

(BY ABDUL KADIR JASIN)

FIMA

FOOD INDUSTRIES OF MALAYSIA BERHAD OR FIMA CAN LOOK BACK AT ITS PAST ACHIEVEMENTS WITH PRIDE, WHEN IT CELEBRATES ITS FIRST ANNIVERSARY ON MONDAY.

DURING THAT BRIEF PERIOD, THE COMPANY HAS DONE ENOUGH, IF NOT MORE OF WHAT WAS EXPECTED OF IT.

OR AS ITS CHAIRMAN, DR. MAHATHIR MOHAMMED PUTS IT: +DURING THAT SHORT TIME FIMA HAS BEEN ABLE TO LIFT ITSELF OFF THE GROUND QUITE REMARKABLY, ALTHOUGH ITS INITIAL ACTIVITIES CONSISTED LARGELY OF THE ORGANISATION OF ITS OWN SET-UP AND CONSOLIDATION OF THE SET-UP OF ITS SUBSIDIARIES.

ESTABLISHED AS A WHOLLY GOVERNMENT OWNED HOLDING COMPANY, FIMA IS OUT TO PROVE THAT THROUGH INDUSTRIALISATION AND COMMERCIALISATION, THE ONCE NEGLECTED AGRICULTURAL PRODUCE HAVE INTERNATIONAL MARKET POTENTIALS.

AS LATE AS FIVE YEARS AGO, ONE WOULD RECEIVE WITH DOUBT SUGGESTIONS THAT LOCAL AGRICULTURAL PRODUCTS LIKE THE MANGO, RAMBUTAN, NANGKA AND CASHEWNUIT COULD FIND PLACE IN THE COMPETITIVE WORLD MARKETS.

TODAY, SOME OF THESE PRODUCTS ARE ALREADY LINING THE SHELVES OF DEPARTMENTAL STORES THROUGHOUT THE WORLD. THEY ARE GIVEN PRIDE OF PLACE ON DINNER TABLES. -BERNAMA MORE. 1337/1D

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FIMA 2

DR. MAHATHIR SAID IN AN INTERVIEW WITH BERNAMA ECONOMIC SERVICE THAT FIMA HAD ESTABLISHED MEANINGFUL CONTACTS WITH PRIVATE FIRMS, STATE DEVELOPMENT CORPORATIONS AND THE GOVERNMENT LEADING TO THE FORMULATION OF A NUMBER OF PROJECTS.

THESE INCLUDE THE CASHEWNUIT PROJECTS IN TRENGGANU AND PAHANG WHICH INITIALLY COVER AN AREA OF 2,000 ACRES. THE PROJECTS ARE BEING UNDERTAKEN BY A SUBSIDIARY COMPANY OF FIMA -- THE CASHEW INDUSTRIES MALAYSIA BERHAD OR CIMA.

THEN THERE IS A \$3.5 MILLION TIN CAN PLANT TO BE SET UP AT PRAI SOON BY THE MALAYSIAN CAN COMPANY SENDIRIAN BERHAD -- ANOTHER SUBSIDIARY OF FIMA.

THE PLANT, SCHEDULED TO GO INTO PRODUCTION AT THE END OF THIS YEAR, WILL PRODUCE TIN CANS FOR FOOD CANNING INDUSTRIES IN PENANG, PERAK, KEDAH AND PERLIS.

MALAYSIAN CAN BERHAD ALREADY HAS A SIMILAR PLANT IN JOHORE, PRODUCING TIN CANS FOR THE PINEAPPLE CANNERY OF MALAYSIA -- ALSO A SUBSIDIARY OF FIMA -- AND OTHER PINEAPPLE CANNERS.

THE COMPANY IS ALSO PLANNING TO SET UP A CARTON MAKING FACTORY IN EITHER MALACCA OR JOHORE TO PRODUCE CARTONS AND BOXES FOR VARIOUS INDUSTRIES IN JOHORE, MALACCA, NEGERI SEMBILAN AND SELANGOR.

FIMA WILL ALSO PARTICIPATE IN THE PROPOSED MULTI-MILLION DOLLAR SUGAR PROJECT IN KELANTAN, THE DETAILS OF WHICH ARE BEING FINALISED.
-BERNAMA MORE. 1342/1D

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FIMA 3

FEASIBILITY STUDIES ON A NUMBER OF OTHER PROJECTS CONCERNING FOOD PROCESSING AND PRODUCTION HAVE ALSO BEEN CARRIED OUT BY FIMA. THESE INCLUDE THE MANUFACTURE OF DESSICATED COCONUT, SAUCE AND KITCHUP AND THE CANNING OF SEA FOODS AND PAPAYA.

DR. MAHATHIR SAID FIMA WAS ALSO EXAMINING THE POSSIBILITY OF RE-PROCESSING PINEAPPLE WASTE. A NUMBER OF AMERICAN INDUSTRIALISTS ARE KEEN TO GO INTO JOINT-VENTURES WITH FIMA FOR THIS PROJECT.

AT PRESENT ONLY BETWEEN 12 AND 20 PER CENT OF EACH FRUIT IS UTILISED IN THE CANNING PROCESS. THE REST, ALTHOUGH KNOWN TO CONTAIN A HIGH AMOUNT OF FOOD VALUE, IS DISPOSED OFF AS WASTE.

CANNERIES IN JOHORE ALONE ARE HAVING ABOUT 150,000 TONS OF PINEAPPLE WASTE A YEAR, NOT INCLUDING REJECTED FRUITS.

IN SOME OTHER PINEAPPLE PRODUCING COUNTRIES, THE WASTE IS RE-PROCESSED INTO SOFT DRINKS, BEER AND ANIMAL FEED.

DR. MAHATHIR SAID COMMERCIAL PRODUCTION OF CASHEWNUT WAS BEING PERSUED BY FIMA WITH THE CO-OPERATION OF MARDI AND THE DEPARTMENT OF AGRICULTURE.

THE POTENTIAL OF THE INDUSTRY IS BRIGHT AND WE HOPE TO BE ABLE TO ENTER THE WORLD MARKET IN THE NEAR FUTURE, HE ADDED. -BERNAMA MORE 1340/1D

FIMA 4

THE PRESENT CASHEWNUT MARKET IS BEING MONOPOLISED BY ONLY A FEW COUNTRIES, THE MOST PROMINENT OF WHICH IS INDIA.

ACCORDING TO A SURVEY CARRIED OUT BY FIMA, THERE ARE ABOUT 360,000 ACRES OF LAND ALONG THE EAST COAST OF WEST MALAYSIA COVERED WITH BRIS SOIL SUITABLE FOR CASHEWNUT CULTIVATION.

CASHEW -- GAJUS OR JANGGUS IN BAHASA MALAYSIA -- IS WIDELY GROWN IN THE NORTHERN STATES OF WEST MALAYSIA, BUT NOT FOR COMMERCIAL PURPOSES.

THE SURVEY ALSO SHOWS THAT THE FLESH OF THE FRUIT CAN BE PROCESSED INTO DRINKS AND POSSIBLY SOME OTHER PRODUCTS, WHILE THE BUT WHICH HAS A HIGH PROTEIN CONTENT IS GROWING IN POPULARITY AT PARTIES AND COCKTAILS.

THE HARD SHELL COVERING THE NUT CAN BE MADE INTO OIL WHICH IS SAID TO HAVE AT LEAST 20 INDUSTRIAL USES.

LAST YEAR FIMA SET UP A SUBSIDIARY IN NEW YORK. FIMA INCORPORATED OF NEW YORK HAS ESTABLISHED A TRADING CENTRE IN THE CITY TO MARKET FIMA'S PRODUCTS AS WELL AS PRODUCTS OF OTHER MALAYSIAN FOOD PRODUCERS.

IT IS NOW IN THE PROCESS OF SETTING UP A SIMILAR BRANCH IN LONDON TO REPLACE ITS HAMBURG OFFICE WHICH WAS CLOSED DOWN THREE MONTHS AGO, AS PART OF FIMA'S RE-ORGANISATION AND CONSOLIDATION PROGRAMME. ITS FORWARDING AGENT IN SINGAPORE WAS TERMINATED EIGHT MONTHS AGO FOR SIMILAR REASON. -BERNAMA MORE. 1355/1D

SPEAKING ON THE COMPANY'S FUTURE, DR. MAHATHIR SAID: +FIMA'S SUCCESS IN CARRYING OUT ITS SOCIO-ECONOMIC FUNCTIONS WILL TO A VERY LARGE EXTENT DEPEND ON THE RECEPTIVENESS OF THE PEOPLE, ESPECIALLY THOSE IN THE RURAL AREAS.

+THIS IS SO BECAUSE WITHOUT THEIR ACTIVE PARTICIPATION AND CO-OPERATION FIMA WILL HAVE NO RAW MATERIALS TO PROCESS.

+IT WILL BE POINTLESS FOR US TO SET UP FACTORIES IN THE RURAL AREAS IF FARMERS ARE NOT PREPARED TO WORK HARD TO PRODUCE ENOUGH HIGH QUALITY RAW MATERIALS TO FEED THESE MILLS AT ALL TIMES. +

DR. MAHATHIR DISCLOSED THAT THE COMPANY'S PAID UP CAPITAL HAD TOTALLED \$16 MILLION -- \$2 MILLION GOVERNMENT SUBSCRIPTION AND \$14 MILLION FROM THE PINEAPPLE CANNERY OF MALAYSIA.

THE FEDERAL GOVERNMENT HAD INITIALLY APPROVED A \$10 MILLION PARTICIPATION IN FIMA, THE \$2 MILLION PAID UP WAS A PRE-INVESTMENT EXPENDITURE WHILE THE REST WOULD BE PAID UP WHEN NEEDED.

DR. MAHATHIR SAID THOUGH THE SOURCES OF FINANCE WERE MANY, IT WAS IN THE INTEREST OF FIMA TO TRY AND ACCUMULATE ITS OWN CAPITAL RATHER THAN TO TURN TO LOANS.

+BORROWED CAPITAL WILL ONLY RESULT IN HEAVY SERVICING BURDEN ON THE COMPANY. HOWEVER EQUITY PARTICIPATION BY THE PUBLIC SECTOR WOULD BE A WELCOMED MOVE. + HE ADDED. --BERNAMA MORE. 1402/1E

DR. MAHATHIR SAID FIMA WOULD ALSO WELCOME JOINT-VENTURE PROPOSALS FROM THE PRIVATE SECTOR.

+AS A BUSINESS CONCERN, FIMA WILL HAVE TO TAKE PROFITABILITY INTO ACCOUNT. BUT THOUGH IT IS A GOVERNMENT OWNED COMPANY, FIMA WILL CO-OPERATE CLOSELY WITH THE PRIVATE SECTOR.

+IN FACT CO-OPERATING FOR MUTUAL BENEFIT IS ONE OF OUR IDEALS. + HE ADDED.

+FOR EXAMPLE IN PINEAPPLE MARKETING, FIMA IS CO-OPERATING WITH OTHER PRODUCERS THROUGH THE CONSOLIDATED PINEAPPLE SALES TO SHARE THE BENEFITS OF OVERSEAS DEMAND. +

UNDER THIS SCHEME, HE SAID, A CANNER WILL PASS ON ORDERS IT IS UNABLE TO FULFILL TO OTHER CANNERS. IN THIS WAY THEY SUPPLEMENT EACH OTHER AS WELL AS MAINTAINING CONSTANT SUPPLY TO OVERSEAS CONSUMERS.

+FAITH OF THE PRIVATE SECTOR IN FIMA IS WELL PROVED BY THE MANY APPROACHES MADE BY FIRMS WITH JOINT-VENTURE PROPOSALS DURING THE LAST ONE YEAR. + DR. MAHATHIR SAID.

+IN FACT A FEW OF THEM HAVE ALREADY JOINED HAND WITH US IN ONE FORM OF VENTURE OR ANOTHER. + --BERNAMA MORE. 1407/1D

TO ENABLE A WIDER CROSS SECTION OF THE RURAL PEOPLE TO BENEFIT FROM ITS PROJECTS, FIMA IS SPREADING ITS ACTIVITIES TO ALL PARTS OF THE COUNTRY.

AT PRESENT THE COMPANY IS PROVIDING EMPLOYMENT TO SOME 2,000 PEOPLE AND THIS NUMBER IS EXPECTED TO GROW EVEN BIGGER WITH THE IMPLEMENTATION OF NEW PROJECTS.

PRODUCTION WISE, FIMA NOW ACCOUNTS FOR 35 PER CENT OF THE COUNTRY'S TOTAL PINEAPPLE EXPORTS AMOUNTING TO ABOUT \$50 MILLION A YEAR.

+WITH THE NEW PROJECTS IN HAND, WE CAN LOOK FORWARD TO THE SECOND YEAR OF FIMA'S OPERATION WITH OPTIMISM. + DR. MAHATHIR SAID.