

28/05/2001

Boeing keen to expand interests in Malaysia

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THE Boeing Company is keen to expand its business interests in Malaysia beyond its present dealings involving commercial airplanes and fighter jets. It is keenly looking into the other businesses, especially the multimedia and communications sector.

Having attended a briefing at the Multimedia Super Corridor in Cyberjaya last Thursday, Boeing chairman and chief executive officer Phil Condit was clearly impressed with the Malaysian Government's efforts and is looking at the possibility of Boeing working together with the country.

"If you ask me now (what kind of opportunities), I don't know. I will get my people, especially those dealing with Phantom Works, here to get the same briefing and see where we can fit in.

"We used to just design, build and sell products. Today, we are interested in services and looking at extending ourselves beyond products and into solutions.

"We are looking at serving our customers' needs and we want to be engaged locally," he told Business Times on Friday.

Condit was in Kuala Lumpur for two days as part of a whirlwind tour of Asia (Japan, Malaysia, Singapore and Hong Kong). During his trip here, he met with Prime Minister Datuk Seri Dr Mahathir Mohamad and was briefed on the MSC. He also met Defence Minister Datuk Seri Mohd Najib Abdul Razak and multimedia and telecommunications tycoon Ananda Krishnan.

Boeing's presence in Malaysia dates as far back as 1968 when the national carrier, then known as Malaysia-Singapore Airlines, acquired three 707s for its fleet.

As at May 1, 2001, Malaysia Airlines has 76 Boeing planes in its fleet - 13 777-200ERs, 16 747-400s, one 747-400F, one 747-300 Combi, four 747-200F, 39 737-400, one 737-700 Boeing Business Jet dubbed Mastar and one DC10-30.

In the defence sector, the Royal Malaysian Air Force is using eight F/A-18 Hornets.

Boeing holds an equal partnership in Asian Composite Manufacturing Sdn Bhd, a composite commercial aircraft parts manufacturer, together with Hexcel Corp of the US, Sime Darby Bhd and Naluri Bhd.

Boeing has undertaken a "diversification of sorts", with new core businesses in its portfolio. From commercial airplanes, military aircraft and missile systems and satellites and space craft, it has now expanded its businesses to air traffic management, information technology and providing financing and leasing solutions for commercial aircraft, commercial equipment and executive aircraft to industries worldwide.

Condit said Boeing is looking at giving "more breadth to the industry", a task which he described as "a challenge, but it is very possible (to do it)".

He explained that his visit to Malaysia is "to understand (the country) ... the economy, where it is going, talk to people and see what services we can provide". The last time he was here was in 1998.

Condit observed that economic activity in Malaysia is high, saying there is a lot going for Malaysia.

"If the US (economy) turns around, I believe it will, you may see a pickup in activity like chips production ... impact rather directly, and that can be very positive from Malaysia standpoint."

The company is planning to bring its board members to Asia in October,

with Malaysia as one of the destinations.

"We are going to split the group into three, one to Japan, the other to Malaysia and Singapore, and another to China. We will regroup in Hong Kong and we will discuss what we see in these respective markets.

"We are trying to get the board in touch with what is going on," Condit said.

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