

RAGS TO RICHES

Making the best of bad times

Kitchen-help-turned-multi-millionaire says economic crisis offers many opportunities

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FOR six years, Andy Ong watched his schoolmates from afar with envy, as they walked around in their spiffy branded sports shoes. But Andy had to be content with white canvas shoes from China, as that was all his mother – who raised him and his four siblings single-handedly – could afford.

Determined to make something of himself, he channelled his energy into part-time jobs as he grew up, hoping to fund himself through school and then university.

So, for nine years, from the age of 15 to 24, the former Raffles Institution pupil – who went on to St Andrews Junior College and the National University of Singapore – was a kitchen help at a Holland Village restaurant. There, he chopped vegetables from 6pm to 11pm daily after school.

Today, at the age of 38, he is a multi-millionaire, lives in a penthouse on the East Coast and drives a Maserati and an Audi.

In these uncertain times, when many businesses are risk averse because of the financial storm, the founder and chief executive officer



Fortunes are made during recessions, not during boom times.

Mr Andy Ong, founder and CEO, ERC Holdings

PHOTO COURTESY ERC HOLDINGS

of ERC Holdings, who made his pile from publishing and commercial property, told TODAY that the best time to step out and make your million is now.

“To me, this crisis offers unprecedented opportunities. Fortunes are made during recessions, not during boom times,” said Mr Ong, adding that the best time to start a business is when one is still holding on to a job.

The 1997 financial crisis, he said, gave him his lucky break. But he didn’t know it at that time. Seething with anger after getting the boot from his position as managing editor at a publishing com-

pany, he felt that his world had fallen apart.

“I felt awful. But I told myself: ‘It’s either sink or swim.’ So, I decided to strike out on my own,” said Mr Ong, a graduate in economics.

With \$10,000 in cash and a further \$20,000 in bank loans, he set up his own publishing company, the Asian Financial Planning Journal. It was a two-person outfit, and within 14 days, it broke even, he said.

“I could have taken a cushy job in an office, but I chose to take the tougher route. I did not want to be at someone else’s beck and call for the rest of my life,” he said.

The business grew into an eight-man team and five years ago, he sold it for a tidy profit to an American company to focus on developing ERC, the holding company of the Entrepreneur Resource Centre. The centre hopes to grow the entrepreneurial spirit in Asia through training, funding and mentoring its students. It also runs education services under ERC Institute.

Mr Ong taps on other entrepreneurs, such as Mr Douglas Foo, who runs the Sakae Sushi chain, and Mr Kenny Yap of Qian Hu, the ornamental fish farm businessman, to offer his students real insights into the entrepreneurial world.

“It’s not based on text books, it’s real life. And from

there, you can decide if you are hungry enough to become an entrepreneur,” said Mr Ong, who hopes that his centre will help change Singaporeans’ reluctance about running their own businesses.

So far, of the 1,000 students who have gone through the programme, only 10 per cent have started their own businesses. That low figure is because Singaporeans, according to Mr Ong, are still very risk-averse, and he is not very optimistic that the situation will change.

“Singapore is one big, iron rice bowl. People prefer the easy option. Look at our youth today – they are just too soft. But it’s really the parents who should take the blame,” he said. “When I have kids, I will only pay for their education. After they are done, they will have to fend for themselves.”

Those who are willing to take a gamble in this climate may want to consider investing in commercial properties, which Mr Ong said is more profitable than investing in residential units.

“The yield for residential property is very low as the rental income is not likely to cover the mortgage payments.”

Mr Ong is already working out the best time to make his next move – something that will come along as the financial crunch gets even worse.

“The time to buy is when there is blood on the streets,” he said.

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