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OIC-Matrade

BRANDING OF GOODS KEY TO REMAIN COMPETITIVE, SAYS MATRADE CEO

PUTRAJAYA, Oct 15 (Bernama) -- Branding of goods is crucial if Malaysian exporters wish to remain competitive in the global market, the Malaysian External Trade Development Corporation (Matrade) said today.

Its Chief Executive Officer Merlyn Kasimir said local exporters would lose out to established brand names if they failed to create an image for their products.

"Local companies cannot compete based on low prices as we are not low cost producers any more. We must create our own brand of quality products to be competitive," he told BERNAMA at the OIC Trade Expo 2003.

Over 600 companies are showcasing their goods and services at the six-day expo which was opened by Prime Minister Datuk Seri Dr Mahathir Mohamad yesterday.

The expo, being held in conjunction with the 10th Organisation of the Islamic Conference (OIC) Summit, is the biggest ever to be organised in Malaysia.

Kasimir said production cost had surged tremendously over the years due to rising cost of labour and Malaysia would find it hard to compete with regional labour-rich exporters like China and India due to their edge in producing cheaper goods.

He said local producers must move away from producing branded products for large companies but instead concentrate on creating Malaysian-made brand names to capture the international market.

Only a few Malaysian companies have been successful in branding such as the Royal Selangor, TM Net, Petronas, Maggie and Malaysia Airlines (MAS).

Kasimir said the government was actively promoting awareness among local manufacturers on the importance of branding their products.

"We have created a fund, a 50 per cent matching grant to help companies that does branding but companies must also invest in this area if their want to be competitive," he said.

Meanwhile, I-Berhad Chief Executive Officer Eu Hong Chew said manufacturers not only have to go beyond exporting quality finished products but also focus on marketing their goods under strong brand names.

"We need a fundamental paradigm shift. They (producers) need to create the image to constantly remind customers that their products represent quality," said Eu whose company specialises in portable digital products like digital video disc players, video cam recorders and digital cameras.

-- BERNAMA

VP MKO TS