

# Henry sy college essay



**ASSIGN  
BUSTER**

Our company, SM, as many of you may already know, came from the hard work of my dad, Henry Sy, Sr. It is a rags to riches story that even myself did not realize until I went to trace his roots in China. His journey from the thatched hut I saw there to the shopping centers he has today is something that amazes even myself.

His determination, his discipline and his thriftiness have produced an astute and street smart businessman who has influenced a lot of people. Including us, his children. My father's perseverance during the different crises our country has gone through has made our active business pursuits possible for a half century. True, he was disappointed with the economy many times, but he never saw the reason to quit and instead pursued his goals relentlessly. He had many obstacles - both external and internal - in his business, and there were times he could not understand why things had to be so complicated for him to pursue his business objectives. It has been written - and I can attest that it is true - that Henry Sy started from the bottom.

He came to the Philippines at the young age of 12, and worked in his father's small sari-sari store more than 12 hours everyday to help him. It was located on Echague St. , which is now Carlos Palanca Sr. St. in Quiapo, Manila.

There, he devised ways to increase his income by developing small portions of products - much like the sachets we see today in the supermarkets. He was able to make multiple sales in order to make extra income, spending so much time in the store that he had no time to go out and play with friends in the neighborhood. It did not take a long time for him to realize, however, that he can only do so much in a sari-sari store environment. WWII came and

the sari-sari store was looted and burned. He did a lot of buying and selling of odd things during the war to enable the family to survive.

This must have provided him the hands-on training for his stamina in business. At one time, he was hit by shrapnel while selling, and quite fortunately was brought to the hospital by his good friend in a kariton. Without that friend, he could have bled to death. He treasured that friendship and later expressed his gratitude after the war by making that friend his partner in a shoe store.

The partnership lasted for more than 40 years until the shoe store had to give away to the building renovations of the lessor. After the war ended in 1945, he ventured into selling American shoes imported by enterprising Gis. He later saw the opportunities of opening a shoe store, and not long after he was managing three shoe store in partnership with friends. With the pleasure of a growing family while at the same time pursuing studies at FEU in the early 50s, he sought more ways to augment his income.

He studied the market and decided to be different. While other young men went to the US to pursue a higher education, he went on a long business trip to the East Coast, and came home with a lot of merchandising ideas. For a time, he was selling a lot of shoes, accessories, and leather goods, hoping to change the way shoe manufacturers look at the industry. Sensing a lot of opportunities, he decided to open SHOE MART - " SM" - the first air-conditioned shoe store that merchandised shoes in a very inviting and classy format.

With the success of that store, he went on to open more shoe stores, but he could not get enough suppliers. Many shoe manufacturers at that time could not understand why they had to listen to this shoe retailer who had very definite ideas on what he wanted to sell. They did not cooperate by providing him with the volume he needed, and because of that limitation, he gradually shifted to apparel - and thereafter other merchandise - with the help of my mother. He was continuously learning from his customers, suppliers, and employees.

This on-the-job research gave him enough confidence to expand to a department store chain. Many things in life grow out of needs, and to meet the needs, you become determined. With determination you will take extra challenges and do things differently - which will most likely bring success. We opened our first department store in 1972, two months after Martial Law was declared.

The business had a slow start, but progressed steadily. During the Martial Law years, he continued to open more department stores, reaching a point wherein he could not get space he needed in the existing shopping centers during that time. He then decided think long term, and invest in properties for malls, which were patterned after suburban shopping centers, which he had been studying for some time. When we started the construction of our first mall in 1983, the Philippines was in the midst of a debt moratorium and experienced hyper inflation.

The economy decline was further aggravated by the assassination of Ninoy Aquino. Many bankers predicted our demise because my dad came from

nowhere – he may had a few department stores and shoe stores at that time, but he was not one of the financial heavy-weights at that time. Unaffected by criticism, and armed with sheer determination and optimism, he persisted and opened in 1985 with our department store and supermarket and a few tenants. Many potential lessees were saying no to lease offers.

At about the same time, given the social unrest of the times, our own Shoemart Makati was faced with ugly strikes. He almost gave up, but through the encouragement of his employees and customers, he continued. At that time, he decided emotionally draining disturbances should not overpower him or detract him from his goals. Since that time, he has not faltered in his confidence, and became even more determined to continue the business. He also convinced everyone of us in the organization to follow his optimism. Later, we expanded, slowly building malls at that time to get our formula right.

The expansion was not without difficulties. When constructing Sta. Mesa and Megamall, we were faced with delays in construction due to cement shortages and the 1989 coups. When the 1997 Asian crisis came, we were planning our mall expansion, including the Mall of Asia, which was then envisioned to be the biggest mall in the region. Because my dad felt the tsunami-like effects of the region wide crisis, which was unlike any other he had experienced, we had to change plans. We deferred opening the Mall of Asia, and went on with the opening of other malls.

We grew in numbers instead of size, serving different smaller markets. We have also expanded our retail business beyond department stores to include

supermarkets, hardware stores, appliance superstores, and other retail formats. At about the same time, we looked into the banking business – both at our bank and at the industry. At the time, our main bank, Banco de Oro was a medium sized bank. Because we were quite conservative in lending, the deluge of bad loans that characterized the times did not affect us. Given that, we thought it was an opportune time to grow amidst some instabilities.

We reorganized and strengthened our organizations for about three years and developed growth strategies that started in the year 2000. Encouraged by the consolidation program of Central Bank of the Philippines (BSP) in making Philippine banks more competitive relative to the region, Banco De Oro made few acquisitions because of the moratorium on banking. It acquired the Dao Heng Philippines branch, the First eBank, the Banco Santander Philippines branch, the United Overseas Bank branches, and most recently – Equitable PCI Bank. Opportunity is where you find it, not where it finds you. Crisis and weakness indicate one can look for opportunities.

Transforming problems into opportunities can bring good returns. Prosperity and growth come only to a business that systematically exploits its potentials and systematically optimizes its performances. Our business – especially that of shopping centers is a long term business. It takes at least eight years to pay back. We feel that the country will always be around, and with Filipinos' love for shopping, there will always be customers we can sell to.

We also have to continuously innovate. Our other retail formats like supermarkets, hardware stores, appliance stores, home stores, toy

superstores, baby stores, and Watsons are continuously evolving with the shopping habits of our customers. Because they frequently visit the store, we make sure we have new products all the time so that their shopping experience will not be boring. Our group's policy is to look for opportunities at all times, and to be ready to act when it comes. While crises may have brought opportunities, we continue our plans in good or bad times with some changes to suit our demands of the time. May Henry Sy's success rubs off to us as well.

As a final note, I would like to leave this quote from Henry Sy: ““ There is no such thing as overnight success or easy money. If you fail, do not be discouraged; try again. When you do well, do not change your ways. Success is not just good luck: it is a combination of hard work, good credit standing, opportunity, readiness and timing. Success will not last if you do not take care of it. Early life Henry Sy was born to a poor family in Xiamen, China on December 25, 1924.

He is the son of Henry H. Sy. He graduated from San Beda College Mendiola. He immigrated to the Philippines and got his start by selling rejected and overrun shoes from Tondo. [2] He completed his secondary education in a school now known as Chiang Kai Shek College [3] and earned his Associate of Arts degree in Commercial Studies at Far Eastern University in 1950.

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