The Hong Kong University of Science and Technology

Tanoto Center for Asian Family Business and Entrepreneurship Studies

Seminar on

Generational Perspectives on Family Business Succession

Hong Kong

27 November 2014

HKUST
BUSINESS SCHOOL
香港科大商學院

Tanoto Center for Asian Family Business and Entrepreneurship Studies
陳江和亞洲家族企業與創業研究中心

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Organizer

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About the Organizer

The Tanoto Center for Asian Family Business and Entrepreneurship Studies at the Hong Kong University of Science and Technology is a leading research center in the burgeoning field of Asian family business and entrepreneurship studies. It aims to bridge the knowledge gap between academics and practitioners as well as policymakers in all of its programs and activities. Recognizing the multi-disciplinary nature of the field of family business and entrepreneurship, the Center collaborates with various departments at HKUST and institutions around the world to organize academic and industry symposiums and roundtable events, conduct and publish top-quality academic research and articles in leading journals and newspapers, provide both tailor-made and open-enrollment training programs, write and teach cases on Asian family businesses and entrepreneurship. More information may be found at http://www.afbes.ust.hk/.

Program Schedule

2.15pm – 2.45pm:	**Registration** (HKUST Business School Central, The Hong Kong Club Building)
2.45pm – 3.00pm:	**Welcoming Remarks** Professor Roger King, HKUST
3.00pm – 3.15pm:	**Research Briefing: Key Success Factors for Overseas Chinese Family Businesses Surviving Beyond 100 Years** Professor Winnie Peng, HKUST
3.15pm – 4.15pm:	**Panel Discussion: Perspectives on Succession from Next-Gen** *Moderator*: Professor Roger King, HKUST *Panelists*: Mr. Jason Ho, TLI Group Mr. William Peng, Chinese Maritime Transport Ms. Pamela Tung, OOCL Mr. Curtis Yee, Pacific Can
4.15pm – 4.30pm:	**Coffee Break**
4.30pm – 5.30pm:	**Panel Discussion: Perspectives on Succession from Current-Gen** *Moderator:* Professor Winnie Peng, HKUST *Panelists*: Mr. Kenneth Koo, TCC Group Mr. Mark Kwok, Wing On Company International Ltd Mr. David Lee, Lee Kum Kee Company Ltd Mr. Jim Thompson, Crown Worldwide Group
5.30pm – 5.45pm:	**Wrap-up and Closing Remarks** Professor Roger King, HKUST
6.00pm – 7.30pm:	**Cocktail Reception** (China Club, Old Bank of China Building)

Welcome Remarks by Professor Roger King

Many people are familiar with the Chinese proverb "wealth does not go beyond three generations" (富不過三代). It is also true in most societies: The Anglo-Saxons have "shirtsleeves to shirtsleeves"; the Dutch have "clogs to clogs in three generations". The question is why.

We are in a transition stage. Most of the participants here are either current or next generation. Interesting enough, especially for Asians, most of the wealth is generated from the family business itself. Business money and family wealth are often intertwined. This calls for a critical reflection: What is succession? Is it the succession within the family? Or is it succession within the family business? Indeed they are not the same. We will explore these issues in this seminar.

Based on recent research findings, in mainland China, about 80% of the second generation did not want to go back to their family businesses. About half of the current generation, mostly founders of the businesses, more or less accepted that the next generation would not join the businesses, different from the case in the early days. Besides, people oftentimes send their children to schools abroad nowadays, and these next generation members are given lots of job opportunities outside. Many of them have their own plan. We need to think differently as to encourage the next generation to work for the family business.

> ***What is succession? Is it the succession within the family? Or is it succession within the family business? Indeed they are not the same.***

Before we get into panel discussions, my colleague, Professor Winnie Peng, will present findings of one of our current studies on how a few Chinese family businesses manage to go beyond three generations. We are fortunate to have representatives from three of the century-old family businesses in this room. The first one is Mr. David Lee, a fourth generation member from Lee Kum Kee founded in 1888. The second one is Mr. Kenneth Koo, a third generation member from Tai Chong Cheang. Their family business started in 1916 and after two years the business will turn a hundred year-old as well. We also have Mr. Mark Kwok, a third generation member from the Wing On Group founded in 1907.

Research Briefing by Professor Winnie Peng: Key Success Factors for Overseas Chinese Family Businesses Surviving beyond 100 Years

Statistics showed that in terms of the numbers of century-old family businesses in the world, Japan ranked first. They had more than 25,000 family businesses that lasted for a century or more. The United States ranked second, followed by Germany. Despite the huge population base, China did not even get to the top 10. We also did not see any Chinese firms in the list of top 20 oldest family businesses in the world. This led to our research: Are Chinese family businesses subject to the curse of 'wealth does not go beyond three generations'?

Chinese traditions

Confucianism shapes most of the significant traditions in Chinese family businesses. In a Confucianism system, filial piety (*xiao* 孝) is the most important virtue. Hierarchical relationship is second, which means the ruled is expected to be submissive to the ruler, and ruler is expected to be kind and caring to the ruled. Third is collectivism and harmony. Different from individualism in the West, family as a whole is always more important than any individual member. Harmony is the most important value for all family members. Apart from that, *guanxi*, the social and economic network relationship, is highly valued and they tend to be based on personal relationship and trust. Last but not least, face concern is essential so we tend to avoid direct confrontation on poor performance, which is handled through indirect hinds.

Reasons for the "curse"

One of the reasons for the curse we identified is "the-bag-is-packed" diaspora. Due to political instability, most of the overseas Chinese businesses tend to run on low cost advantages and are less focused on value creation. They are less motivated to invest for the long term.

Another reason is a lack of organizational structure, even for sizable family firms. Division of roles and responsibilities are rather ambiguous, understanding of which is often embedded in the tradition. Families also tend to lack trust on outsiders, leading to a limited pool for talents.

The way Chinese handles their estate also takes tolls on the longevity of their family firms. Chinese tend to have equal or near equal inheritance amongst male descendants while Japanese tend to follow the practice of primogeniture where the first-born son inherits the entire estate. For Japanese family businesses, even if the first son is not capable or available, they are able to pass the assets and businesses onto a son-in-law, or even adopt a son to inherit the business, as long as they adopt their last name of the owning family. Oftentimes, we describe Chinese family businesses as a "banyan tree", with lots of leaves and roots, but it is short. Japanese family businesses are like a "bamboo tree", tall but hollow inside. After many generations, the successor may not share any blood relationship with the founding family anymore.

> *Main reasons for the "curse":*
> 1. *"The-bag-is-packed" diaspora*
> 2. *Lack of organizational structure*
> 3. *Equal inheritance system*
> 4. *Lack of separation between family wealth and business*

Our study also identified a few more reasons for the curse: A lack of separation between family wealth and business wealth; a lack of asset diversification rendering all eggs in the same basket; a lack or a severe delay of the personal and/or business succession planning; and lastly, multiple marriages in the old days, which complicate the succession plan.

Common factors for successful Chinese family businesses

Using a multi-case study method, we investigated the evolution process of large Chinese family businesses (with an annual turnover exceeding 100 million USD) that have lasted for more than 100 years. We found some common characteristics that other Chinese family businesses may learn from.

The first successor factor is a sustainable business model. One important way to sustain the business is to reduce the risk through diversification. It involves diversification of not only products or businesses but also geographical locations. The companies we studied were very entrepreneurial, showing highly diversified products and businesses and a globalized operation.

The second factor is a balance of Chinese and Western values. Most of the third and fourth generation members of these century-old companies in our study were Western educated. They were able to bring good practices in the West back to their firms, while maintaining the Chinese traditions that help keep the family together.

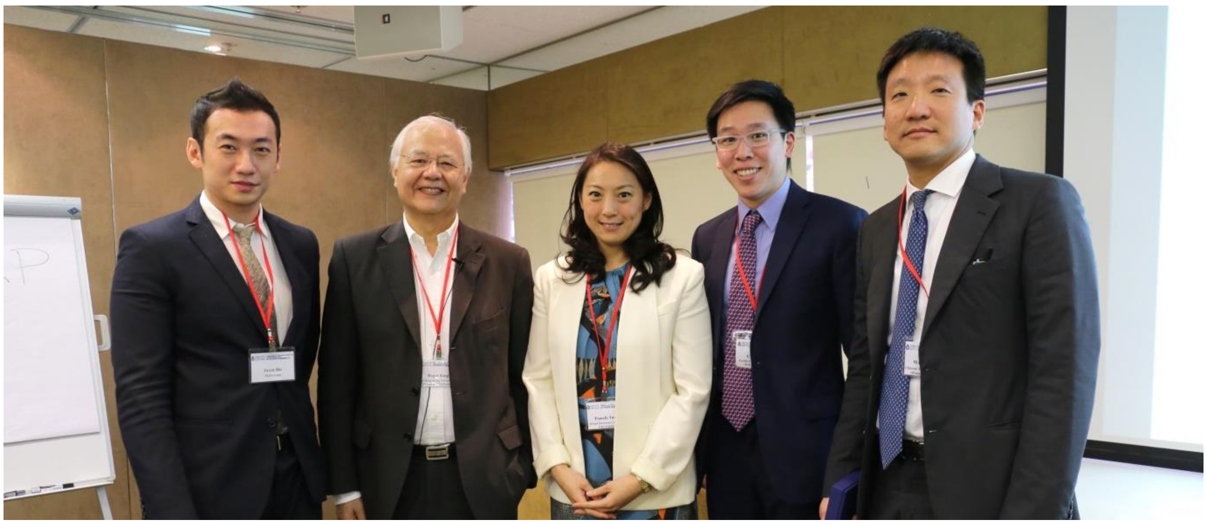
> *Three key successor factors of century-old Chinese family businesses:*
> 1. *A sustainable business model*
> 2. *A balance of Chinese and Western values*
> 3. *Pruning of ownership*

The third one is pruning of ownership. After several generations, ownership of most firms we studied has been widespread in the hands of family members in different branches, rendering decision-making more complex and time-consuming. Amongst these families, one of their branches brought out all the shares from the rest so that their control became concentrated again. Ownership pruning thus helps maintain longevity of family businesses.

Panel Discussion: Perspectives on Succession from Next-Gen

Panelists:
Mr. Jason Ho, TLI Group (Second Generation)
Mr. William Peng, Chinese Maritime Transport (Second Generation)
Ms. Pamela Tung, Orient Overseas Container Line Limited (Third Generation)
Mr. Curtis Yee, Pacific Can Developments (H.K.) Co. Limited (Second Generation)

Moderator:
Professor Roger King, HKUST



Left to Right: Jason Ho, TLI Group; Roger King, HKUST; Pamela Tung, OOCL; Curtis Yee, Pacific Can; William Peng, Chinese Maritime Transport

The "next-generations" in this panel were not born to be successors of the family businesses in the beginning. Growing up in the family and studying aboard, they had diverse interests and opportunities as most people of their age had. They had choices to go back or not – and they did not go back at the very beginning. All of them showed a passion rather than simply an obligation to go back. The panelists shared their views about their roles in the family business, the balancing of family obligation and their own interest, the innovation they brought into their family businesses, and the role as a young member of the family.

Passion or obligation?

The panelists shared a common development pattern before they started their career. Although the older generation invited them to come back, none of them chose to join the business immediately after graduation. They had all been in different disciplines and positions outside the family business for quite a few years.

All currently working in the family business, they had varying reasons to join, some of which were even odd. As Pamela Tung of OOCL said, "I am going to do it specifically to prove him 'I don't want to do it!'" She finally stayed because she found it really interesting and never thought the business was so in-depth. Similarly, Curtis Yee of Pacific Can did not go back on purpose. Instead he believed it was important for a family member to be knowledgeable about the business. In this way, even if one day the business would be managed by outsiders, as a board member, he would be able to take on the governance role. For William Peng of Chinese Maritime Transport and Jason Ho of TLI Group, the decision started with an obligation, but they both had the flexibility to experience something new outside of the core business. Working outside for a while, William knew that "the younger generation should not have the sense that they are entitled to the business, they have to work for it." Jason thought, "I once went out of the circle, but later I found there was a profound being in my family business."

> *"CCKP": Commitment, Confidence, Knowledge and Passion, selection criteria for successors —Roger King*

Professor Roger King introduced the notion of "CCKP" as selection criteria for successors: Commitment, Confidence, Knowledge and Passion. The panelists had a lively discussion especially on "passion", which links a personal interest to an identity or a value that comes from the family legacy. Being a "bad boy" in the family who did not want to follow the traditional pathway, Jason finally got the passion to "work for Chinese people, by understanding each other to resolve a lot of problems". Pamela said part of her enthusiasm to work in the family business was being able to understand, participate and contribute to the family's legacy that every family member was selling margin to. Curtis said the most relevant thing that linked his degree to his business was the need for analyzing a large number of data and making sense of them. He was also able to apply the universal skill sets learnt in university into the family business such as public speaking. William, as a loyal member of his family, struggled to make use of his knowledge to complement his father, a very entrepreneurial engineer, trying to "make it work" in a practical way.

Innovation

As the younger generation, it was expected that they would bring something new into the family business and drive it. However, under Chinese tradition, to persuade the older generation was not an easy thing. The hierarchical system in Chinese families has set barriers for the next generation, but they had their own ways to influence the older generation. From the perspectives of the panelists, innovation was not just about setting up new branches and business lines. It was also about changing the thinking of the current generation, breaking the existing pattern and influencing the family business.

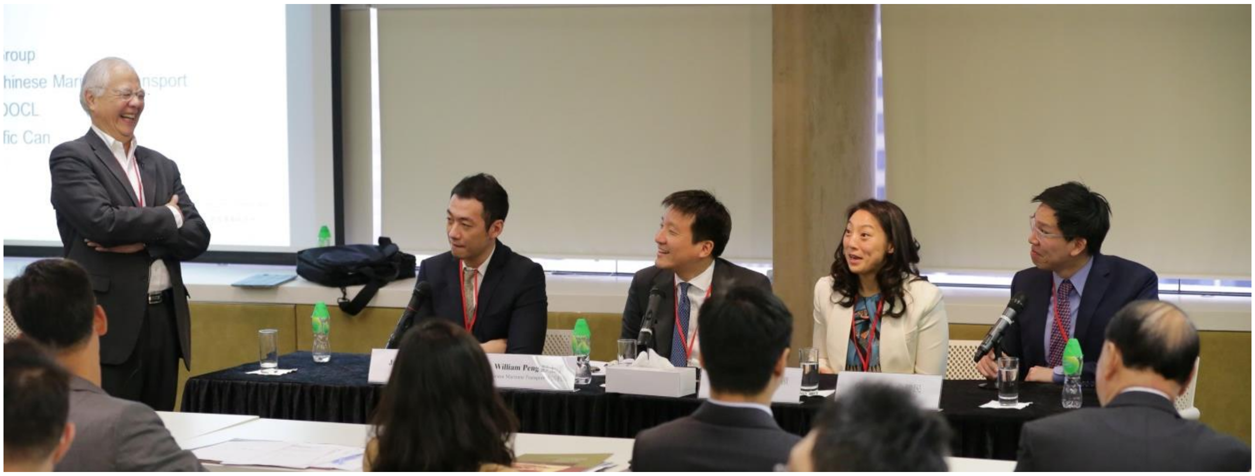
William believed that innovation was especially important in some industries and less so in others. Many family businesses in Hong Kong enter into the real estate sector, which is more stable but less innovative.

> *Innovation was not just about setting up new branches and business lines. It was also about changing the thinking of the current generation, breaking the existing pattern and influencing the family business.*

Innovation cannot simply be realized by the younger generation. William suggested someone in the company be able to generate new ideas, and someone else enforce them. It may be either the entrepreneurial founder or the next generation that drives these new ideas. The panelists all agreed that an effective way to pursue the innovation process was to "do it and let them see what the result will be".

Getting to influence the business was sometimes complex. Jason "learnt to dance with it". He mentioned the use of "outside forces to convey". He recognized that the older generation was in need of "safety and security" when the younger one would like to try something different. The younger generation should do their best to make the current generation feel comfortable.

As a female working in the business, Pamela showed her confidence that more and more women would take over the family business because of the one-child policy and the social evolvement. The performance of female leaders in the business was actually fine and comfortable.



Relationship among family members

The panelists did not regard the relationship with siblings and cousins as an issue because the family members had a close relationship with each other; and they believed everyone had his character. Some might want to be an entrepreneur but some were not that entrepreneurial, which made the objectives different in every member's perspective.

On the roles of "in-laws" or "out-laws" as jokingly described by Roger, in traditional Chinese families, the in-laws were not invited to join the businesses. In the family businesses of some of the panelists, there were once in-laws but with unfortunate results as they sometimes could not persuade the owners. The topic of "out-laws" has been a challenging management and ownership issue in family businesses.

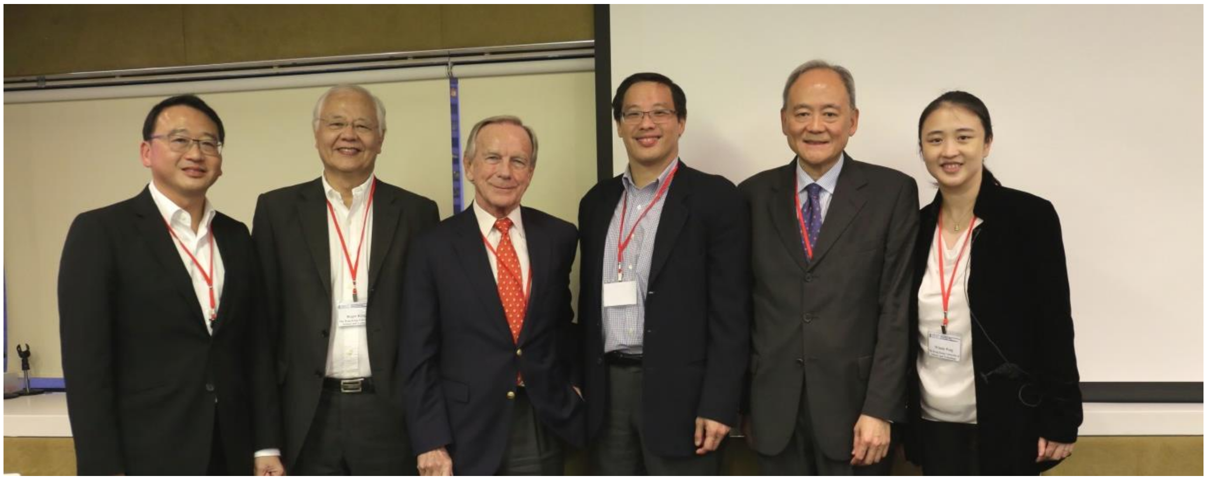
Passing the torch

Speaking from their own experience, all panelists agreed that children should have their own choice. "I expect my children to have different views based on the time they live. They would have the opportunity and freedom to do what they want to do"; "If they want to join the family business that's totally fine, and it is more a choice instead of being forced or obligation being a duty to do it"; "The true love for the last generation was to lead the next generation to find whatever they would like to do, instead of telling them what to do"; "Nowadays it's not about right or wrong, it's all about trial and error. In my generation I will provide the opportunity for my child to fail. The earlier it fails the cheapest price it takes."

Panel Discussion: Perspectives on Succession from Current-Gen

Panelists:
Mr. Kenneth C.K. Koo, Tai Chong Cheang Group (Third Generation)
Mr. Mark Kwok, Wing On Company International Ltd (Third Generation)
Mr. David Lee, Lee Kum Kee Company Limited (Fourth Generation)
Mr. Jim Thompson, Crown Worldwide Group (First Generation)

Moderator:
Professor Winnie Peng, HKUST



Current-generation panel
Left to Right: David Lee, Lee Kum Kee; Roger King, HKUST; Jim Thompson, Crown Worldwide Group; Kenneth Koo, TCC Group; Mark Kwok, Wing On International; Winnie Peng, HKUST

This panel was about perspectives of the current generation on succession, management and ownership. Mr. Jim Thompson, founder of Crown Worldwide, and three other panelists coming from family businesses that have gone beyond a hundred years, shared their insights into the topic. Mr. David Lee from Lee Kum Kee (founded in 1888), Mr. Mark Kwok from Wing On (founded in 1907) and Mr. Kenneth Koo from Tai Chong Cheang (TCC; founded in 1916) have led the century-old family firms that endured more than three generations and have remained competitive in their own industries.

Evolution of the family businesses

Started with the invention of oyster sauce in Guangdong, China, Lee Kum Kee Group is now a global leader providing over 220 types of sauces and condiments to over 100 countries and across five continents. Its subsidiary Infinitus (China), specializing in Chinese herbal health products, is a great innovation of the family. Being privately-owned all the time, the company is a pioneer among Chinese family businesses in tailoring a family governance system, which adopts best practices from the East and the West. The fourth generations are currently managing the business.

Inspired by the Western concept of "universal provider" in Australia, the founders of Wing On Company returned from Sydney to start their department stores in Hong Kong and became one of the earliest registered Chinese companies. Apart from adopting professional management and modern ownership structure, it has also diversified and ventured into real estate, hotel, restaurant, amusement park, textile manufacturing, insurance, banking and automobile dealership globally. Currently the third generations are managing the business.

TCC's history began with the establishment of Tai Chong Hsiang Customs Brokerage Company in 1916, and evolved from a customs broker house to a renowned independent shipowner of a core fleet of modern bulk carriers and tankers with a total deadweight of over two million tons. TCC Hong Kong is the Group's headquarter and seat of management. Under the co-chairmanship of the two Koo brothers in the third generation, the group has expanded its strategic centers to Singapore, Shanghai, Japan and Korea.

Crown Worldwide, headquartered in Hong Kong, is a logistics company performing various types of warehousing and transportation services throughout the world. Jim established the company in 1965. Crown is now the largest privately owned company in the field of international removals with over 265 worldwide locations in almost 60 countries around the world. It is also a leader in the field of document management.

Dealing with conflicts

While families of the panelists enjoyed a harmonious relationship, it was not uncommon to have conflicts in the long history of the families. Mark said in those turbulent years, the family business was globally diversified to survive from the wars. In some of the times, given a lack of prior experience, they had to "dive into the water to see what is going on". The family once had an argument about the direction of the business. Some family members were settled with a buyout from other cousins, while others were split into individual branches.

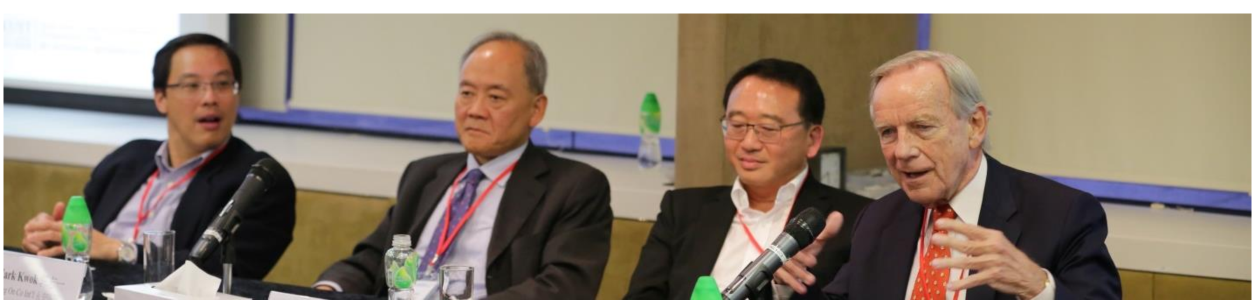
David introduced the family constitution his family developed to deal with potential conflicts. Changing the terms in the constitution required consent from 75% of the family members. Each branch rotated to serve as the CEO of the business. In this way, even though one might have a unique view and pattern in driving the business, conflicts were less likely to occur as every branch would have a chance to try.

Changing the terms in the constitution required consent from 75% of the family members. Each branch rotated to serve as the CEO of the business. —David Lee

Kenneth said his family business was split up in the last generation and they never spoke to each other since then. However, starting from his generation, the cousins started to talk to each other again and were going to celebrate the family business' centenary together.

As a westerner who spent over 50 years living in Asia, Jim commented, "I can't imagine if I see my family fighting or quarrelling all day. I want my kids to really have full happy loving life within the next generation. That's the top of line." The role of the family business was to take a lot of financial pressure off them going forward. "That should be the overwriting factor in any society in regardless where you are." Jim had the practice to involve outsiders to mingle in the decision-making process so that the young generations would have more freedom in raising their voice. "Having outsiders coming as consultants or advisors, they can sometimes make the dialogue easier and rounder."

Having outsiders coming as consultants or advisors, they can sometimes make the dialogue easier and rounder. —Jim Thompson



Tradition and innovation

The current generation understood the importance of innovation while they put an equal emphasis on tradition. Mark was willing to accept new trends in the market and hoped that the new generations were able to drive these trends with the family legacy. Kenneth himself was once an entrepreneurial person trying to bring an institutionalized professional platform into the business. He found that the roots of his family business were always there – trustworthy, accountability and credibility, which enabled the partnerships and relationships required to run smoothly over decades. "I finally realize the business has a culture, and from the family side it's even more. Since we are given this, what I have to do is to ensure the culture is identified, developed and preserved both in the business and the family. There is something that the whole company is aimed for."

> *Since we are given this, what I have to do is to ensure the culture is identified, developed and preserved both in the business and the family. —Kenneth Koo*

The panelists knew well how the older generations could block innovativeness of the younger ones. "We have to allow room, space, environment and atmosphere for the young generation to do what they can, maybe starting from a project basis without going into the main business," said David.

Family legacy

The panelists shared their practices to retain the family legacy. The Koo family spent the last few years saving their ancestors' home and graves. They were planning to write a biography for his grandfather. Being a caring parent, Jim encouraged his daughter to spend more time with her children, working at home instead of in the office "to watch the children grow and live with them", enjoying the treasure in her life. The Lee family had come up with more institutional designs to keep the family together such as annual family meetings and gatherings. They were also promoting a platform displaying videos about "family". The Kwok family had a more flexible way by acting as shareholders of the family business and let professionals work for them in the family office. The enjoyment of the family businesses as a legacy was far more appealing than managing the business.

Future of family business: keep it or sell it?

The panelists were confident about the future of their businesses. However, whether to sell the business was not the question that their generation should consider. Jim said he was going to keep the company private and he was more concerned about how to pass on the business to his two children smoothly. "The basic thing for me is to let them understand a lot of people build the company, you have to love those people and respect them." David also would keep the company private at this time but he was fine if their family members in the future wanted to sell the business: "If they vote according to the family constitution and it turns out they like that, of course they can do it." Mark's family has been moving towards a family office mode, where family members acted as shareholders instead of management: "I don't know when I am going to retire, but in our case the question is much easier."

> *Our family has been moving towards a family office mode, where family members acted as shareholders instead of management. —Mark Kwok*

Key Takeaways from Q&As

With audience from both academia and industry, the Q&A sessions were filled with lively discussions on effective communications between generations.

One key message from the floor was "influencing with innovation". New generation in this era enjoys more independence instead of simply obeying the family rules in the old time. Instead of thinking about how to explore the business further, discussions were focused on how to solve existing problems that many family businesses commonly faced, such as work-life balance, conflicts with tradition, barriers for innovation and generation gap. As family businesses were passed, the younger generation would face more complexities. The interactions between panelists and audience showed that they were all aware of this and were willing to try something new to cope with challenges. The current generation was more willing to be hands-off in some daily management to nurture their offspring's passion, while the young generation was more active to introduce what their generation learnt to influence the business. As one of the audience commented, "I won't have passion for my family business, unless I can reinvent the company to do something that is my dream. I think this is the bridge to bring in new innovation and take the family business as what we want for the next generation."

Succession was another issue that sparked great discussions in the Q&A sessions. It would not be simply to pass on the business in one go. Stories shared by panelists and audience suggested that succession be addressed in several aspects. Succession planning for business, management and family legacy should be designed respectively and adjusted throughout the life stages of the family business. Ongoing communication across generations would be the key to a mutual understanding on sustaining the values of family business.

Event Summary

This half-day seminar on "Generational Perspectives on Family Business Succession" revealed different perspectives on succession issues between the current and the next generation of family businesses. Attended by over 80 family business owners and professionals from Hong Kong, Taiwan, and mainland China, the seminar started with a research briefing, followed by two panel discussions, and a cocktail at the end.

The research briefing was presented by Professor Winnie Peng, Associate Director of the Center. By studying century-old Chinese family businesses with current annual turnover of no less than USD100 million, three key factors that can help Chinese family businesses survive were identified: sustainable business model, balancing of the Chinese and the Western values, and pruning of ownership.

Two generations of family business owners in two back-to-back panels shared their views on issues related to family business succession, such as selection criteria for successors, leadership cultivation, transgenerational entrepreneurship, convincing next generation to join the family business, preserving family values, and challenges for the family and the business.

Facilitated by Professor King, panelists from the next generation demonstrated their passion and understanding of their family businesses and family values. The panel included: Jason Ho (TLI Group), William Peng (Chinese Maritime Transport), Pamela Tung (Orient Overseas Container Line Limited) and Curtis Yee (Pacific Can Developments (H.K.) Co. Limited). The panelists advocated that next generation members should have their own choice of joining the family business or not. The necessary qualities of successors – the notion of CCKP (i.e., commitment, confidence, knowledge, and passion) – were discussed. The panelists also shared their view on innovation across generation – not only creating new products or businesses but also changing the thinking of the current generation and the old practices in the business.

The current-generation panel, facilitated by Professor Peng, included Jim Thompson, Founder and Chairman of Crown Worldwide Group, and three other panelists from prominent Chinese family businesses that have survived beyond 100 years: Kenneth Koo, Chairman and CEO, Tai Chong Cheang Group; Mark Kwok, Executive Director, Wing On International; and David Lee, Director, Lee Kum Kee Company Limited. Compared with other ethnic groups, it was rather rare to find sizeable Chinese family businesses that survive beyond a hundred years despite its largest population in the world. We were very fortunate to have panelists from these businesses to share their experiences and views towards succession.

It was not uncommon to have conflicts amongst family members, even in those long-lasting family businesses. Families should resolve conflicts through communication, taking into the consideration of mutual interests and family values, best under established mechanisms such as family constitutions and family councils. The current generation should understand the importance of innovation while putting an equal emphasis on tradition. Allowing freedom and conditions for the young generation to try their wings would be important. They should also ensure that family culture and values were instilled in the system. Preserving family legacy can take a number of ways, from a renewed understanding of family history, to building governance structures such as family offices or family constitutions.

The theme "influencing with innovation" came strongly in the Q&A sessions. Concepts of early planning and separate considerations of business, management and family succession, and the need for adjustment according to business life stages were also reuttered. As always, panelists and audience shared the importance of ongoing and genuine communication across generations to ensure effective functioning of the family and the business.

Speaker Profiles

Moderator, Perspectives on Succession from Next-Gen

Roger KING
Founder & Director, Tanoto Center in Asian Family Business and Entrepreneurship Studies, HKUST
Founder & Director, Thompson Center for Business Case Studies, HKUST
Adjunct Professor in Finance, HKUST

Roger KING is Adjunct Professor of Finance and founding and current Director of the Tanoto Center for Asian Family Business and Entrepreneurship Studies and the Thompson Center for Business Case Studies at the Hong Kong University of Science and Technology (HKUST). He teaches entrepreneurship and family business in EMBA, MBA and executive programs at HKUST. He is also a frequent speaker on entrepreneurship, family business and corporate governance. Prof King is a graduate of the University of Michigan, BSEE; New York University, MSEE; Harvard Business School, AMP; and HKUST, PhD (Finance).

Currently, Prof King is a Supervisory Board member of TNT Express NV, listed on Amsterdam Exchange; Non-Executive Director of Overseas Orient International Limited listed on the Hong Kong Stock Exchange (SEHK); and Honorary Consul for the Republic of Latvia in HKSAR. He is the 2011 recipient of the Honorary Fellow from HKUST. He is an editorial board member of the Journal of Family Business Strategy. Prof King was Chairman and founder of ODS System-Pro Computers Limited; Chairman of Euro-Asia Shipyard Limited; Chairman of Pacific Coffee Limited; Chief Operating Officer of Orient Overseas (Holdings) Limited, President and Chief Executive Officer of Sa Sa International Holdings Limited, and Independent Non-Executive Director of Sincere Watch (Hong Kong) Limited, all listed on SEHK; Independent Non-Executive Director of Arrow Electronics Corporation, listed on the New York Stock Exchange; and an Executive Member of the Zhejiang Province People's Political Consultative Conference.

Moderator, Perspectives on Succession from Current-Gen

Winnie Qian PENG
Associate Director, Tanoto Center in Asian Family Business and Entrepreneurship Studies, HKUST
Associate Director, Thompson Center for Business Case Studies, HKUST
Adjunct Assistant Professor in Finance, HKUST

Winnie Qian PENG is Adjunct Assistant Professor in Finance and Associate Director of the Tanoto Center for Asian Family Business and Entrepreneurship Studies and the Thompson Center for Business Case Studies at the Hong Kong University of Science and Technology (HKUST). Prof Peng received her Bachelor's degree in Accounting from Tsinghua University, and her PhD degree in Finance from HKUST. She is also a graduate of the Executive Education program "Private Equity and Venture Capital" at Harvard Business School. Her teaching and research interests include corporate finance, corporate governance, private equity and venture capital, family businesses and entrepreneurship.

Prof Peng is also the Founding Committee Member of the Case Center of Association of Asia-Pacific Business Schools (AAPBS), which includes over 140 business schools in Asia-Pacific region. She has been an intern at Goldman Sachs (Asia).

Panelists, Perspectives on Succession from Next-Gen

Jason T.S. HO
CEO, TLI Group

Mr Tsai Sheng HO (Jason) has been CEO of TLI since 2012. Mr Ho has held several global leadership positions since joining TLI in 2008, including roles in TLI Capital, System and Education businesses. During his tenure with TLI and as a global business leader, he integrated knowledge from a broad spectrum of disciplines he served to derive specialized knowledge for the businesses, leading a host of complex transformation and innovation.

Mr Ho was born in Taiwan. He holds a Master of Science degree in Biomedical Engineering from the Washington University in St. Louis.

William S. H. PENG
Managing Director, Chinese Maritime Transport (Hong Kong) Limited

Mr William S. H. PENG is Managing Director of Chinese Maritime Transport (Hong Kong) Limited and a Director of Chinese Maritime Transport Ltd., with responsibilities in finance, investments, and business development in the bulk ship owning, container trucking and terminal group. Mr Peng joined the group in 1996 in its marine container manufacturing business, which operated plants in Taiwan, Thailand and China. He was also a Director of the marine container leasing company Gateway Container International Limited. He began his career at Citibank N.A. Mr Peng has AB and MBA degrees from Columbia University.

Pamela TUNG
Director for the Trans-Pacific and Trans-Atlantic Trades, Orient Overseas Container Line Limited

Ms Pamela TUNG joined Orient Overseas Container Line Limited (OOCL) in 2003. She has worked in various functions at the company beginning in New York City. Starting 2005, she transferred to Hong Kong to work in operations by managing OOCL's Equipment Logistics including procurement, optimizing of fleet size, maintenance and repair and general supply and container flow. Following that she was responsible for the network planning, performance control and market research for the Intra-Asia Trade. In 2010, she was made Director of the Trans-Atlantic Trade; then Director of Global Refrigerated Trade and Logistics. Her current position is the Director for the Trans-Pacific and Trans-Atlantic Trades. Ms Tung graduated from Georgetown University's School of Foreign Service in Washington, D.C.

Curtis YEE
Manager, Corporate Development, Pacific Can Developments (H.K.) Co. Limited

Mr Curtis YEE is a native of Hong Kong, and pursued his education in the United States. He is a graduate of Wesleyan University, Connecticut, and received his PhD in Social Psychology from UCLA. He has taught psychology at UCLA, Mount St. Mary's College, the Chicago School of Professional Psychology and American Jewish University, all in Los Angeles. He worked as a researcher at Oracle before returning to Hong Kong in 2013 for his current position, Manager of Corporate Development, at Pacific Can. Pacific Can is one of the largest manufacturers of aluminum beverage cans in China.

Panelists, Perspectives on Succession from Current-Gen

Kenneth C.K. KOO
Group Chairman and Chief Executive Officer, Tai Chong Cheang Group

After completing his Bachelor of Art from the University of San Diego, Mr Kenneth KOO joined TCC in 1983. He started from the ground, accumulated affluent experiences in technical issues of vessels, crew training, etc.

In 2005, Mr Koo took the baton as the third generation Chairman of the Group and promptly presented to the Group's shareholders and board of directors, two major mandates as the blueprint of the long term growth and perpetuation of the Group: shipping will continue to be the long term core business of the Group and every effort will be made to institutionalize the Group's management practices upon a foundation of good governance, professionalism and transparency.

Like his father, Mr Koo also spearheaded many initiatives to improve many facets of the shipping industry. He sat on the Council of the International Shipping Federation, chaired the Hong Kong Shipowners Association's Manning Sub-Committee for many years and was involved in initiating several campaigns including the publishing of a Ballast Tank Coatings Application Guidelines in 1995, worked with major IACS members in pushing for Machinery Seaworthiness, and established a Chinese maritime education training schools network involving 13 leading maritime education and training institutions in China. Mr Koo sat on the Chairmanship of the Hong Kong Shipowners Association (2009-2011) and followed his father's footsteps sitting on the Council of INTERTANKO.

Mark KWOK
Executive Director, Wing On Company International Ltd

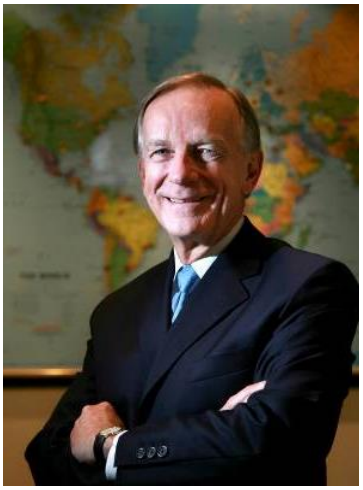
Mr Mark KWOK, aged 59, was educated at Stanford University, California and the University of Santa Clara where he obtained a B.A. degree in Economics and an M.B.A. degree respectively. He joined Wing On Company International Ltd in 1986 and has been responsible for the Group's retail operations until mid 2001. He has been a director of the Company since November 1992. He is currently looking after the Group's overseas investments. He was a member of the Executive Committee of the Hong Kong Retail Management Association. He served as a Member of Law Reform Commission's Sub-committee on Civil

Liability for Unsafe Products from 1995 to 1997 and a Member of Election Committee of Subsector of Wholesale and Retail for the Legislative Council Elections of the HKSAR in 1997, 2000, 2002 and 2004. He has also served as a member of the Committee for electing deputies from the HKSAR for the 11th and 12th National People's Congress of the People's Republic of China in 2008 and 2012. He is currently a member of the Fish Marketing Advisory Board. He is also a Director of Wing On International Holdings Limited, Wing On Corporate Management (BVI) Limited and Kee Wai Investment Company (BVI) Limited. He is a brother of the Chairman, Mr Karl Kwok.

LEE Wai Hung, David
Director, Lee Kum Kee Company Limited
Director, Lee Kum Kee Health Products Group Limited
Chairman, Lee Kum Kee Family Foundation
Chairman, Lee Kum Kee Family Office

Mr David LEE is the fourth generation of Mr. Lee Kum Sheung, founder of the Lee Kum Kee sauce business. After graduating from the University of Southern California, Marshall School of Business, in 1982, with a degree in business administration, majoring in marketing, Mr Lee joined Lee Kum Kee Company Limited to develop the family business. Mr Lee started up the USA operation in 1982. He served various senior management positions of the Sauce Group over the past thirty years, including as Managing Director overseeing the Worldwide Food Division, Executive Director overseeing the Group Human Resources, Group Finance, Group Corporate Affairs and Group Business Development, Chairman and CEO of Lee Kum Kee (USA) Inc., and Lee Kum Kee (Europe). He took up the chairmanship of the Lee Kum Kee Sauce Group between 2009 and 2011.

Mr Lee has been serving in the Family Council since 2002. He also served as Chairman of Lee Kum Kee Family Foundation and the Family Learning and Development Centre between 2006 and 2008. Mr Lee also served as a member of the Hubei Provincial Committee of the Chinese People's Political Consultative Committee from 2003 to 2012. At present, Mr. Lee serves in the Advisory Committee of the School of Business of the Baptist University of Hong Kong and as an Executive Committee Member of the University of Southern California Alumni Association (HK) Limited. He is also a member of Institutional Advancement and Outreach Committee of the Hong Kong University of Science and Technology.



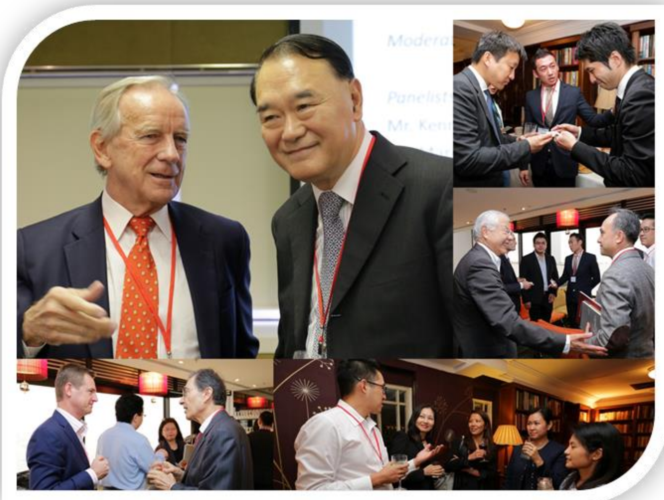
James E. THOMPSON, GBS
Chairman, Crown Worldwide Group

Mr James E. THOMPSON, GBS, is Chairman and Founder of the Crown Worldwide Group of Companies. Crown Worldwide is a logistics company performing various types of warehousing and transportation services throughout the world. The Crown Worldwide Group is the largest privately owned company in the field of international removals with over 256 worldwide locations in almost 60 countries around the world.

Mr Thompson graduated from San Jose State University with a Bachelor of Science degree in Aeronautical Engineering. He came to Asia shortly after completion of his university studies and has lived in Japan and Hong Kong ever since. He is a member of the International Advisory Board of the San Jose State University Business School.

Mr Thompson serves as Chairman or as a Board member of numerous charitable organizations. His particular interests are charities related to children, cancer, education and art. He is the Deputy Chairman of The Hong Kong Management Association, the Chairman of the Asian Youth Orchestra, the Chairman of Community Business Leadership Team, a member of the Executive Committee of the Society for the Promotion of Hospice Care, is on the Advisory Board of the Salvation Army and a trustee of Outward Bound. He currently chairs the Annual “Hike for Hospice” Charity event. Mr Thompson was awarded the Gold Bauhinia Star, Hong Kong’s second highest awards, by the Hong Kong Government in 2003.

Photo Gallery



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