

MINT WIRELESS

Rank 4

Chief executive

Alex Teoh

Founded 2006

Revenue 2008-

09 \$12.04 million

Growth

185.10 per cent

Secrets of

success Our

ability to market

our technology

to retailers

and corporate

customers that saw

the opportunity

in advertising

the business.

Pair of aces: Alex Teoh, chief executive, left, and executive director Andrew Teoh, Mint Wireless



BROTHERS IN ARMS

Sibling rivalry helps to spawn a rapidly expanding online business offering mobile invoicing services.

Report: Judith Tydd

● Brothers Alex and Andrew Teoh established business-technology company Mint Wireless in 2006 after growing tired of working the corporate drain-game. Alex was chief executive of logistics company Zoologistics and Andrew was operations manager for Zoo Telecom.

Four years on, after a period of uncertainty and deflated confidence, particularly for small and medium enterprises, the brothers make their debut at number four on the *BRW Fast 100*.

With start-up capital of \$1 million from a combination of their own savings and financial backing from family and friends, a decision in 2007 to float on the Australian Securities Exchange has proved to be fortuitous.

After struggling to secure additional capital from the banks, listing was an obvious vehicle through which to increase the visibility of the brand, the elder of the two, Alex Teoh, says.

Three years and an unprecedented meltdown later, Mint Wireless stock is entering a recovery phase, stabilising at 4-5¢ from a year low of 2.5¢. A net loss of \$2 million was reported in 2008-09 but Alex Teoh says the business is on track to make a profit. It currently has a market capitalisation of \$35 million.

"In this environment, not many companies are putting targets in place," he says. "Over the past three years, we've grown from \$1.5 million to \$4 million to \$12 million

per year and we're looking to continue at that rate. It's realistic – we're on track."

The business concept was borne from Alex's background in customer-relationship software, and an apparent void in the years before the inception of iPhone and BlackBerry.

Launched solely as a mobile payment solutions business which allows companies to collect invoices immediately, the brothers diversified the model to incorporate the design and manufacture of technology products. This includes STASH, a consumer brand which supplies flash memory products, multi-chargers, replacement batteries and Bluetooth accessories. Both businesses now boast commercial arrangements with leading retailers including Coles, Big W, Dick Smith and Harvey Norman.

The saturation of mobile-phone technology has failed to dampen the strength of the Teohs' mobile payments service. "I haven't seen anyone that specialises in mobile payments," he says. "A lot of people build Facebook applications and there's millions of applications on iPhone. The technology industry changes so quickly."

He credits hardware investments from the likes of Apple and Microsoft for triggering the expansion of Mint Wireless. Three years into a five-year business plan, the Teoh brothers – each with a 30 per cent stake – are preparing to source potential partners in South-East Asia and the United Kingdom through either joint ventures or licensing arrangements. Much of the growth over the next two to three years is expected to come from overseas markets including Hong Kong.

The rapid growth has not come without casualties. In achieving greater economies of scale, the brothers were forced to trim costs and recently made two staff members redundant.

Staff recruitment has presented itself as the biggest managerial hurdle. "If I could have my time again, I'd hire smarter," Alex Teoh says. "It's hard to quantify people. Once you put a person in place and you invest in them and spend six months training them and then they don't deliver that's a lot of time wasted. I wish I'd been more selective in terms of who we brought on board."

Strategic decisions by the pair often incorporate advice from their parents, now semi-retired business owners. With Alex as chief executive and director and Andrew as executive director, the business has been structured to play to their strengths. Alex acts as strategist and Andrew handles sales and marketing.

"Crossing personal with professional was always going to be difficult but we respect each other and it's worked well so far. There's a trust element as well. I'm the eldest so I get the final say – all the time," Alex says, tongue in cheek. "Initially I called the shots but as the business has grown so has my respect for him." **BRW**