

A Suite of One-Card Solution

The mindset of an entrepreneur is quite different indeed. Koh Lee Ching, the CEO of CALMS Technology, is one such example. While working for a smart card solutions company, she saw potential where others had not and decided to leave her job to pursue the opportunity

Koh, an aeronautical engineering graduate from Imperial College, UK, told of how CALMS Technology came about.

"I started the business in 2002 after having worked more than nine years as a product engineer, marketing computer-aided engineering programmes. Subsequently, the company I worked for decided to market smart card solutions. Being involved in the new business opened my eyes to its potential. Smart card technology offers unlimited possibilities, unconstrained by engineering formulas, yet this was an unmet need as the cost of technology was high then and only available from overseas providers."

"Malaysia then was introducing smart card technology in our national identification system with the introduction of MyKad and also the migration of credit cards towards smart card-based systems. MyKad ultimately became a multipurpose smart card that serves as a common key to the information highway and other business needs. It's so widely used now, from the Government to the financial and private sectors. There was potential of enabling multi-applications utilising smart card technology. It was then that I decided to pursue the opportunity by developing my own systems."

The timing of Koh's entry into the business world was just right. It was a time when local venture capital companies were willing to invest in early-stage companies, and she had a technology with great potential. The company received an investment after talking to six potential investors. The investment was used as seed-funding to hire programmers to develop its core product called Card Application Lifecycle Management System or CALMS for short, thus the company's name. The product



continues to become the core component of the company's solutions that enable multi-application smart card implementation.

Later on, as an investee company of Malaysian Technology Development Corporation (MTDC), the company also received funding for business growth. For product development, funding was obtained from the Product Commercialisation Fund via the Malaysia Digital Economy Corporation (MDEC).

Was it tough to be a business owner?

It was tough going in the early days, as with all things new, finding market acceptance was not always easy as customers questioned the credibility of the company and its product.

"It isn't easy to get market acceptance for a new product from a new business. Customers perceived our products as prototypes. They were also worried we might not last and leave them in the lurch without back-up service. Our early customers, the educational institutions, had reservations about us. To assure them, we would tell them we would give our source codes to a trusted party, say, a lawyer. These days, when clients ask for referrals, we ask



which of the hundreds of our clients they would like to visit."

The company now has a workforce of thirty-four and distributors in Singapore, Indonesia, Thailand and Vietnam. Plans are afoot to expand further in ASEAN. Meanwhile, it is developing its own eco-system for networking to get connected with prospective partners globally.

CALMS' first foreign deal was made five years ago in Indonesia.

"It took us quite a while to penetrate the Indonesian market but we finally concluded our first foreign deal in Jakarta five years ago. A lesson we learnt from that was we needed to have face-to-face meetings for things to move. And what works in one country does not necessarily work in another."

The company now offers a suite of one-card solutions to more than 400 organisations from various sectors in Malaysia, Indonesia, Singapore and Thailand. Locally some of its major clients included INTI International College, Panasonic Manufacturing Malaysia, Steelcase Manufacturing, F&N Dairies, The International School of Penang, Malaysia Airports Holdings, Air Asia and Sunway City.

The company's business model has changed somewhat since its inception. It started by using the normal licensing model where the software would be installed at customers' business premises and they would be charged a one-time licensing fee with an optional annual maintenance fee. The server is owned and managed by the customer.

Koh said, "In 2016, we launched our latest product EDUPurS (education purse) on cloud. Now we host and manage the core application and the charges customers pay are based on an annual licensing model together with a pay-per-use fee." The company's products cater to the needs of a wide range of organisations.

Some of our products include Time Attendance Management System which manages attendance records and transactions for staff in a business organisation or an educational institution; CALMS E-Purse Management

System which enables a cashless environment thus removing the laborious task of cash handling, eliminating leakages and improving accountability; and CALMS Visitor Management which enables better management of building security and visitor processing."

What is Koh's business philosophy?

"CALMS' core culture revolves around professionalism, having a global mindset and being agile. Professionalism is vital as our customers are enterprises and we must make sure we meet their needs. That is prerequisite if you aspire to be a global brand. Being agile means enabling multi-applications within one smart card. We need to be able to integrate our solutions with the different systems, hardware and devices out there. We also believe in incorporating what the customer has already invested in so that we can maximise return on their investment with minimal cost."

She said that another critical success element for a business is having the right people in the team.

"A perennial problem has been getting and retaining talents, especially in sales and programming. Salaries for local programmers are high and they tend to job-hop. Currently, our programmers are mainly from India. Teamwork is vital if we are to have excellent customer care. A consistently high level of service quality is crucial to retain our clients and in attracting new ones. It's important to remain in touch with customers, do troubleshooting whenever needed and to show that we really care about their interests."

How does she see her business ten years from now?

"We want to be a global unicorn (a unicorn is a start-up company valued at over USD1 billion). Right now, we are concentrating on regional expansion. Later on, we will look into going global, into markets in the West and the Middle East."

CALMS Technology is an MSC company, a HID Global Partner and investee company of MTDC which had also received the ISO 9001:2008 certification.

