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Exporting French automotive expertise

FRENCH automotive sector is realising the huge stakes involved in market globalisation. As a result, French automotive manufacturers have ventured successfully abroad and are working in close co-operation with major international auto makers.

This close co-operation, made possible through joint ventures, has led to an increase in their foreign partners knowhow, skills and profits.

Steps towards market globalisation started in neighbouring European countries (Spain, Belgium, Germany and the United Kingdom) before spreading to the United States, Turkey, China, India, Malaysia, Argentina and Brazil. In 1998, over 350 French automotive products manufacturing facilities were in operation outside Western Europe.

Another industry that is moving along the same tandem is the automotive component manufacturing. This is because 70 per cent of the industrial production cost of a car comprises of automotive components.

The appeal of other emerging markets has prompted the set-up of facilities throughout the world where the automotive industry needs the expertise and flexibility provided by French automotive component manufacturers.

In Malaysia, the French has maintained a strong presence in the automotive industry. The French automaker, Automobiles Citroen, is represented in Malaysia since 1985 by Directional.

As an extension of its Malaysian activities, it has set up a partnership with Proton and USPD in 1995 to assemble and distribute the Proton Tiara, an off-shoot of the Citroen AX.

A second contract was signed in 1997 to develop and to sell another Proton vehicle based on the Citroen Saxo, which completes the Proton range. The other Citroen models available in Malaysia are the Xantia 2.0 (A) CKD, Xantia Turbo.Diesel 1.9 (A) CKD, ZX Diesel 1.9 (A) CKD, XM (CBU) and the new Evasion 2.0 (M) CBU.

The new ones which will be launched soon by Directional are the Xsara 1.6 (A) S/W CBU, Xsara 5-door 1.6 (A) CBU and Xsara 3-door 1.6(M) CBU.

Citroen also participates in the assembly of Citroen and Proton cars in Automotive Manufacturers Malaysia (AMM) plant in Pekan, Pahang.

French engineers are assigned to Malaysia to assist and co-ordinate every phase of the development and assembly process and to ensure that the transfer of Citroen technology maintains its highest standards.

To boost Malaysia's automotive industry and take it a step closer towards the global market, a joint venture between the French vehicle manufacturer Renault, Berjaya Group Bhd, Pesumal Sdn Bhd, Hyumal Motor Sdn Bhd and Hyundai, South Korea's Motor Company was signed in 1996 to produce Malaysia's first national light commercial vehicle, Permas, under the brand name of Inokom.

The brand new plant launched by Prime Minister Datuk Seri Dr Mahathir Mohamad in 1997 is located in Kedah and has a production capacity of 20,000 vehicles per annum. It is Renault's third industrial joint venture in Asia.

Through their distributor, Quasar Carriage, Renault also markets a number of completely built-up products in Malaysia, including Scenic and Espace. Quasar Carriage is also the distributor for Inokom range and Renault trucks.

Another French automaker who exerts an equally significant presence in

Malaysia is Peugeot.

MBf-Peugeot Sdn Bhd, a subsidiary of the MBf Group of companies, was appointed as the sole franchise holder of Peugeot cars and genuine Peugeot parts in Malaysia on Aug 27, 1991.

Automobiles Peugeot of France also holds an equity interest in the company.

The range of cars which are proposed in Malaysia includes the locally assembled Peugeot 406 2-litre and the Peugeot 306 1.8-litre. Both models come in variation automatic and manual.

The Peugeot 406 is assembled by Oriental Assemblers Sdn Bhd in Johor Baru while the 306 is assembled by Tan Chong Motor Assemblies in Segambut.

Furthermore, fully imported 806 MPV, 306 Cabriolet and the prestigious 406 Coupe are available in Malaysia.

Not to forget the Peugeot 206, that has been voted "The Most Beautiful Car of The Year" in Europe.

An extensive network of sales outlets and after sales centre has been established throughout the country and a 24-hour service tied with AAA is also proposed.

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