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Dream catcher

Entrepreneur whose heart is in Southeast Asia sees digital innovation transforming the business landscape

By YANG HAN in Hong Kong
kelly@chinadailyapac.com

Perhaps digital entrepreneurs working at disruptive change do not tire easily, particularly when their focus is vibrant, energetic Southeast Asia.

Patrick Grove, cofounder and CEO of Kuala Lumpur-based Catcha Group, one of Malaysia's top Internet companies, is no stranger to working 20 hours a day, seven days a week.

Since the formation of Catcha in 1999, he has taken five companies from startup to initial public offering (IPO). Back in 2015, the sale of one of these, online property portal iProperty, became one of the largest ever buyouts of a Southeast Asian Internet firm at more than \$534 million.

Grove majored in finance at the University of Sydney. He was obsessed with the excitement of doing business and dreamed of starting his own company after graduation.

But his idea was not supported by his family — they wanted him to be an accountant. Grove tried to persuade his parents, and the agreement was that if he became a chartered accountant he could then resign and pursue something else.

In 1999, after working for two and a half years at Arthur Andersen — at that time one of the world's Big Five accounting firms — Grove was just six months away from the chartered accountant certificate and his “freedom”.

But then he quit, so lured by the Internet industry in Asia that he decided he could wait no longer. Seeing companies like Alibaba, NetEase, Sina and Sohu springing up in China, all he wanted was to move back to Southeast Asia to create his own Internet company.

Interestingly, he did pick up the course again, five years after he started Catcha Group, earning that chartered accountant certificate to make his mother happy.

Starting from online search engine and portal network service Catcha.com, Grove and his business partner quickly built the company into one of the region's best-known dotcom businesses. In early 2000, the company embarked on its IPO for a Singapore Exchange listing.

But then the dotcom crash happened. The IPO was aborted, and Grove was suddenly confronting the biggest challenge he has ever faced.

“Can you imagine that you are two

days away from having a company with a hundred million dollars in the bank?” said Grove. “That is probably the scariest moment of my entrepreneur career.”

Apart from downsizing the staff from 150 to 25, and moving the company's headquarters from Singapore to Kuala Lumpur to cut costs, Grove even turned to traditional media, launching a magazine publishing business amid the Internet downturn.

But the company slowly grew, returning to its Internet business by 2007.

“As difficult and painful as it was, it made me more determined than ever to create great business with passionate people,” said Grove. “Perseverance is the key and you have just got to roll up your sleeves and move forward.”

Today, Catcha has a staff of 2,000 in 35 countries. It has established and listed five online classified companies, including iProperty Group, iCar Asia, Frontier Digital Ventures and Ensogo (delisted in 2016) on the Australian Securities Exchange and Rev Asia on Bursa Malaysia.

Grove said that for him the key to investment is learning and drawing inspiration from other markets like China and the United States. “We look for which ideas are growing the fastest and growing the biggest, and those are the only ideas that we focus on.”

His focus now is the company's latest venture, iflix, a subscription video-on-demand service launched in May 2015. In two and a half years, it has grown to have a presence in 30 countries with over 5 million paying customers throughout Asia, the Middle East and Africa. TechCrunch reported it has raised close to \$300 million from investors to date.

“When I look at the number of people with smartphones in Southeast Asia, that number is absolutely massive,” said Grove, explaining the reason he chose this business. Due in part to a wave of lower priced devices, some 300 million people in Southeast Asia have a smartphone, according to consulting firm Bain & Company.

“If you look at the entertainment they have, the only thing they have is YouTube. I think it's time for something else,” said Grove.

He said Korean dramas are very popular on iflix and the platform is trying to provide more catered programs through studying piracy data. “Many times when people



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pirate something, it's because they can't find it legally, so we are trying to bring great content legally to consumers so that they don't need to pirate anymore.”

Iflix has been seen as an emerging market answer to US streaming giant Netflix, which early last year announced its expansion to more than 130 countries, including in Southeast Asia.

Grove believes iflix can consistently beat Netflix — an “expensive Western product” — on monthly subscription price and the appeal of content to local viewers. He said two-thirds of iflix viewings are with non-English subtitles and he is confident of maintaining iflix's leading position in existing markets.

Another big mission for Catcha now is helping the Malaysian government to build the Kuala Lumpur Internet City (KLIC), a digital hub for Internet companies in Southeast Asia.

KLIC is part of Malaysia's Digital Free Trade Zone, a digital global trade platform backed by e-commerce giant Alibaba and the first in the world outside of China. Grove said this is a good example of how the China-led Belt and Road Initiative can help bring down trade barriers between countries and increase opportunities for local players on a global scale.

The Belt and Road Initiative, proposed by Chinese President Xi Jinping in 2013, aims to build a trade, investment and infrastructure network connecting Asia with Europe and Africa through the Silk Road Economic Belt and the 21st Century Maritime Silk Road.

In May, at the Belt and Road Forum for International Coopera-

tion in Beijing, Xi said China aims to build a digital Silk Road, as it identifies innovation as the driving force to pursue the initiative.

Grove said: “The Belt and Road Initiative also opens up avenues for interesting partnerships and collaboration as well as being an excellent platform for knowledge sharing.” He added that he is increasingly looking to China as an inspiration for innovative, forward-thinking business ideas.

“Digital technology is disrupting every industry,” said Grove, who believes that in Southeast Asia in particular, it is important for businesses to embrace the Internet revolution and transform the way they operate.

He said companies should take advantage of changes brought by smartphones and create solutions that are mobile-first and address the fundamental needs of the region. “For many Southeast Asian people, smartphones are leapfrogging laptops and desktops and are their first window to the Internet.”

Grove's multicultural background allows him to be a quick adapter. Born in Malaysia, he grew up in Singapore, Indonesia and Australia with his Australian father and Singaporean-Chinese mother.

“It also made me accepting and appreciative of the varying perspectives and viewpoints of people from the developed world and the emerging world.”

He said his goal for iflix is to become the first truly global media platform for emerging markets, redefining television for 1 billion people. He believes there is huge potential for online entertainment.

“People in emerging markets

Bio

Patrick Grove

Cofounder and CEO, Catcha Group, Malaysia

Education:

1996: Bachelor of Commerce, University of Sydney, Australia

Career:

1999-present: Cofounder, group CEO, Catcha Group

2015-present: Cofounder, chairman, iflix

2007-16: Cofounder, director, iProperty Group

2012-present: Cofounder, director, iCar Asia

2013-17: Cofounder, Rev Asia

2014-present: Cofounder and investor, Frontier Digital Ventures

1996-99: Accountant, Arthur Andersen

Awards:

2017: Malaysia's 50 Richest, *Forbes*

2013: Australia Unlimited: Global Achievers, Australian Trade Commission

2008: Asia's Best Young Entrepreneurs, *Bloomberg Businessweek*

2002: New Asian Leader, World Economic Forum

2000: Global Leader of Tomorrow, World Economic Forum

Quick takes:

What is your investment philosophy?

My motto in life is “just do it”. Always have a mind-set that whatever it takes to get there, get it done. I've learned over and over that it doesn't come down to having the best idea, it just comes down to having persistence.

Who is your role model?

If there was anyone that I look up to, it would have to be Masayoshi Son (founder and CEO of Japanese telecom giant SoftBank). Besides the obvious success that he has achieved, I really admire his tenacity and perseverance toward achieving his vision.

Do you watch a lot on iflix?

I wish I did, but I don't have much time. I am on an airplane every two days. What I like about iflix is that it has a feature where you can download the show to watch it offline, so I do that a lot.

Date of birth: April 30, 1975

love consuming content and today they want to be able to consume it whenever they want to, wherever they want to, and on any device,” said Grove.

It appears that his appetite for success, and for having an impact on people all over the world, will not be fully satisfied anytime soon. “I want to continue to prove that you can build great, global Internet companies from Southeast Asia,” he said.