From slum dog to unicorn

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I HAVE BEEN hearing about headline-making GoGoVan for several years. More recently, GoGoVan is reported to be Hong Kong’s first “unicorn” — a private company worth over US$1 billion (HK$7.8 billion) — a mere four to five years since its founding.

GoGoVan reminds me of DJJ and SenseTime (a machine learning business founded by a CUHK faculty member and students) — but some do not see the two as Hong Kong companies.

Quotes from one of GoGoVan’s founders, Steven Lam, resonated with me. One is: “There is never a best time to start something, you can never wait for enough resources to start something.” That does not sound like the Hong Kong way I know.

Another: “At the end of the day the story that I want to tell my grandchildren is not that I could buy a house, but that I did something great, something game-changing.” That sounds more like Steve Jobs.

I discovered that our alumnus Terry Tsang, founder of mobile game company MadHead, has a friend who knows Lam, and soon the three of us met over breakfast.

Lam looked just like another undergraduate; he was wearing a Berkeley T-shirt. He spoke very fast but I could see that his speech could not keep up with how fast his brain was thinking.

He did not do well in the Hong Kong school certificate exam the first time and had to repeat, but still could not get into the ideal school. His uncle in Los Angeles suggested that he spend the summer with him. That opened his eyes to another way of life and another way of thinking about life.

He decided then to try his luck to study in the United States. Not wanting to burden his uncle, he left Los Angeles and went to the San Francisco Bay Area, where he had no friends or relatives.

He enrolled in a community college near Berkeley and earned money by working in a Chinese restaurant, as well as trading iPhones. Two years later, he transferred to the University of California, Berkeley and graduated with a degree in business. When he returned to Hong Kong and could not find a job he liked, he decided to start his own company.

How did he get into the van rental business? It turns out his father is in the decoration business and going around is a daily struggle. Job locations vary each day, and with the need to pick up materials at different supply shops, many had to rely on “calling stations” to travel. With necessity comes invention.

He saw the need for a better system, an online call station, and the idea of GoGoVan was formed.

In the beginning, Lam had no experience or money. His initial success invited many copycats.

Unscrupulous competitors proposed partnerships but were in fact trying to steal his ideas and business secrets. He was fortunate enough to get financial support from some sources in Singapore and elsewhere outside Hong Kong.

What made GoGoVan a unicorn was the merger with mainland company 58同城, combining their respective strengths in the mainland and Hong Kong/Southeast Asia markets.

Lam became the CEO of the merged company and now spends most of his time in Beijing.

Lam, Tsang and I discovered that we have something in common — we all grew up in slum housing as kids. I did not realize that their generation still had to deal with slum housing. Despite being the CEO of a US$1 billion company, he still lives with his parents. As affordability is not the reason, my guess is that buying a house is not a high priority for him.

There is something about growing up poor and not having everything handed to you on a silver plate that motivates young people to strive to achieve. This phenomenon is probably age-old.

Lam’s attitude, his upbringing, the context of his success, his view on entrepreneurship, seem to me like a breath of fresh air in the Hong Kong culture of exam-driven, “meal ticket major” focused, vocation/profession-centric view of education, and the frenzy of wanting to own a property.

He is the opposite of all the above. In my eyes, he is one of the truly inspiring real role models for our young people.