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Favelle Favco aims for 30pc rise in sales

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FAVELLE Favco Cranes (M) Sdn Bhd, a subsidiary of Muhibbah Engineering (M) Bhd, is targeting a 30 per cent increase in its sales of cranes this year from RM180 million achieved last year.

"We expect a growth of 10 per cent to 20 per cent ... but 30 per cent is achievable," said Muhibbah Engineering chairman Mohamed Taib Ibrahim.

Favelle Favco designs, manufactures, sells and services a complete range of offshore pedestal cranes, tower cranes, wharf cranes and gantry cranes.

He said 95 per cent of its sales was derived from exports and the remaining from domestic buyers.

Favelle Favco exports its cranes to the Middle East countries, China, Korea, Vietnam, United States and Europe, among others places.

Mohamed Taib said the company, acquired by Muhibbah in 1995, was facing stiff competition from imported cranes and second-hand products which were available in the local market at cheaper prices.

"We're accepted in the foreign countries because we can produce world-class cranes but we have to fight very hard in the local market," he said at the official opening of Favelle Favco Cranes and the launch of its first locally made cranes called Bangau TD133 by Prime Minister Datuk Seri Dr Mahathir Mohamad in Shah Alam yesterday.

He said the value of the market for port cranes alone was expected to grow to RM28 billion in the next five years.

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