

WaterTech stays afloat after rebrand

Spring threw lifeline to company with grant and restructuring advice

By ALVIN LIM

IT LOOKED like smooth sailing when WaterTech started in 2004, but the water treatment company hit dire financial straits four years later and was in danger of sinking.

It had focused on industrial wastewater treatment, which meant it was reduced to operating as a subcontractor, scrapping over smaller-scale jobs.

"We were in financial trou-

ble... we couldn't grow any more, and there were cash-flow problems," said group vice-chairman Lau Wah Ming, 67.

It is hard to believe the same company is enjoying the spotlight at the World Cities Summit at the Marina Bay Sands this week.

It has been showcasing its liveable city developments, including a masterplan for the Heilongjiang (Fujian) International Safe Food Industrial Park and Riverside City in

north-east China.

The project - it includes an industrial park, commercial sites and residential spaces - is part of a joint venture between WaterTech and the local government.

It has also completed two US\$10 million (\$12.7 million) sewage treatment plants in Inner Mongolia and a slew of other projects.

WaterTech, which has an annual revenue of \$15 million, had to undertake a massive restructuring after going to Spring Singapore.

Mr Lau, a former Cabinet secretary, said a Spring Seeds Capital grant made up "a third" of the capital required, with the rest coming



WaterTech group vice-chairman Lau Wah Ming said the adviser provided by Spring Singapore taught the company proper governance. PHOTO: BERITA HARIAN

from shareholder Seacare Foundation and other private investors.

The restructured company's start-up capital was \$5 million, which was invested in its first project in Inner Mongolia.

Spring also contributed an adviser - an independent senior executive who played the role of mentor and business consultant.

Mr Lau said: "As a start-up, the company had a gung-ho spirit

but we learnt how to have proper governance through this mentor, who helped us form a new board and forge strategic partnerships."

WaterTech rebranded itself as an environmental engineering specialist, providing integrated systems for water and wastewater treatment. Its two original founders also left the company.

Mr Lau said WaterTech came into its own as "a completely new company with a new management and business strategy". It started to move to markets abroad and undertake related projects in environmental engineering.

"Anything in the industry that can make use of our engineering strength or expand our capability... we would do it," he added.

Mr Lau stressed the company owed its success to having a "collaboration strategy, rather than a purely competitive-focused one".

"We work with good strategic partners who bring in complementary experience, expertise and track records. That is our competitive advantage."

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