

money. sme spotlight

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Four families, Three Legs and... ONE 'COOL' COMPANY

For TCM firm whose
products include cooling
water, its Three Legs logo
means humility and more

■ BY ELIZABETH WILMOT

LIKE one of its best-known products, "cooling water", home-grown Wen Ken group is one cool operation - free of the heat and internal strife sometimes associated with family-run firms.

For more than 70 years, Wen Ken has quietly and efficiently produced its ubiquitous Three Legs brand of traditional Chinese medicine (TCM) products here.

These include cooling water, a mineral preparation intended to remove "heatiness" from the body.

TCM has never been very glamorous, taking a back seat to Western medicine.

Wen Ken is similarly low-key even though its cooling water is widely available in major supermarkets, mini-marts, petrol kiosks and personal care stores.

The firm's harmony is all the more remarkable given that it is run by not one but four families - now with their respective third generation family members in charge of the business.

The firm says the Three Legs logo holds a special meaning for them.

Mr Fu Siang Jeen, 35, director of the Wen Ken group, said: "If you look at the symbol (of the three legs), one of them is actually kneeling down. It symbolises that we listen to our consumers and customers - humility - and what it is that they want.

"It also symbolises balancing the harmony between the four families," he said.

A tough beginning

HARMONY and idealism have been key to sustaining the business from its birth in 1937, when four friends decided to market their own recipes offering solutions to common ailments, such as cough and heatiness.

The four men - Foo Yew Ming, Foo Yin, Chan Seng Koon and Chong Tang Seong - set up an office in Choon Guan Street, loaded up suitcases with their Three Legs products and set off on foot to deliver them.

They offered four products at first: headache powder, cough relief, tinea skin solution and cooling water.

In the early days, business was slow and they did not have enough money, but somehow, they managed to keep it going and pass it on to their respective sons.

The succession took place over a long period - between 1946 and 1965 - for each of the four families. The total of six sons set up manufacturing plants in Johor Baru and Petaling Jaya in 1976.

Then, in the 1980s, they took their products to a third nation, Indonesia.

The third generation took the reins in the 1990s, and is still in charge today.

Regional reach

THE group's current head office is at Delta House, with one manufacturing plant and laboratory in Johor, two branch offices in Kuala Lumpur, one joint-venture manufacturing plant in Indonesia and one joint-venture office in Hong Kong.

It has about 30 employees in Singapore and 120 in Malaysia. In total, including joint ventures, the Wen Ken group has an estimated 1,000 employees.

So far, the group has come up with 30 products, including cough relief syrup, tinea skin solution for ringworm and athlete's foot, and sugar blocker herbal tea.

Most of the products are developed by their own research and development department. The products can be found at NTUC FairPrice, Cold Storage and Carrefour supermarkets, Esso Mobil petrol kiosks, Guardian Pharmacy outlets, 7-Eleven outlets and many others.

World-wide, the group has exported its products to 17 countries, including India, Australia and Turkey.

A smooth transition

KEEPING the business on track as it was handed down through three generations, particularly when it involves four families, may seem a herculean task.

But Wen Ken has a positive story to tell. "I have to thank my forefathers because this value of understanding was passed down through the generations. Before making any key decisions, we always consult our peers and elders on their views.

"As it is, we are able to co-exist very harmoniously. It's all because of this tradition which has been practised for 70 years and has become part of our company culture. It's through consensus and discussion that we come to decisions. There are minimal conflicts," Mr Fu said.

Succession has always been a gradual process with knowledge of the business handed down slowly from one generation to the next.

For example, while the second generation was still in place, the third generation entered the business so that knowledge could be instilled slowly and surely. As the third generation gained knowledge and skills, the second generation leaders gradually reduced their involvement.



"We see the crisis as an opportunity," says Mr Fu (right), seen here with international marketing director Joseph Fam (left) and Mr Samuel Lee. ST PHOTO: CAROLINE CHIA

FOREFATHERS' ETHOS

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There was a period of observation, during which the third generation leaders were assessed on their suitability - and roles were delegated accordingly.

And what about carrying on the business via the fourth generation?

"Personally, I think it should be a decision made out of personal interest and conviction rather than because of family ties or pressure," Mr Fu said.

"Also if it is family-run, it might not be the best scenario because you're restricted to a few family members to run the business. You are not letting your company grow to its full potential."

He said he would let his daughter make her own choice as to whether she wanted to join the company or not.

Expansion plans

NOTWITHSTANDING the current economic downturn, Wen Ken is planning to boost staff numbers at its Johor plant by 25 per cent.

"In terms of manpower, we are looking at expanding. Currently, in Malaysia, they operate on one shift. We're going to introduce two shifts next year," Mr Samuel Lee, 37, its group human resources manager said.

The group is also undaunted by the financial crisis.

Mr Fu explained that the health-care industry is resilient and not greatly affected by the gyrations of the wider economy.

"We see the crisis as an opportunity for us to come up with products which meet the demands of consumers during this time; products of high value to them, that suit their conditions in this crisis.

"That's how we stay relevant during these times," he said.

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