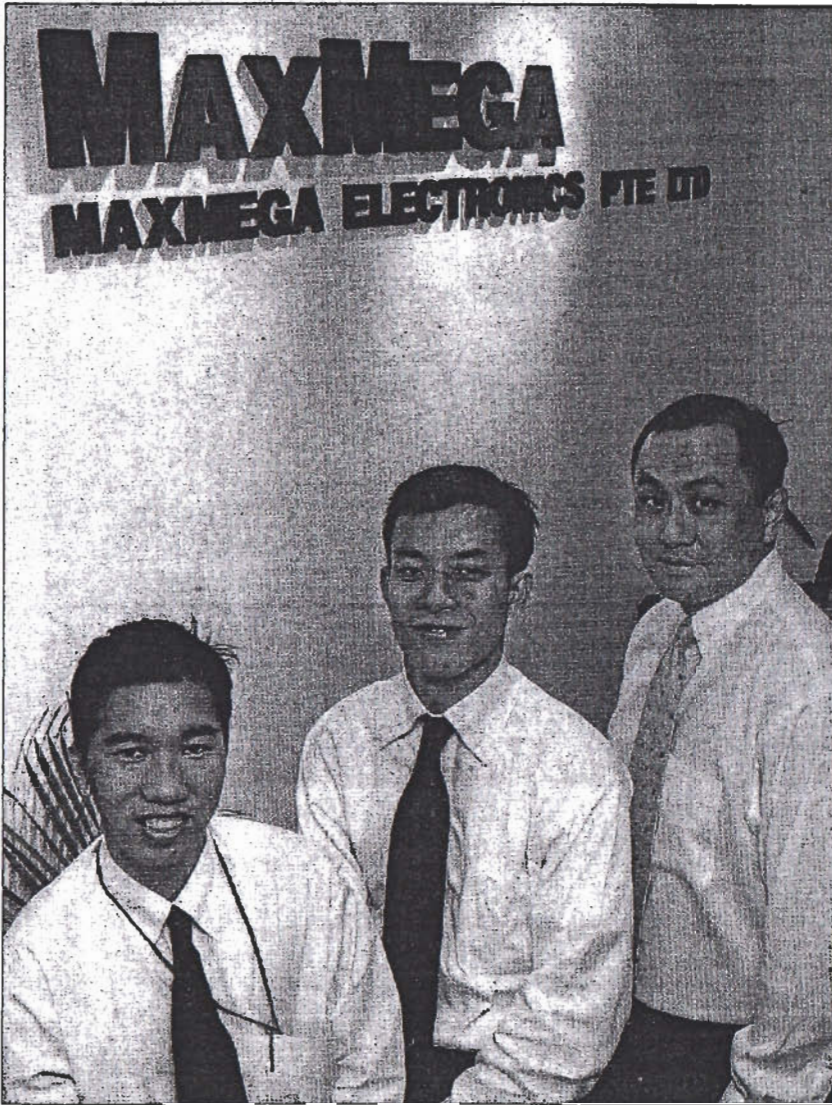


LEO KEE CHYE finds out from Maxmega Electronics' founders it's prudent management that helped the company expand its headcount at a time when many companies are retrenching staff

Riding high on a common vision



ARTHUR LEE

Strategy: Maxmega founders Mr Ong, Mr Tan and Mr Chuang say just sharing a common vision is not enough, they had to be responsive to market changes as well

A COMMON vision brought the three founders together to set up Maxmega Electronics Pte Ltd and, with that, they have brought their company into the list of the top 50 small and medium-sized enterprises within five years.

"All three of us — Alyson, Joseph and myself — are passionate about this high-tech industry," said Nelson Chuang, president of Maxmega Electronics. "And the three of us saw the future in electronics, especially in communications."

Maxmega, incorporated on April 13, 1996, initially specialised in the sales and distribution of electronics components to manufacturers in the electronics industry in Asia, mainly in Singapore, Malaysia and Thailand. Since then, the company has grown to include areas like PC, PDA, data communications, data storage, cellular and contract manufacturing.

Maxmega's clients include Compaq, Creative, Dell, Hewlett-Packard, Omni Electronics and Singapore Telecom. Currently, it has a sales office in Penang and a representative office in Bangkok.

Just sharing a common vision isn't enough, they had to be responsive to market changes as well, they pointed out.

"We focus on the right area at the right point in time," said Alyson Ong, director of sales. "We initially targeted the PC industry while it was still a 'hot' area then. Later, we moved into multimedia, and still later, VoIP (Voice Over Internet Protocol) and computer technology," Mr Ong said.

Joseph Tan, vice-president, agreed: "We are constantly

thinking about what is going to happen next year and the year after. We try to be preemptive rather than merely reactive to changes."

Maxmega grossed \$20 million in sales in FY 2000, from just \$1.1 million in FY 1996.

"Since the year we registered, we were profitable. We were never in the red," Mr Tan said. "It also has to do with good fund management, credit control and cash flow control," he added.

Their prudent management has allowed Maxmega to expand its headcount at a time when many companies are retrenching staff.

"When times were good, we didn't go on an employment spree like other companies," said Mr Ong. "We did our figures carefully and we only employed on an as-needed basis."

Over the years, Maxmega has employed a number of engineers

and computer programmers, and they have contributed a lot to the success of the company, he added.

"Since they are out in the field, they act as our ears and eyes. They collect information and feedback so that we know what the market wants," said Mr Ong.

Mr Chuang agreed. "From their feedback, we are able to look for the right product for our customers. We empower our employees. We listen to their feedback and suggestions."

To recognise their employees' contribution, Maxmega includes them in a profit-sharing scheme each year-end.

However, Mr Ong was quick to point out that it is not just the monetary factor that keeps them motivated.

"It's one of the driving factors. But there is also the prospects — the road map — that our company offers them," said Mr

Ong. "We share the growth of our company with them. When our company goes regional, they will have a chance to take part in our expansion."

When asked about the company's expansion plans, Mr Chuang said: "I think the key is to grow in the regional markets. We are even looking at markets that are more than six hours' flight radius from Singapore."

"We have already established regional offices in Malaysia and Thailand. We are also in the midst of setting up our Shanghai operations together with our partners in Hong Kong and Taiwan."

Both Mr Tan and Mr Ong agreed with Mr Chuang as he spelled out the vision of Maxmega, one that initially brought them together and that will see them into the future.

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