

ENTREPRENEUR

Asia-Pacific

A publication of the Young Entrepreneurs Group of Asia Pacific (YEGAP)



Y E G A P
Young Entrepreneurs Group of Asia Pacific

Message of the Chairman

On behalf of the Young Entrepreneurs Group of Asia Pacific, it is my great pleasure to welcome you all to Entrepreneur Asia Pacific, the official newsletter of YEGAP, as we release the 13th issue since its launch in 2008.

In the same cordial note, I wish to express my sincerest gratitude to the eminent publisher of the Entrepreneur Asia Pacific newsletter, the Confederation of Asia Pacific Chambers of Commerce and Industry (CACCI).

Entrepreneur Asia Pacific promises to showcase Asia Pacific's freshest of the fresh news and updates on youth entrepreneurship in the region – information that reflect Asia Pacific's dynamic entrepreneurs, core values, innovations and best business practices. The newsletter will also give our members and readers an opportunity to know more about unique Asia Pacific entrepreneurial experiences.

Through Entrepreneur Asia Pacific, YEGAP shares with its members a databank of articles, stories and studies that are an integral part of the YEGAP learnings. YEGAP is an organization where knowledge is abundant; where its members are dynamic; and where its programs are meaningful.

YEGAP first introduced Entrepreneur Asia Pacific six years ago. Today, the newsletter boasts of a selection of interesting materials from all over the Asia Pacific region that includes innovative business ideas, replicable projects, success stories of young entrepreneurs and networking opportunities. This kind of "good read" endears Entrepreneur Asia Pacific to its readers.

One of the core values of the Young Entrepreneurs Group is forging and strengthening alliances with its members and partners. We are therefore gratified to have forged continued partnership with various chambers and organizations in the region on mounting this newsletter. We look forward to a continued relationship in promoting and exploring youth entrepreneurship in Asia Pacific.

We invite you to read through each page and take a little out of everything.

Thank you, and enjoy Entrepreneur Asia Pacific!

Anna Marie Periquet
Chairperson, YEGAP



SAARC CCI holds Young Entrepreneurs Forum

Following its vision of empowering positive business thinking and improving co-operation within the region, the Saarc Chamber of Commerce & Industry (Saarc CCI) in collaboration with the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) organized the Young Entrepreneurs' Summit - South Asia (YES-SA) on February 14-15 in Lahore.

The theme for this year's Saarc CCI Young Entrepreneurs Forum (SCYEF) was, "Building Bridges & Creating Opportunities." The forum discussed cross-border learning and networking among young entrepreneurs and to building connections with the wider eco-system. More than 300 delegates attended this forum from different countries in the South Asian region to network, learn and share their experiences.

The Forum also provided a unique platform for CEOs and business leaders to discuss the opportunities present in South Asian region and establish mutually beneficial connections. Naeem Zamindar CEO Wateen Telecom, Salim Ghauri CEO Netsol Technologies LTD, Syed Yawar Ali Chairman Nestle, Pakistan, Bader Khushnud Consultant-Google Pakistan, Korvi Rakshand Founder Jaago Foundation Bangladesh along with other dignitaries from public and private sector were the key panelist and speakers at the event.

This strategic initiative is taken by the members of Saarc CCI Pakistan, who include Zulfiqar Ali Bader, VC Pakistan SCYEF, Iftikhar Ali Malik, VP Saarc CCI Pakistan and Iqbal Tabish, SG Saarc CCI, who have worked to bring together business leaders from across the member countries.

Speaking about the Forum, Vice Chairman Pakistan SCYEF, Zulfiqar Ali Bader said, "Saarc CCI Young Entrepreneur Forum is designed to bring together leaders from the eight chambers of commerce & Industry and to provide a forum of shared viewpoints on the future needs of South Asian



region. The mission of the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) is to develop a new generation of leadership to take Pakistan beyond the 21st century."

The Forum had a series of sessions designed to enhance participants' knowledge, skills and abilities. Some of the key sessions are on 'Going Global', 'Entrepreneurial Ecosystem', 'Socio Cultural Affinity', and 'Women Entrepreneur in South Asia'. The summit also focused on promoting the spirit of entrepreneurship across the region and to strengthen economic, cultural and political ties among young entrepreneurs. Students from Punjab University, Lahore College, LSE and other public and private colleges and universities participated in the Forum.

The SAARC Chamber

Young Entrepreneurs Forum (SYEF) is an initiative of SAARC Chamber of Commerce & Industry (SAARC CCI) to bring together young business professionals and leaders from various business sectors of South Asian countries including Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. It taps on the resources, skills and experience of the members to interact and exchange ideas regularly, and help develop entrepreneurial skills to achieve personal and professional growth. It is a platform which brings focus on issues of regional importance in the economic and social agenda of South Asia. SYEF provides its members access to a dynamic network of peers and corporate leaders on a regional level. ■

The Daily Times Pakistan



INNOVATION: Small businesses live it, Big businesses buy it

by Mike Templeman, *Entrepreneur.com*

There is a recurring theme in the business world. Large companies are becoming bogged down with processes, are worried of investor confidence and their bloated management system is making it difficult for them to come up with innovative ideas. So what do they do? They gobble up smaller companies.

Take for example search-engine giant Google. I was recently speaking with a contact of mine who had just accepted a position as head of operations for Google Fiber in one of their test cities. In discussing his new opportunity he told me, "It's like working for the biggest startup in the world," a sentiment I've heard before about Google. But one that I doubt every time I hear it. They're a company worth more \$250 billion dollars. That's not a startup. And it doesn't act like a startup. In fact, they act like a giant company that eats up smaller companies to gain their innovations.

So for those entrepreneurs thinking they can just sit back and let their business run its course, here are a few reasons why you should be constantly thinking about innovation.

It is necessary for survival.

Small businesses and startups are the breeding grounds for innovation. Unhindered by the same tethers that hold down big businesses, these companies are able to innovate in ways that their larger counterparts cannot. In fact, innovation is a necessity for small business. They don't have the financial means to accomplish many of their goals, and thus they have to find creative means to an end.

It has dollar signs all over it. Small business owners and serial entrepreneurs who understand the relationship between big business and innovation are able to exploit it to achieve some awesome financial success. Understanding pain points of larger businesses, creating an innovative solution and then developing that solution into a scalable product will undoubtedly attract the attention of larger companies. This can result in company buyouts, leases, licensing agreements, or partnerships that provide financial windfalls for the small business.

It could lead to acquisitions. If we were to focus solely on Google's

most recent acquisitions, we would find a host of smaller companies that were purchased for their innovative products. Here is a list of just a few: Nest: Home automation, Spider.io: Click fraud; Redwood Robotics: Robotic arms; Meebo: Instant messaging.

Big corporations are constantly on the hunt for smaller startups that can fill a void. They not only look for innovative solutions but also companies that already have a strong presence and have scaled.

Startups and small businesses are the heart that beats the lifeblood of innovation through the business world. And they should be celebrated for their contributions. As an entrepreneur, innovation should be the first thing on your mind when you wake up and the last thing on your mind when you go to bed.

And no matter why you innovate, you can rest assured the business world will take notice.

Mike Templeman is the CEO of Foxtail Marketing, a digital-content marketing firm specializing in B2B SaaS. He is passionate about technology, marketing and small business. ■

National Taiwan University to cultivate young entrepreneurs

Amid declining compensation levels in Taiwan's business sector, National Taiwan University (NTU) recently announced its NTU Garage program, an initiative designed to promote entrepreneurship among students.

The program invokes the humble beginnings of numerous industry-leading companies, including Apple, Facebook, and Google.

With many graduating students facing low monthly salaries of NT\$22,000 and persisting unemployment woes, the university plans to cultivate over 30 entrepreneurial endeavors a year and to

help create over 1,000 new companies in the coming decade.

NTU stated that the program is designed to show graduating students entering the workforce that there are alternatives to contending for poorly paid jobs, and rather that it is possible to create jobs by starting one's own company. The program will focus on specialized knowledge and abilities in startup ventures. Rather than giving fish to students, the school would rather provide them with the tools and know-how of the trade, said NTU.

Since the program's pilot run six months ago, the university has

invited numerous Silicon Valley venture capitalists, experienced entrepreneurs, and veteran teams to guide students' endeavors. Experts are drawn from the fields of technology, social sciences, liberal arts, and service industries.

NTU stated that entering the operational stage represents the greatest challenge for entrepreneurial endeavors. NTU hopes to lead by example in encouraging universities to promote entrepreneurship among students. The long-term goal is to see Taiwan's economy shift its focus to the pursuit of efficiency and to creativity and innovation. *The China Post* ■

Henry Nguyen on top of his game

by Liza Tan, CNBC

His entrepreneurial journey is also one of many firsts. McDonald's aside, he introduced tech-venture capitalism to his home country in 2004 and invested \$100 million in a maiden fund for IDG Ventures Vietnam.

"I always look at Vietnam as the last of the East Asian tigers... What we've seen in the last two decades is the unleashing of the natural talent, the unleashing of this golden generation. You have perfect demographics here in Vietnam and this young generation is the one that's going to take Vietnam, a low income country, to a first world country and I feel that that's inevitable," Nguyen said.

Since its inception, IDG Ventures Vietnam has invested in over 45 companies and continues to invest in four to six companies a year. As managing director Nguyen's focus is on fast-growing businesses in the consumer, media and technology sectors that are in seed to growth phases of development. Some of the notable names he has funded include VC Corporation, YAN Media Group and Vat Gia.

As many continue to make comparisons between China and Vietnam, Nguyen said his native country's time is just on the horizon and while there are similarities to how China evolved in the technology space, there will also be "leap frog" opportunities.

"Here in Vietnam, you don't have an installed base of much other technology so mobility in terms of mobile services and digital services, is not necessarily some evolution from the old, it's just what is new and that's what people are already doing," he said. "You'll have different behaviors and I think that creates different opportunities

in terms of Vietnam as a market, versus China or even the U.S."

While opportunities abound in frontier markets like Vietnam, knowing the right people can help you get ahead. And in Nguyen's case, many cynics have linked his success in winning the

growing the McDonald's franchise in Vietnam but his other interests have not taken a back seat. "Someone asked me how I would define myself recently and I said, 'You know what? I'm an entrepreneur and I'm an investor' and that's who I am. Obviously McDonalds is one of my latest and greatest projects but my passion is building businesses," he added.

Building McDonald's into a successful franchise however, could be challenging, as the fast food giant does not have the first mover advantage. Rivals Burger King, KFC and Pizza Hut are already well established. Nguyen however, isn't put off.

"Just because you're not first, doesn't mean you're not going to be the best... the challenge here is taking that (McDonald's) footprint and model and making it work. It's about execution," he said.

Nguyen is also Chairman of Good Day Hospitality, the main franchisee for McDonald's in Vietnam and for him, it was also a personal feat after a decade-long effort to woo the world's most iconic fast food brand. After all, he did spend some of his teenage years in the U.S. working at the burger joint. But it wasn't until he went to business school

that the idea of a McDonald's franchise came to mind; one of his professors suggested that he consider becoming a McDonald's franchisee.

"I always had a concept of franchisees as you make the investment, they tell you what to and you hire people and do it. But as we got to learn more, especially through business school and business cases, I actually got to meet a lot of McDonalds franchisees in the Chicago area. I really understood what that meant and realized that would be a great finishing school for being an entrepreneur," he said. ■



McDonald's franchise to his father-in-law, the Prime Minister of Vietnam Nguyen Tan Dung.

It's a question Nguyen is used to fielding an answer to. He said "Does it benefit me? Absolutely, I think I am a very lucky man because I have a great wife but beyond that both of us have very supportive parents. We have parents that obviously want to help us and want to support every endeavor that we do, but I think we also connect because we have very similar up-bringing and very similar values," he said.

His current focus may be on

Meet the man behind the 'Amazon of Southeast Asia'

by Ansuya Harjani, CNBC

From political unrest in Thailand to a typhoon in the Philippines, running a business in Southeast Asia has thrown Maximilian Bittner, founder and CEO of e-commerce site Lazada, several curve balls over the past year.

Lazada, which is billed as the "Amazon of Southeast Asia", is the fastest growing online department store in the region, offering products ranging from consumer electronics to clothing in Indonesia, Malaysia, Philippines, Thailand and Vietnam.

Despite the challenges, Lazada has made great strides in establishing its position in Southeast Asia – a market that is home to over 600 million consumers and a rapidly growing middle class.

The site's sales have more than doubled in the last six months, while traffic has grown 70 percent to almost 1 million visitors a day over this period.

"I expect it to only accelerate from here, as people get more used to shopping online," said Bittner, a consultant-turned-entrepreneur, noting that online shopping makes up just 1 percent of total retail sales in Southeast Asia. This compares with 8 percent in China and over 10 percent in the U.S. and U.K., according to the Centre for Retail Research.

This presents a huge growth opportunity, he said, noting that the company still has a "long, long way to go."

"When you look at companies like Amazon and Alibaba, the sheer size of what they've built is an extremely exciting opportunity," he said.

While Lazada shares a similar business model to Amazon, both selling their own inventory as well as allowing third-party merchants to sell their products on their websites, Bittner says launching an e-commerce business in Southeast Asia presents different challenges.

"When Amazon started in the U.S., it didn't have to think about how it would get the package to the customer – there was UPS for deliveries," he said.

Lazada has established its own fleet of couriers in each of its markets, which covers 30 percent of overall orders, he said. "In our market,



we're not only dealing with logistics, the payment network is different. Our largest payment method is still cash on delivery," he said.

"One of the challenges is really guiding the customer through the shopping experience. For example, we send them a text message to say we've received the order.

There's a lot of educating the customer through the whole shopping experience," he added.

Nevertheless, having the ability to make it more convenient for consumers in far-flung areas of Southeast Asia to purchase products that they would otherwise have to drive hours to buy, is highly rewarding, said Bittner.

Another source of gratification is seeing the trust that investors have in us as a team, he said. Since its launch two years ago, Lazada has attracted investment from the likes of JPMorgan and most recently U.K. retail giant Tesco, which acquired a minority stake in the company in December.

"At the same time it's humbling because they clearly expect something

for their money also," he added.

While Bittner's impressive resume includes Morgan Stanley, McKinsey & Company and e-commerce focused venture capital firm Rocket Internet, he says there are a few things that working at blue-chip companies can't prepare you for when it comes to entrepreneurship.

"One thing I wasn't taught is the people aspect of running a business, being able to manage big, big teams," he said. Lazada, which currently employs around 1,500 people across five countries, started with a core team of just 5.

"Also, what you don't expect is how much work it is...there's no weekend," he said.

"You can be prepared for a certain aspect of entrepreneurship, but in the end, what it really comes down to on a day-to-day basis is trial and error. Constantly improving and adjusting what you're trying to achieve, and having a flexible approach in the way you fulfill your vision," he added. ■

The young Muslim entrepreneur who is hungry for success

by Will Smale, BBC

Shazia Saleem jokes that she started her food company simply because she was hungry.

The bigger story is that she spotted both a gap in the market and a way to celebrate the two parts of her cultural identity - being British and a Muslim.

The 29-year-old from Luton is the founder of newly launched ready-meals business Ieat Foods (as in "I eat"), which makes a range of traditional British and Italian dishes - such as shepherd's pie and lasagne - prepared in the halal manner - according to Islamic dietary law.

Ms Saleem first came up with the idea for the company when she was at Warwick University eight years ago, because she was fed up with having to buy vegetarian food to avoid non-halal meals.

"Most of my friends at university were non-Muslims, and when we did a weekly food shop together their trolleys were full of really tasty-looking ready meals, and all I could buy were things like cheese and onion pasties," she says.

"It was really frustrating, and I used to whine a lot that I was missing out. I thought, why wasn't anyone making halal ready meals, other than the odd curry?"

"That was when I decided I needed to do something about it. While moonlighting on other things, I then spent the next eight years putting together all the pieces of the jigsaw that needed to be in place before I launched Ieat."

Cambodian adventure

Ms Saleem can certainly be described as a serial entrepreneur.

Good at sport, while at university she ran her own sports-coaching academies, focusing on netball and hockey.

While not making a fortune, she said it provided enough money to pay her bills.

And in recent years she bought and redeveloped a holiday resort in Cambodia.

Yet after leaving university Ms Saleem first got a salaried job, working

for UK entrepreneur Peter Jones, one of the "dragons" from the BBC TV show Dragons' Den, in which inventors and business people pitch for investment.

She says that getting a job in Mr Jones' investment and portfolio office was an "unbelievable opportunity", and a great way to learn about running a business. But just two years later, aged 25, she resigned.

"It was great working for Peter, but I needed to go and do something for myself," she says. "I needed to push myself."

So, having built up some savings, she left the UK and went to Cambodia. Despite no experience in the travel industry, she bought 50% of a run-down holiday resort.

"Some people thought I was mad, but I needed to go and do something completely different," she says.

"I was like a project manager, and we turned the development into Cambodia's first eco-resort. We made a success of it, and ultimately I sold my share."

Late father's influence

Returning to the UK, Ms Saleem says it was time to finally launch Ieat Foods.

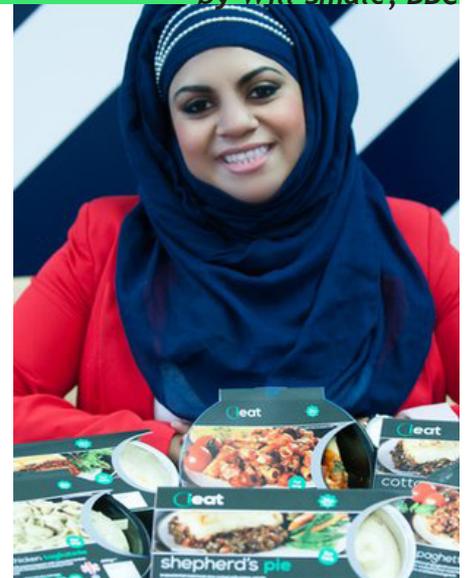
She says the final impetus for setting up the company was the death of her father at the beginning of 2013.

"One of the last things he said to me was, 'You must go and do it, and make it successful'," she says.

Ms Saleem conducted market research, which showed there were thousands of second-generation UK Muslims like her who wanted to buy halal ready-meal versions of traditional British and Italian dishes, made from all natural ingredients, and that tasted good.

"The first generation of Muslims who came to this country typically would have stuck to the food they were used to," she says. "But us younger Muslims want to try different types of foods, we want to eat the 'normal' foods that British people do.

"Ieat gives those that follow the halal rules a convenient and healthy chance to do so."



Animal welfare

Ms Saleem says her next task was to establish a supply chain she could trust, with all the food ingredients being fully traceable. A halal-only factory in Yorkshire was secured, and all natural recipes finalized.

Then six months ago, Sainsbury's agreed to take Ieat Foods' first 12 product lines in its stores in London, Birmingham and Leicester, and they are now being stocked.

But isn't halal slaughter - which involves cutting the animal's throat without first stunning the animal - at odds with the business's boast of good animal-welfare practice and ethics?

She says: "There are lots of credible studies which show that when done correctly there is no more suffering than non-halal.

"I have hand-picked the best suppliers who adhere to the highest welfare standards, not just at the time of slaughter, but throughout the life of the animals."

With just five employees at present, Ms Saleem has big plans to expand Ieat Foods.

"I get my ambition from my parents, who came to this country from Sri Lanka with nothing and both worked multiple jobs to make a good life for themselves and their family," she says.

"And my faith and my British identity is why I'm doing this particular business. I'm just mixing the two." ■

RealSpeaker Lab: A Success Story

Contributed by the Chamber of Commerce and Industry of the Russian Federation

RealSpeaker Lab - is the most dynamic young Russian company, which provides innovative solutions in the field of video processing and speech recognition.

The team from Kazan spent 1.5 years to prove the hypothesis that the analysis of lip movements can be an additional source of information to improve the accuracy of the audio speech recognition programs. Over the last three months, the company RealSpeaker Lab gained more than 5,000 users worldwide, has signed nondisclosure agreement (NDA) with technology giants such as Samsung and LG. The company's plan in 2013

- 100,000 users, in 2014 - 10 million users. Victor Osetrov – the founder of RealSpeaker spoke to the Chamber of Commerce and Industry of the Russian Federation (CCIRF) about the difficulties he encountered along the way, his dreams and plans.

Victor, please tell us how the idea appeared and how did you conclude to start a company?

The idea to link the audio speech recognition system with video processing - with the analysis of lip movements - came up in the 3rd year of university. I spent a lot of time on linguistics, especially on learning foreign languages.

Reading books on phonetics, I noticed that the linguistic scholars attach great importance to the correct pronunciation of words - articulation. It was a revelation for me. Turns out that the definition of sound - hollow, ringing,

hissing, hard, soft, open, closed, and so on - is possible without the sound - it is enough to analyze lip movements during the speech.

Fortunately, at this moment I remembered an episode from the school days, when I took a seat in the wrong train and there was no one in the train except one woman. I asked her where we were. To my surprise, the



RealSpeaker Lab general director Victor Osetrov, third from left, with some members of the team. RealSpeaker Lab provides innovative solutions in the field of video processing and speech recognition.

woman was deaf mute, but she was able to understand the request from my lips and she showed me a map. For me - it was a discovery; a woman recognized my command without a sound - just by reading lips. I got an inspiration when I remembered this experience from the past. At that moment, I wanted to study audio-visual speech recognition.

However, thinking and doing - it is a little different. Gradually the hobby to research audio-visual processing outgrown in a mainstream. The remaining 2 years at university went to the benefit, I have a lot of time engaged in a project. By the end of university, I knew exactly what I will create a company like RealSpeaker.

How does it work today in RealSpeaker?

Soon the company RealSpeaker will celebrate 1.5 years. We have 10 people in our team, including seven developers. The company is located

in Kazan IT-Park, is one of the best and most modern industrial parks in Russia. The company is a resident of Kazan IT-Park and a resident of the Skolkovo Innovation Center (the Russian equivalent of Silicon Valley). The company has pending patents in the U.S. and Russia. We started alpha testing technology for users in eight languages: Russian, English (U.S., UK), French, German, Ukrainian, Korean, Japanese, and Chinese.

We conducted the test reports and were able to prove the concept on users (on the audience 5000 people). Professional experts appreciated the results of the first developed filter:

the project has been named the best innovative start-up in Russia in 2012, the project won the prestigious scientific award in Russia - Zworykin Award. Giants such as Microsoft, Samsung and LG have entered into an agreement with the project RealSpeaker.

However as practice has shown we made a very small step. Our solution has not become a product. We have to exert a lot of effort to become number one in speech recognition. However, most importantly, our team got the confidence that we are able to solve any idea even the most ambitious. The first reaction of users also breathed confidence into us!

What plans do you set for yourself and the team? What kind of project RealSpeaker will be in 2-3 years?

We have great plans and we intend to implement them come what may.

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Pakistani PM to mobilize young entrepreneurs

for economic growth

In a way the national bankers described as 'very unique', Prime Minister Nawaz Sharif rolled on June 4 the wheels of economic activity in the country through providing the country's skilled but resource-less youth with growth-oriented small business financing under the Prime Minister's Youth Business Loan (PMYBL) programme.

Also, the federal government, through the National Bank of Pakistan (NBP), is planning to employ a strategy called "Hand Holding" to avoid possible defaults on the business loans that would be availed in the first phase by some 5,350 successful applicants.

"The overwhelming majority of applicants are seeking funds for agriculture related projects," said a bank statement issued on June 2 at a briefing conducted by NBP President and CEO Syed Iqbal Ashraf at the bank's head office.

The prime minister, he said, would be handing loan cheques the total value of which will be around Rs 5.3 billion. The volume of small loans, Ashraf said, would be ranging between Rs 0.1 million to Rs 2 million that would be repaid in a 7-8-year period at the "lowest" and "manageable" mark-

up rate of 8 percent. "We feel that this is one of very unique type of initiatives the prime minister has taken to generate economic activity in the country," said the NBP chief.

An NBP official told Pakistan Today that once disbursed and used properly the first-phase billions would add at least 2 percent growth to the country's struggling economy. Flanked by other bank executives, Ashraf said the scheme would be regarded as a routine business bank lending with the borrowers to be expected to practically show that he or she was establishing a business and creating jobs.

The NBP so far has received over 60,000 applications to be processed in the second balloting slated for June 4. The NBP president said the bank had approached the microfinance banks asking the latter to pinpoint their clients having reached the required "maturity level" and need further financing to advance their businesses.

"We plan to access such matured borrowers of the microfinance banks after the success of this programme," he told reporters. The gist of PMYBL was to provide those skilled youth with the capital they need to start their own businesses, added the CEO.

About risks of loan defaults involved, Ashraf said "in-built hurdles" were being kept in mind in the preparation of the scheme. "We are in a risk business. But we believe these borrowers would be the torch bearers for others," he said. Ashraf said the borrowers would be taught how to make their businesses a success through NBP's "Hand Holding" plan. Overall, the country's banks' non-performing loans (NPLs) or bad debts have grown above Rs 600 billion.

Noshewan Adil, manager operations, said the PMYBL was a "structured programme" in which bad debts of 5-6 percent may always be acceptable.

"We would be verifying that whether or not the borrower is acquiring the desired business assets. Would seek guarantees and so on," the banker said adding debt repayment rescheduling also would be an option.

According to NBP statement, the growing labour force in Pakistan, where the 2.2 percent average annual population growth rate stands highest among developing nations, is a challenge in terms of employment opportunities. ■

Pakistan Today

RealSpeaker Lab... from page 7
We plan in the next 3 years raise to more than 100 million users. This would be not easy to do, but how to achieve these indicators, we already know.

The future RealSpeaker is not just a video filter, which increases the accuracy of the existing audio speech recognition programs. Our goal is to make a complete audio-visual speech processing system. This system will allow:

- Video-identification of a person by his voice and video,
- Verification of the speech from the total flow by comparing the frequency of the voice and lip movement analysis,
- Speech recognition based on analysis of the previous text
- Automatic error correction based on the accumulated database.



We want to help people learn how to communicate with the technique easily as with a man. Modern audio processing programs cannot be priori accurate since there is nature noise. It is actually the same thing as a blind in the crowd that trying to recognize speech. Video solution - is the eyes for this blind. It is not necessary to recognize every speech - if there is only one real speaker. This is the concept of our project. Our goal is to make the technique to identify and understand the speech of his master. When we solve this problem, there will be a revolution in the relationship between machines and humans. In this case, 100 million users in 3 years do not look like a fantastic figure! ■

Photo shows Victor Osetrov receiving a trophy at the 2012 StartUp Year Awards held in Moscow.

How 2008 sparked a golden age for young entrepreneurs

by Ari Jacoby, Special to CNBC.com

The last five years have been challenging for the U.S. economy. With unemployment high and institutional trust low, many young people have chosen to walk the path of entrepreneurship. Some have failed in their endeavors, but many that encountered broken systems have found opportunities to change industries. As an entrepreneur, I meet them often. I believe that young people are turning the financial crisis and the slow economy into a golden age of entrepreneurship.

Consider this: Today's college-educated 30-year-old graduated in 2006. At the time, they'd had Facebook for a year or two, depending on where they went to school. As they were trying to figure out their first job, they were conscious of the fact that the fun platform they used to check out classmates was actually a business founded by someone just like them. Not only could they relate to the story, the online discussion amplified a collective can-do attitude and served as a built-in support network at the same time. Then, a few years later, 2008 happened. And I'd argue it was a blessing in disguise. If not for the crisis, many of the best and brightest millennials would have gone to Wall Street or big consulting.

Let's look at a few young entrepreneurs who are changing the game—and the trends that have allowed them to do so.

The idea that one could conceive of an idea and start a real business while still in college was simply not the norm for the majority of the 20th century. The well-known examples are scant but include TIME, FedEx, Microsoft, Dell, Google and Napster. Now the low cost of launching a business online has made it much easier for young people to start businesses.

Take Nikhil Sethi, CEO and co-founder of New York City-based start-up Adaptly. He and his business partner started the company in 2010, when they were still undergraduates at Northwestern University. Nikhil is helping brands such as Kraft and Pepsi optimize social advertising. Adaptly has raised close to \$13 million from some of the best investors in the business, and the

company is now expanding globally. Today's technology affords entrepreneurs a pace of innovation that their parents couldn't dream of, and a real-time feedback loop that makes it reasonable to ship code multiple times a day. Jude Gomila, co-founder of Heyzap, comes to mind. He and his business partner built their business idea out of a love of video games rooted in their childhood. Steeped in their industry both personally



“With unemployment high and institutional trust low, many young people have chosen to walk the path of entrepreneurship.” —Art Jacoby, CEO of Solve Media

and professionally, these founders saw the mobile gaming trend from the get-go and knew intuitively that it wouldn't take long for the market to catch up.

Now Heyzap is changing the way people play games together.

The Internet—and social media, more specifically—have accelerated the self-motivation “function” in the right set of people. Katia Beauchamp is co-CEO of Birchbox, one of the fastest-growing e-commerce companies in New York City. Inspired by an early love of beauty products, Katia and Hayley Barna—her Harvard Business School classmate and business partner—pioneered a subscription commerce business that brings sample-size products to hundreds of thousands of subscribers each month. Many other companies have followed in Birchbox's path: Retail is being recreated right before our eyes.

I've founded and sold two companies, and I'm on my third now. In late 2009 my business partners and I noticed rising trends in bot fraud affecting publishers and hurting ad effectiveness. We went on to build Solve Media. Our technology allows people

to type simple words that actually make sense—reading messages—into captcha security boxes. (Consumers fill out captcha boxes to prove they are people, not automated “bots”). Today I believe we're the only company in the world willing to guarantee the success of online and mobile brand advertising campaigns.

The more young people succeed in starting businesses, the more others will follow. Thanks to the risk-takers who struck out on their own over the past five years, being an entrepreneur is now seen as a viable path to success. One sign is the number of businesses yet to be born: In a 2011 survey conducted by the Young Invincibles in conjunction with Lake Research Partners and Bellwether Research (and funded by the Ewing Marion Kauffman Foundation), 54 percent of millennials said they had started or wanted to start a business.

In another, and better, economy, young people could have followed classmates to Wall Street or big consulting firms. I'm glad we didn't. The value being created by young entrepreneurs will make up for the impact of 2008. We're in a golden age for entrepreneurship, where risk-taking is less risky and young entrepreneurs have more confidence than ever before.

—Art Jacoby is CEO of Solve Media, an advertising technology firm in New York City.

About CACCI

Established in 1966, the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) (www.cacci.org.tw) is a regional grouping of apex national chambers of commerce and industry, business associations and business enterprises from 26 Asian countries.

About YEGAP

Organized under the CACCI umbrella, the Young Entrepreneurs Group of Asia-Pacific (YEGAP) aims to provide a platform for young entrepreneurs from the region to network with each other and explore areas of cooperation in suitable programs geared towards the development and promotion of entrepreneurship among the youth. For more information on YEGAP, please visit www.yegap.org