

# SME WEEKLY NEWS

(9 October 2017 – 13 October 2017)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>Lazada creates online tutorials, webinars and workshops for SMEs</b></p>	<p>Lazada has partnered with entrepreneurs and SMEs to target approximately 560 million customers in Southeast Asia. The partnership comes ahead of shopping event Online Revolution 2017, which is themed “Shop the Universe”, in a bid to help more businesses go digital and boost their online presence so they can expand in six Southeast Asian countries that Lazada operates in i.e. Singapore, Malaysia, Indonesia, the Philippines, Thailand and Vietnam. To equip sellers with the technological knowledge of growing their businesses, Lazada has launched a suite of online tutorials, webinars and workshops to educate them about selling on Lazada and designing their online store front. Sellers will also master the use of data analytics to attract more consumers. The e-commerce company has also developed a network of service providers to support sellers on various aspects of their online selling operations. Lazada said the company wants to create an ecosystem in which merchants can expand or start their companies online seamlessly.</p> <p><i>(Source: Marketing Interactive, 10 October 2017)</i></p>
<p><b>MALAYSIA</b></p> <p><b>MITI pushes for SME allocation to adopt Industry 4.0 faster</b></p>	<p>The International Trade and Industry Ministry (MITI) is pushing for an allocation under Budget 2018 to help Malaysian industries, especially the SMEs to adapt to Industry 4.0 faster as it would impact the overall production and competitiveness of the country. “We have proposed incentives be extended to industries to automate their production in line with Industry 4.0 but it would have to depend on the Treasury,” he said. The government, as an enabler, will help to build the automation ecosystem – at least at the initial stage, as it was fully aware that industries would need more than a mindset shift to move out of their conventional systems. Manufacturers, both large and small, would have to play their part in expanding their market size for their products. This can be achieved by taking advantage of the various markets where access for Malaysian exports have been enhanced through the various free trade agreements (FTAs). The government will continue to assist SMEs make the leap into Industry 4.0 since they face different challenges compared with the multinational corporations.</p> <p><i>(Source: New Straits Times, 12 October 2017)</i></p>
<p><b>MALAYSIA</b></p> <p><b>'Transformation Product' logo to help SMEs make headway into supermarkets</b></p>	<p>KPDNKK unveiled the 'Transformation Product' logo to help SME products' entry into hypermarkets. Its minister, Datuk Hamzah Zainuddin said by having the new logo on their products, it shows that the products have met all the ministry's requirements. "By having the 'Transformation Product' logo along with the 'Buatan Malaysia' (Made in Malaysia) logo, more SME products can enter hypermarkets because of their good quality," he told reporters after closing the Citarasa Malaysia Programme (PCM). In order to qualify for the new logo, SME products must have the 'Buatan Malaysia' logo first before they can apply. At the moment, SMEs can apply for the logo at no charge. On the PCM, Hamzah said it was introduced to promote SME products with the cooperation of hypermarkets. In a year, PCM aims to have 30 SME brands with over 100 stock keeping units (SKU) listed in the hypermarkets. But, this year alone, there is a total of 76 entrepreneurs with over 300 SKUs.</p> <p><i>(Source: Malaysian Digest, 13 October 2017)</i></p>

<p style="text-align: center;"><b>MYANMAR</b></p> <p><b>Singapore investors channeling private equity to Myanmar SMEs</b></p>	<p>Credera Group, a Singapore private equity (PE) firm, is raising a \$100 million PE fund to invest in finance, manufacturing and consumer product sectors in Myanmar. Despite over 250 microfinance institutions and banks in Myanmar, its SMEs however often face challenges in obtaining the funds due to stringent loan regulations and under-developed financial infrastructure. Currently, the PE firm is already in the process of teaming up with a non-banking financial company as a strategic partner to co-invest and set up an equipment finance venture in Myanmar. It is currently looking to set up a sugar factory in Karen State and is also been evaluating possible investments in the cement manufacturing sector. The PE firm has also looked the higher education space and is likely to expand its venture with a young professional team of entrepreneurs of Myanmar. In the healthcare space, Credera is more interested in niche services than hospitals. It is reported to be searching for a potential local partner to invest in this space as well as operating partner that understands the dynamics of Myanmar.</p> <p style="text-align: right;"><i>(Source: The Myanmar Times, 11 October 2017)</i></p>
<p style="text-align: center;"><b>THAILAND</b></p> <p><b>SME products planned to be sold on flights</b></p>	<p>The government is planning another project to support SMEs through selling products on flights, says Industry Minister, Uttama Savanayana. The move is part of the Pracha Rat project to support the local economy and is expected to start with the sale of products on Thai Smile flights next year. To sell SME and startup products on flights, the ministry needs to create fair and acceptable standards for all goods. The ministry will work closely with related government agencies, particularly the Thai Industrial Standards Institute (TISI) to set up standards and check all goods before on-board sales are offered. The standard will allow the government to build new channels to increase SME sales. The ministry is cutting down the period to achieve quality certification by TISI to 100 days from 150-400 days. This means SMEs and startups will be able to launch their marketing plans shortly after being certified. The new industrial standard for SMEs and startups are due to be launched in the first quarter of 2018.</p> <p style="text-align: right;"><i>(Source: Bangkok Post, 12 October 2017)</i></p>
<p style="text-align: center;"><b>INDONESIA</b></p> <p><b>Alibaba launches Indonesian mobile advertising platform</b></p>	<p>Alibaba Mobile Business Group has launched its mobile advertising platform, UC Ads, in Indonesia. UC Ads promises to help Indonesian brands improve the exposure and reputation of their products as well as helping with sale promotion and customer acquisition. The platform makes use of insight from mobile customers to give its partners the opportunity to target adverts. Clients of UC Ads will be able to connect with internet users on a worldwide scale. It will use big data analysis to track potential customers. UC Ads is designed to analyse big data to find out potential consumers for advertisers, then deliver ads to the target audience. This might give SMEs a cost-effective mobile marketing to grow their businesses. UC Ads' Indonesian platform will mainly focus on the areas of education, finance, FMCG (Fast-moving Consumer Goods), e-commerce, gaming, tourism, entertainment and IT.</p> <p style="text-align: right;"><i>(Source: Asia Business Review, 13 October 2017)</i></p>

## A VISION FOR A STRONG BRAND

Spending money on branding may seem like an afterthought for most SMEs, but the CEO of Maxvue Vision Sdn Bhd, Selvam Kanniah knows that building a brand is a necessary investment. "The brand is the face of the business," he says, adding that marketing and branding is the heartbeat of any business. Although they had limited resources, Selvam took the risk of hiring in-house designers even in the early days so that they'd have creative control over their coloured contact lenses brand, ColourVUE.

Maxvue was founded in the mid-2000s by Selvam and his wife, Viji Ramasamy Pillai. Selvam was then working as an engineer in Singapore while his wife was doing sales for a perfume company. Viji found out that there was quite a bit of interest in branded contact lenses suppliers in Singapore. When Viji got pregnant, Selvam asked her to quit her job. After she left her job, she looked up branded contact lenses suppliers and even found a Japanese buyer. That led the husband and wife to start their contact lenses supply business.

After a while, Selvam realised that they could not remain as a trading business in the long run as they had no control over the products and they had to rely on suppliers. In 2006, Selvam came across a Korean coloured contact lenses manufacturer at MIDO, the largest international eyewear show. That was when Selvam found out that 90% of the world's coloured contact lenses market was controlled by a single player and it was a growing market. That was also the start of the company's journey as a coloured contact lenses producer. They spent the first two years giving out their products and building their brand presence.



They also invested heavily to participate in various trade shows to reach more markets. Maxvue was focused more on the international market as it had already established a network globally for its trading business. Although competition was stiffer, being in the international arena turned out to be a good thing for the company. "We were pushed in the international market. We had to do better,"



says Selvam. Today, the company exports its coloured contact lenses to over 60 countries around the world including to Europe and the Middle East. About 80% of its RM17mil revenue is derived from exports. This year, Maxvue is expecting sales to grow to RM22mil.

Selvam explains that contact lenses are considered medical devices and exporting them require strong brand building backed by solid regulatory compliance. Maxvue has obtained approvals from medical device regulators around the world, such as European CE mark,

Australian TGA, Singapore HSA, Health Canada and most recently, Russian Ministry of Health. The clearance from Russia came after a four-year approval process. He is hopeful its US FDA approval will be cleared by the end of this year. Moving forward, Maxvue is looking to grow in the local market. He is confident of capturing a sizeable market share by 2018.

*(Source: The Star, 9 October 2017)*

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