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Proton-Citroen

ANOTHER PROTON MODEL BASED ON CITROEN TECHNOLOGY TO BE OUT NEXT YEAR

KUALA LUMPUR, Sept 23 (Bernama) -- A new Proton model, based on the "PS8" model produced by French car-maker Citroen, is expected to be launched by the end of next year.

It will be the second Proton model using French technology after the Proton Tiara which is based on the "Citroen AX" model.

The collaboration to manufacture the car was sealed today between Perusahaan Otomobil Nasional Bhd (Proton), Automobiles Citroen of France and Usahasama Proton-DRB Sdn Bhd.

Prime Minister Datuk Seri Dr Mahathir Mohamad and DRB-Hicom chairman Datuk Mohamed Saleh Sulong attended the ceremony.

The 1114 cc model, to be developed by Proton with Citroen's technical expertise, will be assembled at the auto plant in Pekan, belonging to Automotive Manufacturers (Malaysia) Sdn Bhd, a member of the DRB-Hicom group of companies, and distributed by USPD.

The PS8 was launched middle of last year in Europe.

Later at a news conference, Mohamed Saleh said the new Proton model would be priced slightly higher than the Proton Tiara.

"It is very difficult to reveal the retail price but we expect to produce at least 60,000 units per year, effective 1998/1999," he said.

He said that there were also plans to export the new Proton model to some 40 countries.

Asked when the first fully Malaysian-made car will be produced, he said: "By the turn of the century."

Asked about the sale of the Tiara model, Mohamed Saleh said currently, about 15,000-16,000 units are sold per month but this could be further improved.

In the meantime, Saleh said, both Proton and Hicom were gearing up their respective subsidiaries to become "Original Equipment Manufacturers", with the aim of eventually becoming global producers.

On global sourcing by Proton for parts and accessories, Mohamed Saleh said they were only for high-value parts which include engine components, mainly from Japan.

Mohamed Saleh also said that the DRB-Hicom Group would continue to ensure that the strategic direction set by the government in maximising local content would not be compromised by the commercial consideration for global sourcing.

Meanwhile, the chairman of Automobiles Citroen, Jacques Calvet, said about 30 specialists would be sent to Malaysia, on a permanent basis, to enhance R&D programmes and to ensure the smoothness of the technology transfer.

"Due to the great demand of small cars in Malaysia, I do believe that with a balance of management and technical expertise, Proton and Citroen should be able to attain great success," he said.

He said the PS8 model has been chosen because it incorporated high technology features for small cars as well as safety features and elegant looks.

-- BERNAMA

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