

13/11/1998

'Our cars to have 100pc local content in 3 years'

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KUALA LUMPUR, Thurs. - The Prime Minister expressed confidence today that the national cars could be produced with 100 per cent local content within the next three years.

He said the car engine, being produced by Petronas, would enable the national car producers to depend only on local components.

Speaking to reporters after launching two new Perdana and Satria models by Perusahaan Otomobil Nasional Bhd at the Stadium Putra in Bukit Jalil, Dr Mahathir said even if Malaysia used only local components in its cars, it would continue its co-operation with Mitsubishi of Japan.

Earlier, in his speech, Dr Mahathir paid tribute to the high standard of engineering achieved by Proton.

"This has enabled Malaysians to achieve competence in other engineering fields as well," he said.

He expressed the hope that Malaysia's engineering capability could soon match that of developed countries.

Since the launch of the first Proton car in 1985, he said Proton had made much headway not only in production but also in coming up with its own designs and bodywork.

In the early stages, Proton could only produce 13 per cent of local components but with the high commitment of its suppliers and vendors, local content had now almost reached 100 per cent.

Dr Mahathir hoped Malaysians would help Proton by buying the national car.

The two new national car variants, Proton Perdana V6 and Proton Satria GTi, launched today are the result of collaboration between Perusahaan Otomobil Nasional Bhd and its UK-based subsidiary, Lotus Engineering Ltd.

Proton chairman Tan Sri Mohd Saleh Sulong said this was also the first time in its 15-year history that Proton was launching two new variants simultaneously.

The Perdana V6 costs an estimated RM98,000 while the Satria GTi will be sold at about RM68,000. Aimed at the upmarket segment, they are immediately available in the market.

Apart from interior and exterior cosmetic refinement, the new variants represent substantial engineering changes compared to the existing models.

Each of the models, which were first shown at the Proton World distributors conference early this year, is targeted at different market segments in both the domestic and international markets.

The two-litre Perdana V6 is earmarked for customers who want luxury and comfort as well as performance from a top-of-the-line car that is affordably priced.

The Satria GTi was developed for very discriminating drivers who want not just performance, but also superb drivability to enjoy motoring at a higher level.

The Perdana V6 is equipped with six-cylinder DOHC (dual-overhead camshaft) engine which has four valves in each cylinder, while the Satria GTi, besides the 1.8 litre-engine, has several sporty features and more attractive accessories such as front and rear bumper and roof spoiler.

Speaking to reporters after the launch, Saleh, who is also chairman of DRB-Hicom Group, said the company expected to sell 300 to 400 units of both models per month.

On Hicom Holdings Bhd's negotiations with Petronas on the possible

disposal of Hicom's 27 per cent stake in Proton, Saleh said discussions were still on-going.

Petronas chairman Tan Sri Aziznan Zainul Abidin who was present declined comment on the possibility of a management change in Proton if the deal goes through.

(END)