

## **Honorary Doctor of Social Science**

### **Mr KOO Ming-kown**

Citation written and delivered by Professor WONG Sue-cheun, Roderick

Pro-Chancellor:

Mr Koo Ming-kown, long acclaimed to be the “King of Electronics,” is a successful entrepreneur. He is the founder of the Nam Tai Group and is currently its Executive Director, Chairman and Chief Financial Officer. Mr Koo is a philanthropist devoted to promoting public welfare and has made enormous contributions to society. His success and accomplishments are founded upon his unwavering perseverance, his magnanimous broad-mindedness, and his trustworthy character, all of which shape his outlook in life.

Mr Koo was born in Shanghai in 1944, and arrived with his family in Hong Kong when he was two years old. He was a student of Pui Ching Primary and Middle Schools from Primary 5 to Form 6. In 1970, he received his Bachelor of Laws degree from National Taiwan University. After graduation, he worked as a clerk and a tour guide, and partnered with friends in business. Later, in order to keep a promise that he had made to a friend, he entered the electronics business. Thus, began his road to a career in entrepreneurship.

Mr Koo was an officer at Yunlin County Trade Association in Taiwan at the time. A former secondary school classmate came to ask for his help in marketing electronic calculators. Recognising the market potential in Taiwan, he agreed right away. Two months later, when he had not sold even one calculator, Mr Koo began to worry. He decided to go to various department stores in Taipei to ask to have the calculators put on consignment. The result was that the calculators were sold out in a very short time. Later, a classmate from National Taiwan University, who was the owner of an electronics factory, sought his help to sell Taiwan-made calculators in Hong Kong. He suggested Mr Koo set up his own company and offered him a credit loan equivalent to half of the value of the goods to start his business.

In 1974, at the young age of 30, Mr Koo set up the Nam Tai Group with a start-up capital of a few thousand dollars. In view of the growing demand for calculators in

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Hong Kong, Mr Koo began to import models from Japan and South Korea. At the peak of his business, half of the calculators in the Hong Kong market were imported by the Nam Tai Group. In 1977, he set up a factory in Hong Kong to produce calculators of his own. With his far-reaching foresight, Mr Koo made headway into the mainland market in 1979 and cooperated with mainland manufacturers to produce the “Peacock” calculators, making him a member of the first generation of off-shore investors in China. The Nam Tai Group went public on NASDAQ in 1988. Because of its excellent performance, it was invited to be traded on the New York Stock Exchange in 2003. In 30 short years, from a law graduate with no experience in sales, electronics or manufacturing, Mr Koo became the helmsman of a corporation in the New York trade market, with business that includes consumer electronics goods, communication products, and the production of LCD monitors and related parts.

Mr Koo wins the respect and confidence of his business partners for the high emphasis that he places on trust and the importance of keeping one’s word. In 1985, as a result of a shortage of foreign exchange in China and the cancellation of a lot of orders due to the rapid change of the market, the business of the Nam Tai Group suffered, and the company was burdened with losses for three consecutive years. Orders for products fell, affecting even the business of the Japanese raw material suppliers. Even when the suppliers offered to release Mr Koo from the contract and lower the price, just as they had offered to other customers, so as to cut down on his losses, Mr Koo insisted that he would fulfill the terms of the contract. He would rather shoulder the loss than break his promise. Later, the Japanese partner helped him broaden his business on LCD monitors processing and referred him to new clients, which brought to the Nam Tai Group new opportunities.

In Mr Koo’s views, there are no insurmountable difficulties, only challenges to be met. He deeply believes that as long as one is well prepared, one can always find the best way to overcome challenges and in the course gain a lot of knowledge. He is quick to emphasise that he is cautious with every step that he takes, but he also subjects his actions to constant reviews along the way with a readiness to adapt to the changing circumstances. Calculators went through quick changes in those days. New models cropped up even before the old ones were sold out. Mr Koo realised therefore the need to sell what was in his hand as quickly as possible. After careful deliberations, he decided to collaborate with a newspaper to give out coupons that readers could use to purchase calculators at a special price. In two weeks, he was able to reach the sales target for the year. This tactic promoted the products for free, sold them directly,

met the sales target in a very short period of time and reduced the cost, and thereby guaranteed profit and benefited consumers.

Mr Koo is fond of saying, “As long as the business partners are satisfied with what they get, I would find it good enough to have only a tiny share of the pot. In fact, this is the safest approach.” He tries to put himself in other people’s shoes, and is only too glad to share the rewards of the company with his staff. The rate of salary increase is sometimes higher in the Nam Tai Group than in other places. He admits that in the short run, such a practice may increase the burden of the company, but what is more important is to keep employees happy and satisfied; in the long run, it will bring higher work efficiency and better quality products.

Mr Koo has deep conviction in the harmony of the world community, and upholds the belief that people should share what they have and help each other. He is dedicated to the public good, and his donations and sponsorship go to all parts of the world, covering such areas and activities as education, medicine, aid for the poor and disaster relief. He believes that he has all he needs to support himself, and that he will make use of the surplus to help those in need. He compares it to sharing a bountiful harvest of fruit. If one simply leaves the surplus of one’s harvest to rot instead of sharing them, it will be the same as reckless wastage.

Mr Koo stresses the importance of fairness and justice in everything he does. When he encounters anything unfair, he stands up to fight for justice. One noteworthy case is his commitment to safeguarding the reputation of his alma mater, Pui Ching Middle School. He went to great lengths to unite the alumni to take the organisation that infringed on Pui Ching’s name and badge to court. The court case took ten years to settle and cost him tens of millions, but in the end, the court ruled in the school’s favour. Another example saw him bring a libel case against a newspaper in defense of his personal reputation and the public’s right to freedom of expression. He donated the compensation that he received to the Sichuan earthquake reconstruction project.

Mr Koo’s pursuit of justice and fairness is manifested in the management of his company as well. He encourages and respects free expression among his staff, fighting for the welfare they deserve and protecting their dignity. He helped, subsidised and trained staff to form an independent trade union in his factory in the mainland in 1996 and promoted collective bargaining, which is widely known in China. The Chairman of the trade union was elected as a deputy to the Shenzhen Municipal People’s Congress.

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His company will consult staff about the rate of the salary increase and involve members of the trade union in discussions about major policies.

Mr Koo would say in jest that he might appear hot-headed and unpredictable, but he always reminds himself to be meticulous and thorough. His advice to young people is that they have to get themselves adequately prepared for what they do. Once they set a goal, they should pursue it with unwavering perseverance. They should not give up easily but instead regard the challenges as opportunities to test their mettle.

Mr Pro-Chancellor, I request that you bestow upon Mr Koo Ming-kown the degree of Honorary Doctor of Social Science in commendation of his unwavering perseverance, his noble character, and his outstanding contributions to the betterment of society and the economy.