

Dr M admits that it's easier said than done
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By Roziana Hamsawi

Shah Alam: Advising the rakyat to do well in business is easier than actually being in it, so says former prime minister Tun Dr Mahathir Mohamad.

The owner of the gourmet bakery and pastry restaurant, The Loaf, said even after five outlets, he has yet to see his return on investment.

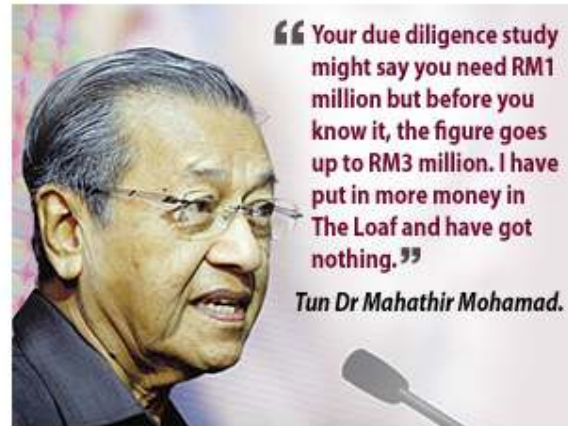
"I thought I knew the business world well when I was the PM, but only now I know I did not," he told a hall packed with participants of an SME seminar here yesterday.

However, he is confident that as soon as he receives his dividend from The Loaf outlets, only then will he consider franchising it as had been requested by some parties.

"I went into this business after retirement to see if I can do what I had urged others to do ... to test myself. I found it interesting and at the same time, challenging."

A few things Dr Mahathir had learned since the opening of his first outlet in Langkawi was in business, it is better to start small and the entrepreneur must have more capital than what was originally required.

"Your due diligence study might say you need RM1 million but before you know it, the figure goes up to RM3 million. I have put in more money in The Loaf and have got nothing."



He added that luckily for him, he did not go to banks to borrow because he always had a fear of borrowing.

"If I borrow money from others, I will lose sleep. Since I value my sleep, I might as well don't borrow," he said, adding that his years in government and the perks that came with it had allowed him to save most of his salary.

"I was given a house, a car, my utility bills were paid by the government. So I saved my income and with that savings, I entered into this business," he said.

Dr Mahathir said his restaurants sell high-quality bread and pastries and for that reason alone, the products are costlier.

"I get people coming to me complaining of the price but I still see them coming to the place. So it must be all right."

He added that in business such as his, where he promised to deliver quality, is it vital

that he keeps the promise.

"Being the boss, I do my spot checks sometimes, having breakfast at any of the outlets, and that keeps my staff on their toes, making sure that the shop and kitchen are clean and the quality of the products good."

He said he knows all prices of the products and which ones are best-sellers and which are not.

During a question and answer session, a participant spoke about branding, telling Dr Mahathir that since displaying the former premier's picture taken during an award ceremony in all her shops, her business has been doing so well since then.

"I am kind of a brand for this country, I suppose. But yes, branding is important to a company and so is advertising. Building up a brand takes time and once you do so, you must keep to what your branding promises," responded Dr Mahathir.

He cited the building of the Petronas Twin Towers - a branding feat that made Malaysia a recognisable name worldwide.

The 3rd Malaysia SME Congress held yesterday was launched by SME Corp chairman Datuk Dr Mohamed Al Amin Abdul Majid.

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