



THE LONG INTERVIEW | CHANGE-MAKERS

Tocco Studios' Vincent Lai tells **Susan Long** why he chose the Arab route and how he is trying to improve financial literacy worldwide and influence how banks communicate with clients.



Mr Vincent Lai, who ran with bad company in Malaysia, toughed it out – and eventually excelled – under Singapore's education system. He now owns a company whose clients are big Middle Eastern banks.

PHOTO: DESMOND WEE

# 'Johor Beng' takes on the Middle East

**H**E WAS a teen gang member who beat people up for sport. He once spent a night in jail for car racing. And on weekends, he downed Ecstasy pills for kicks.

When he arrived in Singapore from Malacca at the age of 19, Mr Vincent Lai couldn't string together a sentence in English. When he couldn't pay his rent and was evicted, he slept for weeks in a corner of the computer room at Singapore Management University, where he was studying.

But through it all, curled up in his sleeping bag, Mr Lai clung on to his Singapore Dream. When the conservative banking industry here spurned his youth and would not bet on his start-up's touch screen prototype, he headed to the Middle East to earn his stripes.

At 28, he is now the CEO of Tocco Studios, a five-year-old multi-touch solution business. In Singapore, its interactive touch screens sell financial products at United Overseas Bank, beam directory services at the National Research Foundation and link up the unemployed with jobs at Singapore's Community Development Councils.

Tocco, which means touch in Italian, employs 10 people in a 1,400 sq ft office in Yishun. It has another eight-man office in Oman, where it has snagged the sultanate's leading financial services provider, BankMuscat, as a client. Tocco is fast making inroads into the Gulf states, especially with banks in Qatar and Abu Dhabi.

Why choose the difficult Middle East to launch from? Because it's difficult, says Mr Lai. Difficult markets favour the young and brave with time on their side.

"People like to use this phrase 'blue ocean', which means nobody wants to go. People not willing to do. I do. They don't dare to do, I do and I get the rewards," he says with boyish candour in functional English.

Though fuelled by dreams, his move is grounded in pragmatism. It is the only route for a young business like his to break into the risk-averse banking industry that demands a track record.

"To go from nobody to somebody, that is a big step," he says. "If you want people to buy a banking solution, you'd better be in that space first. Then people will start to take notice and we can start to sell to more banks worldwide."

The Singapore PR now spends half his year in Oman. Getting

there involves travelling to Qatar for 10 hours, transiting between one and six hours, then flying from Qatar to Oman for another two hours. Summers are searing, with temperatures running over 50 deg C. The pace is slow. A meeting takes weeks to schedule.

Once, his Omani client received a call from his mother midway during a meeting and chatted with her for an hour. "I didn't know what to do so I just waited," Mr Lai recounts, adding that the meeting only resumed after the client hung up. Meetings are also punctuated with languid, communal slugs of Omani coffee, using the same unwashed cups. And he is still struggling to pick up conversational Arabic.

What helps his Omani clients get over his baby face is that Singapore is a "very good brand name" there and is featured as a success story in Omani school textbooks.

The Middle East is both a difficult and easy sell in terms of technology. "They are at least five to 10 years behind Singapore, and if you move on to the Mena (Middle East and North Africa) region, their technology is maybe 15 to 20 years behind. To them, Singapore is so advanced. Whatever we do here, we can bring to the Middle East. After the Middle East, we can still bring it to Africa. So we can easily replicate two times," he concludes.

When he shows leap motion technology, activated by waving one's hand around, the Singapore client immediately understands the innovation and goes on to ask: "How can I leverage this to add value to my business?"

But the Middle East client may not even understand what the technology does and will be sceptical: "What benefit can it give?"

He sees the gap in knowledge as an opportunity that gives him a chance to explain what it can do and make his pitch. "I tell them: 'We want to bring the best to your country. Whatever you see in Singapore that you like, you tell me. I am your conduit, I can bring it to you.'"

Beyond outfitting BankMuscat's branches with 46-inch touch screens that allow customers to instantly calculate loans, explore products with a swipe and make appointments with bank officers, Tocco also builds apps for banks and helps them begin to "speak social media".

He has full confidence – at least for the next 20 years – in the oil-based economies of the Middle East, which still have money to burn. His next target: The sprawl-

## Vincent Lai on...

### His worry for Singapore

"I worry that Singaporeans don't feel the heat of globalisation. The Government feels it, but the people don't. You know, this new ruling on hiring Singaporeans first."

In Oman, I can hire a top-notch guy who speaks perfect English, can do business development and has sound technical knowledge, for only 800 rials a month, which is about S\$2,600.

If you offer Singaporeans this kind of salary, nobody will take the job. Singaporeans still think they can command high-paying salaries of at least \$4,000 to \$5,000. But business owners know there is China and India and other parts of the world where they can get the same talent for less."

### His goal

"Schools teach finance and accounting. But they don't teach you how to plan your finances, how to do negotiations, how to invest in properties, which is what makes you real money. That's what I hope to change, by working with banks to educate people to be more financially savvy."

### Why the Middle East market

"I haven't given up on the Singapore dream. Now it's the Singapore plus Middle East dream for me. People look at us as young and inexperienced here. In the early days, we had difficulties selling solutions here as a start-up... To go from nobody to somebody, that is a big step."

If you want people to buy a banking solution, you'd better be in that space first, then people will start to take notice and we can start to sell to more banks worldwide."

### Definition of success

"Success to me means I can do anything, anywhere, any time, with anyone I want, on my own terms, with money not being an issue."

### grew up in Malacca and fell into

bad company as his parents struggled to make a living. By the age of nine, he was collecting protection money from classmates. By 11, he was puffing cigarettes. By 12, he had joined a gang. By the time he was 14, he was leading a double life. Weekdays, he was in the best class in school. Weekends, he frequented discos, took drugs, raced cars. It was thrilling at first, then stale, hanging out with drug peddlers and loan-shark runners.

### Making good

MR LAI is the third son of a tour bus driver and a babysitter who

fered to sponsor his education in Singapore. He was months away from finishing a private school IT diploma, which he helped pay for with construction work, but agreed to drop everything and come here.

He arrived in Singapore, with his mother's parting words "ah niu chu cheng" (country bumpkin heads for the city) ringing in his ears. At Republic Polytechnic, he was known as the "Johor Beng", with thick gold chains and gold streaks in his hair. At his first class presentation, he stood there, dumbfounded. Giggles erupted. "I was humiliated," he recounts.

The first year dragged. He had no friends. He couldn't adjust to the pace and contemplated suicide. He was painfully aware a family friend was paying over \$800 a month for his living expenses, and his family, all in working-class jobs, were footing his fees. Each night, he returned to his rented room in Ghim Moh, unfolded a sheet with 10 new English words he had encountered and pencilled down that day and consulted his dictionary.

During holidays, he was an Akira salesman, hawking TVs and vacuum cleaners.

By his second year, he scored As and captained the volleyball team. In his third year, he graduated among the top 5 per cent and was accepted by all the local universities. He chose to study information systems management at SMU, and paid his way with a scholarship, graphic design jobs and help from the family.

Then a six-month internship with Standard Chartered changed his life. He and three other students built an interactive touch screen the size of a large coffee table to make selling financial products more interactive.

According to SMU School of Information Systems dean Steve Miller, 57: "At that time, it was a pioneering application as this was prior to the launch of the iPad, and even prior to the release of the Microsoft Surface Table."

It was a hit. It attracted a \$50,000 start-up grant from the Media Development Authority, along with the threat of a lawsuit from the bank for stealing intellectual property. The latter was eventually resolved as it was found he and his classmates had modified their touch screen's design from open-source blueprints. But it put off his three other co-founders, who bailed one by one because of the high stakes and hard slog.

He alone plugged on, crafting proposals, pitching investors and tinkering with touch screen dis-

plays till he enlisted another classmate, Mr Andy Soh, 29, who is now Tocco's business development director. He also roped in a few SMU dons and board members onto Tocco's advisory board, including Creative Technology's co-founder, Mr Ng Kai Wa, now chief executive of Innomedia.

In 2010, Mr Lai graduated, the only one in his family to do so, and on the dean's list. The first two years, the two-man outfit turned over no more than \$30,000 a year and paid themselves less than \$800 a month, mostly cobbled from designing websites. But things picked up.

In 2011, revenue rose to \$150,000, from touch screen sales to clients like the Ministry of Home Affairs and the Institute of Technical Education.

Last year, revenues topped \$600,000, after they decided to outsource all the hardware and focus on software, venture overseas and focus on the financial sector with deep pockets.

### Missing mum

TODAY, the bachelor pays himself "more than what many of my peers are making". He still rents a room in a Yishun HDB flat and takes public transport. He has a Singaporean girlfriend, Tiffer, 25, from his polytechnic days, now doing marketing in his company.

His one regret is that he is on the road too much. Ruefully, he says that he only gets to visit his parents in Malacca twice a year now. "My mum is 60 now. Assuming she lives till 80, I can only meet her 40 more times. Recently, when my grandma fell down, I couldn't be there. I could only call her," he says, choking up.

Through his Middle East expansion route, he hopes to expand the horizons of young Singaporeans beyond the tried and tested.

"What I want to see is more people living their dreams. Too many of my friends just go out to work for money, in banking or consulting. We become living zombies without a soul."

He hopes one day to have an SMU scholarship named after him. Meanwhile, he has already started to give back. Last year, his company started handing out a \$1,500 award for the best final-year project at SMU's School of Information Systems. "Every time we received an award at SMU, we felt that our hard work was being recognised. It made us want to aspire to do bigger things. So we want to give back this feeling to future batches of students."

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