

SME WEEKLY NEWS

(28 November 2016 – 2 December 2016)

Countries	Highlights
<p>MALAYSIA</p> <p>DARE signs MoU with SME Corp Malaysia</p>	<p>DARE (Darussalam Enterprise) and SME Corp Malaysia signed a MoU to mark both agencies' cooperation in the field of SMEs development. The objective of the MoU is to encourage cooperation in matters of policies, expertise and information sharing relating to the SMEs development in Malaysia and Brunei as well as the establishment of business networking, industrial linkages and other forms of technical collaboration between the two countries on the basis of equality and mutual benefit.</p> <p><i>(Source: Borneo Bulletin, 28 November 2016)</i></p>
<p>MALAYSIA</p> <p>GLCs to buy from local SMEs: Chua</p>	<p>Government-linked companies (GLCs) have been urged to buy products from local SMEs to ensure that Malaysia's current account remains in surplus. Deputy Minister of MITI, Datuk Chua Tee Yong, said although most SMEs had received the National Mark of Malaysian Brand from SME Corp. Malaysia, they still found it difficult to expand their businesses due to poor response from local companies. This issue must be addressed so that SMEs can boost their contributions to the overall GDP. He said this would also help to reduce imports because if the publicity from local SMEs was good, Malaysia could grow faster and able to attract more investors.</p> <p><i>(Source: Bernama, 30 November 2016)</i></p>
<p>INDONESIA</p> <p>Bukalapak boosting revenues through SMEs</p>	<p>E-commerce platform, Bukalapak is promising better deals and partnerships with the government as well as its participating SMEs in boosting its revenue. The company aimed to boost its revenues by seven times in 2017. So far this year, Bukalapak has seen revenue growth of 16 times from 2015, thanks to its campaign on reaching out to its vendors, mostly SMEs. In approaching SMEs, Bukalapak partners with the government in its micro loan program (KUR) to offer a 7% interest rate next year, which is lower than the current rate of 9% this year. The government-backed KUR program targets domestic financial institutions to channel 100 trillion rupiah (US\$7.39 billion) in loans this year, which is triple the value from 2015. Bukalapak expects that such an innovation will increase the number of SMEs joining the site to its target of 2 million by the end of 2017, from 1.2 million at present.</p> <p><i>(Source: The Jakarta Post, 29 November 2016)</i></p>
<p>PHILIPPINE</p> <p>Government sets up 1-billion-pesos fund to kill '5-6'</p>	<p>In a move to kill the '5-6' money lending system, the government is making available an initial funding of 1 billion pesos for micro and small enterprises starting next year. The 1-billion-peso fund is part of the 19-billion-peso fund that the government has allocated for micro and small businesses in the coming years. The program would also offer lower interest rates than the 20% rate under the '5-6' scheme. About five or six established microfinance institutions are being eyed to be part of the program. Through the help of these established microfinance institutions, the government fund would be accessed even by the smallest of entrepreneurs across the country. The '5-6' scheme is actually an informal money lending system (loan sharks), comes from the practice of borrowing 5,000 pesos and paying back 6,000 pesos in installment at 20% interest rates.</p> <p><i>(Source: PhilStar Global, 29 November 2016)</i></p>

<p style="text-align: center;">THAILAND</p> <p>Thailand university partners with Alibaba.com for ecommerce training</p>	<p>The University of the Thai Chamber of Commerce (UTCC) has become an authorised Alibaba.com e-commerce training center in Thailand, following a partnership agreement signed in August 2016. Both organisations will work together to accelerate e-commerce growth in Thailand and help Thai SMEs to position themselves in the global market. Several collaborative programs, including training the trainers by Alibaba.com personnel, have already been implemented. These trainers are now ready to train Thai SMEs, entrepreneurs and UTCC students to run businesses on Alibaba.com. UTCC said it can train more than 5,000 individuals per year, which would help create more e-commerce-minded entrepreneurs and allow more SMEs to expand their businesses internationally.</p> <p style="text-align: right;"><i>(Source: Enterprise Innovation, 29 November 2016)</i></p>
<p style="text-align: center;">SINGAPORE</p> <p>IE Singapore signs deal to help S'pore companies' entry into China</p>	<p>International Enterprise (IE) Singapore, CapitaLand and China's leading co-working space operator, UrWork, have signed a MoU to facilitate the entry of Singapore companies into China. Under the partnership, CapitaLand and UrWork will provide co-working spaces in CapitaLand's properties in China and Singapore. IE Singapore will identify and link potential Singapore SMEs to these co-working spaces in China. IE Singapore and UrWork will jointly attract and groom a group of talents to drive innovation, entrepreneurship and internationalisation through seminars, networking sessions and internship opportunities. The CEO of IE Singapore, Lee Ark Boon, noted that this partnership will strengthen IE Singapore's networks, thus allowing Singapore to provide ready and better support to Singapore companies particularly SMEs to accelerate their market expansion into China.</p> <p style="text-align: right;"><i>(Source: China Daily, 2 December 2016)</i></p>

SAVVY ENTREPRENEUR UPGRADES COIN OPERATED ARCADE MACHINES FOR RESALE

For the founder of Old GM Enterprise, Tai Ann Yat, his early start as a mechanic specialising in car accessories led him to start a business in marketing arcade game machines early this year. Starting as a mechanic in a car workshop back in 2003, Tai said he wanted to gain exposure in the industry before joining his father's car workshop business that was established in 1997 in Semenyih, Selangor. But it was not his passion, although he learned a lot about car electrical functions along the way, which proved to be useful later.



In 2014, one of his friends who operated an entertainment centre that had arcade game machines shared with him the challenges of the industry which indicated that the business was on a downtrend. Tai felt these arcade game machines could be refurbished and sold to homeowners who cherished their childhood memories. So he started refurbishing these machines while still managing his father's car workshop. One of the major things he did was to rewire the machines to allow continuous play without the need to put tokens in. His skill in repairing electrical wiring for vehicles was put to good use.

"We also engaged the machine manufacturer to programme more games into the game box as it would be very costly for customers to buy a machine with only one game in it," he said. The machines can be programmed to include Street Fighter, Pacman, Raiden, 1945, Donkey Kong and other games. As his friend was willing to collect payment only after Tai sold the machines, the initial startup investment involved his time and effort as Tai offered three months' warranty for the arcade machines to the customers. Marketing via social media, Tai was surprised that demand picked up and by early 2016, he managed to sell about 50 refurbished arcade machines from his friend's old premises. Noticing the potential, he used the profits from the earlier sales to hire five employees to help in technical support and online marketing.

(Source: The Star, 1 December 2016)

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