

Making \$10 from each dollar saved

That's the goal of businessman Victor Teo who started out as a hawker assistant

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Mr Victor Teo was 14 when he arrived in Singapore in 1966 from Muar, Johor, with his parents and younger sister. His father had odd jobs, while he worked as a hawker assistant selling noodles from a pushcart in Tanjong Pagar. He was paid \$1 a day.

Deciding that learning a trade was the way to go, he joined an electrical subcontracting firm in the early 1970s. Over the years, he became a skilled electrician through his stints at Meritus Mandarin Hotel in Orchard Road as a senior plant operator and subsequently as duty engineer at Furama City View Hotel and then at Oriental Hotel.

While working at Oriental, he set up mechanical and electrical firm E-Tech Building Service. That was in 1990. He held on to his job at Oriental for four more years before taking the plunge and going full-time running his business.

Since then, the business in Singapore has grown to include trading of printed circuit boards, owning and running two hostels in Lorong Buangkok and Telok Kurau, a Chinese restaurant at Suntec City Mall, and importing Taiwanese premium tea leaves.

In 2002, he ventured into the Philippines where he operates two petrol stations, a motel and a restaurant, in the cities of Bacnotan and Santa Lucia. He is now planning to expand his food and beverage business in Singapore, Manila and Australia.

'My business philosophy is 'Never leave till tomorrow what I can do today'. Reliability, quality and personalised customer service are the key driving factors in my business operations,' Mr Teo, now 59, said in Mandarin to The Sunday Times.

A Singapore permanent resident since 1970, Mr Teo is married to housewife Lim Poh Keow, 55, and they have four children who are involved in the running of the various business units. They are Shirley, 37, who runs the hotels; Davies, 36, who runs E-Tech; Richard, 35, who runs the restaurant; and Cheryl, 33, who manages the tea business.

Q: Are you a spender or saver?
I am a person who saves as much as I can to build up my capital and reserves so that I can spend (by ploughing back my savings) to grow my different businesses, or venture into a new business opportunity. In my earlier days, I could save at least half of my pay. When I save \$1, I hope to use it later to make \$10. That's my business and investment philosophy.



Mr Victor Teo with wife Lim Poh Keow (in cheongsam) and their children (from left) Davies, Shirley, Cheryl and Richard. The four siblings are all involved in the running of their father's various business units. ST PHOTO: NG SOR LUAN

WORST AND BEST BETS

Q: What has been your worst investment to date?

In 1993, I invested \$30,000 to bring six Wa Wa machines (toy picking machines) from Taiwan. They were placed outside neighbourhood provision stores in Tampines, Bedok and Hougang estates. Unfortunately, there was poor human traffic and children were more attracted to electronic games. The business folded in one year and I lost my entire investment.

Q: How much do you charge to your credit cards every month?

I have 12 credit cards from various banks. As I usually pay cash for my purchases, I charge only about \$1,000 to \$5,000 to my credit cards each month, depending on the types of purchases made here and in the Philippines. I always make my credit card payment in full to avoid the interest. I usually have between \$1,000 and \$1,500 in my wallet. It's a habit that I developed over the years, as I do not like the idea of being poor again.

Q: What financial planning have you done for yourself?

My portfolio comprises insurance, stocks and my businesses. For insurance, I own both life and investment-type policies. I'm insured for about \$800,000 on my life.

I always believe in money making more money, so I tend to look out for suitable investments to make from time to time. My daughter Shirley looks after my stock portfolio, which is worth about \$800,000. My stocks include OCBC, DBS, Genting, Popular and Wing Tai. She targets capital gains rather than dividends.

My E-Tech Group of businesses now includes E-Tech Building Service, Bee-Tech Trading (started in 1993),

But I did not look back.

Q: And your best?

It would be my children, who also grew up in a tough environment. From a young age, they helped to generate extra family income by hawking snacks and tidbits prepared by my wife and mother in the HDB estates. I ruled them with a cane and tried to instil my entrepreneurial spirit in them. I am happy to say that I am very

proud of them today. All my children are firmly united and work in the family business.

Apart from my children, my best investment to date is my first business venture, E-Tech Building Service, which was started with \$50,000 in 1990. It has given me a great sense of gratification and achievement, as the business has grown from strength to strength and diversified. The group's annual revenue is about \$5 million. My business in the Philippines has 20 staff and it generates another \$600,000 a year.

the 130-seat Chang Feng Ji Superior Restaurant (set up in 2007 with \$200,000), Alliance International Hostel (set up in 2008 with \$200,000) and Mizu Enterprise (started last year with \$150,000).

Q: Moneywise, what were your growing-up years like?

I'm the third child in a family of six. My late father did odd jobs in carpentry and my mother was a housewife. I grew up in a very harsh and tough environment on the outskirts of Muar, Johor, where there was no electricity and we relied on a kerosene lamp for lighting at night. My home in Muar was a rented garage. During school holidays, I would go round the village selling fruits on a bicycle.

After moving to Singapore in 1966, we rented a room in a shop-house in Toa Payoh.

Q: How did you get interested in investing?

My father's death in 1974 made me realise that life is short and that I have only one chance to make good in life. I decided to upgrade my skills and ventured into business when the time was right. I got interested in investing when I realised that through a sharp mind and hard work, I could turn a small capital

sum into a massive business.

When you work for someone, the pay is fixed. But the sky is the limit when you have your own business and are prepared to work very hard. I believe in hard work, good listening skills and building relationships based on trust and integrity.

Q: What's the most extravagant thing you have bought?

In 1995, I bought a gold and diamond Rolex King watch for \$40,000. I'm still wearing it today.

Four years later, I bought a \$30,000 yacht just to satisfy my ego, to know that I had finally made it after years of hardship and struggle. I didn't use it much, so I sold it two years later at half its original price.

Q: What's your retirement plan?

Like Mr Lee Kuan Yew, I do not believe in retiring. It is in my blood to work and be active... to contribute to society and grow my business together with my children.

Q: Home is now...

A Housing Board maisonette in Tampines.

Q: I drive...

I own a black BMW 520i.

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