



2 February 2007

Economic Development Branch (Division A)
Economic Development and Labour Bureau
2/F., Main Wing, Central Government Offices
Lower Albert Road
Central
Hong Kong

By e-mail: competition@edlb.gov.hk

Dear Sirs,

Re : Consultation – Competition Policy

We are writing to express our views on the question of whether new competition laws should be introduced in Hong Kong.

We are a retailer in Hong Kong selling electrical appliances and electronic products. We are of the view that the Hong Kong retail market is already extremely competitive. In our retail sector, there are high number of different kinds of stores selling electrical appliances and electronic products everywhere – big chain stores like Broadway, Tai Lin, etc. in all kinds of shopping malls; and small individual shops selling mobile phones and accessories, digital products, parallel imported products and other electronic products in high traffic areas like Causeway Bay, Tsimshatsui and Mongkok, as well as other residential areas.

Facing the highly competitive market, we have to adjust our product prices frequently on a weekly basis, be cost effective, and provide excellent customer service and after sales services in order to maintain our competitiveness. Under the current free market environment, consumers have plenty of choices regarding products and service providers. The legislation currently in force already protects consumers’ interests very well. Further new regulating laws are not necessary. It would only increase retailers’ operational costs which will be transferred to consumers.

According to the “2007 Index of Economic Freedom” prepared by The Wall Street Journal and the Heritage Foundation, Hong Kong remained as the World’s Freest Economy for the 13th consecutive year. It shows and further reinforces that fair competition and free play of market forces already exist in Hong Kong. We urge the government to maintain its positive non-intervention policy, and refrain from introducing laws that will impair economic efficiency.

Yours faithfully,

Christian Nothhaft
Managing Director
Fortress

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