

0104 M: Hello listeners. Our guest today is Tan Teik Guan. Teik Guan is a hardcore computer scientist. After earning a Bachelors in Computer Science at the National University of Singapore, he worked in IT Security at the Monetary Authority of Singapore, before being bitten by the startup bug. He was the CTO and CEO of the security software startup DS3 for about a decade. He led DS3 to a sale to the security multinational Gemalto and continued there for 3 years in VP roles. Since leaving Gemalto, he has spent his time mentoring a number of tech startups, while pursuing a PhD in quantum cryptography, whatever that means.

0143 Welcome to the show, Teik Guan.

0143 T: Thank you, thank you Murli, it's good to see you again.

0146 M: Yah. Great to see you too. So I'll start, you know, let's get right into it. Why haven't you decided on another company? You know, your co founders did.

0155 T: I mean DS3 isn't even my first company that I started, right? It is my third. I failed the first two and now is the third one.

0202 M: I didn't know that by the way.

0203 T: Yah, that's information that you're getting right now, but why not another one? I would say that I'm not your typical kind of a serial entrepreneur, that mould that some people like to put people who are successful in.

0214 It's really about trying to I'd say change the world or make something of impact. And as of now, I feel that I do need to go back to my roots, understand the technology, understand stuff that's really deep and technical, before I can come out and do something else, isn't it?

0230 M: Ok, so in other words you're saying that what you have in mind is that you could potentially do another one?

0234 T: What I know when doing my PhD is that I will not stay in academia, that's for sure.

0240 M: This is very good. You're actually anticipating at least 2 of my questions. One of which was - what makes a founder a founder and the second one is about academia. But we'll get to those in good time.

0248 T: Sure.

0249 M: Just to rewind a little bit. You mentioned these two companies, while this wasn't in my original list of questions, very briefly, what were those companies?

0256 T: The first company was a mobile payment startup that we wanted to do and bear in mind, this was back in the 1990s and we were using the Palm III, if you are old enough to know what a Palm III is.

0308 M: I wasn't rich enough to own one, but I knew what it was.

0311 T: So we were using a Palm Pilot to essentially issue payments on a P to P basis. Obviously that didn't take off.

0320 M: Was it a wallet on each one or?

0323 T: Yes, it was a wallet on each one and we wanted for example to get it to pay to the taxi through its dashboard.

0331 M: Yup.

0332 T: And we were trying to do the integration to get it to pay to that. Obviously it's a good thing I didn't continue with that because I would have then died a starving man in the street, you know.

0340 M: Right. Ok, what's the other one?

0343 T: The second one was more, again in the financial world. It was more a backend B-to-B integration for all the various payments from interbank high value transfers to wholesale payments to consumers and how all these worked within a bank. The larger banks would have all these in place but many of the smaller ones, including the branch offices and foreign subsidiaries of these branches which also needed local processing didn't have that. So they were all in, I guess, siloed little pieces and someone had to get everything together. So we were trying to go for that but I guess the timing wasn't right or it was more of a post dot com and telco 3G era. So if you didn't have telco, you didn't have 3G, you didn't have something like that in your company's name, no one was going to look at you. Not much happened, unfortunately, so that sort of went away as well.

0433 M: So if I quickly summarise, and please tell me if I get this wrong, the second one was more because it was the hangover from the dot com bust as well as more focus on telecoms and all that in the market, which is why your startup didn't get traction, versus the previous one where you were just too early to market or the tech wasn't there.

0450 T: So the first one was obviously too early to market. I mean we were targeting consumers when yes, you know, as young professionals, people had Palm Pilots, but not everyone had it. I mean it was I guess, from an overall perspective, few and far between. For the second one, I would say it's the market sizing that we didn't really understand. We saw what backend banking systems needed, we knew what money it could attract, but you realise that most of the money goes to the big boys. And when you chase the long tail of this, then you have to be in it for the really really painful ride or you must know how to scale. All these concepts were relatively foreign to us then, I mean that was so long ago, and no one helped us understand this. You know, on the ground, on a customer by customer basis, you can probably secure one, two or three, but what goes beyond five? It starts to get really painful and doesn't pay the bills unfortunately.

0543 M: So this is very helpful and thanks for even bringing this up because as you know, this podcast is all about mistakes that people can avoid and ideally, you know, you listen to other people's mistakes and you learn from them. In the worst case you make your own mistakes. In the best case you don't make any mistakes, but that's just not possible.

0558 T: Yah, that's not possible. Come on.

0600 M: So, yah, so here you've said, you pointed out, you know, couple of mistakes which were sort of a trial by fire. So either the market wasn't ready, or you hadn't sized it appropriately and so on. So thank you for doing that. One last question before we actually come back to my original list of questions. Did you do this starting from uni or when did these things happen?

0620 T: It was, so I was still working at MAS when that whole startup thing happened and you know, we got together with both my friends, my, I'd say suppliers, vendors, customers, whatever there and then. We tried to do whatever we did. So it was post-uni definitely.

0635 M: So at DS3, you weren't one of the original founders.

0638 T: Yup, correct.

0639 M: What was that conversation like and how did the dynamic evolve as time went on?

0643 T: So the original company was more of a typical reseller kind of company, they brought in products from overseas, and they tried to sell to a local market. And the original founder wanted to really transform the company to a more system integrator plus SI+ product kind of company where

you build your own tech and you sell your own tech, because that's really where scale happens. I was their customer then, at least before this and so we got together and he said that, look, let's just do this on a probational basis. If it works out then we do what we do. So that's what really happened. He gave me founding status and some shares, which is nice.

0721 M: So that was the initial conversation? How the dynamic evolved, not just between the 3 cofounders now, between you and the rest of the organisation?

0730 T: Well, it was a learning experience for me, I mean I'm really really glad for the whole ecosystem right now, even for what you guys are doing. I mean there's so much more information. Yes, there's a lot of misinformation but there's so much more good information that you can get and it's a lot of help that you can actually get online on this. Back then, you got more misinformation, you know, angels then were called archangels and for negative reasons. I mean they were scary shit that we went through. So it was also a learning experience for me, me being from the really technical side of things. I re-learnt everything from scratch, from sales, from groveling to customers to beg them to buy, from price negotiations, from product design to even working in production environments and stuff. And yes, you work in it as an employee but when you build and own this stuff, and you get it out there, it's a whole new thing altogether and it's a whole new learning experience for me. I'm glad that the team really stuck together. Several of the guys who joined DS3, very close to when I joined, that was back in what 2000, 2001, they were still with me you know, when we got acquired.

0834 M: Yup.

0835 T: So that was a good thing and we learned along the way, we grew along the way as well. Dynamics, obviously happened. I joined as a CTO. I got pissed with my founder who I felt wasn't running the company fast enough or big enough. I told him to get out or I get out, you know, that kind of thing. So there were tempers, there was ego, there was stuff, but I think overall, everyone wanted the company to succeed. You know at some point of time, it wasn't the company per se that kept us together, it was the people that kept the company together.

0906 M: How does that differ? I'm not clear.

0907 T: It's something that I've been trying to grapple with. I mean does the company make the people or the people make the company? And I think in the beginning, when there is this overall view of what you want the company to do and then people start to come, it's more of a company making the people because you sort of attract the people in. But as the company grows to a point where the people within the company actually define the culture, you know, they bring in their own, rightly or wrongly, their own baggage and and their own ideas, and they make the company, I would say, a part of what they are. Or the company becomes part of what they are kind of thing. And so when that happens, I see that kind of growth where it's not left to one person to say, hey, we are going to go this direction, go that direction.

0946 M: Yup.

0946 T: The whole company grows that way and that's a very exciting time.

0950 M: Right.

0950 T: So at that point of time, I would say that I felt we were held back and I was pissed, you know. You don't get to do this kind of stuff by just being nice and gentle and stuff and we used several vulgar words even in the board meetings. Yah, trust me I mean we had to edit all of them off when we were cleaning up the board minutes, but yes, that was the stuff we did. Eventually, we sort of grew to a point where it was really a company bigger than what each and every one of us was and that was when real superscale happens and that's really where exciting stuff happens as well.

1022 M: You said something earlier which I picked up on, which is a little nugget. You said, you fought with your co-founder, we're not going to name which one. There were two. But you both decided or you both knew that you wanted the company to grow and the company to succeed. So it wasn't about the individual. Am I right in extracting that?

1039 T: I mean I would say at that specific point when it was heated, no, obviously not, but you don't say stuff that you can never take back. You know, you reach a point where you fight, but you never reach a point where you say something that you cannot take back. And then after a few days you realise that yah, I mean both of us actually wanted the same thing. It's just that it may not be in the same direction, may not be at the same speed and one has to give way to the other. And so my other founder said, ok, you say you are going to do this, make sure you go do this. I'll give you my support but you better do this, ok? So I did it.

1113 M: So that's interesting, you know. I had a bunch of questions around even how do you decide who gets how much equity, right? Was it based on cash put into the company, was it based on tenure and so on. But let's park that for a second. We can come to that if necessary. I'm more interested in the bigger question around how you even decide more broadly who gets to decide what? Right? Equity is just one component of that. So it may not be just between the three of you, it may even be two subordinates, right? At some point if somebody says, look, here's what we're going to do in the next quarter, for example, ok. Not 5 years from now, not tomorrow, within a quarter. Reasonable time I suppose. But somebody else has a different view. How do you reconcile that? Is it that all 3 have to agree and sort of stamp on it? Or simply say look, no, this is Teik Guan's department, this is Kelvin's department, this is Zvi's department and they can each decide on their own. Ideally they get everyone to just consent but?

1204 T: We sort of didn't get to that I would say. it's a very curious thing if you look at what we did. So operationally, I won't say for the early days, but operationally assessed, when we eventually raised our, just before our A round, I guess, even before that. Myself and Kelvin, sort of settled that. I work on P&L, and he works on cashflow. I do anything and everything to make sure P&L is good. He does anything and everything to make sure the cashflow is good.

1230 M: They can conflict sometimes though.

1232 T: Of course and I mean when it conflicts, then we will figure out what needs to be done and that sort of works, right. Because I don't have to worry about cashflow and that my god, that keeps you up at night. Doesn't mean that P&L doesn't but if the founders don't realise that these two are very distinct animals and need to be controlled in a way or managed in a way that moves a company forward, then they should be starting to look at it at least. I worked with him on that. And that at least that worked out very well for me. We had conversations, we had our conversations when we needed too, but it allowed me a couple of hours of sleep at least a night.

1305 M: So this is useful. So one thing you've said is those two are actually separate topics, so it's actually better handled by two separate people. The other thing is I think you've empowered sort of yourselves and each other to do the things that's necessary for each of those topics. But the third I would say is, it also fit your mentalities, right, because I know both of you and Zvi as well. It fits your respective strengths. Is that the way to think about those three, kind of?

1329 T: As I said, it wasn't really deliberate per se, you know, we didn't go out there and say, hey you do this and you do that.

1333 M: Yah, you fell into it organically.

1334 T: We just fell into it organically. I guess from the years of working together, we sort of know our strengths and weaknesses. I like to dream about stuff, like to do more stuff and get something bigger. Kelvin's a lot more pragmatic on the ground, makes sure that the cheques, the pay cheques

that you sign at the end of every month, oh my god, it scares the shit out of me. So he does that. He makes sure that the bank balance is healthy enough so that we pay the necessary salaries, bonuses, commissions, whatever there needs to be done.

1403 M: Got it. So then let's come back to the specific point, right. Especially given that you were not there on day one, how did you guys decide how to divvy up the equity?

1412 T: Now, that's a really difficult question. I cannot even remember how it was done. I can't speak for everyone else. I guess from my perspective, I would say that having gone through two failed startups, trying to worry about equity wasn't top of my mind. You know, it's really that drive that you want to get something done, you know, and that itself, I would say supersedes the need for equity.

1435 I looked upon it as like there are 3 of us. If I get my relative share, I shouldn't complain. No, I would say that's the case, right. I didn't need to care about what the other two had or who had more or who had less. That wasn't really my concern and I guess that sort of took my demands out of those equations to say that, look, if I have my share and I see you guys as equal partners then that's fine.

1457 M: In the bio, you know, I mentioned that you held both CTO and CEO roles, starting as CTO and then becoming CEO. What is it like to be simultaneously in two roles at once?

1507 T: Ah you see. If you look at my name card, it will say CEO/CTO.

1512 M: Yes.

1512 T: So wherever I go, I'll cancel whichever role I'm not doing then. I don't say CEO and CTO. Its CEO/CTO, so I'm very mindful when I go into a meeting, whether I'm taking on a CEO role or CTO role. And I try not to overstep. Obviously it happens now and then, but I really try to make sure that I'm only holding on to one role as I go inside.

1537 M: So in your mind, you've compartmentalised it.

1540 T: Yup.

1541 M: Which is useful but there are still, you know, only 24 hours in a day. You working 12 hours a day.

1547 T: No, I would, I would.

1547 M: So is it 6 plus 6?

1549 T: It's not, come on.

1550 M: Can't be.

1551 T: Can't be. You cannot do 12 hours a day and expect a successful company. You do 18.

1555 M: I understand. So is it 9 plus 9 but is 9 enough for the CEO role? Is 9 enough for CTO? That's my point.

1602 T: I guess I don't count. What happens in a day itself, I guess the day goes by so quickly sometimes, you cannot really count. I do a lot of the thinking outside. So I would say that there is the operational side of it and there is the strategic side of it.

1617 M: Yup.

1617 T: And the operational side of it happens in the day, like you meet your customers, you meet your employees, you meet your subordinates, you meet your suppliers, your partners, everyone.

And then in the quiet hours, when you are in the toilet, you're shitting, you are doing whatever you need to do, that's where the thinking happens, right. Then you ask yourself both from a short-term point of view, from a medium- and longer-term point of view, are we going there? Are we getting there? What are the right questions, what are the wrong questions to ask? And if I don't have the answers, I sleep over it, take a piss and hopefully the answer comes out and then the day starts again.

1653 M: That's very pragmatic and I think a useful sort of guide to give entrepreneurs. So coming to the actual guide for entrepreneurs, let's step away from Teik Guan specifically and more generally. The overarching theme of this podcast is failure and how not failing from one day at a time eventually makes you an overnight success. Alright. And I feel like when you started out as an entrepreneur, you yourself said it. People in our industry focused, I think more on the possibility for failure, right? So potential for loss of face caused risk aversion in both the founders and their investors and so on. And you became a founder and now today I learn 3 times over, you know, despite all this. So the question for you I have is, are founders just a special breed or do you just convince yourself to ignore the possibility of failure or do you plan for it? Can anyone become a founder?

1743 T: So two things come to mind, right. One, my belief is that anyone can be a CEO. Now a founder is a different thing. Anyone can be a CEO. It's what kind of CEO are you, right, and that's a totally different topic. But to answer your question of what it takes to be a founder and it was with my second startup, one of my founders then he told me this. If you start a company, you cannot look back and look at your safety net behind you. You have to do stuff till there is nothing left to do.

1809 M: Yup.

1809 T: And you just go all out to get it done.

1813 M: Now you cross the bridge and then you burn the bridge.

1815 T: Yah stuff like this. I mean you don't think that there's something else to catch you if something fails and because of that, it drives you in a way that I'd say not your regular employee or executive would, because really your life depends on it. And if it fails, that's a separate thing altogether, but when that happens and when you put yourself in that position, you might see a different side of you and I would say is it born, is it bred, it's a matter of, I don't know. But you need to push yourself, and it's just really pushing yourself in that situation before whatever that it is comes out.

1848 M: So you've answered I think halfway what I was intending to ask. You've said basically if you force yourself to not have a safety net, you're forced to do it. So the second half of the question really is, can anyone do that? Or is it still a special breed who can only do that?

1904 T: So this comes to this, right. I'd say it's a conversation I had recently as well. Can everyone be an entrepreneur, can everyone take an entrepreneur journey? Everyone can benefit from being an entrepreneur at some point in their lives. It can be a 6-month, 1-year, 2-year thing, and then they go back to their cushy, nice, ok I won't say cushy but go back to being an employee, but you will realise that you are so much more effective even as an employee after being exposed to the entrepreneur journey. So that's something I'm quite passionate about and that's why I do encourage a lot of people to really just go and do it.

1937 M: Right.

1938 T: If you are, you know, worth that two cents yourself, then go out there, challenge yourself and you'll realise that if you go through that, you'll be so much more valuable to yourself and your potential employer. You shouldn't be worried about say getting a job if you really need to. But you don't think about it yet, you know, you just go and do it and at some point of time, you'll realise

whether are you really cut to be an entrepreneur or you should just go back and be gainfully employed. Nothing wrong with that. But you would have benefited from the entrepreneur journey and that's something I really advocate.

2009 M: I think that's really inspirational advice and I think people should take that very seriously. So we'll try and promote this in a podcast, not just for founders but also to potential founders.

2017 T: Yah, of course.

2019 M: So on a relative note to the point about you know, potential loss of face and potential for failure, again, when you first became a founder at DS3, they already had enterprise customers, right.

2030 T: Yup.

2031 M: It wasn't just an idea. So it had sort of gone past that initial phase.

2035 T: They were more of an SI so they didn't really have customers, they had one or two customers.

2039 M: Sure.

2040 T: Yah.

2040 M: But there was something there, someone was paying them to do something.

2042 T: Yup.

2042 M: It wasn't just at the idea stage.

2042 T: Yup.

2045 M: So what is the one thing you knew at that stage that the company had to get right, or you personally had to get right at that stage before turning your attention to anything else?

2053 T: I would say that we were more of a reseller.

2057 M: Yup.

2058 T: Transforming into a system integrator and that gave us the necessary cashflow and profitability to really grow the company. But it was within a year or two I guess that I started to realise that I didn't want to be a system integrator. I didn't, I just didn't want to be just like that for the rest of my life, to use a really terrible analogy, you're essentially selling blood right.

2117 M: Yup.

2117 T: The more blood you sold, the more money you got.

2118 M: Yup.

2120 T: But there is a finite amount of blood within each and everyone so you what, hire more people to sell more blood, I mean that's, that's a very mercenary way of looking at it, but that's really the SI kind of thing, so.

2125 M: Yup.

2130 T: At some point of time, I said, no. We needed something of our own, we needed something that we could just sell on a recurring basis that first of all, gave you the kind of nice bump up in both, you know, maintenance or what they call right now the subscription models where where you have this sort of slightly guaranteed revenue that in the beginning of every financial year and that was great. So that was sort of my goal then, and so we changed the business model a lot, changed the

way we priced, we changed the way we had to quote, just to increase such that when I started the year, I know at least a good 3 to 6 months of my year is done, which is a good thing, right. And then you grow and grow and grow to the point that you know that the year is done, it's just about making it bigger.

2212 M: So effectively what you're telling me is you re-engineer the product as well as the business model and that was the first step to getting to the next stage of the business.

2220 T: Yah, well more than that, right. The product then was blood. System integration and we re-engineered it as in we made it into intellectual.

2230 M: Intellectual property.

2231 T: Yah, IP itself, hardware, both hardware and software into something that could be replicated without too much blood.

2237 M: Yup.

2238 T: And still sold for a decent amount of money.

2240 M: Ok, so speaking of you know, oozing blood. So you're doing a PhD now. And you've said to me, and I'll quote you here right, because I know it is done. You said PhD programmes are bullshit, post docs are even more bullshit. Right, so why do you say that?

2258 T: I've just insulted everyone that I know. Well, you know, you ask really different questions. I would say that when we were on the ground, you know, delivering stuff to customers, we were solving just as difficult questions. So the difference I would say is that the rigour was different. When you were deploying to the banks and stuff, you made sure that the server ran right, you implemented the right stuff, but do I really need to prove that I implemented it? Well not really. The proof is in the pudding right. Get it running, running for several years, no one's complaining, life is good. PhD is different right. You do the same thing, you write it up, everyone says nah, this is not novel, you haven't proven that you are right, here and there. Even though it's right. So that was a little culture shock for me then, right. So you realise that PhD is all about the rigour. It's a matter of you still, you have some theorems or some assumptions or some I guess something you want to prove, right, and then you spend 80, 90% of the time really proving it, while the original idea was just that 5, 10% itself. So that was what I went through as well. So it was a culture shock for me and partly why I said it's bullshit, as in am I really smarter because I went through a PhD programme? No, I just spent more time on it.

2411 M: You know, it's interesting you use the word rigour and then you explain what you meant by it. I thought you were going to say the exactly the opposite, so maybe there's two kind of rigour, right.

2416 T: Ok.

2417 M: In academia, you can assume the spherical cow. The perfect conditions, right, on paper, whereas in the real world, you know, you put it on the server, I don't know, someone turned off the power, you know, shit like that happens.

2430 T: Of course.

2431 M: And you got me prepared for that. You got a bit of the redundancy, you're actually working towards commercial application, which is not necessarily the same as what's provable in the lab, right.

2439 T: Well, on the other hand, the rigour at least what we talk about is that, if you tried to submit your papers to conferences, you'll realise that, you know, when in the real world, we implement this



and there are attacks that may happen, there are attacks that will happen and attacks that are just on paper.

2455 M: Yup.

2456 T: And we sometimes for the sake of, you know, either because of resource, because of speed or optimisation or stuff, stuff that's theoretical, you don't really care about it, do you?

2505 M: Right.

2505 T: I mean would it happen? Ah, nah, not really. And so you make it clear that we're not implementing this because look, this shit won't happen and because of that, we get to be able to deploy more, we run faster, we squeeze out a few more TPS in the system and life is good. Now, this cannot happen in academia.

2522 M: Yup.

2522 T: Because they will say, no, because this will happen and you cannot do shit, you know, and that's that.

2529 M: And that's for the benefit for our listeners, when you're saying attack, you're talking about security attacks, cyberattacks.

2533 T: That's right.

2534 M: And TPS is transaction per second, right?

2536 T: Yup.

2537 M: You've been actively encouraging people to step out of academia and actually do something in the commercial world. I guess not only entrepreneurship but just commercially in general, right? So can I ask, you know, what mistakes do folks who made this transition, what mistakes do they actually commit or what hurdles do they face?

2554 T: Oh, so many of them. Let me start with...

2558 M: And you understand why I'm asking, right, because when you're encouraging people...

2602 T: Yup.

2602 M: You have to give them the good and the bad and prepare them for it like the culture shock you faced.

2607 T: Let me answer one question that I always get when I speak to academia about this and that's that they shouldn't need to be the CTO.

2617 M: Ok.

2617 T: At least for me, I mean a lot of these researchers or some of them who've stepped out and sort of style themselves to be the CTO, because they say when I join a company, I'm a tech guy, I'm supposed to do all this stuff. One, first of all, I don't think that they are much more technical than the people out there because they're not really that much stronger. Two, tech founders, at least maybe because I'm biased because it's myself, I think tech founders being the CEO has a lot of advantages as well. In fact, some of the companies that I have invested in, all the CEOs are tech guys you know, tech persons. Because I think that as a tech founder, you understand both the tech side and you then really pick up the business part, which says a lot more about that rather than the business guy trying to figure out what the heck's happening. So that's my point. Back to your question itself. What are the challenges you say that say a researcher might come out and face? I would say that the very first thing is what is framed as a problem in academia is actually an

opportunity in industry. I mean curing cancer. If you're in research and you want to cure cancer, that's a problem, right. You want cancer to be cured. But curing cancer in industry is an opportunity. The problem is who to sell to. I think that's a different thing altogether and that bridge needs to be I would say sort of moulded so that the researcher can take his mind off trying to solve the problem, but really trying to solve the problem for the customer he's trying to sell to and that takes a lot of time unfortunately. Having engaged many of these tech founders, it takes a lot of time for these people to understand that and to take their mind off the whole novelty side of it and stuff. You know, if you see the initial investment text they write, it's like a thesis they do and there's even citations behind the investment that, you know, it's crazy kind of stuff that you have to do. I'm sure you've seen those.

2805 M: I have. I have seen those. Are there ever naïve assumptions around what that tech is worth and things like that?

2814 T: I would say that thankfully I'd never needed to manage that. I had to manage that more for the businesspeople. Surprisingly a lot of the tech guys, I mean those who stepped out and really did this. We're not talking about those professors in nice ivory towers. Again, I've insulted people, but I'm talking about researchers that step out and really want to be founders. They genuinely at least for me, they genuinely want to learn the business. They want to run and do that where valuations are less of that fight, while many of the businesspeople or people who have been in industry for a while, and they come out, and they tried to do a startup, they tend to fight a lot more in terms of the valuations, the equity, the equity split, the stuff and everything. And that's crazy, man, I mean it's like you're nothing right now. And if we are going to spend so much time talking about it right now, nah, I don't want to waste time with you. So that's the unfortunate thing we have. So I haven't had that many encounters with the technical guys as compared to the business guys.

2916 M: When I said value, I just want to give you my point of view. I didn't mean necessarily valuations specifically. Sometimes I've noticed overly technical or particularly people who have gone through higher education, not just a Bachelor's, there's an assumption that you know, the tech is all that matters, forgetting the commercial reality as how to go and sell it, how to implement it, how to maintain it, all that stuff. So undervaluing that. That's what I meant, more into the effort, not so much company valuation.

2941 T: And so I sort of put them in the category of the professors in ivory towers. And I essentially just stay away from them.

2949 M: Correct.

2951 T: The world is big enough, I don't have to speak to everyone, right.

2953 M: Yup.

2954 T: And they can choose to speak to whoever they want to.

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3005 M: Ok, shall we have a beer?

3007 T: Sure.

3007 M: Great. So you've picked, what have you picked again? Can you read the name of it?

3012 T: Kolsch, Eagle Bay.

3015 M: So Eagle Bay I think is the brewery. Kolsch is the kind of beer. So Kolsch is a German style beer, but I don't think this is from Germany, and specifically from the city of Cologne, right. So that's why Kolsch, that's where it comes from.

3028 T: OK.

3028 M: So it's a kind of lager.

3030 T: That's nice.

3030 M: Yah, so it should be nice and crisp and so on.

3033 T: Ok.

3033 M: So please go ahead. What I've got here is from the Alpine beer company, a beer called Hoppy Birthday which is a pale ale. So Hoppy Birthday to me. Cheers.

3045 T: Cheers. Oh, I've opened mine.

3048 M: Oh please. So I have a simple rating system. One is I absolutely hate it, 5 is I absolutely loved it, so where does this fall?

3058 T: Two I guess.

3059 M: Oh really. So you didn't like it so much.

3101 T: Wait, one is good or one is bad?

3103 M: No, one is I hated it.

3104 T: Oh sorry. Ok four then.

3106 M: Ok.

3106 T: Sorry.

3107 M: No worries.

3107 T: Oh god, the alcohol is hitting me already.

3111 M: And this is what you expected, you know, I gave you a bit of an overlay as to what to expect.

3115 T: Well, yah well, lager is good because I seem to be biased towards those which is a good thing. And it didn't give me the bitterness that some of the other beers tend to have so that's why I like it that way.

3126 M: Yah, so it's a good thing you didn't choose this one because typically pale ales are fairly bitter and this sort of fits the bill. It's not super bitter. It's not like crazy, in fact the name is Hoppy Birthday but it's not like super hoppy. So I quite like it actually.

3141 T: Ok. And I chose this because it's bottled, not so much that I knew it was a lager, you know.

3145 M: That's fine. You can choose for whatever reason you want. What does it remind you of and what would you say you would, I don't know, eat it with or will you drink it by itself?

3155 T: Well, beers are beers right. You just drink it when you want to drink, so I don't really figure out whether we have to match it with something. When I need a beer, I drink it.

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3212 M: Ok, let's come back into the main conversation. We've been talking a lot about sort of mistakes, things that entrepreneurs should do, issues even that you yourself, you know, had in the past and so on. I want to come to giving more advice to entrepreneurs now. We actually had a listener question. The question was how do you scale tech quickly? Especially as you know right now, when tech professionals are in such high demand. So perhaps we can take this in two parts. I'll lay out the first one, which is more, how do you scale the tech team? And let's try to cover all aspects of this including attracting the right kinds of people, the hiring, project management, team coordination and retention. So this is all about scaling.

3250 T: I would say I will speak from an investor point of view because that's probably the easiest way to answer it. I go back to what I said earlier. I like tech founders, and one of the things that need to be there is that I need to be convinced that the founder themselves can roll up their sleeves, can get at least a decent part of the product done.

3308 M: Ok, you mean on their own.

3310 T: On their own.

3310 M: Yup.

3311 T: I mean without really needing to hire people.

3312 M: Yup.

3313 T: Because if they need to go out there and get outsource this and get that and stuff then, no way this team is going to go. I mean he's just a project manager.

3321 M: Right.

3321 T: So it has to be that the founder himself or herself has the means to get the product out of the door, maybe functional, shitty product that works but not the nice polished stuff. Then he or she hires the necessary people to get it to a point that becomes polished then nice and shiny. So with that in place, then you'll realise that the number of people you need to hire is significantly reduced. First of all, you know who you need to hire because those are the people that complement what you have, not so much of tell you what to do. Because if you have to then hire a team of people to then scope up the product and blah, that's no longer a startup, I mean.

3359 M: So let's take it as a given, that you've actually got the initial iteration of the product out and even as customers and installations and all that.

3405 T: Yup.

3405 M: So we're talking more about the scaling side of it. I as the founder, let's say, I know exactly what I want to do, I just don't have enough hours in the day. How do I get enough people in the door, retain them, ensure they're motivated?

3417 T: Wake up one hour earlier. We used to face that problem as well, right. I mean we typically survived on 3, 4 hours of sleep and you'd realise there's just not enough hours in the day and when I was joking with my cofounders he said, how do you get more time in a day.? You wake up one hour earlier.

3433 M: Right.

3434 T: So anyway, but the side joke aside. I cannot pretend to know how to answer the question in this context here right now. I mean the competitive landscape here and what I faced then was fundamentally very different. So I would say that it goes back to principles itself. Product market fit

is something that's really very underrated and very poorly understood by many founders. That if you've seen what product market fit can really do, then the scale that happens is crazy. And for people to recognise that, you know, people always say oh, if I sell my first product, ah, you've got product market fit. That's bullshit.

3507 M: No.

3508 T: Yah, I mean there was a saying then, you know, if you sell to DBS, the biggest bank in Singapore, you're done, great. Wait till you sell to DBS Bank, you realise that no, shit, everyone else is different. Try selling what you had to DBS to Citibank. Try selling what you had to Deutsche Bank. Fundamentally different. So product market fit is way beyond just being able to sell to even a big bank, or big customers. It requires you to be able to cut to the chase, you'll realise that things instead of outbound sales, inbound sales happen, that orders come in and requirements come in faster than what you want, because customers look at what you have and they imagine what they can do with it. And that's when the really exciting stuff happens. And when we had that in place, the kind of scaling that we did, did I have time to really think about it? Oh well, no. I'll be frank with you. We got good hires, we got bad hires. Good hires moved the thing forward, bad hires drive you nuts, but even right now, I mean I cannot even pretend to say that I know how to hire well. It's hit or miss and I would say you just have to do it and then fire after that.

3614 M: Fair enough. So the other half of the question. First half was about the people, which I think you've answered, but the other half is so how do you scale your tech as your installations grow in both scale and complexity? So do you think you should build as you go along or do you build ahead of the curve? Your answer might well be that, look, it depends on the specificities of the situations and that's fine too.

3633 T: I don't. So we have what we think the product can do, but I allocate a small percentage of resource and time to doing something crazy. So I tell my guys. I say look, you have 100% of your time, or whatever it is. You can spend 80, 90% of the time doing what you need to do. And that extra 5, 10%, go try something else. Because I cannot even think of everything there is. I may discuss with you and you please discuss with me on what you want to do, but try doing something else. And quite often they do stuff that even wows me, you know, and that was a wildcard that I had thankfully then. I had a couple of cases when that (thing they worked on) became my next version, without sharing too much about the sensitive stuff.

3714 M: Sure.

3716 T: We had lots of failures. I mean lots of products that didn't go to market, we've had lots of attempts. But just one or two of them really changed the whole business. And so that was what I did. I was sort of like playing lottery.

3728 M: Yup. Buying call options as I would think.

3729 T: Yah, and it worked for me.

3733 M: So shifting gears a bit, I'm actually coming back to something that you were saying earlier about you and your cofounders at DS3, but I don't want to dwell specifically on that example. You've seen many other startup teams over the years, right? So what are some of the common reasons in your experience why founder teams don't work out? So for example, it could be differences on company strategy or personality clashes, disputes about ownership, how do you make decisions?

3757 T: I would say communications is probably the make or break. Let's be clear. No group of people will think alike for an extended period of time. You may have a common goal in the next 6 to 12, even 24 months.

3809 M: Right.

3810 T: But never beyond that.

3811 M: Right.

3811 T: So everyone's got their own family to worry about, their own, whatever they want to do in life, kind of thing. And communication actually both makes or breaks the dynamic within the team itself. That if someone needs to do what he or she wants to do, and that is communicated in a way that there is at least an ability for each one to talk about each other and shout it out, fight it out, I would say that that helps to bring the company forward.

3835 M: This sounds a lot like marriage actually.

3838 T: It's worse than marriage. It's harder to find a good co-founder than to find a good wife. I'm not kidding you.

3845 M: I know you're not kidding. I actually read somewhere that you once said that every startup must have an exit strategy. Why is that?

3854 T: It is back to that whole I would say common vision or common goal that people look towards.

3900 M: Ok.

3901 T: And I recall what I said. And while you don't think about an exit strategy, there has to be one and that sort of binds together that medium or even the longer-term goal that everyone works towards.

3912 M: Ok, so just to clarify. When you're saying you must have an exit strategy, you're simply saying we must have a common view of what the future of this company is.

3920 T: Yup.

3921 M: Not necessarily saying that we must have a view on we're going to sell this company in year 3, that's not the point you're making.

3926 T: Well, there is a timeframe with this goal as well. You cannot be, hey, I want to sell the company in a year or in a century's time, no. But there has to be a timeframe that comes with it.

3935 M: But does it always have to be a sale, is my question.

3938 T: No, definitely not, right.

3939 M: Right.

3939 T: I mean you can run the company down, right. I'm kidding, but having that common goal I feel gives a lot of focus at least to both the expectations and to what you can plan with the rest of your life. If we're aiming for even a next round in a years' time, and one of the cofounders says that, look, I can only do so much. I want to step down in a years' time. So there is that plan that happens.

4006 M: Right.

4006 T: And you can then work the whole relationship or you can work the job scopes and everyone else, such as distributors, such that it's almost like...

4015 M: Seamless.

4015 T: Yup, seamless, yes. And without communication, without that timeframe in mind, I don't think this is going to happen.

4021 M: Let's go meta for a bit right, and think about the success and failure of Southeast Asian startups as a whole. So if there is one thing in the Southeast Asian startup support ecosystem that you could transform with a magic wand, what would that be? Would it be schools? Legal system? Immigration policy? Cultural norms? Cross-border ties?

4044 T: I would say that and I speak from a B2B standpoint because...

4047 M: Yup.

4047 T: I've tried B2C and I've fundamentally failed.

4049 M: No, we're all about B2B here.

4052 T: Ok, I fundamentally failed in B2Cs so I cannot even pretend to know what to do. What was the biggest pain I had when I was doing the B2B business? I'd speak from my own experience. We worked best when regulations were a lot clearer and were more enforced. I guess that comes really from how I was brought up right, within Singapore itself, where you play by the rulebook and if you play by the rulebook, life goes on, and you generally can do well. That does not necessarily happen around the region.

4118 M: Yup.

4118 T: There're a lot of other nuances that you need to understand, the cultural differences, not the language but really the cultural differences and even the process in which a sale has to happen.

4129 M: Right.

4129 T: But on the other hand, once you've understood that, then Southeast Asia really doesn't look as scary as what it is. One thing that I would say change would be the value of the product itself. Unfortunately, while it's very difficult to sell and expand abroad, you don't get the kind of returns that you want for the kind of investments you have put in. That's at least the experience we had. I've encouraged many of the B2B startups that I've seen to really want to get beyond Southeast Asia and this maybe is against what you guys are pushing for but its important to get beyond Southeast Asia into the European or even the US markets.

4205 M: It's not against [what we push for]. We actually want that.

4207 T: Ok. Because you'll realise that it's a lot more lucrative, the deals there get you the paybacks that are so much more worthwhile than trying to do Southeast Asia.

4114 M: 100% agree so just to clarify, we actually want our companies to get into that, but it's also a very pragmatic way of saying look, if you're sitting here, what are you going to do in France tomorrow. You need to have a certain scale and certain brand recognition, referenceability, all those things before you can try it France or Germany or US or wherever.

4230 T: Try Netherlands. Do the...

4232 M: Sure.

4233 T: Do the Benelux, do the UKs, relatively open markets.

4236 M: Right.

4236 T: We've managed to get there. I'd say that the part about selling in Southeast Asia would be distance, right, I mean it then you are not too far away from your customer.

4244 M: Yup.

4244 T: You can meet them when you want in the same time zone, but beyond there, I would say it's not going to move your needle too much.

4251 M: 100% agree, yah.

4253 T: I mean if I have an opportunity to go to Europe or to go to the US, I would go there.

4257 M: Yup.

4258 T: Definitely. Those markets are way bigger, way more rewarding.

4301 M: Yup. No, I completely agree. I guess the reason we take this approach is because we're being pragmatic about what people can achieve at a super early stage.

4307 T: Yup.

4308 M: Also being pragmatic about yes, those are larger and you know, attractive markets, which means guess what? You're not the only person there. There's way more competition as well. So it's a mix of those.

4318 T: Well, the other thing is that if you go to the Southeast Asian markets, quite often the price negotiation drives you to the ground.

4324 M: Agree.

4324 T: So I would say that competition in Europe is fine, and you better have a product that can stand up to the competition.

4330 M: Your rewards are higher.

4331 T: Yah if it's a race to the bottom for a price, then sometimes you just have to walk.

4335 M: Interesting. I'll just make one last comment before we move to the next thing. A couple of our companies actually get better pricing in one of our neighbouring countries, which is obviously a lower income level country than Singapore, so in fact they're finding it more attractive to move out of Singapore into this "emerging" market than to stick in Singapore.

4352 T: Yup.

4353 M: So I agree.

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4405 So this is, we call it Torment Your Search Engine. It's all about the number of the episode. So this is episode 1820, because you know, we've done so many already.

4414 T: Nice.

4416 M: We talked about a volcano in episode 1818 and then in episode 19, we marveled over the number of names Singapore has had over the centuries. Anything special occurred to you about the number 1820 before I tell you what I found out about it?

4429 T: Well, I was guessing what some brand or beer you would have, but then, you know more beers than me.

4435 M: I like how you think. But actually I was a bit more serious about this than in fact even the volcano, right? So I keyed in 1820 into the search engine of the US PTO, the Patent Office.



4448 T: Ok.

4449 M: And an intriguing patent filing popped up. The title of the patent was “Automatic responses to incoming calls based on user activity”. You’ll think, what, that’s really boring. But actually it wasn’t. Because here’s what they’ve patented. So imagine you call me when I don’t answer. You don’t know why I don’t answer. You could send me a text message, or leave me a voicemail, or do nothing and simply hope that I call you back. Right. So this patent is for a software service that automatically tells you, the caller, why I didn’t answer and also in a contextually relevant manner. So, let me tell you how it does that, right. So first of all, when you call me, you don’t know what device I’m using. I might be on a phone or a computer. Ok, because this is a IP based call, the call also could be put through to a gaming system, it could be put through to let’s say a VR headset or a fitness device, right. And I might not be sitting at my desk. I might be traveling and on a foreign network. I might be in an area with poor connectivity. Maybe I’m in the MRT, the subway. Or there’s a lot of ambient noise from somewhere, I just didn’t hear it. My calendar could even show that look, I’m at the dentist or my heart rate monitor combined with my GPS might tell anyone who’s looking that I’m out cycling, but you don’t know any of this. So if I’ve signed up for this service that these guys have patented, then the system could make sense of all this context and customise its response to you. So let’s say it wasn’t you calling, it was my father.

4604 T: Yup.

4605 M: And my father and I usually speak on the phone, we don’t text. So it might send him a voice recording telling him, look, I’m on a cycling holiday in Malaysia, and my phone battery is low. It’s easier to text me, so text me, ok. And it can do this automatically. On the other hand, if you’re a casual acquaintance, it might send back simply a short, you know, message saying look, not available, try this particular timeslot because it knows my calendar. So I found this like super cool because you know, it contains. These are just a couple of examples.

4631 T: I don’t know, scary shit man.

4633 M: It is scary shit so it’s not our care?

4635 T: No, it’s not that. It’s that if I want to know what you are, just send different calls to you at different times and I can actually profile you.

4641 M: True, but you know, like I said, if you’re a casual acquaintance, it won’t give you all the context.

4645 T: Well.

4645 M: If you’re my father, it will.

4647 T: And I can fake the incoming number.

4649 M: Possibly and this is where Mr Security comes in, right. So by the way, guess who was the patentor on this? Well I mean there’s a few parties but let’s see what you guess.

4659 T: Google.

4701 M: Well, in this case was someone quite close, even scarier. Microsoft. They just got the patent granted I think as we record like a week and a half ago.

4710 T: Ok.

4711 M: Anyway, back to the show.

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4718 M: So on to the show, we like to get to know our guests a bit better on a personal front as well, so not just discussing big themes like you know, Southeast Asia and so on, or even just advice for founders. So I'm now going to toss out a series of ideas and your job is to tell me whether it's overrated or underrated. And just give me your first reaction.

4736 T: Ok.

4737 M: First one is software engineers.

4739 T: Underrated.

4740 M: In what way?

4741 T: If I were to rate a good software engineer, it's 10 times better than an average software engineer. Wait till you get a brilliant software engineer. That guy is a hundred times better than a good one. And stuff is made or broken because of these guys. Especially in my area where we do security, right. I mean we have to write code in the smallest of places and fit it into hardware and stuff and make sure it runs at the speed or at the kind of level that operationally it needs to be. And that's where you really need super super guys.

4811 M: Interesting. So it's almost as though you're saying it's not software engineers as a class, but the search for the right software engineer is underrated.

4819 T: No, that fantastic software engineers are underrated.

4823 M: Understood, ok. Deep tech.

4826 T: Overrated. It's used by too many people who don't understand what it is.

4830 M: I agree, ok. The third one, trickle-down economics.

4834 T: Downright bullshit overrated. I think it is just the dream of people up there who don't really want to get things done and they just give it to a few people and expect stuff to happen. And wait till you go to the ground.

4847 M: Ok, and is that because you think that happens because effectively they have been co-opted by...

4853 T: I mean it's almost like the too big to fail stuff, right, I mean if I give to the big boys, it actually trickles down. No, it doesn't. You have to give it. If you have to give it to someone, go give it to that person.

4902 M: The way you worded it was, it sounded like sort of person giving it was being lazy in their thinking. My question was whether they're being lazy or whether they're being co-opted by the big boys.

4911 T: Lazy.

4911 M: Ok. So you're not attributing malice to them, you're just attributing laziness to them.

4915 T: Yup.

4915 M: Ok. STEM education.

4918 T: Oh, that's a difficult one. I'm almost going to copout and say it's what it is. There's enough emphasis put on it and yet you cannot underemphasise it.

4928 M: Got it, ok. Last one. This is easy. Venture capital.

4934 T: I'm now thinking whether should I insult you or not. It's changed over the years. At this moment, it's super overrated. Yah. In the past, it was scary shit overrated. Now it's just, it's getting better and is overrated. I'm quite affected by some VCs who go out there, not you in particular, there are some VCs who go out there and claim that they want to change the world. And they change the world by giving money to someone who changes the world. No, that's not, man, that's not changing the world at all. You're trying to make money out of this guy.

5004 M: Yup.

5004 T: So if VCs go out there and say I make money for my LPs, and I get rich at the same time, and I don't try to claim credit for who I give money to, life is good.

5015 M: Right.

5016 T: That will be the level that I hope VCs reach but unfortunately we are not there yet.

5020 M: Right, ok.

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5028 M: So we have, as we have established in prior shows, tens of thousands of listeners in Chad.

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5036 M: And they are very well familiar with the old African proverb that "It takes a village to raise a child". So what part did your family play in DS3's growth journey? And is a founder's personal life sort of inextricably linked to their day job?

5051 T: Oh, I mean I owe a lot of what I do to my wife. I run without a care and I try to go as far as I can. But I go back and I listen to her scolding, her nagging, her stuff and that gets me grounded. Because I would say that it's difficult to really try to balance yourself and pull this way. And having that neutral party, someone who sees it from that point of view, it's great. I mean even right now, she's my IC. My investments don't get through without her. And that's a very important part of what it is I say. If founders don't have someone to ground you there, they probably will struggle a lot.

5127 M: Interesting. So when I asked you earlier about how founding teams might fail, this might be part of that answer then.

5133 T: Not necessarily. I think it's a matter of challenging myself, right. I mean I don't put her in conflict with what the other people are doing, but the communication needs to be there. The conversations need to continue. I cannot be hiding stuff from her, neither should I be hiding stuff from my team. And there is that balance that needs to work. If I can find that equilibrium then life goes on, if not then I'm probably in trouble.

5154 M: You know, someone who didn't know you very well might mistakenly stereotype you as a "shy Singaporean", right, and I'm using huge air quotes here, right. But you clearly have strong

opinions and you have no problem expressing them. So at DS3, did you find yourself dragging your less outspoken colleagues along with you even though they had different opinions from you? Or were you able to hire people who were very similar to you in disposition and therefore there was no dragging necessary?

5221 T: Ok, so I'm going to let you in on a little secret that I've never mentioned as well. I never do the first interview. I never try to hire people. I get my guys to hire. I just rubberstamp, which allows me to get away with stuff, right. On many levels, right. If the guy doesn't work out, I didn't hire, you chose him, come on. Or I might need to fire the person, but well you chose him right.

5245 M: Right.

5244 T: So it's on your head to make sure it works out. For the few times I've chosen and for the few times that I've obviously also made mistakes and asked them to go, I thought, oh my god, hiring is still so difficult for me. In an earlier conversation I had, I had my guys scold me for doing stuff wrongly. I mean I was in the beginning so customer oriented.

5308 M: Yah.

5308 T: Whatever customer says, customer gets. Everything they say, I say yes. And then you realise that as the company grows to a certain size, there are people in the company that literally have to say no to this customer, because the customer is too demanding, they didn't pay for it, blah blah blah, and all that stuff. And when that person says no and the customer gives me a call and I say yes, that's affecting my employee.

5330 M: Yup.

5330 T: And it's affecting my manager. And I get scolded for that. So my manager tells me off and says, stop saying yes. And it was a wakeup call. I mean I'm glad that we're able to have that conversation. That's a part of the company culture I'd say I will really encourage. I mean back to what I said, no single one person actually understands and runs the entire company and when that happens, really the company grows beyond what one person can do and it really scales - that the whole empowerment and stuff where my employee tells me what to say. So there are times when she says, this customer is going to give you a call and you jolly well say no. And I will then struggle to say no but I eventually will say no.

5412 M: You're good. I mean you empower people to make, you know, make up their own minds as well.

5415 T: Yah, I think that was what I was glad about. So no, you cannot have people just saying yes to you all the time. That's a really dangerous organisation to be in.

5422 M: Ok, this was interesting. Someone telling you off, right. So on a somewhat related note, so we all know that running a startup isn't all fun and games, but occasionally fun things happen, right. So can you share the most incongruous thing or the funniest incident you have ever come across.

5437 T: Yah. So many of them. I can name two but I'll choose between one of them since I got beer in front of me.

5444 M: Tell us both.

5446 T: So Vietnam. And we were trying to close one of the biggest banks in Vietnam and we were going through the whole bid process. So we did the whole RFB process, we were bidding and it was down to the final negotiations. So my team was there. We were negotiating and stuff. And then I get pulled out. This was in the morning, so I get pulled out to meet the deputy general manager. The super senior guy who was like the sort of guy overseeing the steering committee and everything there, and I was meeting him for breakfast. I went there and what I saw in front of me was a table

like this, right in front of me and just beer. So I had beer for breakfast in Vietnam. And oh my god, you know, and bear in mind, I didn't eat that morning so it was just beer for breakfast.

5531 M: Well, it's liquid bread.

5533 T: Liquid calories I mean. It was the cheapest breakfast I've ever had. I had like 3 bottles. He had like way more than that.

5541 M: Right.

5541 T: But the bill didn't come up to much even, because Vietnamese beer was cheap.

5546 M: Yup.

5547 T: What? Beer for breakfast. Oh my god. I was struggling to, because he could speak in English, I mean it wasn't the most fluent type of English and I was trying to listen to him, I was trying to answer him in decent English, without trying to sound condescending, yet trying to fight the buzz, and you know, trying to stay afloat. I was trying to stay alive without trying to knock the table over.

5610 M: Well, you're laughing now, so I'm guessing the meeting went overall ok.

5613 T: Yes. We got the deal. Thankfully we got the deal. I mean I was more worried about knocking the table over because when I stood up, you know, at the end and then I had to pay and then you know, cash. And then you took out, I was paying with notes and imagine those Vietnamese notes and you see the circles. I don't know I couldn't count. That was nasty and then my guys thought that I was having a good time downstairs while they were working. Oh my god, that was...

5637 M: That's an interesting one. And do you think that was a test or was he just, that's his normal breakfast?

5641 T: I don't know but from then on, I knew that if I were to go for this, I made sure I had breakfast first.

5647 M: Right.

5647 T: So I'm not going to go on an empty stomach and try to do this stuff.

5653 M: What is the other incident?

5654 T: That was more operational in nature. This was hilarious. We sold servers, we sold equipment to banks and one of those machines was not working that well. It was a bit of up and down and flaky. And so the bank guys calls my support team and then ask what's happening. And through that conversation, my support guys told him, why don't you try to restart the server?

5713 M: Ok.

5714 T: And so you know, we're talking about a business day and the bank guy simply goes and restarted a production server in the middle of the day. Of course shit hit the fan.

5729 M: For let's say our younger entrepreneurs, please explain what restart the server means because...

5732 T: He really restarted the server, he really powered down the server and retrieved...

5737 M: So the server wasn't available during that time.

5738 T: Yah yah, I mean imagine when we're talking about thousands of transactions per second and your server becomes unavailable. Oh my god. I mean obviously there was a lot of apology and thankfully I didn't have to go on Channel News Asia to apologise and stuff. So that was good. That

was a good thing. When we managed to get the backup system to kick in and we sort of you know, cleaned up everything. And no one really detected it.

5800 M: Oh, so there was a backup.

5802 T: Backups. I mean when thousands of transactions happen per second, even backups take a little bit of time to happen, shit. This reminds me of that vacuum cleaner, you know. The vacuum cleaner lady in hospital and when she needs a plug, she plugs out something and puts in her vacuum plug and continues her vacuum. Because that's literally what happens. You just switch off something you do and then you switch it back on. So we were going crazy over it. I mean we had a good laugh. I mean argh, after all the shit, after the fact.

5835 M: After the fact.

5837 T: But oh my god, that was crazy shit.

5841 M: That's really cool. I'm not sure whether that kind of situation would happen again now that everyone is on AWS, Digital ocean or whatever right.

5848 T: Yah.

5849 M: So, well one hopes not. Anyway. Ok. Maybe last couple of questions before we close up.

5854 T: Yup.

5854 M: One is actually do you have any burning questions you would like to ask others in our startup ecosystem?

5901 T: I guess I won't say it's burning per se. Through my interactions with many of the entrepreneurs and within the ecosystem itself, there is a lack of Singaporeans and locals within that pool itself. I mean I'm not saying that there isn't, there are. But they are the minority, when you expect that in Singapore they should actually form at least the equal or the majority. This is something that is, I would say, if I were to view what's going to happen within Singapore, within the greater Southeast Asia region itself, that entrepreneurship will become the backbone, or at least a very strong industry driving how the country moves forward, then I'm very worried why we don't have sufficient people to hold up that backbone.

5942 M: So, who's the question directed to? Is it ministers and bureaucrats or is it directed towards the individual people?

5948 T: You tell me, it's exactly the same questions as you asked me earlier, right?

5952 M: Yup.

5953 T: Is it a legal problem, an education problem, a policy problem, a funding problem? I don't know. And that worries me. So it's not so much of a question, but this is that worry that I have - that if we want Singapore to transform, but we don't have the people in Singapore, or at least the Singaporeans to really want to participate at all those different levels, then we're going to have that gap again. And that is scary too.

100016 M: Understood. So I have another question for you. What is something that you used to believe to be true before you became a founder, or that's commonly expressed by the – let's say, the entrepreneurship ecosystem at large, which you now know is not true.

010032 T: I won't say that I know stuff as before I was a founder, I mean I went into entrepreneurship probably with my eyes closed, so it was a very scary time for me then. But something that I want to debunk or at least passionately want to debunk right now is the whole "fail fast" notion that you may read out there, and it's a very scary thing. I mean I guess when the phrase

first started, it was about really executing, running as fast as you could, and then trying to find out whether you're right or wrong. But it's sort of been used in a much more convenient way where you would just say that if I'd started something and I almost engineer it to fail, then I'm sort of successful in that way and that's that. That's shit I mean. I see people online in their LinkedIn and they're proud to be a failed founder. I mean like my god, I mean did you do everything you really possibly could before you said that it didn't work? You know, when you run something and you believe in it, back to what I said, you should really run without a safety net. And you have pushed it to a limit, you have tried everything almost anything and everything, and you realise that your fundamental beliefs in the beginning were wrong and therefore you will either need to pivot or actually stop. That's probably when you can then say it's failed per se. But not so much of I'm coming out here, I'm going to run a startup and probably in about 6 months' time, I'll probably fail. That's fine. Because now I can claim myself as a failed founder.

010156 M: You know what we call them, we call I mean, not just entrepreneurs who've tried this, some people call them wantpreneurs, as in, "I want to be an entrepreneur". I think of them in my head as tourists, right.

010208 T: Ok.

010209 M: And it's not just entrepreneurs. I've seen investors who were like this who think, oh angel investing is so sexy. I got to do it too, hahaha. You know, that kind of thing.

010216 T: Yup.

010216 M: Or a large company that says look, innovation is the new buzzword, I've got to do that. Each one of them is not genuinely committed to it, they just want sort of check it off the list or they are saying, look, I'll just dabble in this. If it works, great, if it doesn't, well, doesn't matter. Sort of approach.

010230 T: Yup.

010230 M: And I think that's what you're alluding to.

010232 T: And yah, I'm very worried you know. If these guys go about their time and do this, that's fine. But if they continue to perpetuate this and say that this is a good virtue to have, then that's really scary. I see some of these programmes talked about in schools, I shall not name them. I've seen slides that talk about this, that failing fast, you know, the "fail fast, fail often" stuff in educational slides that talk about entrepreneurship in schools. And that's scary shit. That's not what you tell students. You know, that's "No!" You have to tell them that you're going to, as an entrepreneur, you really have to go out there, be fully committed and yet be prepared to fail. I think that's a fundamentally different thing altogether. The emphasis here is the speed, not the failing.

010316 M: Speed and commitment I guess.

103017 T: Yes, speed and commitment, not the failing, you know. But we sort of got that warped. That failing becomes the emphasis and I worry, I worry for what we are at least perpetuating out there.

010329 M: In fact, I'd say one last thing and I hope this survives the edit process, which is that the reason people, in a good way, originally started with this idea of "fail fast" was that they were saying look, test your hypothesis, test them quickly, don't sort of wait around, you know, don't try to do 5 things at a time. Test them one at a time. Make sure you get the answer and move on to the next thing.

010347 T: Yup.

010347 M: Which is something that in fact we've talked about on prior episodes as well. So I think that's where the idea of potential failure comes in. It's more a learning process, not so much as you said, failing is on the emphasis, it's about what did you find out? Can you use that to get to the next level?

010401 T: Yup, it might be learn fast rather than fail fast. Yah.

010404 M: Exactly. I like that much much better than fail fast. Well, you know we've talked earlier about this risk aversion or aversion towards failure, right. I think that's especially something that we see in Singapore, maybe not so much in countries around the region yet. On the previous episode, we talked to Chris about him being kiasu and he's Aussie. His wife is Singaporean but she says he's more kiasu than she is. And I think the kiasu-ism comes in Singapore, in a certain generation. Which today I would say it's sort of our age, anywhere from 35 to 50, ok. This is very broad brushstrokes.

010439 T: I'm at the upper end of it. I almost fall off there.

010442 M: That's fine. But the people who came before that, meaning the ones who are older than that, 55, 60 and beyond, when they entered the workforce at the prime of their working life, they had no choice in the matter. They just had to take the risk, had to go into it, they were truly the pioneers. Right. So paradoxically what's happened is, I've noticed that people of that generation don't take themselves too seriously, but they take their children very very seriously and they've actually encouraged them to say look, go find a nice government job, go find a nice job at IBM. What is this startup called Google? You know. Almost to that extent. I'm obviously exaggerating for comedic effect. The nice thing I think is that it's starting to turn full circle again because now this middle generation's kids, they're saying look, life is easy. I could go do things and doesn't matter if things go wrong because I don't know any better, or know any worse. Let's put it that way.

010528 T: Yah.

0105029 M: So maybe it's a sort of a little bit of a generational thing as well. I don't know if you agree with this or my...

010534 T: I mean it's too broad. I think it's too broad to just blame it on whole generational thing. It has to do with both the culture of yes, what we went through but also the whole technology side of things. I mean I tend to blame it actually on more computer video games, because of the restart button. In the past, you know, to restart something, you put a quarter in or stuff right. You put a 20 cent coin in and it cost you money to restart. Now, games are like a restart anytime you want. You stop, restart, reload. And so...

010600 M: So you're going back even to the days when consoles came around?

010602 I mean consoles were not so prevalent then, but now, anything can be restarted. Now you start a Facebook game, you start whatever game there is and restarts become very easy, becomes next to nothing. There's no cost to it. And because of that culture, they don't see failure as something that needs to be learnt. Never mind, I can always restart. And I feel that there is that pain that it's not caught, I would say.

010624 M: Got it. In fact, if in a way I can just sum that up, in fact we are disagreeing slightly about this, which is the younger generation, I actually see much more promise in them in willing to try new things. They have the restart button so that's why they are trying new things. Last one. You're very generous with your time even here, as we have seen. Can you name a charitable cause that you care about and an amount you'd like to donate before this episode airs? Because if you do, I will donate an equal amount to them or to the World Food Programme, either one.



010653 T: I volunteer with the Association for Persons with Special Needs. APSN. APSN.org.sg. And I'm both a committee member and I help in several areas. I'll be happy if you could match my donation.

010705 M: How much do you plan to donate to them?

010707 T: I regularly do somewhere between, do I have to say the amount? Ok, 2, 2k to 5k. But.

010712 M: Per month.

010713 T: Ah no no, per year. Yah.

010714 M: I meant anything that you do that you will do now, addition to what you normally do.

010709 T: So I'll put in 2k.

010720 M: Sure, got it. Ok. Appreciate your time here, Teik Guan. I really enjoyed talking to you. Thanks for coming in.

010725 T: Thank you for inviting me here.