

24/10/2000

Billion-ringgit spin in Sepang

FEW will insist on challenging the wisdom of bringing Formula One racing to Malaysia. After the inaugural Malaysian Grand Prix last year and the second one that ended last Sunday, all have seen that the economic benefits of F1 are quite phenomenal. Hotels in and around Kuala Lumpur were full, car rental and transport companies were enjoying brisk business, the cabbies were certainly not complaining, restaurants and night spots were buzzing, and petrol stations sold more petrol and mineral water.

On the actual race day, local business people were seen "networking" at the various corporate suites among themselves and with their foreign counterparts as Ferrari went about its business of retaining the coveted constructors' title. The ordinary Malaysians who were fortunate enough to be at the RM286 million Sepang F1 Circuit may not be aware that the investment is also meant for more than just their ultimate entertainment; the Government aims to further boost the automotive industry by bringing the best in the industry to Malaysia. Petronas-Sauber may not be in the same class as Ferrari or Mercedes yet, but they are a regular feature in the F1 circuit. The national oil company, which is buying a substantial stake in national car manufacturer Proton, is already in collaboration with the Swiss-based Sauber to manufacture a Malaysian car engine.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the race could bring the country RM1 billion in foreign exchange (RM500 million last year). That's not counting the less obvious benefits and other intangibles. By being part of the F1 calendar of events, Malaysia and Sepang are established as a destination for followers of the sports worldwide. What this can do for domestic tourism is immense. As it is, the travel industry is benefiting tremendously. Even here, industry players have not capitalised fully on the opportunities. For example, the agents bringing in the F1 diehards could introduce a package that include other local destinations such as Langkawi, Malacca and Sabah/Sarawak. Major international conferences and exhibitions could be organised during the same time so as to mobilise all local resources and ride on the Grand Prix fever. Concerts and shows involving local artistes would be able to sell well too.

There is need, however, to try and get some of the F1 benefits to trickle down to the people in the street, especially Malaysians in the rural areas who may still think that the Grand Prix is a pastime only for the rich and elite. Corporations that buy tickets in bulk every year may want to allocate some for the purpose of rewarding academic excellence by bringing the best students from rural schools in the various states to watch the F1 in Sepang. A national go-kart championship should start from primary schools throughout the country. Apart from preparing young Malaysians early for future F1 races, such a sporting activity will contribute to a better and healthier way of life for Malaysians in rural as well as urban areas. Imagine, in a not-too-distant future, a Petronas-Sauber team with a Malaysian driver taking the checkered flag again and again in a Proton powered by Lotus technology and a Malaysian engine. Naturally, we'll need corporate commitment and their deep pockets to get this going.

Of course, there is more for the Sepang circuit than just this annual F1 affair. Since only a handful of countries host the F1, Malaysia has the

credentials to organise regional and international-class races. Malaysia has organised some major events apart from the F1 including the Commonwealth Games and international meetings like the Asia-Pacific Economic Cooperation forum and is ready for bigger things like the Olympics and the World Cup. Perhaps a couple more F1 races in Sepang will send this message through.

(END)