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Proton to rival Perodua

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THE country's two national car manufacturers are heading for an inevitable head-on collision that will likely cause one of them to lose some of its sales advantage.

Proton's new, small multi-purpose vehicle (MPV) tentatively known as Townbox, is bound to make a dent in Perodua sales - its launch in two weeks will challenge Perodua's popular Kenari multi-use mini wagon.

Since the Townbox's design, capacity and price are not vastly different from those of the one-litre Kenari, many doubt that the 1.1-litre, six-seater MPV will keep away from Kenari's cake.

Even Proton executives' insistence that the mini MPV is for a niche market - a middle-class group looking for up to a 1.3 litre vehicle with quite a bit of space - is unconvincing that it will keep off Kenari's pasture.

Kenari has enjoyed good sales since its debut last July, churning out a monthly figure of about 700 units, according to Perodua managing director Datuk Abdul Rahman Omar.

In the first four months of the year, about 2,700 Kenaris were sold.

However, the Townbox's entry is bound to break this stride, an industry observer said.

Proton executives revealed that the mini MPV, a clone of the Mitsubishi Townbox and whose project was unveiled in March last year, would boast of a couple of "electronically smart" features.

One of them is the ability to open the windows from a distance via remote control, allowing the interior to cool before passengers get in.

Another feature is the lights will automatically be switched off a few moments after the ignition key is removed to prevent the battery from being drained.

Adding to the Townbox's competitive edge is its high local content of about 70 per cent that will help make its price attractive.

The Townbox is expected to be priced slightly higher than the most expensive Kenari, which costs about RM42,000, without road tax and insurance. The cheapest Kenari is about RM37,000.

"We are looking at about RM45,000 for the Townbox. Hopefully, the Government will agree on the price," a senior Proton executive said.

Prime Minister Datuk Seri Dr Mahathir Mohamad is expected to have a look at the Townbox during his visit to Proton's headquarters in Shah Alam today before he launches it on July 21.

Even as the Townbox's sales impact on the Kenari looms, Proton executives are not expecting much from the mini MPV. They are cautiously optimistic that the Townbox will generate monthly sales of a few hundreds.

"Since the mini MPV is for a niche market, the monthly production would be around a few hundred units," one of them said.