



Inspiring
Stories

The Milky Way to Success

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Izuwan bin Rabie, the Managing Director and co-founder of Thirst Asia Sdn. Bhd. was a 29-year-old aspiring entrepreneur in 2016. He had an idea to sell milkshakes and smoothies amid the Taiwanese bubble tea craze that was in full swing then. However, his version of a milkshake, which he would brand as Thirst Milkshake, would be different from the American concoction. His would be customised with local flavours to suit local palates.



The Bachelor of Business Administration (International Business) graduate from Universiti Teknologi MARA had worked for a bank for a year after his graduation before his father requested him to help manage the family's restaurant business. He worked at the restaurant for three years and had tried to change the culture and direction of the business but was unsuccessful as the business was run very much the traditional way.

Izuwan said, "I had always wanted to do my own business, be my own boss. I also have a passion for branding. It was then that I decided to open my own business even if it's only on a small scale to start with".

He started a milkshake business with RM3,000 as capital, customised his own food cart and opened his Thirst Milkshake and Smoothies Bar in front of his house at Jalan Astana, Petra Jaya. In 2017, Izuwan received a RM15,000 grant after participating in the SME Corp. Malaysia's TUBE (Tunas Usahawan Belia Bumiputera) programme and with that, he moved to the city centre and opened a kiosk near the Kuching Water Front area. The first Thirst Milkshake and Smoothies Bar had arrived in Kuching.

The move to the city proved to be a fateful one as sales picked up considerably with his brand of milkshakes and smoothies - with catchy names such as Smashing Strawberry, Wonder Cendol, Vanilla Abdul, Syed

Caramel, Horlick Freak and Vanilla Apong – becoming increasingly popular. In that same year, Izuwan and Dyg Amira Fitriyaani, a co-founder (now wife) formalised the business and Thirst Asia Sdn. Bhd. was born.

But as all entrepreneurs would soon discover, the early stage of a business is never an easy one. Izuwan said of those early days of the business, "It was very tough trying to grow the business in the first three years. Many sacrifices had to be made just to keep going. I did not give myself a salary from 2017 to 2019 as I ploughed back 100.0% of the profit into the business".

In 2019, he received an offer he could not resist. "The Hills Shopping Mall approached me to open an outlet there. It has always been my dream to have an outlet in a shopping mall and when the opportunity came, I, of course, grabbed it. Sales increased considerably at the mall and, for the first time, I could afford to give myself a salary".

Two years later, Izuwan was approached by a bigger shopping mall, Vivacity Megamall, to open an outlet there. He opened his second outlet at the mall only to be hit one month later by the second lockdown.



As he recalled, “I never thought there would be another MCO after the first one was lifted. It was a nightmare for me because we had to close both of our kiosks and could only do online sales”.

Izuwan, however, was not one to give up easily. He pushed sales online as well as getting free publicity for his business on social media and in the mainstream media. He also encouraged his workers to promote his beverages to families and friends by offering commissions on sales.



He is thankful for the aid provided by the Federal Government through its Geran Khas Prihatin 1.0 and 2.0 package, State Government aid through its Bantuan Khas Sarawakku Sayang programme and SME Corp. Malaysia's TUBE Scale-up programme, all of which were crucial in helping to keep his business afloat.

The pandemic has also put a damper on the company's plans. Izuwan explained, “It has been a most difficult time for us during the pandemic. We suffered a huge drop in sales and big losses. Our company's plans were disrupted. Anyway, I take bad times such as this as a learning experience. As an entrepreneur, I've to learn to navigate through bad times and be always prepared for whatever challenges that might come along”.

Asked as to how he has so successfully promoted his products, he explained, “In this era of digitalisation, we cannot do without social media as it's the best platform to market our business. We leveraged on the various e-commerce platforms available, such as Grab Food and Food Panda, to move sales as well as conduct promotions digitally. The business has a constant presence on social media. We make sure our customers don't forget us. The current situation has made me realise how important it is for a business to have an online presence. I hope to have an online store soon so as not to be totally dependent on a physical store”.

As part of his business sustainability plans, he is planning to open a third outlet which will also serve as a central kitchen and warehouse. “Such a set-up,” he said, “will enable me to open more outlets around

Kuching. I am also thinking of franchising the business in order to expand it throughout Malaysia and even Southeast Asia.

Izuwan's advice to aspiring entrepreneurs is to think through their plans before venturing into business. “In starting a business, the first thing we need to do is to identify our potential customers. Who will buy our products? How do we adapt our products to our customers? How do we position our product? These are critical questions we need to ask ourselves before anything else”.

“Aspiring entrepreneurs should also be knowledgeable about digital marketing not just on Facebook or Instagram. They need to be familiar with as many platforms as possible, such as YouTube, LinkedIn, Twitter and Pinterest. The Government can help by sponsoring programmes on the use of these platforms for MSMEs to help them be more competitive”.



From IT Consultant to Urban Farmer

When CEO of Plant Cartridge Sdn. Bhd., Liang Chan Ning was working as an IT consultant for the Papua New Guinea Government some years back, sourcing for fresh and good quality produce was difficult and expensive. It was that experience that would eventually push him to switch careers from IT consultant to urban farmer.



He explained, "I had been an IT consultant and worked on e-government projects for over a decade. During an assignment in Papua New Guinea, I found it difficult and expensive to get fresh, quality produce. I realised then that the costly e-government projects I had worked on did not really benefit hungry people on the ground. That got me thinking about switching to a more meaningful career in agriculture".



Liang started off by joining an Australian farming system company which led to stints in managing industrial farms. When his employer had a business opportunity to build industrial farms in Malaysia, Liang decided to return home to work for him. However, the idea to develop a sustainable and hassle-free urban farming system continued to nag at him.

"Industrial farming," he said, "is not sustainable due to the massive resources needed. I kept thinking that there must be a better way to increase food production without having to clear massive tracts of land. There had to be a way for ordinary people to grow their own food. I wanted to help increase sustainable food production to enhance food security". Liang's eureka moment came from the plug-and-brew coffee machine. He explained, "With the coffee machine, you could make the kind of

coffee made by a barista. There is no need to bother with all the hassles of making good coffee. Why can't we do the same with planting?"

In 2015, Liang set up the business with like-minded friends from IT, agricultural science, biotechnology, finance and product design backgrounds and spent the next two years researching different techniques, 'failed many times, spent a lot of money prototyping and testing' before eventually coming up with the Plant Cartridge growing kit. He said that almost RM1 million was spent in developing what he described as a 'one-step, soil-less plug-and-grow kit which anyone can use by just following the instructions provided'. The invention won the company the Malaysia Commercialisation Award 2019, for which it received RM100,000 in prize money.

Today, Plant Cartridge, which received Multimedia Super Corridor status (pioneer status for technology and invention) in 2016, operates as a full-stack agritech company that is applying the knowledge gained from its inventions for the development of advanced technology industry-scale farms to enhance food safety and security by providing a wide range of services including solutions consisting of hardware, software and processes for farming. Its products have also been exported to Singapore, Thailand and the Philippines.

Liang said, "We want to provide the most cost-effective, easy-to-use and practical technologies and solutions for modern and sustainable farming. We got into this business because we believe in the importance of agriculture and in our technology to empower farmers to modernise their traditional agriculture practices and improve food security".

The company was self-funded by the co-founders initially while subsequent funding came from angel investors and venture capital. The MOSTI-Cradle Coach and Grow Programme and the MAGIC e@Stanford programme provided training.

In recalling the early stage of the business, Liang said, "It was tough, with long hours of work and under constant pressure. The development of hardware products requires a huge amount of capital, which is a big challenge for a start-up like ours. Furthermore, in agricultural processes, field testing of any solution requires a long testing period according to the crop cycle. Testing for a crop could take up to two years and there are always many failures before a solution could be considered feasible".

"It takes time to learn from failures, gain experience and be patient enough to see success. We succeeded through sheer grit, hard work, single-mindedness of purpose and because, at our core, we are farmers ourselves".

The company was hit hard by the pandemic, especially during the lockdown period. No physical development work could be conducted and the implementation of many of its projects was delayed while disruptions in the global supply chain pushed costs to 'unimaginable levels'. Liang is grateful for the Government's assistance packages such as the Wage Subsidy Programme which helped to avoid retrenchment and retain talent in the company.



As for the company's future plans, he said, "We are going to increase collaboration with more local farmers and to leverage on the re-opening of the economy and international borders to seize opportunities to expand locally and abroad. The Government's focus on IR 4.0 and smart farming will also encourage local farmers to adopt our solution and technology".

The company, however, still faces some hurdles such as the lack of a standardised process to lease land for agriculture as well as a lack of knowledge workers and awareness of the importance of sustainable agriculture.

Liang explained, "We need land to train a new generation of tech-savvy farmers or agricultural specialists. The Government can help in this matter by reducing the red tape on land applications. Government assistance is also needed to raise awareness of new farming technologies. From our experience with the graduates we work with, many lack technological know-how. We need Government assistance to help us create a pool of highly skilled and knowledgeable farmers".

The Government, he added, could also help by providing a more robust and flexible financing mechanism for companies to rebuild their working capital to enable them to keep going until the economy recovers.

Liang believes prospects for farming are bright as more people would be attracted to it with the availability of technology to address the menial and tedious tasks involved.

Homing in on Smart Home Automation



An Internet of Things (IoT)-enabled smart home allows its owner to control devices remotely via a smartphone or tablet. The domestic smart home automation market, though not widely accepted yet currently, is expected to grow in tandem with higher living standards and quality of life. BNetworks Sdn. Bhd., a prop-tech firm, has homed in on this market.

The company develops, manufactures and provides end-to-end IoT solutions, including automation, climate control, safety and security, entertainment, energy management and surveillance for private and commercial dwellings.

CEO and co-founder of BNetworks, Tharmaindran K. Gannasin (Tharma), 42, an entrepreneur and Professional Technologist with an MBA, was involved in the design, development and manufacturing of embedded electronics to provided integrated systems for real estate developers and projects in his previous employment.

He recalled, "About ten years ago, the smart home system market was totally different from what it is today. The systems then were all proprietary ones that worked only with their own platforms. They were also expensive. The systems were hardwired and cabled

devices, of the pre-cloud and pre-IoT era. A colleague and I anticipated that smart home systems would be different from the existing ones but the employer we were working for at the time didn't accept that".

Tharma said all he wanted was to solve the pain points in the market and to provide flexible, smarter solutions for clients with a universal platform rather than closed ecosystems.

He added, "As our idea evolved from concept to prototype and then eventually to a commercially viable solution, my co-founder and I saw its potential. That was when we decided to go into business with it. Our company, BNetworks, would be a smart home solution provider providing a system that is wireless, based on open technology and which could be easily scaled".

The company eventually came out with the bWave system, the first commercialised IoT solution in Malaysia which would win the developers multiple awards for creativity, innovation and excellence in Malaysian ICT.

Tharma explained, “bWave is a universal hub and IoT platform which acts as a gateway that connects and controls IoT devices via a single interface. It simplifies IoT adoption and last-mile implementations by providing interoperability-as-a-service. Instead of having ten different apps to control ten different devices, bWave, via a smartphone or tablet, combines all devices into an individually customised app that virtually brings every corner of your home to your fingertips”.

“The solution and services have naturally progressed from connected home segments to smart buildings and communities, smart hotels and smart patient wards. Our products and services are suited for property developers, telcos, healthcare and hospitality industry players that would like to leverage on IoT solutions with minimum time to market. We have built an IoT ecosystem that allows us to easily expand and which helps businesses in their reporting of ESG metrics as well as in achieving the sustainability mandate”.

The company has ongoing projects to deploy its solutions to about 5,000 premises in the Klang Valley, Seremban and Johor.

Looking back to the early stage of the business, Tharma said, “Early stage funding, market validation and product improvements are always a challenge, particularly in the hardware-based industry. When you are running your own business, there is always that nagging doubt about whether the right decisions have been made. Ultimately, what kept us going were instinct, grit and perseverance”.

The company’s initial funding came through a grant for product R&D provided by the Technology Development Fund under the Ministry of Science, Technology and Innovation while subsequent funding for commercialisation was sourced from Platcom Ventures. Since then, the company has been conducting business expansion, product diversification and innovation with business income as well as financing for working capital from SME Bank.

To ensure business sustainability, BNetworks is raising funding in 2022 to employ more talent, upsize its

budget for marketing and public relations as well as expand sales traction in all identified segments. The business has been also diversified with revenue streams expected from three different verticals instead of just one.

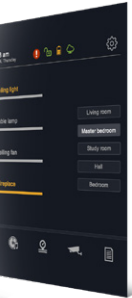
In the meantime, the company has identified new opportunities and established regional partnerships through virtual business collaboration. It recently entered into a Strategic and Technology Development Agreement with South Korea’s Yanolja, a global leisure platform, to expand its hotel solutions into the Southeast Asian market. Tharma added that BNetworks is expanding its footprints in three countries and expects to grow its presence further in Southeast Asia by 2023.

On the challenges amid the pandemic, Tharma said, “The pandemic has brought both good and bad. It has disrupted the global electronic supply chain, causing longer lead times and delays in completing manufacturing processes. On the other hand, it has accelerated the adoption of automation and digitalisation by many corporate and commercial businesses. These organisations are allocating bigger budgets for digitalisation and automation solutions. With much greater awareness and appetite for IoT solutions, we can expect the market to grow”.

BNetworks’ finance was another area that was affected but it managed to sustain operations with aid provided by the Government such as business loan moratoriums and the Wage Subsidy Programme.

As to how the Government can help in the growth of MSMEs such as BNetworks especially during the pandemic and post-pandemic, Tharma said, “In the IT hardware and electronics segment, the cost of doing business is high due to customs tariffs and shipment costs. The Government should consider reducing, or at least cushioning these costs as they add to the operational expenses of MSMEs and affect competitiveness”.

To those who are contemplating to venture into his line of business, Tharma advised, “Aspiring entrepreneurs should focus on two critical elements, product validation and the business plan. Product validation ensures that what we offer to the market will address the pain points of the end-user. A well-thought-out business model helps to ensure the sustainability of the business”.



Soaring High in Aerospace

Many Malaysian companies have established themselves as part of the global aerospace supply chain while others have made their presence felt as supporting companies in the local aerospace industry. Micron Concept Aerostructures, a recent arrival into the industry, is one of these companies that has made a mark for itself in the local aerospace industry.

The company, which was established in 2016, is part of the Micron Concept group of companies which first started business in one-half of a shop lot as its base in Klang, Selangor, in 1999.

CEO of Micron Concept Aerostructures, Lim Vee Hong said, "The first company under the group was established in 1999 as a precision machining and assembly company. Over the years, we have expanded into automation, oil & gas and then aerospace in 2005 when we started manufacturing components for an aerospace company. In 2011, we decided to venture into the industry ourselves with the setting up of an aerospace cell. We obtained AS9100 certification in



2013. Micron Concept Aerostructures was established in 2016 to focus on manufacturing actuation, interiors and aerostructure components for the aerospace industry".

Asked as to why he decided to venture into a niche industry with such exacting and uncompromising standards, he said, "I've always wanted to take on challenges as I enjoy bringing my visions to life. It's tough being an entrepreneur but it's very rewarding and satisfying to see the business grow and what was once just ideas becoming reality".

Lim added, "The barriers to entry into the aerospace industry are high and it's essential to do a thorough study of the industry before venturing into it. It's also crucial to have a business model that is sustainable as well as having a unique product or service that can be offered to the industry".

One of the challenges encountered by the company, especially in the early stage, was hiring talents. Lim explained, "Aerospace is one of the leading industries embracing IR 4.0 technology. I believe the industry has generated more than 25,000 skilled jobs, with locals comprising 95.0% of those employed. We do have difficulty in hiring talents as aerospace is a niche industry and talents are limited. Many new entrants into the job market are more interested in pursuing careers



in IT in line with the global shift towards technology and digitalisation. Fortunately, there are now many institutions providing aviation-related education and training so this helps to narrow the talent supply and demand gap”.

Another challenge the company faced in its early stage was building brand awareness. Lim explained, “Competition is tough when we are in a niche market with more than 240 aerospace-related companies comprising multinationals and home-grown firms. For a new entrant like us in our initial stage, building brand awareness was tough, especially with so many much more established companies. Promotion is done mainly through our website and participation in trade shows and exhibitions to create brand awareness. Word-of-mouth promotion by satisfied customers was and continues to be a great help for us”.

He added, “ultimately, the key factor that enabled the company to achieve a breakthrough in aerospace was the total commitment of our team to make a mark for ourselves in this business. We have built a good relationship with our customers and earned their trust by providing quality products. We work closely with our customers to identify and understand their gaps. From there, we develop a technology road map to help them bridge those gaps. And we are able to do this to the satisfaction of our customers thanks to our innovation-driven team”.

The COVID-19 pandemic has caused a drop in orders and slowed growth in the industry due to the halting

of air travel for most of the world and a decline in the building of new aircrafts. Lim said local industry players, like many others over the world, had made capital investments based on the pre-pandemic aircraft build rates. With the pandemic-induced downturn in business, companies are facing financial challenges such as operation cash flow. He is grateful for the Government’s financial relief packages such as the moratorium that temporarily eased the burden of loan repayments and enabled the business to reallocate funds for day-to-day operations given the impact to the business’s revenue at the time.

“Our team is a key factor in helping us navigate through the challenges of the pandemic. The strong support of our team members who are constantly seeking solutions to reduce costs and make our operation leaner helped greatly in sustaining the company during these uncertain times”. The company was largely funded internally by its parent company, Micron Concept Engineering, together with Government assistance in the form of new technology grants from MIDA and SME Corp. Malaysia.

Lim suggested that one way the Government could help MSMEs is to establish a trade facility for firms who deal with international suppliers on cash-on-delivery payment terms. Such a facility would significantly ease the financial burden of MSMEs grappling with cash flow challenges. Furthermore, he added that MSMEs should look at more innovative ways to drive their manufacturing costs lower to remain competitive globally.