

“Whatever you do, or dream, begin it now. Boldness has genius, power and magic in it. Begin it now.” Goethe

Lending a hand

It starts with a dream and a desire. But it will only reach fruition through a lot of hard work, a little bit of luck and a helping hand. The MSC Technopreneur Development Flagship is doing all it can to ensure the way is paved, if not with gold, with guide posts to encourage local technopreneurs to succeed.

Even the technology titans of today, those success stories that inspire and awe others, had humble beginnings. With the right elements, these once small start-ups became much respected legends and icons in their industries.

One would certainly find that an enabling environment created by governments to support the growth of their high-tech industry organisations is one of the key elements that helped such companies to prosper.

To spur the growth of any industry, governments and their agencies need to provide all the support and assistance by creating opportunities for companies to thrive. Hence, we see the presence of technology parks, incubation centres, technology incentives and the like in all developed and many developing economies.

Not wanting to limit the growth of information communication technology (ICT) and multimedia companies within the MSC, the government of Malaysia is also keen on developing technopreneurs nationwide. In its quest to spawn its very own world-class Malaysian ICT and multimedia companies, the Technopreneur Development Flagship under the MSC was launched in November 2001. This Flagship, the most recent to join the MSC's seven flagships, is led by the Ministry of Energy, Communications and Multimedia (MECM) with the Multimedia Development Corporation (MDC) as the implementing agency.

With the two main objectives of spawning a critical mass of small and medium enterprises (SMEs) in the ICT and multimedia industries, and facilitating the growth of world-class ICT and multimedia SMEs, the Flagship is currently in Phase I of its implementation.



Sarina Karim, senior vice president of Technopreneur Development, MDC.

According to Sarina Karim, Senior Vice President of Technopreneur Development in MDC, the MSC and the MDC's SME development initiatives thus far has created the impetus for the growth of 1,700 ICT and multimedia SMEs in Malaysia to date. Through the added initiatives of the Technopreneur Flagship the number is expected to rise to 1,900 by the end of year 2003, achieving Phase 1's target.

"Under the first phase, we also plan to facilitate the growth of world-class companies and hope to see Malaysian success stories in the ICT and multimedia industry worldwide," she said, adding that targets for year 2010 and 2020, under Phase 2 and Phase 3 have also been set.

She added that in developing and supporting the growth of the critical mass of ICT and multimedia industry SMEs, five key initiatives have been put in place under the Flagship's action plans. These include talent development, National Incubator Network, funding, market access and new venture development, and the technopreneur portal.

Talent development

The talent development initiative has two components, Sarina said, one which aims to develop talent in the areas of entrepreneurship, incubation and venture capital and the other which seeks to draw out entrepreneurial talent from institutions of higher learning and corporations. Among the initial training programmes outlined include the 'Icons of Industry Mentoring Programme', which provides a platform for successful and experienced technopreneurs to share their experiences and knowledge in building successful international companies.

Another avenue is through the 'International Business Series', which helps technopreneurs acquire knowledge on cross-cultural marketing and on conducting business operations in specific countries or regions. The third avenue is a 'Skills Enhancement Programme' that focuses on providing skill-based training to strengthen the business and management capabilities of technopreneurs. Also included in the list, she said, are one-to-one business advisory and mentoring clinics, which will be organised regularly.

"The long-term focus of the talent development initiative is also to encourage Malaysian institutions of higher learning to have

entrepreneurship courses or subjects integrated into all degree courses and to provide a conducive environment for innovation and the creation of businesses. Without the talent, we cannot expect to spawn critical mass, so we need strong support from higher learning institutions, private corporations and other organisations," said Sarina.

National Incubator Network (NIN)

According to Sarina, the country presently has four MSC-status incubators and a few more incubators operating independently in different states. "Incubation centres that are dispersed or isolated should be linked in a network to help develop the talent and provide support across boundaries. The Flagship aims to develop best practice incubation models and link them in a National Incubator Network to help start-ups," she said.

"By creating a network, these incubators can do more by exchanging knowledge and helping to play a mentor role to



www.technopreneurs.net.my

incubatees,” said Sarina, adding that the incubators will be linked through a telecommunications infrastructure that will enhance knowledge and promote expertise sharing for the benefit of incubatee companies and the marketing of their products and solutions.

She also said that the incubators will support clusters of niche technologies and that they will be given the MSC-status and enjoy the special incentives outlined in the Government’s Bill of Guarantees. “Incubatee companies will also enjoy selected MSC-status incentives. The incubators spread around the country are expected to further spur the growth of SME clusters nationwide and eventually facilitate the physical roll-out of the MSC,” she added.

Currently the MDC manages the MSC Central Incubator in Cyberjaya and the Centre of Health Innovation and Medical Enterprises (CHIME) which will be fully operational in December 2002. CHIME will support the growth of healthcare enterprises which will take Malaysia’s telehealth flagship to its next level of growth.

Funding

A good business plan without proper capital investment would not transfer from paper into reality. Recognising the fact that funding is vital to facilitate the development of start-up companies, the Flagship, said Sarina, will help create a variety of funds and channels of distribution to help companies obtain seed and start-up funding.

“We will look into assisting

these start-ups with grants and seed funding from financial sources, be it venture capitalists, business angels or any other relevant funding organisation.”

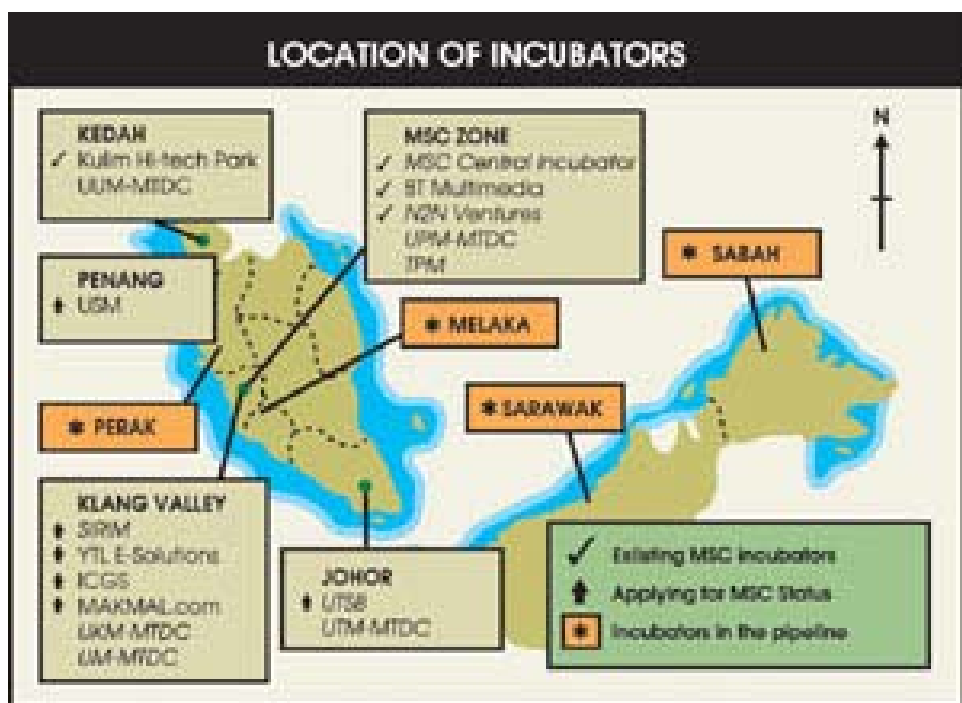
According to her, the funding will be applicable not only to the incubatees but also the ICT and multimedia SMEs that seek funds, grants or working capital loans. “To help our local technopreneurs gain some exposure to venture capitalists and investors, the Flagship will organise regional platforms such as the MSC Techventures Forum. The Flagship has also already put together a funding guide and directory for the ICT and multimedia industry, and it is also accessible online via the technopreneur portal” she added. The guide will help technopreneurs find information on how to seek VC funding and how to apply for R&D and various other grants offered by different agencies in Malaysia. The guide also includes a comprehensive directory of grants and active venture capital firms in the ICT/multimedia industry in Malaysia and will be updated regularly.

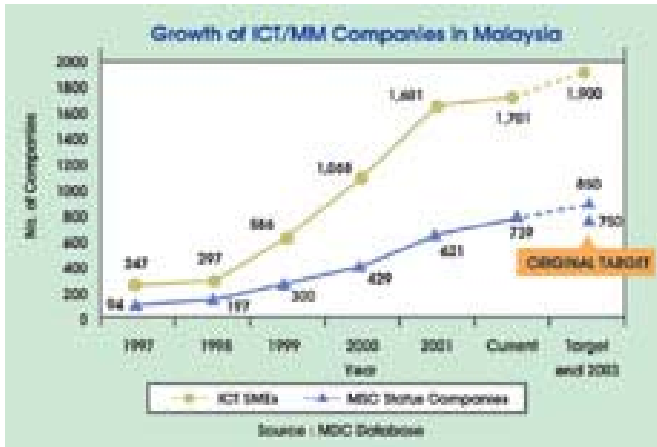
Market access and new venture development

To assist ICT and multimedia companies to go global, MDC will help provide market access and partnership services through its MDC ACCESS Unit.

“Just helping the SMEs on the local front is not sufficient as we want them to develop into global companies. Only when companies go global and are successful in the overseas market can we say that they are on their way to becoming world-class companies,” she said.

The MDC ACCESS unit under the Flagship offers specialised consultation and support for rapid growth and penetration into global markets by advising companies on





avenues for various business and marketing opportunities, and providing guidance on establishing mutually beneficial product representations and effective marketing channels. It provides business linkages between Malaysian and foreign ICT companies in an effort to match make potential partners with mutual technology and business interests. MDC Access also facilitates participation of SMEs in international exhibitions and in overseas government-led business missions.

Other services include facilitation in procuring partners,

access to capital, development of regional business plans for leading-edge foreign ICT SMEs and other strategic companies to set-up in the MSC, and access to a comprehensive, online, interactive ICT SME business database.

Technopreneur portal

Maximising on the power of the Internet as a medium of information dissemination, Sarina said, a portal was developed to help local technopreneurs network and learn. "Technopreneurs.net.my is poised to be a business and knowledge exchange centre linking technopreneurs, local and foreign investors and international markets," she said.

Conclusion

The MSC is the driving force for the growth of ICT companies in Malaysia. "Although the Government is playing a catalytic role in helping to spur the growth of ICT and multimedia companies, we need to find the people with calibre to develop this industry. Resourceful people should take advantage of the opportunities that we have created to help develop their business," Sarina said, adding that the Government through MDC will provide all the support to position Malaysian ICT and multimedia SMEs to become globally competitive. ●

The Technopreneur who benefited

The Technopreneur Development Flagship was launched in November 2001 with an aspiration to help cultivate strong and competitive local technopreneurs. One of the key initiatives under the Flagship are talent development programmes to help hone the skills of entrepreneurs in negotiations, sales, cross cultural marketing and leadership. An Icons of Industry Mentoring programme which encourages information sharing between experienced entrepreneurs and more nascent ones is also held periodically. MDC regularly calls on technopreneurs to attend the various programmes tailored for their benefit.

Shiew Man Hon, co-founder and chief operating officer of eWarna.com, had the opportunity to learn and benefit from these programmes. eWarna delivers world class colour physics software as an application over the Internet. This application enables the textile and apparel supply chain to communicate accurate colour information instantly on eWarna's neutral and open platform.

According to Shiew, he and his partner had the opportunity to present and discuss their technology with the Chairman of Infosys, Narayana Murthy, through the mentoring session under the 'Icons of Industry Mentoring programme'. Murthy also shared his experience with the local technopreneurs who attended the session.

"We valued that meeting very much as it was an opportunity that was created for us to meet an industry icon," he said. The organisation also sent representatives to the 'Language of Selling', one of the many training programmes offered through the Flagship.

"As a technology company, we found the language programme highly relevant. We are presently developing a model to do our sales pitch based on what we learnt from the 'Language of Selling' seminar," he said. As an investee of the MSC Venture One Fund, Shiew said, they communicate frequently with MDC and are always kept-in-the-loop by MDC.

Shiew and his partner Richard Lawn, who is the Melaka & Negeri Sembilan Branch Chairman of Malaysian International Chamber of Commerce and Industry (MICCI), sit on the Melaka state advisory panel for the state National Incubator Network (NIN) project. "As the NIN is a core component of the Technopreneur Development Flagship, we became very involved in the projects. In addition, we have expressed our willingness to be available as mentors to technopreneurs or incubatees under the NIN programme." ●



Shiew Man Hon holding aloft the trophy and certificate proclaiming his company's software application 'Best of the Best' at the MSC-APICTA 2002.