

Corporate marriages appropriate,

# Join forces, rival

By K.H. Lim

PETALING JAYA, Mon. — Prime Minister Datuk Seri Dr Mahathir Mohamad today gave a vote for corporate marriages between companies, particularly in view of the expanding global market.

Dr Mahathir said this business approach was appropriate for the coming decade. In relation to this, he praised the joint venture between Holland-based Philips and Japan's JVC to produce video cassette recorders and printed circuit board assemblies.

The Prime Minister called on other companies to emulate this corporate marriage between two competitors.

"This is an encouraging development and should serve as an example to other companies because it is part of the globalisation strategy being adopted by many multinationals.

"Such a strategy is appropriate as the global market expands in the '90s. I am glad that there is such an example of corporate marriage between two leading audio-video companies in Malaysia.

"I feel the decision to locate the factory in Shah Alam reflects the confidence of both companies in the future of the country," he added.

He said the Government would continue to support such projects as it involved production of high-value goods with the latest technological inputs, which would help in upgrading the technological capabilities of the local workforce.

Dr Mahathir was launching the Philips centennial celebrations and opening its new headquarters in Jalan Universiti here.

He said the success of well-known firms like Philips in Malaysia was also a success for the country. The group now has five opera-

tions involving investments totalling \$50 million in the country.

He added that this proved the confidence investors had in the political stability and the future of the country. It also showed the investment climate provided by the Government was conducive to foreign investors.

"The Government is aware of the importance of private investment, including that by foreigners, in the process of industrialisation.

"As such, the Government has formulated pragmatic and flexible policies to attract more private investments so that industrialisation can take place at a faster pace.

"Although we are rich in natural resources, Malaysia will not be able to achieve 'developed nation' status if we depend on our natural resources alone. Only industrialisation can make a country a developed one."

He said manufacturing had an important role in achieving the objective of an average of seven per cent growth in the Gross Domestic Product per year for this decade.

He gave an assurance that the Government would continue with its consistent policies to encourage foreign investors in the '90s.

He said the electronics sub-sector was the main contributor to manufacturing.

It produced goods worth \$20.3 billion last year and provided 144,000 jobs, which amounted to 12 per cent of all jobs in the manufacturing sector.

He said he was glad to note that the sub-sector had weaned itself from its dependence on semi-conductors since 1986. He said the Government hoped that this industry would not be over-dependent on the production of semi-conductors.

says Dr Mahathir

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