

21/03/1998

MDC unit in lighting systems venture

Kamarul Yunus in Hanover

HANOVER, Fri: Multimedia Development Corp (MDC), the promoter of the Multimedia Super Corridor (MSC), has formed a partnership with American company Remote Source Lighting Inc (RSLI) to provide lighting and display solutions for South-East Asia.

Meitech Development Sdn Bhd, a wholly-owned subsidiary of MDC, today signed an agreement with RSLI to form a joint venture in providing the display and lighting in the region, starting with the MSC.

Prime Minister Datuk Seri Dr Mahathir Mohamad, who is on a three-day working visit to Germany since Wednesday, witnessed the signing of the agreement at the CeBIT '98 fairground here.

Under the terms and conditions of the agreement, both parties will take 50 per cent equity in MDC-RSLI Technologies Sdn Bhd, which will secure capital from selected Malaysian investors to establish an opening joint venture to be called Remote Source Lighting International Malaysia Sdn Bhd (RSLI Malaysia).

According to a statement issued by RSLI, MDC-RSLI Technologies will own 55 per cent of RSLI Malaysia, while the remaining 45 per cent will be held by the Malaysian investors.

About half of RSLI Malaysia's expected US\$50 million (US\$1 = RM3.66) paid-up capital will be used over the next three years to fund research and development at facilities within the MSC to further advance RSLI's fibre-optic lighting and display technologies.

Any completely new high-technology lighting and display based upon this research and development will be owned by RSLI Malaysia, which will be licensed to manufacture them, as well as existing RSLI products in Malaysia, Indonesia and Thailand.

RSLI Malaysia will be exclusively licensed to market and distribute products in Malaysia, Indonesia, Thailand, Brunei, Philippines, Vietnam, Cambodia, Laos and Myanmar.

According to the statement, RSLI will hold the distribution rights to the rest of the world. The agreement also allows RSLI and RSLI Malaysia to jointly pursue manufacturing opportunities within the marketing and distribution territories.

Under the agreement, RSLI Malaysia will design, install and maintain both conventional and state-of-the-art fibre-optic lighting systems for the 21st century cybercities of the MSC.

The agreement also calls for Meitech to make a huge direct equity investment in RSLI, as well as purchase US\$4 million (US\$1 = RM3.66) of RSLI products this year.

(END)