

# BEING YOUR OWN BOSS

Anthony Koh, founder and director of Multicon, tried his hand in the construction sector by working for other companies before deciding to start his own. He wanted to break free of the constraints that had restricted him when he was not his own boss. SMJ Furnishings managing director Rena Ho, with her sister, bought the family business back after the company went public as they felt that having the business back in their own hands was necessary in order to speed up further expansion.



Carpet tiles by SMJ Furnishings

## BUILDING CLIENTS' DREAMS



INSTALLING a S\$13,000 bathtub? No problem. Ventilated bricks shipped from Penang? Why not, says Multicon Construction. Situated at Mapletree's Tanglin Halt industrial estate, the local construction company has catered to a plethora of client requests.

Its projects – which could take 12 months to three years to finish – span commercial, industrial and often luxury residential buildings in Singapore. This includes the construction of the main office of a chocolate conglomerate and designing the showroom of Franke Kitchen Systems.

Anthony Koh, founder and director of Multicon, tried his hand in the construction sector by working for other companies before deciding to start his own. He wanted to break free of the constraints that had restricted him when he was not his own boss.

"I like to tell my children which buildings I have built," he says.

"I built this building 25 years ago," he would point out to them, "or this other one 10 years ago."

But in the early days, it was hard to offer clients a picture of Multicon's portfolio when completed projects were few. It used to be an exercise of persuasion for Multicon, and an exercise of faith for clients. Since its first project – a small house in Pandan Valley – it has slowly grown to now offer alteration and addition (A&A) and design-build works.

In A&A, the structure of the building remains intact while the interior shifts – this means minor renovation changes are made to existing properties or buildings that do not affect its foundation and structure.

On the other hand, design-build begins from scratch. Less construction companies design-build because there is a greater barrier of entry as it requires a host of contacts from architects, engineers and consultants generated from over the years and knowledge gained from experience, says Mr Koh. Typically, a client would tell him of their "dream", as he puts it, or a projection of what they want in a building.

They will always ask four questions right from the start, he says. They are: "How much?", "How long does it take?", "How big?", and "How do you build it?". Once the questions are answered and the answers agreed upon, Multicon will design, build, and see the property to completion.

"All they need is WhatsApp," Mr Koh adds, referring to the online messaging app that he uses to regularly inform clients of the progress of their projects.

To further meet clients' needs as well as to introduce eco-friendly alternatives if they have not so requested, Multicon has invested in its own research department. Thus far, one invention is the "eco-wall".

The "eco-wall" is made mainly of rice husk, a recycled material that is lighter in weight and applies less strain to the structure of a building. Because "eco-walls" are panels that can be assembled

together, using them also saves time and manpower.

In meeting the needs of clients, technical challenges also persist. An example is having to preserve the protected trees on the land. Because protected trees cannot be felled, Multicon has to build around them, integrating the trunk within the building.

On one occasion, a tree was in a particularly precarious location, shifting easily as the soil moved. And if it toppled in any one direction, it would crash onto another building. "I was so stressed," says Mr Koh, "that all my hair came out."

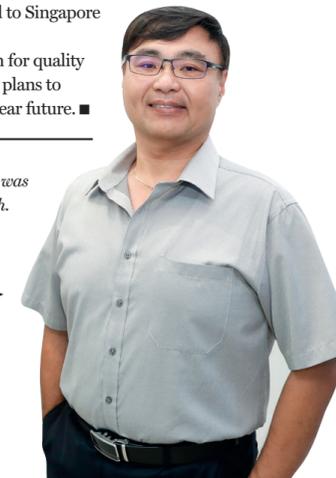
Competition is the company's main challenge, says Mr Koh. To stay competitive in the industry, Multicon goes the extra mile by adopting new construction methods to fit an architect's blueprints. Often, at the request of clients, materials are sourced from overseas, or rare or luxury implements such as herringbone tiling are used, or elevators are installed within a residential house.

Some clients who take to *fengshui*, adds Mr Koh, ask for all dimensions of furniture and fittings to comply with *fengshui* specifications. Some artifacts have to be specially customised for the clients by overseas craftsmen and then imported to Singapore for installation.

Even as it strives to balance client expectation for quality work with tight completion deadlines, Multicon plans to expand overseas – such as in Malaysia – in the near future. ■

*Correction note: In a previous version of Building Clients' Dreams, the name of the managing director was misspelt. It is now reflected correctly as Anthony Koh.*

**NO RESTRICTIONS** ▶  
Mr Koh (right) founded Multicon so that he could break free of the constraints that had restricted him when he was not his own boss



## PAVING THE WAY WITH CARPETS

BUYING back a family business is not an easy decision to make – especially if the company has already gone public.

But SMJ Furnishings managing director Rena Ho feels that having the business back in their own hands was necessary in order to speed up further expansion, without being held back by the rules and regulations of a listed company.

Her late father founded the company as a carpet distributor, 30 years ago in 1988. From then onwards, the homegrown company, which has a 4,000 square metre warehouse at Mapletree's Jurong Logistics Hub, branched into the installation and supply of its own SMJ branded carpets.

In accordance with her father's wishes, the company launched an initial public offering (IPO) at the Singapore Exchange in 2014. Management also believed then that they could do more with the extra funds raised, Ms Ho says.

Since the IPO, the company opened offices in Indonesia and increased marketing activities in the region. However, a few years later, the family realised that they ended up spending a lot of time and expenses on getting approval from different groups comprising shareholders or the board of directors.

For instance, Ms Ho says, a decision to make a business investment took a year or even longer to complete, compared to six months previously. She stresses that the company is financially stable.

"We felt that we – as the business owners – know the business better than most of the directors or the board of directors. In order to make faster decisions, we want to have better control of the business."

In addition, her mother wanted the return of the business back to the family for sentimental reasons. So together with her sister Nellie Ho, she bought back the carpet business for S\$13.8 million from SMJ International Holdings in a 50:50 proportion at the start of this year.

"Ultimately, in our trade, people recognise us for our capabilities, the past records, the quality and basically the products that we have. Having a listed name is

beneficial but it doesn't carry a lot of weight in our industry," she says.

On top of importing and distributing carpets from American brands, the company carries more than 80 exclusive designs of carpet within the SMJ brand, in up to 400 different colours. These carpets are sourced from factories in China and Taiwan, which have been working with SMJ Furnishings for more than 10 years. The factories have been awarded several environmental certifications from governing bodies such as Carpet and Rug Institute.

There is a stringent quality control system in place, and carpets that fail to meet the standards will not be released, Ms Ho says. She points out that because the company has long built relationships with the suppliers, the suppliers know the requirements – no inferior products – and give the company a good price on the carpets as well.

"In return, these savings are then passed on to customers or (overseas) dealers that we work with," she said. Other dealers purchase from SMJ Furnishings because they sometimes do not fulfil the minimum order required, and they pay a price that is not too expensive so that they can resell the carpets in their respective countries, she adds.

SMJ Furnishings' carpets, which are made from nylon or polypropylene (both synthetic fibres), are used primarily in commercial buildings such as offices and hospitals. The company has over 2,500 customers worldwide, and a distribution network consisting of more than 20 countries,

from Brazil to Japan. Its customers include local blue chip companies OCBC Bank and ST Engineering as well as multinational corporations such as McDonald's, Google and Credit Suisse.

Expanding abroad was a direction that the company took early on. Ms Ho says that her father established an office in Malaysia in the 1990s. He saw that it was a huge market, and no one else was importing carpets from overseas in Malaysia then.

Hearing feedback and having a well-catered mixture of colours is crucial to the carpet specialist as for it to decide what to stock for its overseas expansion. For instance, Ms Ho explains, customers in Australia and New Zealand seem to have a preference for shades of black. But at the same time, she notes, the company cannot also overindulge in a certain colour, so the local teams in those countries need to gather feedback from their customers.

Currently, more than 50 per cent of the company's sales comes from overseas, particularly in South-east Asia, Ms Ho says. Its next moves are to venture into Europe and United States, and grow its presence in North and South America, she adds. While Asia remains a focus,



PHOTO: SONG TAO

### BACK IN THE FOLD

Having the business back in the family's hands was necessary in order to speed up further expansion, says SMJ Furnishings managing director Rena Ho (centre). With her are Rosie Lee (left), executive director – operations, and Nellie Ho (right), executive director – regional sales.

Ms Ho notes: "The world is your oyster. We just have to make sure that wherever there is a need for carpets, we will try to be there." ■

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