

Conic TV:

a new force in commercial TV production in Hong Kong.

Cover Picture

"What you see is what you get" sums up videotape's greatest strength. At Conic TV's new studios the sophisticated equipment and technical expertise promise an instant replay identical to the reality.

Capturing reality and supplying an instantaneous review of what has been 'shot' overcomes one of the TV commercial-maker's biggest problems: never being sure whether the 'shot is in the can' or not.

**"What you see
is what you get"**



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10 million digital clocks. Radio-cassettes and tape recorders in their millions. Quality is the keynote to the Conic range of electronic products.

Conic TV~a new force in commercial TV production

At Conic TV Studios in Kowloon Tong some of the most sophisticated and up-to-date videotape equipment available in South-East Asia is being put to use to advance and promote video operations in Hong Kong.

The company's facilities and the services of Robert Chua Productions are available to local television studios, advertising agencies, independent film companies and individuals, to make commercials, to transfer film to tape, to edit or even to record private events such as weddings.

The studio can arrange closed circuit television systems for conferences and banks and produce soundtracks from their comprehensive library of music and sound effects — anything, in fact, associated with videotape production.

Enormous investment

Nobody ever said videotape equipment was cheap.

One of the initial shocks for the uninitiated is the mass of complex equipment necessary to obtain a range of cameras and equipment capable of performing top-quality recording work.

The initial outlay on equipment at Conic TV Studios is estimated at over HK\$8 million.

The range of equipment encompasses cameras both for studio and location work, recorders, a visionmixer, and a telecine.

But this costly outlay has provided Hong Kong with videotaping facilities equal to those anywhere in the world.

All in one place

The battery of sophisticated machinery has increased the studio's potential so that production time is slashed to a minimum and instead of having to wait for film to be processed, the whole operation — from pre-production planning to the final edited result — can be completed in one location.

There is a minimum of wasted time and effort. The integrated, efficient, in-house operation exploits every available minute.

Although a film production unit can be established with little more than a camera, a projector, a pair of scissors and a splicer, the \$8 million invested in Conic Television makes sound investment sense.

Cameras here, or to take away

This new production house provides Hong Kong with a number of videotaping firsts, and a range of equipment unparalleled in the Colony.



The new studio in Kowloon Tong as it was a week ago, with construction almost completed. With a floor area of 10,000 square feet, the studio is

In the indoor studio two large, heavy EMI 2005 cameras, which must be connected to a power source, are used for interior work.

The IVC 7000P is a portable camera and can be taken on location, either mounted on a tripod and used in the same way as a studio camera, or hand-held. It is a highly flexible piece of equipment and, as it can operate from batteries, it has the same scope of application as a hand-held camera using film.

Conic TV has the only completely portable unit in Hong Kong.

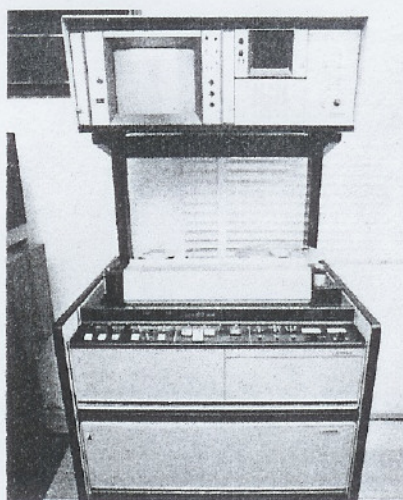
It consists of three independent units; the camera, the BCN 20 videotape recorder, and a monitor. The mobility of this sophisticated equipment makes it possible to shoot footage anywhere — on boats, from helicopters — and allows the cameraman a freedom of movement lacking in larger video units, which are limited by their need to be connected to a power source.

New video tape recorder

Indoor studio work is recorded on an AVR 2 recorder or the German-made

Bosch Fernseh BCN 50, a highly sophisticated machine which can produce 10 generations of tape transfer without deterioration.

This piece of equipment alone costs about \$400,000 and is the only one of its kind in Hong Kong.



Conic TV's conventional 2" Quad videotape-recorder is an Ampex AVR 2.



State of the art videotape recorder, the Bosch Fernseh BCN 50, use only 1" Helical tape. Conic TV has two of these machines.

'state' of the art' telecine

Also new to Hong Kong is the Rank Cintel MK3 Flying Spot telecine machine, which can replay films up to 300 times without damaging them in any way. It also performs the important function of converting film to videotape, but at \$500,000 is a costly item. There are no facilities in Hong Kong for making the transfer from tape to film, a process which is rarely required but Conic TV has business Associates in both the U.S. and U.K. who can effect such transfers.

The magic mixer

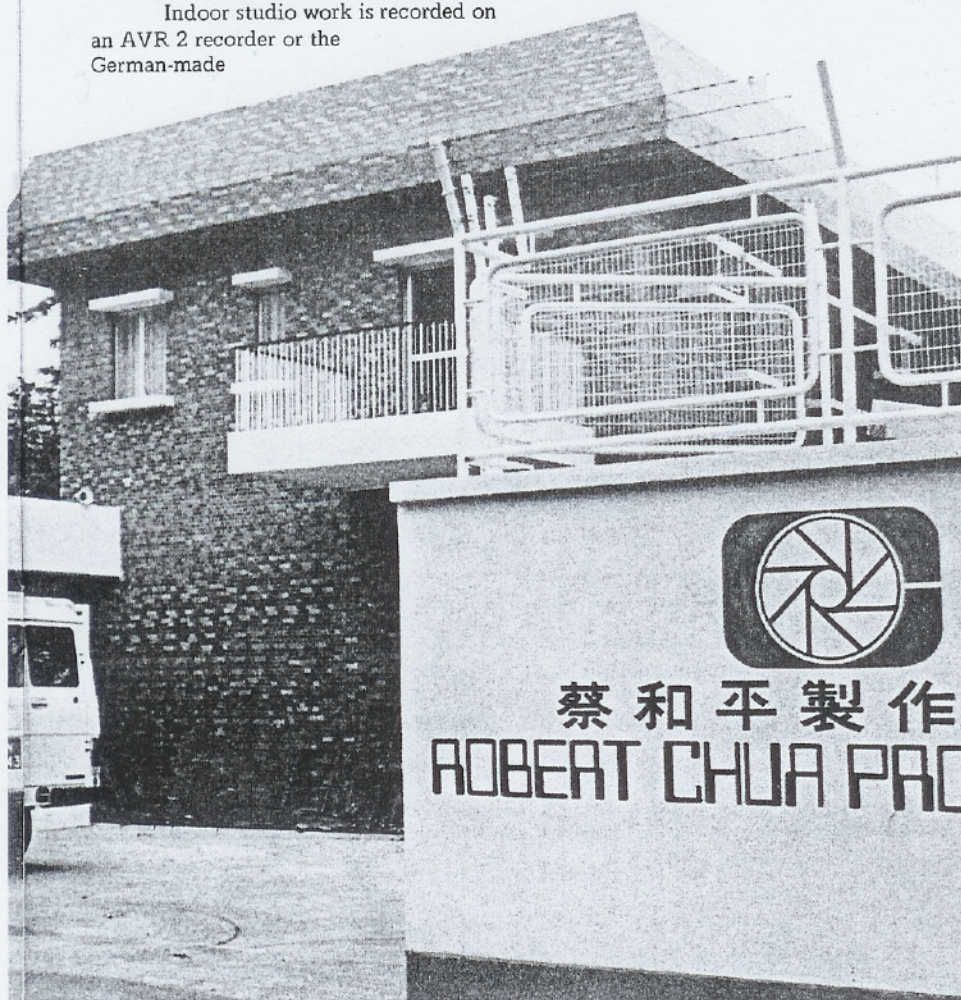
No visitor to Conic TV Studios can fail to be impressed by the Grass Valley vision mixing control panel. It is this console, guided and controlled by the master touch of a producer, which creates special effects. It is here that spur-of-the-moment inspiration and experimentation — and sometimes mistakes — are viewed and controlled simultaneously, with up to eight different tapes being combined into one.

Simultaneous viewing of all the tapes makes accurate coordination much easier than editing a reel of film.

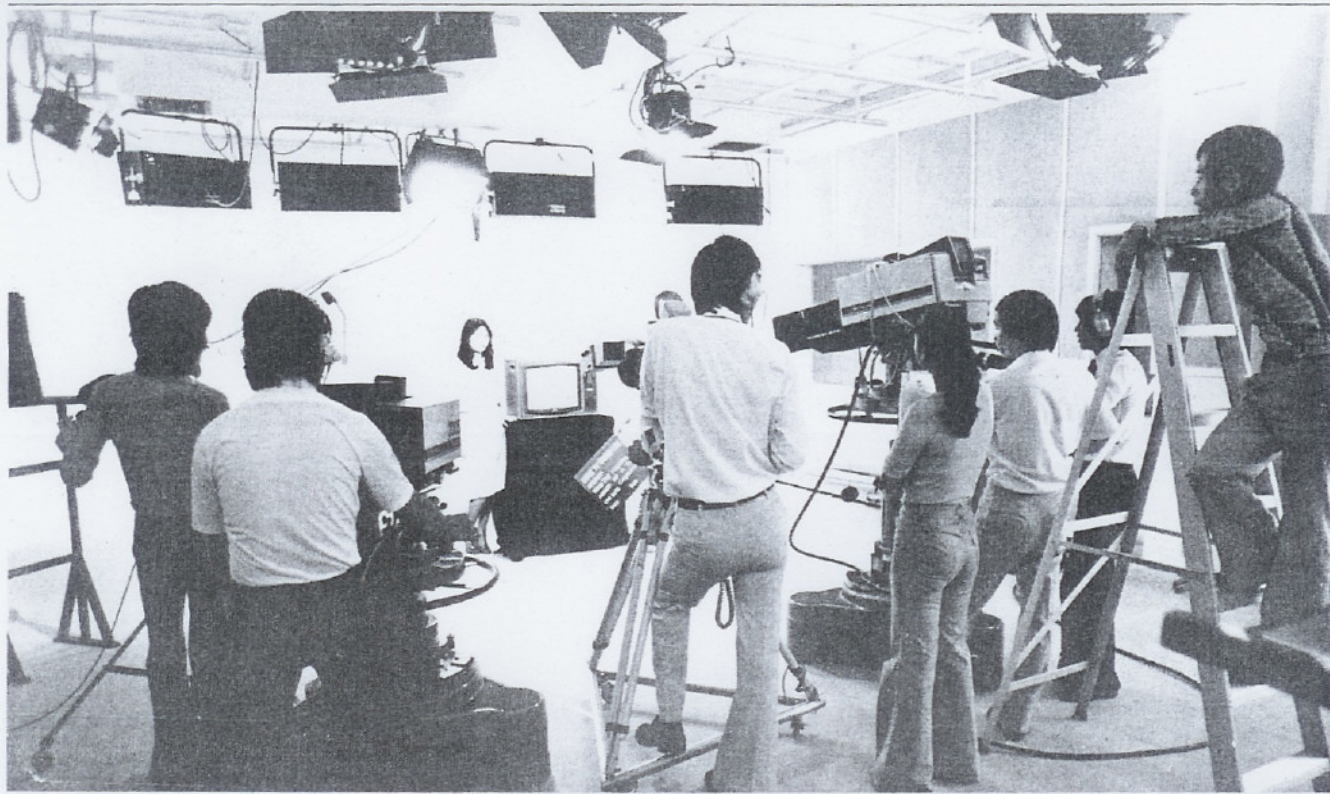
Pick a noise or a tune

Sound tracks can either be recorded with the visuals, which removes the problem of synchronising voices with action, or recorded separately.

Music and sound effects can be chosen from a range of over 10,000 titles available in Conic's sound library, another of the facilities which makes Conic one of the most technically advanced studios in South East Asia. The music library is in fact the largest in Hong Kong and will be updated regularly with new material from both Britain and the U.S.A.



...ally the most modern in S.E. Asia.



Shooting in progress at Contic TV's new studio.

Video: what you see is what you get

Emotion plays a large part in choice, and emotion is often one of the determining factors in a cameraman's choice of film over video.

Many Hong Kong cameramen in fact claim an "emotional attachment" to film. Some photographers working with regular film are averse to the highly technical aspects of video and claim that film presents possibilities for greater artistic potential. But the latest technological developments in video now make it possible to produce equally sophisticated results.

Today in Hong Kong an estimated 30% to 40% of total television footage is shot on video.

About 50% of the video footage comprises special techniques and visual effects which have never been produced in Hong Kong before.

The magic of video effects

A whole range of electronic flukes have been added to the producer's range of creative possibilities.

Chroma-key (the superimposition of live action on a fixed background) is one example of these new techniques. A simple title line in plain white type can be varied at will. A drop shadow can be added, giving depth and a three-dimensional effect. Colours can be introduced and changed, or only an outline left.

Different kinds of wipes, cuts, dissolves and exact positioning can be accomplished without expensive waste of film and time spent on processing and remaking.

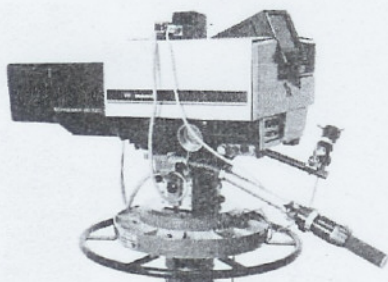
Video in fact has a potential for creative work which far exceeds that of regular filming and editing procedures. The "see as you go" approach allows much greater experimentation, and editors can give free range to their imaginations in matters of colour and composition.

A marriage of video tape and film

Videotape may never completely replace film, but the field of electronic photography (the electronic formation, storage and reproduction of optical images) is undoubtedly gaining in importance, especially where television is the prevalent means of communication.

The two media need not be in direct competition — current trends point to a "marriage" of video and conventional film techniques. A number of leading film studios, for example, including the American giants Metro Goldwyn Mayer and Warner Brothers, are expanding video operations though the movie industry still works mainly with regular film.

Most television studios on the other hand concentrate on video, almost exclusively in the post-production stage, when shooting has been completed and editing begins. Videotape has one major advantage which can be summed up in a single phrase: "What You See Is What You Get".

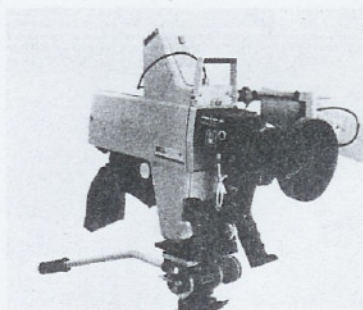


One of Conic TV's EMI colour studio cameras.

Instant pictures — even on location

When time is at a premium, the savings made by being able to check and control colour, composition, lighting and product re-production instantaneously far outweigh the extra capital costs involved in establishing a video operation.

One disadvantage of video up to now has been its lack of easy mobility. In Hong Kong so far it has been employed almost exclusively in studio work as bulky equipment made outdoor shooting difficult.



Conic TV's battery-powered portable camera will allow location shooting anywhere in Hong Kong.



Robert Chua's Rediffusion TV Commercial shows the strength of videotape's magic at its best.

Video work requires a camera, recorder and monitor, all of which must be connected to a power source. For location shooting, an Outside Broadcast van was needed to transport all the equipment. Within the next few weeks, however, Conic Studios will have acquired a small portable battery-operated unit that will overcome this inconvenience and make outdoor production viable.

Romance on video tape

Another old prejudice against video has been the inferior effect created by the use of "tennis court lighting," harsh light spread evenly or flatly over an entire set. This is a failing caused by following television studio procedures, where multi-camera filming and extreme variations of lighting can give the effect in the final product of mismatching between different cameras. But sophisticated editing and single camera techniques (as opposed to television set multi-camera arrangements) now allow all the moods and subjective subtleties of a scene to be captured on tape as effectively as on film. The extra sensitivity of video cameras also permits fine colour reproduction at lower light levels than are required for successful filming.

Still, the quality of video depends to a large extent on the expertise of the cameraman, and many of the more experienced people in the business prefer to use regular film, at least for shooting.

Increasingly, though, the original film is transferred to tape for all further work.

No bulk, no scratches

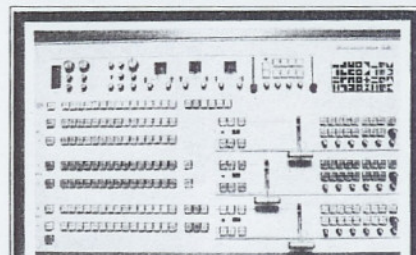
Tape is far less bulky than film and can be easily stored and transported between studios, especially if it is to be sent overseas. Post production up to ten generations can be produced without any deterioration of quality, which is why film, even feature films, are transferred from one medium to the other. After only two or three runs of a film scratches appear and colours can alter from print to print.

Where time is money

Video is the ideal medium for the production of television commercials, a field where time is money. Using film, the process can take anything up to two or three weeks; on video it can be done in a day. There is always a danger of sacrificing quality for speed, but with the video facilities at Conic TV and the expertise, the standard is undoubtedly at its best.



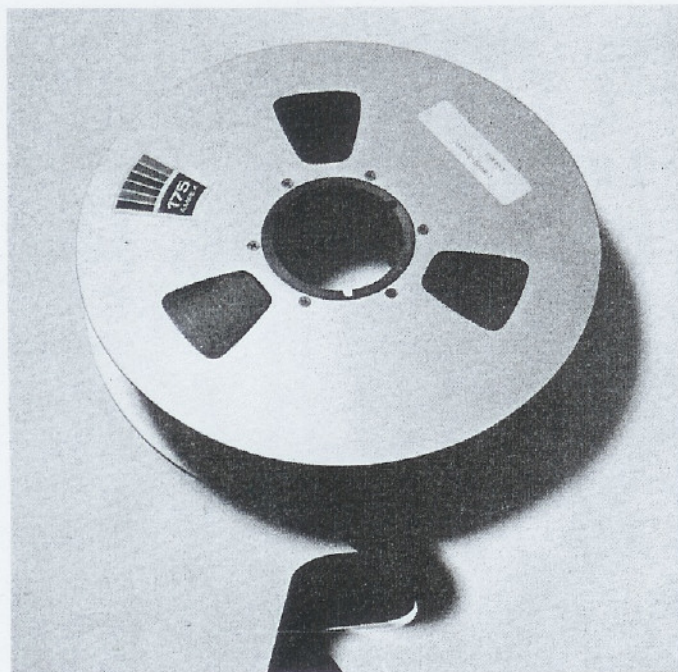
'Titles' can be produced in a thousand different ways on videotape.



The 'magic box' at the new Conic TV Studio is the Grass Valley Group vision mixer. One of the most advanced of its kind in the world today, it is unique in Hong Kong. The group of buttons in the top right hand corner indicate some of the vast array of special effects this vision mixer can create. Many of the apparently 'magic' commercials you see on television today are the result of special effects that can only be achieved using videotape and a system like this one.

It will certainly provide Conic TV with a unique advantage in the local TV market.

What is Videotape?



Video tape recording is the "visual" counterpart of audio tape recording. Video signals are stored by means of a tape magnetised along its length in accordance with signals impressed on it.

A tape of plastic material coated with magnetic oxide is fed past a recording head and the video signals are stored in the magnetised oxide particles.

Now extensively used in the recording of both black and white and colour television programmes, video tape recording has the important advantage of being ready for immediate telecasting without development or other treatment.

It all started in 1898

Tape recording techniques reach back to Poulsen's "telegraphone", developed in 1898 for the recording of telegraphic messages and later of speech

on thin steel wire as the magnetic storage medium.

The German electrical-engineering firm AEG subsequently developed the "magnetophone" in 1930. This device was based on an invention by Pleumer and used iron oxide powder as the storage material applied to a base consisting of a paper or plastic tape.

In 1953 the Radio Corporation of America, RCA, developed a machine known as Olsen's video tape recorder, operating with a speed of six metres a second recording along the length of the tape with a fixed recording or reproducing head.

The new machine was found impractical because of its high tape speed.

Ginsburg gets it together

A machine developed by Ginsburg in 1956 recorded audio signals transversely

(across the width of the tape) and tape speed was slowed considerably to 38 centimetres a second.

Ginsburg's machine was the first serviceable machine for commercial use. It had four recording heads and four reproducing heads positioned at intervals of 90 degrees around a rotating disc. It gave a picture of such good quality that a pre-recorded television transmission was no longer distinguishable from a "live" transmission.

This video recorder was combined with ancillary equipment and made suitable for colour picture recording for television.

Television is only the beginning

The convenience of video tape recording and its immediate readiness for the production of recorded pictures have made it valuable not only in television but in many other applications.

Simpler machines than those used in television broadcasting and operating with a single recording head are used for industrial and educational purposes as well as for amateur use in the home.

Movies on LPs

Developments of video tape recording point towards a greatly increased future use of the technique.

Experts say that the video disc will be available for mass home use in the future operating in almost exactly the same way as a stereogram utilizes a long-playing record.

The cost of the video player and record will be similar to the stereogram and these devices will be marketed throughout the world in the near future, say experts.

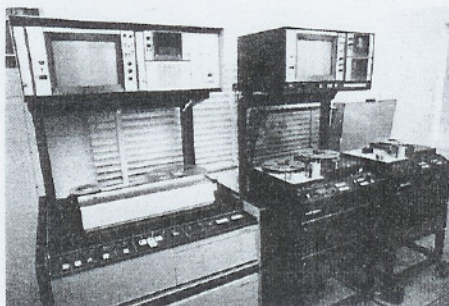
Video cassettes, today's communication tool

Small portable video recorders are seen to an ever-increasing degree outside the areas of specialist use such as television recording studios.

The communications fields make wide use of these devices, which use one-inch, 3/4", 1/2" or even 1/4" videotape and are known generally as video cassette recorders.

These machines are becoming increasingly commonplace in advertising, marketing, personnel training, in centres of industry, hospitals and schools, to record sporting events and wherever visual information can provide a more effective and efficient means of communication.

The cost of small video recorders is well within the means of even small business organisations and unlimited advantages can be derived from the use of such visual tools for informative purposes, in sales and marketing activities.



Broadcast standard videotape recorders at Comic TV.



The Rank Cintel telecine. It transfers film onto videotape.

Video marks major developments in struggle between man and machine

Videotaping is the final harnessing of the Machine by creative man.

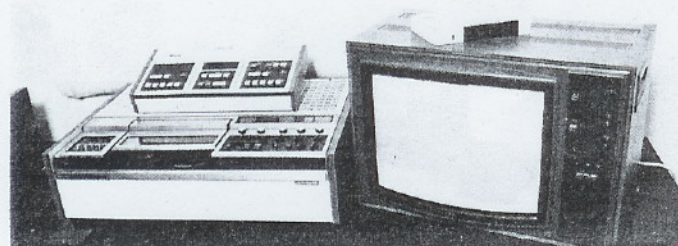
Modern video production facilities provide creative personnel with a range of mechanical, electronic, and optical tools which give full range to creative talents.

To be able to sit in front of a console and watch the visual results and instantaneous effects of a creative mind marks a major step towards making

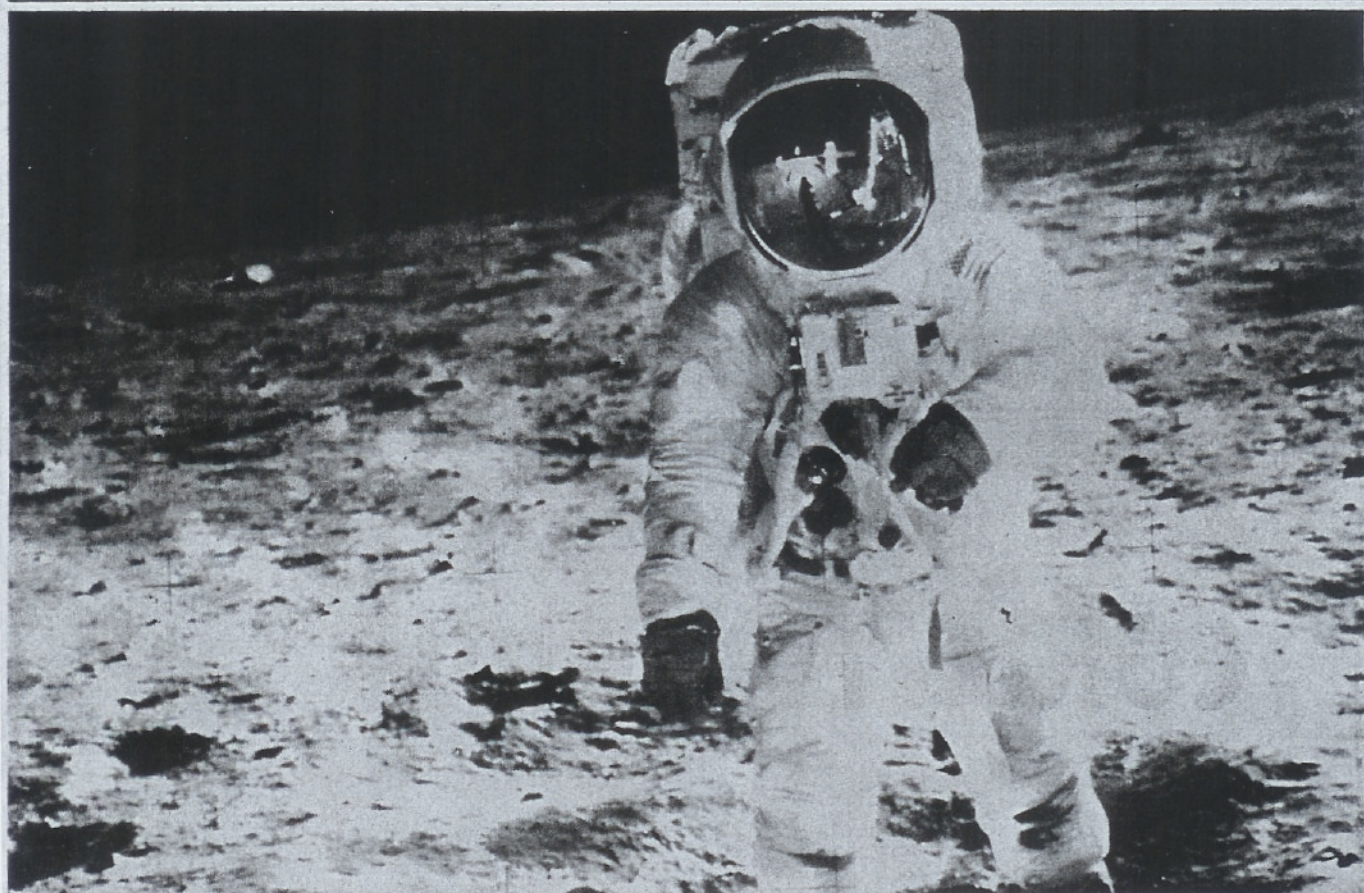
machines subservient to creative human beings.

The immediacy of video production is a major plus in favour of its effect on creativity.

Optical effects, dissolves and special treatments can be seen as they are produced, and there is no longer the need to wait for processing and colour correction which made conventional filming a lengthier process.



The Sony videocassette system is the most widely used business and domestic videocassette recorder. Comic TV is fully-equipped with Sony machines for use in business, pilot TV commercials or even recording your daughter's birthday.



When man first landed on the moon it was video that brought the event down to earth as it happened.

Video: the state of the industry

Video, once a medium most used by television studios for taping shows and commercials, has moved into another era in many parts of the Western Hemisphere.

Although there is nothing new about video, private television is providing a new dimension to the industry.

In the United States top industrial firms such as Pepsi Cola, Ford Motor Corporation and IBM have become major industrial video users.

Satellites and cables

Contributing factors to the burgeoning television market are the arrival of satellites for connecting network cable television, satellites for video programme distribution, and the emergence of a major pay TV industry with both private and cable subscribers hooked into major cable television systems, and thousands of hotels through-

out the United States wired into a pay-per-view system.

Video programming has become a reality for business, and in medical and educational institutions. Video programming is vital to America's publishing industry, in advertising agencies, in the communications industry, on college campuses and in Hollywood film studios.

Media men, marketing specialists and television producers are using the new and ever-increasing resources of video to pinpoint audiences with demographic characteristics which make private television a potent marketing and educational tool.

Videodiscs — key to the future

Videodiscs, which are produced at a low cost, will make it possible to reach small, but affluent interested and selective

interest groups which can be linked together to form "Communities of Interest".

The Videodisc medium bears a great kinship with the print media in its potential to involve the viewer.

This emerging "private television" industry will require large amounts of new programming; new programming for the consumer market as the revolutionary videodisc makes its presence felt; new programming for pay television, new programming for educational, industrial and medical users.

Publishing — for video

As a consequence of the growing need for programming, video publishing is a growing force. Video publishing is the new business of selecting, producing and sometimes marketing entertainment,

information or education in a video format.

Although a variety of delivery techniques can be used to transmit the final product — closed television circuits, domestic satellite systems, optical electronics, videocassettes, low-cost videodiscs — it is quite clear that the new industry is on a rapid growth curve.

Experts have predicted that the next decade will see the growth of video publishing business which may rival book and magazine publishing. The video publishing industry will challenge conventional publishing in the variety of products it creates and the diversity of audiences it serves.

The impact of this development in the communications field will have a profound effect on the ways we run businesses, the ways we communicate with our fellow man, our methods of government, our educational systems.



The lights brighten, a pretty girl nervously smooths her hair, a technician adjusts his headphones, the cameraman is ready.

The producer calls "O.K. - stand by!"

Tension is heavy in the air. This could be a Hollywood film set - or at least Golden Harvest Studio - and an epic movie in the making.

But here the stars are not temperamental. They are patient models who are 'standing by' to make a TV commercial.

On location

The scene is that of any smart Chinese restaurant on a busy evening - waiters bustling, gleaming dishes piled high with tasty food, and lively, well-dressed diners out to enjoy themselves.



In fact, it's ten in the morning and this gay party is a calm island in a sea of absolute chaos.

The other half of the room is a muddle of stacked chairs, furniture on end, wires, tripods, and very complicated-looking video tape recording equipment.

Technicians, concentrating on the camera control unit or the audio mixer, mingle with cooks and waiters from the restaurant's kitchens, who are eager to see how a television commercial is made.

A small boy, whose mother is one of the models, is jumping over coils of flex or peering in fascination at the monitor screen on which everything being taped appears simultaneously.

The client and his advertising agent sit where they can see the monitor screen and the action, and confer quietly together over the storyboard.

3, 2, 1... Action!

"Get rolling. Take One," orders the producer, and the production manager gives the countdown: Five, Four, Three, Two... One....

And the elegant diners lean together in conversation, pick at steaming bowls of food, laugh, eat, smile, talk....

The cameraman tracks his camera in a semicircle around the tables, then closes in on the main characters.



"Cut! Take two!" and the scene is filmed again.

After several takes the client asks to review them, and the video tape recorder gives an instant replay of each so the best can be chosen.

Make it natural

Robert Chua, producer of several well-known television programmes, is

expert at coaxing the right reactions from the models, most of whom are not professional actors.



He captures some of the most natural sequences as a pretty girl, unaware that she is being "taped", chatters with her fellow diners about the problems of negotiating the pot-holes and building sites in Central.

'Hash', video co-ordinator

A petite girl, with high cheekbones and a swinging black ponytail, is much in evidence on the set. Her name is Hasima Rumjahn, but she laughs as she says "Call me 'Hash' - everyone does!"



Half Malay and half Chinese, Hash has worked on the creative side of advertising agencies in London and Sydney, as well as Hong Kong. This is her first time with a production company, and she loves her job as co-ordinator. It is Hash who helps choose the most suitable models for a particular commercial, and who has to find the best location or book the studio, discuss details with clients, hunt for perfect props, and act as continuity girl.



"Everybody happy?" asks Robert Chua. "Right, now the close-ups". Somehow the restaurant is more crowded than before, as people jostle each other to do their job or get the best view. At the centre of activity is Tony Yu, production manager, who has worked for Robert Chua for eight months and has a background of 10 years in all aspects of television. He is busy, stepping over the curving track laid down for the camera to advise the cameraman, supervise the lighting, talk to the models. Later in the day he will be very much involved when editing takes place in the studio.

And now, the product

After several takes, the key character in the commercial, a dignified, elderly man who marvels at the taste of a great brandy, arranges exactly the right expression on his face, the right feeling in his voice, and it is time to leave.

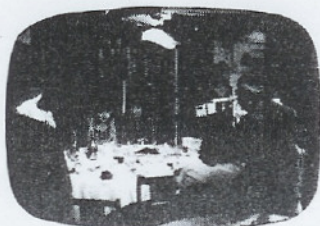


The technicians start to pack up, the lights are turned off, the models change to daytime clothes. The dignified elderly gentleman raises a laugh when he takes off his traditional long Chinese silk robe to reveal trendy tartan shorts and a very loud shirt.

Helpers carry out heavy cameras and tripods, and the restaurant clears, leaving only littered tables behind. The restaurant manager, glad to see a return to normality in time for his lunchtime trade, offers a roll of wallpaper, tablecloths and crockery to Hash so she can set up the same scene in the studio, where the commercial is to be completed and edited.

Machines and men

Although Robert Chua's production company is a separate entity, he has a considerable financial interest in Conic TV Studios Ltd., where this commercial is



to be completed. "Conic TV Studios has the support of my experienced production team, and we are lucky to have the facilities of a studio with one of the most sophisticated vision mixers available in the world today", he says.

Evidently the studio staff are well trained and enthusiastic. Soon, back in the studio in Kowloon Tong, wallpaper is being hung carefully, carpenters are busy, and Tony Yu is double-checking that the restaurant lighting is duplicated in the studio, so the mood of the scene can be re-captured.

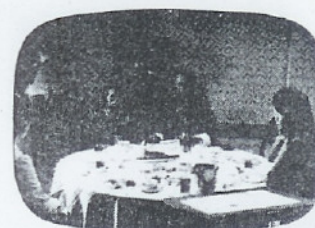
Hash is still working hard. She produces linen, crockery and glasses and supervises the laying of a table so that it reproduces exactly the one in the restaurant. The Chinese gentleman dons his silk robe once more, and shooting continues. Hash hovers with a powder puff in case the dignified nose should start to shine.

Finishing in the studio

Today, as well as taping two slightly different 30-second commercials, the studio is producing one 20-second and one 10-second commercial, and the client is pleased with the way they are going. He explains that before shooting could start the script and storyboard had to be passed by the television authorities to ensure they conform to Hong Kong's high code of advertising standards.

Joseph Kwong, Chief Engineer of Conic TV Studios Ltd., explains editing processes. Joseph has under his control and care some very impressive video and film equipment. After studying electronic engineering at Hong Kong Polytechnic, he had four year's experience in television before joining Conic a few months ago. Conic sent him to England and Germany on a specialised training course and he is now an acknowledged video expert, highly skilled in the operating techniques and maintenance of helical scan recorders, Telecine machines, and quad format video tape recorders.

Once shooting is complete, explained Joseph, post-production begins. The tape is run through and the best takes are chosen and assembled on to two (or more) master rolls. Odd numbered scenes form an 'A' roll and even numbered scenes make up 'B' roll. During the 'mixing' or editing session, both rolls play synchronously through the vision



The end result, just a few seconds

mixer and the best shots from each roll are put together, one shot cutting or dissolving to another. It is at this stage that complex combinations of optical effects can be inserted which may include adding titles, music and sound effects. Robert Chua is respected by his colleagues for his ability to choose the right effects quickly and incorporate them for maximum impact.

The final result is on a master tape, and can be copied as many times as necessary for distribution purposes without loss of quality.

The end result of this busy day's work will flash on Hong Kong's television screens for only half a minute a few times a week. But, for the artistic or technical people involved in its production, it is the tangible offspring of their combined efforts and creativity.

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Local advertising agencies see enormous potential for videotape commercials

Nearly 90 per cent of all Hong Kong households own a television set.

As a direct result of high television ownership and a large localised viewing audience, television is Hong Kong's major advertising medium.

This is a unique situation: elsewhere in the world advertising placement is split almost equally between print and broadcast media, with the emphasis inclining towards print.

Time costs on Hong Kong television are also relatively low, and within the reach of most potential advertisers, no matter how small. An illustration of this is the amount of air time bought by such advertisers as high-quality products which are aimed at the top 20 per cent, "luxury end" of the market.

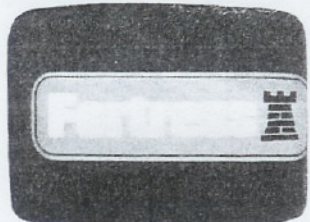
Elsewhere in the world this might not be a cost-effective exercise but in Hong Kong, evidently it pays these elitist products to advertise!



Videotape's powers of superimposition are achieved through the use of "chroma-key", a technique Conic TV's equipment is ideal for.

As a result of the peculiarities of the local advertising scene, everyone in Hong Kong needs television commercials. Considerable strains are placed both on production facilities and creative talent. A Madison Avenue advertising agency may make 50 television commercials a year, but an agency of a similar size in Hong Kong would double that total.

About 95 per cent of all cigarette commercials screened locally are made in Hong Kong.



Conic TV are able to produce 'computer-animated' titles like Ogilvy & Mather's 'Fortress' through overseas affiliates.



One of videotape's special strengths is that titles can be arranged in a myriad of different ways, instantaneously. A title like this would take weeks to process on film.

Quality important

"Hong Kong is a television market," says Ogilvy & Mather creative director, John Doig, "but quality is as important as quantity, and there are many instances where it would be better to increase production budgets for commercials at the expense of some airtime".

"New production houses are ensuring healthy competition for established organisations, which is one of the reasons behind the improvement in local standards", says Doig.

"Videotape scores over film with its extensive repertoire of special visual effects and its instantaneous playback", he says.

"There are no real boundaries with video that can't be overcome by good production crews, and it offers ideal technical assistance for the fulfillment of a concept."

Local support for video

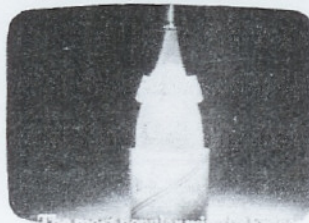
The costs of television production in Hong Kong are "shooting up", says Tony Skinner, who works on the Cathay Pacific Airways account at Fortune (Far East) Ltd.

"Cathay Pacific have always used local talent for commercial production and all their television advertising originates in Hong Kong."

"Video saves time, laboratory costs and processing hassles. It is quicker, easier, and rapidly becoming very sophisticated."

"It's a good medium," he says.

Hong Kong's flag-carrying airline is the Colony's biggest advertiser, with a world-wide budget of HK\$25.5 million.



Good lighting can make even simple product shots look appetizing.

Unrealised potential

Conservative advertisers and advertising agencies have a problem in identifying the potential of modern video, says Nick Launder, creative director of Ted Bates Ltd.

"Video's a great technique" he says, "but in Hong Kong both clients and advertising agencies tend to be a little wary of it as it was once associated with commercials of an inferior standard."

"This is an entirely wrong attitude. Video has tremendous possibilities if only clients and advertising agencies would be more positive," he says.

"There is still a tremendous division between very good advertising and very bad advertising in Hong Kong," says Launder.

"Video is magic," says Clive Atkins at Young & Rubicam, Hong Kong. "It has endless potential which is still largely unrealised in Hong Kong."

"Video is particularly suited to Hong Kong where many television commercials are shot on low budgets. Video is cheaper in terms of time and money."

"Hong Kong has all the equipment – the very best," says Atkins. "But there is still a shortage of good people," he adds.

"The situation is improving," he says.

Mixing film and video

"Hong Kong is NOT unsophisticated," says American Stoney Mudd, creative director at Ling McCann Erickson Ltd. "But it does have its own peculiarities which makes it an interesting place to compare with other centres of international advertising."

"Film production is good in Hong Kong – I'm a 'film man' because I think I can get a better mood – a better feeling – on film than on tape."

"Ideally I like to shoot on film then transfer to tape for editing," says Mudd.

With the completion of Conic TV and its sophisticated facilities this can now be done without any loss of creativity or quality.



Using videotape a commercial can be shot in the afternoon and appear on TV the same night.

Robert Chua: pioneer of hong kong television



The Chua family in action. Robert Chua, Managing Director of Conic TV, with his wife Peggy, Manageress of Robert Chua Productions.

'Go South young man'

Thirty-one year old Robert Chua knows more about television in Hong Kong than just about anyone else.

Involved in local TV production for more years than there have been broadcasts, the unassuming Singaporean merely shrugs: "I've been in television a long time," he says, turning to solve one of the endless number of problems that people automatically bring to the "master" of Conic TV Studios.

Possessing a seemingly boundless store of energy plus a dynamic intelligence, Robert Chua always has time to stop and answer questions, to explain concepts which to him must seem simple, to go over his ideas with the cameramen when they fail to keep up with the lightning reactions of his own mind.

It was the glamour surrounding the concept of television that first attracted Chua to the business.

In 1963, still a student in Singapore, he was the butt of his father's jocular advice to indulge his appreciation of theatre and pretty faces by joining the glamorous world of television.

Shortly afterwards the budding producer left for Australia where he started work "at the very, very bottom of the career ladder" with Channel Seven in Adelaide.

His first job was as a property assistant. "It was tough work: all that shifting of props, pushing and pulling things around sets. It was really heavy labour, and very uncomfortable in the South Australian summer heat. There was nothing like airconditioning in studios then," he recalls, with evident relief that those days are past.

During the next two years Robert Chua gained a wealth of experience and became fired with enthusiasm for a life in television.

He was promoted to a cameraman's position, to floor manager,

presentation director and finally to programme producer and director.

"A mountain of invaluable knowledge was packed into those two years," he says, "even though television at the time was not particularly sophisticated and all in black and white."

Back to Asia

In 1966, only 20 years old, Robert Chua returned to Singapore and his first production job with the embryonic Radio Television Singapore. Specialising in light entertainment programmes and popular variety, he stayed there for a year before being drawn to Hong Kong by the attractions of a faster-paced, more free-wheeling way of life and the exciting prospect of pioneering colour television in the Colony.

Arriving in 1967 he was employed as a senior production executive for TVB before the station started operating.

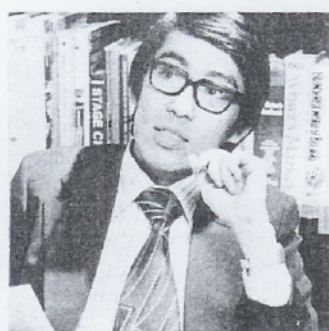
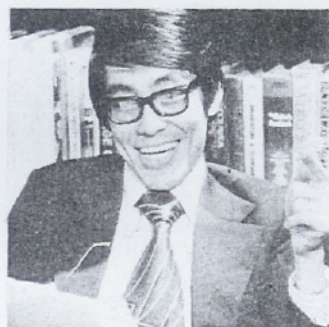


Combining fine still photography with videotape assembly. A commercial Robert produced for Watson's.

Robert Chua remembers with pride those heroic "pioneering" days of television in Hong Kong, and he is one of the few early leaders to remain here. Others have returned home to Australia or the United Kingdom, or have sought work in other parts of the world.

"One of the reasons for the success of the station was, I believe, the youth of the people involved," says Robert Chua. "We were enthusiastic to the point of madness and thoroughly convinced of the wonderful future for television in Hong Kong."

(cont. over)



Singaporean technicians and production crew were used for filming and recording.

Going it alone

It was in December of that year that Robert ended his association with TVB and established his own company, Robert Chua Productions, making him the only independent TV producer in the Colony, and certainly the highest paid. He continued to win valuable contracts to produce light entertainment and variety series as "Robert Chua Presents" amongst them last year's 26-programme series "Variety '76" and RTV's live "Saturday Nite Variety" show.

This show, like "Robert Chua Presents" is something of a family concern, with Robert's wife Peggy acting as assistant producer on the series. She is

also a manageress and director of the Production Company.

A family affair

Peggy was working as Robert's production assistant at TVB when they first met. She was born in Soo Chow in China but lived in Hong Kong most of her life. In 1973 she decided to see a bit more of the world, and set off to join her family in Canada. That, however, was not to last long — Robert left TVB, established Robert Chua Production and followed his attractive young assistant to Canada. Together they returned to Hong Kong and they were married in January 1974.

Work in the recording studios consumes Robert Chua's seven-day working week. His commitment to clients and to his own productions is total, and

he works long hours to achieve the results he seeks.

He shares his wife's idea of total luxury as 'a spare Sunday morning with time to relax, read the newspaper and pad about the house for a while before a quiet lunch'.

Robert Chua Productions seems a classic husband-and-wife team, though Peggy spends less time with day-to-day studio work, concentrating her energies on the production of the "Saturday Nite Variety" show and on administrative matters in the office. Her understanding of the television business is intimate and astute, and her support of her husband and his work is a reflection of his own commitment.

The combined energies and talents of Mr and Mrs Chua point towards a successful future for their new business venture.

The birth of EYT

1967 was the year Chua first conceived and started producing his enormously popular "Enjoy Yourself Tonight" programme. Chua realised that talk shows were not popular in Hong Kong, but with four years' experience in Australia and Singapore behind him and a feeling for Hong Kong audiences, he forged ahead with his first EYT series.

The format for the show was based on the Victorian television "Melbourne Tonight" programme, but with slight alterations. Strictly orientated towards Hong Kong tastes and habits, Chua's EYT, aimed at the Colony's mass market and tailored to their entertainment needs, won instant popularity.

His association with the programme lasted for seven years and its success is legend. The content and presentation have remained much the same and though faces and names have changed, the show is as popular as ever. Advertisers seeking air time have to contend with heavy rates — \$4,680 per thirty-second spot.

A string of firsts

Robert Chua continued his climb up the TVB career ladder — from senior production executive to production manager, then special assistant to the managing director of the station.

His career has been highlighted by milestones in local television direction, production and creativity for which he has been directly responsible.

Among his many firsts, in 1972 he produced the first Hong Kong Song Contest, a year later the first Miss Hong Kong Pageant, and in 1976, the first Asian Amateur Song Contest.

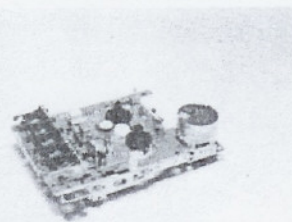
Also in 1973 came Hong Kong's first overseas production, Enjoy Yourself Tonight, which was made in co-operation with Singapore television, when

WITH COMPLIMENT
OF



**YOKOHAMA MUSEN
INDUSTRIAL COMPANY (H.K.)
LIMITED**

**manufacturer of
Precise Cassette Mechanism**



and

I.F. Transformer, OSC Coil and other various Coils

The new team



Conic TV is truly a collection of Hong Kong video experts.

Robert Chua Productions provides film and videotape production (including pre- and post-production) services with the support of a highly skilled, enthusiastic staff of 20. With a range of sophisticated equipment, new production methods, film lighting applied to video and a combination of film and video techniques for special effects, Robert Chua and his team of assistants ensure their productions will be the highest quality. Being associated with Conic TV and located in the same premises enables Robert Chua Productions to operate with maximum speed and efficiency.

A company is only as good as the people who form it and both Conic and Robert Chua Productions maintain very high standards, demanding effort, professionalism and a capacity to work independently.



John Chu (General Manager, Conic TV)

John Chu majored in filmmaking at the Centro Sperimentale di Cinematografia in Rome (the same film institute where Antonioni, Bertolucci and Bellocchio studied the art of film).

He made numerous films, documentaries and commercials before being employed by HK-TVB to head its commercial production department.

Forseeing that videotape would play a major role in commercial production, Chu spent considerable time and effort studying and improving videotape production to bring local standards in line with those overseas.

In his years with TVB, Chu was responsible for training commercial production personnel and the development of production techniques.

Among the many items which Chu introduced to Hong Kong's commercial production field are: the 16mm film-marry-VTR technique; one-camera and film-lighting utilization; the extensive use of video for post-production editing.



Peggy Chua (manageress/director)

A co-director of Robert Chua Productions, Peggy Chua is far from being a "silent partner". Like her husband, she has a comprehensive knowledge of Hong Kong television and takes an active part

in the company's activities.

Peggy's association with Hong Kong TV began in 1969 when she joined TVB as a production assistant. It was here that she first met Robert, working with him on many of the early Chua successes.

In 1973 she spent three months as a producer with RTV before returning to TVB as Robert Chua's personal secretary and assistant.

Towards the end of the year she left Hong Kong to explore the possibilities of living and working in Canada, but this experiment was not to last long. Robert left TVB and followed her, determined to bring her back. Early in 1974 she became both Mrs Chua and a director and partner in the newly established Robert Chua Productions.

Now, as manageress of the company, she ensures the smooth and efficient running of day-to-day affairs in the Conic studio offices.

She is not involved in the studio's commercial productions but is assistant producer of Robert's live "Saturday Nite Variety" show on RTV.

(cont. over)



Tony Yu (Production Manager/Producer/Director)

With 11 years of experience in Hong Kong television behind him, Tony Yu is totally familiar with the procedures of video, knows exactly what can be done in terms of production and how to do it.

Only 19 years old when he joined RTV as a sound man, he quickly started moving up through the ranks. He became a trainee producer and two years later a producer, gaining his first experience of working with video cameras and vision mixers.

He moved on to become head of presentation, a position that familiarised him with the intricacies of programming, arranging schedules and promotion.

Still broadening his knowledge, Yu transferred to the engineering department as head of studio operations. This involved working on lighting, sound, and cameras, and allowed him to acquire an extensive understanding of the technical side of video. More work with vision mixers and camera control units (which adjust levels of brightness and colour) completed his RTV training.

Last October Tony Yu brought his comprehensive knowledge to Robert Chua Productions, where he has calmly taken charge of the hectic production programme, sometimes supervising, sometimes personally responsible for the production of a commercial.

Married for five years, Tony Yu has a four-year-old daughter and a two-year-old son.



Joseph Kwong (Chief Engineer, Conic)

Joseph Kwong is the man in charge of keeping the mass of complex video equipment at the Conic studios in perfect running order.

He joined Conic in March with an extensive background in engineering work. Originally a senior projects engineer in a Hong Kong electronics factory, he moved over to the engineering department of RTV. Here he learnt the principals of operating and maintaining video equipment.

He returned to the electronics factory for a short time, but was drawn back to video work, which he says is a fascinating field of electronic engineering, and joined Conic. He trains all the engineering staff (nine in all), supervises maintenance and repair work.

All the Conic engineers have come from television stations, with important years of experience in handling the

delicate equipment. "The facilities here are more up-to-date than the TV studios," says Kwong, "but the principals are the same and because it is a small studio we all work hard and learn a lot from each other."



Bob Duffy (Technical Consultant - Special effects and lighting)

Bob Duffy can draw on many years of creative experience in television and, as a consultant, can offer the benefit of his specialised knowledge to the cameramen, technicians and producers on the RCP staff.

His introduction to television was through HFV 7 in Melbourne, where for 20 months he worked - in the props department and as a lighting technician.

Still in Melbourne, he joined GTV 9, again as a lighting technician, first in the TV lights department and then in the film department. He also gained his first experience as a cameraman.

For six months after this he was free-lancing as a film cameraman and lighting expert, but returned to yet another Melbourne TV studio - ATV 0. He stayed there for 3 years, first as a senior lighting director, then as a production cinematographer.

Leaving Australia, he came to Hong Kong and started work as a cinematographer with RAI, at the same time freelancing for NBC and BBC. Eighteen months later he left to set up and manage the film division of Rank Strand Asia, handling sales, rental and service.

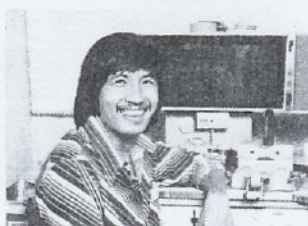
After a year in Australia to establish his own company and do a little more freelance work, he is back in Hong Kong, as part of the Conic and Robert Chua Productions team.



Lam Sai Chung (Project Consultant)

For Mr Lam, work with Conic is only a part-time concern. His main position is as Deputy Chief Engineer with RTV.

But he is available to Conic as a consultant, and systems planner. He advises on all video and audio operations.



Tommy Ngan (Film Producer/Director)

The film unit of Robert Chua Productions was set up at the beginning of June with only 5 people. But they have wasted no time in settling down to hard work, at a speed that keeps the whole of the Conic and RCP organisation in a state of constant motion.

Tommy Ngan joined the unit after 7 years with Adpower, a commercial production house where he started as an assistant cameraman, progressed to cameraman and then director.

Already he has produced three commercials with one more scheduled for completion before the end of the month, and though he is a film cameraman, he is very enthusiastic about the advantages of video in the post-production stages.

Use of the facilities at Conic makes it possible to produce high-quality commercials much more quickly than is possible using film alone.



Johnny Chan (Associate Film Producer)

Another member of the small film crew is Johnny Chan, who has had 10 years of production experience.

He has not worked on commercials before, but has been associate producer on many well-known local screen successes.

The recently completed production, "Foxbat" was his last film, for which he was art director and props supervisor.



Hasima Rumjahn (Senior VTR Co-ordinator)

Always known as "Hash", RCP's 25-year-old coordinator ensures that the specialised knowledge of every member of the production team is combined into one smoothly-running operation with maximum efficiency.

Born in Hong Kong, Hash's first connection with advertising was with Jackson Wain (now Leo Burnett). Following that, she became a film co-ordinator with The Production House, and developed a taste for the high-pressure film world.

After six months in London in 1972, she returned to Hong Kong and advertising, working as a Traffic Co-ordinator with Thomson Wong Kiernan.

In 1974 she spent a short time in Sydney, again working as a traffic co-ordinator. Back once more, she continued to gain experience in the creative side of advertising, as creative coordinator and assistant to the creative director of other

Hong Kong Companies. Hash has been with Robert Chua Productions since May 1977 and finds the work more involved and more challenging than anything she has done before.

"Each person is responsible for their own job which means we don't step on one another's toes, as so often happens in other companies," she says.

Is she thinking of moving on again? "I'll be here forever," says Hash. "As long as I don't get married - no husband would put up with the hours I work."



Catherine Yip (Senior Film Coordinator)

Hash's counterpart in RCP's film unit is Catherine Yip. She has solved the problem of irregular working hours by marrying one of the studio's producers, Tommy Ngan Born in Hong Kong, Catherine had been working in a travel agency for 2½ years before her husband introduced her to Robert Chua Productions. She now handles the casting, booking and general administration of film commercials, as opposed to video, which comprises the majority of the studio's work.

The Ngan's have been married for three years and after one month with Robert Chua Productions Catherine seems enthusiastic about the idea of a "working partnership."



Parmina Soh (VTR Producer)

Another of the production team with wide experience in television work is Parmina Soh. She first joined RTV in 1975 as a VTR operator in the engineering department. After 2½ years spent learning all aspects of video operation, she transferred to the publicity department as an assistant producer. Here she was dealing with promotion and also filming, and she absorbed a lot of valuable information about lighting and live production work.

She has been with Robert Chua Productions for one month and prefers it to television work. "I like to meet people," she says, "and there is so much I can learn from working with such a talented team as our new studio has."

In addition to the people mentioned above, Robert Chua Productions also employs:

- four production coordinators
- three production assistants
- two talent coordinators
- one location scout
- one designer co-ordinators
- one assistant film cameraman
- one film lighting man
- one make-up artist

Just how good is advertising in Hong Kong?

Straight from the horses' mouths, here's what Hong Kong's advertising leaders think of the state of the art locally.

Does Hong Kong advertising compare with that produced elsewhere in the world?

The question no longer causes raised eyebrows or cynical coughs. Instead it opens the way for an honest appraisal of the industry, its strengths and weaknesses and its unquestionable recent growth in sophistication.

Today there are few reservations in a general acceptance in the advertising industry that GOOD Hong Kong advertising DOES compare with the foreign product.

To be classified 'good' an advertisement must achieve its objective: it must create awareness of a product, increase sales or change consumer attitudes.

Advertising men strive to achieve these objectives through correct creative concepts and technical production of film or print advertisements.

Local knowledge essential

But a successful advertisement in one market may be an abject failure in another. Each market is a unique blend of local customs, habits and demographic characteristics peculiar to that area. Each market is conditioned by its circumstances and inhabitants. Each has distinct requirements, and its own level of sophistication.

Beauty is in the eye of the beholder, runs the old cliché.

In order to compare local advertising with that produced elsewhere, many factors must be considered. International

advertising awards are not highly regarded by many advertising executives who consider material from each country or region should be judged only against competitive material from the same place.

Creativity and technique are two main ingredients in successful advertising, and the standard of these factors in one particular place will reflect immediately in the quality of advertising material.



Young and Rubicam's new F.O.V. Cognac commercial, made in Australia with a Hong Kong TV production crew.

Some of Hong Kong's best-known admen spoke of their feelings about the industry, their assessments of its strengths and weaknesses and the following pictures of the business emerged:

An old hand's view

Peter Thompson, partner and creative director of Thompson, Wong, Kiernan K & E Ltd., has been in Hong Kong for the past nine years — a long time for an expatriate in Hong Kong advertising — as many careers in the local industry came to an abrupt halt during

the slump of 1973-74, which hit advertising agencies hard. Those which did not close their doors cut staff ruthlessly.

"Advertising in Hong Kong is much more professional than when I arrived," says Thompson.

"It started to become visibly more sophisticated in the early '70's, but the really incredible change took place over the past two years. This change is reflected in the higher calibre people — both local and expatriate — who are being recruited into the Hong Kong industry."

Local universities — good training grounds or not?

Thompson's comments on the calibre of Hong Kong's admen was borne out by his colleagues in the local industry, though opinions differed as to the relative merits of the talents of those educated and experienced only in Hong Kong versus those who went to schools, universities and other training institutions overseas.

Hong Kong's education system came in for repeated criticisms from one faction which maintains that the local characteristics of "assimilation and regurgitation" killed individuality in students and consequently stifled creative talents.

A second faction holds that Hong Kong's universities — and particularly courses available at the Baptist College — provide adequate academic training in advertising and associated communications fields.

A change in the very essence of local advertising is responsible for the overall improvement in Hong Kong advertising, says creative director of Young & Rubicam, Clive Atkins.

"Hong Kong is now taken seriously in the world of advertising," he says. "Good people want to work here."

Hong Kong advertising is perhaps less sophisticated than elsewhere, says Atkins, but he added that it is "more immediate and more competitive" than in the United States or Britain, where creation for the sake of creativity was sometimes more of a reason for making an advertisement than selling or enhancing the image of a product.

Conservative clients

Villain of the piece, in the eyes of many Hong Kong admen is The Client, the person who pays for advertising; the organisations with large, medium and small budgets who hope (sometimes naively) that investing in an advertising campaign will double their profits, rain doom on their opposition, convince Joe Citizen to change his habits... and satisfy the gamut of their business aspirations.

Has the Client changed too over the past few years?

No, said one faction, with great feeling.

"Advertising in Hong Kong has improved in spite of local clients, not because of them," said one creative director. "They are so conservative that

in no way could they be called trend-setters," he said.

Advertising production budgets in Hong Kong must be increased, say his colleagues, or local advertising will regress in the near future.

"Hong Kong is not a cheap place, nor are good concepts cheap to produce," they say.

"Many local clients seem to expect an Oscar-winning feature on a budget of a few thousand dollars," was the rather embittered comment from an art director.

And demanding clients

The opposing factor holds, however, that clients in Hong Kong have definitely "woken up" over the past few years, with local companies recruiting sophisticated marketing men who understand the possibilities opened up by effective advertising and international companies no longer assuming that Hong Kong can only translate and copy, not innovate.



Ogilvy and Mather's 7-Up, an ambitious commercial made entirely in Hong Kong.

Agencies have consequently responded to the demand for improved standards of advertising by importing overseas creative staff, while there is a growing awareness and demand for locally-educated and experienced admen.

Not enough local talent

There is still a shortage of first-class talent in Hong Kong. "Although the supply has improved over the past five years, the demand has also increased, so percentage-wise the situation has not changed," says one agency head.

Original creativity is important to the local industry. A good advertisement cannot always be made from a translation of a European or English-language ad. "Advertising copy must be originally written in Chinese and not translated from a foreigner's idea of good Chinese copy," says an agency director.

A client's eye view

Clients also have strong views on the state of Hong Kong's advertising industry.

A spokesman for a company which ranks among Hong Kong's biggest advertisers and which demands, — and receives — award-winning performance from its agency, is sceptical about the creativity of many advertising shops.

"Many agencies are too conservative," he says. "They do not 'stretch' the client."

"If agency people proposed more ambitious projects it is likely that conservative clients would increase their budgets. But I wouldn't pay 10 cents for some of the 'creative concepts' I have seen produced."

Pursue the big idea

"Brave clients reap rewards," says Ogilvy & Mather's creative director, New Zealander John Doig. "Which is not to say that Cecil B. De Mille budgets for television production will automatically make the cash registers out in the market ring. But rather that single-minded pursuit of the 'big idea' inevitably leads to success."



Lucky Strike was shot in California by Ling McCann Erickson. But the production house was Hong Kong-based.

"An agency must have the confidence of his client," says American Stoney Mudd, creative director of Ling McCann Erickson, adding that Hong Kong's major agencies, vested with the confidence of their clients, could meet any challenge.

Talent or technique?

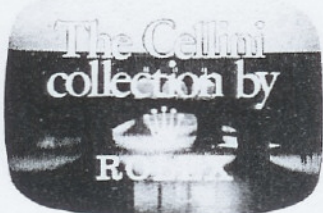
Across the board, throughout Hong Kong's advertising industry, there is a general dissatisfaction with the shortage of creative talent. But there is unanimous praise for the standard of technical expertise.

The high calibre of technical personnel and their production techniques, however, sometimes produces negative results.

"In Hong Kong technique saves the lack of ideas," says one executive. "Many Hong Kong admen consider technique more important than content," says another.

"Top quality production too often is called on to save an ad in Hong Kong," says yet another.

But perhaps things will never be perfect. Is the adman's choice of good advertising the choice of Joe Public? Does Joe Public really care?



Peter Thompson's Rolex Cellini commercial, overseas location with local production.

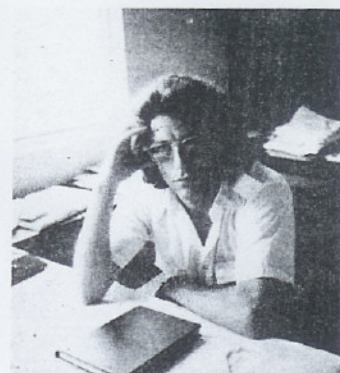
Hong Kong has made giant steps over the past few years. The youth of the industry provides a characteristic flavour. The relative lack of sophistication is not necessarily a bad thing.

Hong Kong is in the market for creative talent, but the shortage of good people is not peculiar to this town.

The best of Hong Kong material compares favourably with that of the United States, Britain and Europe. The time must be close when credit is given where credit is due.



Clive Atkins, Creative Director of Young and Rubicam.



Stoney Mudd, Creative Director of Ling McCann Erickson.

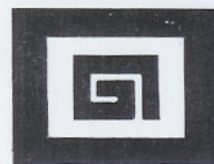


John Doig, Creative Director of Ogilvy and Mather.



Peter Thompson, partner and Creative Director of Thompson, Wong, Kiernan K & E.

WITH THE COMPLIMENTS OF



GENERAL INSTRUMENT HONG KONG LTD.

Room 704, Star House, 3 Salisbury Road, Kowloon, Hong Kong.
Telephone: 3-675528 3-674742

Conic Investment Company: the anonymous giant.



Mr Au Yan Din, Managing Director of the Conic Group.

A brief introduction to the parent company of Conic TV Studio Limited

Within 12 years, the Chee Yuen Industrial Company, which began operations in 1965 producing plastic products with the aid of five small injection moulding machines in a cramped 900 square feet of industrial space in Hung Hom, became the core company of one of Hong Kong's largest manufacturing and trading organisations.

Chee Yuen — the original company — will be the main subsidiary of Conic Investment, the holding company for the Chee Yuen group.

With factories throughout Hong Kong and Kowloon and subsidiaries scattered throughout South East Asia and Europe, Conic Investment Company has been dubbed "Hong Kong's anonymous giant".

The organisation presently operates with 31 companies, most with manufacturing facilities, installed on a combined floor area in the Colony of 750,000 square feet.

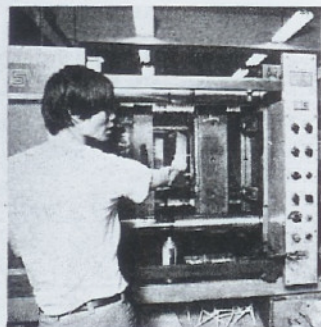
At the end of 1976 the group had a paid-up capital of HK\$52,000,000 with a sales turnover of HK\$600,000,000. Locally-employed staff totalled 10,000.

Aggressive marketing

Through calculated growth the manufacture of reliable, quality products and aggressive marketing strategies, the organisation has established a reputation in leading markets all over the world.

Products manufactured by the group account for an estimated 20% of the Common Market countries' electronics market. Approximately 30% of all radios, cassettes and digital clocks exported from Hong Kong are produced within the group.

Plastic casings for the electronics industry was the cornerstone of the group's industrial growth, and diversification over the past 12 years has brought it into the manufacture of a wide range of products, including radio cassettes, digital clock radios, stereo cassettes, plastic cabinets and accessories, magnetic instruments, electronic toys, multi-band radios, household and beauty care products, and a host of other electronic and metal products.



Besides manufacturing facilities, the group also comprises companies involved in engineering, investment, television production and marketing.

The Conic Investment success story is due largely to the founder of the organisation, Mr Au Yan Din, who is managing director and chief shareholder.



Training skilled workers is an important investment.

Diversification

The first eight years of the group's history were spent consolidating a position in the plastics industry, making plastic casings for other electronic products manufacturers before starting a period of diversification into the manufacture of end products. Because of his organisation's dependence on the stability of a volatile market and his customers, Mr Au's

growing business empire entered a new phase of diversified operation.

A simple marketing strategy governed the growth of the young company: all company planning, policies and operations should be directed toward the customer, and profitable sales volume should be the ultimate goal.

All group activities, from production, engineering, marketing and financing — depended on early definition and identification of customer requirements, whether they be for a tiny component or a complex end product.

Spreading the word

During 1973-74 there was a division in the company's marketing strategy. There was a need to tell customers the company had the resources to develop products to customers' specifications and that it had entered a new phase as an integrated manufacturing unit producing high-quality end products.



A wide-spread and efficient marketing network conveyed the message worldwide, and the group quickly established its reputation particularly in North America and Europe for its outstanding ability to produce a quality product from a customer's sketch. Development involved all production phases, industrial research, engineering approval, tooling production, quality control and U/L, CSA, VDE, FTZ, SAA and FCC approval.

End products were retailed through major Hong Kong outlets and department stores and marketed throughout the world, many under customers' or buyers' brand names.

Vertical integration

The group now operates on the principles of integrated industry, with a complete production line network supply-



Good working conditions produce better products.



Conic pride themselves on having the best tooling shop in the region.

ing the majority of components to other member organisations of the group for use in the manufacture of end products. This independence of outside contractors has enabled the group to manufacture and assemble products at extremely competitive prices.

The Conic brand name

In 1975 came another major development. Rather than continue to produce solely to customers' specifications or to sell to organisations which then retailed the product under their own

brand names, it was decided to market the group's products under their own brand name, and to establish a group marketing network for this name.

The "Conic" brand name was registered and introduced to major markets throughout the world and two marketing companies staffed with experienced marketing strategists in the electronics field were formed to handle this new sales challenge.

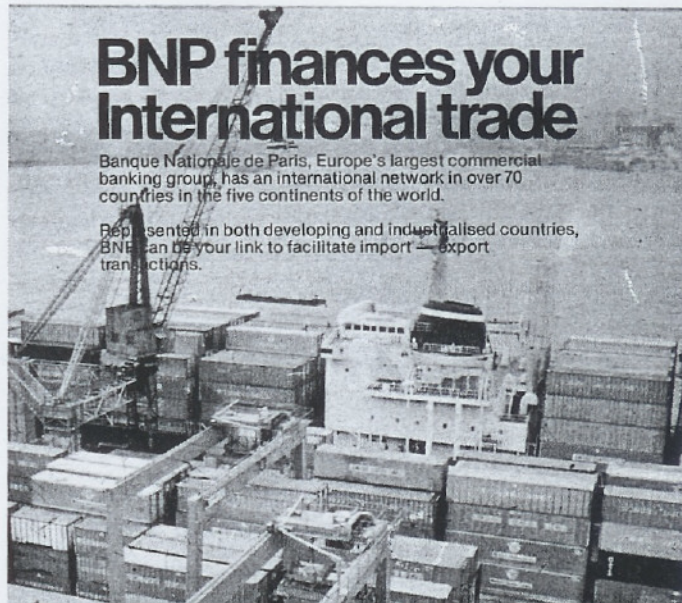
Fengnin International Ltd. was formed to handle Hong Kong and Far East markets, and Conic International (Hong Kong) was charged with marketing group products worldwide, with 10 sales

(cont. over)

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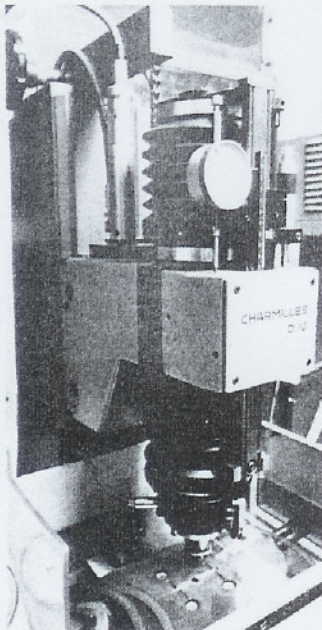
Hong Kong Branches
Des Voeux Road Branch
Realty Bldg.,
71 Des Voeux Rd. C.
Causeway Bay Branch
22 Paterson Street
North Point Branch
432-434 King's Road.

Kowloon Branches
Tsim Sha Tsui Branch
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Sham Shui Po Branch
292 Castle Peak Road
Mong Kok Branch
608 Nathan Road
Kwun Tong Branch
327 Ngau Tau Kok Road.

and marketing specialists travelling widely on group business.

Further marketing companies were established — one in Japan and another in the United States, promoting group products and acting as a watchdog on changing markets and tastes and assessing future development potential.

Today the "Conic" name can be seen on the shelves of retail outlets throughout the world.



Conic employ the most modern tooling equipment available.

Geographic diversification

The activities of the Chee Yuen group are not confined to Hong Kong. It has equity participation in a number of projects of a similar nature outside the Colony, in Taiwan, Thailand, Singapore and Indonesia.

Attracted by lower labour costs in Singapore, Malaysia and the Philippines, Chee Yuen is currently investigating the possibilities of establishing manufacturing facilities in these countries.

Optimism

With increased local and international capabilities, Managing Director Mr Au Yan Din firmly believes that the group will grow steadily both in peak seasons and during recessions.

Sales outlets and networks are guaranteed by the high quality of products, efficient marketing capabilities and competitive prices.



Injection moulding on a large scale.



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Conic Group of Companies

Subsidiary Companies

Associated Companies

Conic Investt Co. L.
Group parent company investment coo

Others

Conic TV
Television commercial
production studio and
videotape facility

Standard Plastic
Manufacturers of household
and beauty-care products

Worldwide
Polyfoam and Engineering
Manufacturers of polyfoam

Electronics

Accurate Electronics
Manufacturers of electronic
calculators, watches,
calculators with printers,
and TV games

Hong Yuen Electronics
Manufacturers of PCB.

Likto Industrial
Manufacturers of plastic
toys and novelty radios

Alex Electronic Products
Manufacturers of digital
clock radios

Hung Nien Electronics
Manufacturers of digital
clock radios and multi-band
radios

Quentex Electronics
Manufacturers of digital
clock radios and
C.B. Transceivers

Audiotronics
Manufacturers of Stereo
Multiplex 8-track players,
radio cassettes and
digital clock radios

Jecko Electronics
Manufacturers of
IPT.

Sunway Electronics
Manufacturers of
electronic products

King's Treasure

* P.T. Umas Jaya Farm
(Indonesia)

* Thai Wallpaper
(Thailand)

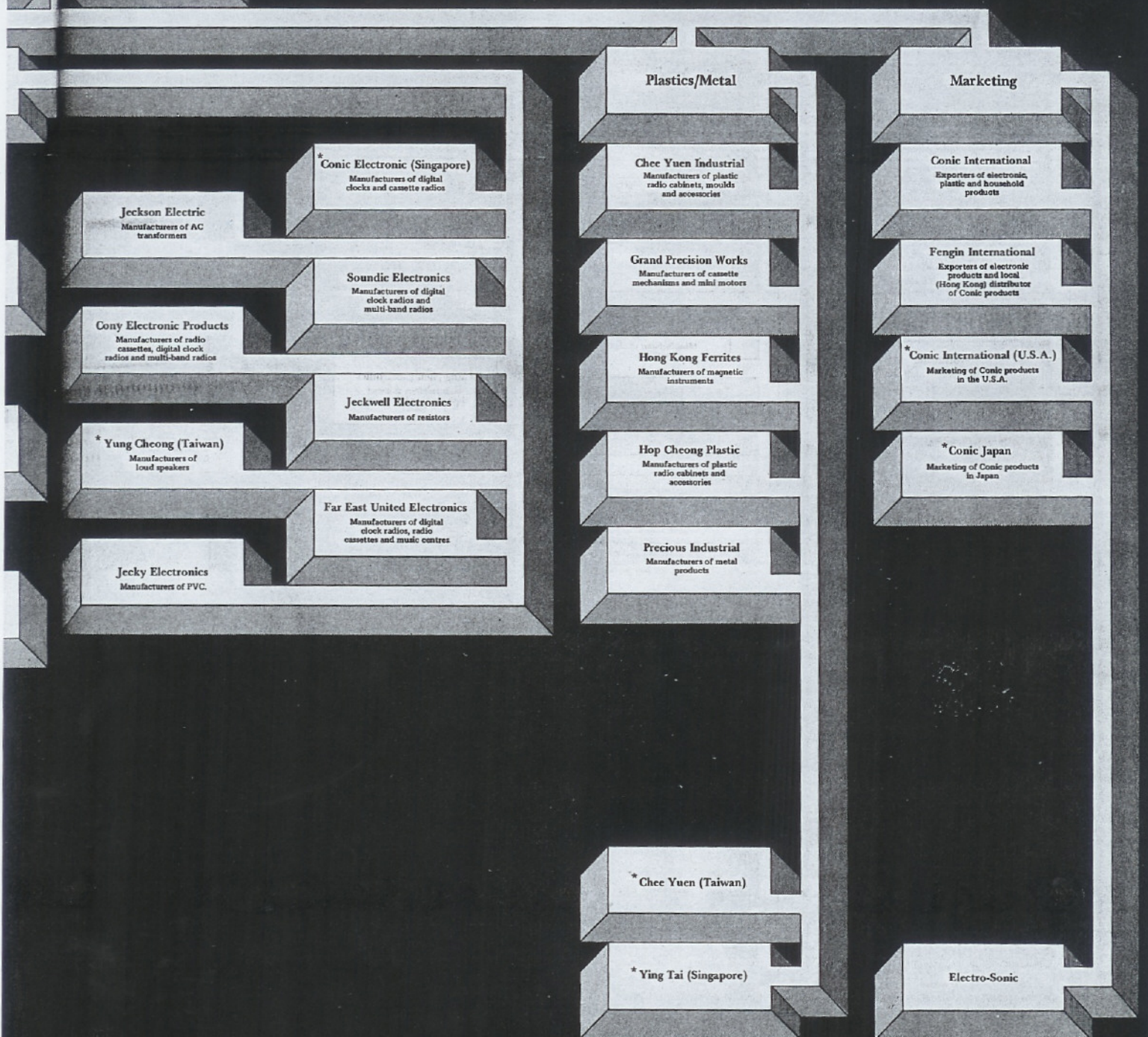
Colony

Universal Appliances

* Oversea Subsidiaries/Associates

Companies Organization Chart

Investment Co. Ltd.
Investment company





Conic Investment Co Ltd's Board of Directors. Left to right: Mr Simon Tam Hon Kong, Mr Tam Chung Shing, Mr Au Yan Din (M.D.), Mr Lam Chung Kiu, Mr Yim Shun. (Absent: Mr Chan Chun Cheung)

The Conic Group~ control on a large scale.

"The Group's success, in part, can be attributed to a policy of careful and conservative financial administration" — Mr. Au Yan Din

Rapid growth and development in any group creates internal problems relating to communications and administration.

Many expanding companies neglect fundamental principles of administration in the race to show an early profit on capital investment — and considerable problems may result.

The Conic Group of companies, however, is an ideal example of careful administration and financial controls tied to development of each step of the organisation's short history of phenomenal growth and expansion.

Tight administration

From the early '70s, when Chee Yuen Industrial Company Ltd. began the expansion which has resulted in the Conic Group of today, tight administrative and financial controls have been employed

to avoid a break-down in internal communications, wasteful techniques and costly duplications.

Initially, founder and major shareholder, Mr Au Yan Din, personally oversaw these controls — but even for this powerful man personal control was no longer sufficient by 1975, when the Group included well over 20 different companies with a total paid-up capital of HK\$23 million.

Conic Investment Company Ltd. which was incorporated in July 1975, will eventually be the holding company for Chee Yuen Industrial Company Ltd. and

its subsidiaries and overseas associates, combined to form the Conic Group of Companies. With a board of six directors and management of the highest calibre, Conic Investment is responsible for the continuing expansion and profit growth of the Group.

Central control

While the day-to-day running of the subsidiaries and affiliates is left to their own management, all raw material purchases, intergroup pricing, product innovation and capital financing are presently handled by Chee Yuen.

Recruitment important

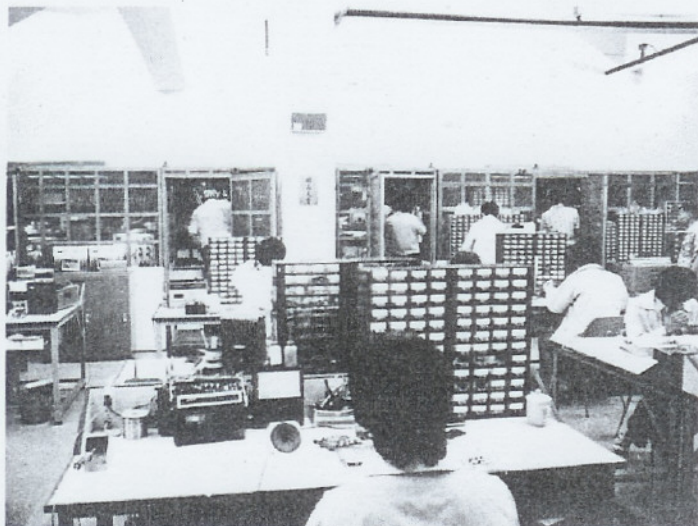
Great emphasis is placed on the recruitment of high calibre personnel, and the excellent terms of service in this rapidly growing organisation have ensured management of the highest standard. From the engineers, who are responsible for maintaining the group at the forefront of invention and innovation in the electronics field to the administrative staff who handle the ever growing volume of paperwork, Mr Au has insisted on employing the best. Today he has a nucleus of experts in production, marketing and finance who will ensure the future well-being of his group.

Financial hub

The people largely responsible for maintaining this high standard are to be found in Conic's Internal Audit Department. In addition to normal internal auditing duties the department assists the subsidiaries with their accounting, statutory and secretarial affairs, oversees the groups taxation, legal matters, insurance, and investments, and at all times provides a management consultancy for any of the subsidiaries. With a staff of 30, which will be doubled in the next year, the department is responsible for the financial and administrative well-being of 30 subsidiaries and 10 overseas affiliates – a formidable task.

The department was set up two years ago to tighten the control systems of the group. Very few multi-million dollar groups in Hong Kong can boast such tight management and financial controls, and even fewer after such a comparatively short period of operation.

But the department manager is adamant that the driving force comes from Mr Au, a brilliant marketing man, who expanded his group during the bad years to take full advantage of the improved financial conditions in the last two years, and who expects only the best from the best – whether men or machines.



Research and development. A major priority in the Conic Group.



Developing new and better components and circuits for the Conic range of products needs a staff of more than 300 research and development engineers.

Service and security for today and tomorrow

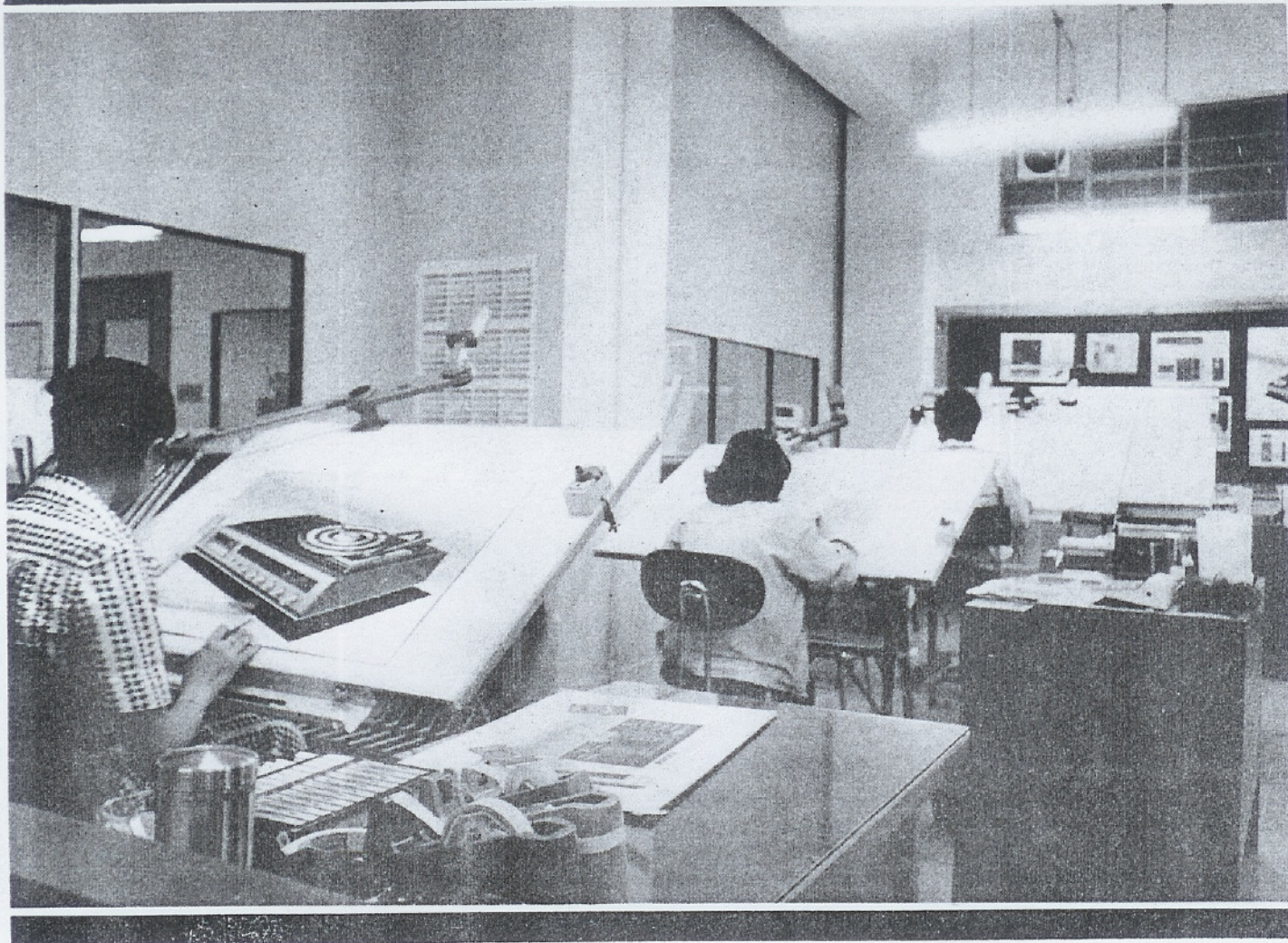
- Savings Accounts • Current Accounts
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The Chartered Bank

For today and tomorrow



Planning for the 1980's. Conic's design and research division employs some 300 research and development engineers.

The Group of tomorrow~ the Conic Group of companies

**With a projected
turnover in 1977 of \$800
million, Conic's brief
history is nothing short of
spectacular**

Conic Investment Company Limited, incorporated in July 1975, will be the holding company for the privately-owned Conic Group (formerly the Chee Yuen Group), one of the most important manufacturing and marketing groups in the Hong Kong electronics industry.

Based on the solid foundations of Chee Yuen Industrial Company Ltd., the largest plastic tool makers for consumer electronics in South East Asia, the Conic Group is respected world-wide for the quality of its merchandise and the aggressiveness of its marketing tactics.

Extraordinary growth

During the eight years since Mr Au Yan Din started Chee Yuen with a

paid-up capital of HK\$50,000, the Conic Group's paid-up capital increased to HK\$52 million.

This extraordinary growth has taken place mainly over the last four years since Mr Au decided to expand his interests throughout the electronics industry in order to ensure a steady market for his products and to reap the not inconsiderable profits to be earned in this field.

Strong financing

Mr Au's policy of internal financing wherever possible helped to maintain the group's financial soundness considerably during the slump years in the early '70s. It was, and still is, the

practice to write off all development and engineering costs incurred by the new companies against the group profits of the year in which they were incurred. This practice, combined with a 6-12 month time-lag before profit generation by new subsidiaries, held down the pre-tax profits in 1974 and 1975.

In 1974 the base company, Chee Yuen Industrial Company Ltd, returned a HK\$2.7 million profit on HK\$41 million turnover which was reduced to a group profit of HK\$829,000 on HK\$134.7 million sales after all capital expenditure and operating losses had been taken into account. The following year Chee Yuen still provided nearly 60% of the Conic Group profit on less than a sixth of the turnover.

However 1976's unaudited figures show that Chee Yuen's profit contribution was down to 23% and the projections for 1977 halve this figure.

The fact that Chee Yuen's percentage profits are down on its own turnover is explained by the policy of keeping margins on group intercompany sales as low as possible, thereby ensuring a competitively-priced end product. (Until 1975 Chee Yuen was largely manufacturing for external purchasers).

1977: Consolidation

1977 is forecast to be the year when the group's policy of consolidation really pays dividends. All the manufacturing subsidiaries are in full production and a strong marketing force has made considerable inroads into the main sales arenas.



International development needs efficient administration.

While the group turnover is expected to increase by some 37%, the profit forecast anticipated a 50% rise which will more than justify Mr Au's policy of the last four years.

The Conic Group, however, has no intention of standing still.

Expansion

Plans are already made for manufacturing expansion, elsewhere in South East Asia through associated companies and new acquisitions – and of course marketing teams are planning a further increase in their group's market share throughout the world.

With such a solid base behind them, the sales managers should have few problems in maintaining and increasing their turnover and profits. Conic's policy of streamlined production, tight quality control and astute financial management has already paid considerable dividends and there can be no doubt that the Conic Group of Companies under the ownership and management of Mr Au is an impressive member of Hong Kong's best organised commercial institutions.

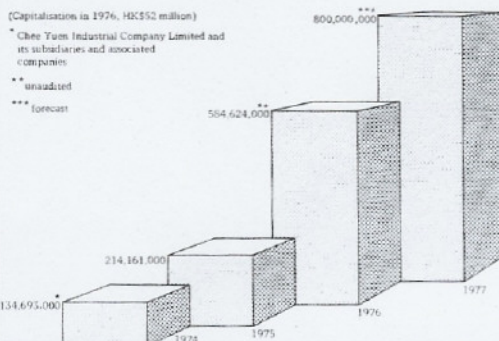
Turnover: Conic Investment Company Limited

(Capitalisation in 1976, HK\$52 million)

* Chee Yuen Industrial Company Limited and its subsidiaries and associated companies

** unaudited

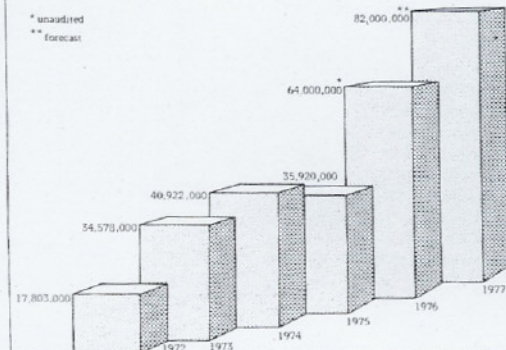
*** forecast



Turnover: Chee Yuen Industrial Company Ltd

* unaudited

** forecast



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