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THE SME PAPER

InvestPenang accelerates growth of technology SMEs in northern region

The Penang state government's newest start-up programme, @CAT, might be the push that technopreneurs in the state need to take-off

For more than ten years, InvestPenang, a non-profit entity established by the Penang State Government, has been helping businesses at every stage. With a main mission of promoting the state as the ideal location for technology, industry and business, the agency has advised entrepreneurs on the best location for their businesses, connected them with business partners and provided comprehensive information on suppliers and vendors.

InvestPenang recently launched its latest start-up accelerator project: @CAT. It is an acronym for Accelerator for Creative, Analytics and Technology. @CAT is a new initiative developed by the Penang State Government via InvestPenang.

Serving as a launchpad for start-up founders and entrepreneurs in Penang, around Malaysia and surrounding areas, @CAT is has as its goals the accelerating of emerging start-ups and entrepreneurs, nurturing new talent in tech applications such as cloud computing, technology, Big Data Analytics (BDA) and Internet of Things (IoT) and developing Penang's startup ecosystem.

It offers accelerator programmes, co-working spaces, event space and tech community events, all of which, is housed under one roof at Wisma Yeap Chor Ee, George Town, Penang.

The launch event of @CAT at Wisma Yeap Chor Ee, George Town, Penang saw more than 200 participants, representing captains of local industries, seasoned entrepreneurs, start-up community leaders, budding entrepreneurs, students and others.

Gathered in the bright and airy work space located on the third floor of the newly-renovated heritage building, participants listened

Lim addressing the participants at the event

with excitement to announcement of the official launch of the @CAT programme and its website by Penang Chief Minister, Lim Guan Eng. There were also keynote addresses from other notable speakers, including MDeC COO Datuk Ng Wan Peng, MaGIC CEO Cheryl Yeoh as well as Cradle Fund CEO Nazrin Hassan.

Lim said that this was both a unique and historical gathering for Penang because it was the first time the state government was investing its resources to venture into the new economy. Lim added that for Penang to succeed in the future, it needs to invest not only in education, but also master disruptive technology and innovation.

"We believe that Penang is well-poised to ride the IOT game-changer and we want to invite all the tech talents, not only just from Penang but also from all over Malaysia and beyond, to consider (developing their businesses at) our place here in Wisma Yeap Chor Ee. You will have the old and new, the ambience and environment, and the encouragement and support from the

Penang state government," he said.

"We believe that Penang has the right conditions to help businesses grow faster – we have the three keys: talent, technology and tolerance of new ideas. This @CAT platform is another dream maker to make your dreams come true," he added.

MALAYSIA SME® also caught-up with Loo Lee Lian, the GM of Invest-in-Penang Berhad after the launch and learnt that she believes that location is another strategic feature for Penang – one that makes it a great place for developing start-ups and SMEs.

"Since Georgetown was declared a UNESCO World Heritage Site in 2008, we have seen tremendous growth in the number of F&B outlets and hotels here. However, we have not seen much in the start-up and SMEs industry. By having @CAT here (in Georgetown), we are bringing technology into a heritage site and hope that by combining both the old and new, we can spark a free flow of creativity and innovation," she shared.

@CAT hopes to incubate the next Twitter and put Penang on the

Loo says that Penang has much to offer technopreneurs

world map for start-ups and SMEs. "It took them (Silicon Valley) awhile to develop their ecosystem and it will take us awhile too. We are starting by inculcating a strong spirit of innovation and creativity in the people here," she said.

One of the ways they plan to achieve this vision is by bringing the start-up local community together and giving them an affordable space to network and build relationships with each other.

@CAT offers individual co-working space for RM120 per month and rents out their event space to tech community event organizers for RM200 for 8 hours. These mostly below market rates help to lower the entry-barrier for individuals and teams who are interested to start their own businesses or organise start-up events.

Besides that, @CAT will also provide entrepreneurs access to mentors and training so that they can access the tools and resources they need to take the first step in starting their own business or develop and bring their prototype to market. The first educational event that

was held at @CAT was DevFest George Town 2015, which took place right after the launch. Meanwhile, business accelerators – IoT Accelerator Lite and Founder Institute (Penang Chapter) will take place sometime between November 2015 and May 2016.

Loo believes that this component of @CAT is important in achieving their vision because it can help to accelerate the development of the business and shorten the time it takes for it to exit. She cites a hypothetical example using a highly successful "Made-in-Penang" company: JobStreet.com.

"Previous founders had to go through the journey of founding their businesses alone and they had to learn most things on their own. This resulted in a lot of time wasted in trial and error.

JobStreet.com had a 20-year exit plan. If there were widely accessible accelerators and educational programmes at that time, perhaps companies like JobStreet.com would only take 5 years before they are merged or/and acquired by other bigger companies," she explained.

She hopes that one day in the near future Penang will also be synonymous with start-ups and SMEs in Asia like Singapore and Hong Kong. This echoes the dreams of Lim. He said in his announcement earlier that day: "I see groups of the younger generations exploring the creative and tech enterprises. From a business standpoint, we are proud that many successful companies like Jobstreet, Exabytes, Piktochart and ViTrox Technologies are from Penang. I hope with an initiative (like @CAT) we can increase the number of successful start-ups originating from and developing in Penang." MSME