

Dinesh Wijesinghe And Gehan Fernando - 'It Can Be Done'



If youth, dynamism and a persistent 'can do' attitude spell a recipe for success, it is no wonder then that Dinesh Wijesinghe and Gehan Fernando enjoy so much of it. As the Directors of MSD Productions they own and operate three of Colombo's most sought after establishments: the Silk Lounge Bar, Lemon Kitchen and Bar and Sugar Bistro and Wine Bar. They are known not only for the high standards of quality that they seek to maintain but also for their ability to think out of the box, venture into uncharted territory and treat obstacles as opportunities. Their enjoyment in their work is apparent, and yet they are reluctant to claim success for their own, saying that it is for the rest of the world to acknowledge. In this interview they reflect on their personal journey in business and why 'it can be done'.

By Ayesha Inoon | Photography Menaka Aravinda

MSD Productions is a venture started by both of you. Tell us about how you met and the inception of this enterprise.

GF: I met Dinesh when we were both working in Dubai. We would hang out together quite often and we always talked about what we were going to do when we returned to Colombo. One of the first things that came to mind was the whole restaurant and bar/nightclub industry, which we wanted to get into. We felt that there was a huge demand in Colombo.

DW: Also, Gehan's family has been in the business throughout. His older brothers all are in the club industry, with clubs such as Clancy's and Rhythm n Blues.

GF: When we came down and decided to go into business in 2004, some of my brothers were involved as well. That was the beginning of the nightclub H2O. That was a club and restaurant, the likes of which Colombo had not seen before. It catered to about 1,200 people. We ran it for five years, then our lease came to an end and we couldn't get an extension, so we closed up shop and Dinesh and I went our own way while the others returned to their own businesses that they were involved in. Then we started MSD productions. The company has three directors - myself, Dinesh and Shane Ismail, my childhood friend who lives in the UK.

DW: That's what MSD stands for - Maxwell - that's Gehan's name, though he's known as Gehan - Shane and myself, Dinesh.

What led to both of you being in Dubai? Tell us about your background.

DW: I joined the hotel industry after I left school. I went to Hotel School and joined the Confifi Group of companies as a management trainee. From there I went to Dubai, joining Emirates Airlines in 1990. I started as cabin crew then moved into the training department for nine years.

GF: I left school when I was 18, soon after my A'Levels and joined SriLankan Airlines as cabin crew. I was there for about a year and a half, and then I started my business management programme. Soon afterwards I joined Dialog in 1995 when they started operations, as a marketing coordinator. After Dialog I joined my brothers and started a company which opened doors such as Clancys,

Shooters and Rhythm n Blues. Later on, I went to Dubai, joined Emirates for two years, came back and this is what we've been doing since.

It Has Made The Night Club Industry More Sophisticated And Made People Demand More From Nightclubs As Services And Facilities Improved In These Places. We've Been A Catalyst In The Industry And We Are Very Happy With That.

DW: I trained Gehan when he joined Emirates and the third partner, Shane, is an old friend of Gehan's. We have always wanted to do this, we just didn't know when we were going to do it and it happened sooner than we expected. Which is a good thing because otherwise we would have been grey and old nightclub owners, which is not very nice!

Your first venture as partners was the nightclub H2O, which revolutionized the nightclub industry in the country. What was special about H2O?

DW: When we started H2O, nightclubs were considered dark places. Just a small dark space with a few lights thrown in and that was considered a nightclub - with no disrespect to any others who were around. H2O completely changed the nightclub concept of trying to setup a club with as little money as possible. Ever since then if you look at every nightclub that has been established they have made significant investment, from the interior to the sounds to the lights. People said that H2O was the benchmark and even though H2O is not around today we are glad it changed the face of the business. It made the nightclub industry more sophisticated and made people demand more from nightclubs as services and facilities improved in these places. We have been a catalyst in the industry and we are very happy with that.

What were the establishments you began under MSD productions?

GF: The first outlet was Silk, which opened doors in December, 2009. Silk is more a bar-lounge than a nightclub. We encourage people to come in early, by about 8.30 in the evening. It serves a fabulous collection of cocktails, canapes and bar snacks and the restaurant is upstairs as well. Therefore, in one building you can ideally have dinner and come down as the night progresses. Currently I would say if not 'the', it is one of the best locations simply because of the clientele. If you're at Silk on the weekend you're likely to run into prominent personalities, young

entrepreneurs and the occasional sporting legend. We try and attract customers who are in the age group of 25 to 40, as such we are known as more of an 'oldies' location. But we do that on purpose. This makes good business sense because this age group has more spending power. By positioning ourselves in that segment we minimise the issues a younger clientele might bring.

We like to offer our clients a variety of different entertainment at Silk including international DJ's who we fly in for weekend guest spots. The business is doing well. We have seen growth continuously year on year.

DW: It's definitely one of the top three places to be in. It's popular and it's considered a safe place to be amongst nightclubs, mostly because of the kind of people who come there. They know their limits when it comes to enjoying themselves.

And then you started the Lemon Kitchen and Bar with the renowned Chef, Koluu.

GF: Yes, six months after opening Silk, we started the restaurant Lemon on the floor above Silk. Because a restaurant was something new to us we needed to get a professional in the industry with a proven track record. We got Koluu, the celebrity chef on board to set up the restaurant and to handle the food as well. Koluu's been with us ever since and he has been the executive chef at Lemon for three years. Then Sugar opened doors on September 27, 2012.

What prompted you to open Sugar at this location?

DW: We were looking for a way to expand our operation to a daytime business and we identified the potential of this location quite early. When it became available, again we were quite keen to have it. We actually bought the company that was here before and then completely changed everything. It cost us a lot more than if we were to set up this operation afresh. There's no other place as conveniently located as it is, with underground parking and it's proximity to Galle road, and I feel this is going to remain so for at least another couple of years.

GF: One of the main reasons that we were very keen on this location is because moving forward, with all these big properties opening up in the vicinity, this location and the locations around it will be very difficult to come by. We wanted to secure it now mainly for the next five to ten years. That being said it's been doing

very well from day one. It has been a good decision.

DW: Sugar was a name that worked really well for us in the past. We had a lounge-bar called Sugar which was very popular. We felt that there's something appealing about the name 'Sugar' – it's positive, it's sweet, everybody likes it, so that's why we kept the name even if the concept is totally different to the earlier Sugar.

If you travel around the world, you see a lot of properties like this. In Sri Lanka there are very few, and I would actually say there's nothing quite like Sugar. It would blend in very well with anything you might find anywhere in the world, as a plush café. We wanted to give people the maximum level of comfort. We wanted to give them value for money and prove that good food and good service doesn't cost an arm and a leg, I think we've achieved that, we are running at a profit but our prices are still very reasonable.

You also own Room Service Deliveries, is that a part of MSD?

DW: Yes we are partners in that as well, that's been around for five years. It's not a part of MSD, it's a completely different company. We are the directors of that as well. That venture came from thinking about why some places don't deliver. For instance five star hotels don't deliver. When we started you could not get food from Cinnamon Grand, Cinnamon Lakeside or Holiday Inn. As a practice other than Chinese food and pizza it was very difficult to get anything delivered. That is the shortfall that we catered to. And it's been quite successful.

GF: And we've worked with some of the bigger banks.

DW: We've worked with HSBC, Standard Chartered, Pan Asia, Nations Trust and Union Assurance delivering their concierge service and loyalty programmes in addition to our regular deliveries. It is not just food, they deliver flowers, gifts and cakes as well. We have about 38 restaurants onboard. Initially we had to call in a few favours to get a break but now people call us wanting to list their restaurants.

GF: At the time it was something completely new. The outlets couldn't figure out how it was going to be a benefit then. Our commission payment was an issue. But we were lucky enough to have friends in the restaurant business.

DW: They say imitation is the sincerest form of flattery. Since we started Room

Service Deliveries a lot of other similar delivery services have cropped up. The same thing could be said of Silk.

You emphasize on excellent service in all your establishments, tell us about your standards of service and the training you put in.

DW: We try to provide the best possible service for people who walk through the door. That's the only way to retain customers because that's what people remember. You may forget what the lamprais tasted like but you remember the face in front of you. We train people on the job, so it's an ongoing process. We're constantly at the venues, looking at things, tasting the food and addressing issues, so training really doesn't stop. We don't necessarily take people, put them in a room and train them but, on a daily basis they are trained on the job and I am sure they are better today than they were yesterday because of it.

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GF: We do a variety of cocktails and we are renowned for that. We conduct training regularly and we update skills on a regular basis. Every month or so we bring all the bartenders and get them to remake every drink on the menu so that you know their skill level is constantly updated and maintained.

DW: Keeping things nice and simple has helped us to maintain a good service and little things have gone a long way.

You've also gone into event management with Mainstage Events.

DW: That's another separate arm of our company. What it basically does is organise the international concerts and music festivals. So far we have done two. One was the Mohombi concert at CH & FC, which had over 6,000 people present.

GF: A recent event we organised was the Julian Marley concert at the Viharamahadevi Park, which attracted over 2,000 people as well. Mainstage will also do promotions for other brands, acting like an advertising agency. Moving forward we feel Mainstage will position itself as one of the top event management companies in Sri Lanka.

How do you manage all these operations simultaneously?

DW: We don't have a life basically. The only way to get away from work is to get out of Colombo. If we are here things pretty much revolve around work. Our phones are on 24/7; especially with the club you get calls from nine in the night till four in the morning, sometimes even after. It can be a guest, an employee, even a bank. We are very hands on, we do pretty much everything ourselves so it doesn't give you a lot of free time, but the good thing is we choose how much stress we take upon ourselves.

GF: We do have a good team here. If you look at the individual outlets they are each managed by very capable people. We just oversee the operations. And it's a big advantage that there are two of us. We can work out our day's schedule.

What are the challenges you have faced in this journey?

DW: The main challenges we face are especially in the club and lounge business. This is not traditional so it is unfortunately considered a sort of grey area business.

GF: Even though it is something that is required for a country like ours, a developing country hoping to attract tourists, we need nightclubs and things like that. In terms of Silk, we do have a lot of issues getting approvals and basically getting the authorities to accept it as a legitimate business operation. However, things have improved in the last three to four years. People are starting to realise that moving forward, this type of industry and people investing in it need to be nurtured and promoted. It's still a bit of a challenge, but it is getting better.

DW: The other challenge from a larger context is that these are tourist oriented businesses - restaurants and bars - but then very few tourists come to Colombo. We haven't developed Colombo as a tourist hub, there's still nothing much for tourists to do in the City. We need to develop a purpose for tourists to be here by having other activities such as shopping, sports activities and other large entertainment activities like theme parks. In other regional capitals like Singapore, Kuala Lumpur and even Mumbai, there are a lot of things to do in the capital itself, so that retains tourists for a longer period.

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Heading In The Right Direction And Maybe In Two To Three Years We Will Have More Malls And Other Entertainment Activities In The City To Attract Tourists.

We see an immediate change in business and in the atmosphere of a place when there's any tourist related event like a cricket tournament. For instance, during the Cricket World Cup, this place was buzzing, Colombo was buzzing, the shopping malls were full, the hotels were full and there was a nice vibe in the city. Colombo still has so much scope for growth and the Government is heading in the right direction and maybe in two to three years we will have more malls and other entertainment activities in the city to attract tourists.

GF: It's also important to note staffing issues. That's another huge issue not just for standalone restaurants like ours but even for large five star hotels. There's very few skilled staff available and as soon as you hire people and train them, as soon as they get any sort of confidence, they leave.

DW: Anybody who has two years experience as a waiter, barman or cook of any sort, we lose them to the Middle East or the Far East.

GF: That is a fundamental problem because if you look at the last thirty years tourism and related industries were stagnant. There was actually no demand for new staff to get into the business. Anybody leaving school looking at what they were going to do in future never looked at the hospitality industry seriously. But now things are changing and at school level people need to be educated that here's a path that you can take and this is something that is in demand right now. The Tourist Board should get involved. We need to have more active hotel schools, attracting people into the system. We will always have the issue of skilled migration. Sri Lankans in the hospitality industry overseas are a preferred choice. The only way to counter this is to ensure that there are adequate people coming into cover that gap.

DW: It's such an irony, we were recently talking about getting foreign staff down to work in Sri Lanka! If we recruit someone from overseas we are guaranteed that they are here for two years on a contract, rather than taking someone, training them and losing them six months later. It will be a real irony if we are exporting staff to the extent where we have to import staff into the country.

It is something that everyone is facing. In other countries you have university

students filling that gap, working part time and trying to make some money. We don't have that culture here. Besides, there's this 'rata yana' complex that we have.

GF: If you look at it money-wise there's hardly any difference.

DW: Most of the stewards I know go to Dubai for 1,000 to 1,200 dirham - about Rs 35,000 rupees. And most people at Sugar, make that money. People in the kitchen start off with that as a basic salary. It is really absurd for people to leave for a salary like that and go overseas and work in a foreign land. But I feel it'll take some time for that mentality to slowly disintegrate. Most of the people who work with us are people who've worked overseas, they've done the three years of hard labour and wouldn't want to go back.

You've enjoyed great success with your ventures, what would you say are the keys to your success?

GF: First of all we didn't know we enjoy great success!

DW: I thought it was obvious: we are charming, we are good looking...

We Have Achieved The Objectives We Set Out To Do - We Wanted To Prove That It Is Possible To Provide Great Food And Great Service At Reasonable Prices. So In That Sense We Are Successful.

GF: We're smart, that's about it!

DW: Success is not for us to say that we are. It is for others to think that we are. We have achieved the objectives we set out to do - we wanted to prove that it is possible to provide great food and great service at reasonable prices. So in that sense we are successful. Not necessarily the rupees and cents sense but I don't know, it's difficult for us to say we are successful.

GF: I don't know about you but it's not difficult for me to say at all! Well we do have an attitude of never giving up. Like I mentioned earlier we've faced a lot of obstacles and we have realised that no matter what is thrown at us we will continue. Also we spend a lot of time with our business, we are hands on. What we try to do is look at it from a customer's point of view. We all go out on a regular basis and dine in places both here and overseas so we know what a

customer expects. That's what we try to get our staff to do as well. We try to keep things as simple as possible so that everybody knows what is expected and what needs to be done. If that is considered being successful then great.

What does the future look like for MSD Productions?

GF: The future looks very good. We would like to expand further on the concept of Sugar. We would like to have it in most main cities. Probably not as a Bistro and Wine Bar but maybe as a deli, serving similar food, juices, coffee, and other such snacks. We're currently looking at a few locations in places like Galle. Nothing's confirmed yet, but I will say we'll definitely have another Sugar open within the next year.

We are also looking at going into the hotel industry. We are looking at opening small properties, mainly on the beach. Again, we are in the process of looking for land. I think in the next five years you would see us having at least three or four more restaurants and at least one hotel. That's what we're looking at.

DW: Well yes, by the time he does all that I'd like to be retired! I'll be on the beach, but not necessarily doing anything.

Well, that is the plan, though I've got to say life's what happens when you're busy making other plans. Sugar as I said is a brand that's worked well for us. It's been lucky. So we'd like to try to spread that around.

GF: Sugar has the basics of offering something of a high standard at a very comfortable price. That can be reproduced in many fields so that's something we'd like to do.

DW: Even with regard to hotels, we'd like to bring in the same concept of a great product at a great price. We aim to offer our clients good value for money. We feel that this is the way forward.

GF: I don't think good value means compromising in other areas. If you look around we are actually investing a large amount on Sugar. But when you look at our budget and how we have priced all our food, it is very comfortable from a business point of view. So it can be done.

DW: It is not easy, but it can be done.

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