

29/11/1997

Joint venture to produce automotive electrical parts

IN a bid to reduce the country's imports, a joint venture company called Metrodenso (M) Sdn Bhd was established yesterday for the design, manufacture and marketing of automotive electrical parts.

Expected to provide a yearly savings of RM14 million in imports of wholly-assembled units or components for assembly in Malaysia, the joint venture company is an agreement between Usra Tampi Sdn Bhd (holding a 51 per cent stake), Japan-based Metro Denso Co Ltd (40 per cent) and Premier Choice Sdn Bhd (nine per cent).

Metrodenso Malaysia will manufacture automotive electrical parts such as combination and power window switches, wiper and heater switches and other electrical control devices.

"This move is aimed towards cost reduction and minimising foreign exchange as presently switches are largely imported ... this means there will be a transfer of the latest technology in this particular field to Malaysians," said Premier Choice chairman Datuk Mohd Saleh Sulong.

Saleh, who is also the chairman of the DRB-Hicom Group, was speaking at the joint venture signing ceremony held in Tokyo, yesterday.

The event was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad.

Premier Choice, a consortium of 12 Malaysian companies, said in a statement that Metrodenso Malaysia would provide opportunities to Malaysian automotive companies to further increase the local content of their vehicles.

The consortium was formed in 1995 with the objective of creating joint ventures with foreign parties in the field of high precision engineering and high technology engineering industries.

Usra Tampi, a subsidiary of Usra Sdn Bhd, is involved in the field of thermoplastics and elastomers which use a high technology injection moulding process, and manufactures precision plastic components for local automotive and electronic companies.

Metro Denso is involved in designing, manufacturing and marketing of automotive electrical parts with an annual production capacity of 600,000 combination switches.

(END)