

22 Dec 2008: Manager@Work: Entrepreneur

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How did Nehemiah Reinforced Soil begin?

The company was incorporated in 1993 and was co-founded by my late partner, Eugene Oh, and I. Eugene was also a civil engineer and we worked on the Nehemiah Wall design together. When we felt we had something viable, we incorporated the company, printed our first brochures and went door to door. Today, we have also launched two smaller products, the GreenMur reinforced slope geotextile system, and the segmental wall reinforced soil system that's suitable for lower walls where aesthetics are important.

What challenges did you face in the beginning?

The first challenge was funding. The best a bank manager could offer me was RM10,000 in overdraft, and that was only because she was a friend. That was all they thought I was worth. So in the end I had to use my personal savings, which were exhausted in two months, and following that, I borrowed money from my relatives. Fortunately, we received our first payment on a completed project before the borrowed funds ran out.

The second challenge was lack of reputation and credibility. No one would place their trust in a new company with no track record and an unproven technology. In the end, we did our first project, a retaining wall for a bungalow in Penang, at a loss so we could convince future clients. The owner of the bungalow was himself a civil engineer and after listening to our proposition, he was convinced it would work. But we still had to complete the project at a loss.

Finally, NRS was founded to be a company of integrity. Printed on the back of our name cards is the promise, 'We pledge to conduct business with integrity. We shall not get involved in any corrupt practice'. Unfortunately, our refusal to bribe has delayed and even cost us projects in the past. An example would be the second public works project I was offered. Despite having a proven track record by then, the approval process kept getting delayed. And after three months, the contractor lost patience and hired a competitor.

Why did you choose to name the company, and your wall, 'Nehemiah'?

I admired the biblical character Nehemiah so I adopted it as my Christian name in the early 1990s. When my partner and I founded the company, we decided to name it after my Christian name as it seemed appropriate. In the Bible, Nehemiah rebuilt the wall of Jerusalem. In doing so he overcame heavy opposition and many challenges. I see many parallels between my life and his story.

What is the Nehemiah Wall?

The Nehemiah Wall is a type of reinforced soil system that is a modification of AnchoredEarth, a system invented by a Frenchman, Henri Vidal, which was originally pioneered by Reinforced Earth Company. My partner and I included several modifications that we felt are improvements on the original system, especially for Malaysia. This is because our modifications allow the prefabricated components to be manufactured locally which saves on cost. The modifications also make the walls less vulnerable to corrosion and slip in our humid weather coupled with torrential rain.

The Nehemiah Wall is patented in Malaysia, Australia, India and South Korea, and it is NRS' biggest product. To date, the wall has around 45% market share for retaining walls in Malaysia and NRS has built over 750,000 square metres of the wall. You can recognise it in Malaysia by the honeycomb-like hexagonal-shaped tiles. No one else uses those tiles here, so we have even made it part of our logo.

What are your future plans for Nehemiah Reinforced Soil?

Although we have been profitable annually, with the exception of our first year, I feel a need to take this business overseas. We are a single-product company, and if we were also to remain a single-economy company, we would not be sustainable, particularly in this economy. Conservatively, we expect 30% turnover over the next three years to come from our infrastructure projects overseas, particularly from Australia and India. In Australia, we have established an incorporated company currently in the final stages of gaining approval from the Road Transport Authority of New South Wales. We expect to gain approval by the first quarter of 2009, and to have a job by 2Q2009. We are also present in India, but our company there needs to be revitalised. When my partner passed away due to cancer in 1999, I had to focus on Malaysia and let India slip. I am looking into strengthening our presence there as it is a very large market.

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