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Ericsson may move Malaysian headquarters into the MSC

ERICSSON, Sweden's telecommunications giant, may move its Malaysian headquarters into the Multimedia Super Corridor within six or seven years.

"Plans are being finalised to set up a software design and production plant and a training institute in the MSC," Ericsson's president and chief executive officer Dr Lars Ramqvist said of the multi-million ringgit operations.

He said the company had already applied to the Government to set up the software design and production plant.

Ericsson was also starting a mobile telephone production facility in Malaysia, he told a Press conference soon after meeting Prime Minister Datuk Seri Dr Mahathir Mohamad who is in London to promote the MSC.

The Ericsson boss had a private meeting with Dr Mahathir where details of the company's involvement in the MSC were discussed.

Dr Mahathir's meeting with the Ericsson executive was one of several private meetings he had with chief executive officers of key companies involved in information technology.

Ramqvist's announcements was made soon after the Prime Minister announced that the Ericsson chief was appointed to the MSC International Advisory Panel, joining illustrious IT personalities like Bill Gates, Kenichi Omaye, Jim Barksdale and Lewis Platt.

On his appointment, Ramqvist said: "I look forward to working and meeting with other members of the panel who are world leaders in their respective areas and hope to contribute positively and actively to the MSC."

At the meeting with Dr Mahathir, Ramqvist also briefed the Prime Minister on Ericsson's developments and discussed various aspects of the company's participation in the MSC.

"The decision to start mobile telephone production in Malaysia reflected the company's confidence in Malaysia," he said, "as an economically strong country with professional and competent workforce."

The production plant will be in Shah Alam and produce mobile telephones for export in the Asia-Pacific region and employ several hundred workers within two or three years.

The first output is expected by December.

An Ericsson statement issued yesterday said decisive factors to locate the plant in Malaysia was the country's political and economic stability, its strategic location and the advanced infrastructure.

Asked to elaborate on the company's proposed software design operations in the MSC, Ramqvist said Ericsson was hopeful its application would be approved. This will involve one of the company's subsidiaries, Ericsson Hewlett-Packard, which presently operates in Sweden, France and the United States.

"It needs one in Asia, hence the application to the MSC."

As for the academy, Ramqvist said this would be located also in the MSC, which means that the company's present training academy in Shah Alam would be relocated where the environment would be more conducive.

Besides Malaysians, other trainees include those from other Asian countries.

Ericsson enjoys an annual turnover of RM1 billion in Malaysia, representing about three per cent of the company's total sales worldwide. Its biggest market is China and the US.

Asked to put a figure on Ericsson's targeted investments in the new ventures, Ramqvist said this was not yet possible.

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