



INTERVIEW WITH ERIC LIM, DIRECTOR, MYGYM SINGAPORE

FLA - Good morning Eric. You are the CEO of my Gym. Can you tell us a bit more about MyGym. Can you tell us a bit more about My Gym?

Eric - My Gym Children Fitness is probably one of the biggest child fitness centre in the world. My Gym is about 30 years old and spreads over 30 countries, and over 300 outlets in the world.

Eric - It is ranked #1 in the children fitness arena under the Franchise 500 worldwide. So actually what we do is providing programs for kids from 6 weeks old all the way to 13 years old. We provide fitness programs like gymnastic but in a fun way, we do music and movements, we do swinging but focusing on a few areas of development. For example, hanging. We do hanging on high bars, hanging on a ring, or put them on a balancing bean so the kids get a feel of balancing while developing their motorskills. In short, My Gym gives the kids their first gate towards their cognitive development it is good for the parents to develop the kids in these areas when they are very very young.

FLA - Were you yourself a devoted athlete or gymnast when you were young?

Eric - I used to do a lot of sport in my young days. I was a national dragon baot rower. I may have stopped but my teammates then are still rowing!

FLA - Don't you want to resume?

Eric - I don't think I can because it is really taxing, very tough, but a very nice sport that teaches perserverance in our young days and develop great team spirit. My Gym does these things too...

FLA - so how do you get involved in My Gym, knowing that you used to work for a large IT company?

Eric - In 2005, when my first child was only 1 year old, I decided to quit my job. At that time both my wife and I were working pretty hard in the corporate world so were thinking about how we carried our lives. We could not remember what we did the week earlier or even the day before. My life book was a blank page. So one morning I went to East Coast Park by the beach and starting pondering over what I would really regret. So, two things came tro my mind: 1) at that rate, I would not be able to see my kids growing up and 2) I could not see myself doing what I am doing everyday. Then both my wife and I quit our jobs.

FLA - Both of you? That was very brave...That was faith.

Eric - Yes. At the time we were making good money with the company but we decided to do something for ourselves, to make our books more interesting. So we quit and set up two companies. My wife Frace started My Gym while I started a seminar business to help, to invest in people's life, to teach them how to give back. We organized quite a lot of such big seminars and workshops. for My Gym,

The Seminar business was about helping people's life, to teach them how to be a better parent. We did organize quite a lot of big seminars and workshops, but I qiuckly realize it was very tough going and that people were not so interested in becoming better parent through seminars. so with Grace, we decided to focus on My Gym as Grace was doing a good job and needed help.

My Gym was starting to do well and we opened our second outlet on 09/09/09. We were then franchisees. We went about 2 or 3 years of courtship to buy the Singapore master franchise from the local franchisor. In the end, we managed to convince him and he sold the master franchise for Singapore to us, while he became a minority shareholder in our business. Within the next couple of years, we grew from 2 to 5 outlets in Singapore. That didn't satisfy our appetite and we are still looking for places to open new outlets in Singapore eitehr through franchise or direct ownership. We have a lot of people writing to us but we are pretty selective. As mentioned, appetite was not satiated yet so in 2013 we took over Southeast Asia master franchise for the three largest countries namely Malaysia, Indonesia and Philippines.

FLA - Do you think that winning an award with FLA did help you a little bit? (Runner-up Franchisor of the year 2013)

Eric - Yes, certainly. It demonstrates that our systems are proven and recognized, that we are not a fly-by-night company in Asia, it helped gaining additional respect.

FLA - So now you are really pushing hard to develop these 3 new markets. Which one is the most receptive?

Eric - Indonesia, certainly, so is Malaysia. If you look at my industry space, some of my competitors have already been there for more than 5 years so it is already indication that there is a market for us. Looking at the total population of these 3 countries, they are 76 times bigger than Singapore, so there are certainly new outlets that we can open.

Which country will come first? We don't know yet. I am quite comfortable with the 3 countries. We are looking for area developers or joint-venture partners, and this is not easy. Selling one outlet by one outlet fran franchises, that's easy to find but that is not what we are looking for. We are looking for an entire-jakarta partner, and that is not easy. Someone who love children and is able to raise funds, open and manage 20 new outlets. That's a different ballgame.

FLA - Do you precisely believe that people are receptive on another side of education, besides pre-school, kindergarden and tution centers?

Eric - Whether people will spend money on another kind of education that is not directly grades related is a very good question. My Gym has already shown in Singapore and worldwide that our concept is right and it brings real benefits. The real question is whether franchise investors are patient enough to see results as we cannot take one million kids at one go, we cannot even take 100,000 kids, or 5,000! We can only take in a few hundreds at one time. That's where the difference is.

FLA - Eric, what is the average outlet size in Singapore

Eric - About 2,000 to 2,500 sqf. Our smallest is 1,800 sqf.

FLA - As a tenant, how do you welcome the new fair-tenancy agreement framework just announced by Singapore Business Federation?

Eric - We obviously welcome it. As a tenant, we are extremely careful about never entering into a lease agreement that his prohibitively expensive. We are very selective of the price we are paying.

FLA - Precisely, now, where are looking at opening in Singapore?

Eric - Predominantly, the Northwest area, around Woodlands and Central area. Since parents bring the children for a one or two-hour session, proximity is important. For example, in Tampines, we are are in an office area. We are surrounded by offices. We are not visible from the outside, there is no walk-through but we are still pretty busy through the week end week-ends. Now, other enrichment companies are opening there too. This proves that we do not have to be in a shopping mall.

FLA - Did your kids enjoy MyGym?

Eric - My son started MyGym at 3 years old. I only brought him to East Coast Park to learn how to ride a bike at 8 years old. In less than 3 minutes, he was riding alone comfortably. Kids can start very young. In Singapore our younger student was 4 months old (my daughter) Worldwide our youngest customer was 6 weeks old!

One of first exercises is swinging, which is a bit frightening at first for the child but they quickly grow to love it and refuse to come down. The swinging motion in the air push them to overcome fear. They are a lot of benefits in bringing the kids trough such exercises, especially for active kids who may just want to jump around without having developed the proper motion skills to prevent injuries. It is also excellent for slower kids, those that are afraid of strangers. Exposing them to some stressful exercises at first really help them to overcome some hesitations they may otherwise build upon.

FLA - Would you say that you have changed lives for the better?

Eric - Yes, I can very confidently say that we did. We have received many long testimonies from parents. Parents endorsement is really what made our success as we always advertised very little. Now, we have grown and we are advertising a bit more just to maintain the branding. And the younger generation of parents tend to focus less on the academics and understand the value of a more holistic education. This is also what I believe in of course. Turning the kids's brain on through fitness and motor skills development is really the key. Pushing the kids too young towards academic learning can scar the child for life. Chinese language is a good example. The fear of losing

out to other kids and impose on kids things they really don't like or cannot appreciate yet is actually what really make them lose. Human nature is to avoid pain. The brain will more or less shut down when confronted to something that incur pain. That's very logical and it makes learning very difficult... But if kids like it, then learning is a breeze.

FLA - Thank you Eric for this interview

Eric - Pleasure