

06 OCT 2000

PM-PROTON

PM UNVEILS PROTON'S SMALL ENGINE PROTOTYPE AT LOTUS ENGINEERING

By: Ridzuan Zulkifli

LONDON, Oct 6 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today officially unveiled Proton's latest engine project, the S-ENG (Small Engine) prototype, at Lotus Engineering's facility in Hethel near Norwich, about 190 km from here.

S-ENG's unveiling by Dr Mahathir is in conjunction with his visit to the sportscar manufacturer's engineering facility where he also opened the new Lotus styling studio prior to the unveiling of S-ENG.

Also present was Proton's Chief Executive Officer, Tengku Tan Sri Mahaleel Tengku Ariff, and Lotus's Chief Executive Officer, Datuk Chris Knight, together with senior management staff from both companies.

S-ENG is Proton's attempt to produce cost-competitive small engines for the 1.3 to 1.6 litre range of cars, thus enabling it to produce a 100 percent Malaysian-made engine.

Kamarulzaman Darus, Proton's General Manager for Research and Development and New Platform Development Division, said today that S-ENG would also enable Proton to have its own intellectual property rights (IPR).

"Proton has come a long way since its debut in 1985. We've done it all, the only thing missing is a 100 percent engine produced by us," he said.

Kamarulzaman disclosed that a total of RM450 million was invested by Proton for the S-ENG project since embarking on it in April 1999.

S-ENG's overall master schedule has so far gone through two phases, the first covering April to June 1999 where the concept was developed and completed, while the second was from the fourth quarter of 1999 to the third quarter of 2000 which involved the trial prototype.

Kamarulzaman also said that S-ENG would allow a 25 percent cost saving for Proton in terms of foreign exchange.

He added that S-ENG is expected to be installed in Proton cars from 2002 onwards, thus positioning the national car maker for stiffer competition once the Asean Free Trade Area (AFTA) comes into effect in 2005.

S-ENG is being developed at Lotus's engineering facility in Hethel near Norwich where 25 full-time engineers, both from Proton and Lotus, have been seconded to the project.

Lotus Engineering is a division of Lotus Group International Ltd, Britain's distinguished automotive engineering company and manufacturer of luxury sports car.

Proton acquired a controlling 80 percent stake of the British group in October 1996, marking a new era in Malaysian automotive industry and paving the way for large scale manufacturing capabilities combined with world class engineering expertise. -- BERNAMA

RBZ SHY