

05/02/1998

Al Fayed outlines investment plans (HL)

Kamarul Yunus; Adeline Ong

IN a vote of confidence in Malaysia's economic potential, Egyptian tycoon Mohamad Al Fayed yesterday unveiled his investment plans for the country that include a commitment to promote local products and Malaysian tourism abroad.

The owner and chairman of Britain's Harrods Knightsbridge outlined his plans at a joint press conference with Prime Minister Datuk Seri Dr Mahathir Mohamad in Kuala Lumpur yesterday. Harrods Knightsbridge is the owner of famed Harrods departmental stores.

For a start, Al Fayed said Harrods will invest some STG5 million (STG1 = RM6.65) to open its first outlet in the country at the new Kuala Lumpur International Airport (KLIA) in Sepang.

Al-Fayed, who arrived in Malaysia on Tuesday for a three-day visit, also pledged to cooperate with various Malaysian companies, including going into the manufacturing and supply of the Harrods Electric Golf Buggy, a solar-electric vehicle, with its manufacturer Perusahaan Otomobil Elektrik Malaysia (POEM).

POEM is a joint venture among Tenaga Nasional Bhd and Frazer-Nash Research Ltd and two Malaysian entrepreneurs.

Harrods has placed an initial order for 100 units of the vehicle worth some RM26 million. The Prime Minister officiated the handover of the first unit of the car to Al Fayed after the press conference.

In addition, deals are being worked out with Puncak Intan Sdn Bhd to manufacture and supply Harrods garments and with Malaysia Electric Corp to market the latter's electrical products under the MEC brandname at its stores in the UK. Harrods has 24 retail outlets worldwide, including six in the UK.

Impressed with the beauty of Langkawi, which he visited on arrival, Al Fayed said the duty-free island can become one of the top tourist destinations in the world if aggressively promoted.

"I am going to send a film director who has worked with Steven Spielberg to produce a film on the island.

"Yesterday, I saw a film on Langkawi but it does not show its entire beauty... the beaches, the hotels and villages.

"There should be more imaginative ideas... then the country will move faster," he added.

Asked whether it is the right time to invest in Malaysia in view of the current economic problems faced by the region, he said:

"You do not lose anything... I am going to bring the business and I am going to invest."

It is also his responsibility to help his friends, especially the Prime Minister, he added.

"Your Prime Minister is the number one attraction... I am a great friend of his and I appreciate and value our friendship. This is the time for friends to see if there is anything they could do to help," Al Fayed said.

Nevertheless, he is of the opinion Malaysia has a lot of potential and opportunities but still too little is known about the country abroad.

"You have everything here... nice people, manufacturing opportunities and lots of natural resources.

"It is time for me to start (investing in Malaysia)... I have to invest with the best house in the world," he added. "In fact I made my decision after I saw the airport."

Al Fayed, who visited the KLIA earlier yesterday, said he was impressed with the new airport, describing it as the result of "the vision of your Prime Minister."

"I think the Prime Minister has done a great job. I hope he will stay 20 years more in power," he added.

Meanwhile, Dr Mahathir said the Government welcomes Al-Fayed's proposal to invest in the country, especially in view of the current economic problems.

"It has become a part (of the efforts to revitalise the economy)... we have been talking before we had the problems. But now with the economic problems, these investments from abroad are certainly very welcome.

"We are keen to increase our export earnings so we hope by being able to supply Harrods with Malaysian-made products, it will help Malaysia," he said in response to a question whether Harrods' commitment has anything to do with the Government's various measures to overcome problems arising from the region's market turbulence.

"We have been discussing with Harrods for some time the possibility of investing in the country and making some of the products in Malaysia. Harrods have also been sending their people to look around," he added.