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MTB expects 50pc market share for national truck

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NATIONAL truck manufacturer Malaysian Truck & Bus Sdn Bhd (MTB) expects its first product, Hicom Perkasa, to capture at least 50 per cent of the decontrolled segment of the commercial vehicle market in the first year of production.

The Hicom Perkasa trucks will compete in the lucrative decontrolled segment which makes up 60 per cent of the commercial vehicle market, with about 800,000 vehicles on the road.

The decontrolled segment covers commercial vehicles of five tonnes and below, which are not used for hire.

Part of the 50 per cent share which MTB intends to capture will be achieved by filling the vacuum left by Isuzu trucks, which will withdraw from the Malaysian market following the introduction of the national truck.

The national truck and the 42ha MTB factory in Pekan where it is built were launched by Prime Minister Datuk Seri Dr Mahathir Mohamad in Kuala Lumpur yesterday.

Available in four-tonne, five-tonne and seven-tonne versions, the Perkasa is based on Isuzu's trucks, which have captured some 24 per cent of the decontrolled segment.

"Our target is to be the market leader," MTB's managing director Datuk Hamzah Ahmad said at a media briefing in Pekan, prior to the launch.

The four-tonne model, priced from RM44,959.08, will be available with a narrow cab and short wheel base, while the seven-tonne model will come with a wide cab and long wheel base.

The five-tonne model, priced from RM53,934.23 to RM59,843.43, will be available in a turbo version with short wheel base and a wide cab version with long wheel base.

MTB is acquiring the technology by paying royalties to Isuzu, which holds 20 per cent stake in MTB. Diversified Resources Bhd and HICOM Holdings Bhd hold 40 per cent each.

"Isuzu has a long trend of friendship, cooperation and trust with the group," said Hamzah, when asked to comment on Isuzu's withdrawal of the market and transfer of technology.

Marketing of the Perkasa will be done in Peninsular Malaysia by local Isuzu distributor, Automotive Corp Malaysia Sdn Bhd (ACM), and in Sabah and Sarawak by Kinabalu Motor Assembly Sdn Bhd (KMA), which holds the Isuzu franchise there.

Marketing of the truck will also be done by MTB in Singapore, Brunei, Hong Kong, Australia and New Zealand.

MTB expects to produce about 7,000 of the national truck this year alone, and to begin exporting 25 per cent of production by next year to countries in the region.

Production at MTB is expected to be 2,700 units a month initially on a single shift, of which 1,500 units will be the national truck and the remainder contract assembly.

By 1999, the RM300 million factory will run two shifts, producing 60,000 vehicles a year. The plant is designed to manufacture 70,000 units a year on a two-shift basis.

General manager for manufacturing Syed Zainal Abidin Syed Mohd Tahir said the eventual product mix will depend on market forces.

Over the next five years, MTB expects to produce 100,000 national

trucks.

Speaking at the launch yesterday, DRB-HICOM group chairman Datuk Mohd Saleh Sulong said MTB will increase the local material content points of the national truck to 80 per cent from the current 50 per cent in five years.

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