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Food-based franchising drive to be stepped up

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THE Entrepreneur Development Ministry will step up efforts to expand the local franchise business, especially food-based ones, to help boost the development of small and medium-sized enterprises.

Its Minister Datuk Mustapa Mohamed said the Prime Minister Datuk Seri Dr Mahathir Mohamad had directed the ministry during yesterday's Cabinet meeting to intensify participation in food-based franchise activities.

"Among the Prime Minister's suggestions was the operation of a "nasi lemak" franchise. The emphasis will be on the standard of food preparation, hygiene and quality," he said.

The minister was speaking at a news conference after launching Pernas Edar's Sdn Bhd's chain of convenient stores - "Focus" - in Kuala Lumpur yesterday.

Franchising, Mustapa reiterated, is a priority for the Entrepreneur Development Ministry.

"Most of the successful franchises in the country are foreign. The Government wants to encourage the development of more local franchises," he said.

He said that his ministry has devised a strategy to stimulate the development of the local franchise business, as suggested by the Prime Minister.

He however declined to elaborate on the matter.

He then added that the ministry will introduce a franchise system for an air courier service as well as the sale of electrical goods.

Meanwhile, general manager of Pernas Edar, Hasran Fauzi said the company expects to have a network of 20 Focus stores nationwide by the end of the year.

Focus is a convenient store which is open 24 hours. Some 85 per cent of the products sold at the store are locally produced.

"We hope Focus outlets will contribute about 25 per cent to our total turnover in the future," he said.

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