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Industrial-strength dining

Alson Teo worked his way up through the ranks of Swensen's and even *soon kueh* sellers. Today, he runs a million-dollar catering business and talks to Serene Goh about how he's turning his attention to personalised service as his company gets bigger.

Alson Teo can't remember a time when he wasn't working in the food industry. "All my life, all my school holidays, I remember working," he says. "I sold durians; at the time, from the back of a lorry. I'd tag along, and sometimes I wouldn't even get paid for that. They would need someone to watch out for customers and help serve them. The guys would need help, and I'd do it, and they'd just buy me lunch or dinner after that. But I just enjoyed being in that kind of atmosphere. I think it was a very intrinsic thing to me... it's the only industry I know that I'm good at."

No doubt, he breaks the mould of the glamorous food-chain owner — the 34-year-old CEO neither operates fancy restaurants nor expresses plans to do so. He isn't a culinary artiste, he wasn't someone who quit a high-paying job to indulge a whim to run a posh Club Street outlet, and he never had access to a Bank of Mum-and-Dad for the start-up doh for a foreign-concept bistro.

Then again, in the catering industry (which had a trade value of S\$291 million for last November, according to the Department of Statistics), Teo sees room for diversity.

Not one to shy away from a challenge, the fourth of five children always did things the hard way by rising from the ranks. As a

student at Kim Keat Primary School, he spent his vacations selling *soon kueh*, and by the time he was in Secondary Three, in Whampoa Secondary School, he had progressed to being a busboy, then waiter, at Swensen's restaurant.

After completing his O levels, he enrolled in a food-and-beverage course at the Singapore Hotel and Tourism Education Centre. It was an industry whose perks included one guarantee: He'd have at least one day off each week to spend with his sweetheart at the time (who's since become his wife). He wound up managing a cafeteria under the Gardner Merchant catering group, which has since been bought out by Sodexho, in Singapore. By 1997, he'd amassed a modest S\$20,000 to set up his own company — Stamfler Food Management Pte Ltd, an industrial catering company to serve hungry masses lunching at corporate canteens.

Not quite a theme restaurant with piped classical music bathed in soft light.

Like most entrepreneurs, he handled everything — sales, marketing, human-resource management, purchasing and operations, and enlisted 14 employees for his first gig. He managed to wrest the contract from the existing caterer at electronics plant AMP Manufacturing. That, he says, was his "very lucky" break, and one that he got after his pitch to the vice-president of the company.

"I was quite upfront with him. I told him that I [was] a one-man show, and I promised to do my best," Teo recalls. "But I suppose he was convinced that I had enough knowledge and could deliver. He took the risk to go with me. I thought 99% that they wouldn't do that. [It's] all about getting people to trust you, because at that time, I had nothing, and if I had flopped, then his head [would have been] on the line, too."

Today, the father of three has made large-scale industrial catering the bread and butter of his business, catering to groups of up to 8,000. For his efforts, Stamfler earned the Singapore Enterprise 50 award in 2002. And last year, in which many a mediocre eatery was extinguished, the company reported a turnover of S\$23 million and experi-



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enced such growth that Teo had to slow things down. Indeed, Teo reports that the company has enjoyed 20% to 30% annual growth since its inception, and today has 420 staff who operate 25 outlets island-wide.

The Stamfler group also operates food courts such as BURP at Alexandra Distripark and caters for events through Fostre, one of its subsidiaries. The latter caters meals for a minimum of two diners, with a mission statement of "Fostering relationships through food". It, at least, appears to be a direction that bucks the trend of mom-and-pop set-ups that have become franchises to reach more people (Han's, Ya Kun Kaya and Killiney Kopitiam being just several examples).

But Teo is clear about his new direction. Although it appears Stamfler is taking a step backwards from large-volume catering by reaching small groups under Fostre, the soft-spoken boss wanted to centre part of his business around calendar events and special occasions — from Valentine's Day dinners to full-month celebrations — to extend Stamfler's services to clients even beyond office hours.

"I started thinking about my own experience: Whenever I saw people carrying flowers, I'd suddenly [be reminded] it was Valentine's Day or Mother's Day, or whatever," he explains. "I wanted Fostre to cater to people who were always busy and needed a complete package for their special occasions."

"Singaporeans take their food quite seriously, I think. A lot of people attend corporate events, and they eat the food that's served there. But with Fostre, I wanted [it] to be a situation in which people would come to a specific event because Fostre was doing the food, too."

In an interview with *The Edge Singapore*, Teo recounts how he got to this point.

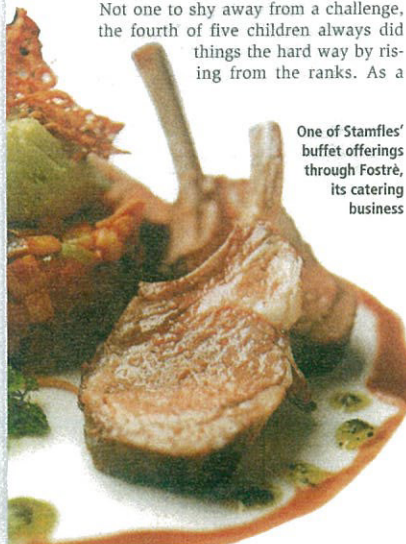
How did you get started in the food business?
Around Secondary Three, I started to work in Swensen's as a part-timer, during my holidays. I was a busboy, just clearing plates. I was very comfortable, because I enjoy being in that industry. From there, slowly, I got promoted. I was allowed to take orders — to me, being a waiter was already a promotion!

What was your family background?
I come from a family of five siblings — two elder brothers, one elder sister and one younger sister. [I stuck out like a sore thumb] — the naughty one. It was only when people started asking me about my earliest involvement that I realised that everything I'd been involved in had to do with food.

Corporate dining

If you're planning a corporate event, there's no need to sweat it. Log on to www.fostre.com, which offers catering choices. Whether you're looking for a Japanese feast for two delivered to your home or planning a sit-down dinner for a group of 10, there's something on the menu for you. Prices for buffets start at S\$10 per person and banquets start at S\$30 per person. Better yet, get the company to take charge of the entire event, and you can spend the time "networking".

One of Stamfler's buffet offerings through Fostre, its catering business





Stamfl's offerings include (from left) barbecue fare, the chef's popiah special and dessert

How did your parents react to your decisions? My parents very much wanted me to spend more time studying. But after some time, I think they gave up. My father is also a businessman, and he saw my independence. When I used to sell *soon kueh*, I'd work a whole day and bring home only S\$1.20. I'd give them one dollar and keep 20 cents. It seemed very filial. But I was fascinated by McDonald's — at the time, there was only one at Liat Towers — so I would starve myself and save up my pocket money just so I could eat there. So sometimes, when I didn't have enough money, I'd go back to my parents and ask them for money so I could eat fast food. My parents still wanted me to study, but I just went through the motions, [and] whenever the holidays came, I'd spend time working, and I either gave them money or tried not to take any from them. I'm not the kind of material to be a scholar or a lawyer. The ironic thing is that I think both my schools have been demolished. Maybe because they were producing students like me, they probably decided not to keep them going [laughs].

You got your first contract in 1997. How did you do it?

I took over the contract from a family caterer, but there were also international competitors at the time on the scene — players like Sodexo, which is listed in Paris. And in the late 1990s, government-linked companies came in (in) a big way, like Singapore Food Industries.

How do you regard competition in your industry? As in all industries, the competition is pretty stiff. Our margins are very low, so it is tough. We need to grow other businesses, like Fostrè, to make the company stronger. Right now, Fostrè is helpful. Take Hewlett-Packard, for example. Sometimes

they have big corporate meetings, with some big bosses from the US coming down, and they are used to our cooking. Fostrè came into the picture then... even staff who eat at the canteens call us and engage our services. Fostrè is a different catering arm that can do things that are unique.

What are your plans for expansion internationally?

I don't think we can move into a very fiercely contested market. For example, Shanghai and Beijing in China. So we have to look at outer provinces, and we have been shortlisted to enter two or three locations. For the business that we are in, I think the growth in China is going to be tremendous. I'm looking at the growth rate that they can have, which is 10 times [that] in Singapore. We could probably get much, much bigger volumes, although margins would be about the same — I don't think you can run too far from that... We're also looking at opportunities in the US, and my dream is to bring Asian dishes there. We might go abroad or go into retail — set up restaurants or franchises. But we have to be very careful and take our time. If we were to set up something, it would be serving Asian food, especially Singapore food, overseas.

How do you balance volume with personalised service?

Once a business grows, personalised service doesn't just come from me alone. I've got to get people to share the same values as me, and they have to become part of the family and serve our customers directly. It is always the whole team that makes the difference, not just the entrepreneur alone. I've got to get people

who are really customer focused, and they're very genuine and hardworking people.

What's your secret to building a business from ground zero to S\$23 million in six years?

I don't really know. The truth is that we just keep focusing on treating our customers well, and from my experience, people recommend us to other clients. It's really word of mouth.

What do you tell your staff to keep them motivated?

I tell them to give me a good, solid five days. And then spend their time with their families. I don't encourage late work, unless there's a big project and we're rushing to complete it. But on a normal basis, I always emphasise spending time with their families. My staff know that my door is always open to them, and I want to be engaged, too. I got engrossed [in other things] at one point, and my staff could feel the distance [growing], and they started to share with me that they missed the old days, when the [team] was much smaller. So I do make an effort to spend time with them, to have dinner with them, because I think that means a lot to them.

Catering is a business where you work while everyone else is having fun. How do you find time to spend with your family?

I have four-year-old twins, a boy and a girl, and a younger son, who is 18 months [old]. For me, if I can spend one day a week — Sunday — with them, it's actually very good. Weekdays, frankly, I don't have a lot of time. That's the toughest, to balance business and family. They are that age. But it's like [what a] friend of mine says: By the time they grow up and you find the time, they'll tell you they have better friends to mix with already. ■