

17/03/1999

MDC bullish on prospects of MSC

THE Multimedia Development Corp (MDC) is bullish on the prospects of the Multimedia Super Corridor (MSC) as revenues and profits of MSC-status companies in operation are anticipated to rise significantly in 1999, reflecting no let-up in the momentum of the MSC.

MDC executive chairman Tan Sri Dr Othman Yeop Abdullah said not only do all indicators point to the fact that expected profits of MSC-status companies are to increase more than ten-fold in one year, there has been considerable progress made by the MSC in terms of attracting world-class companies.

He said that since its launch in mid-1996, it has already attracted 205 MSC-status companies, with 29 of these world-class companies.

With the target to have 50 such companies by the year 2003, he said "we have achieved fairly comfortable progress and with more than three years to go, we have been able to attract more than half already".

Dr Othman said this at a news conference in Kuala Lumpur yesterday to clarify a March 22 Business Week article on the MSC.

The article, he said implied that the MSC was not working in spite of the "more than three years of hype and RM4.7 billion in Government spending".

"The article was extremely slanted, sparse in its presentation of the facts of the achievement made by MDC in attracting foreign investment in the MSC," he said.

Present at the news conference were representatives of MSC-status companies which were interviewed for the article.

These companies which included Microsoft (M) Sdn Bhd, Biztone Sdn Bhd, Sun Microsystems, IBM and Asia Travel Network Sdn Bhd reaffirmed their commitment to the MSC and strongly objected to the article which they claimed had taken their comments out of context.

Dr Othman pointed out that contrary to the article which reported that the MSC's flagship applications would be scaled down, the Government had never abandoned the flagship applications.

He added that as of March 12, projected revenue of the 139 MSC-status companies in operation stands at RM4 billion and profits at RM600 million. This is an increase of the RM1.06 billion in 1997 from the then 94 MSC-status companies, he said.

In terms of knowledge workers, he said the MSC hopes to attract 9,168 local knowledge workers and 748 foreign knowledge workers.

Of the 139 companies in operation, he said 99 of these companies are outside MSC-designated cybercities.

"As for the development of Cyberjaya, the scheduled opening was targeted for December 1999. However, this has been moved forward," he said.

He added that Prime Minister Datuk Seri Dr Mahathir Mohamad is expected to officiate the opening on July 8 during the International Advisory Panel (IAP) meeting.

He said that while there were no plans to sue Business Week for the article which he claimed "hit below the belt and had a hidden agenda which was carried out in a malicious way, we will be writing to all the MSC-status companies and members of the IAP on our response to Business Week," he said.

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