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Al Fayed to help promote Malaysia (HL)

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KUALA LUMPUR, Wed. - Impressed by Malaysia's tourism potential, Mohamad Al Fayed, owner of the famed London store, Harrods, will help promote the country as a tourist destination.

On a three-day visit to explore investment opportunities, Al Fayed has told Prime Minister Datuk Seri Dr Mahathir Mohamad he did not know about Langkawi which he came to like following a visit yesterday.

"Here, you are just at the beginning. The Caribbean is now old-fashioned," Al Fayed told a joint Press conference with Dr Mahathir at the Carcosa Seri Negara today.

Dr Mahathir said Al Fayed believes "we have not promoted ourselves well".

Al Fayed said he was greatly impressed with everything he has seen, and saw his role (in coming to Malaysia) as a "duty between friends in this difficult times".

The Egyptian-born would promote local attractions among his associates, clients of Harrods and United Kingdom-based travel agents which deal with Harrods.

Upbeat about the "unbelievable potential of Langkawi", Al Fayed added: "The only thing that you need to do is marketing, and marketing is not difficult."

Although what he saw of the island in an audio visual presentation yesterday was "good", Al Fayed said it did not portray the beauty of Langkawi enough.

He said he would send a famous movie director to capture the attractions of Langkawi.

Tomorrow, he will meet officials of Petronas, (Al Fayed has an oil business), Securities Commission and the executive director of the National Economic Action Council, Tun Daim Zainuddin.

Al Fayed's plane landed at the KLIA in Sepang from Langkawi where he bought RM35,000 worth of leather products as samples to be redesigned and relabelled by Harrods.

A Harrods store is to be set up at the KLIA. It would market locally produced goods here and in the region. Al Fayed said he was impressed with the KLIA.

With brother, Ali, he once owned the House of Fraser Plc retailing empire, which included some 51 stores stretching across England, Scotland and Wales. In 1993 the chain, which also includes Harrods, was estimated to have had an annual revenue of STG700 million.

But the brothers floated the chain in a public offering in 1994, retaining control only over Harrods.

Al Fayed is chairman of Harrods Limited of Knightsbridge. It owns 24 outlets worldwide including six in UK, which according to Al Fayed have daily turnovers of STG3 to STG4 million (RM19-26 million).

He said he would not quantify how much his investment in Malaysia would be worth, but insisted: "All that you need is for the world to know ... what type of people you are, what type of country. Every investor will be happy to invest."

Agreements between Harrods and several Malaysian companies were announced today. These were:

* The manufacture and supply of Harrods Electric Golf Buggy with an initial order of 100 units. The buggies will be manufactured in Malaysia

by Poem, a joint-venture company involving Tenaga Nasional Bhd, Frazer-Nash Research Ltd, and two Malaysian entrepreneurs;

* The manufacture and supply of Harrods garments by Puncak Intan Sdn Bhd;

* The marketing of Malaysian Electric Corporation Bhd products at Harrods outlets in UK; and,

* Opening of the Harrods outlet at the KLIA.

Al Fayed said his number one interest here would be the manufacture of clothes. "I have Harrods, and I have the products ... produced and sold here." Al Fayed also said the main "attraction" about him coming here was Dr Mahathir who Al Fayed said had done a "great job".

And during a light moment at the Press conference, Al Fayed asked reporters "any of you happen to play football" when Dr Mahathir pointed out that Al Fayed also owns the Fulham Football Club.

To a question, Dr Mahathir said Al Fayed's visit has become part of the plan to aid economic recovery as "investment from abroad is certainly very welcome."

"We are keen to increase our export earnings. We hope that being able to supply Harrods with a lot of Malaysian-made products will help us overcome the economic problems.

In Langkawi, Langkawii Crystaal Sdn Bhd will soon have its products displayed at Harrods.

Its recent clinching of sales with Harrods was given further endorsement when Al-Fayed visited its factory in Jalan Kisap this morning.

These products made from silica sand imported from Holland but crafted by local glass blowers will have the engravings of both the manufacturer and Harrods.

This morning, Al Fayed who was accompanied by Menteri Besar Tan Sri Sanusi Junid also visited the Galeria Perdana which houses State gifts given to Dr Mahathir, before leaving for Kuala Lumpur.

Langkawii Crystaal, set up three years ago, is a venture between businessman Abdoul Rahman Abdullah and his wife Sabariah Aziz who hold 70 per cent equity while Permodalan Usahawan Nasional Berhad has a 30 per cent stake.

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