

Go global or face failure, Singapore businesses told

Channel News Asia, 12 January 2006

SINGAPORE : Singapore businesses that do not aspire to go global right from the start will be doomed for failure.

That is the stark message from the executive chairman of Banyan Tree Holdings, Ho Kwon Ping.

Mr Ho was speaking at the **Singapore Perspectives** conference organised by the Institute of Policy Studies on Thursday.

Market presence is crucial for companies.

And Mr Ho believes Singapore companies need to find a place for themselves in the international arena.

He stressed that this is not a choice but a pre-requisite for success.

This is because the small Singapore economy will be a limit to any company's expansion plans.

Mr Ho, who is also chairman of MediaCorp, said the strategy for local companies was to identify a niche and aspire to be dominant or among the top three world players in that arena.

"The only way they can survive is to develop a sustainable proprietary advantage with a very focused niche in the global arena. That is a challenge. Personally I believe, many of our companies are still struggling with," he said.

Mr Ho urged Singapore firms to achieve proprietary advantage in areas such as high technology or branding.

Because of the small economy, he said Singaporeans must face up to permanent change and economic restructuring as a fundamental feature of life.

This is unlike more mature economies like the US and UK which can afford to support pockets of protected elements in the economy.

Speaking at the same event, the CEO of MediaCorp Raintree Pictures gave insights on challenges facing the movie industry in Singapore.

Mr Daniel Yun feels with little or no local expertise to produce movies for the global market, what is most difficult is to fight

mindsets of ignorance as well as those of decision-makers with strong ideas on what should and should not be.

Mr Yun said: "During the early and difficult years of Raintree, I was always asking bitterly - Why can't they see? Why can't the financial investors, the money people, the legal people, the people who can affect the fate of the movie projects, see the potential and the upside?"

"Now I ask myself, how can I make them see? A shift of perspective and the approach is dramatically different. The result will also be positively different."

And one way is for Singaporeans to understand the role of a movie producer.

He is the force behind the people in front and behind the camera.

Mr Yun believes the local movie industry will change phenomenally when there is more focus on cultivating producers who end up being the architect for a movie project - from distribution strategy to fund raising.

He notes that in a matured movie industry, like Hollywood, projects by producers is an industry unto itself. They even have the option rights to books.

In time, he hopes Singapore will make movies that are not just commercially viable but also receive international acclaim.