

Tough early days made siblings stronger



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CALL OF DUTY

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Mr Davies Teo (third from left), on the tough times he and his siblings, Richard and Shirley (right), went through after taking over E-Tech Building Services. Their sister Cheryl (left) joined them last year to start a tea-inspired drinks business.

Experience after taking over dad's firm spurred Teos to diversify business

By JOYCE TEO

IT WAS a case of all hands to the pump when the three Teo children joined their father's small business in the trying days after the Asian financial crisis hit in 1997.

Jobs were hard to come by across the island and firms were cutting back, including at the Teos' E-Tech Building Services, which carries out maintenance work for residential developments.

They survived, although it was a close-run thing, and have gone on to try their hands at other businesses, but the memories of those tough early days are still strong.

Their team of eight workers had been cut to two, which meant the siblings had to chip in: Davies and Richard as full-time technicians, while Shirley handled the accounts.

Meanwhile, dad Victor started to explore business opportunities elsewhere and in around 2000, he ventured into the Philippines, leaving E-Tech to his children.

He now operates two petrol stations, a motel, a Chinese restaurant and a grocery store in Bacnotan and Santa Lucia, but still checks on the businesses here.

“When I took over, I was 23. My father's clients were seniors. They didn't really trust us because of our age,” says Davies, now 36 and tasked with driving E-Tech.

When their father left town, some of those regular clients also took off. “We were struggling. Our turnover was dropping every year, till it was about \$100,000 or so,” says Davies.

Shirley, 37, adds that at one point, the firm's auditor called their father in the Philippines and told him: “If you don't come back, your company is going to close.”

The siblings persevered. It helped that they offered a 24-hour call service, although the strain of it took a toll on Davies and Richard. “We slept with our cellphone by our bedside and we went to the bathroom with it. Sometimes, the phone would ring at 2am or 3am,” recalls Davies.

Calls for assistance meant they had to work to help a development fix its problems, be it a power failure, choked toilets or fire alarms ringing. It meant that Richard, who was married, often had to disrupt family outings with his wife and two daughters, who would wait for him in the car at the condominium where he was working.

“We were losing our clients, we had financial problems. I was thinking, ‘Are we going to do this for the rest of the year?’” says Richard, 35. It got to a point where Davies was almost afraid to hear the phone ring.

Until 2003, the three siblings went without a salary and often

drew a monthly allowance of as little as \$300 each.

Fortunately, their hard work paid off and by the fourth year after their father left, they had a pool of customers and turnover started to climb steadily.

E-Tech should rack up a turnover of about \$2 million this year, up from around \$1.5 million last year.

While they have effected a turnaround, the siblings' trying experience with E-Tech spurred them to diversify into restaurants and hostels.

Davies says: “I believe it has to do with the phobia of what we went through at E-Tech... It was very, very hard. Maybe my siblings have better endurance than me... I almost gave up.”

Giving up, however, was out of the question. “If we were to give up, my father would have come after us with a knife,” says Shirley.

So when she smelled an opportunity in the restaurant line, the siblings decided to go for it, seeing the move as a way to help diversify the risks at E-Tech.

“As long as I can make money, I will do it,” says Shirley. “We believe that if we put our heart and soul into it, it will be OK.”

They took out \$200,000 to start a Chinese restaurant, called Chang Feng Ji, in Chinatown in 2007. This closed two years later when the lease ended, and reopened earlier this year in Suntec City.

In 2008, Davies suggested they go into the hostel business,

and they now have two establishments for foreign students.

“We just aim, we shoot and then we adjust,” says Davies.

The siblings have decided that Richard will run the restaurant while Shirley will take care of the hostels.

A fourth sibling, Cheryl, 33, joined last year to start a tea-inspired drinks business under Mizu Enterprise. There is now an outlet in Tampines and a counter at a corner of the Chang Feng Ji restaurant.

E-Tech and the hostel business are showing profits, while the other two are still in the red.

The four siblings are close, having grown up together in a relatively tough environment. During their school days, they helped supplement the family income by hawking kueh and other snacks prepared by their mother and grandmother.

They also played the drums, trumpets and cymbals at Chinese funerals, earning \$5 each for every performance.

They meet almost every day to talk about the business, but the next stage will be very different as they are planning to assemble a team of outsiders to run E-Tech. Two professionals will come on board next year.

E-Tech now employs 50 people and aims to move into the commercial and industrial market next year. Plans are also in place to open a second Chang Feng Ji outlet and to grow the tea-inspired drinks business.

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