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MSC progressing ahead of target

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THE Multimedia Super Corridor (MSC) has not only exceeded its original target but also created spin-offs as there are some local companies that have contributed to the development of information technology (IT) usage, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

"The local companies have also developed systems and software that could be applied by businessmen in Malaysia.

"Whether we realise or not, there are many incubators and our local IT-based companies have managed to come out with new products and systems, software and solutions," he told newsmen after launching Nippon, Telegraph and Telephone (NTT)'s Arcnet Internet service in Kuala Lumpur yesterday.

Dr Mahathir also said he is satisfied with the progress of the MSC project, adding that there are now many renowned IT-based world companies locating their operations in Cyberjaya.

On whether it is advisable for Malaysia to bring in foreign IT players when the IT market is overcrowded, Dr Mahathir begged to differ, saying that the IT business is an expanding business.

"There is no end to a new way in the IT applications. We cannot really say (overcrowded)... many people still come up with new ideas or solutions. We cannot be left behind," he said.

Dr Mahathir said foreign companies will find the MSC a useful centre to conduct research and operate from as well for testing their products.

He also acknowledged that Malaysia owes a lot to NTT Communications Corp, the parent company of NTT MSC, which is one of the strongest supporters of the MSC project.

NTT Communications was among the early birds that came to the MSC to start up their office and research and development centre in Cyberjaya.

The company's move has encouraged other world renowned companies to come to Malaysia.

Dr Mahathir also said big companies which have the ability to do research must come up with solutions that will make it easier for businesses to facilitate the application of IT.

"We are seeing more and more of this, and in Malaysia we have given out licences for this kind of solution providers," he said.

Dr Mahathir said NTT is among the first foreign companies to receive the licence and the development of Arcnet will help Malaysian businesses do better than before.

He said although Internet usage in Malaysia is not big enough, the figure is doubling almost every year, adding that there were 90,000 Internet users in Malaysia in 1996 but today, users have reached over one million.

"I am quite sure with this rate of growth, any company providing the required services would be able to reap a rich harvest," he said.

Meanwhile, NTT MSC expects to generate an annual turnover of about RM6 million from next year, especially with the launch of its Arcnet Internet service.

The company said it is targeting to increase its turnover to RM20 million by 2003, of which 50 per cent will be generated from the Data Centre and web-hosting that are directly related to e-businesses.

NTT Communications Corp's Masanobu Suzuki said the company is investing an additional RM30 million to build a three-storey Internet Data Centre for its expansion into data housing and Internet-related services.

He said the new centre, occupying about 20,000 sq ft, is scheduled for completion by early next year and should be fully operational by the second half of next year.

"It will complement NTT Communications' global data centre network. It is aimed at dot.com companies and new start-ups operating in the South-East Asian region," he said at the launch. His speech text was read by NTT Communications senior executive vice-president Mr Katsuya Okimi.

With the inclusion of the Arcnet Internet service, the company has invested more than RM90 million in Cyberjaya. It employs some 100 multinational employees who are involved in Internet Protocol-based services in the research and development (R and D) section and commercial sector.

NTT MSC's R and D centre in Cyberjaya is NTT's second largest overseas R and D facility after its US-based counterpart.

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