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Foreign partnership not a problem if viable, says Proton

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PERUSAHAAN Otomobil Nasional Bhd will consider any foreign partnership if the alliance makes commercial sense and provides value to the company and Malaysia, its chief executive officer Tengku Mahaleel Ariff says.

"We work with the Italians, the Germans, the French, the British, the Japanese... we talk to the Koreans, the Americans... it is not a problem," he said.

"If a partnership makes commercial sense and offers national value, we will consider," Tengku Mahaleel told Business Times in an interview.

Last month, Prime Minister Datuk Seri Dr Mahathir Mohamad said Malaysia may sell up to 30 per cent in Proton to foreign investors.

Ford Motor Co president and chief executive officer Jacques Nasser subsequently said the company is keen to form an alliance with Proton.

Proton does not rule out the possibility of working with the world's second largest carmaker.

"You look for partners of value. What value you get from him and what value you can give to him.

"Whether it is a large or small company is irrelevant," Tengku Mahaleel said.

Under the national automotive programme, Proton has worked with various companies. "For the Waja, we worked with Lotus, Mitsubishi and Renault," he added.

Proton owns 80 per cent of Lotus Group. In turn, Mitsubishi, which is now 32 per cent owned by DaimlerChrysler, has a 16 per cent stake in Proton.

"DaimlerChrysler indirectly owns a share in this company now, but we still won't work with them if it does not make any sense," Tengku Mahaleel said. "To survive one needs a win-win situation."

He said Proton plans to concentrate on growth with the completion of the acquisition of Usahasama DRB-Hicom Sdn Bhd, and is paring to assemble cars outside of Malaysia.

Negotiations on such ventures are under way in a number of countries in Asean, and East and West Asia.

"We are able to sell or market not only our products, but also engineering to these countries, as Proton is strong in engineering too," Tengku Mahaleel said.

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