

ESCO ASTER TAKING FLIGHT: HARNESSING RELATIONSHIPS AND LOCAL INSIGHTS TO EXPAND INTO JAPAN

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Building a venture on the home front is often already a daunting journey. But to step out of a parent company's wing and furthermore expanding over the borders of home and into another country is a journey that is not taken lightly but often deemed necessary for the continuing growth and development of a venture. Thinking Global from the start has been the phase that Singapore Ventures are often reminded of, due to the size of the local market to support a growing venture.

Stepping Out Independently

ESCO ASTER is one such venture that has spun out from their parent company, Esco Lifesciences Group (ELG) and expanded from its home base of Singapore to Japan. ESCO ASTER is led by their Founder, President and CEO, Lin Xiangliang (XL Lin), whose academic background in Sciences from University of Sydney and industrial experience in the Lifesciences industry from ELG has allowed him to found and manage not just Esco Aster, but also Esco Healthcare business unit. Esco Aster started in ELG as an entrepreneurship by XL Lin in 2015. After 3 years, Esco Aster became an independent subsidiary. Spinning out in 2022 as an affiliate to raise their own capital as a fully independent company, successfully receiving an investment from Waken Holdings 1 year after. With the investment secured, XL shared that "spinning out Esco Aster was to further enhance the value to shareholders and also as a startup, we could not just be more agile, but also find new strategic investors that were inline with Esco Aster's Vision." An expansion of the original vision of ELG, which was focused on humans to one that encompassed far more. Esco Aster's vision of planetary health, providing One World Biosolution for One Health, as the health of one affects the health of all.



Expanding Out Overseas

The next step was Esco Aster stepping out of Singapore and forming Esco Aster Japan with its HQ in Osaka with further plans of expanding to Tokyo. XL Lin shared that ELG has been operating with Japanese partners Wakenbtech (a wholly owned subsidiary of Waken Holdings) since the 2000s and this meant that Esco Aster could leverage on the connection built previously and this was important to the success of Esco Aster establishing itself in the Japanese Life Sciences industry. A key investor of Esco Aster's expansion was the long time business partner of ELG. Which was possible due to the long term relationship and understanding between the investor and parent company.

Understanding the Culture

To effectively enter Japan, XL Lin explained that in Japan, consensus from not just upper management must be reached but also the lower management must consent to the project. Once consensus is reached, the partner in Japan would be committed to the partnership and would not terminate the partnership unless it is due to quality or performance issues. This would indeed take time to establish, but in the long run the benefits to both parties will be lasting. XL Lin shared "working in some countries, people can give a contract in less than a month, but they can also terminate it next month". XL shared that to enter the Japanese market and develop a business there, finding the right partners is paramount to the market entry's success.

