

Teong Teck Lean



When Carrying Becomes A Calling



When Teong Teck Lean, Executive Deputy Chairman of GD Express Sdn Bhd agreed to take on the helm of the company in 2000, little did he know that he would also be taking on the behemoth task of trying to change a whole industry.

GD Express formed during the nationwide economic downturn of 1997 was tethering unsteadily in the year 2000. The founders though very positive about the business, just could not seem to put it together. A chance conversation with an acquaintance would change all their lives and put the company back on track. That chance conversation was with Teong Teck Lean.

Eight years after the fact, we too have a conversation with the man who took on a company and is now creating waves in the express carrier industry.

Could you tell us a little bit about your family and educational background?

I grew up in a small village, Kampong Merbau in Perak that didn't even have proper water and electricity. We were a family of ten and I had seven brothers and sisters. We were landowners, supervising the tilling of land for agricultural purposes.

I must admit that it was a time of great hardship as even from a young age we spent our time tilling the land but it is probably this very hardship that taught me how to be so focused and to appreciate anything that I have.

I was fortunate to have parents who were quite forward thinking. While we kids were still young, my parents divided the land between us to give us our respective shares. And this piece of asset is what allowed me to further my studies. I sold my land to pay for my engineering studies in Canada.

I guess I have always had a respect for land. And this respect is probably why years after I had given up my first land to better myself, I made it a point to acquire land and work it with my own hands to build an orchard for my own family. Besides, working the land is a great stress reliever and the only kind I indulge in. I also harvest my own honey here. There is nothing like toiling the land to remind me who I really am and where I come from.

From engineer to entrepreneur, how did you make the transition from one to the other?

Actually, in between the engineer to entrepreneur, I was also a stockbroker for many years. When I returned back from my studies, my first job was as a process and product engineer for Texas Instruments in 1984. In my capacity as an engineer, I had to ensure that the quality and processes were well run and that programs that were put in place, fit in with the performance standards for the kind of yield

that was desired. You have to remember that this is one of the most quality stringent companies in the world today, everything has to be precise.

This was my training ground to further teach me how to be more focused. The salary wasn't much but it did give me the opportunity to learn how to get things done and started me asking questions engineers normally don't, like cost and how is this going to make money. As these thoughts came into my mind, I realized I needed to move on to a job that gave me more mobility.

This brought me to Lembaga Letrik Negara (LLN) or better known today as Tenaga Nasional as a consumer engineer. And with it I learnt a whole new set of skills. Over at LLN, it was all about people.

After four years, I was itching for change again. This time I tried some ventures on my own but they didn't pan out. In the next year or two I started to understand the capital market a bit better. I joined OSK Securities Bhd as an Institutional Dealer trading with institutions and high net worth individuals in 1990. It was during this time that I learnt how companies actually come into being and how they raise capital. As a result, I also got to know a lot of bankers, fund managers and entrepreneurs who shared with me how they run their businesses.

The early 90s was a great time for the capital market. A lot of people were making money during this time and this gave me the opportunity to accumulate some money. Coming from a poor background, I have always been quite thrifty with money, so I saved most of my money. Of course, my ex-colleagues would beg to differ.

They just thought I was stingy. They used to laugh at me because I never even bought a new car. I was just trying not to be wasteful and it was probably a good thing too because when the time came for me in 2000 to have some ready capital... I did.

For someone who had no knowledge or experience in the express carrier industry, it must have been quite a gamble taking on the reins of GD Express. Weren't you worried that you were taking on more than you could chew?



If you asked me 10 years ago if I would be starting this... the answer would probably be a resounding "no". I can't imagine going back 10 years and thinking I will one day be an entrepreneur. But I do believe in destiny... and I think I found mine.

It was always a dream that someday I could be an entrepreneur. So when the founders of GD Express agreed to let me buy them out and lead the company, I took it as a calling and took up the challenge.

I knew that when I took over the company, we would have to go back to the drafting board and re-do everything because the company needed a lot of changes. The first thing I needed to do was understand the business and understand what the problem was. Then I needed to get the people to buy into the new ways of doing things. I think that was the toughest challenge. Instead of using IQ, I needed to use EQ to get my message across and if I failed my mission, I was looking at bankruptcy and that was not an option. And being a small company, there were also a lot of guarantees to sign. So for the first couple of years I had many sleepless nights.

I knew I needed to assemble a very strong team and I knew I needed to do it fast as for our type of business, a strong team is essential. The first thing I did was engage a consultant from Singapore to assist me in re-structuring the company. After a couple of months, I managed to convince him to become my partner. I think it was harder to get Leong Chee Tong as my consultant than as my partner as he was more used to running big organizations than a small one like ours. I was also fortunate to have one of the founders, Yong Phie Loong to agree to stay on as Head of Business Development.

It actually took us about two years to bring the company around. The first six months was getting to know the business and find out what the problems were. The business no doubt looks very simple but it is a lot more complex than it looks. The success of GD Express is not mine alone but also the employees and the industry itself. Everyone played a part in getting us to where we are.

It was hard going but after the revamp, we have a yearly growth of about 30% and in 2005, we managed to get

ourselves listed on the Mesdaq Market of Bursa Malaysia. Today, GD Express operates a network of 93 stations, comprising 51 branches, 3 affiliate stations and 39 agents throughout East and West Malaysia. We have a fleet of more than 250 trucks and vans and in 2003 we were the first local express delivery company to obtain ISO 9001:2000 (Quality Management System) certification for all its entire 25 departments. Not bad for a company that was on the verge of collapse just eight years ago.

You are currently the President of the Association of Malaysian Express Carriers (AMEC). What is the outlook of the industry presently and what are the ramifications for the industry in the changing business environment?

Courier service has become an essential service for most organizations. A lot of people in the industry are getting more proactive in putting in the effort into this type of business. If you can satisfy the expectation of the users, you will get a very huge demand. However, this is an industry where you need a lot of capital. You need a large fleet of trucks and a lot of computer networks connected to your branches and stations so that your information becomes more seamless and synchronized.

The industry is becoming more relevant everyday. The key words are speed, cost savings and reliability. We are helping customers save a lot of cost. It is far more expensive and time consuming for companies to deal with their own deliveries instead of consolidating their deliveries.

There are still a lot of areas for improvement within the industry before it can reach its full potential. First, the industry needs to get more committed to making the necessary investments so that the service network can be rendered properly to customers. Secondly, we need a more level playing field with our competitors from other industries through the cooperation of the relevant government agencies and associations. We must be able to tell them what it is that we need to move forward. I do see some initiatives taken by MCMC in this area by providing us a platform for us for dialogue.

The Association has 24 members and is trying to play its part in making our industry relevant and useful. We cannot demand that customers see us as important to their businesses, we have to make ourselves seen that way through our endeavours and cooperation with each other.

My vision for the industry is for it to get due recognition and become an essential service for the country and the nation. And of course, I hope that GD Express will become a good role model in this. my

Teong Teck Lean can
be reached at
teong@gdexpress.com