

MAHATHIR

(EMBARGO: FOR RELEASE AT 8.45 P.M. TODAY, FEB. 8)

108

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KUALA LUMPUR, FEB. 8 (BERNAMA) — DEPUTY PRIME MINISTER/DATUK SERI DR. MAHATHIR MOHAMAD, TODAY PERSUADED SWISS WATCH MANUFACTURERS TO CONSIDER SETTING UP A PLANT IN MALAYSIA TO HELP DEVELOP ITS INFANT WATCH-MAKING INDUSTRY.

MALAYSIA WOULD LIKE TO SEE ITS WATCH-MAKING INDUSTRY BENEFIT FROM SWISS TECHNOLOGY AND EXPERTISE, HE SAID IN A DIALOGUE WITH MEMBERS OF THE ASSOCIATION OF SWISS WATCH MANUFACTURERS IN ZURICH. THE TEXT OF HIS SPEECH WAS RELEASED HERE.

DATUK SERI DR. MAHATHIR, WHO IS ALSO TRADE AND INDUSTRY MINISTER, SAID MALAYSIA WAS PREPARED TO ALLOW SWISS WATCHMAKERS TO RETAIN 100 PER CENT FOREIGN EQUITY IF THEY SET UP A FULLY EXPORT-ORIENTED PLANT.

IN THE EVENT THAT SALES WERE REQUIRED IN THE DOMESTIC MARKET, SOME ELEMENT OF MALAYSIAN EQUITY PARTICIPATION WOULD BE REQUIRED, HE TOLD THEM.

THEY WERE, HOWEVER, ASSURED THAT WHATEVER DECISION WAS ARRIVED AT ON EQUITY PARTICIPATION, IT WOULD BE MUTUALLY ACCEPTABLE TO BOTH SIDES. — BERNAMA MORE 1245/SZ
MAHATHIR 2 KUALA LUMPUR (EMBARGO)

THERE ARE NOW IN MALAYSIA ONLY THREE COMPANIES, TWO FROM JAPAN AND THE OTHER WITH A SWISS COMPANY AS PRINCIPAL SHAREHOLDERS, PRODUCING WATCH PARTS SUCH AS DIALS, BANDS AND JEWELS FOR THE EXPORT MARKET.

MALAYSIA IMPORTED ABOUT 365,000 WATCHES VALUED AT \$17.8 MILLION IN 1977, OF WHICH SWITZERLAND ACCOUNTED FOR ONLY 20 PER CENT — A DROP FROM THE PREVIOUS YEAR'S SHARE OF 37 PER CENT.

SWITZERLAND'S SHARE OF MALAYSIA'S IMPORTS OF WATCH PARTS TOTALLING \$8.6 MILLION THE SAME YEAR WAS LESS THAN HALF PER CENT.

DATUK SERI DR. MAHATHIR SAID: +SWITZERLAND, THE COUNTRY THAT IS AMONG THE WORLD'S PIONEERS IN WATCH MANUFACTURE, SURELY CANNOT TAKE A BACK SEAT IN THE WATCH MARKETS OF ASEAN AND, INDEED, ASIA.

+WHAT WE URGE YOU TO DO IS TO ALLOW MALAYSIA TO ASSEMBLE THE SIMPLER COMPONENTS AND ELEMENTS OF WATCHES AND SWITZERLAND RETAIN THE HIGH TECHNOLOGY ASPECTS OF MANUFACTURE OF THE PARTS AND COMPONENTS.

+WE OFFER YOU A BASE IN WHICH YOU CAN LEND NOT ONLY YOUR HIGH TECHNOLOGY, BUT ALSO OFFER YOUR WATCHES AT LOWER COST TO THE WORLD.+

IF SWITZERLAND, THROUGH ITS OPERATIONS HERE, WAS ABLE TO EXPAND ITS MARKET, JOB OPPORTUNITIES WOULD NOT ONLY INCREASE IN MALAYSIA BUT ALSO IN SWITZERLAND.

DATUK SERI DR. MAHATHIR EXTENDED AN INVITATION TO THE SWISS WATCH MANUFACTURERS TO VISIT MALAYSIA INDIVIDUALLY OR AS PART OF AN INVESTMENT MISSION TO SEE FOR THEMSELVES WHAT THE COUNTRY COULD OFFER. — BERNAMA 1253/SZ