

For everything virtual, there's MetaCard™

Start-Up@Singapore (S@S) met up with Ms Aileen Sim, Co-Founder and Chief Operating Officer (COO) of First Meta. She generously shared insights into her work, the world of entrepreneurship and life before First Meta.



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FIRST META GIVES SECOND LIFE SOME CREDIT: Founded in February 2007 by Douglas Abrams and Aileen Sim, First Meta is a financial services provider for virtual economies.

BY VARSHA NEGI

S@S: We know quite a few people right now who would gladly trade their lives for that of the COO of First Meta. However, things were not always this way. Please tell us about what your life was like before First Meta. How was it different?

Aileen: How was life different? Well, before this venture really took off, we started working on a business plan in 2006. At the time, we were taking part in S@S' business plan competition. We made it to the semifinals, but our business plan then was completely different from what it is now. And, at the time, there were some significant loopholes in our business plan that had not yet been taken care of. We were trying to get our business off the ground, it was going a little slow, I was graduating without a job and life was a little challenging, more so because I didn't live with my parents and had to pay my own rent. Fortunately, things turned around towards the end of 2006. Everything changed after we met the Chief Executive Officer (CEO) of Second Life.

S@S: When and where did you come across this opportunity?

Aileen: The first version of our idea was conceptualized in 2003/04. It was Douglas who actually came up with this idea while reading online stories about a virtual world. One of the stories that he read was an article about the shutting down of a news publication. We did some more research and discovered that the closed publication was running a story on cyber prostitution. We then found out that people were paying real money for virtual accessories and amenities. That really got us thinking. Whether in the real world or virtual world, people tend to have the same needs and desires. What's more is that they're willing to pay for these needs and desires as well. That was one piece of the story. The other piece that fell into place was that MMOGs were really beginning to get popular all over the world, especially in places like China, Korea etc. In these games, people were spending quite a bit of money. At the time, the market was probably worth US\$800 million. After all, financial

needs are some of the more basic needs that people have and, within the virtual space, there's definitely a market for financial services providers. That's how the first version of our idea came about.

S@S: So, in which continent does your MetaCard™ have it's largest customer base?

Aileen: We have customers from all over the world with our largest customer bases being located in North America, South America and Europe. Our customer base in Asia is also growing rapidly

S@S: What does the MetaCard™ buy in Second Life?

Aileen: Depending on the credit limit of your MetaCard™, it can be used to buy really expensive items like a house, a plot of land or even a car.

S@S: I'm a bit curious, why call your company First Meta?

Aileen: In truth, we looked at quite a few different names. We wanted something that reflected what we did. In the U.S., quite a few banks are called First _____. The word "meta" is short for metaverse and it's also a commonly-used term for the virtual world. Hence, we came up with First Meta.

S@S: How does a financial service provider company make real money?

Aileen: Every virtual currency has a real value. So, you sell Linden dollars (L\$) when you have to pay your real-life staff their real-life salaries.

S@S: If you were given the opportunity to redo certain things



differently, what would you change?

Aileen: Well, I don't know how things would turn out if we did things differently, but I'm really happy with the way First Meta is going now. We got it started in early November 2006 and, since then, things have been going great. We've come a long way in one year.

S@S: With you being an NUS Overseas College (NOC) Alumni, was this just meant to be?

Aileen: Well, I've been involved in entrepreneurship since my first year in NUS. I worked with Douglas at his company, Parallax Capital Management, and then with the NUS Entrepreneurship Centre (NEC) as a Teaching Assistant. So, my entrepreneurial journey started in my freshmen year itself.

S@S: No entrepreneurial setup becomes this successful without a whole lot of work. Could you please share with us some initial challenges that you faced?

Aileen: That's so true. Firstly, it was really difficult to get people to believe in our idea. It was quite revolutionary. People had hardly heard of Second Life and, as a result, financial services for this virtual world made very little sense to them. I remember people saying to me, "Huh?!?!", "What?!?!", and "Are you crazy?". Secondly, there was still some ironing out to do with regards to certain pending issues. We had to shift from our initial market to a different area of focus. This technology was socially and technologically newer. Thirdly, a persistent challenge has been to hire and keep good people. We wanted people who were technically proficient since learning about a whole new world like Second Life would require a good skill set. On the other hand, we also wanted people who were risk-takers and entrepreneurial in their outlook. With this in mind, we had to choose to hire quickly or wait for quality to knock on our doors. Fortunately, we decided to wait for quality and this has paid off very well. In my opinion, the first few hires are extremely important. They decide the culture, environment and working style of the company for many years to come. To this extent, I'm glad to see that our first few hires were all exceptionally good. They are extremely independent and generally work from home. This is good since we've got

customers who work in different time zones. We didn't plan this, it just happened by good luck.

S@S: Where do you think First Meta will be 5-6 years down the line?

Aileen: We'll probably be sold by then. The fast pace of this market will probably result in this outcome happening within the next 2-3 years. Our being unsuccessful or successful will become clearer very soon.

S@S: It's often been said that being an entrepreneur is a very stressful job. How would you compare this to, for example, other stressful jobs like being the CEO of a large company?

Aileen: Being an entrepreneur is a very stressful job indeed. But, it's the kind of stress that I enjoy. It's definitely fun too. I wouldn't know how it compares to being in an established business because I've never been in one.

S@S: What do you think of S@S? How has it helped you in this journey of yours?

Aileen: S@S is great. I've been associated with it since 2003, first as an organizer, later as a participant and now as a mentor and judge. It's changed a lot since then. I think S@S is a fabulous launching pad for aspiring entrepreneurs and new companies. You get trained. You learn a lot. You get to meet people who you can work with in the future and who can potentially help you with your business. Even if you don't win, the S@S experience adds a lot of value.

S@S: What would you say to all the budding and aspiring entrepreneurs out there?

Aileen: Firstly, in the world of entrepreneurship, perseverance is a key attribute. A lot of young, smart people see a slow beginning and then lose their momentum. Some give up. You need to hang in there. Try to work things out. If you stay with it long enough, something good is bound to happen. Secondly, for the young people out there who are still thinking about starting their own businesses, I'd tell them to just do it. The first step is always the hardest. After all, it's not going to get any easier if you keep waiting and thinking about it.

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