

SME WEEKLY NEWS

(29 May 2017 – 2 June 2017)

Countries	Highlights
<p>MALAYSIA</p> <p>Malaysian firms secure nearly RM100 million from Amsterdam show</p>	<p>Nine Malaysian companies that took part in the World of Private Label International Trade Show 2017 which is the world's largest trade show for private label industry - have secured potential sales of RM96.58 million. This was an increase of 43% from RM67.63 million generated by 10 Malaysian SMEs last year. Their participation was spearheaded by Malaysia External Trade Development Corporation (MATRADE). The event served as platform for Malaysian companies to showcase their products to high profile international buyers. The show is a highly recognised retail trade fair in Europe where buyers and retailers congregate to source for private label goods for supermarkets and department stores from all over the world.</p> <p style="text-align: right;"><i>(Source: New Straits Times, 29 May 2017)</i></p>
<p>SINGAPORE</p> <p>Singtel partners polytechnics to help heritage SMEs go digital</p>	<p>Singtel is partnering Ngee Ann Polytechnic and Temasek Polytechnic to help heritage SMEs adopt digital technology. The collaborations, announced yesterday, are part of the 99% SME initiative to help SMEs go online and develop e-commerce capabilities to reach out to more customers. Mr Andrew Lim, managing director, Business Group, Group Enterprise at Singtel, said: "Many SMEs with a long and rich heritage do not have the resources to market themselves effectively online or connect with younger, digitally savvy customers. Our partnerships with the two polytechnics allow us to help these SMEs evolve and digitalise their businesses, to preserve their heritage. Our collaborations with the polytechnics support the recommendation of the Committee on the Future Economy to help SMEs adopt digital technologies."</p> <p>Singtel and Ngee Ann Polytechnic will focus on helping multi-generational family-owned SMEs to digitise their operations using business analytics solutions and improve their efficiency and competitiveness. Meanwhile, Singtel and Temasek Polytechnic will engage SMEs in traditional businesses such as provision shops, watch shops, tailors and tea-leaf merchants to provide ideas to keep their heritage brands alive. An SME is considered to have a heritage brand if it has a compelling success story to share from a cultural or social perspective, and it has been established for more than 30 years and passed down from the founding generation to the next. By leveraging digital technology, students from the polytechnic's School of Business will guide SMEs on using the 99% SME website (www.99sme.sg) to market themselves online without any cost.</p> <p style="text-align: right;"><i>(Source: TODAY Online, 1 June 2017)</i></p>
<p>INDONESIA</p> <p>Indonesian bank nurtures SME dreams for Hong Kong maids</p>	<p>A dream for many of overseas domestic workers in Hong Kong is to save enough of their salaries to start a small business when they return home. Indonesia's biggest bank, PT Bank Mandiri is offering a helping hand towards achieving that goal to around 170,000 maids from the southeast Asian nation who are working in Hong Kong. Since launching its entrepreneurship program in 2011, PT Bank Mandiri has educated about 6,000 people. About 150 of the program's graduates have started their own businesses, including salons, shops, restaurants and farms. Bank Mandiri's annual courses offers 600 domestic workers free lessons in financial planning, entrepreneurship and product marketing. Assistant Vice President at PT Bank Mandiri, Sipakko Nainggolan, said the bank also subsidises smaller study groups spread out across six districts. "They can learn about make-up, computing, Mandarin and handicraft," Nainggolan said.</p> <p style="text-align: right;"><i>(Source: Asia Times, 2 June 2017)</i></p>

LAOS

**Benefits from
integration elude
Laos**

Several challenges has been highlighted by economist, Dr Mana Southichak of which Laos needs to address promptly so it can continue to benefit from the ASEAN Economic Community. As a landlocked country, Laos has a very small and relatively fragmented domestic market with poor infrastructure, Mana said. The poor infrastructure, notably roads, places Laos in a disadvantageous position as it delays transportation of goods and makes the cost of transport relatively higher. Second, the accountancy system in Laos is not synchronised with those in other ASEAN countries, making cross-border business activities difficult. Third, Internet access is expensive and it plays a significant role for SMEs. Expensive and slow Internet speeds will make it difficult for SMEs to grow. Another challenge is the lack of a seaport to serve the import and export sector. Thus, to survive and lead in a more competitive environment, business owners need to learn and understand the changing environment, find ways to improve efficiency and reduce costs, innovate and improve product and service quality and be able to differentiate themselves.

(Source: The Nation, 30 May 2017)

CURTAIN RAISER TO BIGGER THINGS

Managing Director of MK Curtain Group, Datuk Calvin Khiu Fu Siang knows the importance of starting small. In fact, starting small may be an overstatement for Khiu who started the business with zero monetary capital. Khiu literally established his business in 2005 with two employees and no money. He was working as a salesperson for another curtain company prior but notes that his salary then was not much. If Khiu had all the capital in the world, he would have set up a shop at a major shopping mall. Then, he found a place in Nilai that offered him seven months of free rent. Khiu did his due diligence on the shoptlot and found all the basic necessities in place.



Thanks to his suppliers who trusted him with their stocks, Khiu was able to turn things around by selling the merchandise. He made some returns along the way to clear his loans and acquire more stock. “This went on for some time before I could finally say I earned my first bucket of gold,” says Khiu, who operates more than 20 curtain outlets today.

Nowadays, on a normal day, MK Curtain would achieve about RM5,000 in sales. But during public holidays, while other shops were closed, sales for MK Curtain would more than triple. “People come in buses from states like Kedah and Kelantan to buy curtains. On those days, we can easily achieve a sale of RM30,000 a day,” he beams. Within a year of establishment, MK Curtain had opened its second branch. This was followed by another six outlets in Negri Sembilan the following year. In 2008, the company started a tailoring department that employed 30 pairs of hands and by 2009, it had set up a technical department with 16 employees who would help take the company one step closer towards providing one-stop services. Khiu says this was to achieve MK Curtain’s main objective: whatever the customers want is what we want.



Besides their comprehensive showroom, MK Curtain has introduced a “Save Your Time” concept where sales consultants are able to do house calls for the convenience of homeowners. “KL market is huge, that’s why we have different outlets. But some make their way to Nilai and we make their trip out here worthwhile with prices that are about 20% lower,” says Khiu. MK Curtain serves the mid- to high-end segments of the market. “In 2010, we set up a project team dedicated to undertaking large-scale projects nationwide. “The company invests RM200,000 annually into skills development to train our employees so that we can continue to branch out,” states Khiu.

With a 300-strong team, MK Curtain achieved a revenue of RM40 million in 2016. In the long run, Khiu hopes to uplift the staid image of the traditional curtain trade and make MK Curtain an international brand, much like a fashion house – but for curtains. “Back in the day, curtains were what they were, just curtains. But today, just as fashion needs accessories, curtains require them too, what with the different designs, materials and complementary items,” he points out. As he sets his sights on growth, Khiu is hopeful that Nilai will one day be known as a “curtain city” and the destination for home living solutions.

(Source: The Star, 29 May 2017)

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