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Citation

Singapore Management University. From marbles to international business. (2014).

Available at: <https://ink.library.smu.edu.sg/pers/247>

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FROM MARBLES TO INTERNATIONAL BUSINESS

Published:

25 Sep 2014



From selling marbles to trading cards, Douglas Gan shares the lessons learnt as an entrepreneur

In 2007, **Douglas Gan** was living in a rented apartment in the outskirts of Jakarta. He was broke and had to borrow S\$7,000 from his mother to pay for the S\$2,000 annual rent, as well as another S\$15,000 to pay off credit card bills. "It was infested with everything you can imagine – rats, cockroaches, you name it", Douglas told *Perspectives@SMU*, describing it as the "worst period of my life that I never want to go back to".

Just 12 months prior, the Singaporean entrepreneur was a 23-year-old millionaire. Douglas had started and sold off web hosting business PureHostings aka Global Wiz Internet Solutions to Skydio (now owned by Webvisions), as well as OhGenki.com to StreetDirectory.com (now owned by JobsDB). He lost all his money in the stock market in 2007. Within three years he was again a millionaire, selling off a majority stake in the mobile location-based service ShowNearby to Global Yellow Pages for S\$3.5 million.

Lessons learnt

Douglas, now 31, has always been an entrepreneur. He sold marbles and sticker albums in primary school, leading to a healthy bank balance of S\$20,000 by the time he was 14. For youngsters with an entrepreneurial streak, Douglas's story is an inspiration. But behind the success were plenty of expensive lessons.

"Parents should give their children a shot at being entrepreneurs. If they don't try, they won't fail; as a result, they won't learn."

"I forgot to buy insurance for a S\$70,000 shipment of Compaq servers," says Douglas, who was the speaker at the recent Singapore Management University (SMU) Institute of Innovation & Entrepreneurship event, "*Business and Technopreneurship in the Modern Marketplace*". "HP and Compaq merged, and as a result the price of servers dropped.

"Usually my orders are small, and I have them delivered via air mail. I had this shipment delivered by sea because it was a big order. The delivery reached me six months late, so the servers' price had dropped by a third. I eventually sold the servers but I lost a few thousand dollars."

By the time he was 21, Douglas had learnt enough to sell off his first business, PureHostings, putting him on his way towards being a millionaire. What would he say to budding entrepreneurs who dream of emulating his success? What would he say to their parents?

“I would tell the parents to give their children a shot. If they don’t try, they won’t fail; and as a result, they won’t learn.”

School and hard knocks

Douglas’s path to success, however, would worry many a parent. He was enrolled to study Information Technology at Singapore’s Ngee Ann Polytechnic even though his hands were full running various web hosting businesses. As a result, he often had to skip class.

“The school was generally supportive,” he recalls. “I showed them what I was doing to prove I was genuinely running a business, and I was allowed to miss classes. So long as I did not cause any trouble, the school was fine with it.”

Douglas was a smart child – “I was scoring 97 and 98 for my tests in primary school” – but his teachers complained that he talked too much in class and so he decided to stop studying what did not matter and started to focus on thinking more about his life and what mattered. Parent-teacher meetings were a frequent thing. His experience echoed that of many entrepreneurs, including Virgin Group founder [Richard Branson](#) who said, “It should not be very surprising that many of the world’s great entrepreneurs and business leaders had difficulties with formal education.”

One might think that entrepreneurs have little use for tertiary education. After all, they could use that time to build their business, right?

“School makes a difference! I met my co-founder there!” he exclaims, referring to ShowNearby co-founder, Lee Changjin. “The nature of my job requires various skill sets, which I can obtain only through partners. If I don’t have those partners, I won’t be able to do my job as well.”

What about finding such skills outside of the school environment? “It’d be harder. You’re most innocent and naïve in school, so those are the real partners. In adult life, there is always the niggling thought of ‘Can you trust that person?’”

He adds, “When I went to National Service, my business declined significantly because I ran it alone and I had no one to help me. What I learnt from that was the importance of having a business partner.”

The importance of the right business partner

Douglas currently runs beauty portal VanityTrove, a BirchBox-inspired business. Where he once used to build businesses and sold them off, he says he’s “learning to build and operate a business for the long run”. For someone who has made millions, lost it all, and then made it big once again, what advice does he have for budding entrepreneurs?

“They should assess themselves to see where their gaps are. If they can find partners who can fill those gaps, they should start a business. If they can’t, they should try networking to find these people. One way of networking would be to work for someone else, or join a startup.”

He adds, “Once they have done that, they should think about the position they will eventually hold in the company. If they think they will make a good marketing person, then they should look out for a potential CEO, COO, and the rest of the management team. No one can do business alone, so don’t be naïve.”