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New Proton car out by mid 2000

SHAH ALAM, Sat. - Perusahaan Otomobil Nasional Bhd or Proton will unveil a new passenger car in the middle of next year, chairman Tan Sri Mohd Saleh Sulong said.

Work on the car is in progress, he said at the launch of the Proton Total Research and Development facility today.

Without disclosing details of the new model, Mohd Saleh was confident it would be well accepted in view of the recovery in car sales.

He said the new research and development facility would play a critical role in the production of the new model.

"It is estimated that the R&D activity of a new model would require capital investment of about RM1 billion. This includes 35 per cent for the purchase of jigs and dies, and 28 per cent for procurement of materials for vendors."

The national car manufacturer to date has produced seven models: Saga, Iswara, Wira, Satria, Putra, Tiara and Perdana. Each has two or three variants.

Providing details of Proton's sales performance in the past year and to date, Mohd Saleh, who is group chairman of the DRB-Hicom group, said there had been encouraging improvement over the period.

Through distributors Edaran Otomobil Nasional Bhd and Usahasama Proton-DRB Sdn Bhd, the company sold an average 5,000 units in the early months of last year. This increased to an average 9,000 units at the end of the year.

"Monthly sales increased to 13,000 units in April. In line with this, Proton's market share has increased from 64 per cent to 71 per cent."

Mohd Saleh said with more relaxed credit guidelines and improved performance and quality of Proton cars, he was optimistic that sales would increase to 15,000 units per month in the later part of the year.

The company had exported 188,000 cars to 50 countries as of April this year. Britain is the largest market, importing 118,000 units or 63 per cent of the total exports, followed by Singapore and Germany with over 14,000 units each, and Australia with 10,000 units.

Mohd Saleh also paid tribute to Prime Minister Datuk Seri Dr Mahathir Mohamad who initiated the national car project. "At the forefront and without doubt, the man who has been the driving force and who is to be largely credited for the success of the national car project is none other than him."

He said Dr Mahathir mooted the idea in 1978 while he was the Trade and Industry Minister.

"He announced that Malaysia would manufacture its own cars in the middle of 1981, anchored the discussions with Mitsubishi Motors Corporation and directed the building of the Proton plant in 1983.

"Besides guidance to Proton's board and giving his input into the design of the various models and variants of Proton cars, Dr Mahathir has been here, there and everywhere," Mohd Saleh said.

He added Dr Mahathir had at the same time also promoted and contributed to the development of the second national car Perodua, national motorcycle Modenas, national truck Hicom Perkasa, national van Inokom and the Petronas engine projects.

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