



# Interviewed

# Mr Then NM

## Managing Director, IP & Pixel Security Sdn Bhd

**MalaysiaSAFE: Could you please tell us about your company, its inception and growth?**

**Then NM (TNM):** IP & Pixel Security Sdn Bhd or IPSEC as many may be familiar with, started only four years ago in the beginning of 2011. We were incorporated in 2012, operating from Petaling Jaya with only two employees. Now we have about twenty five staff, of which fifteen are engineering, system automation and electrical engineers. The purpose for setting up IPSEC was to undertake turn-key electrical, extra low voltage (ELV) and physical security projects – those which required holistic design, build and commissioning. We saw the opportunity to start this business with the development of Iskandar Malaysia, in Southern Region Economic Development Corridor, Johor.

The federal and state government's main objective for developing Iskandar Malaysia project was to transform the

southern state into a sustainable metropolis of international standing by developing smart cities. The project's administrators, Iskandar Regional Development Authority (IRDA) came up with a concept of people living without fear and building an image of a safe city that is attractive to foreign investors. Therefore IRDA wanted the city's hot-spots with high crime statistics and high value areas to be monitored around the clock with a mechanism that transfers video image to the police's control centre (IPD) for real-time video footage analysis and forensic reviews.

The phase 1 project was awarded to GTC Global Sdn Bhd (a subsidiary of TM Berhad) but we had the opportunity of becoming their sub-contractors on the Visual Intelligent Analytics System and Geographical Information System (GIS) parts. This is where our strength lies as we had commissioned a software that allows for license plate recognition (LPR), vehicle counting, tripwire, loitering and

behavioural detection. I am very proud now to mention that in a short time, IPSEC has grown into a renowned company in the Extra Low Voltage (ELV) industry, which is capable of designing, developing building automation and security systems on a large scale. We are anticipating that in the next two to three years the company will have an estimated turnover of RM45 to RM50 million.

**MalaysiaSAFE: What products and brands do you carry in your portfolio?**

**TNM:** For surveillance we use Samsung Techwin and Hikvision as these are two companies that are known for the quality and innovation of their products. For intercoms and building automation we have Legrand and Schneider Electric, and for smart building solutions we use Alcatel-Lucent's GPON (Gigabit Optical Passive Network) technology. This is a cost saving technology that uses only fiber optics to interlink and deliver

multi ELV services by consolidating the requirement of different types of cables for different systems to just a single platform, therefore saving material cost. Other brands in our portfolio are Shoretel, Polycom, Fracarro, VisiTraq, Moxa, Honeywell and TOA.

Additionally, since last year we have taken the new approach of developing our own brand of VMS called VisiTraq. This software monitors visitors and staff that enter a building by authenticating IDs or passports with thumbprints, so there would not be issues of an entry using fake IDs. Furthermore, VisiTraq is very useful for area access, watch list and blacklist control of all individuals entering the premises as well as for emergency evacuation. Carlsberg Brewery Malaysia is currently using our VMS system to monitor and manage their contractors, suppliers, logistic providers and visitors to their plant. Our VMS system helps to improve the security surveillance of their plant and emergency evacuation because it is able to provide roll call reports.

***MalaysiaSAFE: What are the main evaluation criteria you lay down for qualifying the brands that you use?***

**TNM:** We mainly engage in top-tier manufactures and suppliers of products that are known for their quality. This is important because a product's reliability will minimise problems surfacing after a project is completed. Of course, compared to other products in the market, these brands can be more expensive, but the savings can be seen as it will require less maintenance on faulty equipments. Equipments that are not functioning properly can create monetary impact on business, so it is important for an organization to sometimes invest in quality

products rather than saving capital cost. In the long run, you will get your ROI when businesses run smoothly.

***MalaysiaSAFE: What is your 'go-to-market' strategy?***

**TNM:** From time to time we conduct road-shows, put up advertisements and work hand-in-hand with our principals. Sometimes our principals refer cases to us as well. We also approach new customers directly because we are confident with our expertise and present ourselves as skilful and competent system integrators. Further, we do not limit ourselves to be known only as a system integrator as we are also recognized by Malaysia's Construction Industry Development Board (CIDB) as a top tier G7 contractor that has proven track records in delivering projects worth more than RM 10 million.

***MalaysiaSAFE: What is the percentage breakdown of business you get from Residential, Corporate and Government sectors?***

**TNM:** Majority of our customers are MNCs from the manufacturing and property industry. So far we do not have that many domestic consumers using our products and services and therefore, our business is more towards the corporate and government sectors.

***MalaysiaSAFE: What challenges do you face in executing projects?***

**TNM:** Every customer that I meet will have their own unique requirements. This is challenging for us because we need to conceptualize the ideas and convert them into a workable solution. Sometimes it can also be challenging for us in terms of designing and integrating

heterogeneous systems that are proprietary. However, the biggest challenge is doing a work within the given budget and meeting the expectation of clients.

***MalaysiaSAFE: How do you provide technical support for all completed projects?***

**TNM:** Each project that we have completed or handed over will have what we call a Damage Liability Period (DLP) of between one to two years. We will assign our in house technician or partner sub-contractors of our own to attend to issues such as systems or cabling problems or faulty devices. These sub-contractors are selected based on their expertise, workmanship and commitment. We train these sub-contractors so that they are capable and competent enough to handle the installed products and systems on our behalf. To ensure customers' satisfaction and monitor service level deliverables, IPSEC is using Insightly CRM system to monitor post-sales supports, job orders, tasks assignment, customers profile and records.

***MalaysiaSAFE: Can you name some of the big projects that you have done recently?***

**TNM:** We undertake projects across Malaysia. To name a few, we have done works for Carlsberg Brewery, KPJ Healthcare Berhad, Malaysia Industry Development Finance Berhad (MIDF), and Greenland Group China, which is a Fortune 500 company. We are privileged to work with Greenland, China state owned property company to build a 3 by 3 video wall display for their sales gallery at Danga Bay and Menara Landmark in Johor. IPSEC was selected to commission the project based on the company's technical and design competency. Other on-going projects are

commissioning ELV, building automation and security system for high rise buildings, hotels, apartments and factories across Malaysia. Our projects in hand are estimated to be around RM 15 million. The most challenging project is to commission industrial grade security system, control room, fiber optics, equipment enclosures and inter racking system for Sakura Ferroalloys plant, in a joint venture between Sumitomo Corporation, China Steel Corp and Assmang Limited because of the strict work site safety requirements, stringent quality control and compliances.

***MalaysiaSAFE: What is the value add-on that you give to all your clients?***

**TNM:** Of course we have to be outstanding in our work but we always approach our clients with a mission – that is to come up with a unique solution and to help them save on cost and materials. We do not build a system based on off-the-shelf products. We are capable of doing programming using Software Development Kit (SDK) and Application Programming Interface (API) type integration for 2 different types of systems, which can only be provided by system integrators that are skilled in engineering and programming. So our expertise in customizing a system for specific needs is the added value that we provide to our clients. We want our customers to come back or refer us to their friends so we always work with sincerity and integrity.

***MalaysiaSAFE: Do your clients employ the services of a Consultant, or purely on inputs given by an SI?***

**TNM:** From time to time, we do get clients that come to us for advice and

consultancy on security threat assessment. We are always careful in conducting any security assessment because a wrongful advice could lead to serious damages. There is no full proof security system in the world either in physical security or cyber security. However, we always believe that security is a journey, whereby continuation of penetration risk assessment is important – nevertheless we are an engineering company whose expertise is primarily in design and build services. Security threat assessment is a difficult task that cannot be taken lightly. But of course, working in the industry over the years has provided us with some knowledge and experience. We interact regularly with the police, government and enforcement authorities, so when a client asks for our input, what we tell them first is to assess whether the problems are internal or external. Generally, security issues are due to our own carelessness and oversight. This allows for perpetrators to strike when there is opportunity.

We also work with M&E consultants in situations where a client has certain expectations or requirements for their system. These consultants will assess the infrastructure and draft out the guidelines for us. We will then come in as the solution providers, study the guidelines carefully, and from there we translate the requirements into technology and products.

***MalaysiaSAFE: What are the up-coming trends in the security business sector in Malaysia?***

**TNM:** I can see that the industry is moving towards adopting 4K surveillance devices and simplified integrated solutions with building automation. People are also warming up

to cloud services as well with the use of smart cameras in homes and small offices. This provides convenience to the consumers that are able to have a surveillance system that they can carry around in their smart phones. There is no longer a need for cabling, but all of these depend on the broadband services in Malaysia that are still centered towards high density populated urban areas.

***MalaysiaSAFE: Do you see the country adopting a more holistic integration of systems anytime soon by combining Fire Alarms, Security and Building Automation?***

**TNM:** More new buildings, especially high rise are already adopting this approach whereby they integrate all these components. This is what you call a smart building and this is the direction some developers are taking. However, the industry is still separated in the sense that developers are either adopting smart or green building technology, whereby the latter relates more to architecture and the use of natural materials.

***MalaysiaSAFE: What new initiatives have you chartered for this and next year?***

**TNM:** Our target, in the next 12 to 24 months is towards obtaining ISO certification in engineering, procurement, installation and commissioning (EPIC). We intend to expand our business to regional countries such as Singapore, Indonesia, Brunei and Thailand. This can be done by setting up joint venture business entities or channels. We foresee tremendous business growth opportunity in our neighbouring countries because of their high population and security needs. ■