

Food trader has more on its plate

FoodXervices has branched out into logistics and retail and is eyeing overseas expansion



Third-generation managing directors of FoodXervices, siblings Nichol and Nicholas Ng, in their Tanjong Pagar warehouse where the diverse products they distribute are stored.

ST PHOTO: ONG WEE JIN

By FRANCIS CHAN

FOOD trading firm Ng Chye Mong was already a well-established business when Ms Nichol Ng joined its ranks in 2003.

But that has not stopped her from thinking up new ways to inject fresh life into the firm that her late grandfather Ng Lim Song set up in 1941.

Over the past six years, Ms Ng, 31, has revamped the firm's operations and widened its range of products to include non-food items such as toilet essentials used in the food & beverage (F&B) and hospital-ity sectors.

She has renamed the company FoodXervices and given it a new slick black and green look in keeping with the times.

"We wanted to give the brand a new look to rejuvenate the business and the colours we used represented a new lease of life for us," said Ms Ng, who brought her younger brother, Nicholas, on board in 2008.

The new livery initially met with resistance from the firm's old guard, comprising her father Michael Ng, 59, and his brothers.

"When we wanted to paint our delivery trucks and vans black and splash our green and white logo on them, my father and uncles, who were still running the company, asked why we used black," recounted Ms Ng.

"They didn't like the idea because black was traditionally a taboo colour."

But she managed to win them over and today, FoodXervices' distinctive black delivery trucks can be spotted making their runs around town - a far cry from her grandfather's era when deliveries were made on bicycles.

More importantly, the business strategies that the siblings introduced have helped the firm grow from strength to strength.

According to Ms Ng, the firm's transformation has led to revenue rising to \$15 million in 2007 and to \$18 million in 2008.

And, despite last year's economic slowdown, turnover for 2009 is set to break the \$24 million mark.

The late Mr Ng came to Singapore from Swatow, China, shortly before World War II and started Ng

Chye Mong.

He sold traditional Chinese delicacies such as shark's fins, abalone and other cooking provisions at a shophouse along Rochor Road.

Business picked up in the 1960s, with the boom in Chinese restaurants in post-independence Singapore. And by the 1980s, Ms Ng's father and uncles had expanded into distributing Western foodstuffs to hotels and restaurants.

The rejuvenation of the firm has been won on the back of the hard work put in by the brother-and-sister team, who have had to gain the respect and trust of their elders.

When Ms Ng was asked by her father, on the eve of his semi-retirement, to join the firm and help modernise operations, she was barely 25 and had only two years of work experience under her belt.

"The first three years (at Ng Chye Mong) was just me learning the ropes of the business," said Ms Ng, who graduated from the National University of Singapore with an Arts degree.

"I was also the youngest and only girl at the time. I didn't have much say in the company... but I was aware that this was a company with over 60 years of history, so I knew I needed to make my own mark."

Her first task was to introduce computers to help manage orders, the client database and replace handwritten order chits and invoices.

"It wasn't as high-tech... because our staff were not highly educated and they couldn't use computers," explained her brother, who is a year her junior.

The next job was to consolidate the firm's other businesses to ensure they would go on to be run by another generation of Ngs.

"We felt that we needed a complete restructuring to refocus the different parts of the business, so it could last say another 70 years," said Ms Ng.

Subsidiaries LogiXtics, PlotX and GroXers were established to take charge of the logistics, plantation and upcoming retail operations, respectively.

"In the past, they were all lumped into one place and it was hard to tell which was performing and which was not," she added.

The move also allowed the separate units to acquire their own set of clients, said Ms Ng.

"LogiXtics, our sister company, handles all our warehousing needs, but at the same time it too could go out and build its own business," she said.

"In recent times, many firms are increasingly outsourcing their warehousing due to the hefty costs involved, but for us we're keeping it in the family."

Both siblings have backgrounds in branding, sales and marketing, and FoodXervices' sales team has been expanded from just one member to five over the last three years.

Ms Ng said that a conscious effort has been made to enhance the service experience of clients.

"At FoodXervices, the service is more important than the food although we may be running a food distribution business," she said.

Their efforts seem to have paid dividends, with FoodXervices' customer base growing from under 1,000 to more than 1,500 in two years. It now includes hotels, restaurants and even fast-food chains.

Recently, the firm acquired the sole distribution rights for Mitr Phol sugar products - Asia's top sugar producer - and for toilet essentials from Kimberly Clark, a global supplier of personal care brands such as Kleenex and Scott.

"(Kimberly Clark products) are classified as non-food items which are required by the F&B industry here," said the younger Mr Ng, who studied mass communications and economics at Vancouver's Simon Fraser University.

"These include dispensers, soaps, air fresheners and even napkins."

The variety of products distributed by the firm has grown to comprise more than 3,000 items, about 10 per cent of which are FoodXervices' house brands such as Bello, Xtuff and GroXers.

The latest project undertaken by the Ng siblings is with a food matching programme.

The not-for-profit initiative, started by youth research and action group Food for All, aims to make it more cost-effective and convenient for organisations running food welfare programmes to purchase food.

Ms Ng believes that with FoodXervices' support, charities will get better access to high-quality food at affordable prices.

"They can purchase the bulk items that they need to cook meals for many people. The free delivery will also help, since some volunteers may be elderly themselves," she said.

Yesterday, FoodXervices became the first company to join Food for All's community food programmes, which include those run by Residents' Committees, Family Service Centres and volunteer welfare organisations.

The business is based at a 50,000 sq ft warehouse facility in Tanjong Pagar, but the brother-and-sister team is looking for land to build a new logistics facility so that the firm can better cope with a growing customer base.

In the meantime, the siblings - who share the responsibilities of running the firm as managing directors - are working on a new gourmet food store concept under the GroXers brand.

They have also not ruled out taking FoodXervices beyond Singapore's shores this year - with potential partners in Kuala Lumpur, Hong Kong and Shanghai already expressing interest.

"Our business structure is more or less there," said Mr Ng. "Of course we will still need to tweak it when we go overseas, so as to adapt to the different culture, but if an opportunity arises, we'll be ready."

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BRINGING QUALITY TO CHARITIES

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