

02 MAR 2000

MOTOROLA-INVESTMENT

MOTOROLA TO INVEST US\$250 MLN TO US\$500 MLN IN MALAYSIA

PETALING JAYA, March 2 (Bernama) -- Motorola Inc, a world leading communications and electronics provider, expects to invest US\$250 million to US\$500 million in Malaysia over the next five to seven years, chairman and chief executive officer Christopher Galvin said.

A large part of the investment would go into software development, he told a press conference here today.

"We want to increase, among others our software facilities, upgrade our software product quality, and expand our staff skills in software production by lifting our research and development, design and training facilities, besides investing in the traditional semiconductor operations," said Galvin, who was on a one-day visit to Malaysia.

"Given the investment period, we have ample time to do all these," he said.

Galvin, who is also a member of the Multimedia Super Corridor (MSC) international advisory panel, had earlier met with Prime Minister Datuk Seri Dr Mahathir Mohamad.

Commending the performance of Motorola's operations in Malaysia, he said he also expected the local operations to do better this year after the 45 percent jump in sales to RM2 billion last year.

"I am very pleased with the Malaysian operations. I am optimistic that Malaysia will do well in the future," he said.

Motorola is encouraged by the extraordinary leadership of Datuk Seri Dr Mahathir Mohamad, he said, adding that the premier had instilled a favourable political environment in the country and had been successful in bringing Malaysia out of the financial crisis.

Motorola currently is one of the largest foreign investors in Malaysia with investment to date totalling RM4.8 billion.

Its Malaysian operation, Motorola Malaysia Sdn Bhd, was established 27 years ago.

"With all the aggregate of investments, it will help us to be more competitive and appealing in presence in this country," he said.

He said Motorola was also very confident of Malaysia with its conducive environment in terms of quality infrastructure and human resources for the growth of its investment here.

On Motorola's immediate expansion in Malaysia, he said it would include developing and growing a pool of top local software engineers and the establishment of Motorola Multimedia Software Centre of Excellence in Cyberjaya.

Other plans include the building and installation of Phase 1 of a new four-phase Motorola Technoplex project in Penang and expansion of Motorola Malaysia Semiconductor operations.

"Motorola's commitment is two-pronged, together with business growth, the company would be focusing on growth of a pool of local software engineers and technical personnel," he said.

Motorola, he said plans to focus not only on the development of engineering competency but also in nurturing creative talents and innovative ideas.

"This will serve Malaysia's economic needs better as they can in time, be the nation's future information-age entrepreneurs," he said.

Galvin also said that the would-be-established software centre in Cyberjaya, was actually Motorola's present software development centre in

Damansara. The centre would be relocated to Cyber Jaya in a few years, he said.

The centre in Damansara, set-up a year ago, is engaged in the development of intelligent network products for wireless infrastructure systems, third generation products for wireless application protocol (wap) system, third generation wireless products offering full voice, data and video capability and embedded software.

In Penang, Motorola's investments would be centred on the development of Motorola Technoplex, he said. The first phase of construction on the complex had been completed at an initial cost of RM38 million, he added.

This new facility is expected to house Motorola Energy Systems Group Manufacturing, R&D, distribution and customer support, and Penang Motorola's full Asia Wireless R&D Centre of over 200 design engineers.

A four-phased, 10-year development project, the Motorola Technoplex when fully completed, would occupy a total built-up area of about 500,000 sq ft on a 20-acre piece of land at the Technoplex Free Trade Zone.

Galvin also expressed confidence in the growing market potential for the company's cellular handsets and infrastructure, mobile radios and embedded microelectronic products.

"As a market, Malaysia represents a significant opportunity for Motorola. Take a look at cellular communications, the penetration is expected to double within two to three years," he said. -- BERNAMA

RIZ SA