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Fokker stake plan aborted

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MALAYSIA has aborted its plans to acquire a stake in debt-ridden Dutch aircraft manufacturer, NV Fokker.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the plan to participate in Fokker's rescue plan was aborted because the Dutch manufacturer did not agree to allow Khazanah Holdings Bhd to carry out a feasibility study, including inspecting its accounts.

"As far as I am concerned, it is already closed," he told reporters after officiating at the five-day Langkawi Oshkosh East Fly-In convention and exhibition in Langkawi yesterday.

Dr Mahathir said the deal is as good as over because Khazanah Holdings was unable to carry out a feasibility study.

"So, Khazanah Holdings decided not to agree (on the rescue plan)," he added.

The Prime Minister, in his speech, said that Malaysia has aborted its plan to buy Fokker because it was not a feasible progress.

Earlier reports said the Dutch company had early this year offered the Malaysian Government to acquire a stake in Fokker to rescue the company which is facing financial problem.

The Government, however, declined to take up the offer. This had prompted the Dutch Government to initiate negotiations, hoping that the Malaysian Government would reconsider the offer to acquire a stake in Fokker, which was founded in 1919 by Dutch aviation pioneer Anthony Fokker.

Troubles at Fokker, one of the oldest names in the aircraft industry, came to a head in March last year when the company filed for bankruptcy after former majority shareholder Daimler-Benz AG of Germany pulled out of the company.

Fokker was kept alive on a skeleton staff of 650 by court-appointed receivers in the hope of finding a buyer. The company had produced the 100-seat F-100 and the 70-seat F-70 aircraft before going bankrupt.

Despite Malaysia's decline to take up the offer, Dr Mahathir said the Government will continue to look at acquiring other potential aircraft companies.

"We will still look at acquiring aircraft construction, technologies and design technologies," he said, adding Malaysia hoped to be able to produce decent passenger aircraft in future.

But before Malaysia can produce such aircraft, Dr Mahathir said the country will be producing components for small and big aircraft. "This is already being done in the country. So you can see that from almost nothing, we have made very considerable progress in this field," he added.

He also said the Langkawi Oshkosh East Fly-In was organised to stimulate greater interest, especially among the young, in flying and designing of aircraft. "That is what we expect of the Langkawi Fly-In," he added.

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