SME WEEKLY NEWS

(12 September 2016 – 16 September 2016)

Countries	Highlights
MALAYSIA **Matrade helps SMEs lift exports to China**	The Malaysia External Trade Development Corp (Matrade) has signed a memorandum of understanding (MoU) with its Chinese counterparts to pave way for Malaysian small and medium enterprises (SMEs) to have better market access to China's market. This will help Matrade in identifying the SMEs and negotiate the products to be exported to China. Under this strategy, there is a need for Matrade to work with China state owned enterprises such as ICBC Malaysia and GQFTA to help SMEs export their products to China. Caexpo is a trade fair promoting cooperation between businesses from the countries involved. GQFTA would assist in the logistics and Customs clearance while MATRADE would facilitate the export of products by SMEs. (Source: News Straits Times, 13 September 2016)
SINGAPORE **Tightening cash flow biggest challenge facing SMEs, AMEX survey reveals**	SMEs in Singapore struggling to meet their short-term needs, citing tightening cash flow as one of the biggest challenges they face in today's climate, a survey from American Express found. Yet at the same time, more than two-thirds of companies are not using or intending to use any grants or funding provided by the Singapore government. The Amex survey, which interviewed 253 chief financial officers from Singapore SMEs, found that the biggest threats businesses face is tightening cash flow and the rising cost of doing business, followed by tightening local market economic conditions. The survey also revealed that 70% of SMEs are not using, or do not intend to use, government grants. The SMEs that do use the grants or funding given, smaller SMEs rate its importance higher than larger SMEs. Larger businesses, who while still consider the grants important, do not view the support as a critical aid to their business. One reason future-proofing is taking a back seat could be that SMEs are struggling to meet their short-term goals, noted Amex. Almost nine in 10, or 87%, of SMEs say that their immediate priorities are more important than mapping out a long-term strategy. *(Source: Today, 15 September 2016)*
THAILAND **Alibaba, UTCC launch e-commerce training program for Thai SMEs**	The University of the Thai Chamber of Commerce (UTCC) and Alibaba.com, China's largest online shopping platform under the leadership of tycoon Jack Ma, have joined hands to offer a certificate program in e-commerce for Thai entrepreneurs and UTCC students in order to create 4.0 business-minded entrepreneurs. The partnership of UTCC and Alibaba.com will play a role in developing over 80,000 chamber members all over the country and helping them expand their businesses globally. The university prepares to provide short-term training for SME entrepreneurs who will receive a certificate from Alibaba. n addition, there will be an exclusive "dream trip" to bring Thai SMEs to Alibaba headquarters in Hangzhou, China to learn about corporate culture, online trading, import and export, and Alibaba.com membership. *(Source: SMB World, 13 September 2016)*

INDONESIA **Island focus: SMEs get financial training**	To help increase the banking access of SMEs, the Creative Economy Agency (Bekraf) is providing business financial management training for 1,400 SMEs in 14 cities nationwide including Mataram, West Nusa Tenggara (NTB). This year they are conducting the program in 14 cities, with each sending 100 SMEs chosen through a selection process. Mataram was the seventh city holding the training after Jakarta, Denpasar, South Tangerang, Bandung, Yogyakarta and Banjarmasin. The growth of creative industries in Indonesia could be improved through providing technical training and capacity building programs to SMEs, in this case in the field of capital access and financial management. However, to get to that stage business practitioner or owner must have good financial management. *(Source: The Jakarta Post, 16 September 2016)*

A TIMELY BUSINESS

With a little luck and a lot of perseverence, Kwan Yoong Yu of A.D. Time made the long climb from a watch repairman to the owner of a successful company that designs, sells and repairs watches. When he first opened his watch shop, he also made sure to secure a taxi driver's license as a Plan B. "I did not know if I could make a living selling watches, hence I took up a taxi driving license as a backup plan too," Kwan recalls. Today, A.D. Time is a licensee of four brands Alain Delon, Bonia, Braun Buffel and Valentino Rudy while also serving as a distributor for 20 other international brands. They also have 30 retail outlets in major shopping malls in the Klang Valley.

In 1981 he started his own business. He began by renting small spaces outside shopping malls to sell watches. Things were looking up, so in 1988, Kwan decided to establish a company, Solar Time Sdn Bhd. In 1991, one of his contacts suggested he explore the option of becoming a licensee of Alain Delon, then a popular brand in eyewear products, which was venturing into the timepiece segment. Kwan gamely went for it. In the process, he took his business to the next level as the Alain Delon deal allowed him to move into the design and distribution areas of the watch business. In 2002, his former employer in Kuala Lumpur decided it was time to retire and asked Kwan to take over the company, which was doing quite well with its clock business. Kwan took over all the assets and liabilities of the company. Shortly afterwards, he managed to increase sales by about three times.

Today, A.D. Time operates from its 30,000 sq ft headquarters in Cheras, Kuala Lumpur, with 250 workers and their products are sold in South-East Asia, Taiwan, Japan and Hong Kong. Currently, A.D. Time is working on opening five more retail outlets by the end of the year. They are also closing a deal to become a licensee of another international brand.

(Source: The Star, 12 September 2016)

Economics and Policy Division
SME Corp. Malaysia
19 September 2016