

OUT OF THE BOX

The Li Ka Shing Foundation sponsors a unique project forging links amongst creative talents in Hong Kong, Shantou, Beijing and London.

By Tim Metcalfe



When English author and satirist Jonathan Swift coined the phrase: “A penny for your thoughts” in the 1700s, he probably had no idea how relevant that statement would become. These days, thoughts and ideas are worth substantially more than mere pennies. Indeed, creative, innovative and inventive ideas are the hard currency of modern business.

As a young entrepreneur in the 1950s, Li Ka-shing read about a revolutionary plastics injection-moulding machine. At the time the machine was unavailable in Hong Kong, nor could he afford the HK\$20,000 (approximately US\$2,564) to buy one for manufacturing new products.

So, based on the limited information available and using an air compressor, plastic tubes and a dash of creativity, Mr Li developed a “home-made” moulding machine that worked just as well, if not better, for a tenth of the price.

Such ingenuity helped him emerge as one of the world’s most successful entrepreneurs – at the head of a business empire (including Hutchison Whampoa Limited) that spans the globe.

Mr Li has always placed a high value on original ideas to give his businesses a winning edge. Not only does he actively encourage a culture of creativity within the Li Ka-shing group of companies, he also invests much of his

personal wealth in perpetuating the creative process, primarily by sponsoring education initiatives in Hong Kong, Mainland China and abroad through the Li Ka Shing Foundation. To date, the Foundation has donated more than HK\$4.8 billion (approximately US\$620 million) towards education, health and culture.

CREATIVE CITIES

One of the Foundation’s latest sponsored initiatives, entitled “Creative Cities,” brought into focus the symbiotic link between good ideas and good business. Hong Kong and London are uniquely linked by history. While some observers expected ties to be severed after the 1997 handover of Hong Kong to China, the “Creative Cities” initiative demonstrates that connections at all levels – from business and technology to the media and the arts – remain inter-twined.

Organised by the Hong Kong Institute of Contemporary Culture (HKICC) and London’s Institute of Contemporary Arts (ICA), “Creative Cities” aims to forge new kinds of sustained relationships that explore the potential for long-term creative collaboration by providing a platform for young cultural entrepreneurs to share their expertise.

“There are major opportunities to collaborate,” the organisers said. “Creative industries have moved from the fringes to the mainstream.”

MARKETPLACE OF IDEAS

How did it begin? First, 20 outstanding “cultural entrepreneurs” from both Hong Kong and London were selected. The project kicked off last October in London with presentations by “ambassadors” from nine fledgling Hong Kong companies: Crazysmile, CTCWM Advertising, Deepred Design, GOD, Here, IdN, Kan and Lau Design, People Mountain People, Sea/Poo Records and Shya-la-la.

In November, Hong Kong reciprocated, hosting a conference entitled “Mapping the Creative Economy” at the University of Hong Kong where Hong Kong attendees – including many senior representatives from business and government – learned about innovative approaches to developing a creative economy in London.

British Consul-General Sir James Hodge set the tone by correcting a common misconception about creativity. It is not the exclusive preserve of the arts, he explained, but encompasses every sector embracing original thought and expertise.

He noted that British children’s television show *The Teletubbies*, which was created by two housewives, now ranks among the top-five most successful British exports, while the long-running stage show *Phantom of the Opera* has earned more than any movie.

Together, so-called “creative industries” contribute 8% to Britain’s GDP, accounting for two million jobs

and earning approximately US\$123 billion a year. Most importantly, he said, creative industries are growing at a rate of 9% annually, while other industries feel the pinch.

“Creativity is about risk-taking, about spotting the next trend,” Sir James added.

Hong Kong’s Secretary for Home Affairs, Dr Patrick Ho, said Hong Kong, with its melting pot of cultures, was a “perfect testing ground” for creative industries: “We have the platform and we have the critical mass,” he said.

With Hong Kong and the Pearl River delta together ranking among the world’s top 20 economies, he saw enormous potential for collaboration.

“We’re confident that, like China’s creative invention of gunpowder, this region will go with a bang!”

Chris Hamnett, a Professor of Human Geography at King’s College London, agreed that Hong Kong was ideally placed to capitalise on a post-industrial economic base to embrace creative industry. Manufacturing’s contribution to the economy had shrunk dramatically from 50% in 1980 to less than 10% today, he noted.

“We’re in the era of late-capitalism. Creativity is critical for productive strategy. People don’t buy a car; they buy a brand, an image, a lifestyle. It’s a triumph of style.”

In recent years, London has reinvented itself as the “coolest city on the planet,” but this didn’t happen by accident. Graham Hitchen, head of Creative Industries at the London Development Agency (LDA), said



decisive political leadership had been key. The LDA was specifically established in 2002 to spearhead the city’s “cultured regeneration,” starting from the ground up by providing creative industries with affordable rents and business support.

Sir Michael Bichard, rector of The London Institute, said the key to creativity lay in education. Art colleges not only produce fine artists but also designers, filmmakers, pop groups, writers and the entire range of creative talent that is energising and re-inventing London’s economy. After graduating, these young people continued to need support in the form of advice, capital and management skills. The business community therefore needed to be much closer to the creative community, he said.

CREATING WEALTH

So how can creativity contribute to the hard-nosed business world?

Hutchison Whampoa Group Managing Director Canning Fok took the podium to make the corporate case.

Ever realistic, Mr Fok was quick to pre-empt the sceptics.

“Creativity doesn’t always make money. There are a lot of poor artists in this world,” he said.

“So what’s so creative about business?” Mr Fok continued. “Isn’t it just about buying low and selling higher? Maximising profit? Bargain-hunting? Turning inefficient companies into efficient ones?”

Not entirely, Mr Fok said. In fact, creativity contributes in many ways to corporate growth, shareholder value

and the bottom line.

“Business must be creative, and Hutchison especially encourages creativity because that’s what got us where we are.”

He went on to explain the Chinese phrase for business: *Sang yee*. “*Sang* means lively; *yee* means ideas. Our word for business literally means ‘lively ideas’. It means flexibility to adapt to a changing world. Doing things differently. Thinking out of the box. In short, being creative.”

Mr Fok pointed out the famous shopping centre at Whampoa Gardens, which is built in the shape of a ship and has become a Hong Kong landmark. The idea was obviously “out of the box” but Li Ka-shing immediately saw the potential, gave his approval, and the building’s uniqueness put Hutchison’s first residential “Garden City” on the map.

“The ship caused a sensation. Everyone heard about it. It was in magazines and newspapers outside of Hong Kong,” Mr Fok said. “Whampoa Gardens became so popular the investment paid back in two years.”

Mr Li has consistently demonstrated a taste for backing creative enterprises.

Creativity certainly counted at Whampoa Gourmet Place, the “hawker” centre that rescued a tradition of street-stall dining in Hong Kong.

“As Hong Kong modernised,” Mr Fok recalled, “hygiene regulations put hawkers out of business. When we looked at opening a food court we could have chosen familiar brands. But we thought out of the fast-food takeaway box. We got a famous food critic to invite legendary hawkers to set up in business. The hawkers got back to work, the public loves it, and the food court makes money!”

Branding is yet another example of how Hutchison works with creative talent to impact markets.

“When we first moved into telecoms in the UK, a lot of people laughed at our brand-name, ‘Orange’. I must admit, I also nearly fell off my chair when our creative people suggested the name! But we went with it and the market soon realised that our brand was no lemon. Orange became the fastest-growing mobile phone operator in the UK. It also won an advertising industry award for ‘capturing consumers’ imaginations’.”

Orange, of course, sold for a handsome profit to fund Hutchison’s boldest step yet in telecoms – the third-generation system recently launched



under the brand-name “3”.

“3 might seem as strange as Orange and, unsurprisingly, the press is again cynical,” Mr Fok added. “They say we’ve dialled the wrong number. But one day people won’t know how they lived without 3G multi-media communications. We’re not only thinking out of the box but thinking way beyond the box.”

SPREADING THE WORD

Following the Hong Kong event, the Creative Cities road-show, co-organised by the Shantou University, moved on to two Li Ka Shing Foundation-sponsored institutions in Mainland China. Seminars at the Cheung Kong Graduate School of Business in Beijing and at Shantou University facilitated similar cultural exchanges while introducing Mainland students to creative concepts.

The Beijing event attracted a large group of CEOs and professionals from the design, media, advertising and education fields. Discussions centred on Britain’s policies on nurturing creative talents, developing entrepreneurial skills and branding. On a practical level, delegates came out in favour of establishing dedicated “spaces” for experimentation in the design and production of products and services.

The Shantou event attracted an equally large turnout of delegates. Discussions covered the prospect of Shantou serving as a host city for similar such creative exchanges among delegates from other Chinese cities and countries in the region.

The “Creative Cities” initiative has thus laid important groundwork for the cross-pollination of creative ideas, not only between Hong Kong and Britain but also within the greater China region.

The response from delegates and attendees has been overwhelmingly positive with participants at each event agreeing they had been stimulated by the exchange of new ideas. Younger attendees in particular were encouraged to learn of the significance of creativity in career development.

“The (Hong Kong) seminar has given me a far greater insight into the commercial prospects of my chosen profession,” said design student Sharon Lam. “Listening to delegates and talking to other attendees has helped me realise that businesses need creative talents as much as we need business.”

In time, Ms Lam hopes to hear someone say: “A million dollars for your thoughts.”



KNOWLEDGE + CURIOSITY = OPPORTUNITY

The Cheung Kong Scholars Programme, a joint initiative between the Li Ka Shing Foundation and China’s Ministry of Education, was set up in 1998 to provide incentives for outstanding Chinese academics working in the field of scientific research overseas to return to China to work. At the fifth award presentation ceremony held recently in Beijing, Mr Li delivered a speech entitled The Power of Mauve to illustrate the symbiotic link between creativity and business. The following is an abbreviated translation.

The Power of Mauve

RECENTLY READ A BIOGRAPHY entitled *Mauve: How One Man Invented a Color that Changed the World*. Its protagonist, Sir William Perkin, was the first chemist to make a fortune by transforming an invention into an industrial process.

At school in England, his teacher once asked him to perform a chemistry experiment to synthesise quinine. The experiment failed and a black chemical substance was produced instead, which stained the tablecloth purple. This black substance was to become the basic ingredient of aniline, a dyeing agent with extensive industrial applications.

The young man took out a patent for his invention 18 months later and commercialised it. His discovery was to become the “catalyst” for many subsequent inventions by other scientists whose applications in dyeing, pharmaceuticals, cosmetics and food production created industries worth billions of dollars.

Sir William lived more than a century ago, but we can learn valuable lessons from his life story. The resounding success of his scientific work as a teenager was not fuelled solely by his quest for material profit but also by his innate curiosity.

We can imagine how difficult it was for such a young lad to earn the trust of other people. Nonetheless he surmounted all the obstacles before him and persisted in turning his invention into a commercial enterprise. He eventually became an outstanding entrepreneur. At 23 he was already a very wealthy man. At 36 he retired and returned to what he liked doing best – scientific research. His success was not the result of sheer luck but was founded upon qualities that everyone should strive to possess: keen powers of observation, a voracious appetite for knowledge,

a dogged determination to succeed, and confidence to defy all odds.

The scientist Joseph Henry once said: “The seeds of great discoveries are constantly floating around us, but they only take root in minds well prepared to receive them.”

Education is what prepares us – and it should not be confined to the mere transfer of skills. The greatest challenge for educationalists today is to fire our youth with the enthusiasm to pursue knowledge and be part of the learning process. Success in life depends on a combination of different factors, but the most critical one is the ability to grasp an opportunity when it arises and apply the knowledge one has built up.

Competing in business in today’s increasingly globalised world is a battle of wits; it is not for the run-of-the-mill. Like Sir William, we must combine motivation with vision and curiosity, move ahead with perseverance and courage, and seek perfection through innovation in whatever we do.

Finally, I would like to quote a line from the book: “Without experiment I am nothing; still try, for who knows what is possible.”



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