

SME WEEKLY NEWS

(13 February 2017 – 17 February 2017)

Countries	Highlights
<p>MALAYSIA</p> <p>TM confident of reaching broader SME customer base</p>	<p>Telekom Malaysia Bhd is confident of expanding its SME customer base through the introduction of digital business solutions which could improve SME businesses. Executive Vice-President Consumer and SME, Mr. Imri Mokhtar said that they believe they would be able to reach out to more SMEs through their products and new programme which would provide them with the right tools to improve the business of SMEs. Speaking to reporters after officiating the TM SME Bizfest 2017, he said there were currently about 700,000 active SMEs nationwide and close to 70% of them were TM subscribers. Imri said that the SME BizFest 2017 was part of TM's effort to build a smart nation by showcasing the best of digital options for SMEs to adopt and assist them in growing their businesses. He also said TM would launch several new products for the SME market this year such as the Webe Service and business solution applications and tools to increase their productivity and compete more efficiently.</p> <p style="text-align: right;"><i>(Source: Bernama, 15 February 2017)</i></p>
<p>MALAYSIA</p> <p>Minister: RM 20 million industrial estate will be built to spur SME growth</p>	<p>An industrial estate costing RM 20 million will be built in Tanjong Datu constituency to spur the growth of SMEs in Lundu-Sematan. Sarawak Industrial and Entrepreneur Development, Trade and Investment Minister, Datuk Amar Awang Tengah Ali Hasan said that the focus would be on cottage and food industries, as well as agriculture, fisheries and eco-tourism sectors. Funds for the project have been approved and the state is currently in the midst of securing a site for the proposed 20.23 hectare industrial park. The first phase of construction on a 13 hectare site is targeted to commence this year, that is built under the SME concept to cater for local entrepreneurs and manufacturers as part of government effort to overcome the lack of industrial parks in small districts across the state. The Minister also pointed out the importance for SMEs to adopt innovation to create value-added products and services to keep abreast with global demand and market trend.</p> <p style="text-align: right;"><i>(Source: The Star, 16 February 2017)</i></p>
<p>SINGAPORE</p> <p>MAS relaxes rules on finance firms to help fund SMEs, including allowing foreign M&As</p>	<p>The Monetary Authority of Singapore (MAS) announced that it would be relaxing some of its rules this year to strengthen the resilience of finance companies, so that they can provide more funding to SMEs. It added that it was prepared to consider an application for a merger or acquisition if the prospective merger partner or acquirer commits to maintaining SME financing as a core business of the finance company. MAS will be raising the limit on a finance company's aggregate uncollateralised business loans up to 25% of its capital funds, from 10%. The limit on uncollateralised business loans to a single borrower will also be raised to up to 0.5% of capital funds, from the current S\$5,000. MAS said it would retain other regulatory restrictions on finance companies, such as restrictions on foreign currency exposures and derivatives trading. These restrictions will help to limit the business risks borne by finance companies and encourage them to remain focused on serving the domestic SME market.</p> <p style="text-align: right;"><i>(Source: Business Times, 14 February 2017)</i></p>

<p style="text-align: center;">SINGAPORE</p> <p>FS Bolt mobile app enables SME loan disbursement within 24 hours</p>	<p>Funding Societies has launched FS Bolt, which is a mobile application to provide flexible working capital loans for local SMEs. Complementing the government’s financing programs for SMEs, FS Bolt offers loans with quantum up to S\$20,000 for companies incorporated in Singapore. An automated credit assessment process enables decision time of two hours and disbursement within 24 hours, making FS Bolt a quick source of working capital loans in Singapore. SMEs face many hurdles when seeking financing as they often lack credit history, collateral, and sophisticated financial documents required by most loan products. FS Bolt alleviates such issues by offering a credit product specifically targeted to answer SME needs. FS Bolt also incorporates automation and highly intelligent systems to include non-traditional datasets into the firm’s credit assessment processes.</p> <p style="text-align: right;"><i>(Source: SMBWorld Asia, 16 February 2017)</i></p>
<p style="text-align: center;">INDONESIA</p> <p>Indonesia: Moka gets \$2 million from in Mandiri Capital-led round</p>	<p>Point of sale app operator, Moka has just received \$2 million in a funding round led by Mandiri Capital, with participation from Convergence Ventures, East Ventures, Fenox VC, and Northstar Group. Moka has said it plans to use the fresh funds to speed up product development, as well as to attract the best talents. The Jakarta-based startup provides an end-to-end POS and payment solution that caters to small and medium businesses in Indonesia. The service includes an Android/iOS app used by store cashiers and a web back-office that allows store owners to access data such as sales reports, inventory, and customer feedback in real-time. Eddi Danusaputro, CEO of Mandiri Capital said that Moka solves the problem of tracking sales often faced by small business owners. One of the difficulties that we see in SMEs is to track sales and many business owners are still doing it manually. Thus, Moka is the right partner and the best startup available to provide such ability to SME.</p> <p style="text-align: right;"><i>(Source: Deal Street Asia, 14 February 2017)</i></p>
<p style="text-align: center;">PHILIPPINES</p> <p>Philippine, China prepare for SME cross-border trade and investment conference</p>	<p>Officials of the Department of Trade and Industry-Export Marketing Bureau (DTI-EMB) met recently with representatives of the Bank of China (BOC), Philippine Chamber of Commerce and Industry (PCCI) and International Chamber of Commerce of the Philippines (ICCP), in preparation for the Philippines-China SME Cross Border Trade and Investment Conference on March 2017. The organizers recognize the role of SMEs and there is BOC’s six-step matchmaking service consists of:</p> <ol style="list-style-type: none"> (1) building the database of Chinese and Philippine SMEs; (2) pairing SMEs based on their respective needs and interests; (3) arranging video-conference meetings between paired SMEs; (4) face-to-face meetings during the conference itself; (5) field study through site visits, and (6) provision of end-to-end financial services to facilitate cooperation. <p>Aside from one-on-one meetings between businesses, the conference will also include plenary sessions to discuss various topics, such as Ease of Doing Business and MSME Internationalization, among others.</p> <p style="text-align: right;"><i>(Source: Business Mirror , 14 February 2017)</i></p>

TAKING ON A WOODEN OPPORTUNITY

Having the willingness to learn and improve in every situation helped Andrew Goh build on his father's wooden pallet manufacturing business. That is a lesson taught to the Managing Director of Taik Sin Timber Industry Sdn Bhd, Datuk Andrew Goh Boon Kim, by his father, the late Goh Choe Tiak.

His father was running a canopy service business for outdoor events when a chance came by for him to venture into opening a hardware shop in 1970 with a staff of five. They started by selling timber products and everyday construction and the hardware shop, located in Pandamaran, Klang, began to become a favourite spot for building contractors who needed the timber for their construction works.

About five years into the business, Goh's father learnt that there was demand for wooden pallets by warehouses, especially those that are involved with fast moving consumer goods (FMCG). Taik Sin produced about 2,000 wooden pallets a month. After completing his secondary school, Goh decided to join the family business. From doing sales, payment collection to helping out at the factory, Goh says he was given a very good headstart to understand the whole business.



His late father decided to retire in 1991 and that has helped him build a firm foundation to be an entrepreneur in his own right. He facing the hard time when his factory caught fire in 2000 and its started from a nearby squatter area and had spread to his factory. But instead of feeling hopeless, the family went on to invest about RM250,000 in a two-acre factory in Teluk Gong, Klang and commenced business about three months later. Business resumed and not long after, production increased to about 10,000 wooden pallets at their new factory which employed about 40 workers. They were also exporting to Japan, India, Bangladesh, Sri Lanka and Taiwan from 1995 to 2000. They currently serve over 300 clients from the FMCG industry. The company achieved a revenue of RM10 million in 2016. Moving forward, Goh is also looking into providing logistics solutions such as warehousing and distribution centres. "We are also looking at setting up pallet manufacturing facilities overseas," Goh adds.

(Source: The Star, 13 February 2017)

Economics and Policy Division
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