

First Media eyes more M&As

Mark Phooi talks to **SWATI CHAUDHARY** about the keys to his company's success and its expansion plans



'It is not always possible to start the strongest. Often you have to start like a creeper creeping around big trees to get sunlight in a dense jungle. Leveraging is crucial.'

— Mark Phooi (left), seen here accepting the e50 start-up award in 2005

AT first glance, Mark Phooi, founder of First Media — the largest homegrown integrated marketing communication firm today and winner of the e50 start-up award in 2005, defies the corporate stereotype of a chief executive officer.

To begin with, the office of First Media where I met him, is a renovated three-storey house with a rustic main door and wooden staircases.

The first floor, which serves as the lobby is decorated with various memorabilia charting the company's growth. His office, where we spent the next hour, has almost a Zen-like appeal partly because it is not an office.

The third floor is furnished with a table, bookshelves and a curtain partitioning off a more private area on the other side.

First Media consists of 13 autonomously managed companies under its wing. It started off as Lancer Design in 1989; a short period after Mr Phooi graduated with a degree in graphic design from the Nanyang Academy of Fine Arts (Nafa).

He maintains that the degree, and as a consequence his business, was purely coincidental. "It (joining Nafa) was primarily due to a lack of avenues for pursuing further studies as my O-level results were very poor. The government is not so forgiving of late bloomers. I took my O-levels as a private candidate with three combined credits and only Nafa was willing to accept me. I went to Nafa to learn the fine arts, not graphic design. It was only in my second year that I realised something such as graphic design even existed."

Upon graduating, Mr Phooi free-lanced for a short time but realised that "there was little potential for career development" as a designer in Singapore, given the large number of graduates every year and the ensuing competition.

He enrolled in the Management Development Institute of Singapore (MDIS) for management studies and to acquire basic skills that would help him start a business. It was around this time that he chanced upon two books that later formed the basis of his philosophies for running a business and for life in general.

First was Charles Darwin's *The Origin of Species*, a "\$9.90 book", as Mr Phooi called it. The most important lessons that the book had for him were the idea of creating a perfect prototype and then replicating it, and the popular notion of survival of the fittest.

Survival of the fittest

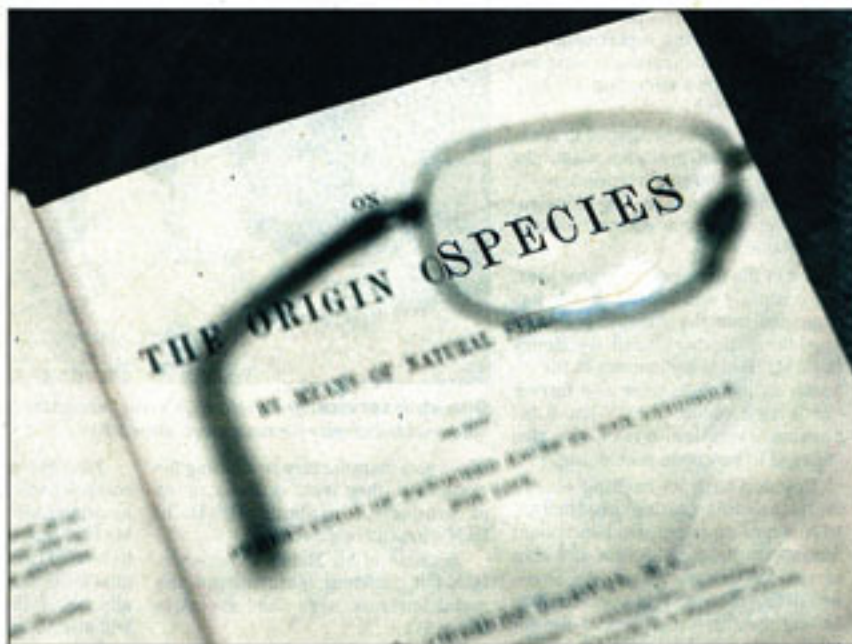
The first he adopted in establishing the 13 smaller units of his company, calling Lancer Design the "mothership".

The notion of the survival of the fittest left a great impression on him and inspired him to create a "first-class design house that would be the largest in Singapore and then the region".

However, he explains that "it is not always possible to start the strongest. Often you have to start like a creeper creeping around big trees to get sunlight in a dense jungle. Leveraging is crucial. These are small ideas but extremely important and have an impact in the long run".

And leverage he did. When global firm Current Media looked to acquire his company, Mr Phooi used it as an opportunity to reach out to clients in the region through Current's "extensive list of contacts".

"We managed to reach, through Current Media's respective country heads, their preferred vendors and built a partnership with them in Taiwan, China and Bangkok," he explains. This was possible only by having a per-



Important lessons: Two books formed the basis of Mark Phooi's philosophies for running a business and for life in general. They are Charles Darwin's *The Origin of Species* (above) and *7 Keys to Success*, a Christian book

sistent eye on the goal he had set out to achieve.

To a certain extent he attributes this to another book — *7 Keys to Success*, a Christian book. He elaborates: "It taught me that the first thing that you should have is a goal and, of course, the perseverance and resourcefulness to see it through. Finally, there is God. We should count the small blessings He has given us. When I read this book, it gave me a beacon of hope that I could make something out of myself."

In the same breath, he lets on that his hope for the future is lucrative mergers and acquisitions. In fact, four out of the 13 companies under FM currently are acquisitions.

This expansion plan applies to other areas in the region as much as to Singapore. He says: "Our best performing overseas unit is in Manila. We have three companies there right now: one deals with marketing communications, another handles architectural design and the last manages editorial consulting. This is where I hope to create a mini-FM of sorts."

Along with M&A's, new businesses are also on the cards for FM. It announced its plans for the First International Design School (FIDS) in Singapore last November. The school, the first among what Mr Phooi hopes will be a franchise spanning the region, will be officially launched later this year.

"Education will be the growth driver in the

future. There are not many private schools in Singapore. We have three main competitors — the polytechnics, Raffles Design School and other smaller schools. However, we will differentiate ourselves by developing designers to become design managers. This is what is lacking in the industry today. There are many designers but not enough creative managers. We have thousands of graduates every year with few job opportunities. Not only will we create enterprising graduates, but we will also offer some of them jobs in our companies."

No listing plans as yet

As for plans to list, now that FM has achieved success not only at home but overseas as well, Mr Phooi laughs and says that it will definitely occur "sometime down the road".

Right now though, he prefers not being listed as the company "is not hard-pressed for performance by shareholders, who demand results".

He becomes animated when asked about the government's plans to offer an alternate-listing platform for small and medium-sized enterprises: "It is a fantastic idea. There will be lesser financial control and the expectations will be different, as investors will know the nature of the company."

With a smile he adds: "We can only hope that it happens."