

'Local products can be world-class if we strive for innovation, technology'

Nst 23 MAY 2000

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday launched the rejuvenated national electrical household appliances project with a reminder that all local products can be world-class if Malaysians constantly strive for innovations and technology.

"There is no reason why our products can be left behind when we are already capable of producing world-class cars," Dr Mahathir said after launching the new logo and corporate image of MEC Dagang Sdn Bhd, the new caretaker of the national electrical appliances project in Kuala Lumpur.

"We want other Malaysian products like air-conditioning units, refrigerators, oven and other products to be of equal standards in terms of quality and sophistication with foreign products."

He said household products were always in demand even as the country was moving into the information technology era.

"As people get richer, demand for these products will also continue to

rise even if they own them as they will be seeking for more innovative and sophisticated products."

Dr Mahathir also said local products could find its niche in developing countries as their people increasingly have greater purchasing power and because not all foreign products are competitive and of high quality.

MEC Dagang was a result of a restructuring exercise under the Pengurusan Danaharta Act 1998.

This saw a new group of investors led by Fiamma Holdings Bhd taking over all manufacturing-related assets of previous caretaker Malaysia Electrical Corp Bhd (MEC) including six factories in Kuantan, through a special purpose vehicle called Sunrise Stream Sdn Bhd.

MEC is controlled by Kuala Lumpur Industries Holdings Bhd.

Fiamma was established in 1979 and was listed on the Kuala Lumpur Stock Exchange's Main Board.

The Government's investment

arm, Khazanah Nasional Bhd and Anggun Permai Industries Sdn Bhd are the other owners of MEC Dagang, which started operations in October last year.

MEC Dagang's owners yesterday pledged that the revival would ensure the high quality Made-in-Malaysia consumer electrical products that would be maintained under the brand name "MEC".

"We aim to be the nation's leading manufacturer of consumer electrical products by establishing a strong and loyal brand following," MEC Dagang chairman Tan Sri Azizan Husain said.

In its release, MEC Dagang noted that it had projected a RM80 million annual sales turnover in the first year. MEC Dagang has an extensive product line such as refrigerators, washing machines, air-conditioners, cooking ranges, televisions as well as numerous small appliances including toasters and kettles.