

THEY HAVEN'T CELEBRATED THEIR 40TH BIRTHDAYS, YET THEY'VE ALREADY REACHED THE TOP OF THE CORPORATE LADDER. IN THIS SPECIAL REPORT, **MARDI CHAPMAN** ASKS FIVE YOUNG CHIEF EXECUTIVES TO SHARE THEIR FORMULA FOR SUCCESS.

"Hard work and hard yards" – that was the example set by Ruslan Kogan's parents, but he must surely be enjoying easy street now as a master of online retailing.

Even before graduating from university, Kogan had seen how US retailing giant Walmart struggled to compete on price against online suppliers of household goods. Buying a fridge while on an overseas study semester in Miami may have been one of the most valuable experiences of his formal education.

Kogan completed a Bachelor of Business Systems at Monash University and tried jobs at both GE and Accenture. But neither provided the challenge he craved or the opportunity to demonstrate his version of creativity in business. "Entrepreneurs are inventors who look at the marketplace and can innovate to give better value to consumers," he says.

While looking around to buy a television, Kogan remembered his fridge experience and recognised a gap in the market. He could buy LCD televisions at almost a third of the price for which the big stores were selling them. Kogan Technologies was born within a few days, with the assistance of long-term friend Goran Stefkovski – now the company's IT director.

Kogan admits to one small but expensive error in establishing his online business in 2006 – not buying the domain name Kogan.com when it would have cost him a mere \$14. He's since secured it at a much inflated price.

He admires IT icons such as Bill Gates and the late Steve Jobs, but says he takes advice from few people. "It's hard for entrepreneurs to have a mentor, as you need to think differently from everyone else. A good entrepreneur does things differently and thinks for themselves. My advice to others, though, is to add value for the consumer, understand your competitive advantage and check that other people think you're crazy!"

Kogan says his family and friends didn't believe people would buy a TV without seeing it first, but he points out that people didn't believe Jobs' promise of a mobile phone without buttons.

His goal is to expand his Australian, British and Hong Kong operations, for which 2011-12 revenue is projected to top \$150 million, and to build a global household brand on a par with the likes of Sony and Samsung. "Based on current growth, it's certainly achievable within five years."

RUSLAN KOGAN, 28

CEO AND FOUNDER,
KOGAN TECHNOLOGIES

