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Mahathir

Mohamad

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Proton may team up with more Euro car makers

By Long Hui Ching

PERUSAHAAN Otomobil Nasional Bhd (Proton) is looking at the possibility of collaborating with European car manufacturers to increase its range of cars.

Prime Minister Datuk Seri Dr Mahathir Mohamad said any collaboration was possible as long as it benefited the country.

"In the long term, anything is possible. We are looking at several European manufacturers who are interested in collaborating with Proton.

"As long as the agreements between the companies permit us to collaborate with others, I think we should do so. What is important is what is the gain for Malaysia."

He was speaking to reporters after witnessing the signing of the agreements between Perusahaan Otomobil Nasional Bhd (Proton), Usahasama Proton-DRB Sdn Bhd (USPD) and Automobiles Citroen of France in Kuala Lumpur yesterday.

Currently, apart from the arrangement with Citroen, Proton has an arrangement with Mitsubishi Motor Corporation of Japan for the development and production of its range of cars.

Asked whether the interest by the European companies meant that Proton might shift its focus towards European partners rather than Japanese, Dr Mahathir said: "I kept emphasising that when we decided to look East, we should not stop looking at the West."

Dr Mahathir added that partnerships with foreigners would result in transfer of technology as well as the development of support industries.

"Proton will have a wider

choice and the small entrepreneurs will have a better chance to go into the components industry, and in the process learn about manufacturing other components. As the trend is towards sourcing components from all over the world, they might be able to supply to world with the components they can manufacture," he said.

Dr Mahathir also said USPD could undertake the production of some Citroen models in the future for resale back to France and other

markets.

The arrangement is part of the technical collaboration agreement reached during his visit to France earlier this year.

He said older Citroen models, which production may be phased out in France, might be manufactured here if found to be cheaper and more viable to do so.

However, these models would still be sold in France and other parts of the world where demand exists.

Dr Mahathir said that the

collaboration, which includes technology transfer to Malaysians for local production of spare parts for the USPD car, could lead to spare parts manufacturing of other Citroen models.

"Someday, this could also lead to local vendors being found qualified enough to produce spare parts for other car manufacturers around the world," he said.

Earlier in his speech, Dr Mahathir said technology was clearly the cornerstone of progress and Malaysia, as a newly emerging industria-

lised nation, should certainly strive to acquire technology.

He said the determination to acquire new technologies and specialised skills would pave the way for the development of the country's industries and economy.

Experience had demonstrated how the acquisition of knowledge and skills could be achieved through collaborative ventures and that in just 10 years, the

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Dr M: Historic milestone for country

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Malaysian automotive industry had advanced to a very high degree of competency.

He said the signing of the various agreements between the companies marked a historic milestone in the nation's journey towards industrialisation.

"Not only does it herald another step forward in the development of the national car, but more significantly, it is the beginning of a new and exciting future for the Malaysian automotive industry — a promising future spiced by the infusion of European automotive technology.

Dr Mahathir said one shining example of how Malaysia had advanced to a very high degree of competency in the automotive industry was Proton, which pioneered the evolution of the local automotive industry way back in 1985.

He said having captured more than 70 per cent of the local passenger car market, Proton had now advanced to a level where it could play a significant role in the automotive world.

"That this is so is evidenced by the number of well-known foreign automakers seeking to collaborate with Proton," he said.

The Prime Minister said

another milestone was achieved when Proton teamed up with DRB to form UPSD and through their collaborative ventures, UPSD had successfully produced almost entirely with Malaysia expertise a three-door Wira model — the Satria.

Dr Mahathir said essentially collaboration between progressive corporated entities acted as a catalyst for the growth of core industries and this would in turn spawn a multitude of economic activities.

He said these activities include the emergence of support industries and vendor development programmes,

the enhancement of local design, research and development capability and the access to regional and global trading and capital networks.

"I am confident that this new venture will thrust us into the next millennium with confidence."

He said the level of technology transfer agreed by all parties was highly commendable.

"Automobiles Citroen, renowned the world over for its innovative approach to automotive engineering, will surely add a new dimension to the development of our national car," he said.