

02/12/1999

Dr M urges aerospace, maritime firms to form alliances

Fauziah Ismail

MALAYSIAN and foreign aerospace and maritime companies should consider strategic partnerships and even mergers as only the strong can survive in the global marketplace, Prime Minister Datuk Seri Dr Mahathir Mohamad says.

"To succeed, we need to find our own niches. We need to build upon our strengths and focus on our competitiveness through continuous improvements in our products, services, productivity, quality and cost control," he said.

The Prime Minister was speaking at the opening of the Langkawi International Maritime and Aerospace (LIMA) 1999 at the Mahsuri International Exhibition and Convention Centre in Langkawi yesterday.

Dr Mahathir also launched the maritime segment of the exposition on board the KL Mahawangsa at the Tanjung Malai jetty.

The technology-intensive and high value-added aerospace and maritime industries are a catalyst for the development of new technologies and industrial growth.

For this reason, he expressed the hope that foreign investors will develop and achieve meaningful and sincere smart partnerships in every sense of the word with local companies in the two industries.

"In this way, they not only secure stronger and longer lasting business partnerships and access to the burgeoning market in this region, but are also able to take advantage of our competitive rates, skills as well as disciplined workforce," Dr Mahathir said.

Some Malaysian companies have already emerged as designers and manufacturers of their own products and for further growth it is time to pursue greater international participation through smart partnerships, he added.

With the Asia-Pacific economies' recovery from the 1997-98 financial turbulence, there will be a surge in the demand for sophisticated military and commercial aircraft, submarines and patrol vessels as well as support equipment.

There will also be numerous spin-offs in the form of a corresponding increase in demand for repair and upgrading services and facilities to support the region's expanding fleet of military and commercial aircraft, as well as leisure, commercial and naval vessels, he noted.

For a start, foreign aerospace and maritime companies should "network" with their counterparts in Malaysia through the newly-formed Malaysian Defence Industry Council, Dr Mahathir said.

He hoped that foreign companies which are affiliated with similar organisations elsewhere will take advantage of the council to establish ties with Malaysian concerns to promote their respective capabilities and facilities as well as to keep abreast with current defence technologies for future collaborative and business partnerships.

Later, the Prime Minister witnessed aerial displays staged by various participants of the aerospace segment of LIMA 1999.

He also conferred on Datuk Azhar Mansor the status of an Honorary Naval Captain at a dinner held at the convention centre. Azhar had earlier this year become the first person to sail solo round the world eastbound.