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Telekom Malaysia, GEC-Marconi sign 2 MOUs

Hardev Kaur in London

LONDON, Mon: Telekom Malaysia signed two memorandums of understanding (MOU) which provide an added boost to the Multimedia Super Corridor (MSC), break new ground in telecommunications and assist in the transfer of technology.

Prime Minister Datuk Seri Dr Mahathir Mohamad, who witnessed the signing of the MOUs at the GEC-Marconi complex in Carswell, about 100km outside London, described the agreements as "important" as they relate to laser technology and involve matters that concern the MSC directly.

GEC Group Managing Director George Simpson said the MOUs will result in GEC repositioning itself in the Far East and in Malaysia.

Dr Mahathir, who arrived this morning, wasted no time in getting down to business. He visited GEC-Marconi and saw first-hand the various facilities available, including the "clean room".

The first MOU, with Marconi SPA of Italy, provides for the two parties to conduct joint research and development (R and D) in advanced telecommunications technologies, including the optical amplifier developed by Telekom.

The optical amplifier allows for multimedia applications and facilitates the transmission of signals over long distances at very high speed. It is currently in production in Malaysia and is soon to be commercialised worldwide.

According to Telekom Chief Executive Datuk Mohamed Said Mohamed Ali, the optical amplifier was developed by Malaysian engineers within a year and "it is the best in the world".

The first prototype was almost 90 per cent as good as the best in the world and the second prototype was second to none. It impressed Marconi SPA enough to make the Italian company want to join forces with Telekom to further develop and market it worldwide.

Dr Zainal Aripin Zakariah, general manager of Telekom's R and D department, said it cost the company RM40,000 to develop the optical amplifier but in the market it is worth about RM150,000.

The optical amplifier plant is located in Kulim, with Marconi SPA committing RM25 million to the joint facility.

The Italian company, in the country since 1985, has to date invested between RM35 million and RM40 million.

Dr Sandro Gualano, president and managing director of Marconi SPA, said no telecommunication equipment manufacturer in the world has so far come close to developing an optical amplifier as good as the one developed by Telekom in Kulim.

The second MOU, between Telekom and GEC-Marconi Ltd, will create a R and D partnership in gallium arsenide which facilitates very high frequency transmissions, used in satellites and in smart cards.

The MOU provides for the two parties to set up a plant in the MSC for joint research. It is estimated to cost US\$115 million (US\$1 = RM2.51) and construction is expected to start at the end of this year.

Gallium arsenide, at present largely used in wireless communications, also has multimedia applications, including telecommunications, satellites, smart cards and for military purposes.

The global market for gallium arsenide is projected to increase to US\$1.58 billion by the year 2000, from US\$730 million currently.

During his five-day visit to Britain, Dr Mahathir will hold individual

meetings with a number of selected companies and explain the MSC to entrepreneurs and businessmen.

He is also scheduled to visit the Imperial College, the Warwick University and meet new British Prime Minister Tony Blair.

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