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Swedish giant sees KL as vital to its strategic growth

TELECOMMUNICATIONS giant Ericsson views Malaysia as a vital ingredient for its strategic growth in the region.

Ericsson president Sven-Christer Nilsson said this after meeting Prime Minister Datuk Seri Dr Mahathir Mohamad in Kuala Lumpur on Monday.

It was his first meeting with the Prime Minister since taking over the company in March this year.

"Apart from Vision 2020, we also talked about the company's Multimedia Super Corridor status," he said, when speaking to reporters after delivering a presentation on the "New Telecoms World" in Kuala Lumpur on Monday.

Ericsson was the fourth company to be granted MSC status.

Nilsson however said the company's former chairman Dr Lars Ramqvist would continue to be on the International Advisory Panel to the MSC.

Ericsson had recently announced it would invest RM100 million in its local manufacturing operation to triple the plant's annual production capacity to three million phones by the year 2001.

Touching on trends in the "New Telecoms World" during the presentation earlier, he said there will be a consolidation of operators in less than 10 years and the industry can expect between 10 and 15 global operators handling global traffic.

"Ericsson's strategic direction is to combine our unique strengths in wireless and carrier-class communications...with a strong commitment to Internet Protocol technology...to capture the leading position in the New Telecoms World," he said.

Among the challenges the company expects to face are extending its wireless leadership, establish position in carrier-class IP and to extend its position in wireless or wireless access.

Growth indicators have showed that by 2003 the number of subscribers for fixed lines, cellular lines and Internet usage to reach about one billion.

He said there was a lot of converging between traditional telecommunications and datacom.

"We will see a lot of communication between the mobile phones as well as lap top computers," he said.

He added that Ericsson has taken a initiative together with IBM, Intel, Nokia and other companies to put together a special short wave radio communication measuring 10 metres in distance to facilitate such communication.

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