

17 JAN 2001

EON-MAHATHIR

MAHATHIR DISMISSES RUMOURS OF EON LOSING PROTON DISTRIBUTORSHIP  
FRANCHISE

SHAH ALAM, Jan 17 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad has dismissed talk of Edaran Otomobil Nasional Bhd (EON) losing Proton car distributorship franchise as rumoured.

This was confirmed by EON chairman Tan Sri Mohd Saleh Sulong who said today that the matter was raised with the Prime Minister during a dialogue with Bumiputera entrepreneurs last Monday.

"When asked on this matter, the Prime Minister said that the talk was only a rumour and one should not believe in it," he said at the EON Hari Raya gathering, here.

Talk of EON losing the car distributorship franchise arose last year after the proposed acquisition of EON by Perusahaan Otomobil Nasional Bhd (Proton) fell through.

Presently, EON is responsible for the sale of Proton's Iswara, Wira saloon and Perdana models while the distributorship of the new Waja is shared equally with Proton Edar, a wholly-owned subsidiary of Proton.

Following this, Mohd Saleh urged all EON personnel not to be alarmed or worried by these unfounded rumours and instead focus on their role as the distributor of Proton cars.

"We need to address this situation intelligently, as ultimately Proton and Eon will need each other," he said.

Meanwhile, Saleh said EON has achieved an annual sales of 125,860 Proton cars for the year ended 2000, up 11.48 percent from 112,898 units in the previous year.

He attributed the improved performance to measures undertaken by EON management to boost sales and also the economic recovery which has brought back consumers' confidence.

Of the total, the top seller model was Iswara with 57,776 units sold followed by Wira Sedan with 50,790 units sold.

The Perdana and Perdana V6 models recorded sales of 11,587 units for the year while the new Waja had 5,717 units sold.

And compared to 1999 figures, Iswara sales saw a decrease of 12.07 percent, the Wira, an increase of 17.86 percent while Perdana V6, a remarkable improvement of 333.45 percent.

Meanwhile, on this year's performance EON managing director Datuk Adzmi Abdul Wahab hopes to better the previous achievement, but stressed much would depend on certain factors.

Asked what the factors are, he declined to elaborate further except to say that "we have to clear certain things first."

In addition, Adzmi said EON plans to expand its used car sales network by roping in its dealers to participate in the venture.

At present, EON's 52 sales branches nationwide have been offering both brand new and used car sales service together with a few of its 123 franchise sales dealers.

"We are further expanding the used car business as there is great potential to tap. Last year, 4,500 units were sold and we hope to expand this area," he added.

Adzmi also said that EON would increase its network of franchised service centre, particularly in new areas to better cater the need of Proton car owners.

-- BERNAMA

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