



Interview with Esther Suen

Can you provide a few highlights of your father's story on how he established Simatelex?

My father, C.S. Suen, came from a hard-working, humble family in Shanghai, China. As a young man, my father came to Hong Kong in 1949 to escape communism, with no money and few possessions. He learned how to speak Cantonese, and while he was working in Hong Kong, attended a technical college at night for 7 or 8 years, to become an engineer. Then, in 1969, with a few partners, he founded Simatelex Manufacturing Co. Ltd. in a small facility in Hong Kong.

Until he passed away at the age of 67, my father worked very hard to build a company that was based on his very strong ethics, and decisions that were focused on long-term growth and reputation, not on short-term profits. My father trained and groomed a very strong management team, which made it much easier for me when I took over the company in 1997. A great number of our management team have worked at the company for

more than 10 and 15 years, and some employees have served both generations of my family.

Based largely on the market reputation and internal culture that my father established, Simatelex has grown from its small Hong Kong-based facility to a company with 4 plants, 4 million square feet of floor space, and a workforce of 20,000 people who produce an average of 20 million product units annually.

What's the meaning of the company's name?

The Chinese name of Simatelex was created by combining the last Chinese character of the names of my father and another founder of the company. The English name of the company contains "telex" because Telex was like iPhone in those days, and the founders wanted the English name to sound western and high tech.

What is the most important lesson your father taught you?

My father taught me the importance of business ethics and persistence. When I first started to work for my father, I came to realize he was a very successful businessman and

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– Ms. Esther Suen
Vice Chair and
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Hong Kong

was very well respected in our industry, and well trusted by his customers. He always took a long term view in developing business relationships and his vision was to be the best manufacturer in our region. He was very hard-working, even in the later stage of his life, and firmly believed that attention to details and execution were the key to success in a manufacturing business. His business philosophies have greatly influenced my management style.

Why did you decide to study accounting at the University of Manitoba?

When I was in high school, I wasn't sure where I wanted to attend college. My father was very much involved in the business, and my mother was a homemaker, and neither of them provided much guidance on this topic. So I decided to follow my best friend to Winnipeg, Manitoba, where her sister was attending school. That's how I ended up there. Right before I was about to leave, my father suggested that I go to school in Indiana, because he had a customer there, but I didn't want to go to Indiana. As it turned out, fate came into play, because I met my husband's sister in Manitoba.

I've always liked numbers and was good at mathematics, and business was the top choice for Hong Kong students at the time. I thought that accounting would be a good major, but midway through my years at the

university, I discovered that I didn't really want to be an accountant. I didn't want to start over again with a new major, so I finished the Bachelor of Commerce degree with an accounting major.

I do think, however, that accounting is the language of business and is a very good background for business people, and it helps me in running the business.

Did you always know that you would someday work at Simatelex?

In some ways, my father was grooming me over the years to join the company. When I was in high school, he would sometimes ask me to attend business dinners when the customers brought their family along. I was also asked to do summer jobs at Simatelex during my university days. After I graduated from the university, I did not go directly into my family business. Instead, I worked for a fashion merchandising company for about a year. Then my father told me, "You're working so hard at that company. You should join the family business."

Was there any resistance within the company to having a woman as CEO?

In Hong Kong, there were a lot of women working in companies in senior executive positions. It is

common for people to be doubtful of the second generation when they take over the family business, but not because it is a woman or a man.

Our customers and our management team were happy when I took over the company in 1997 when my father was sick in the hospital. So, there was no resistance at all and especially because many of them knew me when I was working with the company. On the contrary, the management team gave me a lot of support. I have to say I was very fortunate in that regard.

Simatelex has grown 300% under your direction over the past 20 years. Do you expect to sustain that level of growth?

It's getting more difficult to sustain that level of growth, as we become much bigger. We're not focused on growth for its own sake, but also on the quality of our growth. A major driver of our growth had been related to the enormous success of Keurig, but it's not very often that you get to work with what has become a huge billion dollar company. Our goal is to build sustainable growth.

Will the current trade-related friction between the US and China affect your company?

The trade conflict is a big issue for everyone now. We had decided to look for alternative production location outside China, as we need to diversify. Production will be started in June 2019 in Batam, Indonesia.

Does Simatelex have plans to stand out in the IOT space?

We want to diversify into the Internet of Things area. We have also been developing our capabilities in robotics, and plan to do more with WiFi and Bluetooth, mainly involving the kitchen appliance category.

How do you maintain such high quality standards?

It is not easy at all. The key to success is the people and the culture. We have developed a culture in which our people care about the quality of our products. We want to make the best quality products for our customers and the final consumers. And this effort is not limited to our people. It includes our suppliers and our sub tier suppliers who make components for us, who understand our quality standards and requirements.

Continuous improvement, paying attention to details, and maintaining strong execution capabilities, are important for us.

Do you personally use the products that Simatelex produces in your home?

Absolutely. I have many of our products in my home, and I use them regularly. I'm also part of a company program that provides early feedback for products that are not yet on the market.

Explain the story behind the hair dryer Simatelex produced to celebrate the company's 50th anniversary.

The very first electrical product that our company manufactured was a hair dryer. That is why we have chosen to make a hair dryer as our 50th anniversary gift to pay tribute to our roots. It symbolizes our beginnings, and we worked with Motiv to create a very attractive product. Moreover, personal care products such as hair dryers and curling irons had been our core products in the first twenty years of our business.

What qualities do you look for in your employees?

We want our employees to share our values and our goal of being the best manufacturer in the region. We want our employees to be experienced, to act professionally, and to be good team members. We also want them to be pro-active in their jobs, and to value lifelong learning. In terms of employee loyalty, it's important to empower people to do what they are good at. I also want people to be proud of the products that they make, which I believe is the best way to motivate people.

As a female CEO of a large international company, do you feel any obligation to be a source of inspiration for younger women?

I think that young people, both men and women, can benefit from career and personal guidance provided by experienced people and successful companies. Toward that end, I am involved in mentorships, and frequently give presentations to young people regarding my journey and what I've learned in business and life. In that way, I try to serve as a role model and inspiration for the younger generation.

Have you considered writing a book?

I'm not interested in writing a business management book,

but I would like to write a book for my family. My mother has 8 grandchildren, and I have 3 sons, and I want to pass down to that generation the understanding of what has happened over the past 50 years so that they have an appreciation of the family's recent history. I've been thinking and talking about this project, but I haven't started it yet.

Will there be a third generation of your family involved in managing your company?

Besides manufacturing, the company has property investment operations. One of my sisters is

taking care of that part of the business, and my brother's daughter is working there now. So one of the 8 grandchildren is working in the family business so far.

You're a golfer. What appeals to you about the game?

I started to play golf in 1994. However, I always consider myself a beginner in golf because I do not play very often. Sometimes I play with customers, which is one reason why I try to maintain a decent level of playing ability.

Do you read business management books?

I like to read books and management and business magazines, such as Harvard Business Review, and The Economist.

I do like reading Malcom Gladwell's books, because he covers a broad range of industries, and explains not only why people succeed, but also why they fail, which is an important perspective.

Esther Suen Biography

Ms. Esther Suen is the Vice Chairman and Managing Director of Simatelex Manufactory Company Limited.

Esther is the eldest daughter of Mr. Suen Chi Sun, the founder of Simatelex, who passed away in 1997. Esther was educated in Canada and holds a BA Degree in Accounting from the University of Manitoba and she was also awarded Honorary Degree of Doctor of Laws from the University of Manitoba. She joined the Company in 1986 and was appointed as Managing Director of Simatelex in 1997.

Simatelex was established in Hong Kong in the year 1969 by the late founder Mr. Suen Chi Sun. It is a family owned private OEM manufacturer of electrical appliances. It manufactures products for many reputable brands which are famous in the markets of North America, Europe and Asia such as Keurig, Cuisinart, Breville, Philips and Nespresso. During her tenure, Esther has guided the company through a period of rapid growth, and Simatelex is now one of the largest electrical appliance manufacturers in southern China. It now employs a workforce of more than 20,000 employees in four factories in Guangdong Province.