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Malaysian firms to supply clothes, furniture to Harrods

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SEVERAL Malaysian firms are likely to be supplying clothes and furniture to Harrods' 24 department stores worldwide, including the six in United Kingdom.

This was announced by Bumiputera-owned Amtek Holdings Bhd, which will act as coordinator for the Malaysian firms to secure a contract to manufacture and supply locally-made clothes and furniture to Harrods'.

Amtek Holdings director Syed Azmin Syed Nor said the company and its associates - Padini Holdings Bhd, Crocodile Sdn Bhd, Sparkmanshop Sdn Bhd and Latitude Tree Furniture Sdn Bhd - were now negotiating with London-based Harrods Limited of Knightsbridge.

Syed Azmin said the company expects to seal the manufacturing and supply contract in April. Production is due to start in the third quarter of the year.

The contract would further reflect that Malaysian-made products are of the same quality with those of foreign origin.

The Harrods chain of department stores, catering for the middle-class, is owned by Egyptian multi-millionaire Mohamad Al Fayed, who also owns the renowned Ritz hotel chain.

Syed Azmin spoke after a Press conference by Al Fayed in Kuala Lumpur yesterday to announce Harrods Knightsbridge's co-operation with several Malaysian companies in various projects.

Also present was Prime Minister Datuk Seri Dr Mahathir Mohamad.

The Prime Minister later witnessed the signing of a RM26 million contract between Al Fayed and Perusahaan Otomobil Elektrik (Malaysia) Sdn Bhd for the supply of 500 units of the electric buggy to Harrods Knightsbridge.

An initial 100 units will be shipped to UK soon.

POEM is a joint-venture between Tenaga Nasional Bhd, UK-based Frazer-Nash Research Limited and two Malaysian entrepreneurs, Datuk Mohd Nadzmi Salleh and Tan Sri Basir Ismail.

Tenaga has 50 per cent stake, Fraser-Nash Research 40 per cent, while the remaining 10 per cent is equally shared between Mohd Nadzmi and Basir.

Besides a possible contract to Amtek Holdings and its associates, and the RM26 million contract to POEM, Al Fayed said Harrods Knightbridge would be marketing Malaysia Electric Corporation Bhd's electrical and electronic products at its UK outlets.

The company would open a Harrod outlet at the KL International Airport in Sepang, Selangor. The KLIA outlet would be Harrods' second outlet in Asia after the one in Singapore.

Elaborating on the five parties' activities under the contract, Syed Azmin said Amtek would manufacture jeans for Harrods at its factory in Penang, and Crocodile, Padini Holdings and Sparkmanshop would produce casual wear.

Latitude Tree Furniture, a subsidiary of Kuala Lumpur Stock Exchange-listed Latitude Tree Holdings Bhd, would make various types of furniture at its plant in Port Klang, Selangor.

Padini Holdings, to be listed on the Exchange in the later part of this year, and Sparkmanshop have manufacturing facilities in Cheras, Selangor, while Crocodile has a factory in Johor Baru.

Syed Azmin claimed that Amtek, which had obtained approval for a listing on the KLSE, is one of the country's largest jeans manufacturers with

brand names such as Lee Cooper and Dickies.

Capitalised at RM40 million, the company has an annual turnover of about RM80 million. It expects a listing next year.

"The impact of the contract to our earnings would be seen in 1999 onwards," Syed Azmin said when asked on the effect of the contract to the company's earnings.

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