivalent (BOE) per day and has 11.6 million BOE of proved reserves, as well as approximately 100,000 acres of undeveloped land in Alberta province.

ENERGY & INFRASTRUCTURE

The Titanium acquisition will bring 2,200 BOE of daily production and 5.6 billion of reserves, as well as approximately 3,000 hectares of undeveloped land in Saskatchewan province.

China Alliance

Husky Oil China has signed an agreement with **China National Offshore Oil Corporation (CNOOC)** to explore and develop the Wenchang 39-05 oil field block in the South China Sea.

Husky, as operator, has undertaken to drill three exploration wells over a seven-year period. CNOOC has the right to participate in development programmes with a 51% interest, while Husky would have the remaining 49% interest.

This exploration block is in the same area as the Wenchang 13-1 and 13-2 fields already being jointly developed by Husky (40% interest) and which are expected to come on stream during the first half of 2002.

Husky meanwhile has launched the hull of *Nambai Endeavour*, the FPSO (floating, production, storing and offloading vessel) which will play a vital role in the development of the Wenchang oil fields.

CKI Results

Cheung Kong Infrastructure (Holdings) (CKI) recorded an unaudited consolidated net profit after tax for the first six months ended June 30, 2001 of HK\$1,509 million (about US\$193.46 million), an 8% increase over the comparable period last year. Earnings per share were HK\$0.67 compared to HK\$0.62 last year. The interim dividend was HK\$0.21 per share.

CKI IN BIOMETRICS VENTURE

Cheung Kong Infrastructure (CKI) has formed a joint venture with **Coulomb Holdings** to target the booming biometrics market. Biometrics uses facial, fingerprint, retina, palm and voice recognition for security, law enforcement and identity verification systems.

Named **BioSecure Systems**, the new company has signed an agreement with Canadian-listed **Imagis Technologies**, to distribute its line of law enforcement and facial recognition products across Asia Pacific.

BioSecure also has exclusive distributorship rights for fingerprint matching technology developed by **The Chinese University of Hong Kong**.

HEC Results

The unaudited consolidated profit of **Hongkong Electric Holdings' (HEC)** core business, after tax and Scheme of Control transfers, for the first six months of 2001 was HK\$2,035 million (about US\$260 million), representing growth of 3.7% over the same period last year. The Company earned an exceptional one-off gain on the sale of the retail division of **Powercor Australia** plus unaudited profits from other activities together totalling HK\$428 million.

The interim dividend was HK\$0.56 per share, an increase of 3.7% compared with HK\$0.54 the previous year.

HEC earlier signed a HK\$4.5 billion dual tranche loan facility with 18 international banks, to be used for HEC's general corporate funding requirements.

PROPERTY & HOTELS

AT HOME ON THE BEACH

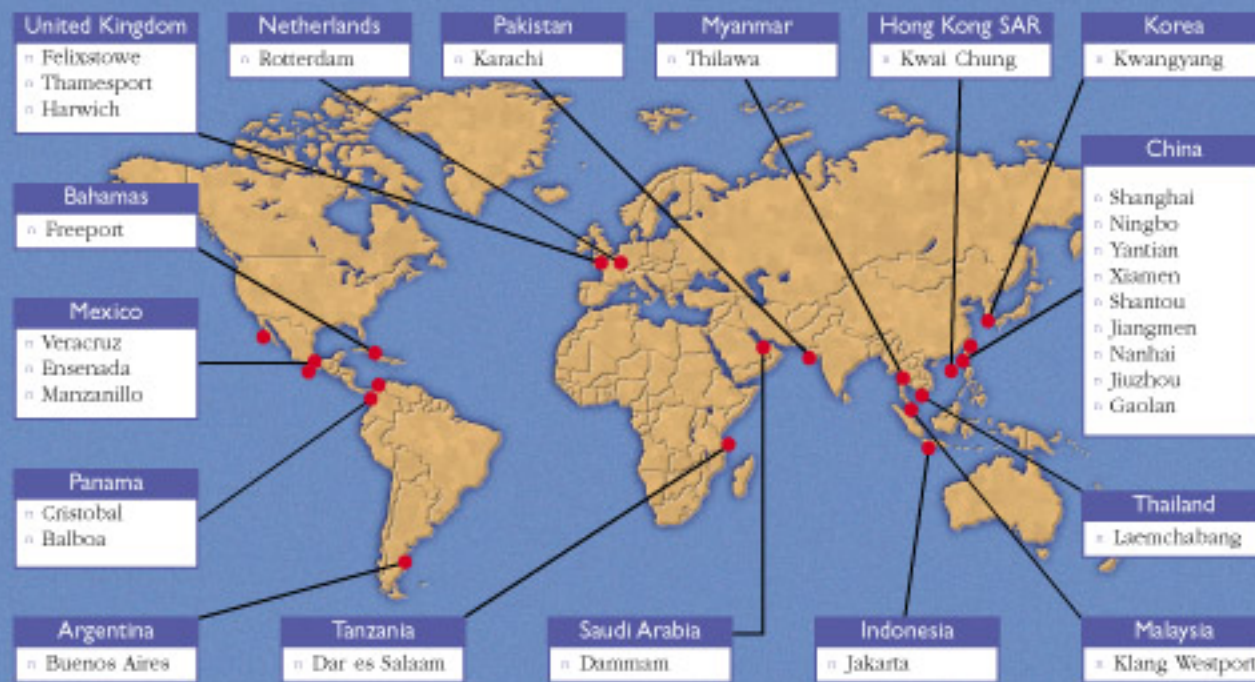
The **Costa del Sol** residential development in Singapore is poised to become a landmark address following its June launch. Jointly developed by **HWL** and **Cheung Kong (Holdings)**, the distinctive 906-unit, seven-tower complex offers sunrise views over the South China Sea and many other attractions including several swimming pools, water slides, a golf putting green and driving courts, and even a man-made beach.

Perfect Balance

More than 100,000 people gathered at **Hutchison-owned Chongqing Metropolitan Plaza** to enjoy the May Festival activities, which included breathtaking shows such as this high-rise tightrope walk. The Chongqing Metropolitan Plaza is a 2-million-sq-ft development in central Chongqing, China, combining a shopping mall, office tower and hotel.



HPH Global Ports Operations



PORTS

HPH Extends Portfolio

Hutchison Port Holdings (HPH) has added eight ports to its operations following an agreement in May with Philippines-based **International Container Terminal Services (ICTSI)** to acquire **ICTSI International Holdings Corp (IHC)**, the overseas port development and holding subsidiary of ICTSI.

The IHC operations are in Mexico, Argentina, Saudi Arabia, Pakistan, Tanzania and Thailand with a total of 23 container and general cargo berths. The eight ports under IHC are: 1) Buenos Aires Container Terminal, Argentina; 2) Ensenada International Terminal and Ensenada Cruiseport Village, Mexico; 3) Internacional de Contenedores de Asociados de Veracruz, Mexico; 4) Terminal Internacional de Manzanillo, Mexico; 5) International Port, Saudi Arabia; 6) Karachi International Container Terminal, Pakistan; 7) Tanzania International Container Terminal, Dar es Salaam, Tanzania; 8) Thai Laemchabang Terminal, Thailand.

Development Deals

HPH has signed deals to develop two ports in China and another in Korea. Hutchison will jointly develop Phase III of **Yantian International Container Terminals** in the Southern Chinese city of Shenzhen, with an effective interest of less than 49%.

HPH announced earlier that it had signed an agreement with China's **Ningbo Port Authority** to jointly

operate and develop **Ningbo Beilun Port Phase II**, with a 49% interest.

Meanwhile, a consortium comprising HPH, **Hyundai Merchant Marine Co** and **Hanjin Shipping** has finalised an agreement with the **Korea Container Terminal Authority (KCTA)** for the rights to operate and develop Phase II of **Kwangyang Port**.

Under the terms of the agreement, the consortium will lease seven berths for a 30-year period and will have preferred rights to negotiate with KCTA to develop the Phase III container facilities.

The first stage of the Phase II project is scheduled for completion in 2002, with the second stage due to be operational in 2004.

HPH now operates a total of 162 berths in 29 ports around the world.

Reebok Teams up with LINE

Logistics Information Network Enterprise (LINE), the e-logistics division of HPH, and **Reebok** have entered into a partnership to jointly design, develop and pilot a supplier portal to address the unique requirements of the footwear and apparel industry.

LINE's Order Visibility Application (OVA) will allow Reebok to unlock value in its supply chain by linking its manufacturers, logistics service providers, and other business partners through an e-hub. OVA is an Internet-based solution comprising event management, workflow processing and auto messaging.

This follows the March launch of **Transact Link** by the Hong Kong Trade Development Council and LINE.

Transact Link is a system developed by LINE and accessible through telink.com and transactlink.net that enables Hong Kong suppliers to promote their goods to overseas buyers, complete trading and logistics documentation and conduct real-time business in a secure online environment.

RTGs Lift Balboa Operations

Hutchison-owned Panama Ports Company has purchased seven Rubber Tyred Gantry Cranes (RTG's) for the **Port of Balboa** container terminal.

The new cranes, manufactured by **Noel Crane Systems** of Germany, are capable of stacking containers one over five high and can straddle six rows of containers. With the August delivery, the Balboa Container yard is now serviced by a total of 16 RTG's.

SCT WINS INDUSTRY AWARDS

Shanghai Container Terminals (SCT), which is jointly invested by HPH and **Shanghai Port Authority**, has won four **China Freight Industry Awards (CFIA)**, namely: Best Container Port – Comprehensive Services; Best Container Port – Up-to-date Scientific Managing Level; Best Container Port – Transport Network; and Excellent Container Port – Highly Efficient Operations.

For the Record

A new **Harwich International Port** and East Anglia record was achieved when the port loaded a bulk grain export shipment of 27,112 tonnes onto the *msv Leasterman* between February 19-24, 2001.



WIRED TO THE WORLD

Hong Kong now enjoys cutting-edge connectivity thanks to Hutchison Global Crossing's ultra high-speed broadband network.

By Bilal Khan



Tony Chan didn't know how lucky he was. Working for a global investment bank in Hong Kong, he took the bank's speedy Intranet for granted and regularly used videoconferencing to conduct meetings with his office associates. At home, meanwhile, he could use his dedicated broadband line to download music and video from the Internet in a matter of seconds.

All this changed, however, when Chan was transferred to the bank's Chicago branch. Although one of the world's most connected cities, he soon learned that a slow network made videoconferencing impossible, while at his loft apartment the only available Internet connection was a dial-up service that would take over an hour to download a three-minute video clip. For Chan it was a depressing return to yesterday's technology.

This scenario may strike some as fanciful but is firmly rooted in reality. Chicago possesses a telecommunications infrastructure that pales in comparison to that of Hong Kong. The same, furthermore, can be said of London, Milan, Paris, Tokyo and Sydney. Despite their vaunted positions in the vanguard of global business, culture and style, the telecommunications networks of these cities are more 20th century than new millennium. Only New York's Manhattan district comes close to Hong Kong in terms of broadband penetration. The reason for this disparity in technology is largely due to the considerable efforts of Hong Kong's premier telecommunications provider, Hutchison Global Crossing (HGC).

With Hong Kong angling to become Asia's telecommunications hub — a position that many experts see as the Special Administrative Region's ideal role — HGC will undoubtedly be the driver behind its development. The company, formed in 1999 as a joint venture between Hutchison Whampoa Limited and backbone provider Asia Global Crossing (AGC), has set its sights firmly on reaching this target — so much so that CEO Peter Wong considers the issue almost moot.

"If Hutchison Global Crossing continues to develop its network, then Hong Kong will automatically become a hub in telecommunications," Wong says.

UNPARALLELED CONNECTIVITY

The network referred to is the key to the world-beating Internet and network speeds HGC is able to offer business and residential customers alike. Constructed from revolutionary fibre-optic cabling and stretching across the city through 2,000 km of ductwork, it allows the provision of significantly greater bandwidth, which enables the remarkable speeds that Tony Chan so missed when he moved to Chicago. Leveraging on both Hong Kong's geographical compactness and its high Internet penetration rates, HGC has been able to construct a network that is the envy of cities around the globe, where traditional copper wiring places severe constraints on network speeds.

"The reason why we're leading the world in this respect, is because of Hong Kong's unique topology," says Wong. "As it is a very small, compact place, we have been able to build a fully fibre-optic network relatively easily, compared with North America where you would need to lay miles and miles of fibre."

HGC's Broadband service is the most prominent beneficiary of fibre-optic technology. Offering Internet transmission speeds of 10 Mbps for both uploading and downloading data, HGC's service is significantly faster than the Hong Kong industry standard of 1.5 Mbps. Also, importantly, this speed is dedicated to each line, meaning that each household or business customer is guaranteed a speed of 10 Mbps. (In the past, broadband providers have been able to provide speeds of up to 10 Mbps, but with all the customers in each building sharing the service. Thus, if a building had two customers, transmission speed could drop to 5 Mbps each, and so on.)

Once you have experienced this kind of dedicated speed, it is difficult to return to a slower broadband offering or, worse, a plodding 56K dial-up service. The sheer range of applications is particularly attractive: The service is always on and extremely user-friendly — requiring only an Ethernet card and telephone socket to connect — and both residential and business users can take advantage of a number of services that are only realistically accessible with a HGC broadband line.



CHRIS SHARP

KILLER APPLICATIONS

For residential customers, the promise of digital media and interactive television are the key drivers behind broadband demand. Users can watch streaming video and download music tracks in a matter of seconds (a practice that fuelled the rise of websites such as Napster and Broadcast.com). Online gaming is another popular pastime that relies on high-speed broadband access, and Video on Demand (VoD) looks set to revolutionise

entertainment in the coming decade. Uploading sophisticated content on to the Internet, meanwhile, is becoming increasingly commonplace, and HGC's 10 Mbps-upload speed provides users with the ability to transmit complex documents, pictures and video in seconds.

HGC's Peter Wong is quick to point out that entertainment services are only one aspect of broadband's attractiveness. One "killer application", Wong says, is the Hutchison Global Crossing broadband school project, in which a number of schools have been provided with broadband connectivity at discounted rates (*see sidebar, below*). The advantages for both teach-

SPEEDS OF 10 MBPS FOR EACH CUSTOMER

ers and students are eye opening: using a high-speed school Intranet, students can send movie projects or music recitals, and engage in distance and remote learning courses.

For business users, high-speed Internet connectivity is just one aspect of the advantages HGC's fibre-optic network can deliver to the office. Wong draws an unusual analogy to illustrate the value businesses can derive from increased bandwidth.

"Bandwidth is just like opium," he says. "The more you have, the more you want and need it."

From such mundane tasks as storing e-mail to advanced applications like videoconferencing and multi-

LESSONS FROM SCHOOL

At Shatin Government Secondary School, Assistant Headmaster Allan Chan Yau is a great believer in developing his students' creativity. Unfortunately, for years he had been stymied by poor resources. Things began to change three years ago when the school was chosen to spearhead a Government pilot scheme to bring computers, the Internet and students together to enhance education in Hong Kong. With increased funding, Chan filled four labs with computer workstations. But his dream of seeing students learn in a fully networked interactive environment remained elusive, with inadequate bandwidth placing severe constraints on network speeds.

Enter Hutchison Global Crossing (HGC). Several months ago, the company started providing broadband connectivity to schools via its pioneering fibre-optic network. By offering schools substantial discounts on their 10 Mbps-bidirectional speeds, HGC has effectively revolutionised teaching and learning at a number of pilot scheme schools.

These days Chan is a much happier man. The increased bandwidth has opened up a whole new world of project-based learning applications for his students. For example, in addition to researching the subject and downloading images from the Internet, students now use one of the school's digital video cameras to shoot video clips for their projects. Once they are finished they can present the project to teachers and their peers by uploading it onto the school Intranet, utilising HGC's superior broadband speeds. Chan believes that this kind of multimedia technology is key to student development.

"We teach students how to make films because we believe it is a very effective tool to develop their potential creativity," he says. In addition, Chan has found that English language skills in his school are improving. With students becoming increasingly conversant in making complex, colourful multimedia presentations to teachers and fellow students alike, their confidence and communication skills have increased.

Peter Wong, CEO of Hutchison Global Crossing, believes that educational initiatives like this are a "killer application" for the

media advertisements, HGC's fibre-optic technology provides the necessary medium to deliver the requisite levels of bandwidth to corporate customers. Consequently, HGC's broadband network supports a wide range of high-speed data services for wholesale customers such as mobile operators and Internet Service Providers. These dedicated lines are also leased by large corporations for their private communication networks, and provide the highest bandwidth levels currently available in Hong Kong.

China to be directly routed to Hong Kong, from where in turn it can be sent through Asia Global Crossing's undersea cables to the rest of the world.

As a result of this extensive, ultramodern network, HGC is able to provide customers with a universal international broadband network through a variety of services such as International Private Leased Circuits (IPLCs) and International IP (Internet Protocol) transport services. An invaluable resource, IPLCs have proved particularly popular with Taiwanese businesses operating in China. By ordering IPLCs from HGC, these businesses can route their private communication networks through Hong Kong, then on to China Telecom's network to reach their

PROVIDE THE ABILITY TO TRANSMIT COMPLEX DOCUMENTS, PICTURES AND VIDEO IN SECONDS.

GLOBAL REACH

In addition to local data transport services, HGC provides business customers with international bandwidth through its undersea cable network and unique links to China Telecom. After being given the go-ahead to provide these services in January 2000, the company has connected its Hong Kong fibre-optic network to China Telecom's Mainland telecommunications network through the Guangzhou-Shenzhen-Hong Kong SDH (Synchronous Digital Hierarchy) ring. This enables data traffic from

factories in southern China. With this facility, they can control their inventories online using HGC's superior bandwidth.

"There is a lot of latent demand for international services from China and we are well positioned to serve that demand," says Wong. "We have a direct and reliable connection with China."

The key to HGC's ability to provide a full range of international bandwidth services is the East Asia Crossing submarine cable provided by Asia Global Crossing (*see sidebar, p.12*). This cable, which stretches from the USA to Hong Kong via Japan, landed in Tseung Kwan O on January 10, 2001, and allows HGC to offer, in effect, a one-stop service



EMILIO RIVERA III

company's innovative fibre-optic technology.

"We are into something that is very cutting edge," he enthuses. "If we are doing it right then we are not just leaders in Hong Kong but possibly in the region and the rest of the world."

In the future, when transmission speeds increase even further, the possibilities appear endless. However, Chan does not feel that a virtual classroom, where everyone learns from home, would be an ideal development. "Personal interaction is still vital if children are to grow up healthy," he says. "We must use technology opti-

mally, to produce the best results for students, teachers and parents."

Teachers, for their part, have had to learn a whole new set of skills; they now teach in schools that are worlds apart from those they attended as children. The Government scheme provides funding for this, and Shatin Government Secondary School now boasts a number of teachers who are either at an intermediate or advanced

level of Information Technology (IT) competence.

The scheme has attracted a great deal of interest from other schools in Hong Kong, with many visiting Chan's school to learn more about his IT programme. The eventual adoption of broadband technology by schools, Wong believes, has the potential to effect some significant changes to the regular debate regarding man and machine.

"In the past we have always viewed computers according to man-to-machine interaction," says Wong. "Now we can use technology as a tool for human-to-human interaction."

for customers looking for international bandwidth.

"We have formed a seamless, end-to-end connection with Asia Global Crossing," says Wong of HGC's parent company. "Seamless because we have a very strict and tight service support agreement with AGC, so the customer receives a single point of support rather than having to deal with multiple providers."

Reaching this stage has not been easy for HGC and illustrates the difficulties incumbent in rolling out a fully fibre-optic network. The process is time-consuming and prohibitively expensive, with only a handful of companies worldwide able to surmount these barriers to market entry.

INVESTING IN INFRASTRUCTURE

Development of the network began in 1995, when the Hong Kong Government deregulated the telecommuni-

cations market and awarded a Fixed Network Telecommunications Services (FNTS) licence to Hutchison. The company had already decided on its long-term strategy and eschewed slower alternatives in order to build a fully fibre-optic network across the city.

The decision was not taken lightly. Laying new fibre-optic cabling is considerably more expensive than tapping in to existing copper or coaxial cable alternatives. But Hutchison believed that only fibre-optic technology would stand the test of time and provide the kind of bandwidth that is now regularly in demand. In addition to cost considerations, a number of logistical difficulties have had to be overcome.

"Obviously there were a lot of challenges along the way," says Wong. "That's why it has taken a long time to lay the network, over five years so far."

BANDWIDTH IS JUST LIKE OPIUM, THE MORE YOU HAVE, THE MORE YOU WANT AND NEED IT.



SPANNING THE GLOBE

If you build it, they will come. Asia Global Crossing's (AGC) simple strategy has revolutionised the world of fibre-

optic networking, and brings substantial benefits to Hutchison Global Crossing.

To begin with, the private company has access to the largest telecommunications network in the world. Backed by major shareholder US-based Global Crossing, AGC has rolled out submarine cables throughout Asia as part of Global Crossing's 160,000-km network. Global Crossing, in fact, was the first company to build its own cable, and its foresight has proved particularly prescient.

Created in 1999 as a partnership between Global Crossing, Microsoft and Softbank, AGC was formed to meet the rapidly growing demand for new communications capacity and services in Asia. The company has built the first pan-Asian network, connecting countries in the region to each other and the rest of the world. Upon completion, the AGC network will consist of more than 40,000 km of submarine cable, providing state-of-the-art broadband communications services in East

Asian countries, including Japan, Taiwan and Korea. Additionally, the company is ready to connect its network to China, as and when regulations permit.

The key to the company's growth in the region is strong partnerships with quality local providers. In this respect, AGC's Vice President for Greater China, Alex Ng, is particularly happy with his company's association with Hutchison.

"Hutchison is the ideal partner for us," says Ng. "Hutchison shares the same standards of service quality and we share a common vision about how we will develop telecom growth in Asia."

In other Asian countries, AGC has teamed with companies such as the Marubeni, DACOM and Singapore Technologies to deliver its "next-level networks" to local markets. Most recently, in partnership with Microelectronics Technology, it celebrated the landing on July 25 of its subsea cable system in Taiwan. The synergies that its participation in these ventures produce are particularly attractive, and underline its importance to HGC. In addition to the East Asia Crossing, which links Hong Kong to Japan and on to the United States via the Pacific Crossing, the company also brings a well-established reputation of providing services to blue-chip multinational clients. These include Bear Stearns, the UK Government and Swift — an industry-owned cooperative that supplies software and services to 7,000 financial institutions.

Ng sees Hong Kong as the key regional market, pointing out its ideal geographic location. "Hong Kong is the telecommunications hub for Asia," he says. "It is the logical choice for connections to both North and Southeast Asia."

EMILIO RIVERA III

Those challenges might have broken the resolve of a less established company, but Hutchison has demonstrated admirable perseverance. The entire operation proceeded through three distinct stages, each presenting its own set of obstacles.

Stage one saw the building of a fibre-optic cable backbone, connecting all the major areas of Hong Kong, including the crucial landing points for submarine cables and border inter-

connection points. The construction of this backbone required permission from various government departments. For example, a permit is required to dig up a road, and once a permit has been granted the road in question cannot be opened up again for the same purpose for a restrictive time period. For a small road, typically, this period is only one or two years, but for major roads it can be considerably longer.

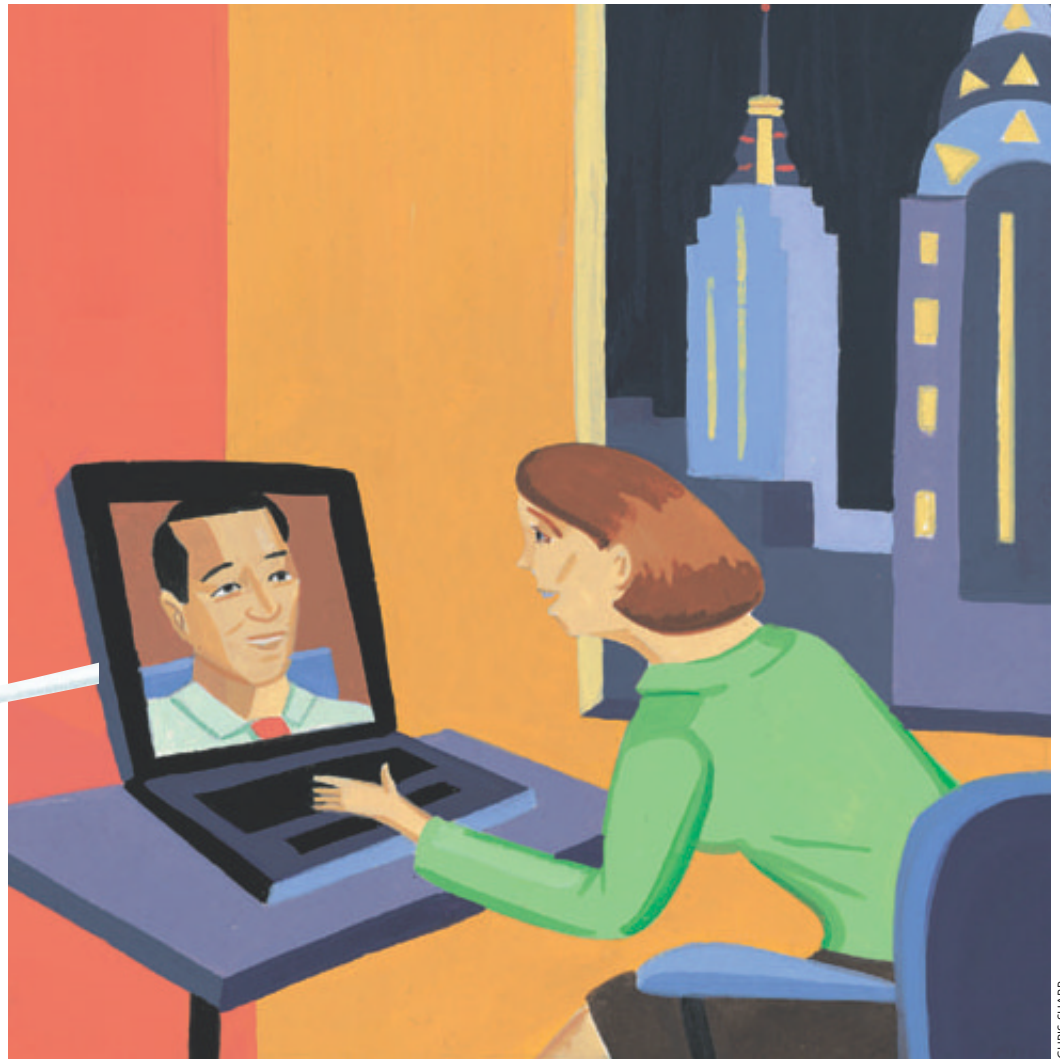
“For some routes you have a once-in-a-lifetime chance,” confirms Wong.

Stage two was the rollout of the access network connecting the backbone to major residential and business areas. In this respect, HGC has been helped by the relative lack of delineation that exists between residential and business areas in Hong Kong.

The third stage was to construct the in-house infrastructure in the buildings themselves. This has been a particularly delicate operation, due largely to space constraints — the “telecom room” in most Hong Kong buildings is, typically, no more than a square metre and already houses the incumbent’s equipment.

“You need to hang your very delicate equipment on the walls or ceilings — it’s a major, very complex project,” says Wong.

Connecting building floors to the telecom room poses an additional challenge. Wires must be routed through the building ducts, known as risers, and, again, space is very limited. The whole process, consequently, has been complicated and time-consuming, and HGC is only now beginning to reap the rewards of its exhaustive long-term planning.



CHRIS SHARP

FUTURE PROSPECTS

The operation received a major boost in 2000, when Hutchison partnered with Asia Global Crossing, resulting in a 50-50 joint venture: Hutchison Global Crossing. With AGC’s international infrastructure and technical expertise bringing immediate benefits to the company, Peter Wong is now understandably confident about its prospects. He notes that HGC’s impressive network will be able to deal with increased bandwidth as and when the technology becomes available, and he has good reason to feel secure about a positive market reception.

“Our intention is to cover half of Hong Kong’s population within the next few years,” he states. “There are numerous examples from overseas that show how long it can take the second operator to penetrate the market. We’re very happy with the progress we have made, and with our market share.”

HGC’s bankers appear to share Wong’s confidence. The company recently enjoyed a very positive response in securing a HK\$4.4 billion (approximately US\$564 million) loan to fund its infrastructure expansion plans.

As Peter Wong succinctly puts it, for Hutchison Global Crossing, “the future looks very good indeed.”





LEADER OF THE PACK

PARKVISHOP takes the lead in trailblazing Hong Kong's supermarket revolution.

By Tim Metcalfe



Browsing customers can hardly resist the sales pitch. "Look! Our fish is so fresh and so cheap they're taking photographs of it!" the saleslady bellows. Her audience takes the bait and quickly crowds around the celebrated seafood, probing for more information about the quality and the price. The photographer is on a shoot for this article, and the saleslady, in the grand improvising tradition of market traders, had spotted an extra opportunity to promote her products.

The atmosphere, banter and flapping fish are familiar aspects of any traditional Hong Kong wet market. But any similarities between them and my current location end there. Here, a quantum leap in hygiene standards is immediately apparent. Unlike at typical wet markets, modern air-conditioning

and extractors keep the air comfortably cool and fresh, and the ground underfoot is spotless and dry rather than slippery from fish scales.

Staff wear clean white smocks and rubber boots. None has a cigarette dangling from their mouth or splashes of blood on their uniform — which are laundered daily. They even wear hairnets, and badges indicating they are graduates of the Fresh Check Food Hygiene Academy.

Behind the semicircular market stall, ice cascades from the ceiling to replenish the frosted display areas. Some customers still satisfy their Hong Kong habit of handling fish before they buy to test the firmness of the flesh, so a small sink is provided for customers to wash their hands so they don't end up with "fishy" fingers.

To stress the seafood's freshness, one slogan above the stall declares: "Nobody's Faster, Nobody's Fresher".

IT'S SMILES ALL ROUND AS FRIENDLY STAFF COMBINE THE BUZZ OF TRADITIONAL WET MARKETS WITH THE ALTOGETHER MORE HYGIENIC SURROUNDINGS OF A MODERN SUPERSTORE.



GRAHAM LEBEH (TOP LEFT) • BA CHAN WAI (TOP RIGHT) • BOBBI (BOTTOM LEFT) • BOBBI (BOTTOM RIGHT)



Another elaborates: "Caught Yesterday 5pm South China Sea; On Sale Today 7.30am". Not only is the seafood freshly caught, the range is extensive, embracing both familiar local catches and favourites from across the world's oceans: Atlantic cod, salmon and halibut; Californian sea bass; New Zealand wrasse . . . even live eels and frogs.

Shoppers never had it so good.

COME THE REVOLUTION

Welcome to a 21st-century wet market. This one is at PARKNSHOP's latest superstore in Metro City, Tseung Kwan O, which at 75,000 sq ft is also the biggest food store in Hong Kong. Its Fresh Market features not only seafood but also fruit & vegetables, sushi, a butcher's, French-style bakery and even a kitchen serving ready-cooked dishes and roasted *siu mei* meat.

Until recently, local supermarkets lagged embarrassingly behind their counterparts in North America and Europe. But an executive from Sainsbury's, the popular British supermarket chain, recently toured the Metro City Superstore and declared it to be "world class".

In fact, a shopping "revolution" is underway in Hong Kong and PARKNSHOP is unquestionably the trailblazer for the changes in an industry worth HK\$120 billion (about US\$15 billion) per year. Hong Kong's spending on food divides approximately into four groups: 25% in supermarkets and 25% in wet markets, with the remaining 50% shared by restaurants (mostly Chinese) and fast-food outlets.

When he took the helm at PARKNSHOP five years ago, Logan Taylor, a British supermarket industry veteran, quickly realised that shopping habits were ripe for change. "People in the business insisted there was little opportunity to increase our market share in food sales but I knew that was rubbish," he says.

Research indicated that shoppers frequented wet markets on a daily basis, and visited supermarkets four times a week. Wet markets had the edge on total spending, not least because supermarkets were not serious

WE COULDN'T JUST TAP
IN TO THE EXISTING
SUPPLY CHAIN WITHOUT
INHERITING ALL THEIR
INHERENT VULNERABILITIES,
SO WE SET A DARING NEW
BENCHMARK STANDARD.



challengers in the fresh/live food business, offering little beyond a small range of fruit and vegetables, pre-packed meat and frozen poultry.

However, public disquiet over hygiene and disease scandals in the wet-market sector was apparent. Other key findings from surveys concerned the changing lifestyle of the "Westernised" young to middle-aged. Firstly, they were too busy to shop every day, they preferred buying groceries in one quick swoop.

Secondly, despite appreciating that wet markets offered the cheapest prices, they were becoming increasingly intolerant of the "traditional" smells, slippery floors and generally unpleasant shopping environment. "They are not the sort of places you like to take babies in prams, or even young children," notes Taylor.

So, in response to perceived public demand, Taylor led PARKNSHOP into a series of milestone initiatives.

"I wanted to lead a management

team that revolutionised the way people shop for food in Hong Kong," he recalls.

The bottom line, of course, was to capture a greater market share of the food industry.

A FRESH APPROACH

As in all revolutions, addressing the key issues took priority. In this case that involved matching the wet markets with an extended range of fresh and live food, then outscoring them not on price, but with food safety and hygiene. The public, Taylor reasoned, was happy to pay a premium for its health.

Supermarkets grew bigger to accommodate the wet market range, while an initiative called Fresh Check was introduced in support of Taylor's determination to "take the high safety ground".

To implement it, Taylor hired quality assurance specialist Peter Johnston, a food science graduate, and Fellow and Counsel Member of Britain's Institute of Food Science & Technology.

CUSTOMERS ARE INCREASINGLY DEMANDING THAT FRESH FOOD PASSES THE HIGHEST SAFETY STANDARDS, AND PARKNSHOP IS HAPPY TO OBLIGE WITH STRINGENT QUALITY CONTROLS.

THE PRICE IS RIGHT

The territory's populace had traditionally regarded PARKNSHOP as pricier than its historic rivals, so the PriceWatch initiative has been a key strategy in PARKNSHOP's campaign to become Hong Kong's No. 1 supermarket chain.

"In the 90s our prices became a lot more competitive, but the public still didn't seem to believe it," says PARKNSHOP chief Logan Taylor. The PriceWatch initiative was launched in 1997 to combat the misconception.

A "Yellow Label" campaign indicates bargains every day on over 2,000 items — PARKNSHOP prices are monitored against rivals every day and reduced to match any other product on offer. So confident is PARKNSHOP in its Yellow Label operation that it guarantees shoppers a refund of twice the difference between the price of any product found to be on sale cheaper elsewhere.

The initiative was backed by an intensive public relations and advertising effort. "When we started, there was a large price perception gap," says Taylor. "But in two years we closed the gap significantly. Before, we scored high with the public on stores and service, but low on prices. Now, the public believes there are no longer compelling reasons to shop elsewhere.

"We have never set out to be price leaders, but the idea was to neutralise the perception of being pricier, and PriceWatch helped us achieve that. Interestingly, very few retailers have managed to close such a big gap in price perception before."

The strategy proved literally priceless during the supermarket "price war" of the late 1990s. But PARKNSHOP fought off the opposition, and in the process became the undisputed No. 1 chain in Hong Kong.



"When I joined in 1997 there was no recognisable quality assurance in our business," says Johnston. "PARKNISHOP was starting to open more superstores selling a range of fresh foods, but there was an array of food scares — from cholera and E. coli to toxic poisoning of coral fish, red tides and toxic pesticides in vegetables from China.

"We realised that if we wanted to succeed in selling fresh foods, we couldn't just tap in to the existing supply chain of the wet markets without inheriting all their inherent vulnerabilities."

So a daring new benchmark standard was set: that fresh food at PARKNISHOP would "match the best food safety standards in the world".

"Fresh Check" stands for quality assurance, all the way down the PARKNISHOP food chain, from the farm (or ocean) to the supermarket. The concept embraced suppliers, storage, delivery, staff hygiene training, medical testing, store hygiene, laboratory testing and consumer information.

"The programme was the first of its kind in Hong Kong and initially there was some astonishment that PARKNISHOP was placing such emphasis on food safety, as no one had bothered much about it before," says Johnston.

"I was constantly reminded that

"Hong Kong people don't care about food safety because they are too busy making money", and when it came to food they were only interested in *peng, leng, jeng* (cheap, nice and good). But our customer surveys revealed a very different picture — that Hong Kong people really do care about food safety. This was clearly demonstrated by plunging sales figures of almost any item involved in a food scare."

CHALLENGES AND REWARDS

Tackling the entire food chain was (and continues to be) an enormous challenge. Every one of 350 suppliers of fresh food was from then required to meet exacting international hygiene standards. For many this required substantial investment, but the alternative was losing their PARKNISHOP business, and most accepted the necessity to improve.

"We have had some great success stories with suppliers, many of whom

TO PAGE 25

WORLD-CLASS QUALITY ASSURANCE AND TRACEABILITY OF THE FOOD CHAIN EXTEND FROM CHINESE VEGETABLES TO LOCAL MEAT, AND MOST RECENTLY, TO LIVE FISH.

CLOCKWORK BACKROOM OPERATIONS, FROM THE SUPPLY SOURCE TO THE SUPERMARKET SHELVES, ENSURE A PLEASANT SHOPPING EXPERIENCE FOR CUSTOMERS.



GRAHAM LEVIN INC



GRAHAM LEVIN

PERFECT PORK



GARY HUI

Hong to develop a new pork-cutting facility at Fanling in the New Territories. Designed in line with the world's best hygiene operating principles, the multi-million-dollar plant is close to the government-controlled slaughterhouse in Sheung Shui. The pigs selected for PARKNISHOP are brought quickly from the slaughterhouse in chilled, sealed trucks to the cutting plant, processed and cut in an environment of the highest-standard hygiene and transported to stores in the same chilled trucks. The process takes only around six hours from slaughter to arrival at stores.

The alliance provides PARKNISHOP with a fresh pork supply chain whose standards equal the best in the world. PARKNISHOP pigs, and samples of pork, are also tested for biological or chemical contamination, including Clenbuterol, a drug used illegally to enhance growth rates.

Pork accounts for over 50% of all the meat sold in Hong Kong, but the traditional supply chain has been vulnerable. PARKNISHOP's new system means pigs are now audited, monitored and tested, all the way from the farm to the stores.

An alliance between PARKNISHOP and Ng Fung Hong, a leading fresh food distributor and wholesaler, has taken fresh pork on sale to new levels of hygiene.

Historically, the supply of pigs to the Hong Kong market has been conducted without a cold chain, despite the fact that meat spoils rapidly in hot temperatures. It was not unusual to see butchered meat being carried in open trucks in the heat of the sun, or sides of pork being wheeled around the city on a bicycle.

Realising the flaw in this process, PARKNISHOP worked with Ng Fung



GARY HUI

LIFE IN THE FREEZER

Where is the healthiest place to work in PARKNISHOP? Believe it or not, in the coldest of three warehouses at the Sheung Shui Fresh Food Distribution Centre – maintained at a shivering -18°C . There are two other controlled-temperature levels at the depot, one at 2°C and the other at 8°C .

But depot manager Richard Leung

reveals: "Absence due to sickness among our staff of around 190 is far lower in the coldest warehouse than anywhere else."

Despite having to wear warm jackets, gloves and woolly hats, it seems employees are the picture of health because the "Arctic Zone" is not only too cold for most humans, but also for germs!

FISHY BUSINESS

Over 100 varieties of fish are already being distributed through PARKNISHOP's new Fresh Fish Centre (FFC) in Aberdeen. The 10,000-sq-ft facility only opened in January 2001 but has proven so popular that FFC manager Joseph Hui is extending the range of seafood to shellfish, abalone, shrimp, crab and lobster.

The FFC's 35 holding tanks currently contain around 15,000-20,000 cabbies of fish at any one time, he says. "Most importantly, the water is uncontaminated and well circulated, so they are happy fish."

Happy fish? "You can tell very easily," Hui laughs. "When fish are happy they swim slowly; when they're not happy they swim crazily!"

The new system was designed by Professor Daniel Kwong On Chan, an expert on seafood and seawater safety who is Chair Professor of the University of Hong

Kong's Department of Zoology, and Director of the Kadoorie Agricultural Research Centre.

Sourcing a supply of seawater was an interesting challenge. Chemical salt could be used but is very expensive, while inshore waters around Hong Kong are not suitable for keeping fish.

So PARKNISHOP decided to fit a boat with a giant water tank. The boat makes daily trips to offshore waters where it monitors for red tide and dredging. Its Global Positioning Satellite System records

where it has been to within a few metres and a copy is e-mailed to PARKNISHOP every morning. If the need arises, it can switch the location to source the cleanest water.

The boat then returns to the dock at Aberdeen where the water is pumped out to the FFC then filtered, UV sterilised and laboratory tested before flowing into the holding tanks.



PA CHUK HAN

Fresh Food Supply Chain

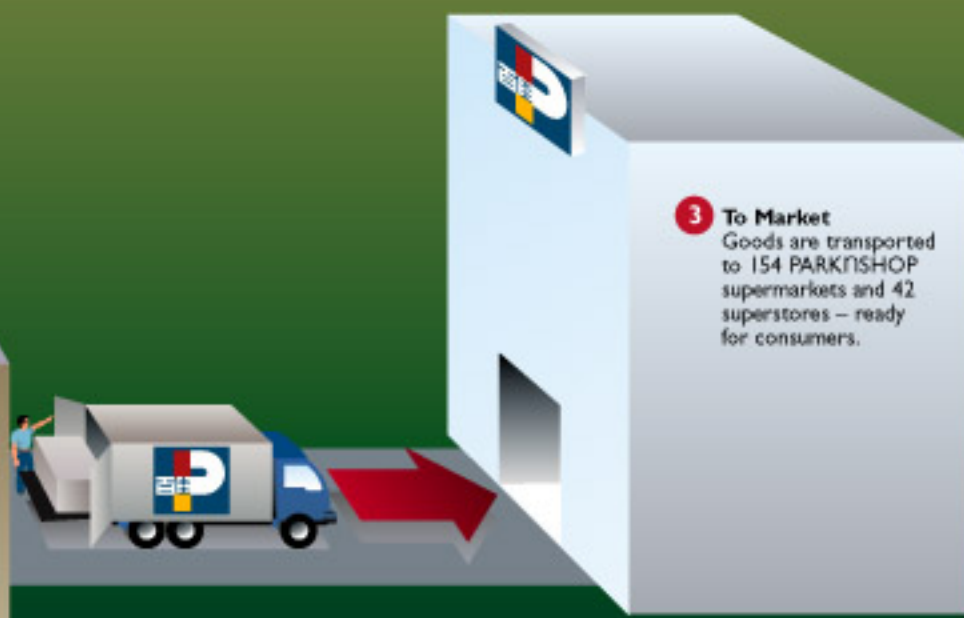
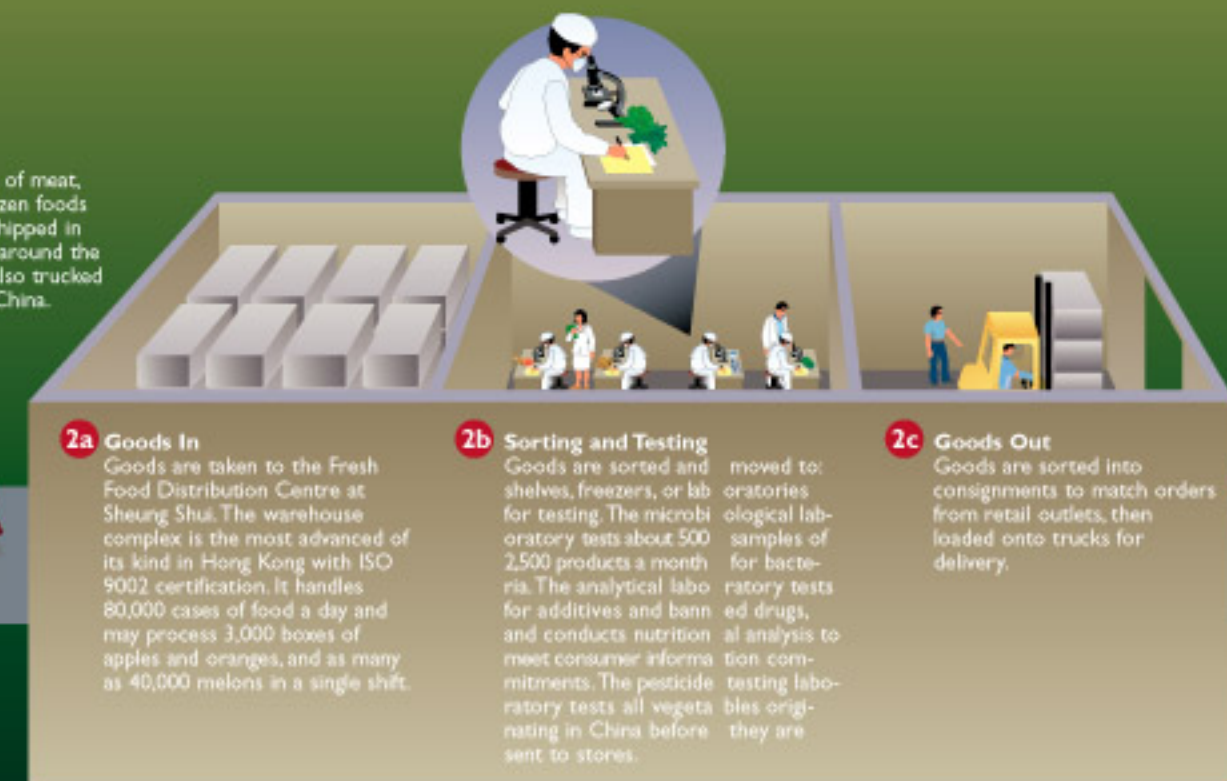
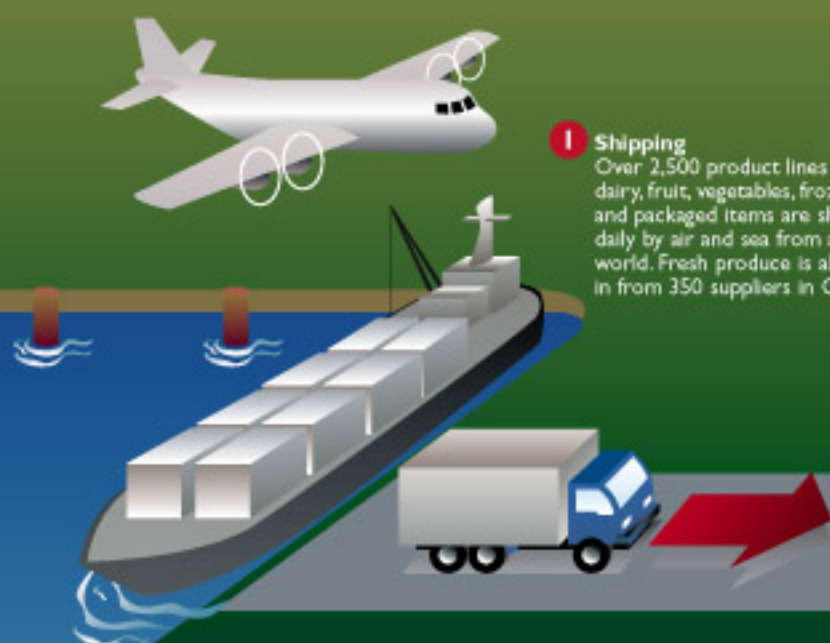
1 Shipping
Over 2,500 product lines of meat, dairy, fruit, vegetables, frozen foods and packaged items are shipped in daily by air and sea from around the world. Fresh produce is also trucked in from 350 suppliers in China.

2a Goods In
Goods are taken to the Fresh Food Distribution Centre at Sheung Shui. The warehouse complex is the most advanced of its kind in Hong Kong with ISO 9002 certification. It handles 80,000 cases of food a day and may process 3,000 boxes of apples and oranges, and as many as 40,000 melons in a single shift.

2b Sorting and Testing
Goods are sorted and shelves, freezers, or lab for testing. The microbiology tests about 500 2,500 products a month. The analytical laboratory tests for additives and banned drugs, and conducts nutrition analysis to meet consumer information commitments. The pesticide laboratory tests all vegetables originating in China before they are sent to stores.

2c Goods Out
Goods are sorted into consignments to match orders from retail outlets, then loaded onto trucks for delivery.

3 To Market
Goods are transported to 154 PARKNISHOP supermarkets and 42 superstores – ready for consumers.





BIGGER IN CHINA



PARKiNSHOP's trailblazing supermarket revolution is now being exported across the border to China, where the chain's biggest outlet to date has just opened.

The new PARKiNSHOP MegaStore in Guangzhou's Tian He district is essentially a hypermarket. Nearly twice the size of Hong Kong's

largest superstore, it extends over a massive 136,000 sq ft.

"It's an entirely new model, far bigger than anything we have opened so far in Hong Kong," says Iwan Evans, managing director for PARKiNSHOP in China.

Designers and planners spent 18 months perfecting the 'hypermarket' model, which is the first of many envisaged for Guangdong province.

"We didn't want to just copy others, we wanted to ensure it had its own identity," says Evans. "And I'm delighted. You could put it anywhere in the world and people would be impressed."

In fact, by adding the hypermarket dimension, PARKiNSHOP believes it has gone one better than any other retailer in Asia.

Explains Evans: "I don't know of any other that incorporates all of the three major retailing formats, from traditional small supermarkets to superstores and hypermarkets."

The Guangzhou MegaStore is essentially a "one-stop-shop" for virtually everything people need to buy.

The enormous range over two floors incorporates: electrical products and household appliances; a Home World selling everything from bedding and kitchen appliances to personal computers; a Toy World; a Beauty Zone offering cosmetics, bathroom products and baby apparel; an Expat

Corner featuring imported favourites; and a giant supermarket including the enormously successful 'wet-market' concept pioneered at PARKiNSHOP's Hong Kong superstores. The bakery alone extends over 8,000 sq ft.

PARKiNSHOP was the first foreign retailer in China, having opened its first store in Shekou 17 years ago.

Over the years the Mainland arm grew to a total of 75 stores. But they were all very small supermarkets known for selling only imported products from Hong Kong. "Our reputation was very much at the luxury end," Evans explains.

"But shopping habits have changed dramatically in China, and when rivals started opening hypermarkets, PARKiNSHOP was unfortunately left behind.

"So in 1999 it was decided to completely change our format. We closed down a lot of 'no hoper' supermarkets, to the point where today we only have 22.

"We have stores in Beijing and Shanghai, but the thrust of our operation is in Guangdong, which we see as an extension to Hong Kong — and where we see our future."

PARKiNSHOP is following just two models for new outlets in Guangdong. Most will be downtown superstores of around 50,000 sq ft, similar to Metro City in Hong Kong. The first of these opened last year in the China Travel Services building in Guangzhou, and has proved enormously popular.

But the strategy now is to also build gigantic hypermarkets on the fringes of Guangdong's major cities.

"These are exciting times for PARKiNSHOP in China," adds Evans. "To meet the challenge we've recruited an entirely new management team, nearly all of whom are bright, young Mainland graduates. It's actually the youngest management team in retailing in China, with an average age of only around 30, and the new blood is extremely ambitious!"

have transformed their factories to achieve hygiene standards as good as anywhere in the world," says Johnston. "We even get involved in factory design. For example, over the past year I have been working closely with a chicken processing firm in Mainland China and completely redesigned its factory with a unique 'Fresh Check' chilling system that enables them to hygienically process and chill chickens with the heads and feet still attached, which is how local consumers prefer them.

"It's been an extremely rewarding experience, working through all the frustrations, negotiating and persuading suppliers to invest, laying out and agreeing the plans, and paying regular visits during the factory reconstruction and production trials. It adds to the challenge and satisfaction that all this is in a state-owned company in Mainland China!"

In the meantime, PARKiNSHOP opened three laboratories at its centralised supply depot close to the border, the Fresh Food Distribution Centre in Sheung Shui.

"They test food virtually around the clock," says Johnston. A microbiological laboratory tests about 500 samples of 2,500 products a month for bacteria. An analytical laboratory tests for banned drugs that "unfortunately seem to appear in pork from time to time and cause food poisoning". All pork must now pass this test before reaching stores. Nutritional analysis is also conducted to meet consumer information commitments. Food is further tested for additives.

Since one of the biggest food safety risks in Hong Kong is pesticide poisoning from Chinese vegetables, which results in several hospitalisation cases a

year, PARKiNSHOP countered with a pesticide testing laboratory that operates all night, every night. Every single batch of vegetables from China is tested before being sent to stores in the morning.

PARKiNSHOP even has its own agricultural scientist, Sammy Pan, based permanently over the border, where he monitors suppliers and teaches them how to use pesticides safely. The chain's Food Hygiene Academy, which all staff who handle food must attend, now boasts 3,500 graduates.

A CULTURE OF IMPROVEMENT

"We have worked hard to improve food hygiene within the existing supply chain and in most cases have now stretched the improvements to what is achievable under the existing system," says Johnston. "But as we believe in continuous quality improvement we are never satisfied."

For that reason, world-class quality assurance and "traceability" of the food chain first extended from Chinese vegetables to local pork and beef. Most recently, the initiative has been applied to live fish, with the opening of the PARKiNSHOP Fresh Fish Centre (FFC) in Aberdeen.

The state-of-the-art central storage depot for live seafood sets another new milestone for Hong Kong's fresh food industry by enabling PARKiNSHOP to source seafood directly from suppliers — and keep it in pristine water during the crucial stage between delivery from trawlers and distribution to the supermarkets. Unique hygiene features include two separate purifying systems, temperature-controlled water, biological filters and UV lights installed over each of the 35 independent fish tanks to prevent bacteria. The tanks contain unpol-

luted seawater from outlying Hong Kong waters.

"It's another 'first' for a local retailer and a fundamental change to the fish supply chain for the benefit of Hong Kong consumers, suppliers and the community at large," says Taylor.

"Through the wholesale market it is difficult to implement proper food safety and hygiene controls. A centralised, accountable and traceable distribution system is critical to ensure quality, hygiene and safety assurance. Cleaner water for safer fish underlines our passion for food safety."

The pioneering initiatives on land and at sea are already attracting accolades, and not only from customers. Sales through PARKiNSHOP's 42 new superstores alone now equal turnover across the entire chain of supermarkets five years ago. For its efforts, PARKiNSHOP last year also won top prize in the Hong Kong Management Association's HKMA2000 annual awards for businesses that break new ground in management excellence. The HKMA concluded that PARKiNSHOP had transformed into a "truly quality-driven organisation".

But the commitment to food hygiene and quality is not over yet. "We have a culture of continuous improvement," notes Taylor. "We want to get better all the time." On this subject, he likes to repeat a famous quote from Enzo Ferrari. Asked which Ferrari model he personally preferred, the legendary carmaker always answered: "The next one." And so, which is Logan's favourite PARKiNSHOP store? "The next one" of course.

IT'S THE DETAILS (TOP) THAT MAKE STOCKING UP AT PARKiNSHOP A DELICIOUS EXPERIENCE. THE MEGASTORE IN GUANGZHOU DREW HUGE CROWDS (ABOVE LEFT) AT ITS RECENT OPENING.

THE RIGHT CLUB



The Harbour Plaza Golf Club Dongguan offers great golf and an idyllic lakeside lifestyle.

By Mark Caldwell.



Golf has famously been described as “a good walk spoiled”, but few players would agree with Mark Twain’s wry assessment of the game. Even on the days when things don’t go according to plan, most players count a round of golf as “a good walk made more interesting.”

Though club golfers generally play the same course every week, each round is a new adventure. The path walked, the shots made, the character of the covey, the cut of the greens and fairways, the nature of the breeze and, most of all, the intangible brew of mind and matter that determines a player’s “form” — these elements all conspire to frame the escapade.

When a golfer plays a course for the first time, his sense of adventure is heightened.

THE LUXURIOUS CLUBHOUSE AND 27-HOLE, 10,667-YARD GOLF COURSE ARE THE CENTREPIECE OF THIS 7,000-ACRE PROPERTY.

My first view of the Harbour Plaza Golf Club Dongguan is from the window of the Club courtesy bus. Our half-hour journey from the Fu Yong Ferry Terminal has taken us past the industrial developments that drive prosperity in the region, through the town of Hou Jie and on into the lush south China countryside. We drive through the Club gates to the reception area and are greeted by smart, uniformed staff. Our bags are whisked away while we are shown into the Gallery Restaurant for refreshments. The trip from Hong Kong has taken just 90 minutes.

ON COURSE

To find out more about this golfing jewel, I'd been invited by General Manager Kurt Michelsen to experience the Club first hand and, as most golfers would attest, there's no better place to have a "meeting" than on the golf course itself. The format is well suited to conversation, demanding moments of intense concentration for each stroke interspersed with periods of relaxation — time to stroll, talk and enjoy the environment. (Who else but a golfer studies the slope of a hill or the cut of the grass so intently? And where else is the air so fresh?)

In radiant sunshine we approach the first tee of the Lake Course — named Lychee Start — a par-4 that is bisected by a stream. My swing is somewhat agricultural and results in an unimpressive first shot. But the handicap system enables the very best practitioners to enjoy a round with ordinary mortals and still be competitive. Kurt hits a blistering drive. His ball touches down some 250-plus metres away on the soft green fairway. Our caddies acknowledge his effort — "good shot" and off we go.

As with his game, so too with his job — Kurt has very high standards. It is his mission to raise every aspect of this young Golf Club development to superlative levels — to create and maintain a deep-rooted culture of quality and service.

After only two years in operation the facility is a marvel. Designed by Robert Trent Jones II, the 27-hole, 10,667-yard modern masterpiece is bejeweled with clear lakes and silky greens, and textured with groves of lychee trees. With the contours and character of a classic, it is already rated as one of southern China's premier championship courses.

We play a few holes then reach a high point on the course. As we line up our putts we enjoy panoramic views in all directions. The clubhouse is a long way off, fronted by undulating fairways, and a large pond whose centre-piece is an animated five-metre-high fountain.


To one side is the great glassy sweep of Hwang Gang Lake. Across a fairway, beyond an explosion of wild flowers, is the Laguna Verona residential development.

QUALITY DEVELOPMENT

Set on the shore of the lake, the 431-unit Laguna Verona Phase I Harbour Plaza Golfers' Villas have been developed as an integral element of the Golf Club environment. The first phase has been fully subscribed and a second phase, "The Lakeside", will go on the market soon.

While individuals can join the Golf Club for a fee, the core Membership are Laguna Verona homeowners who have bought into a facility which, with its leafy lanes and lakefront vistas, offers them a refreshing antidote to the high-rise lifestyles of Hong Kong, Guangzhou and Shenzhen.

Owners of these homes may enjoy membership of the Golf Club as well as access to the Residents' Club, which

THE RESIDENTS' CLUB BOASTS A RESTAURANT, TWO POOLS, GYMNASIUM, SOLARIUM, TABLE TENNIS, TENNIS, BILLIARDS, SQUASH, BASKETBALL, BADMINTON, A GOLF SIMULATOR, AND A CHILDREN'S PLAYGROUND.

boasts a restaurant, indoor and outdoor swimming pools, gymnasium, solarium, table tennis, tennis, billiards, squash, basketball, badminton, a golf simulator, and a children's playground.

In a highly competitive golf market, parent company Hutchison Whampoa has paid careful attention to developing and maintaining the right strategy.

"The manufacturing boom in southern China has led to some 60 golf courses being built in the region in a relatively short time," Kurt explains. "Unfortunately, many clubs cannot sustain full memberships and so can't afford to close their doors to non-members. They have gone away from the original intent, which was to be private and exclusive. As a result, some existing members feel shortchanged."

"Anyone wanting to join a golf club should weigh up the commitment of its management. Will this club continue to provide the same level or enhance the level of ser-

vice during the period of membership? Will the club be around in 25 years?"

"Hutchison is committed to ensuring that the value of memberships is maintained. That's why we don't allow non-members to come in. We are totally committed to ensuring that when you make an investment with us you benefit not just in terms of enjoying the facility, but also that the investment doesn't decline. There are very few clubs in southern China where the value of memberships has not declined. At Harbour Plaza Golf Club we've been very tough on maintaining our exclusivity and therefore the value of our membership."

BUILDING A COMMUNITY

"Some golf housing developments can be described as 'a lot of little boxes,'" Kurt adds, "but our development is modelled on those in North America. As we move into the next phase and into future phases, we're determined to

LAGUNA VERONA INCORPORATES 431 EUROPEAN-STYLE VILLAS AND A RESIDENTS' CLUBHOUSE SET IN A SHADY, WATERFRONT ENVIRONMENT. THE PHASE TWO DEVELOPMENT COMPRISES 198 DELUXE NORTH AMERICAN-STYLED HOMES SCHEDULED FOR COMPLETION IN PHASES UNTIL 2002.



The Course

A total of 27 holes incorporating three distinct 9-hole courses — The Lake course, Valley Course and Lychee Course — offer three

unique 18-hole combinations. Total length is 10,667 yards with a network of cart paths. There is one refreshment kiosk per 9 holes as well as rain shelters at key points.

Grasses

Fairways and tees — Bermuda 419.
Greens — Bermuda Tifdwarf.
Rough — Bermuda Jackpot and Love Grass.

create houses that are in balance with the environment and which will contribute to the overall community."

The Lakeside development comprises 198 individual reinforced steel-framed homes with spacious gardens and uninterrupted views across the water. As the community evolves, decisions will be made on the need to add more houses, golf holes or other facilities residents may require. The Company has thus far utilised only 25% of its 7,000-acre holding. In the future, Members and their guests may be able to take advantage of conference amenities, while shops, family recreational facilities and schools may also be developed.

"Our long-term view is to promote a quality residential development and facilities, and to promote the game of golf the way it should be played — in more idyllic surroundings rather than in a factory-style environment as many golf clubs have tended to do," says Kurt. "We want our Members to have a real golfing experience, we want them to know each other, be involved and feel part of the community."

EXTRAORDINARY SERVICE

In a fast-paced world in which many clubs maximise their operational revenue through cart hire and shorter playing times, it's a luxury for players to be able to walk the course. While Members can opt to use golf carts, at the Harbour Plaza Golf Club they are not mandatory. Little touches like this make a huge difference to the overall experience.

"Exceptional Personalised Service is our operating philosophy," says Kurt. "We try to be very attentive in catering for every Member's need. It's something we don't just say, it's something we try to apply. So the team is vitally important."

To this end the facility employs highly-trained staff, including a Member Relations Team that provides person-

alised attention to every detail for its Members. When a dark cloud threatens during our round, course marshals come by to offer umbrellas or a ride back to the clubhouse. At the end of our game we are handed refreshing chilled towels by smiling staff. Our caddies ensure our clubs are in good order. Golf shoes are taken away for cleaning while we shower and change. There's the option of taking a steam bath, Jacuzzi or sauna.

Back in the Gallery Restaurant we enjoy cold refreshments, order from the extensive lunch menu and, through the windows, observe players finishing their rounds. For me, the experience has been a very "good walk" indeed, and I look forward to the next one.

TEAM SPIRIT

On day two I play a round with Golf Operations Director Tim Shaver. The American has a wealth of golfing experience and he carves up the "Lychee Course" with the authority and finesse of a hardened campaigner. The dramatic par-5 23rd, named Double Delight, is a great example of the "easy bogey, tough par" concept of golf design and is one of the Harbour Plaza's "signature" holes. It plays twice over water when the golfer takes the conservative route, but Tim opts for the "high risk, high reward" approach and hits the green in two. He talks me through the nuances of each hole and it is an education to observe how this remarkable course can reward or punish an expert player.

Next up is a round with another expert — Martin Lai, who is in charge of the Golf Academy. Martin started his career as a caddy. During our round he shows why he rose through the ranks to become one of the first generation of Hong Kong Chinese to turn pro. Over the years, he has helped tailor the swings of countless players, and most Members at some stage

THE PRO SHOP STOCKS EQUIPMENT AND ACCESSORIES WHILE CLUB-TRAINED CADDIES CAN OFFER HELPFUL ADVICE AROUND THE COURSE.



UNCOMMON GROUND

One of the joys of golf is the opportunity to interact with the environment. But few players appreciate the enormous effort that goes into keeping a golf course in pristine condition, or of the disasters nature can unleash.

Chris Norton has the mammoth task of ensuring that the Harbour Plaza Golf Course is as good as it can be. The 250-acre course is vulnerable to the perils of floods, droughts, pestilence and disease. Norton, a Turf Management graduate of top US school Michigan State University, must apply his substantial scientific knowledge to ensure that it thrives.

Norton manages 80 grounds staff, 59 of whom are dedicated to looking after the golf course. They ensure that the 27 fairways (some 10,667 yards) are regularly mowed. Every morning the greens must be cut to a precise length, ranging between 3.5 and 4.5 mm, depending on the season. A team of mechanics keeps the mowers and other machines running. Sand bunkers must be raked and replenished, divots filled, turf watered, trees pruned, weeds routed and pin placements changed. The cycle never ends.

Dongguan's bountiful climate presents specific challenges. Some courses must survive in arid climes and thus need a lot of watering, but at the Harbour Plaza the challenge is more likely to be an excess of water. The rainy season can wreak havoc. Too much rain and lack of sunlight can prevent photosynthesis and cause the growing process to shut down. The water quality is so pure that it robs the soil of nutrients, which must be replaced. In the dry season the course consumes a staggering 220-250 cubic metres of water per day, piped from the course reservoir.

As with all courses, there are also constant threats from insects, weeds and disease. From June through to September, for example, army worms can march across the grass, leaving a trail of devastation. Mole crickets are another worry. These flying creatures feed on grass roots and dig tunnels under the turf. When numbers become too high, action must be taken to prevent disaster. Grass is vulnerable to many diseases. Most won't do much damage, but when conditions are right a green can be destroyed overnight.

"Weeds, defined as 'plants out of place', are the biggest problem of all," says Norton. "In most environments weeds grow in cycles, but in this climate they grow all year round."

Norton pays very close attention to safe environmental practices. The course is managed according to stringent Integrated Pest Management (IPM) procedures. "If we have a problem, we will not just go out and spray. We will wait until a threshold is reached before we take action. Then we will choose the most effective, safest treatments possible."

The grounds maintenance facility has a dedicated "spill area" where insecticides or weed killers are mixed. "When we mix chemicals, the fresh water drains are closed to ensure that no toxins enter the water system," Norton explains.

The course is already a haven for various bird species and other creatures. There are fish in the waterways and a few reptiles in the rough. In time Norton hopes to introduce other wildlife — swans or ducks perhaps — but there are no plans for an alligator.





THE GOLF ACADEMY

Conveniently close to the main clubhouse, the Harbour Plaza Golf Academy has a 300-yard open driving range, 26 covered Astroturf bays, natural grass tees, a generous practice putting green, uneven lies, bunkers and target greens. With night lighting and a food and beverage service, it caters to a golfer's every need.

Under the direction of veteran Golf Professional Martin Lai, beginners and experienced players alike are guided towards playing better, more enjoyable golf. The Academy incorporates dedicated teaching bays with full-length mirrors, there's an air-conditioned classroom, instruction videos, teaching aids and video technology which enables students to see footage of their progress.

The Academy offers free introductory classes to Members and their spouses while non-members are also welcome to participate for a fee.

With dedicated clinics for children, women and men, there is no faster way to learn and develop your game.




benefit from his instruction and advice.

To a large degree the Golf Club environment is defined by the individual personalities of both its Members and its staff. The Harbour Plaza has brought together a group of professionals with tremendous collective experience, expertise and a deep-rooted "feel" for the game. "Our success comes from our team's commitment to customer service, quality of product, and dedication to being the best," says Kurt. "Every staff member is committed to this and this is why we are successful."

AFTER HOURS

At the Hole-in-One bar and lounge, which has an open-air terrace with views across the Golf Course, Members and their guests can relax, have a drink, and watch sport on TV. The lounge also has dozens of magazines and books on its shelves, from Sam Snead's *The Game I Love* to John Feinstein's *The Majors*.

This young Golf Club is already building a noble tradition. On the wall, the hole-in-one list contains a half dozen Members' names. The first ace was scored on November 7, 1999; the most recent in January. A small piece of Club history was made on that November day when a shot from the 24th tee sent the ball rolling into the cup. As the list grows longer, that milestone will take on a deeper significance. In time, perhaps the son or daughter of one of these first Members will also achieve a hole-in-one, thereby adding another stitch to the Harbour Plaza's proud tapestry.

Like the young saplings that ring the course, the Harbour Plaza Golf Club Dongguan has the pedigree and resources to grow strong. The tone has been set; the foundations laid with care. Devotees of the game appreciate the importance of club selection, and Members of the Harbour Plaza are united in their opinion that this is indeed the right club. 

Location: Midway between Shenzhen and Guangzhou, near the town of Hou Jie.

Getting there from Hong Kong: The Turbo Cat Ferry (travel time: one hour) departs from the China Hongkong City Ferry Terminal (Kowloon) to Fu Yong Ferry Terminal (PRC) from where there is a courtesy bus (travel time: 30 minutes).

By shuttle bus: There are several pickup points in Hong Kong as well as from Fu Yong

Ferry Terminal. Players can book the shuttle bus up to two weeks in advance.

Bookings and information: The booking office is open seven days per week except for PRC holidays. Members can book by telephone (86 769) 581-8080 (Club) or (852) 2122-9898 (Hong Kong office), or over the Internet at harbourplazagolfclub.com. There is also an online weather information service.

