

Scrubbing away that idea about sunset industries

Cleaning products supplier SuperSteam grows at a compounded rate of 30-35% by finding new ways to sell and meet demand

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DIVING into a venture without prior expertise is not easy. That said, it is even more challenging for young graduates to venture into a commonly perceived sunset industry.

The husband-and-wife team of Dylan and Michelle Ng, founders of SuperSteam Asia Pacific Pte Ltd, has proven otherwise with their business growing at an average of 34 per cent per year. Mr Ng says: "There is no sunset industry; there is only sunset thinking. You are what you want to be. If you think you can grow, you can grow."

The couple started as distributors of Gal steam cleaner in 2002, when they were 25 and 23 respectively. They seized the opportunity given by a friend who was a local importer of the cleaning equipment. The low barriers to entry characteristic of this industry allowed them to venture in with just S\$4,000.

Within one year, SuperSteam achieved gross revenue of S\$200,000. This has grown to S\$11.9 million by 2016, which is almost a 20 per cent market share. Today, SuperSteam has expanded from just distributing cleaning supplies to manufacturing cleaning chemical solutions. The company is located in Bedok Industrial Park, occupying nine office units including a chemical factory.

"We are all over Singapore, every day you would definitely come across our products or walk into buildings that use our products," said Mr Ng. SuperSteam serves almost 90 per cent of established cleaning contractors in Singapore. Its products are used by large organisations such as Changi Airport and available in shopping malls such as Marina Bay Sands.

Striving to be the best one-stop cleaning

supplies provider, SuperSteam offers a complete product line ranging from machines, janitorial products to chemicals and cleaning solutions.

With the view that growth is only possible with constant introduction of innovative products, Mr Ng and his team make some 20 trips annually to source for products internationally.

This has resulted in the introduction of more than 40 products last year. Z Water, a purified pH12.5 ionised alkaline water, is one such example. This cleaning agent is made with advanced Japanese technology, cleans faster and lasts longer, resulting in bigger savings, which is aligned with SuperSteam's objective of providing customers with efficient and cost-effective solutions.

Responsiveness is vital in this business. Therefore, SuperSteam holds high levels of inventory so as to meet customer demand readily. For instance, at any one time, SuperSteam has more than 600 mop buckets which is more than the demand of mop buckets in Singapore.

It provides a single point of contact with a dedicated team of customer service staff to answer enquiries. Video clips, on-site demonstration of products and updated annual product catalogues help customers in their purchase decisions.

Over the years, investment has been poured into building its physical infrastructure such as the chemical factory, information technology (IT) system, and the fleet of vehicles. SuperSteam is also committed to investing in the training of employees including staff in sales, technical, logistics and administrative. In fact, SuperSteam has dedicated one of the nine office units for training and seminars.

Overcoming challenges along the way

Mr Ng admits that human resource management is a hurdle. "The people part of the equation is most challenging."

SuperSteam applies an unusual hiring practice whereby talents are hired from outside the industry and cultivated from scratch. The



Dylan and Michelle Ng started as distributors of Gal steam cleaner in 2002, before making SuperSteam a leading player with nearly 20 per cent of the Singapore market. As Mr Ng puts it: "There is no sunset industry; there is only sunset thinking. You are what you want to be. If you think you can grow, you can grow."

downside of this practice is the additional resources and effort needed to train them. However, Mr Ng does not view this as a burden. The reasonable compensation, a sense of hope and protection, and career growth opportunities help to retain them.

Mr Ng's trust in his sales team to contact the customers and suppliers directly enabled the company to grow rapidly. If he could not delegate control to them, the growth would not have been possible.

Growing at a CAGR (compounded annual growth rate) of 30-35 per cent, SuperSteam has to constantly look for ways to evolve, turn new ideas into real execution, find new ways to sell its products, and meet growing demand, says Mr Ng.

In anticipating and preparing for future growth, SuperSteam developed an "N+1" strategy – always having one additional unit more than current requirement. For example, having an additional vehicle in case of last minute requests from customers. This strategy also motivated SuperSteam to grow, in order to optimise usage of the additional unit of resource. In 2015, Super Steam started a transformation project to revamp HR prac-



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tices and deploy technology into business.

It has not always been smooth sailing for the founders. Mr Ng refers to the initial years as a "roller coaster ride". In 2005, they had to close down their office at Kaki Bukit (now known as Eunos Techpark) and work from a garage. They managed to break even in 2006 but faced tough times again in 2008. Having been on the brink of bankruptcy twice has changed the way SuperSteam operates and the mindset of the duo.

"Don't give up, as long as you hang in there, someday you will see the sunrise," Mr Ng advises. When facing failures, do not complain or put the blame on a third party. Instead, evaluate the situation, and do not give up in finding better alternatives or exploring new ways for improvement, he says.

So in a perceived sunset industry, it seems that holding the right mindset could lead to constant growth and improvement. With a different perspective and an optimistic mentality, the Ngs are working towards a more spectacular view of the sunrise.

■ The writers are students from NUS Business School.