

FIRST PERSON

# Conquering the unknown

**Armed with sheer determination and will, Selina Gan brought organic food to Malaysians in the late 1990s with Country Farm Organics. Now, she is steering it to bigger things. She talks about the tribulations and looks to the future. By Tho Li Ming**

**I**n the local organic world, Country Farm Organics is well known as a pioneer. Behind the successful brand is founder and managing director Selina Gan, 52, whose passion for healthy food developed in her student days at the University of Southern California in the early 1980s. In line with the hippie lifestyle, her classmates had introduced her to wholemeal bread, nuts, seeds and “apples with holes”. After graduation, Gan began a career in land syndication in the US that lasted almost a decade until her divorce. At a crossroads, she made the decision to return to Malaysia to explore other opportunities.

Once home, she found herself constantly suffering from diarrhoea. After a doctor told her to eat only eggs, canned beans, tuna sandwiches, fried rice and morning cereals for a week, she was fine and realised the problem came from the vegetables, fish and chicken she had been eating — she appeared to be allergic to certain chemicals used in these foods.

Remembering talk that health food would be one of the industries to watch out for in the new millennium, she decided to go into the business of distributing organic food. “It was very difficult in the beginning as I had no experience in food distribution, no product knowledge, no brand and no market.

“I made many trips to Cameron Highlands to understand how farmers grow conventional vegetables, made friends with fish wholesalers to learn about chemicals used to preserve fish. I learnt how poultry is bred. I don’t think you want to know too much about what I discovered,” she laughs.

Thereafter, she bought two chillers, a freezer and a cold truck, but had no customers. “Country Farms started operations in a single-storey terraced factory in Kuala Lumpur in late 1998



with no customers except for myself, an auntie and her friend, and that was because my auntie wanted to help me. Not many people understood the concept of [leading an] organic and healthy lifestyle — most of them associated it with food catering, for the sick or for very young children.”

“I received nothing but negative comments. My family was very disappointed, saying that I didn’t have to go the US to earn a postgraduate degree and come back to sell sawi and kampung chicken in Malaysia. My friends thought I was half-mad and some said it was too early to get into the organic food business.” She toiled for the first two years, working late hours, and hardly having any days off.

But she knew it was the business of the future — the public needed safe food to consume. So she forged on, encountering more challenges. Although she was selling her products to her dealers at a cheaper rate, she found that the savings were not being passed on to consumers. In early 2004, she decided to open a retail shop of her own, selling organic food that was cheaper than those sold by the dealers. “In retaliation, they (the dealers) decided to boycott my products! My business dropped by 50%.”

Still she didn’t give up. She embarked on an expansion plan and sold most of her shares to Berjaya Corp Bhd but remained in charge of running the company. Today, her hard work is beginning to bear fruit. Country Farms Organic’s products are sold in most major supermarkets in the country as well as in Hong Kong, the Philippines, Singapore and Dubai. The company also has a packing facility, which is certified “halal” and

has the organic HACCP qualification — that packs products under the Country Farm Organics brand as well as contract packs for other big food companies locally and abroad. Gan is also working on enlarging her list of products.

Here, she talks about success in business and life.

### Success

By and large, most people in our society tend to measure success by how much money they have in the bank or the assets they own. This does not necessarily mean that they are happy. There are a lot of rich people who are unhappy and not blessed with good health. Success does not always have to be equated with money. For example, a pastor or a priest can be a success even though he doesn’t have much money. He can take a vow of poverty and be successful in his career in the church. To me, success is more meaningful when I know I can make organic food more affordable to the public, especially those who need them the most.

### Philosophy on money

I value money more because I work hard for it. As an entrepreneur, I want to control my own destiny, and having more money allows me to do that. Money gives me choices – whether to buy a diamond necklace, fly first class, economy, or give it all to charity. Without the money, how can I even donate?

I believe in not spending more than what I earn. But sometimes you can’t help it. Sometimes you’re caught in a situation where you need to spend more because the business

needs the cash. I’m very conservative. Having said that, I don’t believe in saving like a chipmunk until one forgets to spend on oneself. One should pamper oneself once in a while, its good for the mind and soul.

### Investments

I’m a hard-core property person. I don’t really understand the stock market or have time to monitor the market in Malaysia so I don’t buy stocks. Even if I have a good broker, I can’t rely on the broker entirely because it’s my money. I have two stocks that were given to me that I just keep. Having said that, of course you need to have liquidity as you cannot have everything in hard assets as it takes too long a time to sell. So I have cash and hard assets [commercial property]. I invest in properties that I need to use and which have a high potential for appreciation.

### Most unforgettable investment

When I was working in the US, I bought a piece of land in a small town called Lucerne Valley, Southern California. After negotiating a fantastic price, based on the fact that there was a government post office on it and there was a lot of extra commercial land that I could sell to a developer in the future. I set up a limited partnership together with a few investors. I went to the district land office to cut out the post office portion and sold it to a pension fund. In America, there are a lot of pension funds that look for investments with about 8% to 10% returns. The best property for them is one that is tenanted by the government, as rent would be assured. I sold off the

PHOTO: KENNY YAP/THE EDGE

## Your Asian Financial Specialist

To see what your money can do, log on to our website at

[www.hdbsim.com.my](http://www.hdbsim.com.my)



**HWANGDBS**  
INVESTMENT MANAGEMENT

property based on the [assurance of] rent and with the money, I paid off the seller in full [In the US, banks don't usually lend to you for raw land — instead, there's seller financing], so we owned the commercial land free and clear. There were other times when we bought were able to sell land for four times the original value. And that's how my land limited partnerships worked. Most of the time, I would double my investment. Timing is everything, but luck is also very important — when you deal in property, it's based on these two.

### On being an entrepreneur

Structure and certainty are seldom found in the entrepreneurial world, which is amorphous and constantly changing. The key is how well and fast a person adapts to the change. Actually, whatever strategies you have in place right now is already 'obsolete'. Your competitors already know what you are doing. It is imperative that you think two to three steps ahead. Next is passion. Successful entrepreneurs love what they are doing, and that is how they can be successful. Passion in the business is the key to the growth and survival of the company. You must have a vision and, of course, big dreams. The big dreams may not be realised at one go, it may come in stages over a period of time. Patience and determination are needed to overcome challenges.

### Debt

With the current financial turmoil and economic slowdown, cash is king. It is not the time to expand but to conserve cash. Even though banks are



offering low interest rates, it may not be wise to borrow if your business is not churning out sufficient cash flow to make repayments.

I believe in a balance mixed of debt and equity in order to achieve a good rate of return for the business. During good times, people tend to go on borrowing because that's when they want to expand using other people's money. But if the interest rate were too high, it would be too expensive to borrow other people's money. The first three years was for expansion and the burn rate was very high. Today, the company is self-sustaining.

### Best achievement

(laughs) The time has not arrived yet. Ask me again in two or three years. It will most likely be this company, though. This is something that gives me the satisfaction, which comes from proving my friends and family wrong. I had the vision to see what they couldn't, so it's something I'm very proud of.

### Future plans

I would like to build Country Farms into a regional brand for organics within the next two to three years. A brand that is recognised in Asia and the Middle East. We also have plans to franchise the Country Farm

Organic 3-in-1 concept, which is a combination of retail shop, restaurant and juice bar. The two stores that we have currently belong to us. I have a plan to open two more in 2010. One store will be in Kota Damansara and it will take three floors and include Chinese, Western and fusion-type restaurants. It is another big step and I will need all the energy and brain cells to drive the company to that stage.

### On retirement

I was not born a Puan Sri and have earned my money the hard way. I have worked most of my life, ever since I was able to work. It is difficult for me to retire as I enjoy working. Business challenges and excitement keep my adrenaline flowing. I would perhaps slow down in five years' time and spend a little more time in San Diego where I can be near my son. Malaysia will always be home to me but I would like to have homes in a couple of countries where I can enjoy different climatic conditions and scenery.

I would also like to do a fair bit of travelling, which I have not done since I started working. To really see the world, be it in a forest, fields or meadows. I love nature, and I want to spend time painting. ■



## Your Asian Financial Specialist

To see what your money can do, log on to our website at [www.hdbsim.com.my](http://www.hdbsim.com.my)

 **HWANGDBS**  
INVESTMENT MANAGEMENT