Great leap forward reaps dividends
Venturing into the Middle East has opened many doors for Tocco Studios. By Jasmine Ng

Taking a big leap into uncharted territory is not the usual formula for small start-up businesses. But three-year-old Tocco Studios reckons this could provide the magic touch needed to spark off its multi-touch solution business.

The duo first met when they were interns at Standard Chartered during their university days. Vincent, who is based in the Sultanate of Oman and is back in town for Chinese New Year, recalls a particular incident where a Middle Eastern client received a call from his mother during a business meeting.

"So, most of the time, we spend time building a relationship with them," Vincent says, explaining that relationships play an especially important role in Middle Eastern culture.

The duo first met when they were on the university’s volleyball team, where Vincent served as team captain. From there, they began to bid for the same contracts and won jobs together, for which they received good grades.

"Since we had good chemistry and good results from working together, I thought we would make a good team," Andy says. "Some people said good friends should not start a business together— but I disagree," he adds, to approving nods from Vincent.

Tocco Studios was born out of an idea that Andy Soh and Vincent Lai had during their university days.

They had the opportunity to work with Microsoft Surface technology, and subsequently received some funds from the bank to build their first prototype for surface computing.

However, the business idea only took off after their professors suggested they commercialise it. At the end of their second year at SMU, the duo started Tocco Studios after gaining the support of Stanchart and a $50,000 start-up grant from the Media Development Authority (MDA), under its LIAM Micro Funding Scheme.

When asked which came first—the desire to do business or the business idea—Andy says it was a combination, as both had come at a right time for them.

Vincent adds that both of them had some entrepreneurial blood in their veins. He says if one were to combine all the courses they took in university, one would realise that they had just about taken all the entrepreneurship-related courses there is to take at SMU.

But it was not all smooth sailing for Tocco Studios as they recalled a very challenging start to their business. "You have to start from scratch and you don’t know where you are going," Vincent says, adding that they had to go through several episodes of trial and error.

When Tocco Studios first started in 2008, its core business area was split between hardware and software design and development. After Vincent and Andy’s graduation in 2010, they decided to streamline their business, focusing on the advice of their mentor, chief executive of Infocomm Investments Pte Ltd, Lim Kuo-Yi. "He told us this: You are start-ups. Be realistic, you can’t do hardware and software at the same time. You are not big like Apple," Vincent says.

"That meeting sort of woke us up. So, we scrapped the hardware part and focused on the software development, which is what we were trained in in school." The duo have their professors and mentors to thank, who not only dished out advice, but also introduced them to business associates and provided their business with capital funding should the need arise. In fact, it was one of their professors who introduced them to their first Middle Eastern client.

"We had a class and professor Kirpal Singh rang us, saying there’s this group of people who were visiting from Oman. He told us to prepare our stuff and to meet them," says Andy.

It was then that they met their mentor and business partner from Oman, Nicholas Koh. "Nicholas Koh said: ‘We in the Middle East are going to like this technology.’” So we discussed our business model with him and then flew to Middle East in November 2010," says Andy.

Tocco Studios mainly targets banks in the Middle East, citing the lure of a rapidly growing and affluent banking sector. Banks are also at the forefront of technology in the region, which makes their services more marketable.

Vincent says they were fortunate to meet a bank’s head of consumer banking who was a big fan of technology. "We told him we’re from Singapore. And we are like his conduit. Whatever he sees in Singapore, whatever he likes in Singapore, we can bring it to him and value-add his business," he says.

According to Vincent, it helps that the people in the Middle East generally have a good impression of Singaporeans. "They see us as fast and efficient workers, so we are leveraging on the brand name of Singapore," he says.

Tocco Studios says it is currently experiencing expansion in the Gulf Cooperation Council (GCC) states, such as the United Arab Emirates and Saudi Arabia and on home soil.

It has recently been involved in creating multi-touch screen projects in Singapore schools, such as the Institute of Technical Education, Nanyang Polytechnic, and SMU.

The company believes in being fully self-funded from its own revenues and has no plans to allow investors into the business.

Their mentors, professor Gilbert Tan and Nicholas Koh, who sit on their board of advisers, have assured the duo that they are prepared to fund the business should the need arise.

The key to success, Vincent says, is to be nimble and to look around for opportunities. He also recounts his experience of having to backcomb his hair in a bid to look more mature.

Today, Andy and Vincent live by a piece of advice given by another one of their mentors, Pamela Lim. "She told us that in life is not about making a right or wrong decision. It’s about righting your decision. Once you’ve made a decision, you make it right."