



# UP AND RUNNING

ANYONE can start a business but to have the expertise to literally create the business – be it a product or service – and the responsibility of running the company day-to-day is altogether a different story.

Just like how a restaurant owner cannot do without a chef or how a tech startup founder needs a web developer, it is imperative that a company hires the right talent who can deliver the very offering that it is well, offering.

But what if a founder happens to also be that talent, on top of having sound management and leadership skills? Many will say then that the business is set for success.

We look at two home-grown companies whose founders already possessed the expertise and skills needed to make their product, or took efforts to get themselves properly schooled so as to be able to develop their offerings.

They share their challenges and vision for their respective industries, and illustrate how constant innovation and the willingness to adapt are crucial for growth.

# GUIDING LIGHT



## SUCCESSION PLANNING

(From right) Kevin Koh is being groomed to take over the reins once the two co-founders Frederick Koh and Charles Koh retire

FOR the past 46 years, brothers Charles and Frederick Koh have dedicated their lives to building Ideal Electric into one of Singapore's leading LED (light-emitting diode) lighting providers – quite a feat considering that its present-day clients include European and Japanese companies that were once its mentors, partners and the inspiration behind many of its products.

“That we provide European, high-quality lighting products at affordable Asian prices is what people should know Ideal Electric for,” says elder brother and chief executive officer Charles Koh, 69.

An electrical engineer by training, he and his 64-year-old brother Frederick, who majored in electronic engineering, founded the lighting company at a time when LED was not yet in vogue.

It was 1969; then, incandescent, fluorescent and high-intensity discharge lights were all the rage. But when LED emerged on the scene some six years ago as a more energy-efficient, durable, less heat-emitting and non-UV alternative, both brothers knew that they wanted in.

“LED is the future of lighting. And with tech advancements, it's only going to become more affordable and efficient. Its market is the whole world,” says the elder Mr Koh.

He counts Western Europe as one of his biggest markets, given the region's sound understanding of LED and green technology, ability

to afford this relatively costlier option, and laws that are in place to ensure efficient energy consumption.

Ideal Electric's lighting products have graced some of the world's most prestigious real estate developments, from Manor department stores in Switzerland and the Mercedes Benz Museum in Germany to the Marina Bay Sands Integrated Resort & Casino and the Esplanade Theatres in Singapore.

“These clients expect high quality lighting products that are durable and will not require high maintenance or cause any interruption to their business operations,” says the elder Mr Koh.

“Volume can be a challenge. For a big project, we're talking about 50,000 LED fittings,” says the younger Mr Koh. But their combined expertise in production and design, coupled with close to 50 years of industry experience, have allowed them to constantly improve and see to such demands.

Since its founding, all of Ideal Electric's products are designed and assembled in-house. Individual components – “and only the best” – are outsourced for manufacturing to several China factories, but the final assembly and manufacture is always conducted in its Singapore factory, says the elder Mr Koh. “This lets us control the quality, directly manage our customers' expectations and specifications, and gives us the ‘Made in Singapore’ label that many clients desire.”

On whether Chinese companies that are known for “copying everything” pose a threat, he says: “We welcome the competition, but it is honestly difficult to duplicate our products, owing to a complicated manufacturing process and that these companies – which tend to want to produce and sell cheaply – will have no market to sell to.”

In 2012, Ideal Electric laid out a two-year roadmap with the help of Spring's SMART (SME Management Action for Results) initiative to enhance three key areas: productivity management, quality culture and human resource development. “I'm happy to say that we've met all our targets, and overall, created a more motivated team. At the same time, we're always continuously innovating and developing our products,” he adds.

Meanwhile, succession planning is in the works. Kevin Koh, 33, son of the elder Mr Koh and current manager for strategy and business development, is being groomed to take over the reins once the two co-founders retire.

“That said, we wish to stay in the job for as long as possible. We still have a huge network of business contacts we've built for so long to tap, are fit and are still very active in sports,” the elder Mr Koh says, laughing.

The handover time is therefore extremely crucial, he adds, and when that time comes, the company will once again be ready, just like how it was, when it caught the LED wave. ■



# SEW FAR, SEW GOOD

ESTIL Furnishing, started some 20 years ago by two individuals whom some might deem as the unlikeliest of founders, is today a household name in window fashion, drapery, bedding products and shading systems.

William Lim, 52, and wife, Esther Poh, 51, initially had corporate jobs in sales and administration. “But we knew that as a team, we could build a business together and achieve a lot more than if we stayed working for other people,” says Ms Poh. “Entrepreneurship was always on our minds.”

That opportune time came around 1995. Then, the market for customised window fashion manufacturing was a small one, dominated by individual sewers who worked from their homes, according to Ms Poh. “My husband and I saw that as an opportunity which was worth pursuing and would match our interests, given that I was also very interested in sewing as a pastime.”

The couple then went on to acquire proper training. Ms Poh found an instructor who trained her in the basic sewing of soft furnishing products from cushion covers to curtains, while Mr Lim took lessons on how to professionally install these furnishing products in homes.

“Once we got our basics right, we started to reach out to design houses that would outsource their soft furnishing needs, and the business





PHOTO: YEN MENG JIIN

took off from there,” says Ms Poh.

All products are manufactured in-house in a local factory, using materials, fabric and hardware supplied from around the world, including Sweden, Australia, South Korea, the Netherlands and China.

“Estil Furnishing has since been a game-changer in this industry in Singapore by industrialising this function. We were one of the first to bring in computerised sewing and cutting

(a traditionally tedious process); and an ultrasonic fabric-cutting machine that can be used to cut and seal fabric materials used in roller-blinds.

“These machines allow our company to be less labour-intensive and yet achieve very high-quality cuts and workmanship in our furnishing products,” Ms Poh says.

For its customers, Estil Furnishing says that it offers “the latest in technology” in home

◀ BUILDING A BUSINESS

*Ms Poh and Mr Lim initially held corporate jobs but knew that they could achieve more as independent entrepreneurs*

machines, technology and resources from overseas that are able to cope with the large-scale (window fashion) demands of hotels, for instance,” says Ms Poh.

Without a doubt, investment in high-tech machines is a priority for the company. Its production factory is equipped with – among other things – a computerised panel-joining machine that is able to quickly join large and long pieces of fabric panels; an automated pleating machine that is able to conduct pleating techniques on large fabric pieces

automation, which comprises automated blinds, curtains and other motorised systems that can be custom-designed, manufactured and installed directly in their space.

Clients range from individual households, contractors and interior design houses to hotels and commercial spaces. Beyond Singapore, Estil Furnishing has also worked on projects in Seychelles, the Maldives, the Philippines, India and Malaysia.

“Our more interesting clients are those that allow us to provide design consultation. As we are able to use our expertise in fabrics to marry both aesthetics and functionality. We have had some clients who gave us free range to do that, and the end results have always been good,” shares Ms Poh.

To-date, Estil Furnishing has largely been in the B2B (business-to-business) market, where clients get to know them via referrals. Moving forward, the company wants to build a presence in the B2C (business-to-consumer) track, and is currently working on creating a sales team to reach potential customers. ■

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