

# Safe Deposit Box fills a growing need

■ By Vasantha Ganesan  
bt@nstp.com.my

SAFE Deposit Box Sdn Bhd (SDB), which in November 2008, opened the largest vault in Malaysia with 9,000 safe deposits, will grow the number of safe deposit boxes available to the public to 56,000 units by end-2009.

Founder Steve Wong ventured into this business as he saw a decline in safe deposit boxes offered by banks.

"Banks are reluctant to do this business. There is more money to be made in lending. They consider this as a service to their customers ... and I saw a niche here to tap into especially with the growing crime rate," Wong told Business Times in an interview.

SDB, whose utmost priority is security, studied and evaluated its security features for a year before implementing them. It worked with Iris Corp Bhd to set up a security system which is of the highest standard.

According to Wong, when a person wants to enter SDB's vault there are four procedures for verification. On opening a deposit box, the box holder's MyKad information is extracted and stored, a latest picture is snapped and stored. For foreigners, their passports are scanned.

To go into the vault, the registered customer will first have to present his or her MyKad. The details are compared with the stored information and photo for verification.

Within the vault, the security features include CCTVs, audio sensors, seismic sensors (to pick up any drilling activity) and motion sensors (to detect if people are walking about and to pick-up sounds and light).

SDB will not be located in shophots. It prefers to be located on the higher floors within a shopping complexes or in office complexes to avoid floods and for better security.

Wong said SDB offers its services at rates which are more affordable than banks or other competitors in the market.

"For a 3in x 5in x 24in (safe deposit box dimension) we are most affordable at RM80 per year (for a two year rental plan)," he said. For the same plan SDB charges only RM200 annually for a 10in x 10in x 24in box.

Its first location within the The Summit, Subang, Selangor has already seen several hundred safe deposit box holders. It opened in Metropolitan Square in Petaling Jaya on December 20 with 12,000 safe deposit boxes.

"The third one will be in Menara MPL, with 15,000 boxes, after the Chinese New Year."



WONG: Invested heavily especially for a state-of-the-art security system.

Wong said.

For 2009, he has identified Bangsar Shopping Complex and another location that will have 10,000 boxes each.

Wong said investment on each outlet is at RM1 million and he expects the return on investment within three years.

"Its a long-term business into which we have invested heavily especially for a state-of-the-art security system. If by the third year, 50 per cent of our safe deposits boxes are taken up, we should be able to make money," he said.

SDB plans to enter into a collaboration pact with AmBank and is in talks with another bank.

Contents in the safe deposit boxes are automatically insured for RM10,000 with LonPac Insurance Bhd. The contents can be insured for up RM80,000.

Wong, an investment banker, used to work with MIMB, then in CIMB (as head of corporate finance) and in TA Securities (as the executive director).

The chairman of SDB is Tan Sri Jamil Johari (the ex-deputy director of Police). Other board members include Tan Sri Dr Mahadevan and deputy chairman of the Selangor Turf Club Datuk Richard Cham. Ernst & Young is SDB's auditor.

SDB's services are available until 7pm. The outlet in The Summit, for example, is open everyday from 10am to 7pm, except on public holidays.