

29 APR 1999

INTEL-COMMITMENT

INTEL TO INCREASE COMMITMENT SIGNIFICANTLY IN MALAYSIA

KUALA LUMPUR, April 29 (Bernama) -- Microprocessor manufacturing giant Intel Corporation will increase its commitment significantly in Malaysia in the years to come, especially in terms of investment, to help the country realise its aspiration of being a regional information technology (IT) hub.

Its president and chief executive officer, Datuk Dr Craig R. Barret, said Intel's investment of US\$400 million (RM1.52 billion) a year over the last two years was reflective of the company's growing interest in sharing its latest information technology with Malaysia.

He told reporters today that for Malaysia to excel in Electronic Commerce (e-commerce), the country must first upgrade its international bandwidth to deal with the growing data flowing in and out of the country through the Internet.

Bandwidth is the power processing capability of the cables, which are made of thousands of layers of fibre optics, that transmit data from one computer to another.

Speaking at a press conference after delivering a keynote address at Intel's Malaysian 2000 Seminar here today, he said Malaysia should upgrade by four times its current 243 Megahertz bandwidth to be included in the competitive category of e-commerce.

He said the largest bandwidth capacity that was built in the world so far is in Korea. Another country that has a similar capacity with Malaysia is Hong Kong with 245 Mhz while Singapore has 277 Mhz.

Dr Barret added that during his meeting with Prime Minister Datuk Seri Dr Mahathir Mohamad today, he outlined Intel's plans to expand its activities in the Multimedia Super Corridor (MSC) by launching special IT projects.

He, however, declined to disclose details of the plans to reporters.

Malaysia, he observed, trails a little in the number of people who have access to the internet and that means the number of people who can undertake e-commerce transactions is limited.

"Malaysia's fair performance in two percent of its Gross Domestic Product (GDP) being spent on IT every year deserves a B rating," he said, adding that this is, however, way behind other industrialised countries like Germany, France, Singapore and the US which have IT spending in the range of 2.2 percent to 4 percent.

In terms of computer density in offices and homes (sole or shared usage of computer), Malaysia is also relatively some distance behind at about 20 percent as compared to the world average of 35 percent. Here, Malaysia is rated "C".

Dr Barrett, however, stressed that the government had put in huge efforts to be the key driver in IT development.

"This include having laid down the necessary infrastructure and backbone, and it will continue to expand on that in the future to support IT growth to the fullest," he said.

He pointed out that in the facilitative environment created by the Malaysian government, local Internet Service Providers are allowed to charge the most competitive internet access fees of about US\$15 per year.

Intel, which made Penang the location of its first offshore office some 27 years ago, is playing a key role in establishing the country as the centre for high-technology microchip manufacturing, he said.

To date, it has invested US\$1.6 billion and trained and employed

thousands of people here through education and research and development programmes, conducted mainly in schools and other higher educational institutions.

In Malaysia, Intel has assembly and test facilities in Penang and Kulim, Kedah and sales and marketing operations in Kuala Lumpur.

To reinforce its commitment to Malaysia, Intel is one of the international companies accorded the MSC status.

Moreover, Dr Barret himself sits on the MSC International Advisory Panel which oversees strategic IT applications in the area and suggests roadmaps to keep pace with worldwide technology trends.

"Thus, Intel remains committed to the technology partnership with education, industry and government," he said.

"It also promotes personal computer (PC) usage actively to businesses and consumers to strengthen the local technology infrastructure as a foundation for economic growth," he added.

Intel, the world's largest chip maker which raked in US\$26 billion in sales and US\$6.0 billion in profits last year, is also a leading manufacturer of PCs and networking and communication products. -- BERNAMA

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