

PM launches cradle investment programme

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PUTRAJAYA: The prime minister yesterday gave out RM1 million in grants to 20 pioneer entrepreneurs to kick off a programme to turn raw ideas in information, communications and technology into feasible businesses.

Launching the Cradle Investment Programme (CIP) at the Treasury, Datuk Seri Dr Mahathir Mohamad cautioned potential entrepreneurs to spend the money wisely.

"We are keen to help these people by providing the money but they should not assume that the government is not worried whether we lose money or not. Most of the time, we are careful in pumping money," he said.

Mahathir said young entrepreneurs should not be discouraged if they find it difficult to get financial assistance for their business ideas and should not hesitate to seek support from venture capitalists.

"There are ideas that may produce some results and some may not. But despite this, venture capitalists should give sufficient support and assistance

to these entrepreneurs," he said.

"And in the meantime, entrepreneurs should have some individual funds to help support their own ideas which would make them feel more motivated to pursue their ideas."

Mahathir, who is also finance minister, also commended venture capitalists who were willing to take the risk to invest funds, knowing that out of 20 ideas, one would finally emerge as a money-spinner for the company.

As part of the national stimulus package announced earlier, the Finance Ministry had allocated RM100 million for the development of seed venture capital.

This is to help individuals get their original ideas off the ground, mostly in ICT, by providing grants and technical support.

Malaysia Venture Capital Management Bhd (Mavcap) chairman Datuk Dr Abdul Samad Alias said the 20 selected entrepreneurs would be paired with experienced business people under the mentor scheme, so raw ideas could be

converted into viable and commercial projects.

The CIP has over 70 experienced business professionals and entrepreneurs willing to contribute to the programme which covers a broad field, including ICT, hi-tech consumer and business products, electronic, medical devices and biotechnology and life sciences.

Since its inception in July this year, Mavcap has received some 1,200 applications with interesting original ideas.

The CIP expects to fund between 300 and 500 ideas by the end of the year.

It was earlier reported that qualified idea applicants will be provided with a grant of up to RM50,000 per idea for the crystallisation of a Business or Idea Feasibility Plan, Proof of Concept or Prototype Development.