

30/11/1998

Southsonic eyes West, Australia for exports

Elaine Jayakumar

SOUTHSONIC Corporation Sdn Bhd, the company which produces the first locally-made high-end hi-fi systems, is set to expand its market to the United States, Europe and Australia by the end of the year.

Philip Goh, one of the partners in the company who also pioneered the product, said the company will ship five containers or 400 complete sets of the PGX hi-fi system to the US as their initial shipment soon.

"The PGX hi-fi sets will be marketed in the US and South America via Seto Corporation, an American listed company," Goh said in an interview recently.

He expressed confidence that the Malaysian-made audio system will be well received in the US despite strong competition from other long established brands.

"Our strong point is that we will be offering a system with high end output at a very competitive price," he said.

The system, comprising a pre-amplifier, power amplifier, CD player and tuner unit plus five speakers offering surroundsound, will be priced at slightly above US\$1,000 there.

Locally, the system costs between RM5,000 and RM6,000.

Goh said success in the American market would give the PGX system a welcome boost in the local and global market.

Meanwhile, Southsonic Corporation is awaiting orders from Singapore. Its other export market in the Asian region is Thailand.

"Unfortunately, we are not doing well as we would like in the Thai market which we entered recently in view of the economic problems there."

Goh added that South Africa was another market with great potential.

"The soft launch of the PGX system, together with other Malaysian products like the Kriss motorcycles and MEC electrical goods was held on Aug 1 in Capetown at the Malaysia Trading House.

"The official launch by Prime Minister Datuk Seri DR Mahathir Mohamad has been planned for next month," Goh added.

As for the local market, he said although people have shown interest in the system, many were hesitant to fork out the money in view of tight financial constraints during the current economic slowdown.

"We launched here at an inopportune time last December when the economy was slowing down. As such, it is still difficult to gauge the response in the local market and it is also difficult to predict the future performance."

He also said Southsonic Corporation's concentration was now on the US and South African markets.

In view of the expansion of its markets, production at the manufacturing facility in Penang has been increased from 1,500 sets to 3,000 sets per month.

Meanwhile, the company plans to introduce two models of the PGX car stereo systems/CD player next year.

"We plan to first introduce it to the US market as the economic climate here is not very conducive."

Other products in the pipeline are the PGX DVD player as well as wide screen televisions which the company hopes to introduce by the end of next year.

Goh said the company hopes to become a major player in the global audio industry by the next millennium when the world economy is expected to

improve.

(END)