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TOWARDS A DIGITAL STRATEGY FOR THE NORTHERN TERRITORY

Submission from Guppytraders.com Pty Ltd

SUBMISSION AREAS JOBS AND DIGITAL DRIVERS

BACKGROUND TO SUBMISSION

Guppytraders.com Pty Ltd was established in Katherine in 1996. From the very foundation, Guppytraders was what is now described as a fintech company. In our industry segment, financial market services, we pioneered the use of email and internet delivery of product and services and internet payment gateways. Today the delivery of the bulk of our services and product is via e-commerce. This includes newsletters, software we developed, support, trading market analysis for national and international clients etc.

Guppytraders is the single shareholder of a Singapore subsidiary Algobot Trading Pte Ltd. This company provides financial market trading solutions and is fully web based and serviced.

Guppytraders is the majority shareholder of ANTSYSS Pty, a UK company. This company developed Foreign Currency trading platforms and provides delivery, development, support and training via web based services in conjunction with global partners in Singapore, the UK, Australia and the US.

Guppy provides consultancy support for DZH International, a Shanghai listed company who bought-out an associated holding of Guppytraderscomsg Pte Ltd Singapore. DZH provides high level fintech solutions for brokers, dealers and market participants in Singapore, Malaysia and Asia. These are trading terminals. We advise of aspects of terminal functionality and trading indicators.

This submission is made on the basis of our experience as an NT developed and based Fintech company spanning more than 20 years.

NT IT CHALLENGES

- 1) NT IT graduates have limited options to develop specific software or applications, or to engage in IT related business and start-ups in the NT. As a result, this skills base goes south
- 2) Unless a global market reach is quickly established, it is difficult to initiate a sustainable e-commerce or IT business from the NT from a low capital base
- 3) There is currently insufficient IT business income generated in the NT for businesses to make a start and accumulate the capital necessary for expansion
- 4) Most NT IT aspirational start-ups are 1 to 3 person operations. This is typical of many NT businesses. However, this size in the IT business is typical of many IT start-ups.
- 5) Government based commercialisation grant and funding programs are too slow to match the speed required for product and service development.

NT DEVELOPMENT SUGGESTIONS

1) CREATING BUSINESS FLOW

The NT Government is the largest single user of IT services, particularly web development. Web development, app development and other IT contracts are currently bundled in a traditional format which are large scale. This makes participation in these contracts possible only for large scale and well established or funded players.

This tender approach ignores the ability to “sandbox” many aspects of It development a delivery. Sandboxing is well advanced and sophisticated and this can be incorporated into Government business.

This involves the development of small scale work on low value contracts. Low value contracts are not of interest to the larger established IT players so this makes it easier for start-up, aspirational developers, IT graduate etc to tender for this work. This model is no different from the ‘piece-work’ web sites that contract out coding development.

The tender process remains in place, but the tender may be, for example, design, develop NT conference web pages with payment gateways, registration, etc etc.

Within the software coding specifications/ design compatibility, look and feel compatibility etc the developer can design and develop to “switch-on stage” within a sandbox environment. Development and coding is isolated for current NT Government websites and functionality. When work is completed it can be assessed by the prime IT Contractor, and when approved, connected to the existing NT Government IT services network or platform.

This method can be applied to revamping car registration, payment of parking fees etc. This harnesses the power of App development, provides employment and business opportunities for small scale developing businesses, and IT graduates by providing a business flow that established a cash flow as a foundation of business growth.

This is an effective way of supporting NT IT business development and growth without any substantial increase in expenditure or budget allocations.

2) INNOVATIVE FUNDING

Consideration should be given to developing retrospective funding options for projects which have progressed and demonstrated success. This is fertilizer funding rather than seed funding. Seed finding goes in at the beginning and the hope is that the company/service will grow. The failure rate is high, and Government is involved in ‘ picking winners.’

Fertilizer funding is applied to companies who have shown they have products capability, skills and a proven track record of development. This is reimbursement of some costs from previous unfunded development and helps to alleviate cash flow problems. It can also contain a component of future funding.

This fertilizer model is used successfully in Singapore.

3) DIGITAL PLATFORMS

Encourage active engagement with and understanding of Chinese WeChat and Alipay platforms and development system compatibility with these. This is an extension of the first suggestion. China is rapidly dominating the e-commerce, payment gateway, and digital interoperability space within our immediate northern region. The NTs ability to participate in this environment, to develop in ways compatible with this environment, and provide services flowing from this environment will be critical for future development. This research and engagement can be fostered by study tours, cooperation ventures, event participation etc with China-based organisations such as the regular programs run by Alibaba in Hangzhou. This requires specific funding support modelled perhaps on the Trade Support Scheme format. This moves beyond education and into business development.

4) CODING IN SCHOOLS

It is a false assumption that everyone can be, or should be, code proficient. To aim for this objective is a misallocation of resources.

It is analogous to suggesting that anyone who is involved in writing reports should hold advanced writing skills and study English literature. Writing requires a range of skills, as does coding.

What is important is to develop the concepts that enable innovative development, which can then be implemented by specialised coders.

I met recently with the developer of Grab-Taxi. This is innovation and digital disruption that has disrupted the taxi industry across 4 countries. This exactly what the NT is aiming for in this strategy development. He is not a coder and has no coding skills.

In our fintech business activity we have no in-house coders. However, we know what we want to achieve and how we want to achieve it. We outsource our coding work to people who have this skill, but who do not have the conceptual skill to develop the foundation ideas. The result is world class and world competitive programs and services.

The critical thinking and problem solving developed by coding is rigid and within a predefined framework. This is not where innovation and breakthrough thinking is developed. You can develop increasingly complex new solutions within the application of structured logical thinking, but these skills should not be confused with critical thinking which is the skill of evaluation and imagination applied to come up with new understandings.

A coder can duplicate a van Gogh painting, but a coder, or AI, cannot create the concept of a Van Gogh. Imitation, no matter how skilled, remains only flattery, not creativity.

Coding is essential for those who have the aptitude and its important to provide these opportunities but STEM is the modern picks and shovels. They are not the architects nor creators.

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