



INSPIRING BUSINESS
SUCCESS ... By
living it B3

Inspiring business success ... by living it

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SINGAPORE — At 40, Mr Andy Ong has achieved quite a bit. He runs \$500 million in real estate funds as well as a rubber estate in Thailand, two-thirds the size of Singapore. This is in addition to the ERC Institute, which has its main campus on River Valley Road. The group teaches 3,500 students at schools in Singapore, Thailand and Vietnam to become entrepreneurs. His various businesses under ERC Holdings employ 1,100 people, of which a tenth are in Singapore.

Now Mr Ong, who studied economics at the National University of Singapore, wants to establish a chain of three-star hotels in the region, starting with the conversion of the 16-storey Prime Centre in Middle Road into a 300-room hotel as well as a school for the hospitality industry.

This month, Mr Ong paid the Hong Leong Group \$103 million for the freehold building, which has a gross floor area of about 95,000 sq ft on a 20,162 sq ft site.

"I found that on my travels, all I need is a comfortable bed with soft pillows, a large TV screen and a clean, com-

fortable bathroom," he told Today, pointing out that the frills of a five-star luxury hotel are wasted on business travellers like him.

"While our rooms (between 160 sq ft and 180 sq ft) will probably cost half the rate charged by five-star hotels, they will have free movies round the clock," he said.

He expects the conversion of Prime Centre to be completed in the second quarter of 2012 at a cost of between \$15 million and \$25 million. He then



wants to replicate the model in Indonesia, Thailand and China, using his students to run them when they graduate.

Mr Ong is also planning to expand his schools into Jakarta and China and plans more in Singapore, Thailand and Vietnam. "I tell our students they should not become mere employees but entrepreneurs ... We want them to have both quantitative and qualitative skills." But so far only about 30 to 40 of his 5,000 graduates, who come from more than 20 countries, have set up their own businesses.

"One of my proudest moments was when a former student called Robin sent me a copy of Prestige magazine, which described him 'as a young successful gentleman' who has made his mark in the bath accessories industry at the tender age of 29. He was very kind to men-

tion me as a source of his inspiration."

ERC charges between \$6,000 and \$10,000 a year here for courses leading up to degrees from affiliated universities in the United Kingdom. But not all of its students are happy customers and some have voiced their dissatisfaction on the Internet.

While he now enjoys driving his several cars and lives in a luxury condominium in Bukit Timah Road, life has not always been a bed of roses for him and his four siblings. "Dad left us when I was seven ... somehow my mum managed to raise all of us, right up to university," he said.

Soon after graduation, he dabbled in financial journalism, starting a magazine called the Financial Planner with \$10,000 from his savings and borrowing another \$20,000. After successfully selling the magazine in 2003, he moved into property, picking up several shophouses with "comfortable" rental yields.

At the same time, the Economic Development Board encouraged him to promote entrepreneurship among the youth. Unhappy with the way students were taught at private schools then, he started ERC. He spent \$5 million turning the former River Valley Primary School into a campus for 1,600 students. Last year, he bought 90 per cent of North Bridge Commercial Complex for \$46 million, also from the Hong Leong Group. It now has place for 1,300 students.

Although the group bought a significant stake in Shun Thai, a listed Thai manufacturer of rubber gloves, and a 40,000ha rubber plantation in Thailand, it is property that enthuses Mr Ong most. His several funds totalling \$500 million and under Gryphon Estate Management are invested mainly in properties. "That's where my expertise and focus is," he said. And he provides advice and insight into property on his blog, 'My Money Sense'.