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It Is Easy To Start A Business, Harder To Keep It.

Chapter 2

Standing in the Shadow of My Father

In 2005, I was twenty-six.

Suddenly it felt like the weight on my shoulders increased, and I found myself struggling for air.

I was now CEO. That evening, I sat in the plane with one of my directors. We were coming back from an overseas trip.

The trip had been difficult and painful. We had agents who refused to meet us. When we met potential business associates, we didn't always get what we wanted. I saw how laid back our offices were in most of the countries we operated in, and gave them an earful.

I was harsh, fierce, and scary. But more importantly, I finally saw how difficult this job was going to be. Inheriting a company at the top of its power seemed to have given me an easier job.

But one only needed to look at the vast majority of once-great companies that lie in the graveyard today to show that greatness may not last.

One story I'm reminded of is Apple, the technology company. If you look at its simple product lineup today, you would find it hard to believe that there was a time when it was creating printers, scanners, and monitors.

In its storied Macintosh division, it was even more confusing. In 1997, it had four main lines—the Quadra, the Power Mac, the Performa, and the PowerBook. But there were confusing product names like the Performa 5200CD, Performa 5210CD, Performa 5215CD, and the Performa 5220CD. When Steve Jobs reflected on his return to Apple, he said, "What I found when I got here was a zillion and one products. It was amazing. And I started to ask people, now why would I recommend a 3400 over a 4400? When should somebody jump up to a 6500, but not a 7300? And after three weeks, I couldn't figure this out. If I couldn't figure this out . . . how could our customers figure this out?"

All this had been done with the aim of growing profits.

But It also coincided with Apple's decline. In 1994, Apple commanded nearly ten percent of the worldwide market for personal computers, making it the second-largest computer manufacturer in the world after IBM. In April 1996, it reported a loss of $69 million and laid off 1,300 staff.

Apple's story is always a reminder to me about how the mighty can, and will, fall. When a company grows bigger, there is the temptation of pursuing growth. But growth rates as a company with one million dollars in revenues would be significantly different in a company earning ten million yearly. Some companies make the mistake of chasing the next shiny object, without understanding what their core competencies are. They end up losing in the long run.

My father had built up a great company. Within the industry, he was known as a legend for pioneering the NVOCC model within the Southeast Asia region. But as we got bigger, we started chasing other types of businesses to grow our profits. For example, we opened a new company dedicated to these specific trade lanes. These weren't necessarily bad businesses. But it increased the amount of things we had to focus on, and distracted us from the core challenges of winning in the Less than Container Load (LCL) niche of services.

The wider consolidation industry was also facing a seismic shift. The goods that were coming into the warehouse halved. Singapore was no longer experiencing as much demand as a transhipment hub, where goods were consolidated before being shipped onwards to its destination. More countries had enough cargo volume to warrant a direct route, instead of being shipped through Singapore. Furthermore, bigger and quicker vessels had emerged. This further reduced shipping costs and the need to stopover in Singapore to collect more transhipments for the economies of scale. The economies of surrounding countries were growing quickly, and the volumes shipped there warranted direct Freight All Kinds (FAK) box services, although it still used feeders in Singapore before merging with a larger mother vessel.

In many ways, Apple's turnaround mirrors how I tried to reposition Mac-Nels. When Steve Jobs returned to Apple in 1997, he began a thorough product review. He called in the product teams and got them to present their products. As time went on, he became increasingly agitated. One day, during a big strategy meeting, he screamed, "Stop! This is crazy." He went to the whiteboard and drew a graph of Apple's declining revenues. It graphed the drop from $12 billion a year to $10 billion, and then to $7 billion a year. He explained that Apple couldn't be a profitable $10 or $12 billion dollar company, but it could be a profitable $6 billion one. It meant drastically simplifying Apple's product line. On the board, he drew a two by two grid, with "Consumer" and "Professional" at the top, followed by "Portable" and "Desktop" down the sides. He cut Apple's product lineup from more than forty products, to just four.

I had a sense of what we needed to do. We needed to focus on the NVOCC business by increasing our cargo volumes. We needed to have our own offices in key, growing ports. But I wasn't sure about my judgement. I was only twenty-five.

Now, seated next to this director, I wanted some validation. I leaned across and joked,

How long do you think I will last in this business?

I expected him to tell me that I would go far. After all, hadn't I done well in demanding that specific office to refocus? He put down his glass, and looked straight into my eyes. Without flinching, he said,

Three years. I give you three years before you're out.

I wasn't sure how to respond. Deep inside me, I was angry. But I tried to keep a poker face.

What about until I'm thirty? That's only two more years.

He shrugged and turned away. He looked out of the window and silently sipped his wine. That was it. Conversation over.

I nursed the cup on my table, pondering about what he had said. Where had I gone wrong? Hadn't I set standards by pushing our foreign offices and demanding more from them? Hadn't I set the tone for what excellence was? Hadn't I communicated well about our strategy moving forward, and what our plan was?

What went wrong? Where had I failed again?

What more did they want from me?

I had seen many instances of this over the past nine years since entering the company as a sixteen-year-old, interning at the warehouse. There were the instances where the old guard, those who were previously brought in by my father, would scoff at most of my ideas. When I sat in on meetings with the different export and import managers, I would share what the people overseas were doing. I would point out that it was something we could do as well. They would hear the perspective I shared, and look at me as if I were stupid.

When I tried to influence people to implement what I said, I could sense the resistance within them. They might eventually do what I say, but it was not done well.

There were other times when potential associates I met would be dismissive of what I said. I would share passionately about how we wanted to take the company forward. They would nod, listen, but when you went back to them a few months later, one of two things might happen.

They might ignore your instruction. Or worse still, they would give you an eloquent answer on why your idea might not work. It always left me feeling small, and inadequate.

I get it. Not many would willingly listen to a twenty-five-year-old CEO. They thought I was a 富二代 (wealthy second-generation). They wrote me off as someone who was simply lucky enough to be born with a silver spoon in my mouth. They thought I was an ignorant, undeserving heir to my father's hard work. Even though they didn't say it, I could see it. When I shared an idea, or gave an instruction, I could see them thinking,

Who do you think you are?

That's true.

Who am I, really? Beyond the fact that I was the son of the founder? In various industries, it takes on average twenty years of pure hard work to rise to the top. I had gone from starting in the warehouse as a sixteen-year-old, to suddenly becoming the CEO at the tender age of twenty-five. If I subtracted the three years spent in polytechnic, and the two years in National Service[4], I had only worked in the company for four years. I was inexperienced, and I didn't have the track record to merit this position. Naturally, the veterans did not like it.

People who were used to telling me what to do now had me telling them what to do.

There were days when I felt embattled on all sides. It felt like I was battling both the industry and the company. On one hand, we had growing competition that was chipping away at our position at the top of the industry. Smaller players were now offering direct routes that gave our customers different options. They could now go directly to their final port of destination, instead of waiting for us to consolidate their cargo with others in Singapore, before shipping theirs. This meant faster deliveries, cheaper fees, and less business for Mac-Nels.

On the other hand, some multi-national forwarders were encroaching on the cargo consolidation business. They were exploring new ways to profit from the rosy growth the world was enjoying. This growth was leading to increased consumption, and naturally, an increased need to ship what consumers wanted. Going into the consolidation business was a natural next step for these forwarders. With the economies of scale that multi-national liners enjoyed, and the fact that they owned ships, the onslaught

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[4] *Mandatory two-year enlistment in the army or civil defense for all Singaporean males.*

on our business was brutal. As a pure-play NVOCC, there were not many other diversified sources of revenue we could depend on. Because I had given all my focus to the consol business, I knew exactly what we needed to do to navigate these choppy waters. But I could not do it alone.

I needed all the help I could get.

Yet within the company, I sometimes felt like it was me against the world. Managers would disagree with doing things my way. They would go behind my back and complain to my father. Can you imagine? A fifty-two-year-old veteran, instead of addressing disagreements directly with his boss, would rather speak to the boss' father? It was like primary school all over again. When you were naughty in primary school, your teacher would report on your behaviour to your parents, expecting them to discipline you.

Now, this was happening in the company where I was the CEO. I didn't know whether to laugh or to cry.

I was *not* the enemy.

Yet somehow, my father's old guard seemed to take me as the enemy. Didn't they get it? I was merely trying to protect our interests and bring us up to date to the industry's standards. Whilst our competitors raced forward, some of my father's old guard insisted that their ways were correct. Out of respect to my father and their previous contributions, I did not fire them. Trust me, there were many times when I wanted to. I had to work with them, and sway them to see the realities of the industry's sweeping changes.

I did not want to be just known as the CEO that was parachuted in because he was born lucky. I was going to be my own man. Yes, I had inherited a company at the peak of its powers. My father had developed the business from its birth in 1975 to its current, strong, beefy self in 2005. Despite our previous success, we could not survive without continued reinvention to our business. As Andy Grove, the former CEO of Intel, once said:

Success breeds complacency.

Complacency breeds failure.

Only the paranoid survive.

Now, it was up to me to ensure the survivability of the business. Some thought that I was being lazy. Was I cutting myself some slack by just aiming to survive? No.

In the years leading up to my final position as CEO, my interactions with partners and competitors showed me how our business was not adapting with the times. I knew that my first few years would be spent convincing the old guard to change with the times. Additional business was a bonus.

If we survived.

I was not sure if I had the cold heart needed to implement change, without worrying about how it might hurt people. I had grown up being the warm, compassionate friend that others enjoyed having around. Many of those early memories were formed in secondary school, where I invited friends weekly to my home to play, sing karaoke, and enjoy the lazy afternoons of a teenager with few worries.

Now, I had to be cut-throat, brutal, and clinical. There was little space and time to be nice, when the health of our company was on the edge. Some of the old guard thought I was just being paranoid. Things were good, they said. Why did we need to change things when they were working? Even after I explained that these changes were what competitors were doing, and that we risked being left behind, it was hard for them to understand why we needed to introduce changes that would result in more work for them.

That was when Mr. Hyde began to appear.

Since I was young, I've been struck by the story of Dr. Jekyll and Mr. Hyde, written by Robert Louis Stevenson. In that story, Dr. Jekyll is the kind, loving doctor. Mr. Hyde is the rough, violent, and aggressive man.

In the opening scene, close to midnight, whilst the streets lie silent from the dwindling activity, a girl skips along, being one of the few rays of light in the darkness. In the other direction, a dark, brooding presence appears.

It's Mr. Hyde.

The girl, caught in her tunes, accidentally bumps into Mr. Hyde. Mr. Hyde is startled and explodes in anger. He pushes the girl to the floor, violently stamps on her chest, before making a run for it.

The secret at the heart of the story (spoilers here), is that Mr. Hyde and Dr. Jekyll, are both the same man. I've long been struck by this story because it reminded me that there can be opposite sides to a person, each brought out at different times.

In my personal life, I was Dr. Jekyll. With friends, I found belonging with the friends I had made in my teenage years. I've heard it said that you "outgrow" your friends. But I don't believe that. As I grew in my role in the company, I naturally rubbed shoulders with those who were wealthier or more influential. It was tempting to drop my friends and appear as the socialite, spending time in rarefied social circles. Yet my secondary school friends remained my closest group of friends.

Why? Because it was in them that I found belonging, and the ability to be fully myself. I did not have to pretend to be the hotshot CEO of a global company.

With them, I was the playful life of the party. During karaoke sessions, I would be serenading my friends, persuading them to take the microphone to sing with me. My friends respected that I stuck with them through thick and thin. There were several times when I made out loans to my friends when they were going through big life transitions, like being retrenched. An outsider would probably have shaken his head, thinking I was foolish for making such big loans, with little more than a handshake and a smile.

But in business, I was forced to bring out a more aggressive side of myself. I needed to project strength and confidence, even when I didn't always know what the right answers were. If I didn't, my father's old guard would be proven right. That I was there simply because I was my father's son, and not because I was truly someone who had the credibility to take over.

It was not enough for me to just have the birthright to the business. I wanted to prove that I had the moral right to assert myself in the business. I had to prove that I was a worthy heir. The birth of Mr. Hyde was not just because I needed an ego boost. Rather, it was to protect my father's business.

I don't know how to explain it. But at the age of eighteen, I was already thrust out into the world. My father sent me abroad to places like England, Australia, and Canada to work with his business associates and to build independence.

As an eighteen-year-old, I was first sent to Australia to live alone. As the saying goes, when in Rome, do as the Romans do. I quickly learnt how to connect with the Australians there. Drink with them, and you would establish a stronger bond. They laughed about how an eighteen-year-old like me could hold my liquor. At eighteen, I was once again competing, even though it was for a seemingly meaningless title—"Champion Drinker".

It even came down to adjusting my accent to fit the Aussies, so that I sounded more like them.

At that point, I could already sense these associates sussing me out. They were seeing if I was there for the taking, ready to be taken advantage of. At eighteen, I was already sitting across the table from accomplished CEOs, trying to understand how they structured and negotiated multi-million dollar deals to ship cargo that allowed for their companies to make money. Seated at the table with them, I felt out of my depth. I had to rely on Mr. Hyde to protect me and the business interests of my father's company. I appreciated my dad for exposing me quickly to that side of the business, where it was a brutal dog-eat-dog world. But just as quickly as he exposed me, I needed to grow the guts to hold my ground.

Alone.

These repeated experiences living alone abroad in my early years helped me to grow comfortable being by myself. It was hard to be alone in Singapore. Everywhere was bustling with life. When I hung out alone in school, people would think that I was "weird". My first time travelling abroad alone, my dad handed me the plane tickets, and gave me the address of his associate in Australia. That was it. The year was 1999, and that was my first solo trip. There was no WhatsApp or Google Maps. It was not all that easy to stay connected or find your way. All you could depend on was your own wit. I was filled with panic initially but tried not to let it show. I didn't want to worry my dad. My father was probably equally anxious. Imagine putting your child on a plane, with no certainty if he would ever return in one piece.

All these experiences were vital in the building of the more aggressive Mr. Hyde, who was preparing to take over the business. If I trace his development, he matured when I became CEO.

As someone who was used to quickly finding belonging even amongst different socio-economic groups, I saw for the first time what it meant to be kept at an arm's length. There was a hush whenever I entered the office. Whatever jokes the staff were sharing would suddenly disappear. They would suddenly sit up and focus intently on the papers they were preparing.

I was friendly, but I knew I could never be their friend. It was not that I didn't want to be their friend, but there was a quiet recognition that I was their boss. Few would haphazardly jeopardise that relationship.

The Dr. Jekyll in me would search for belonging, and intentionally return to the places where he had found belonging, like amongst my secondary school friends. But the emerging Mr. Hyde learnt to say, "I might never belong. But I must be strong."

Starting at the warehouse

This grit was built from my early days in the warehouse. I had to learn to grit through the loneliness of being alone and the difficulty of the job. My solitude was a result of my circumstances. As the son of the boss, workers treated me with respect, and sometimes held me at an arm's length.

But the warehouse job was even more difficult. Go to the table tucked at the corner of our warehouse, just in front of the loading berths, and you would see a clipboard, with papers indicating the imports and exports for the day.

As a scrawny sixteen-year-old, I knew that I could not impress people based on my muscles. I chose to impress them with my mind—and more importantly—my heart.

The brain work involved in coordinating cargo from different ports and times, and having to fit them into the customer's schedule, was exhausting. Every other employee would spend three days at the warehouse, as part of their onboarding, to get a feel of things. I spent four months here over two years. I spent every month-long June and December holiday to learn every single part of how to coordinate imports and exports in this freight forwarding and NVOCC business.

It was my job to learn how to arrange these imports and exports efficiently, and effectively. It seemed like an impossible task. During the first time I coordinated the import and exports, I was lost. There were so many elements to take note of. The warehouse manager handed me the list of cargo that was arriving that day, and another list of the cargo that was due to leave that day. Match the imports and exports, and make sure that each container is as full as possible. It sounded easy so far.

But I soon got a call about how a customer needed his cargo expedited. The paperwork for the goods to clear the port's authorities was also outstanding, and I had to scramble to find the necessary information. Let me paint a picture for you.

Imagine walking into the warehouse. You've just received a container full of items. Immediately, you have to unload the goods, and place them within the warehouse. Contrary to the fancy Amazon warehouses you might have seen on the news, there are no high-tech systems here. The technology for remembering where everything is placed, is your head.

Then you have to arrange the goods for export. You have to consolidate the different goods you have going to the same port, put them together, and then ship them.

For example, at the front of the warehouse, near the loading bays, there are two containers open, and ready for export. These containers are going onto a ship that's sailing to three different ports—Busan in South Korea, Shanghai in China, and Los Angeles in the United States. You have three goals:

1. Ensure that the container is loaded as fully as possible
2. Ensure that the shipments arrive on time
3. Ensure that no cargo is damaged

Singapore has a meal called *rojak*[5]. It's where they throw ingredients like pineapples, fried flour fritters, cucumbers etc., into a bowl, mix them up in a sweet and savoury shrimp-based sauce, and serve it with peanuts.

For me, consolidating cargo was like making a meal of *rojak*, and trying to export it to different countries. Some days, you wouldn't have enough of one ingredient (like cargo to a specific port). But because the ship was sailing soon, you had to stop waiting for the ingredient to arrive, and simply ship the half-finished *rojak* there. There were costs to shipping the container before it was at full capacity. You were still paying the same price to the shipping company for the container they were shipping for you. Each half-finished *rojak* we sent out cost us money.

In simple maths, it meant that we might be paying $3000 to the shipping company. But the ten clients whose goods we were consolidating within one container were only paying us a total of $2500. Even though we sent that shipment, we lost money.

Some find this boring. But this revitalised me because you could not hide in such a business. You had to keep showing up to make on-the-ground, quickfire decisions. Should you wait for more shipments to come, or just go? On the warehouse floor, I finally learnt that there were no perfect decisions. Just good enough ones that were sufficient to keep things moving forward,

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[5] *The term "rojak" is often used colloquially to describe situations where many disparate things are mixed together.*

always. Decisions simply had to be communicated clearly, so that clients felt a greater sense of control.

When you hesitated on your decisions, your clients would scold you, and the people on the warehouse floor would look at you with tinted eyes, with their suspicions validated.

The stakes were high. If I lost trust with these workers in my opening months, they might never see me as a leader to respect. There would be little way to convince them about the merits of my ideas in the future. As Will Rogers once said, "You never get a second chance to make a first impression." First impressions stuck, especially bad ones.

In my first month, I did everything I could to understand how best to load a container quickly and effectively. Every cubic metre of space was money, and I quickly learnt how to maximise what we were putting in each container so that we could effectively allocate space.

Beyond the science, I also learnt the art of freight forwarding and NVOCC. These were the nuances and subtleties that could not be captured with the hard numbers. For example, how did you communicate to a client that their cargo had been damaged? How long could we hold an odd-sized shipment for a client, which might take too much space in a container? Just depending on the numbers or the estimated timings wasn't enough to make a decision.

Over those four months, spread across two years of school holidays, I learnt how to build better judgement on making these difficult decisions by observing what these warehouse workers did. I was like a sponge. Each day, I would pepper them with questions, trying to understand every intricate detail of the process. Working in the warehouse, what I studied in school came to life. Simple math concepts like percentages became important to calculate one's margins. It was this that led me to take more interest in my studies when I returned to school, from the holidays spent at the warehouse. No longer were classes just about passing an exam. It was about helping Mac-Nels.

In addition to being book-smart, I learnt how to be street-smart. I would hear of the tricks of the trade and see how cutthroat the industry could be. As a sixteen-year-old seeing how businesses literally went for each other's throats, it forced me to grow up. Fast.

It was a dramatic change.

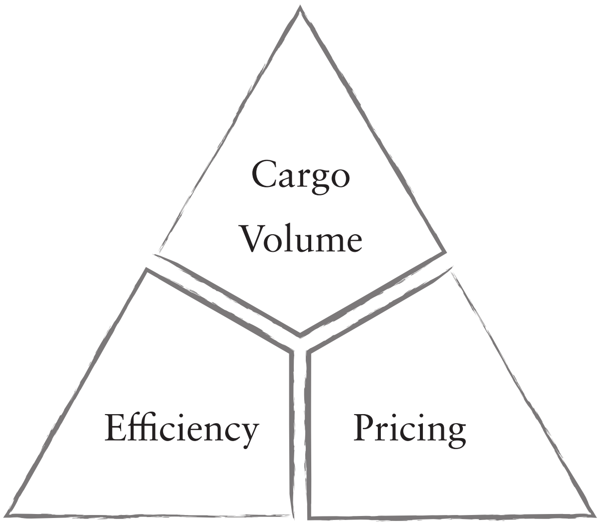
For most of my early years, my head was in the clouds, being the artist who loved singing and acting. I had a privileged childhood where most days were spent in air-conditioned malls and the comfort of my home.

But over the course of those two years in the warehouse, I was forced to step up and learn the way of a warrior. For one, there was no air-conditioning in the warehouse. It was not a physically comfortable place. I had to learn how to fight on the frontlines, learn what competitors were doing, what tricks they were using to cut costs and corners, and see how to counter them effectively. It was intellectual judo. Looking back, much of the aggressiveness I showed in later years developed from those first two years in the warehouse.

Slowly, colleagues began to trust me as they saw my interest in the business. When I came into the warehouse's office, they would joke with me, and invite me to their meals. They saw that I wasn't there just to make an impression. Singaporeans call it "showing face", or doing the bare minimum to be polite and respectable, before retreating into one's comfort zone. There had been no need for me to "show face". My father never forced me to show up at the warehouse, nor did he say "you have to work two years at the warehouse before moving on".

Rather, I knew that for me to help my dad well, I had to learn the fundamental building blocks of the business. Mac-Nels was built on the foundations of these containers. Load them well, and load them full, and you would have a constant stream of profit.

Sure, it would have been easier for me to sit in my father's office in Tanjong Pagar, and enjoy the gentle air-conditioning on my face. But would it have helped me to better understand how to balance the tension between cargo volume, pricing, and container efficiency?



Fundamental Building Blocks of Mac-Nels' business

Everyone expected me to be a lazy 富二代 (wealthy second-generation). I knew I could not change how they started thinking about me. But I would change how they would eventually remember me.

The people at the warehouse knew that I sacrificed my school holidays. What they did not know was why. Some thought I was there to learn how to take over the company. Taking over was secondary. The primary reason why I sacrificed every school holiday was because I loved my father. I cared for his health. I started off in the warehouse hoping to take on some of his burden, so that he could be less stressed. But later, having seen the intricacies of the warehouse, I admired what my father had built. I now understood how much strain was placed on his heart. For me, this was more than an internship. This was a journey to lessen my father's burden, and in my own small way, to show that I cared for him.

Years later, when I took over as CEO, it hurt when eventual business associates read my aggressiveness as arrogance. Yes, I felt misunderstood. But that aggressiveness was born out of a tenderness, and a desire to be my father's keeper.

First day in the office

At the age of twenty-two, after the mandatory two-year National Service every man must serve in Singapore's military, I started working in the Mac-Nes office.

When I told my father about my decision to join his company after my military stint, he stared at me for a long time, considering what I had said.

Are you sure you don't want to go to university?

I shook my head. To me, there was no point in getting another piece of paper to prove that I was ready. The best experience could only come from the frontlines, not studying the frontlines. What additional experience and expertise could theories taught in university add to what I was doing? If I knew where I was headed, there was no need to take a three or four year detour through university.

During my first day in the corporate office, I recognised a familiar look, one that I had seen in the warehouse as a teen. The guardedness, mixed with resentment and jealousy. It was never explicit, like cards shown on a table. There was no outburst—no one in my father's old guard shouted, "You're just your father's son!"—but their eyes said just as much. There were times I would share an idea, and I would see their eyes roll. Other times, they would interrupt me before I finished speaking. It was stereotypical of how some in Singapore tended to see younger colleagues. They were to be seen, not heard. Make yourself heard, and they would hurt you.

The doubt about my capabilities was always there, hanging like unspoken tension in the air. It appeared in the strangest of places. For example, during my regular meetings with my dad, he would bring up an incident where I had told off a colleague. In my mind, I would think, "How did he know?" But the answer was obvious—from the people who were still loyal to him.

Perhaps they were putting me in my place, reminding me that I was still a man in my twenties who had just entered the industry.

I had no formal job role in the company beyond "Executive". I would go into each department, and learn everything about how the department functioned, what their challenges were, and how they generated value for the company.

I would meet the overseas partners that came to meet my father in our office. Once, in the 2000s, our partner came from Japan to visit us. I was shy and didn't know what to do. I asked him if he wanted to sit in my two-seater coupe. I had never given a ride to anyone else before in that car. He was the first.

I didn't know what else I could do to form a bond with him. So, I suggested the first thing that came to mind. And it worked! He was touched and kept repeating that to me. The fact that I would give him a ride, even though he was "just a sales manager of a larger company". But that was the first turning point that helped me to see how important these personal moments were. Going out of your way to give a personal touch could build bridges between people that run-of-the-mill gestures could not.

Instances like these, where my father introduced me to our agent in Japan, became ways for him to build my ability to present myself professionally in front of key partners. He would check in with our partners and colleagues to gauge my progress. He would point out things I would not have thought of when we met. He would then rotate me to the next department when he thought I was ready.

I was grateful that my father took me under his wing. Even though I was chomping at the bit, desperate to start negotiating deals, my father patiently guided me. When I asked for the authority to implement changes I felt were necessary, he would show me another perspective. He would explain why in some cases, his old guard was right. Yet he was also ready to concede when my observation was accurate and would adjust accordingly.

Whilst I wanted to step out of my father's shadow as quickly as possible, it was clear that I was not entirely ready in terms of my temperament.

This was a season of my life where I felt like a fish who had just found water again. The concepts, ideas and practices came to me easily. It was only later when I began to onboard my own staff, that I realised these things did not come naturally to most. I do not necessarily think that I was more gifted than anyone else. But the freight forwarding and NVOCC business was a good blend between art, and science. You had to have a clear understanding of the rates that determined your profit. But you also had to grasp the nuance of looking past those rates, when needed. There was a lot of creativity needed to understand how to work with the rules to create newfound value for clients.

As someone who enjoyed the creative arts like singing and acting, I relished the creative aspect of this work. Over time, I also developed a love for hard data. My work allowed me to combine my creativity with hard data in rewarding ways. I like thinking that I didn't find a career in freight forwarding and NVOCC, but rather that it found me.

I am CEO, or am I?

In 2005, I was twenty-six. This was the year I was handed the reins as CEO. There was no big party. That year, my father sent out an email informing our staff and partners that I was formally the CEO. He asked that they give me the support I needed. That was all.

I was not sure what led my father to make the judgement that I was ready to take over. I have never asked him. Perhaps the biggest reason was that in the lead up to 2005, he finally saw my drive and ambition to take the company to further heights.

I spent long days at the office, starting in the morning, and then meeting with clients at night. Even when I was sick, the Mr. Hyde in me dragged myself in. I couldn't show that I was weak. Not when there were so many eyes on me, wondering if I was able to fill my father's shoes.

Whilst my father never articulated it, perhaps his initial concern with me was that I would not work hard enough. After all, in my early school days, I was not the high-flying student who was acing my academics. I seemed to be a boy with his head in the clouds, singing and performing.

Filial piety was the foundation that spurred me to start, but the desire to shine on that stage was what showed me the next horizon to push the company to. I demonstrated the gumption to take new tactics that were being used by competitors, and to trial them in our company. I wanted to open more offices abroad.

But as a twenty-six-year-old, I knew that I still had much to learn. Whilst I could be stubborn and adamant about how things should be done, I also saw that my judgement had gaps. I set myself the task of establishing good relationships with key partners. I flew to different countries to interact in-person with agents, and to understand the intricacies of their markets.

Some might think that this was just me giving myself excuses to travel at the company's expense. Trust me, when you live out of a suitcase for half the year, and wake up in a different hotel every week, the novelty of travelling becomes a chore. Others might say that you could just call. But the benefits of an in-person meeting outweighed the costs. You could shake a person's hand, look into their eyes, and see if they were lying to you. You could walk into their warehouses and tell if they had the volumes they promised. You could hear what competitors were up to.

I wanted to be the link between the Eastern and Western markets. I wanted to be the hub through which insights flowed. I saw how the agents that sent us the most cargo did not just stick to us because of our service. Their continued trust in Mac-Nels stemmed from our place at the nexus of power players. Our position gave us a leading role in becoming a key source of insights they could use to drive their business. For example, when an agent in Shanghai wanted to send cargo to Port Klang, they would want to know which agents they could trust. I wanted to be the go-to person who facilitated those connections. As Eddie Temple said in the movie Layer Cake, "The art of good business is being a good middleman". The NVOCC is fundamentally a middleman business. We connect many different people who have cargo, and slice that up into the various ports.

More importantly, it was knowledge arbitrage. I made it a point to know most people in the industry. I understood where the alliances were, and where there were arguments. When there was an opportunity, I would broker a connection, or make a connection on my own. My knowledge of the complex web of relationships that stood in different markets allowed me to win more business.

To build trust amongst our network of agents, one of my first trips began with touring China, as CEO. During that trip, I met all of the agents my father had first partnered with. I also said hello to the agents of competitors to gain knowledge and insights.

One of them, Daniel Yang, our agent in Guangzhou, became a close associate because of that early, face-to-face interaction. That was the beginning of a long and fruitful relationship. He was the kind of partner that was willing to make early losses to reap later gains. It wasn't always easy to stomach, especially for partners who might be more focused on the bottom-line. In many ways, Daniel epitomised the type of agent and partner I wanted to cultivate in the different countries we had a presence in. It was Daniel who introduced me to Steve and Doug from Velta in the U.K., another two enduring partners.

My pushiness and seeming aggressiveness offended many people. In my twenties, I offended so many people that whenever I came into contact with a new acquaintance in the industry, I could see their guardedness. They heard of how aggressive I was in driving Mac-Nels forward, and my willingness to stomach losses. This naturally put off some potential partners.

As a younger man who was not fully mature, I had a very low level of tolerance for what I perceived to be "bullshit". I did not want to put on a show to please people for the sake of making them happy, or to please them to gain any sort of respect, acceptance, and friendship. In simple words, I did not enjoy kissing arses. I believe people can see through you if you do it for the sake of gaining their favour or getting more business. I cannot accept people who are two-faced or people who are fake, regardless of how successful they are. As the cliché goes, you gain some and you lose some.

My aggressiveness in driving business for the company lost me lots of friends and potential friends, but it also made me many long-lasting friendships. Through that, I learnt to go to where you're welcomed, not where you're merely tolerated. You work with people who want to work with you, not with people who fear you. But when I could not change the people I had to work with, I had to try something different.

As artisan watchmaker Mr. Jean Claude-Biver[6] once said:

> *In the river, only the dead fish swim with the current, in the direction of the current and at the speed of the current.*
>
> *A fish that is alive goes to the left and the right of the current, and against the current.*
>
> *I don't want to be a dead fish, I don't want to do what others are doing.*
>
> *All my life, I've always wanted to be first, different and unique.*

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[6] *Legendary Swiss watchmaker who headed brands like TAG Heuer, Hublot and Omega. A key figure in the rescue of the Swiss watch industry in the 70s and 80s.*

When I first became CEO, as a young twenty-six-year-old, I took a gung-ho approach. I did not wish to be a young man who was indecisive. If a young person was hesitant, giving excuses, and not pushing himself harder, what was the point?

But I had a problem. I could push myself, but I could not yet push others. I didn't know how to push my father's old lieutenants to change. It was true. We were successful. Why was change even needed? Even when I showed them the raw, hard evidence about how other companies were doing things differently, they would dismiss it. That's not our way, they would say. Their best argument was:

> *We've not done this before, and we still succeeded. Why should we do this now?*

It was hard to win this argument.

It was frustrating. It was like standing on top of a mountain and seeing a pack of hunters coming for our camp. I would yell at my managers, "Look! There are hunters who are coming for us with guns!" Standing at the foot of the hill, they would say, "It's okay, we have swords to fight them off." The older managers believed that shipping was a cyclical industry. As long as they survived the trough of this wave, they would eventually crest it. To them, the 40% cut in revenues between the late 1990s to 2004 was seasonal. It would pass eventually. Why bother losing on a 20-footer to win a 40-footer? Why not just win less of both, but at profitable rates, and slowly wait for the industry to turn? They argued that my strategy of losing first to win later, would not help the company. They were set in their ways. The good old times they enjoyed in the eighties and nineties were over. Times had changed. People had changed.

But their thinking had not.

Don't get me wrong. Indeed, shipping is a cyclical industry, with freight rates moving up and down through the years. But as we moved into the mid-2000s, the world, and most importantly, China, had opened up. The world had shifted much of its manufacturing to China. Ports in China were now exporting larger volumes. What was concerning was that we did not have a substantial share of those volumes being exported out of China.

Secondly, what was also different this time was that the world's information had also become more accessible. The internet changed how our customers found shipping services. Whilst we still used slower dial-up modems in 2005, the introduction of Google meant that any business, anywhere, could find a consolidator. Mac-Nels' previous advantage of in-person connections was slowly eroded with the discoverability of more shipping companies via Google. If we did not offer concessions, there would be little reason to use Mac-Nels.

An oft-cited example of companies that fail to change, and end up being decimated, is the Finnish phone company Nokia. Many stories have been written about how it failed to innovate and were made obsolete as a mobile phone manufacturer. The reason for its failure was that it grew complacent, and did not see the disruption of the technically superior Apple iPhone coming.

What's not said is that Nokia's decline might have been because of the organisational culture of fear. One article shared how top managers were extremely afraid of the external environment, and not meeting their targets. This fear of not meeting the expectations of investors and stakeholders resulted in them exerting more pressure on the middle managers to meet targets. Top managers were seen as temperamental, reportedly shouting at people at the top of their lungs. It stopped the middle managers from bringing bad news that senior management did not want to hear, but which might help the company.

Similar to Nokia, some of my father's old guard might not have admitted it, but they were scared of the negative outlook facing our industry. The smaller revenues made for painful reading. Back then, inflation was not as high. Wages were lower. Everyone in the industry was generating decent revenues and profits against both the cost of living and operational costs. Competitors were not hurting other competitors in an outright price war. Whilst there had been glimpses of such price-cutting in the past, when competitors wanted to take bits and pieces of cargo volume off the other, there had been no all-out price war before.

But when selling rates went down for exports, and destination arrival charges went up, it became a contest to see who blinked first. Whoever took the most drastic actions to win would have the upper hand. My competitors began slashing prices. But my offices failed to follow suit aggressively. I, however, agreed with the approach of my competitors and decided to fight toe to toe with them.

I was all in.

The rapidly changing external environment exacerbated the internal culture of conservatism and fear. After all, why would you want to rock the boat when it was clear that the company wasn't doing well? If the boss didn't like you, he could fire you, and you would lose your means of survival.

Furthermore, my father had developed such an aura around him that some executives were scared of speaking directly to him because of the difficult questions he asked and how sharp he was at spotting mistakes. So there was the fear driven by the external environment, and the internal culture of fear that prevented good ideas from being surfaced, heard and implemented.

Faced with this, some of the old guard became like deer, frozen in the headlights of an oncoming car. They suspected that a crash was coming, but they would insist on repeating the same actions. For example, when Mac-Nels didn't meet its sales targets, they would say that we had dropped our prices too much. They suggested that we hold our prices steady. Their approach was *less, no, stop*.

My approach was *more, faster, better*. Earn less profit per shipment. Say yes to doing more. Stop expanding other non-core services, and focus on consolidation, such as Freight All Kinds (FAK).

Shifting the company in this operating environment was like dragging a man out of quicksand. On the surface, Mac-Nels seemed to be doing a lot to keep things going, with salespeople grinding through phonebooks, walking through industrial estates, and trying to get more cargo. But deep down, the company was slowly becoming subsumed by the changing environment.

My strategy was to shift the company policy from playing on safe bets, to a broader investment approach. I wanted 50% of our business to become medium risk, medium reward; 30% being low risk, low reward, and the remaining 20% being high risk, high reward. For example, in some quotes that I wanted to give to potential customers, I was willing to lose money at the beginning in hopes that they would stick with us, sending us more cargo in future. But my father's old guard believed in profits and not shipping freight that did not make us any profit. Profit became the altar they worshipped on, even when it was clear that this was resulting in the slow but steady death of our company.

My second strategy was to focus on smaller businesses. I started searching for more small-and-medium businesses as customers. We shifted our customer mix to become a majority of small-and-medium-sized businesses, and a minority of selected, bigger-sized businesses. Weekly, I would look through the list of imports and exports, observing which ones sent us cargo. I would call on them personally, travelling to meet them in-person.

All this work was painful. One night, I stared at the mirror with my bloodshot eyes. Seeing the growing wrinkles on my forehead, and the shadows beneath my eyes, I thought,

I'm working so hard. What exactly am I chasing?

It's a good question. When I first started, it was simply to help my dad. For a long time, I stood in my father's shadow. There was no way I could achieve what he did.

When did I feel like I was stepping out of my father's shadow? I felt like I took the first steps three years into my tenure as CEO. The directors from the different offices finally acknowledged how I had turned things around. Volumes had increased, business was booming, and we now had a growing network of partners.

Fast forward from 2006 to 2015, and volumes and revenues had now gone up.

It felt as if I had finally stepped out of my father's shadow. It was not about outdoing him, but reworking some of the fundamental tenets of Mac-Nels. Like growing our profile, and not merely focusing on profits alone.

As a CEO who had turned around the business, I should have been proud. I was still only in my mid-twenties.

Yet it was hard to celebrate. I only saw the work ahead. There were many more things to adjust. I still made use of Singapore's transhipment hub to grow. But there were three factors that were making business more difficult. Firstly, more fuel-efficient vessels were entering the market, reducing the cost per shipment. This would cut even further into our net margins. Secondly, as surrounding nations grew in wealth and also started trading more goods, cargo going directly to and originating from these countries increased. This reduced the need for Singapore as a transhipment hub. Cargo could now go directly to these countries. Lastly, more competitors were now offering direct shipments to these countries, reducing the need for them to book with us. To address these challenges, difficult decisions had to be made.

Moving our LCL shipments away from the Port Klang office felt like another step out of that looming shadow. Our office in Port Klang had been quite resistant to providing the LCL business. This was when we provided a shipping service with cargo that did not fill the entire container. Some in Port Klang thought that doing this service would lose them more money. They chose to focus on other parts of the logistics business, such as providing warehouse services, and custom clearances. But I wanted us to provide the LCL service because I believed that over time, building an extensive consolidation network would benefit all offices.

Faced with this resistance, what could I do? I ended up shipping our cargo to another agent. Some call this heartless.

Contrary to what people think, it hurt me too.

Who wouldn’t want to use their own office to ship cargo? Our name is on their door. My father put his blood, sweat and tears into opening this office. I could not help but feel a bit guilty. But Mr. Hyde did not. He knew that you have to pick the battles you fight. With the Port Klang office, I saw that I couldn’t change their mind about the LCL business. Faced with this resistance, if I could not change them, then I was the one who had to change.

Today, I no longer stand in my father's shadow.

My ambition has now outgrown mere filial piety. My gumption has grown. I want to become the best of the second-generation owners. There are the three largest NVOCCs in the world. MacNels might never be of that stature. But we can be the best of the rest. We can be the best of the other NVOCCs, punching above our weight. But what did "best" mean? Being the best did not necessarily mean competing with mere figures, and being the biggest in revenues. Sometimes, being the best meant keeping the company in the race, for as long as possible. Keeping any company surviving for fifty years was no mean feat. As long as we were still in the race, fighting, we may not yet be the best. But we were on our way of becoming the best of the rest.

To remind me of the constant fight, at the bottom of my computer screen, I taped a fable I saw from years ago:

Every morning, a lion wakes up.
It knows that it must outrun the slowest gazelle
or starve to death.

Every morning, a gazelle also wakes up.
It knows it must outrun the fastest lion
or be killed.

It doesn't matter whether you are a lion
or a gazelle.

When the sun comes up,
you better be running.

I want to be that lion.

But I never knew what becoming the lion would cost.