

17 AUG 2001  
MASSCORP-UGANDA  
UGANDA, LUCRATIVE MARKET FOR M'SIAN PRODUCTS

KAMPALA, Aug 17 (Bernama) -- The African continent could ultimately be the answer to Malaysian exporters' search for new markets as cheaper Chinese products make inroads into the traditional markets, a prominent Malaysian businessman said here Thursday.

Tan Sri Tee Hock Seng, the managing director of Masscorp Trading Sdn Bhd, said "Our exporters must seriously explore Africa as a potentially lucrative market in an effort to diversify."

Tee said with its economy picking up, Uganda could serve as a gateway to Malaysian products, particularly, to the Eastern African countries.

In just a few months since operations began in May at Malaysian Business Centre (U) Ltd (MBC), some eight container loads of goods worth about US\$200,000 have been imported into Uganda, he told Malaysian journalists here.

MBL is a 60:40 joint venture between Masscorp Trading and a Malaysian businessman, Sekaran Vellasamy, set up to promote Malaysian goods. Sekaran, is also the centre's managing director.

MBC currently promotes products manufactured by over 200 Malaysian companies and over 20 such manufacturers have appointed MBC as their agents in Uganda.

Among these products are consumer durables such as rubber gloves, condoms, food and beverages, electrical appliances and other household products.

These goods are in high demand in Uganda, an agricultural country with a mainly export-oriented economy based on coffee, cotton, tea and tobacco with an increasing purchasing power and a consumer base of 21 million people.

Tee said that Malaysian-made furniture too has a potentially lucrative market in Uganda while efforts were underway to bring in Malaysian-made tyres.

Just recently, an order for US\$20,000 (RM76,000) worth of Malaysian furniture was put in by a single buyer.

Tee, who is also group managing director of Bina Puri Holdings Bhd, is here to attend the "Global 2001 International Smart Partnership Dialogue," which Uganda is hosting, aimed at fostering greater cooperation between South-South countries in various fields.

Prime Minister Datuk Seri Dr Mahathir Mohamad, who is attending the dialogue, is scheduled to officially open the centre upon his arrival from a visit to Yemen this Saturday afternoon.

Tee said that MBC was the first overseas office of its kind belonging to Masscorp Trading, a subsidiary of Masscorp Bhd, which in turn is a consortium owned by corporate leaders aimed at boosting South-South trade and investment linkages.

A recent restructuring resulted in MassCorp Bhd divesting 15 percent shareholding to Tee Hock Seng Holdings Sdn Bhd, an investment holding company of Tee.

The centre provides a platform to create greater awareness in Africa of Malaysian manufactured products and services as well as promote effective business transactions between Malaysian companies and the African market in general and the surrounding region.

MBC, with a paid-up capital of US\$100,000, has a warehouse of about 400 sq. metres, five minutes away from downtown Kampala with a quick access to

the wholesale market.

It is located at Plot 1, Old Kampala Road, (Ugachick), Kampala, Uganda (Tel: 256-77-402707, Fax: 256-41-2519580), while its e-mail address is mbc@africaonline.co.ug.

Meanwhile, Sekaran, regarded as Malaysia's point man in Uganda, said separately that Malaysian companies could consign their products directly to MBC with competitive prices, good quality and consistency of delivery.

"Malaysian products have already established a foothold in Uganda," he said, emphasising the need to import these goods directly rather than through Dubai or Singapore.

One of the selling points for Malaysian goods will be the high quality and good finishing coupled with impressive packaging, he said, citing photocopying paper which is fast chalking up brisk sales.

Sekaran also said, "The cashflow is still high in Uganda," what more with the peace dividends, such as increased prosperity, arising from the relatively long period of political stability and pro-business stance pursued by Uganda's President, Yoweri Museveni.

He said expansion plans were afoot at the MBC to house possibly in the future light manufacturing activities such as the end-manufacturing process of lubricating Malaysian rubber gloves and condoms or even the semi-assembly of electrical appliances. -- BERNAMA

MR KTC