

## **OUTSTANDING CEO / SENIOR EXECUTIVE (OVERSEAS) AWARD**

Mrs Dorothy Ng (nee Seet)  
General Manager  
Beijing Smart Garments

### **BACKGROUND**

Dorothy Seet went to Beijing in 1994 after the closure of her family's chain of retail outlets, China Silk House. It had planned to list on the Stock Exchange of Singapore but the plan was aborted as the retail industry then was saturated. Mido Textiles, the owner of China Silk House, closed all four retail outlets in Singapore and shifted its focus to the China market.

Beijing Smart Garments was set up in 1985 by Ms Seet's father-in-law and brother-in-law. It was the first joint venture in garment manufacturing established in Beijing. Smart Garments and Beijing Shunyi Township Agricultural, Industrial and Commercial Corporation each took up a 45 per cent stake while the remaining 10 per cent was taken up by a Singapore businessman. In 1999, Ms Seet was picked as the best person to oversee the China operations.

She went to Beijing, leaving her two daughters - then 14 and six -- in Singapore under the care of a nanny. In 1999, she was reported to have under her charge 2,800 Chinese employees. Despite the stress in running the business, Ms Seet found time to be the Chairperson the Singapore Chamber of Commerce and Industry in China. She is also actively involved in other Chinese Associations, such as the China Garment Councils, the Beijing Textiles and Garment Association, the Foreign Trade Council, etc.

Turnover at Beijing Smart Garments Co has grown by about 30 per cent per annum. In 1997 and 1998, faced with the Asian Financial Crisis, the company made a loss of about 12 million renminbi. When Ms Seet took over, she started to restructure the company and got rid of its non-core businesses, such as advertising and renovation operations and food outlets.

Since then, the company has been growing steadily and profits in the last two years were more than 16 million renminbi each year, with annual sales of close to 400 million renminbi.

Smart Garments then aimed at growing its turnover to 500 million renminbi in the next two years. To achieve its target, Smart Garments looked for a new equity partner to inject some 30 million renminbi into the business.

Beijing Smart Garments operates two factories in Beijing's north-eastern Shunyi county. The third factory is in Gu'an county, in Hebei province. The three plants employ more than 2,600 people and produce mainly men's apparel. Exports make up approximately 70 per cent of its production. The products are sent to Japan, Korea, South-east Asia, Europe, Australia, South America and the US. The three plants make more than 1.2 million suits a year.

For the exported garments, Smart Garments acts as a contract manufacturer for major retailers. It has its own brands in China - Roma for men and Abiana for women. Its garments are sold through a chain of 90 owned and franchise stores in some nine cities.

Looking ahead, Ms Seet said Smart Garments will continue to expand its franchise chain. On the international front, it is working with Italian designers to develop its own brand. Smart Garments has its clothes designed in Italy to attract overseas buyers since China is not known internationally for fashion.

The company also has a retail network of over 90 outlets in several Chinese cities and has learnt to "segmentise" the market to take into account differences in climate, taste and physique across the country.

Like many stationed abroad, Ms Seet has to cope with problems of being away from home and family. This, while she has to find ways to overcome business obstacles and raise BSG's turnover to 400 million yuan (\$80 million).

The company was awarded the "Excellent Foreign Investment Enterprise" by Beijing People's Government and China Association of Foreign Investment Enterprises. BSG not only adopts the ISO 9001 and the ISO14000 System, it is also in the process of being certified with SA8000 recognition. In the year 2006, BSG was awarded the "China well-known trademark" as well as "Beijing Famous Brand" with financial rewards of more than 3.5 million renminbi by the relevant Chinese authorities.

The company is ranked among the Top 100 enterprises of the garment manufacturing industry in China.

So well-versed is Ms Seet in doing business there that she was invited home to speak at the Network China Seminar Series, organised by International Enterprise Singapore and Singapore Chinese Chamber of Commerce and Industry in 2002.

Beijing Smart Garments has been enjoying a 15 to 20 per cent increase in export orders ever since the European Union and the US eliminated quotas on Chinese textile imports in 2000.

Beijing Smart Garments had never set up factories outside China in the company's 20-year history. But it is now considering several options, such as outsourcing production or setting up a factory in Vietnam for the first time.

*As at 26 March 2008*