

AN EMPIRE IN THE MAKING

BY PATHMA SUBRAMANIAM

Lim Chee Kong had always wanted to be an entrepreneur. He worked as a mechanic after he left school, but soon wearied of being at the beck and call of his employer. So, at 33, he called it quits and established his own enterprise. He named it Lim Tayar — a sales and service centre that focused primarily on tyre dealership and other car maintenance services. This was in 1985.

Today, the family business is a household name in the automotive services industry, with 19 branches in the Klang Valley and one in Seremban. “My father started out by opening a small workshop in Jalan Gombak. It is still there today as one of the retail stores,” says Lim’s son, Clement.

“My father started the workshop with the help of family members and their spouses. We have six founding members, who pitched in and developed the business into the thriving entity it is today.”

Clement runs the company with the help of his sister Melissa while their 66-year-old father oversees the overall business. He says his father’s expertise was in the repair of automobiles and not tyres specifically, but decided to go with “Lim Tayar” because he thought it was catchy.

“Call it divine intervention or whatever you want, but it worked. I believe that it is really an underrated household name. We are not heavily marketed or branded and it is not considered a sexy business, but we continue to grow year on year because of my father’s vision and business acumen,” says Clement.

He adds that Lim Tayar services 12,000 to 14,000 vehicles annually.

Following a partnership in 1995, the ubiquitous workshop chain became part of a larger operation under CKL Holdings Sdn Bhd. “My father set up a business with an external partner to do distribution as well. We became the sole importers of lubricants and batteries from the US and South Korea. To better manage the different businesses, we set up CKL Group of Companies,” says Clement.

“After 1995, we expanded the retail network. Today, we are one of the largest independent retail tyre store in the country.”

The company sells a variety of tyres, lubricants and car batteries and offers maintenance services under Lim Tayar. Its subsidiary, Global P, handles the product distribution.

To further diversify the business and become an end-to-end provider, the company built a vocational training institute called School of Skills four years ago. It not only offers courses for the automotive industry but also other vocational training modules.

“We had the opportunity to look into the education

side of things because in the retail industry, we cannot hire foreigners. So, Lim Tayar is a 100% ‘Malaysian employer and employee’ company,” says Clement.

“Our suppliers recognise CKL Group of Companies as an organised and structured company in a disorganised and unstructured industry. This is not to disrespect anyone, but it is true. It is a struggle as we are one of the few companies that are structured. The school, which is an important part of the business, is building human capacity and training talent.”

The courses offered by the School of Skills are recognised by the government and financial assistance is provided to needy students. “We have a programme called Train and Place, where one has one round of four months of classroom training and one round of eight months of working in the industry. The industry training can be done at a Lim Tayar or a partner store. Essentially, the eight months of work help to pay off the four months of classroom training,” says Clement.

“We need manpower and so do our peers in the industry. We want to make a profit, but we also need to recognise that talent is an issue. Countries such as the US and Australia are offering green cards and citizenship for skilled labour. As a developing nation, we are not pushing that enough. We cannot just think of ourselves and focus on our own industry.”

To make sure that the company stays on top of its game and continues to reinvent its businesses and services, Clement started Blue Labs Group Sdn Bhd. The Internet of Things telematics-based company provides a solution for automobile owners that allows them to connect with the company’s after-sales service centres.

“We have subsidiaries doing real estate investments and insurance. We have a good foundation in place. This way, we are implementing an end-to-end ecosystem for the retail tyre industry,” he says.

Another thing that sets the company apart is that it does not play up the brands it sells at its retail stores. “Most tyre stores pull in customers by advertising the different brands of tyres they carry and things like that. But if you notice, Lim Tayar stores do not have such branding at the entrance. This was a decision to make a leap from being a branded store to an independent all-encompassing outlet,” says Clement.

“Looking back, it was really a bold move. We are like Tesco as we are not heavily reliant on any one brand. At the end of the day, it is good to shout that we have all those names. But it can only get us so far and it does not ensure business sustainability.”

Clement joined the family business in 2003 when he was just 22, after graduating from Domino Carlton Tivoli Hotel Management School in Switzerland, where he had trained in the culinary arts. When he joined the company, he thought it would be a walk in the park.

“My father always jokes about how I learnt to make sugared doughnuts and now I am selling black dough-

nuts. People are always surprised by my decision. I remind them that we are not in the tyre business, but in the people business selling tyres, among other things,” he says.

“This company afforded me an educational background in the culinary arts and the lifestyle I had until then. So, I thought I would come back and give it a shot. I thought it would be easy, but it was harder than it looked.”

Melissa echoes Clement’s sentiments. Prior to joining the family business six years ago, she had worked as an actuary in Singapore for a few years. She says managing a family business is far more complex than having a career in the corporate sector.

“Many people think that leaving the corporate life to join the family business is a breeze, but they couldn’t be more wrong. You cannot imagine the kind of culture and family values we have to uphold in everything we do.”

Melissa says that in a corporate job, the goals are pretty simple and straightforward — career progression and doing well. But when one enters a family business, there is the added element of managing conflict as the people you meet in the boardroom are also the ones you dine with at home.

“I have to work with people who have seen me grow up and I have to come into a role where I have to manage them. Despite our credentials, we haven’t earned our stripes because they don’t know if we are capable enough of running the business,” she says.

In her first year in the company, Melissa was not aware that daily attendance was a prerequisite and determined a percentage of her bonus. “My father did not tell me that when I took the job. Here I thought it was based on my performance and not my attendance. But to our father, that is how the company measures your commitment,” she says.

“So, at the end of the year, he showed me my fingerprint attendance. I looked at it wondering why my bonus was not based on my performance and efficiency.”

Her father simply told her that the staff look up to her and, at the very least, she should be in the office before them to earn their respect. It was very much a clash of perceptions between generations and one that she had to learn to adjust to.

“He believes that everyone looks to us and the examples we set, so one wrong move is all it takes. Taking on this role was not easy,” says Melissa.

But despite all this, both she and her brother agree that the experience has been a fulfilling one. “We are very passionate about what we do because we grew up with the business. We have seen our father, uncles and aunts work really hard to develop the business into what it is today,” she says.

As the business revolves around people and services, this is where the group’s priorities lie, says Clement. “My father always says we are responsible for our 300





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> **Clement**

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> **Melissa**

employees. And I always tell my colleagues and the board the same thing — we are in the people business as our main assets are our people. It is not the products we sell, be it in the retail shops or our school that makes the difference. People are everything.”

This is easier said than done because people are the hardest factor to deal with on a daily basis. Everyone has their own opinions and ideas of how to do things. While these may not be wrong, they have to be delicately managed to keep the peace and make sure that no one feels slighted. It helps to be transparent at all levels, says Clement.

They are also wary of getting new investors on board and forming new partnerships. Melissa says while they are constantly on the lookout for new opportunities, they have to make sure the ventures are palatable and subscribe to the family’s cherished values.

“Clement and I are very eager to hire competent managers to help us along the way, but we tell them that the family values must be upheld. Otherwise, we will lose the character of our business,” she adds.

“Before we bring in investments or new partners, we have to ask ourselves if they are the right fit for us as they have to be aligned with our values. My father’s consideration is always how will the opportunity affect the family and staff? How will the new partners change the way we run our businesses?”

Melissa says while her father is not altruistic, he has tremendous concern for his staff as he credits them for getting him to where he is today. “He wants them to be protected at all times and he wants us to make sure we have considered all the factors before making any decisions. He always says it is not the till that you should be worried about, but the cashier. So whatever we do, we make sure their welfare is taken care of, because they give us 12 hours of their day to grow this business.

“My father does not value money as much as he does his family. He started the business because he wanted to provide a source of income for his kin and employees to be able to sustain their lifestyles. We don’t want to do a business that changes all this. This is the business that has kept us together and we prefer to maintain harmony in the family.”

Clement says their father’s vision is to take the company to greater heights while remaining true to its core values. “Being the founder, it is only natural that he wants to grow the company so it is bigger and better. It would be unnatural if he wanted to sell it because he built this company to last.”

CKL Holdings may be a family-owned business, but it is run by both family members and professional executives, he points out. “There is no harm wanting to keep the business in the family. Trust is very important in business and it is the last line of defence. But as my father says, you have to earn trust. You cannot just come in with no credentials and make a meal out of it because the business belongs to the family. It is not fair because we are answerable to 300 employees.”

Clement says even if there are 30 family members in the business, it only makes up 10% of the total staff strength. “There is a saying, ‘As an individual, you can run very fast. But as a team, you can go very far.’”

He adds that the family has been actively involved in the business, so his father has implemented some safeguards. One of them is to forbid the spouses of those in the second generation to enter the business.

“It can lead to conflicts of interest. We are not saying that it will happen, but it can. Unless the person is really extraordinary, very talented and there is minimal impact on the company, there are no exceptions,” says Clement.

Even more measures will be adopted to protect the company and its interests in the transition from the second to the third generation. “My dad deserves the credit for having thought of all these things. As much as he would do anything to prevent a family conflict, the business must survive. And the business has grown because of our employees,” says Clement. ■