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Mahathir-Technology

MANUFACTURE GOODS FOR MULTINATIONAL COMPANIES, LOCAL ENTREPRENEURS TOLD

BUTTERWORTH, April 22 (Bernama) -- Local entrepreneurs should be bold in embarking on the manufacturing of high technology finished products and components for multi-national companies in view of its bright future and potential, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said that they should not just wait for contracts to be awarded to them to embark on their venture by setting up factories, adopt technology and engage engineers and skilled workers.

"They could begin by operating small businesses to prove their capability in producing high quality goods to gain the confidence of multinational companies and other big firms," he said when opening the Unico Teknologi Bhd factory in the Prai free trade zone here.

Among those present were Chief Minister Tan Sri Dr Koh Tsu Koon, his deputy, Datuk Mohamed Shariff Omar, state executive councillors and Unico chairman Tan Sri Ngan Ching Wen.

Unico is a subsidiary of Unico Holding, set up in 1992 to manufacture electronics products and components to be supplied to several multinational companies in the country.

Dr Mahathir said that local entrepreneurs could first embark on the manufacturing of goods like electronics components on a small scale and later venture into the production of finished goods.

He said that the success of local companies like Unico, Malaysia Electronic Corporation (MEC) and Pensonic which had been able to manufacture finished products proved that local entrepreneurs had the capability to venture into the field.

"This field has much potential...what is important is that we are prepared to venture into the field. But many do not have faith in themselves to produce sophisticated component goods like these," he said.

He said that many of them do not have the confidence to produce their own brand of goods because of fear of poor response from the public.

Dr Mahathir said that some manufacturers even seek an assurance that their goods would be bought by big companies if they were asked to venture into production of such goods.

He said that big industries could never provide an assurance that they would buy goods produced by new companies if there was no guarantee of quality of the goods to be produced.

"More importantly, the big companies do not want to stop dealing with their original suppliers just to provide an opportunity to the new suppliers who have not even proven the quality of their goods," he said.

Dr Mahathir also expressed confidence that local engineers were highly capable in helping local entrepreneurs achieve success in their ventures.

This, he said, had been shown in his visits to factories of multinational companies which had found that they were capable of producing sophisticated goods to enable to companies to become suppliers to big companies.

"We are not rejecting foreign investment in the field because the export value of electronics goods is high, that is about RM60 billion, but produced by foreign companies," he said adding that if local companies had been the manufacturer, it would help boost the nation's income.

On the success of Unico, Dr Mahathir said that when he first became the prime minister, he had asked the Malay Chamber of Commerce to embark on a cooperation with the Chinese Chamber of Commerce to venture into the field

of trade and industry.

Unfortunately, he said, the cooperation did not materialise because the Malay Chamber faced problems and was not prepared to do this.

"This led to the Chinese Chamber of Commerco setting up Unico Holding and one of its projects was this factory which has been successful and chalking sales of more than RM300 million a year," he said.

However, he said, the cooperation between the two Chambers was successful when the late Tan Sri Yahaya Ahmad took over the leadership of the Malay Chamber. -- BERNAMA

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