Rising to the Challenge

Despite a slowing growth outlook in 2012, opportunities exist in regional and emerging markets. The importance of enhancing SMEs’ competitiveness is therefore even greater, as they must be prepared for the tough competition ahead.

INSIDE: BUDGET 2012 MEASURES for SMES

SPREADING THE YOGHURT CULTURE
Berrylite aims to capitalise on India’s growing demand for healthier treats by setting up its first frozen yoghurt store there.

AUTOMATION, THE INGREDIENT FOR GROWTH
Technology has enabled Mr Popiah to increase its production capacity and develop new ways of expanding the business.
Despite a slowing growth outlook in 2012, opportunities exist in regional and emerging markets. The importance of enhancing SMEs’ competitiveness is therefore even greater, as they must be prepared for the tough competition ahead.

**Feature Story**
Rising to the Challenge

Despite a slowing growth outlook in 2012, opportunities exist in regional and emerging markets. The importance of enhancing SMEs’ competitiveness is therefore even greater, as they must be prepared for the tough competition ahead.

**INSIGHTS**
Greater IMPACT for Your Business Results!

**PROGRAMMES**
Business Advisors Programme

**News Clips**

**SME Showcase 1**
Berrylite

**SME Showcase 2**
Mr Popiah

**Programmes**

**Greater IMPACT for Your Business Results!**
Growing Ambitions by Gainsharing
Reaping the Fruits of IMPACT
$42 million to improve productivity in the logistics and transportation industry

Minister of State for Trade and Industry and National Development Mr Lee Yi Shyan has announced a $42 million productivity roadmap for the Logistics and Transportation sector, which makes up eight per cent of Singapore’s GDP and employs six per cent of the workforce.

The five-year roadmap will include a Centre of Innovation for Supply Chain Management (COI-SCM), which will be set up at Republic Polytechnic. The COI has started offering a range of technology and consultancy services for SMEs.

The COI-SCM aims to help 1,000 SMEs over the next three years. It joins five other COIs under SPRING’s Technology Innovation Programme. They cater to key sectors in marine and offshore, environment and water, precision engineering, electronics, and food technology.

MAJ Aviation opens new $10 million hangar and world’s first two-level rotating carousel

Local aviation firm MAJ Aviation is the first SME to open at the Seletar Aerospace Park (SAP). In February, it unveiled its new $10 million hangar, which boasts the world’s first two-level rotating carousel.

The innovative design of the carousel parks up to 14 light aircraft. It also reduces the amount of time needed to retrieve an aircraft by five times when compared to conventional hangars.

MAJ Aviation’s new facility is a one-stop service centre for maintenance, repair and overhaul (MRO), Fixed Base Operations (FBO), and other support services for the aviation industry.

The local aviation industry has grown by about 12 per cent while the MRO sector has seen a compound growth rate of more than 10 per cent. With more than 100 companies, Singapore takes about a 25 per cent market share of the MRO sector in the Asia-Pacific.
A total of $98 million was committed by SPRING to help SMEs upgrade and expand. Projects ranged from productivity improvement and technology innovation to service excellence, business leadership and human capital development, and business capabilities upgrading. The initiative and drive demonstrated by Singapore’s SMEs shows that they are eager to compete, not just with established companies in Singapore, but also in regional and global markets.

Despite a slowing growth outlook in 2012, opportunities exist in regional and emerging markets. The importance of enhancing SMEs’ competitiveness is therefore even greater, as they must be prepared for the tough competition beyond Singapore’s shores.

To help them achieve this, SPRING will work closely with its Enterprise Development Centres (EDCs), trade association and chamber (TAO) partners, financial institutions, institutes of higher learning and research institutions. Together, SPRING will deliver relevant programmes to support SME upgrading and lay the foundation for companies to successfully grow in the years ahead.

Mr Nick Chong, General Manager, E-Steel

“Our strategy for driving growth in 2012 is to focus on export markets, expand our product range and inventory depth, focus on Lean Distribution, and continue learning, training and educating our people.

We hope SPRING could offer higher flexibility in financial assistance such as business loans at subsidised rates so that we could continue to grow with less weight on our shoulders, and provide practical and hands-on assistance to support us in achieving a higher level of productivity.

One idea is to provide more scholarships to learn and specialize in productivity or Lean Management, with either the tertiary graduates or PMETs being seconded to industry players like E-Steel for a two-year period.”

Mr Lau Wah Ming, Vice Chairman and Executive Director, WaterTech

“SPRING’s decision to invest in WaterTech and its strong institutional support have been critical to ensuring our steady, sustained growth as an SME.

We would welcome the continuing support of SPRING and other agencies to enable WaterTech Group to become a Globally Competitive Company. SPRING can provide market intelligence, linkages, and facilitate SMEs like WaterTech to leverage their brand name.

What companies like WaterTech can do to help themselves is to be strong and sound (有实力) so as to be ready to seize the opportunities (机会) that come along. Those that help themselves will do well.”

Ms Pauline Shu, Director, CEL Coatings

“On a macro scale, everyone is pretty concerned over what the global economy will be like this year. There is already a slowdown in some countries, coupled with persistently higher inflation. This means that consumers will be less willing to spend, which will impact all sectors, including manufacturing.

On a micro scale, we will be busy scaling up production for our new business areas as well as smoothly integrating an acquisition into our operations.

Our mantra for 2012-2013 is cash conservation, cautious expansion and a focus on more recession-resilient sectors. The year of the water dragon looks set to be turbulent but we will ride it with fortitude and emerge stronger.”

Mr Kang Puay Seng, Managing Director, Mr Bean

“2012 is likely a year of business slowdown. To prepare for this, we will be exercising increased prudence in the allocation and deployment of our resources. We intend to focus on productivity and manpower development initiatives which help us to cushion the impact of the slowdown and also build our long-term capabilities.

Similar to other F&B and retail companies, manpower shortage will continue to be a challenge for us. To address this issue, we are keen to explore further automation and process re-design opportunities to ease the manpower requirements for our operations.

Mr Bean is appreciative of SPRING’s efforts to help companies improve their productivity. In 2012, we hope to work closely with SPRING to obtain support and advice to realize our productivity plans going forward.”

Mr Kris Soh, Managing Director, In Vitro

“2012 is going to be an exciting year for In Vitro as we have finally acquired the necessary funds to go into the molded version of Botanicaire units. As a result, we are able to provide our customers with better quality and consistent products at a lower cost.

In the short term, we would like to leverage SPRING programmes such as BrandPact to build a stronger brand for our company and HR Capability Package to improve and strengthen our HR capabilities.

In the longer term, we would like to tap SPRING Singapore’s TECs grant to support our plans to go into industrial air purification.”
Q&A with SPRING Singapore

SPRINGnews: Given the economic uncertainties, what should enterprises do to meet the challenges ahead?

Mr. Png Cheong Boon, Chief Executive, SPRING Singapore:

A: The year ahead will be challenging for businesses. We recognise that they face real constraints like land and manpower. Externally, SMEs will face greater competition because of slower growth in demand. Therefore, SMEs need to stay competitive and continue to seek opportunities in new markets.

To do so, they need to improve productivity, innovate and develop new products and service offerings. For service companies, they should continue to invest in improving service quality. SMEs should also work together to achieve economies of scale, to lower risks and so that they could offer more complete solutions to their customers.

Access to finance

Q: What about access to loans? Are government-backed loans for SMEs still available?

A: Yes, SPRING continues to offer three SME loan schemes through our 14 financial institution partners. These are the Micro Loan Programme, which provides unsecured working capital loans to small businesses with annual revenue of less than $1 million or employ 10 people or fewer; the Local Enterprise Finance Scheme (LEFS), which provides financing for purchase of productive equipment; and the Loan Insurance Scheme (LIS), which provides working capital and trade financing to companies venturing or exporting overseas.

Help to go overseas

Q: What help is there for companies going overseas?

A: There are various support and incentives for companies looking to venture overseas. Some new and enhanced measures announced recently in this year’s Budget include the Double Tax Deduction for internationalisation, IE Singapore’s Trade Financing and Political Risk Insurance scheme, and EDB’s Integrated Investment Allowance scheme. A Project Finance Company is also being set up, similar to the EXIM banks, to fund cross-border projects.

These are in addition to existing assistance programmes, which include the Internationalisation Finance Scheme, which provides financing for fixed asset investments or confirmed projects overseas; and the International Marketing Activities Programme (IMAP), which helps companies tap business opportunities through activities led by the Trade Associations and Chambers (TACs). Companies going overseas for the first time can also tap the SME Market Access Programme (SME MAP) to overcome common market entry cost barriers.

SMEs can also seek face-to-face advisory support on internationalisation at IE Singapore’s iAdvisory Centre or through its iAdvisory Portal, which connects companies with experts and iadvisors around the world.

SPRING will continue to organise overseas missions and exchanges for enterprises to learn about global best practices and emerging market trends.

We hope the assistance will encourage more SMEs to explore growth opportunities overseas, especially in emerging markets.

Where SMEs can go to for help

Q: So where can SMEs go to for help?

A: SMEs can do so in three ways: (i) access the EnterpriseOne portal (www.business.gov.sg) or the SPRING website (www.spring.gov.sg); (ii) contact or visit the five Enterprise Development Centres (EDCs) at the Association of Small and Medium Enterprises (ASME), Singapore Manufacturers’ Federation (SMa), Singapore Chinese Chamber of Commerce & Industry (SCCCI), Singapore Malay Chamber of Commerce & Industry (SMCCI) and Singapore Indian Chamber of Commerce & Industry (SICCI); or (iii) call SPRING’s hotline at 6898 1800 or drop us an email at enterpriseone@spring.gov.sg.

The EnterpriseOne portal is a one-stop portal containing all the government programmes, amongst other info, that SMEs can tap on. It also includes a segment on productivity called Productivity@Work (www.productivity. business.gov.sg), where SMEs can access information and resources related to productivity upgrading.

SMEs may also approach their respective Trade Associations and Chambers (TACs) and the Singapore Business Federation (SBF) directly for assistance. SPRING works closely with 28 TACs to enhance industry and enterprise development and provide focused and customised support at the sectoral level.

Assistance to upgrade

Q: What assistance is available if SMEs want to upgrade? How can SPRING help?

A: SPRING has various programmes to support SME upgrading. We will increase the funding support from 50% to 70% under our Capability Development Scheme from 1 April 2012 for the next three years in various areas of upgrading, such as automation, technology adoption, innovation, service quality and branding.

For small and micro enterprises, we have expanded the Innovation Voucher Scheme to cover more areas of upgrading – in productivity improvement, HR management and financial management. Renamed as Innovation and Capability Voucher (ICV) scheme, it provides a $5,000 voucher for small and micro enterprises to use for these upgrading areas.

SMEs can also tap on other schemes for grants and tax incentives to adopt technology, innovate and upgrade the skills of their workforce.

- Under the enhanced Productivity and Innovation Credit (PIC) scheme, SMEs who have invested in productivity improvement and innovation will now receive double the cash payout, up from 30% to 60%, for up to $100,000 in qualifying expenditure. This benefit will be extended to Year of Assessment 2015. To help ease cash flow, these claims can be filed quarterly instead of at the end of the YA. Besides, in-house training now qualifies for PIC for up to $10,000 per YA.

- The Workforce Development Agency (WDA) will subsidise up to 90% of course fees for approved continuing education and training programmes. The absentee payroll cap will also be raised, from $4.50 to $7.50 per hour.

- iSPRINT will provide support of up to $10,000 for SMEs adopting technology for the first time to improve their business operations.

In addition, SMEs can seek assistance under various productivity programmes offered by the Enterprise Development Centres (EDCs).

Sectorally, SPRING administers productivity upgrading programmes for specific industries such as Retail, Food & Beverage, and Food Manufacturing.
Restructuring to Sustain Growth

“We have to reduce our dependence on foreign labour and the Government will provide more help for our industries to restructure and upgrade, so that we can continue to grow despite constraints in the labour supply.”

~DPM Tharman Shanmugaratnam, Budget 2012

To help our SMEs restructure, upgrade and grow, the Government has introduced several measures in Budget 2012.

1 – Helping SMEs Restructure & Grow

[a] Innovation and Capability Voucher (ICV) Scheme (NEW!)

The new ICV scheme provides an easy-to-use voucher valued at $5,000 for enterprises to undertake technology-related activities, productivity improvement, HR development and financial management.

(For more details, visit www.spring.gov.sg/ICV)

[b] Enhanced support for capability development (NEW!)

Funding support for capability development projects will be raised from up to 50% → up to 70% (in qualifying costs) over the next three years under schemes managed by SPRING and IE Singapore.

(For more details, visit www.spring.gov.sg/CP and www.iesingapore.com)

[c] Enhanced Productivity and Innovation Credit (PIC) Scheme

Cash payout
• Increased cash payout from 30% → 60% (up to $100,000 of qualifying expenditure per YA)
• Extended from YA 2013 → YA 2015
• From Jul 2012, claim & obtain cash payout faster at the end of financial quarter(s)

(For more details, visit: www.iras.gov.sg/irashome/Plcredit.aspx)

[d] SME Cash Grant

One-off cash grant pegged at 5% of revenue in YA 2012 (capped at $5,000)

(For more details, visit: www.iras.gov.sg/irashome/SME-Cash-Grant-YA2012.aspx)

[e] Enhanced Renovation and Refurbishment Deduction Scheme

• Double the 3-year R&R expenditure cap to $300,000
• R&R deduction scheme will be a permanent tax feature

(For more details, visit: www.iras.gov.sg/irashome/Business-expenses.aspx#Section_14Q)
Project Financing

A project finance company (PFC) will be established by a consortium of financial institutions led by Temasek to plug gaps in financing for larger, long-tenure cross-border projects.

- Expected to provide $400 million of financing every year at a steady state
- Catalyse $2 – 3 billion of projects annually

(For more details, visit: www.temasek.com.sg)

Trade Financing and Political Risk Insurance

- Help Singapore companies’ access to financing for trade with emerging and less familiar countries where they have yet to develop a mature trading relationship
- Encourage Singapore companies to use political risk insurance for overseas investments and projects

Double Tax Deduction for Internationalisation

Double tax deduction given automatically for qualifying expenses without need for approval (for up to $100,000 of qualifying expenditure).

(For more details, visit: www.iras.gov.sg/irasHome/budget2012overview.aspx)
3 – Helping SMEs upgrade their workforce

[a] Enhanced Special Employment Credit (SEC) and Increase in CPF for older workers

To help enterprises attract and retain older workers (≥ 50 years old):

<table>
<thead>
<tr>
<th>Monthly wages of eligible older workers</th>
<th>SEC Monthly Payout to Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤ $3,000</td>
<td>8% of wages</td>
</tr>
<tr>
<td>$3,001 – $4,000</td>
<td>0 – 8% of wages</td>
</tr>
</tbody>
</table>

(For more details, visit: www.sec.gov.sg/sec2012.html)

The CPF contribution rates for older workers and self-employed persons will also be raised from 1 Sep 2012:

<table>
<thead>
<tr>
<th>Age</th>
<th>New Contribution Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employer</td>
</tr>
<tr>
<td>&gt; 50 – 55</td>
<td>14% (↑ 2%)</td>
</tr>
<tr>
<td>&gt; 55 – 60</td>
<td>10.5% (↑ 1.5%)</td>
</tr>
<tr>
<td>&gt; 60 – 65</td>
<td>7% (↑ 0.5%)</td>
</tr>
</tbody>
</table>

(For more details, visit: http://mycpf.cpf.gov.sg/Members/Gen-Info/CPFChanges/Budget2012_CPF.htm)

[b] Reduction in Dependency Ratio Ceilings* (DRCs)

From 1 Jul 2012 for new foreign workers, and from 1 Jul 2014 for existing foreign workers:

<table>
<thead>
<tr>
<th>Sectors</th>
<th>From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>65% → 60%</td>
</tr>
<tr>
<td>Services</td>
<td>50% → 45%</td>
</tr>
<tr>
<td>S Pass Sub-DRC</td>
<td>25% → 20% for all sectors</td>
</tr>
<tr>
<td>Construction</td>
<td>5% reduction in Man-Year Entitlements in Jul 2012</td>
</tr>
</tbody>
</table>

*The DRC specifies the maximum proportion of foreign workers that a company can hire

(For more details, visit: www.mom.gov.sg/foreign-manpower/passes-visas/Pages/default.aspx)

[c] Enhanced Training Support for SMEs

Starting from July 2012, for the next three years:

- Course Subsidy: **90%** for WDA- or ITE-certified courses and Academic Continuing Education and Training (CET) programmes at polytechnics/ITEs
- Absentee payroll cap: from $4.50 → $7.50 an hour

(For more details, visit: www.wda.gov.sg)

[d] Enhanced Productivity and Innovation Credit (PIC) Scheme

In-House Training: No need for external certification (up to $10,000 per YA)

(For more details, visit: www.iras.gov.sg/irashome/Ptcredit.aspx)
## Loans

- **Local Enterprise Finance Scheme (LEFS)**  
  Up to $15 million loan to purchase factory or productive equipment/machinery

- **Loan Insurance Scheme (LIS)**  
  For short-term working capital and trade financing loans

- **Micro Loan Programme**  
  Provides unsecured working capital loan of up to $100,000 for micro-enterprises (with not more than 10 employees or annual turnover of not more than $1 million)

## Capability Development

### Incentive Schemes

<table>
<thead>
<tr>
<th>Productivity</th>
<th>Business Capabilities</th>
<th>Innovation</th>
</tr>
</thead>
</table>
| **Productivity & Innovation Credit (IRAS)** | **Capability Development Funding**  
  - Branding  
  - HR Capability  
  - Service Excellence  
  - Management Systems & Processes  
  - IP Management  
  - Standards Adoption | **Technology Innovation Programme**  
  Funding support for technology innovation projects

- **iSPRINT (with IDA)**  
  For ICT adoption

**Innovation Voucher Scheme (IVS)**  
$5,000 voucher for technology-related projects  
*From 1 Jun 2012, IVS will be expanded and renamed as the Innovation & Capability Voucher (ICV) Scheme*

### Information & Resources

| Productivity@Work portal | Toolkits  
  - Marketing  
  - Customer Service  
  - HR Capability | Six Centres of Innovation  
  - Electronics  
  - Marine & Offshore  
  - Food  
  - Environmental & Water Technology  
  - Precision Engineering  
  - Supply Chain Management |
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Productivity Management Programme at five EDCs</td>
<td>IMPACT Assessment Tool</td>
</tr>
</tbody>
</table>

### Sectoral Plans

- **Four Sectoral Productivity Plans**  
  Retail, Food Service, Food Manufacturing, Furniture

- **39 TAC-led Projects (Supported under LEAD)**

- **Five Sectoral Capability Development Programmes**  
  Semiconductor, Medical Technology, Marine, Logistics, Environmental Technology
## PROGRAMMES for INNOVATIVE STARTUPS

<table>
<thead>
<tr>
<th>Equity Funding</th>
<th>Incubation &amp; Mentorship</th>
<th>Technology Commercialisation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPRING SEEDS</strong></td>
<td><strong>11 SPRING-supported incubators and venture accelerators</strong> providing incubation and mentoring services to startups</td>
<td><strong>Technology Enterprise Commercialisation Scheme (TECS)</strong> Competitive grant for commercialisation of technology</td>
</tr>
<tr>
<td>Equity co-investment in innovative startups</td>
<td>Up to $50,000 grant for differentiated startups by first-time Singaporean / PR entrepreneurs</td>
<td></td>
</tr>
<tr>
<td><strong>ACE Startups</strong></td>
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## PROGRAMMES for HIGH GROWTH COMPANIES

<table>
<thead>
<tr>
<th>Management Capabilities</th>
<th>Business Capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Leaders Initiative (BLI)</strong></td>
<td><strong>Design Engage Programme</strong> To develop design capabilities and integrate design thinking into business operations</td>
</tr>
<tr>
<td>Programmes to train SME leaders and to attract and develop future talent for SMEs</td>
<td><strong>Business Excellence Initiative</strong> To strengthen management systems and processes</td>
</tr>
</tbody>
</table>

## INFORMATION RESOURCE

**EnterpriseOne**

Managed by SPRING Singapore

Hotline: (65) 6898 1800  enterpriseone@spring.gov.sg  www.enterpriseone.gov.sg

Five Enterprise Development Centres (EDCs)

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Contact Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPRING Singapore</td>
<td>Tel: (65) 6278 6666  Website: <a href="http://www.spring.gov.sg">www.spring.gov.sg</a></td>
</tr>
<tr>
<td>International Enterprise Singapore</td>
<td>Advisory Centre Hotline: 1800 437 7673  Website: <a href="http://www.iesingapore.gov.sg">www.iesingapore.gov.sg</a></td>
</tr>
<tr>
<td>Inland Revenue Authority of Singapore</td>
<td>Tel: (65) 6356 8233  Website: <a href="http://www.iras.gov.sg">www.iras.gov.sg</a></td>
</tr>
<tr>
<td>Ministry of Manpower</td>
<td>Tel: (65) 6438 5122  Website: <a href="http://www.mom.gov.sg">www.mom.gov.sg</a></td>
</tr>
<tr>
<td>Singapore Economic Development Board</td>
<td>Tel: (65) 6832 6832  Email: <a href="mailto:clientservices@edb.gov.sg">clientservices@edb.gov.sg</a>  Website: <a href="http://www.edb.gov.sg">www.edb.gov.sg</a></td>
</tr>
<tr>
<td>Singapore Workforce Development Agency</td>
<td>Tel: (65) 6883 5885  Email: <a href="mailto:wda_enquiry@wda.gov.sg">wda_enquiry@wda.gov.sg</a>  Website: <a href="http://www.wda.gov.sg">www.wda.gov.sg</a></td>
</tr>
</tbody>
</table>
For Mr Teo Woon Cheng (above), manager of Woon Leng Nursery, orchids are a labour of love. Established in 1975 by his father, Mr Teo Peng Seng, Woon Leng Nursery cultivates premium orchids and provides services in flower management as well as plant and flower arrangement for customers including major hotels, restaurants and hospitals.

Compared to other plant species, cultivating this fussy flower takes a lot of dedication and attention as each orchid type requires the right balance of light, temperature and humidity to blossom. It is a labour-intensive and time-consuming process that Mr Teo is hoping to change. He explains: "Many orchid nurseries are struggling to survive due to high labour and land costs. The conventional way of growing orchids is no longer feasible in Singapore, and we need a more efficient way of growing them."

The high monthly rent and the short lease of farmland in Singapore are some issues that Woon Leng Nursery faces. The other challenge, he says, is finding people who are willing to work in this industry and are able to understand the nuances of caring for these delicate blooms.

To help ease the labour shortage and boost production, the nursery has turned to technology and automation to increase orchid yield and productivity. "We had to adopt automation and technology to address these challenges – if not, it would be very difficult to continue the business," says Mr Teo.

Automating processes
Process automation was achieved with support from SPRING Singapore’s Technology Innovation Programme (TIP). The funding from the programme has enabled Woon Leng Nursery to build a greenhouse to grow its main product – the Phalaenopsis orchid, a tropical plant which thrives in a moist environment shaded from direct sunlight.

While the hot and humid weather in Singapore is conducive for the growth of Phalaenopsis orchids, a cooler temperature is needed to induce flowering. The greenhouse provides a controlled environment necessary to initiate flower spikes.

Apart from large fans that help maintain a lower temperature, the greenhouse also has automated retractable shade netting that shields the orchids from harsh sunlight on hot days and allows more light to come through on cloudy days. Depending on the external temperature, the fan and water curtain may be activated to circulate moist air throughout the greenhouse.

Harvesting results
"Traditional nurseries have fixed nettings that block out the sun during cloudy days, so plants are unable to make use of the available light to grow during this time," says Mr Teo. He estimates that the greenhouse, when fully utilised, can house about 25,000 pots of Phalaenopsis orchids, approximately four times more than the usual yield. This has also led to an overall increase in sales, as a pot of Phalaenopsis orchids costs twice as much as the commonly grown Dendrobium orchids.

"The price of traditional orchids is very low. With the greenhouse, we are able to grow more high value products, such as the Phalaenopsis orchids," he says.

Encouraged by the results, the nursery went on to build another greenhouse to increase orchid production. Mr Teo notes that the use of technology has enabled Woon Leng to not only improve the quality of its orchids, but also gain a competitive advantage over other nurseries.

"Compared to orchids that are imported by other nurseries, our orchids are not sprayed with any chemicals nor packed in boxes, which can damage the flowers," adds Mr Teo. "As the flowers are imported from temperate countries to Singapore, the sudden change in temperature can cause the buds to fall off. By growing the orchids here, we are able to secure a higher market share."

While Woon Leng Nursery has reaped benefits from its technology investment, Mr Teo is eager to look for new ways to take the business to the next level. Looking ahead, the company has set its sights firmly on doubling its capacity and is exploring the use of LED lighting to supplement natural sunlight.
It may seem unlikely for a former intellectual property lawyer to start a biotechnology company, but Mr Alex Thian (right) believes he made the right move. Having sold off the first biotech company that he started with his biologist wife, Ms Sue Yap, he started AITbiotech in 2007 to focus on biotech services and developing diagnostic products.

“There is a lot of commercially-oriented research in Singapore, and this is a market we hope to take advantage of,” says Mr Thian, AITbiotech’s CEO. “Often, researchers do not know how to commercialise their projects. We help to create the platform to take Singapore-based research to market.”

AITbiotech provides a complete suite of genomic services, including capillary sequencing, DNA synthesis and Next-Generation Sequencing services, for the research, healthcare and biomedical industries in Singapore and Asia. It has also developed a range of infectious diseases diagnostic test kits that stand out for their extreme accuracy and quick results.

From lab to market
The company collaborates with scientists from the Agency for Science, Technology and Research (A*STAR) to produce diagnostic test kits that can detect multiple strains of dengue, influenza, tuberculosis, hepatitis B and HIV.

The kits, which are developed with support from SPRING Singapore’s Technology Innovation Programme (TIP), are able to detect lower levels of pathogens much faster than the tests available in the market. Mr Thian explains that the use of a real-time polymerase chain reaction (PCR) technique enables the kits to be five to 100 times more sensitive than other methods.

“Dengue detection, for example, may take up to one week as the patient’s body has not released any antibodies to fight off the infection in the first few days,” he says. “The PCR diagnostic kits is able to detect the virus once it is present in the blood system, and the process takes less than two hours.”

AITbiotech currently supplies the kits to local hospitals and customers in the region, including India, Indonesia, Malaysia, the Philippines, Thailand and Vietnam. AITbiotech plans to establish the company’s presence in Western markets in the next few years, while operating from Singapore. To achieve this, the company is in the process of seeking ISO certification of its production facility and CE marking for its diagnostic kits.

Standing out from the rest
To compete with global players, Mr Thian believes that SMEs should focus on providing top-quality services and products. “For a company to succeed, there is a need to develop products that are of higher quality than its competitors.”

But that is not all. The key to gaining an edge over other companies in the industry, says Mr Thian, is through after-sales services. “While it is important to have world-class products and services, the other challenge is to persuade sceptical users to use them. Hospitals and research institutes can be so used to products from multinational companies that it is hard for them to change to another brand that they are not familiar with,” he explains.

“We make it a point to provide good customer service, which includes responding to their requests and ensuring prompt delivery. If there is any problem with the kits, we will replace them, no questions asked,” he adds.

According to Mr Thian, good customer service hinges on the ability to create a sense of belonging among staff. An engaged employee feels a sense of ownership in the success of the company and gains satisfaction when they see their work making a difference.

Most people would rather work for MNCs, but they may not be involved in the actual research and development of the products. So, it is important to inspire staff and show that by being part of an SME, they have an important role in developing cutting edge technologies that will make a difference to society,” he says.

Looking ahead, Mr Thian is optimistic about the company’s long-term growth. AITbiotech aims to continue its research and development to broaden its product and service offerings such as collaborating with research institutes in Singapore to develop cancer diagnostic kits.

To compete successfully, SMEs must deliver top-quality products and services and excellent after-sales service.

Find out how the Technology Innovation Programme (TIP) can help your company translate innovative ideas into viable market opportunities at http://www.spring.gov.sg/EnterpriseIndustry/TIP.
STAYING COMPETITIVE IN CHALLENGING TIMES

How can you fortify your business and stand out from the rest to remain competitive in this constantly evolving economy? Find out more from industry experts and other SMEs at the conference. Not to be missed are the complimentary one-on-one business advisory sessions to help you Go, Grow and Globalise.

WHO SHOULD ATTEND?
SMEs, start-ups & aspiring entrepreneurs

Date & Time:
28 March 2012, Wednesday
8.30am to 3.30pm
Business advisory sessions start at 1pm

Venue:
HDB Hub Auditorium
480 Lorong 6 Toa Payoh
S(310480)

Fees:
$10 (online)
$20 (on-site)
Tea break & lunch included. Fees with GST included.

Online registration closes
27 March 2012

For more information, call 6508 0147 or email edc@edc-sicci.sg
To register, visit http://edc-sicci.sg/registration/edc-conference-2012

The organisers reserve the right to make changes to the programme or to cancel the event due to unforeseen circumstances. Every effort will be made to contact each participant if the event is cancelled.

This conference will be conducted in English.

Highlights

- **Effective Cash Flow Management - Setting the foundation for a successful business**
  Mr Eric Ong, Business Head, Enterprise Banking, OCBC Bank

- **Effective sales and marketing strategies for SMEs**
  Mr Tom Abbott, Founder and Director of Soho Sales Coaching

- **Finding opportunities in emerging Mekong markets for SMEs**
  Dr John Vong, Former Senior Advisor, IFC (World Bank Group)

- **Freshening's branding journey and learning points**
  Mr Jonathan Phoon, Executive Director, Freshening Industries

- **Simplifying healthcare to promote business productivity through effective use of technology**
  Dr Low Lee Yong, CEO/Founder, MHC Asia Group & Medical Networks

- Complimentary one-on-one business advisory sessions

The Enterprise Development Centres (EDCs) are supported by SPRING Singapore under the EnterpriseOne initiative.
Spreading the yoghurt culture

Berrylite aims to capitalise on India’s growing demand for healthier treats by setting up its first frozen yoghurt store there.

Step aside, ice cream and gelato: frozen yoghurt is entering the dessert menu as a healthier, guilt-free alternative. And Mr Marc Ng (above), CEO of Berrylite, is on a mission to spread this “fro-yo” culture.

Inspired by the all-natural frozen yoghurts he used to eat as a university student in Los Angeles, Mr Ng was disappointed when he realised that most of the frozen yoghurts found in Singapore are made by mixing milk powder and sugar.

“I love yoghurt. It is supposed to be full of live and active cultures, but most of those I’ve tried here are made from milk powder,” says Mr Ng. “Most of the cultures in yoghurt made from powder are already dehydrated and dead,” he explains.

Guilt-free indulgence
Berrylite’s yoghurts, on the other hand, are fermented from fresh non-fat milk, a process similar to the way beer or cheese is made. This process leaves live cultures that give the yoghurt probiotics – organisms widely believed to have health benefits, such as aiding digestion. Unlike most frozen yoghurt products, Berrylite’s yoghurt meets the National Yoghurt Association’s criteria for live active cultures.

Targeting youths, Berrylite’s stores feature hip music and bright colours. “There aren’t many places where people, especially the young, can hang out where healthy food is served,” says Mr Ng.

The combination of a healthy fuss-free dessert and a place to hang out has proven to be a winning formula for Berrylite. The company, which began as a push-cart in 2008, has expanded to seven stores across the island.

Swirling into a new market
Mr Ng reveals that there are other plans swirling in the yoghurt pipeline. Spurred by the growing demand for healthier treats, Mr Ng is planning to expand beyond local shores and enter the Indian market through franchising.

“In order to continue growing, we need to venture overseas as Singapore’s market is too small. This will be a test of the company’s scalability,” says Mr Ng.

Despite stiff competition from established frozen yoghurt brands already in India, Mr Ng believes the demand for premium yoghurt will continue to grow in India. He has ambitious plans to open 150 stores there in the next five years.

“Yoghurt is part of Indian cuisine and widely consumed throughout the country. We want to reinvent the idea of eating dessert in a healthier way,” he says.

As this is Berrylite’s first overseas venture, Mr Ng sought assistance from the Enterprise Development Centre (EDC) at the Singapore Indian Chamber of Commerce and Industry (SICCI) to develop a strategic plan and get a clearer understanding of the market.

“We are now preparing all the documents and conducting market research. At the same time, we are looking to improve our capabilities in franchising our operations and scaling up the business,” adds Mr Ng.

Acting upon the advice of the EDC business advisor, Berrylite has also simplified the process for business owners in India to start a Berrylite franchise. “The process is straightforward and will take about 12 weeks. They just need to submit an interest request and business plan. We will provide everything they need to know to make the store a success,” he says.

While entering a new market can be a daunting task, getting advice from experts familiar with the way business is conducted in the market can help you make an informed decision.

Find out how you can receive personalised, face-to-face advisory support at any of the five EDCs in Singapore to aid your company’s expansion through the EnterpriseOne portal (www.enterpriseone.gov.sg).
Providing healthy food options is a conviction that Ms Li Li Hong (below), manager of Mr Popiah and Catering, holds close to her heart. As one of the leading popiah skin manufacturers in Singapore, Mr Popiah identified a need for preservative-free popiah skins after she realised that most of the crepe-like wrappers available in the market were laden with artificial ingredients.

“Some popiah skins can be kept for two weeks, because a lot of preservatives have been added,” says Ms Li. “Although the customer may not know how long the popiah skins have been kept, we believe quality should be the highest priority. Popiah is a healthy snack and should stay that way.”

From humble beginnings running a popiah stall in the 1990s, Ms Li and her husband took the bold step of setting up a factory to manufacture and supply popiah skins and popiah ingredients such as stir-fried turnip, peanuts and sweet sauce, as well as traditional kueh pie tee shells.

However, they soon found that their production capacity is limited, as each popiah skin is handmade. “The skins are made to order every night, and are sent to our customers in the morning. There were times when we had to decline orders because we could not make them fast enough,” Ms Li explains.

Productivity improvements
To improve operational efficiency, Mr Popiah participated in the Productivity Management Programme (PMP), a joint initiative between SPRING Singapore and the Enterprise Development Centres (EDC).

Working with productivity consultants from the EDC at the Singapore Chinese Chamber of Commerce and Industry (SCCCI), Ms Li learnt how to identify key productivity areas to focus on.

The new equipment can produce 800 popiah skins per hour, compared to the 100 produced per hour by hand. This enables Mr Popiah to increase its production capacity by eight times, and achieve product consistency as well.

Future plans
Now that Mr Popiah has found a solution to its production issues, the company plans to intensify its marketing efforts by launching a new website to reach out to customers.

“While we have already started our catering services, we kept it low key as we were not confident about meeting demand. But we will start promoting this more aggressively now that we are able to produce more popiah skins,” says Ms Li.

Despite competition from well-established popiah skin brands, Mr Popiah aims to differentiate itself by focusing on its unique selling point – freshly-made popiah with no additives. “What makes our popiah skins different from other brands is that we use natural and fresh ingredients, without any colourings or chemicals,” stresses Ms Li. “We want people to know that we care about quality.”

As popiah skins without artificial preservatives do not last for more than one week, Mr Popiah is also looking at extending the shelf life of its products, while maintaining the taste and quality.

With this in mind, Mr Popiah applied for a $5,000 Innovation Voucher from SPRING and approached Singapore Polytechnic’s Food Innovation & Resource Centre (FIRC) to conduct a study to increase the shelf life of the popiah skins without the use of preservatives.

“Besides financial grants, the various forms of assistance from SPRING started us thinking of new ways to grow the business, which is important for every SME,” says Ms Li.

Automation – the ingredient for growth
Technology has enabled Mr Popiah to increase its production capacity and develop new ways of expanding the business.

Working with productivity consultants from the EDC at the Singapore Chinese Chamber of Commerce and Industry (SCCCI), Mr Popiah learnt how to identify key productivity areas to focus on and improve using the Integrated Management of Productivity Activities (IMPACT) Assessment Tool.

Mr Popiah also benefited from the Inclusive Growth Programme (IGP), where it received a grant of $45,000 to invest in new equipment to boost productivity. “The funding came at the right time as it enabled the company to adopt technology innovation to expand our customer base and cope with the growing demand.”

The Enterprise Development Centres provide one-stop advisory services to help you start, grow and sustain a business. Log on to the EnterpriseOne portal (www.enterprisepone.gov.sg) to get in touch with them today.
In January 2012, we started a six-part series featuring useful tips on productivity for enterprises. In this third instalment, we take a closer look at the Integrated Management of Productivity Activities (IMPACT) Framework and how you can apply it to your business.

Greater IMPACT for Business Results!

To help companies better understand, manage and improve their productivity, SPRING Singapore launched the Integrated Management of Productivity Activities (IMPACT) Framework in October 2010.

IMPACT is designed to help companies put in place a framework to manage their productivity in a systematic manner.

The IMPACT framework outlines five phases for companies to embark on productivity improvements (see Figure 1).

**Phase I: Establish Productivity Management Function**

**Step 1: Establish a Productivity Management Structure**
A dedicated structure should be set up to drive productivity improvement efforts. The team is typically headed by a “productivity manager” who oversees the efforts.

**Step 2: Set Overall Productivity Goals**
Set goals that are in line with long-term strategic objectives. Key performance indicators and targets should be developed so that performance can be measured against these targets.

**Step 3: Get Corporate Buy-In**
A harmonious and open corporate culture is essential to continuous productivity improvement. This can be achieved through:

- Commitment from top management
- Communication to all employees on productivity goals and benefits

**Phase II: Diagnose**

A productivity diagnosis should be made and should cover:

- A qualitative assessment of performance based on the identified levers
- A quantitative assessment of performance based on key indicators linked to various productivity levers

The 10 most common indicators used to quantitatively gauge performance are:

- Labour productivity, sales per employee,
- Value added-to-sales ratio, capital productivity, sales per dollar of capital,
- Capital intensity, labour cost competitiveness, labour cost per employee,
- Profit-to-value added ratio, and profit margin.

For the qualitative assessment, the productivity manager needs to be mindful that productivity levers operate in relation to one another. For measurable effectiveness, changes made to one lever require complementary actions on some other levers. For example, the adoption of new technology would require the complementary actions of staff training and redesign of work processes.

**Phase III: Develop Road Map**

The next step is to put in place an action plan based on the results of the productivity diagnosis. The following should be taken into consideration:

- What affects productivity?
- Which specific actions should be taken?
- What are the key performance indicators, targets and deliverables?
- Who affects productivity?
- Which units or individuals will carry out the actions?
- What are the responsibilities of the specific parties?
- When are the activities to be undertaken?
- What are the timelines and milestones?

**Phase IV: Implement a Measurement System**

Productivity improvement initiatives must be complemented by a sound measurement system, which forms an integral part of an organisation’s management information system. Productivity measures can be used to:

- Evaluate the effectiveness of action plans
- Monitor performance
- Set targets and formulate strategies
- Account to various stakeholders (e.g. customers, investors, employees)
- Link effort and reward for employees

Since productivity is the relationship between output and input used to produce that output, there are various ratios which companies can use to measure the...
performance of different operational units. By adopting an integrated approach, you can learn how each department affects the company's overall performance.

Figure 2 shows an example of interlinked measures used by a restaurant. Management indicators at the top are broad indicators that provide information related to productivity and profitability, which are, in turn, broken down into activity and operational indicators.

Activity indicators provide an overview of costs, activity levels and resource utilisation rates; and operational indicators are usually physical ratios that address the operational elements which need to be monitored and controlled.

**PHASE V: IMPLEMENT A PERFORMANCE MANAGEMENT SYSTEM**

The final phase of implementing a performance management system should cover two key areas:
1. Activities to monitor performance
2. Activities to reinforce performance and motivate employees.

The management may consider the following activities to monitor performance:
1. Measuring productivity levels and growth
2. Comparison of performance
3. Implementation of a review and feedback mechanism

Find out how IMPACT can benefit your business by downloading the Guide to Integrated Management of Productivity Activities (IMPACT) at the Productivity@Work portal (productivity.business.gov.sg).

**PRODUCTIVITY HAPPENINGS**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Name</th>
<th>Venue</th>
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<tr>
<td>20 Mar 2012</td>
<td><strong>5S Journey: Understanding, Implementation and Successful Execution</strong></td>
<td>SPRING Singapore Building 2 Bukit Merah Central Singapore 159835</td>
<td>SMa</td>
</tr>
<tr>
<td>21 Mar 2012</td>
<td><strong>Cycle Time Reduction for Higher Productivity</strong></td>
<td>SPRING Singapore Building 2 Bukit Merah Central Singapore 159835</td>
<td>SMa</td>
</tr>
<tr>
<td>26 Mar 2012</td>
<td><strong>Silver Productivity</strong> A ten-week training programme to raise productivity and enhance the well-being of older workers at the workplace.</td>
<td>SPRING Singapore Building 2 Bukit Merah Central Singapore 159835</td>
<td>SMa</td>
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<tr>
<td>28 March 2012</td>
<td><strong>4th EDC Conference</strong>  &quot;Go, Grow, Globalise: Staying Competitive in Challenging Times”</td>
<td>HDB Hub Auditorium 480 Lorong 6 Toa Payoh Singapore 310480</td>
<td>EDCs @SICCI, SCCCI, SMCCI, ASME and SMa</td>
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Feinmetall Singapore is one company well-poised for success. In the short span of five years, it has grown from being a regional repair and service centre for wafer probe cards – used to test semiconductor wafers before they are diced and assembled into integrated circuits – to cover the entire value chain of providing manufacturing, testing, and the servicing of wafer probe cards. This was made possible through a $1 million investment in a new assembly facility which uses a patented technology from Germany. Feinmetall is projecting a 40 per cent growth this year with its expanded capabilities.

Creating Greater IMPACT
To ensure sustained growth, Feinmetall took advantage of SPRING’s Integrated Management of Productivity Activities (IMPACT) assessment tool to help chart its growth strategy. Says Mr Sam Chee Wah, general manager of Feinmetall, “The IMPACT assessment tool provided a quick diagnosis of which productivity indicators we should focus on, and provided a set of recommendations for improvement.”

Based on the recommendations, Feinmetall embarked on gainsharing and talent management to achieve its desired level of productivity.

Gainsharing for Productivity
Despite being a young company, Feinmetall believes that its people – all 22 of them – are its most valuable resource. It encourages and rewards its staff for coming up with innovative, solution-focused ideas, such as suggestions on how to improve operational efficiency.

This concept of gainsharing in a company can help create and maintain not just a positive but also productive work culture that can withstand changes in the economy.

Mr Sam cited an example where the staff helped to reduce costs through gainsharing. “We had this exercise to reduce the cost of freight shipping. First, the management set a new target for the shipping costs, a fraction of what was spent previously. Then, as a group, the staff decided on the distribution of gains among themselves and the company when the targets are achieved. In this way, we had everybody working together towards a common goal to save money for the company!”

Talent Management for Productivity
While engineering companies usually dedicate most of their resources to operational needs, Feinmetall places equal priority on creating and maintaining a nurturing work culture. It has a structured talent management system, and focuses on improving staff skills through cross-functional training. The best methodologies applied in work processes are properly documented and shared.

Mr Adrian Lim, the customer engineering manager, says, "We incorporated on-the-job (OJT) training instead of ‘classroom’ lectures after we found out that it was more effective for our people. We also prefer to promote from within instead of hiring new employees. Where possible, we facilitate the cross-training of our staff and learning across different departments, which help our people acquire a variety of skill sets."

We have seen the benefits of cross-training our people, who can then better appreciate the entire value chain instead of just one single function. We have observed the line managers surfaced recommendations on how to improve company-wide processes. It also benefits the day-to-day deployment of our staff because the employees are now equipped to cover the duties of their absent colleagues,” adds Mr Sam.

He concluded, “I believe that we have been able to deliver through good and bad times because our people have been able to work in a spirit of collaboration.”

Feinmetall has a structured talent management system and focuses on improving staff skills through cross-functional training. The best methodologies are properly documented and shared.

Growing Ambitions by Gainsharing
A Case Study on Feinmetall Singapore
A leading household name in Singapore, Camel Nuts is distributed to hotels, food service outlets, major retailers and international airlines. Its extensive range of products – from premium nuts to flavoured peas and beans – is also exported to countries in the Asia Pacific, Middle East, Europe, Africa and Canada. “As we expand into new markets, our system and processes are increasingly tested. More than ever, we need to ensure we are running at optimal efficiency. We can only grow as much as we are productive,” says Mr Poh Ah Seng, Managing Director of Seng Hua Hng Foodstuff Pte Ltd, which owns the Camel Nuts brand.

To understand its productivity performance, Seng Hua Hng used SPRING Singapore’s Integrated Management of Productivity Activities (IMPACT) assessment tool.

“In a nutshell, it showed us how productive we are, where we have done well and what we can do to improve,” shares Mr Poh as he relates the company’s experiences and takeaways from the assessment.

Managing labour efficiently for higher productivity

Through 10 key productivity indicators, the assessment tracked Seng Hua Hng’s productivity performance over three years, from 2008 to 2010. The company noted encouraging trends; for instance, labour productivity or value added (VA) per worker increased by 3 per cent. “This confirmed that we are going in the right direction,” Mr Poh remarks.

The IMPACT assessment also reviewed the state of productivity management at Seng Hua Hng and its effectiveness in enhancing productivity.

One major highlight of the assessment’s results was Seng Hua Hng’s strength in its manpower management system – it found that the company deployed labour efficiently.

“The IMPACT assessment helped us to understand where the company stands. This knowledge lays the foundation for future strategies and plans.”

Mr Poh Ah Seng
Managing Director
Seng Hua Hng Foodstuff

“Our employees have multiple skills, so we can deploy them to different production lines in response to customer requests or market changes. This enables us to optimise resources and stay nimble,” shares Mr Damien Tong, Human Resource and Administration Manager. “We now understand that this also contributes to higher productivity.”

Creating a work culture which rewards feedback and performance

The IMPACT assessment also came with recommendations for further productivity improvement, which Seng Hua Hng has been looking into as part of its strategic five-year plan, such as to increase the use of machinery and to improve processes to minimise wastage. Almost a year and a half later, Seng Hua Hng is steaming ahead to implement recommendations from the IMPACT assessment for further productivity improvement as part of its strategic five-year plan.

“We did a trial run with four departments where salary increments and rewards were tied to productivity indicators such as customer complaints, internal quality, machine cycle time and sales. We observed that staff became more enthusiastic in meeting targets,” says Mr Tong.

“One of the recommendations from the IMPACT assessment was a greater need for an open feedback system,” adds Mr Poh.

With this in mind, Seng Hua Hng invited its staff to provide suggestions for improvements. The most innovative and workable ideas were rewarded with prizes such as cash and tickets to tourist attractions. In so doing, Seng Hua Hng managed to incorporate gainsharing into its culture. Mr Poh stresses, “A positive work culture that rewards the contributions of the people, even in the smallest ways, is an energetic, motivating place to be. I believe we have the right mindset to tackle any challenges that come our way.”

Mr Poh encourages other SMEs to go through a productivity diagnosis. “It helps to understand where the company stands. This knowledge lays the foundation for future strategies and plans. In our case, the IMPACT assessment provided a framework for management and employees to work together and improve productivity on a common platform.”

Reproduced and updated from the Productivity@Work portal.

If you missed last month’s instalment in this productivity series, log on to www.spring.gov.sg for the e-copy of SPRINGnews!
Simax Materials Solutions enters a new market by working with a Business Advisor to develop a branding and marketing strategy for its new range of lighting products.

When it comes to entering an unfamiliar market, getting the right advice is one of the keys to success. Just ask Mr Simon Tiong (right), Managing Director of Simax Materials Solutions, who doubled the sales of his eco-friendly lighting products after participating in SPRING’s Business Advisors Programme (BAP).

Simax has been doing well in its core business of providing industrial pallets and packaging solutions to multinational companies. However, Mr Tiong realised that the company could not depend solely on a single revenue stream for long-term growth. He decided to broaden his product offerings to include green lighting solutions such as solar and LED lights in 2010.

“The packaging industry is getting competitive. We supply most of our products to MNCs but they have been moving out to cheaper countries such as China and Thailand. In order to grow, we needed to enter emerging industries such as clean tech,” says Mr Tiong. “The Business Advisor we were matched with helped us develop a branding and marketing strategy for our new products.”

Access to professional advice
The BAP, which matches companies with seasoned professionals on short-term advisory projects lasting up to six months, enables SMEs to draw on the experience and expertise of the Business Advisors to improve their businesses and processes.

Ms Chan Wai Yee, who has a wealth of global experience in business development and marketing, was matched with Simax. She works closely with Mr Tiong to suggest new strategic directions as well as develop new processes and practices to add value to the business. “Simax used to serve industrial customers. With their new lighting products, the target audience is different. I’ve been working with them to understand the customers, market and competitive forces – how to position, price and promote the product,” explains Ms Chan.

“I support the business owner by clarifying his objectives and prioritising efforts on the value-add activities to achieve measurable results. Our joint efforts and different perspectives enhance creativity and broaden the options generated. It helps that the team is eager to learn and thrives on changes and new challenges too,” says Ms Chan.

Venturing into new markets
To carve a new niche, Simax embarked on a new branding and marketing strategy. This entails developing a new corporate identity, Greenmax lighting, which is tailored to the target audience and adopting the appropriate product positioning and marketing strategy. “The new corporate brand, logo, tagline and website are just one facet of our strategy to reach out to our customers. We are also developing new marketing channels, measures and tools that would give us a bigger return on our dollars invested,” adds Mr Tiong. Besides developing the branding and marketing strategy, Ms Chan also trains staff from Simax’s sales and marketing team to ensure the research and marketing practices can be continued after the BAP project has ended. Ms Chan says that her role as a Business Advisor goes beyond improving existing performance to include “setting up systems that will last”.

“It is about focusing on measurable outcomes, enabling the people and putting systems in place. Now the team only collects minimal yet critical information that aids sound business decisions. They also engage in marketing activities that deliver tangible results,” says Ms Chan.

Optimistic outlook
Despite the gloomy global economic outlook, Mr Tiong remains confident that the demand for environmentally friendly lighting will grow. “Although sales have been quite flat, it doesn’t mean that we should cut down on marketing. This is the best time for us to prepare ourselves for the upturn,” says Mr Tiong, who is not planning to cut the budget for marketing and branding.

Commenting on the BAP experience, Mr Tiong points out that while a Business Advisor can suggest ways to improve the business, the success of the company depends on the management and its team to be committed to implementing the changes. “These marketing and branding efforts mean extra work. As the results are often not immediate, it takes commitment to see through these changes, which need to be driven by the leadership,” says Mr Tiong.

A Business Advisor can help SME owners by providing recommendations on the strategic development, management and operational aspects of running a company. Find out how you can tap the expertise of a business advisor under SPRING’s Business Advisors Programme (BAP) at http://bap.sim.edu.sg/bap/index.asp
PRODUCTIVITY@WORK
(www.enterpriseone.gov.sg)

ABOUT THE PORTAL
The Productivity@Work portal is a dedicated online portal to provide SMEs with information and resources that can help them to improve productivity. The portal helps SMEs to:

- Understand the basics of productivity
- Learn about tools that they can apply to increase productivity
- Select productivity seminars or courses to attend
- Find a productivity consultant
- Access case studies and relevant government assistance programmes
- Assess their productivity using the IMPACT Assessment Tool. The tool helps SMEs to compare their productivity performance against the industry average, and obtain recommendations on areas they should focus on to improve productivity.

INNOVATION VOUCHER SCHEME (IVS)

WHAT IS IT?
This scheme connects public knowledge institutions (KI) with SMEs to encourage SMEs to use technology to develop their innovative ideas.

The innovation vouchers can be used to support projects or services that use technology to either enhance or develop new products, processes, applications, practices or operations, or result in new technology innovation capabilities being developed. This includes acquiring new technology/upgrading staff through customised training and development courses.

WHAT LEVEL OF SUPPORT?
All SMEs with an innovative idea can apply for an innovation voucher worth S$5,000 from SPRING Singapore. The voucher can help to pay for the cost of technology-related projects and services at the participating KIs. These activities should facilitate the transfer of know-how from the KIs to the SMEs.

HOW TO QUALIFY?
Applicants must meet the following criteria:

- Have at least 30% local shareholding, and
- Have group annual sales of not more than S$100 million, or group employment size of not more than 200 employees

HOW TO APPLY?
Contact EnterpriseOne
Tel: +65 6898 1800
Email: enterpriseone@spring.gov.sg
Website: www.enterpriseone.gov.sg

Note: The IVS will be expanded and renamed as the Innovation and Capability Voucher (ICV) from 1 Jun. Log on to www.spring.gov.sg/ICV for details.

BUSINESS ADVISORS PROGRAMME (BAP)

WHAT IS IT?
The Business Advisors Programme (BAP) matches Business Advisors (BAs) as qualified professionals to SME projects. BAP enables SMEs to draw from the BAs’ experience, expertise and business contacts to improve their businesses and processes. The advisory projects typically last up to six months with specific deliverables. The Singapore Institute of Management (SIM) has been appointed by SPRING Singapore to administer the programme.

WHAT LEVEL OF SUPPORT?
SPRING co-funds 50% of the fees paid to the business advisor, which is fixed at S$5,000 per month. The SME pays the other 50% plus an administration fee which is fixed at 3% of the total project cost.

HOW TO QUALIFY?
Applicants must meet the following criteria:

- Have at least 30% local shareholding with at least $1 million in turnover, and
- Have group annual sales of not more than $100 million, or group employment size of not more than 200 employees

HOW TO APPLY?
Visit: http://bap.sim.edu.sg/BAP/index.asp for more information and registration. For enquiries, email: bap@sim.edu.sg
GESSC Standards eXchange

The GESSC Standards eXchange will provide insights on how industry can leverage standards to promote a safer and healthier workplace through collaborations with the Ministry of Manpower (MOM), Workplace Safety and Health Council (WSHCC), Singapore Contractors Association Limited (SCAL), Association of Singapore Marine Industries (ASMI) and Singapore Institution of Safety Officers (SISO). Two Singapore Standards will be launched at this event:

- **SS 569 : 2011** – Code of Practice for Manual handling (formerly CP 92) which is a guide on the identification of manual handling hazards and the assessment and control of risks arising from manual handling activities in workplaces, and
- **SS 571 : 2011** – Code of Practice for Energy Lockout and Tagout which sets forth recommendations on the control of hazardous energy in the workplace situations where unexpected release of hazardous energy can occur.

Date: 23 March 2012 (Friday)  
Time: 12.30pm to 5.00pm  
Venue: Holiday Inn Atrium Hotel  
Registration at SMa-SDO - email: huiting@smafed.org.sg

4th EDC Conference

**Go, Grow and Globalise – Staying Competitive in Challenging Times**

How can your business stay competitive to ride out the challenging times ahead? Sign up today for the EDC Conference and learn from industry experts on how you can leverage innovation, build capabilities and optimise opportunities in a time of economic uncertainty.

Highlights:

- Fortifying your business for challenging times – Mr Eric Ong, Head of Emerging Business, Enterprise Banking, OCBC
- Sales and marketing strategies for SMEs in challenging times – Mr Tom Abbott, Founder and Director of Soho Sales Coaching
- Finding opportunities beyond your horizon for SMEs – Dr John Vong, Senior Advisor to World Bank
- Complimentary one-on-one business advisory sessions

Date: 28 March 2012  
Time: 8.30am – 3.30pm  
Venue: HDB Hub Auditorium, 480 Lorong 6 Toa Payoh, Singapore 310480  
Registration fee: $10 (online) or $20 (on site). Tea break and lunch included.
Useful Contacts

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Singapore Accreditation Council
1 Fusionopolis Walk, #01-02
South Tower, Solaris
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Tel: (65) 6279 1855
Fax: (65) 6559 0640
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Website: http://www.sac-accreditation.gov.sg

Sales of Standards
Toppan Leefung Pte. Ltd.
1 Kim Seng Promenade, #18-01
Great World City East Tower
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Tel: (65) 6826 9691
Fax: (65) 6820 3341
Email: singaporestandardseshop@toppanleefung.com
Website: http://www.singaporestandardseshop.sg

Standards Collection
National Library Board
100 Victoria Street
Lee Kong Chian Reference Library, Level 7
Singapore 188044
Hotline: (65) 6332 3255
Email: ref@nlb.gov.sg
Website: http://libguides.nl.sg/standards

Standards Development Organisations

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