

Alcatel plans to increase investment in Malaysia

By **ARIFF AWANG**

INTERNATIONAL telecom-
munications giant Alcatel,
impressed with Malaysia's
information and communica-
tions technology (ICT) devel-
opments, plans to strengthen
its foothold in the country.

Alcatel Group president
(Asia Pacific) Ron Spithill
said it "makes a lot of sense"
to strengthen Alcatel's in-
vestment in Malaysia's Mul-
timedia Super Corridor (MSC),
and plans will be finalised in
the next three months.

"I am impressed with the
MSC's progress and have
asked my people to review
our position here and to build
on to it," he told reporters in
Cyberjaya recently.

Spithill, who is in the
country for the 4th MSC In-
ternational Advisory Panel
meeting, said he had con-
veyed the company's intention
to Prime Minister Datuk Seri
Dr Mahathir Mohamad.

Towards this end, the group
plans to invest RM50 million
to establish a centre for ex-
cellence in Malaysia for Asia.

The centre, which will be
housed at the Petronas Twin
Towers, will promote technol-
ogy transfer. It will provide
training for customers on its
product usage as well as
train Alcatel engineers in the
region.

The group is also investing
RM5 million in its Penang
plant to double the facility's
power converters' manufactur-
ing capacity.

On the MSC, Spithill said

the project has the potential
to be the leading centre to
spur growth in the informa-
tion technology (IT) and
knowledge industry for South-
East Asia.

The MSC could create a
considerable impact on IT
development in the region
because there is quite a few
initiatives like this in other
places in the region, he ad-
ded.

"In fact, there are not
many places in the world that
have such initiatives and
programmes that focus on the
knowledge industry and tech-
nology like the MSC.

"Malaysia has been on the
fastrack on the knowledge
technology. This country has
every chance of becoming a
leading centre in technology
fields in South-East Asia," he

told reporters.

He said although Singapore
is one of the other centre
which has done a lot to de-
velop IT, Malaysia in the past
has chosen to be more fo-
cused.

Spithill also said interna-
tionally, Alcatel has spent
US\$17 billion (US\$1 = RM3.80)
to acquire European and US-
based companies in the past
three years. This time around,
the company is setting its
eyes on Asian companies.

Initially, the company ac-
quired companies in Europe
followed by the US. Now, it is
shopping for technology com-
panies in Asia.

"We are looking at some
companies," he said, but de-
clined to elaborate.

The group recently pur-
chased Canadian company
Newbridge Networks, a tele-
communications equipment
maker, for US\$7.1 billion.

"If you look at the pace of
the industry today it is ex-
tremely difficult for a single
company to do business. It is
hard to do everything on its
own in which a company has
to be in charge of doing ev-
erything... we've got to have
a mixture of research and
development, marketing and
the like.

"Mainly, we acquire other
companies to get lead of the
market in the areas which we
are weak in. It is not so
much to get the market share
or coverage because Alcatel is
already an international
company operating in 130
countries," he said.