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GO FOR BROKE!

TALES OF TECHNOPRENEURSHIP

Leo Kumar Bangah • Irman Nawawi • Leo Ariyanayakam • Norbik Bashah Idris • Irman Nawawi • Edwin Tay • Teoh Eng Kee • Harald Weinbrecht • David Wong • Ashran Ghazali • William Du • Datuk Wan Mohamed Fusil Wan Mahmood • Ganesh Kumar Bangah • Irman Nawawi • Rajen. M • Ritakamal Sadiman • HY Sia • Harres Tan • Edwin Tay • Teoh Eng Kee • Stephen Chia • Wei Chuan Beng • William Du • Datuk Wan Mohamed Fusil Wan Mahmood • Norbik Bashah Idris • David Oh • Rais Hussin • Rajen. M • Ritakamal Sadiman • David Wong • Ashran Ghazali • Chris Chan • Mathavan Chandran • Stephen Chia • Leo Kumar Bangah • Irman Nawawi • Leo Ariyanayakam • Norbik Bashah Idris • Irman Nawawi • Edwin Tay • Teoh Eng Kee • Harald Weinbrecht • David Wong • Ashran Ghazali • William Du • Datuk Wan Mohamed Fusil Wan Mahmood • Ganesh Kumar Bangah • Rais Hussin • Rajen. M • Ritakamal Sadiman • HY Sia • Harres Tan • Edwin Tay

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Edwin Tay

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Harald Weinbrecht

David Wong

To Tun Dr. Mahathir,

- The Father of MSe Malaysia &
Malaysia's Most Popular Blogger

This book is testimony to your foresight
in setting up MSe Malaysia that created
the 21 Technopreneurs in this book.

Without you Tun, these Malaysian successes
would not be possible.

Thank you & Happy Birthday, Tun.



GANESH KUMAR BANGATH
CHAPTER 8



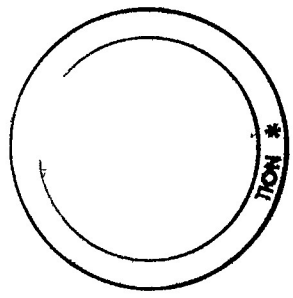
TUN DR. MAHATHIR MOHAMAD

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Dedication

*This book is for all the budding technopreneurs out there:
Always be fearless and go for broke!*

the money.”

To keep morale high, Chan made it a point to emphasize to his staff how “today is better than yesterday” and that “tomorrow will be better than today.”

Chan’s morale-raising capabilities extend to his salesmanship too. Against all odds, he managed to raise a whopping RM6 million in initial funding – RM4 million from an angel investor and RM2 million from a corporate investor. And he retained a majority stake!

By Chan’s own reckoning, the amount he asked for was literally plucked out of the air. “No way could you justify that valuation in any way, form or fashion at the time,” he says. “It was just a figure that everyone was comfortable with.”

In many ways, it was a typical dotcom valuation where the investors were betting almost purely on potential. But it was no fluke. For his second round of fundraising, Chan managed to get RM5 million from BI Walden Management, a venture capital firm with its headquarters in Silicon Valley.

Actually, Chan was, however, quite selective in choosing his financial suitors. At the time, another venture capitalist firm was keen to invest but Chan declined to take up their offer, as he did not feel there was a right match.

He was more comfortable with accepting Walden, which he credits for introducing the concept of good corporate governance into the company. “They had a proper way of reporting progress, they wanted regular reports, they insisted on and sat in on monthly board meetings,” says Chan, who saw this as quite a burden but ultimately good for the company.

Taking on investors and, in particular venture capitalists, inevitably entails having a clear exit strategy. Typically, that's in the form of a public listing. That means growing big fast because everybody's chasing numbers.

TMS managed to secure some good projects. AirAsia was a customer and so was Khazanah Nasional. Unfortunately, not all of their customers were as good. Still the company had to grow big fast, so they took on projects at a furious pace.

"By hook or by crook, we had to get listed," Chan says, and by the end of 2004, the company finally managed to do so on Mesdaq.

He has mixed feelings about that.

"I'm not sure that listing at that time was the best thing for the company," Chan says, adding that they ended up pitching for the wrong kind of projects or for ones they were not ready for.

This would come back to haunt the company later on. The following two years were spent "cleaning up our books", i.e., writing off the various uncollected bills from bad paymasters, says Chan. "We were paying the price for going after so many projects so fast."

Still, he says that public listing is a milestone for any entrepreneur and that it's something he would still do, except maybe at a different pace. "Being a public company means more responsibilities and pressure, sort of like getting married and having kids," he says. "You only do so when you're really ready."

Things began to turn around in 2007 with a new product and strategy in place. Its TMS EKP (Enterprise Knowledge Portal) can best be described as tmsPublisher on steroids. As its name implies, it's not

GO FOR BROKE!

TALES OF TECHNOPRENEURSHIP



RM39.95

Non-Fiction
Popular Subject

Go For Broke! is the first book profiling Malaysian technopreneurs. If you take a glimpse of the technopreneurs featured, you'll see that we've cut across a broad section of business lumped under the umbrella term, Information and Communications Technology. You'll also see that these personalities come from different backgrounds and from all walks of life. Each has his own unique story to tell and each story contains important lessons. You'll be thrilled, fascinated and even horrified (in some cases) at what all these people went through to achieve their dreams. Technopreneurship is not for the faint of heart, for sure, but if pursued with gusto, the technopreneurial journey is a reward in of itself, as these stories will show.

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