

Leung Kai Fook

Its signature product, the iconic Axe Brand Universal Oil has become globally recognised.

Leung Kai Fook (梁介福) Medical Company is synonymous with the Axe Brand Universal Oil. First produced in a small shop along South Bridge Road, this tiny bottle of medicated oil has made inroads into 50 countries around the world.

This medication oil has been used to treat nausea, giddiness, headaches, colds, travel sickness, stomach upsets and insect bites across the globe. In fact the products are so much in demand, the company has factories in five countries and a headcount of 600 staff. It has even inspired copycat products.

Founding Story

The company was founded by a chance encounter. In the 1920s, founder Leung Yun Chee undertook the arduous journey from Shunde, China to Singapore. Here he befriended German physician Dr Schmeidler.

Dr Schmeidler shared with him a secret recipe that changed his life and laid down the foundation of a multi-generational family business. The recipe was a blend of eucalyptus, menthol, camphor and a few other essential oils that produced a colourless medicated oil to treat myriad minor ailments.

Leung was working as a manager at a Shanghai silk trading company then. However, he was so impressed with this recipe that he quit his job, founded Leung Kai Fook Medical Company, and began producing this medicated oil out of a cottage-factory setup along South Bridge Road in 1928. This winning formula has not been changed since.

He named this cure-all oil after the humble household axe because in those days, it was an essential tool used in households to cut wood for cooking purposes. His tagline: therapy in a bottle. Business was slow at first, and he faced stiff competition from more established brands from China and Hong Kong.

Undeterred, he began advertising in the local papers – an unusual marketing strategy in the 1950s. He also distributed pamphlets with famous stories on one side and advertisements for his medicated oil on the other, and gave out calendars and free samples. Soon, he started his own newspaper *New Life Daily*.

Venturing into Malaysia, the resourceful entrepreneur dressed up in fancy Western suits and employed a uniform chauffeur to drive him around in a posh limousine. As he predicted, this little gimmick opened many doors for him because shopkeepers thought he was a wealthy businessman. Sales began to pick up.

The business also got another unexpected boost during World War II. Overseas trade came to a halt, and this whittled down the competition. Axe Brand Universal Oil became the go-to brand for Singaporeans, and has remained so ever since.

To further promote his medicated oil, Leung founded the Chinese evening paper *Shin Min Daily*

News in the 1960s. Catering to the local Chinese community, he put local news on the front page and was the first to include horse-racing and lottery numbers.

His astute marketing strategies paid off and the business flourished. To keep up with increased demand, in 1970, Leung Kai Fook shifted its factory to a seven-storey building in Macpherson, 15 times the size of the original factory on South Bridge Road.

A New Era

A year later in 1971, the founder passed away, and his eldest son Leung Heng Keng took over the reins as chairman. His first order of business was to break into the Middle Eastern market.

Since many Singaporean and Malaysia Muslims set out on annual pilgrimages to Mecca, Saudi Arabia by boat at that time, he went to the harbour and boarded the boats before they set sail to distribute thousands of free bottles of the medicated oil. This portable medicated oil came in handy to relieve seasickness, headaches, giddiness, heat and fainting spells during the gruelling journey. It became a travel essential for pilgrims.

Word got around, and soon, Muslims around globe heard about this cure-all oil. Leung Kai Fook began to export its signature product to UAE, Saudi Arabia, and Jordan. Today, 38 per cent of sales comes from the Middle East.

In 1987, the founder's younger son Leong Mun Sum joined the company as managing director. With a master's degree in Pharmacy, and experience as a pharmacist, he upgraded the manufacturing lines and ensured compliance with manufacturing standards to obtain the ISO-9002 quality control certification.

In addition, the company expanded its range to include the Axe Brand Inhaler, Axe Brand Red Flower Oil and Axe Brand Medicated Plaster. The Universal Oil however, remains the all-time bestseller. Building a niche for itself, the company expanded to China, Hong Kong, Kenya, Nigeria, the United States, Australia, Romania and Greece. Its packaging is translated into countless languages including Arabic, Cambodian, French, Greek, Indonesian, Italian, Spanish, Sri Lankan, Swahili, Thai and Vietnamese.

Leung Kai Fook also built a diverse portfolio of investments, including real estate, technology, the travel industry and hospitality in Singapore, Hong Kong and China. Its headquarters, however, remains close to its roots in Chinatown at 84 South Bridge Road.

Today, third-generation Leungs have joined the business, and the company is looking into further expansion and globalisation. "We live in an IT era, where people spend long hours in front of their computers and using iphones. This frequent and long use of technology can result in headaches, neck and back pains, and Axe Oil is very handy to help to relieve these symptoms," said Leong Mun Sum.

"Many countries now believe in Asian herbal preparations as an alternative to western medicine. Our logo has blue and green. Where there is sky, water or land you will find Axe Oil there," he added.

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