



成就 成就  
Enabling Success



# Key Success Factors For a Start-up Company

## 創業成功要訣

Presented by:

Frederick Yung  
Business Development and Technology Support  
Hong Kong Science and Technology Parks Corporation

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## 創業三部曲

- 餵他吃魚 **Feed them fish**
- 釣魚 **Fish by fishing rod**
- 養魚 **Fish farming**

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矛盾是創意的開始  
價值是創意的溶合  
矛盾越多 創意越大 價值更高



**Creativity starts from conflict**  
**Value is the combination of creativity**  
**The more the conflict, the more the creativity, the more the value**



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## • Strategic Vision, Mission, Objectiv

**Vision (抱負) is the over-riding principle that guides the organization and is the image of the future it seeks to create (There is a value in the vision)**



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## • Strategic Vision, Mission, Objectiv

**Mission (使命)** is the purpose, reason of the corporation for being in existence

**Objectives (目標)** are what should be accomplished in the near future



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## • Strategic Vision, Mission, Objectiv

**Unclear mission statement**

- “We provide our customers with right products and technologies with best in class quality to ensure customers with total satisfaction.”



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## • Strategic Vision, Mission, Objectiv

### Unclear mission statement

- 佳藝電視 logo: 台徽  
“禮、樂、射、御、書、數”



Frederick W.S. Yung  
(11 Jun – 9 Jul 2007)

## • Strategic Vision, Mission, Objectiv

- 禮 – customs - law
- 樂 – music - entertainment
- 射 – archery – sports
- 御 – ridding a chariot  
– carpentry / masonry  
(practical skills)
- 書 – reading, writing – fine arts
- 數 – mathematics – science &  
technology



Frederick W.S. Yung  
(16 Jun – 7 Jul 2008)

## • An Articulate Profitable Business Model

### How do you make money?

- **ITV in mid 1990**
  - **HK copier and proprietary s/w model**
  - **zero cost mobile phone model**
  - **香港茶餐廳 model & 翠華**
- **Balance between HW, SW, training, set up and annuity**  
- **Work according to plan and revise when necessary**

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## 3. Defensible Technology Weapon

- **Patentable technology**
- **Trademark, trade name, registered design**
- **Guarded secret on development process**
- **Sufficient lead time before competitors can catch up**

**REMEMBER: technology is only an enabler, customers buy the product and not the technology**



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## 4. Concentrate on the Core Competency

- Concentrate on area you are the best
- Refuse non-core consultancy (TTM issue)
- Understand your resource limitation
- Do not underestimate amount of work involved

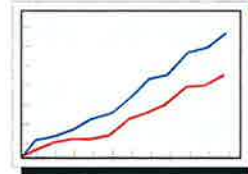


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## 5. Plan for Future and Growth

**Time to market: Window of opportunity vs detailed / quantitative analysis**

- OTS S/W
- Shot-gun approach
- Shoot-aim-shoot
- Aim-shoot-aim
- FMCG and CD: tooth-brush, tooth paste, milk powder, OSIM / Panasonic small massage sofa.



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## • CEO Quality

- Communicate effectively internally/externally
- Maintain a suitable quality standard to match with market position
- Cultivate corporate culture
- Provide balanced incentive to employees
- Balance between flexibility and principle
- Integrity, experience, achievement record, energy level, motivation



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## • A Balanced Team with Clear Role

- Common vision & commitment
- Avoid people of same background
- Technical /Sales / Marketing / Finance etc.
- Non-executive director of the Board (talent that team does not have)
- Provide alternate communication channel for external interface
- Boost confidence for customers, suppliers, banks and investors

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- **Execution Capability**

- **Man of Action**
- **Do the right thing at the right time right**



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- **R&D and Product Strategy**

**Clear market positioning**

- **PC in Golden Shopping Arcade vs. known-brands**
- **Rolls Royce**



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## • R&D and Product Strategy

### Know your competitors

- Analogue and Digital Watch
- PC and Apple
- Internet phone vs. Blackberry



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## • R&D and Product Strategy

### Identify your uniqueness, strength and WHAT set you apart:

- Real / perceived / promoted
  - ❖ CRT and LCD TV
  - ❖ Corn oil vs. peanut oil
  - ❖ Mountain Cream ice cream of USA



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## • Financial Management and Ability to Raise Capital

- **Cash Flow Statement, Balance Sheet and P&L**
- **Make conservative cash flow plan**
- **Adequate capital for receivable /payable**
- **Control and manage inventory**
- **Do not count on banks**
- **Source of Capital: angels, business partners in food chain, strategic part, & VC (???) & family, friends fools**

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## The aim of Incubation Programme

To encourage and promote innovative technology-based or design-based entrepreneurial activities in order to:

- **Contribute to GDP growth and increase high value-added employment;**
- **Reinforce Hong Kong's position as a product development centre;**
- **Enhance Hong Kong's position as a window to the world.**