

Republic of Singapore

Creating an SME Super Brand

After using innovative commercialization strategies to gain a foothold in the market, Unique Gas Solution Private Limited revamped its brand identity and IP management strategy to quickly become Singapore's leading supplier of liquefied petroleum gas (LP gas). Relying on trademarks and a patented system to monitor LP gas supply, the company has successfully differentiated itself from its competitors and, through licensing of its IP, is poised to continue its success in international markets.

Background

Located in the Republic of Singapore (Singapore), Unique Gas Solution Private Limited (UGS) is a supplier of products and services based on liquefied petroleum gas (LPG) – a flammable mixture of gases used as fuel in private residences and in the commercial sector. UGS's services include supplying LPG to clients, installing related equipment (such as gas cylinders and piping), and providing maintenance and support services to its customers.



UGS supplies LPG based products and services (Photo: UGS)

Since its foundation, the company has developed a dynamic branding and commercialization strategy, which has been supported by an active intellectual property (IP) assets portfolio. As a result, UGS's goods and services provisions expanded across the residential LPG market of Singapore and subsequently entered the commercial LPG sector of the country. In 2013, the company was not only the largest supplier of LPG products and services in Singapore; UGS was also planning expansion into the Association of Southeast Asian Nations (ASEAN) region.

Fanning the Flames of Business

Formerly known as Unique Gas Trading (up until 2009), UGS was established in 1993 by Thomas Tan, an entrepreneur who serves as the company's Chief Executive Officer (CEO). In the first two years after it was founded, UGS met with relative success in Singapore's residential market for LPG goods and services. This early success allowed the company to expand its service provision via a purchase in 1995 of Ready Gas Company (Ready Gas), a provider of natural gas also in Singapore. Only two years after this acquisition, UGS's client-list grew to approximately 8,500 per month – 2,000 of whom were gained following the Ready Gas takeover.

A year later, the small and medium-sized enterprise (SME) expanded its services by establishing a subsidiary known as Unique LP Gas Services (ULPGS). Via ULPGS, the company was able to supply LPG products and services to the foods and beverages (F&B) sector of Singapore – which includes restaurants, cafés, and bars.



Singapore's F&B sector relies on LPG products (Photo: UGS)

The company's entry into the F&B market took advantage of a growth in the late 1990s of Hawker centers – indoor, open-plan entertainment and dining complexes that are popular in the region. Indeed, such centers have had a heavy reliance on LPG products and services – restaurants, for instance, use gas-based stoves to prepare meals. Supplying both residential and commercial markets, UGS (and its subsidiary) saw annual sales volumes grow by 75 percent between 1997 and 1999. This dual market strategy continued for another four years until, in 2003, the company sold

off ULPGS. In part due to the sale, UGS underwent a major restructuring and renewed focus on the commercial sector – the latter resulted in the company primarily doing business within Singapore's F&B market and industrial sector.

In addition to focusing on industry, in 2009 UGS revamped its brand image and commercialization strategy – indeed, up until this point, the SME had not placed a priority on brand development. The company, for instance, streamlined its corporate identity and re-branded itself as UGS – a change from *Unique Gas Trading* to *Unique Gas Solution*.

Part of these changes also involved adopting a new logo (an image of four petals in a pattern of a cross that is, according to the SME, evocative of safety, positive growth, continuity, transparency and integrity). UGS also created new uniforms and titles for its employees. According to the company, the re-branding has reflected its desire not only to differentiate itself from competitors but also its plan to keep future avenues for expansion into other energy sectors open.

A separate strand of UGS's re-structuring process led to the company overhauling its human resources (HR) department and management procedures in order to project a professional image and implement quality in its brand and across its systems of operation. To this end, UGS's HR department relied on the Capability Development Grant (CDC), a subsidy by Singapore's Ministry of Trade and Industry (MTI) that provides strategic consultancy support to develop SMEs in the country.

Working with consultants provided by the CDC scheme, UGS's HR department developed standard operating procedures (SOP) for hiring quality staff – something that had not been the case previously. Prospective employees have subsequently been vetted via objective criteria (as compared to the previously *ad hoc* recruitment methods which relied on the recruiter's "gut instincts" when deciding to hire someone) that has led to a streamlined recruitment process.

In large part due to these new recruitment procedures, quality staff have been joining the company – adding further to the company’s re-branding efforts and enhanced corporate identity. Due to the new recruitment SOP, “[UGS] clearly understood the job scopes necessary for each position,” said a spokesperson for the company. “[UGS has become] more focused on our requirements [...] and we attract [more of] the specialized staff that [the company is] looking for.”

Improvements to the company’s HR department (which include a new performance-based salary structure for employees) have run parallel to changes in UGS’s operational processes and procedures. By developing a customized gas monitoring system, for example, UGS can ensure LPG customers have their gas replenished before it is exhausted – thus eliminating down time for gas supply to clients. This commitment to reliable customer service is captured in a company slogan: “No Gas Disruption, Safety and Business Continuity.”

Furthermore, UGS has taken measures – such as staff training and implementing back-up systems to monitor and manage services – that have streamlined operations and ensured its delivery even in challenging situations, such as an influenza outbreak. The company’s customer-facing employees, for instance, rely on hand-held personal digital assistants (PDAs) in order to manage customer data, such as billing, which can be managed on site and in real time.

Digitization has also resulted in cost savings: paperwork at the company, for example, was reduced by 90 percent since its introduction. Significantly, many of these important changes have been supported by national and international industry standards and certifications.

In 2008, for example, the SME attained certifications from the International Organization for Standardization (ISO), a multinational standards-setting body. ISO 9001:2000 has ensured UGS’s managerial systems allow for a non-disruptive and effective delivery of services – the company was one of the first businesses in Singapore to achieve this standard. UGS’s services also adhere to norms established by the Singapore Civil Defense Force, a licensing body in the country that regulates the use of flammable products such as LPG.



The company has successfully marketed a range of products for the LPG industry (Photo: UGS)

The upshot of these changes has been increased brand equity for the company and improved service delivery on a number of fronts: speed, safety, security, transparency, accuracy, productivity, efficiency and cost savings. In other words, not only has the company’s corporate identity been enhanced and its operational efficiency improved; UGS has increased its ability to compete against rivals based on quality rather than on (traditionally volatile) gas prices.

With its brand identity secured and its corporate structure enhanced, UGS has been keen to raise brand awareness via a robust advertising campaign. To this end, the SME has relied on advertising via major newspapers in Singapore such as the Straits

Times, Business Times, and the Lianhe Zaobao (the country's largest Chinese language publication) as well as in industry magazines.

UGS has also promoted its services via sponsorship of high profile national and international sporting and cultural events. The company, for instance, sponsored Singapore's team at the 4th World Dragon & Lion Dance Championship (2009), a traditional dance that is popular in ASEAN and surrounding regions.

As of 2013, UGS commercialized a range of gas-related products, in addition to gas cylinders and gas piping materials, including LPG meters, LPG shut off devices, vaporizers and gas burners. In the same year, the SME's growing mix of commercial customers included Big Splash, an F&B and entertainment multiplex, and Jumbo Sea Food, a popular restaurant chain in Singapore.

IP in Action

Having invested heavily on revamping its corporate identity and enhancing its brand awareness and commercialization strategy, UGS has protected these investments by relying on the IP system. The company has patented its customized gas monitoring invention and registered a trademark for its company name.

Protecting a Good Reputation

Indeed, the SME applied for a trademark for **UGS** (2008) at the Intellectual Property Office of Singapore (IPOS). The trademark was registered at IPOS in the same year. UGS, moreover, filed for a patent for a **System for Monitoring of Gas Supply and Method of Operation Thereof** (2011) via IPOS. The patent was granted in September 2013. Via the IP system, therefore, the company has protected its intangible assets and corporate reputation, differentiated its goods and services from those of competitors, and ensured its current and future avenues for expansion.

Collaborating With Others

UGS's brand development and commercialization success has benefitted from IP management advice and support provided by experts from IPOS and facilitated by MTI under the Intellectual Property Management for C-Suite Seminar (IPMCS) project.

Via IPMCS, which is a joint project between MIT and IPOS to promote IP utilization awareness among *C-suite* or *C-level* managers of small businesses (or the most senior executive level managers in a company, e.g. CEOs), UGS was able to strategically and successfully exploit its IP assets – especially its patent, which it registered and commercialized as a result. UGS was prompted to create its patented technology following advice from IPMCS consultants. The major overhaul to its branding and



The company's logo, registered as a trademark with IPOS (Photo: IPOS #T0817537H)

commercialization strategy too was made, in large part, after these consultations.

Furthermore, the SME was encouraged by IPCMS to seek expansion beyond Singapore (by licensing its patented technology, for instance) to ASEAN and other markets. As the company's executive director said, "The consultants at IPOS told us that [...] maybe you can package, get a trademark or patent and then go overseas to market it. It was something I [hadn't thought] about." As of 2013, the company was seeking to license its patent internationally.

UGS is among a growing number of companies in Singapore that is realizing the market potential of strategic IP optimization. In the decade or so following 2001, for example, trademark filings via IPOS rose by 72 percent while patent filings grew by 20 percent. Royalties and license fees from IP assets in the country, moreover, expanded from US\$9 billion (2006) to US\$15.5 billion (2010), making Singapore the third highest IP fee-earner in the Asia-Pacific region (according to the MTI). These impressive figures led the MTI minister to say: "For Singapore to stay ahead of global competition, we must continue to invest in innovation and assimilate IP management into our development strategies."

Going Forward



Today, UGS is a superbrand in Singapore (Photo: UGS)

Less than 20 years after it was established, UGS has become Singapore's leading provider of LPG products and services for the F&B market. In the process, the SME has enhanced its brand, increased revenues, and become an award-winner. UGS was awarded the Professional Enterprise Certification (2008), which is managed by the Asian Management Association and recognizes professionalism and progressiveness by an enterprise or organization.

In the following year, the SME received the Singapore Prestigious Brand Award (Established Brand Category), while its founder, Mr. Tan, was awarded the Entrepreneur of the Year award (2009). In both 2010 and 2012, furthermore, UGS was recognized as a Singapore Business Superbrand – an acknowledgement by Superbrands Ltd., an independent arbiter of international brands.

In addition to winning a number of other awards, the company has posted impressive business results year on year. Following the company's corporate overhaul, in just three years UGS expanded revenues from US\$6 million to US\$30 million per annum. Furthermore, the company's market share increased from 14 percent to 25 percent (2009) within the commercial LPG sector of Singapore.

Making it Big

UGS entered the commercial market for LPG products and services at a time when Singapore's F&B sector was on the rise. By differentiating its corporate identity

through dynamic branding and quality service delivery, and relying on the IP system, the company showed how an SME with a robust business strategy can make rapid progress in a few years. F&B businesses throughout the country, meanwhile, continue to enjoy professionally delivered LPG services and products from one of the country's super brands.