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`Malaysia can be 3G technology testbed'

Ahirudin Attan in Chicago

CHICAGO, Sun: US giant Motorola Inc says it can make Malaysia the regional testbed to showcase its third generation (3G) telecommunications technology, a development that could mean billions of dollars in new investments for the country.

3G is the anticipated next phase of telecommunications development that includes the combination of wireless and Internet technologies. The phenomenon has seen, and is expected to continue seeing, major players in the US, Europe and Japan investing heavily to compete for future dominance in the knowledge economy (k-economy).

According to Motorola executives here, Malaysia has what it takes to become the region's centre for 3G development for the major players, especially since many of these companies already have in common is a base, or plans to establish a base, in Malaysia's Multimedia Super Corridor (MSC).

Many of these companies' chief executives are members of the MSC International Advisory Panel. The panel is scheduled to meet with the Prime Minister in Malaysia later this week.

The MSC as a common factor for these players makes the country a potential playing field for the players to compete with, and complement, each other in 3G development.

Motorola chairman and chief executive Christopher B. Galvin said Motorola has plans to shift its operations from Petaling Jaya to the MSC as part of its expansion. However, he did not say when this will happen.

His bullishness about Malaysia's potential as a regional testbed for 3G development is consistent with the commitment made last month by the Malaysian-American Electronics Industry (MAEI) to invest RM7 billion in the domestic industry in the next three years.

Motorola, a member of the MAEI, has a long history as a foreign direct investor in the country. Malaysia, in fact, is Motorola's second largest home outside the US. Its operations in Malaysia since 1972 have involved more than 8,000 employees, a number exceeded only in China. Just last month, Motorola opened a research and development (R and D) centre and announced a commitment to invest RM300 million in the next three years.

In 3G development, Motorola has been working with Cisco Systems and Sun Microsystems on 3G wireless Internet protocol-based communications architecture for the future.

According to Mr C.D. Tam, the company's executive vice president and president for Asia-Pacific, Motorola projects the number of wireless phone users worldwide to exceed 1 billion by 2002.

3G projects are also expected to see the sale of 50 billion smart chips worldwide over the next five years and 100 million users of two-way radios by 2002.

Increasingly, Asia has become the market for many global technology companies to put new products to test.

The Motorola senior executives made these points during a presentation yesterday for Prime Minister Datuk Seri Dr Mahathir Mohamad who visited the corporation's birthplace in Schaumburg, about 45 minutes' drive from here.

Earlier, Galvin told the Prime Minister that Motorola is "committed to invest further" in Malaysia and cited the Malaysian Government's policies as a reason.

During the three-hour visit, Dr Mahathir was given a tour of the Motorola headquarters' facilities and an insight into the growth of one of America's largest telecommunications companies.

Set up in 1930, Motorola started as an ambitious company that made radios for motor vehicles. It went on to build two-way radios in the 1940s, semiconductors in 1950s, and then invented the pager. In the last few years, it has developed the two-way pager and is now developing prototypes for its 3G architecture.

Last year, it chalked up global sales totalling more than US\$30 billion (US\$1 = RM3.80).

In his address to thank the hosts, Dr Mahathir said Malaysia values investors such as Motorola. "We hope you will continue to invest in Malaysia and continue to train Malaysians."

The Prime Minister said he was particularly interested in the prospect of cooperation between the Motorola University and Malaysia's Multimedia University. He said Education Minister Tan Sri Musa Mohamad, who is accompanying him on the trip, will assess this possibility.

Dr Mahathir's delegation includes Proton chief executive officer Tengku Mahaleel Ariff, telecommunications tycoon T. Ananda Krishnan, Maybank group managing director Datuk Amirsham Abdul Aziz, and Sapura Holding's Azizan Pilus.

Motorola Malaysia vice president and country manager Datuk Ramli Abbas was at the Schaumburg facility to welcome the Prime Minister.

The Prime Minister has held meetings with US business leaders, technologists and venture capitalists since he arrived here late Thursday night.

A consistent theme in the meetings, according to officials, is training of Malaysians employed by American companies. At a meeting on Friday with US businessmen led by Mr Ernest Z. Bower, the US-Asean Business Council president, Dr Mahathir encouraged American investors to tap the potential of Malaysian workers, especially in engineering.

Dr Mahathir also met prominent leaders of Islamic organisations based in the US, including a representative of an African-American Islamic organisation. He was conferred the Lifetime Achievement Award by the American Finance House Lariba for his role in ending the Asian financial crisis of 1997.

Motorola presented the Prime Minister with a model schooner at the end of his visit of the Schaumburg plant, and Galvin's profound words that went with the memento: "Have a smooth journey; you are in control."

Dr Mahathir will make a stop in New York before leaving for Kuala Lumpur on Tuesday.

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