

10/05/2000

## Proton in high gear

THE unveiling of Proton Waja marks another milestone in Malaysia's automotive industry and the Malaysian dream. Fifteen years after the first Proton car rolled out of its assembly plant, the national car maker has emerged with its first locally designed car, which represents a feat for our engineering skills.

This catapults Proton another step further in its bid to be an engineering company specialising in transportation, especially when local engineers have developed a new platform on which the Waja is built. The national car project is part of Malaysia's 2020 vision to achieve developed nation status.

Detractors of the project have often labelled it as one which succeeded mainly because of strong Government support. While this has helped the car to sell well in the local market, how do they account for the good reception in the export market? Obviously, the car has met with international standards which also speaks volumes for the progress of Proton workers and vendors.

Even with such an achievement, the only way is for Proton to move forward - for so many reasons. The global automotive industry is now at a crossroads as giant car makers make a frenzied bid to merge and consolidate.

Such rationalisation will provide them economies of scale and savings through shared platforms in building new models as well as complementary strengths in technology, design and production processes.

Over-capacity in the world automotive industry also means manufacturers will have to be more efficient. Asian car makers and assemblers have recently emerged from the financial crisis which forced many to embark on cost-cutting measures.

Bearing these in mind, Proton will have to remain competitive and find its niche if it aims to be a global player.

Prime Minister Datuk Seri Dr Mahathir Mohamad has spelt out clearly that Malaysia's collaboration with giant foreign car companies will be limited to just co-operation.

Proton will be autonomous as it identifies us as a nation at par with other automotive-producing nations. Despite the radical global industry changes, there is still room for strategic alliances and technology partnerships which make for win-win situations. Fresh ideas will benefit the local industry while Malaysians continue to develop their technical skills, the ultimate test being the capability to manufacture its own car engine.

If Proton aims to be a truly independent industry player, it will have to continually push for efficiency and sharpen its skills. While Malaysia gears itself for market liberalisation, Proton must continue scouting for cost-effective measures to retain its competitive edge.

The Waja boasts 95 per cent local content compared with an average 80 per cent for other Proton models. Greater local content and gradual reduction of imported components will help the national car maker to penetrate tough car markets abroad.

The idea is to source for cheaper and better quality parts especially from materials which are available locally.

Research and development must remain the core of the industry's advancement, more so when Proton's Shah Alam plant is one of Asia's most

modern and technologically advanced R&D centres. Together with the participation of local vendors, there is no reason for Proton not to achieve its aspirations if the mind is willing.

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