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Ericsson - Malaysia

ERICSSON ANNOUNCES BIG NEW PLANS FOR MALAYSIA

By: Azman Ujang

LONDON, May 21 (Bernama) -- Swedish telecommunications giant Ericsson has announced three big plans of investment in Malaysia, two of which will be located in Multimedia Super Corridor (MSC), which Prime Minister Datuk Seri Dr Mahathir Mohamad is currently promoting here.

Ericsson President and Chief Executive Officer Dr Lars Ramqvist said here Tuesday that Ericsson plans to set up a software design and production facility as well as move the headquarters of its Malaysian operations from Shah Alam to the MSC.

Another plan is for Ericsson, the world's leading supplier in telecommunications, to start production of mobile telephones at its existing complex in Shah Alam.

Dr Ramqvist, who earlier met Dr Mahathir for discussions on the projects, also announced that he has been appointed by the Prime Minister to sit on the MSC's International Advisory Panel. Among those also on this panel are industry leaders such as Bill Gates of Microsoft, Nibukyi Idei of Sony and Lewis Platt of Hewlett Packard.

"I am deeply honoured by this appointment. I have followed with great interest the developments of the MSC which I dare say is a most dynamic and visionary development which has captured world interest," he told Malaysian journalists at a news conference at the Ritz Hotel.

Dr Ramqvist, one of the world's highly respected names in the telecommunication business, said Ericsson, which has 90,000 employees in more than 130 countries, decided to pick Malaysia to site these new expansion plans to take advantage of the MSC.

"Also we have more than 600 local technical specialists in Malaysia who have been given extensive training in the latest telecommunications technology either in Sweden or at our Ericsson Academy in Shah Alam," he said.

Describing Malaysia as one of Ericsson's most important markets, he said Malaysian telecommunication market is larger than Sweden with sales of over RM1 billion annually.

Despite being asked many times to state the value of investments Ericsson would pump into the new ventures in Malaysia, Dr Ramqvist declined to do so, beyond merely saying that it would be huge.

Ericsson started operating in Malaysia 14 years ago and its Malaysian outfit is owned jointly with the Lembaga Tabung Angkatan Tentera (LTAT), the Armed Forces Fund Board.

Dr Ramqvist said the Ericsson facility at Cyberjaya, one of the state-of-the-art cities in MSC, would be put up soon as approved by the Multimedia Development Corporation (MDC).

The first production of mobile phones from Shah Alam is expected as early as by the end of this year. The phones are for export in the Asia-Pacific region.

Ericsson has a turnover of US20 billion (RM50 billion) -- or earning more than many of the world's economies -- out of which US4 billion (RM10 billion) goes into research and development which the MSC is out to attract.

Dr Ramqvist, which is also the 1981 Nobel Prize Winner in physics, said Ericsson would on its own be promoting the MSC in Sweden together with the MDC, the one-stop Malaysian agency to facilitate the development of the MSC, the 15km by 50km hub for corporations using high-tech multimedia

technologies.

On Friday, it will host an Executive Roundtable with senior executives of Scandinavian companies in Stockholm.

The Malaysian delegation of 20 senior officials will be led by Energy, Telecommunications and Posts Minister Datuk Leo Moggie. It will also include Chief Secretary to the Government Datuk Abdul Halim Ali. -- BERNAMA

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