

Two US experts to help develop franchising sector

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By K.H. Lim

KUALA LUMPUR, Sun. — Two American franchising experts have been invited by the Government to help develop this sector through talks with officials and businessmen.

Prime Minister Datuk Seri Dr Mahathir Mohamad said today that he invited the two on the recommendation of former US Secretary of State Dr Henry Kissinger.

Dr Mahathir said he had earlier written to Dr Kissinger seeking his help as the Malaysian

experience in franchising had not been successful.

The Prime Minister was speaking to reporters after launching a training programme for hawkers and petty

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traders in the Federal Territory at the Putra World Trade Centre.

He said these experts would advise the Government on how the public sector could help promote franchising and to

guide locals on how to franchise their businesses.

He also said successful businesses which wanted to expand might have difficulty in controlling new outlets without franchising.

"We have tried with Sate Ria but because of insufficient franchising knowledge here, it seems that Sate Ria has not been successful.

"We feel that in franchising, an operator of a franchised outlet does not have to know a lot about the business. Like in the case of Sate Ria, a franchisee only

needs to know how to barbecue the meat."

Dr Mahathir said franchising was not limited to food businesses only but could be practised by petrol stations and the consumer goods and printing industry.

In his speech earlier, Dr Mahathir told hawkers and petty traders that they could also graduate into big business. He then related the story of how McDonald's grew from a small diner in California into a multi-billion-dollar chain in 80 countries.

He advised them to consider franchising local products and services.