



HKTDC Design Gallery
**Consignment
Arrangement**

Arrangement

HKTDC Design Gallery Consignment Arrangement

Established in Hong Kong in 1991, the HKTDC Design Gallery (DG) is dedicated to promoting the creativity, innovation and excellence of Hong Kong designs, brands and products. To further assist Hong Kong companies in entering the mainland Chinese consumer markets, DG opened its first physical shop in Beijing, in 2009, and started its online business in 2010 by partnering with various mainland Chinese renowned online platforms.

A. Eligibility

1. Supplier eligibility

- a. Supplier must be a local Hong Kong entity with:-
 - Its headquarters and/or main business operations in Hong Kong;
 - A valid and current business registration certificate; and
 - A Hong Kong local business bank account.
- b. Requirements on brand registration:
 - For DG in Hong Kong, it is not mandatory but highly recommended for better brand protection.
 - For DG in Mainland, proof of trade mark registration (商標註冊證) is mandatory.

2. Displayed product requirements

Product/Design/Consignor

- a. The design of the product should be original.
- b. The product is designed by a local Hong Kong designer (Permanent HKID Card holder) or owned by a local Hong Kong company.
- c. The product and/or its design shall not be harmful, threatening, violent, offensive, defamatory, libelous, scandalous, seditious, vulgar, obscene, indecent or invasive of another's privacy, hateful, racially, ethnically or otherwise objectionable.
- d. The product and/or its design shall not demonstrate disrespect to culture, race, religion, political stance, gender or business.

Form of products

- e. The product shall be tangible that can be displayed inside the shop within the display facility set-up.
- f. The product shall not require fitting facility or temperature controlled storage.
- g. The product shall not in any way, manner or method cause any hazard to and/or any adverse impact on the health of any workers and/or the public in general.

- h. The product shall not be consumable i.e. taken orally and/or applied to hair, skin, organs and/or body of human or animals that may potentially pose/cause a risk to health, except coffee beans and tea leaves which are exempted from nutrition labelling due to their energy values and core nutrient contents are able to meet the definition of zero when in the consumed state. (*)

(*)In accordance with the guideline 2.20 on “Nutrition Labelling Information for Trade” of the “Nutrition Labelling Scheme” launched by the Centre for Food Safety of the Government of the HKSAR.

https://www.cfs.gov.hk/english/programme/programme_nifl/programme_nifl_faq.html#2q20

Legal eligibility

- i. The product and/or its design shall not infringe any intellectual property or other third party’s rights of any nature of HKTDC, the consignors of the Products, and/or any other party, including without limitation trademarks, copyrights, designs, names, trade secrets, confidential information and patents whether registered or otherwise.
- j. The product and/or its design shall not infringe the law of jurisdiction for the display location (i.e. HKSAR laws for DG in HK, and Chinese laws DG in mainland China) including without limitation any product safety, labour or environmental laws.

B. Consignment Split Arrangement

1. DG operates under a consignment basis with all suppliers.
2. Any request for altering the consignment split shall be subject to written agreement between the supplier and DG.

C. Application Procedure

1. Each application will be assigned to a designated Merchandising Team of Design Gallery according to its product category.
2. The Merchandising Team will work with the applicant of the DG’s consignment program to prepare the following items for the HKTDC’s Panel Board to review:
 - a. Application form (*please refer to Appendix A*)
 - b. A Declaration Form to declare the product(s) is/are Hong Kong designed (*please refer to Appendix B*)
 - c. A detailed line sheet (including suggested retail price list) showing all items included in the application
 - d. Product samples (including packaging)

D. Panel Board and Product Selection

1. All new products and / or brands are subject to a Panel Board review which is held once every month. The panel board consists of 4 members including representatives from the HKTDC as well as an external industry leader from the design/branding & marketing industry. The Board members will review and evaluate each application based on the following criteria:
 - a. Company Background
 - b. Product Design, Marketability
 - c. Design Awards/Certificates Attained
2. The Panel Board has the sole, final and absolute discretion on accepting and/or rejecting any application for any reason or without assigning any reason, and the Panel Board shall not be obliged to provide any such reason and/or enter into any correspondence with any applicant in relation to the same.
3. For product(s) that is/are rejected by the Panel Board, resubmission of such product(s) for application shall not be accepted.

E. Account Set-up and Stock Ordering

1. The Merchandising Team will create a supplier account for every newly approved applicant once it receives the counter signed Consignment Agreement, Consignment Account Registration Form and copy of Business Registration Certificate from the applicant.
2. After the supplier account is created, the Merchandising Team will liaise with the applicant on stock ordering and delivery.
3. The Merchandising Team will confirm the ordered qty by issuing a Consignment Order to the supplier through email. Each Consignment Order is valid for 6 months from the issue date.
4. For any new suppliers who cannot comply with the 6 months' time frame for their first order delivery, they have to apply for the consignment program all over again i.e. their products will be subject to the Panel Board review again.

F. Display Arrangement and Locations

The outlet location(s), product zoning and the exact display location of the product(s) within the product zoning will be decided by DG.

G. Performance Evaluation

1. Every approved supplier will have a minimum of cumulated display of 4 months at any DG shop location(s) (counting from the date the products are on-shelf in the 1st outlet).

2. Consolidation and Off-Shelf Arrangement
 - a. For avoidance of doubt, “consolidation” does not carry the same meaning as “off-shelf”.
 - b. Where there is new merchandise on the waiting list, the brand(s) whose total accumulated sales in the following designated timeframe falls into the lowest 5% of sales achieved amongst the same product category or by final elimination (末位淘汰制) shall, in the following month, in chronological order based on lowest sales achieved, be either:
 - (i) Consolidated in other display locations(s) if there is more than one.
 - based on evaluation of accumulated sales over 8 weeks (in the same outlet location)

 - OR

 - (ii) Off-shelved from that specific outlet location
 - based on evaluation of accumulated sales over 4 months (in the same outlet location)

H. Sales Performance Update and Payment Term

Supplier will receive the monthly sales performance update and payment from DG within 15 and 30 working days respectively from the last day of each said month.

I. Return of Merchandises to Supplier

1. For any inactive or under-performed products, the Supplier shall remove such products from the DG’s warehouse at its own costs within 2 weeks upon notice by DG.
2. DG may dispose such products without further notice if such products are not collected by the Supplier within the said period.

Appendix A

HKTDC DESIGN GALLERY Consignment Service Application Form

Company (Eng) :
(中文) :

Brand (Eng) :
(中文) :

Confirmed Commission Rate to Design Gallery:

a. Hong Kong Design Gallery:

b. Mainland Design Gallery: (tax included – Co-operation with Consignment Partners)

By completing and returning this application to Design Gallery, the applicant confirms and agrees with this commission rate.

Application for Consignment Service at: (please “√”)

DG HK

DG Mainland

DG HK + DG Mainland

1. Company Background	
a. Year of Establishment :	
b. Company Profile :	
c. Business Nature :	<input type="checkbox"/> OBM / <input type="checkbox"/> ODM / <input type="checkbox"/> OEM Manufacturer <input type="checkbox"/> Designer <input type="checkbox"/> Exporter <input type="checkbox"/> Importer <input type="checkbox"/> Distributor <input type="checkbox"/> Agent <input type="checkbox"/> Others
d. Focused Markets :	e.g. U.S., EU, Japan, Mainland China, Hong Kong, ASEAN, etc.
e. Company Vision & Development :	

2. Product Design, Marketability	
Design Concept / Creativity :	

3. Design Awards / Certificates Attained	
Awards / Certificates Achieved by the Designer / Company	Please specify the awards / certificates and the year
Awards / Certificates Achieved by the Products submitted in this application	Please specify the awards / certificates and the year

4. Development of Brand(s) (for reference only)	
Name of Brands sold in HK, Mainland China or overseas	
Name of Retail Outlets in Hong Kong	
Name of Retail Outlets on Mainland China	
Name of Retail Outlets Overseas	

Declaration

I hereby declare that the product(s) submitted to the Hong Kong Trade Development Council for the Consignment Service provided by the HKTDC Design Gallery (DG) is / are local Hong Kong designed.

Please “✓” as appropriate

1) The design of the product(s) is owned by a local **Hong Kong Company** named:

[Click or tap here to enter text.]

2) The product(s) is / are designed by a local **Hong Kong Designer** named:

[Click or tap here to enter text.]

Definitions:

“Hong Kong Company” means a local Hong Kong entity with its headquarters in Hong Kong and/or main operations in Hong Kong, with a valid and current business registration certificate

“Hong Kong Designer” means a local designer holding a Hong Kong **Permanent** Identity Card
香港永久性居民身份證

For **2**, please provide a copy of the Designer’s Hong Kong Permanent Identity Card (you may redact the HKID card number) and the designer profile below:

Designer Profile:

[Click or tap here to enter text.]

I declare that the information given in this form and in the enclosed document(s) is/are true and complete, I acknowledge that the HKTDC Design Gallery reserves its right to withdraw the products from display or sale if the information provided is found to be false, inaccurate, deceitful or incomplete.

Confirmed and signed by
for and on behalf of

[Click or tap here to enter text.]

(with company chop)

Name : [Click or tap here to enter text.]

Title : [Click or tap here to enter text.]

Date : [Click or tap to enter a date.]