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I-BERHAD-BRANDS

I-BERHAD COMMITTED TOWARDS BECOMING GLOBAL MALAYSIAN BRAND

KUALA LUMPUR, Sept 17 (Bernama) -- I-Berhad, which has become Malaysia's leading advocate of developing local brand names and designs, is committed to towards becoming a global Malaysian brand and supporting the government's new procurement policy of placing emphasis on local content, says its chief executive officer, Eu Hong Chew.

In hailing the government's latest initiatives contained in the 2004 Budget, he said they would further promote Malaysian brand names and designs and transform Malaysia into a top trading nation.

These measures would also help realise Malaysia's Vision 2020 developed nation status objective under the spirit of Malaysia Incorporated, Eu told a briefing here today.

I-Berhad was recently in the news over its "Global Malaysian" campaign where it celebrated the success of Malaysians in various fields.

Eu said the company's i-brand had been acknowledged as one of the leading Malaysian brands and the challenge now would be to develop this brand recognition in overseas markets.

In this context, he said I-Berhad had developed strategic alliances with various Chinese companies in its globalisation plan.

"With these alliances, we now have a competitive cost structure that will enable us to have a viable global business. At the same time, these strategic alliances extend to marketing as well," Eu said.

He also said many of the company's Chinese partners had recognised that Malaysia has a better quality image in the Asean Free Trade Area (AFTA) and Organisation of Islamic Conference (OIC) regions as well as strong management skills.

From I-Berhad's perspective, Eu said it acknowledged China's emergence as "the factory of the world".

"But at the same time, our marketing and brand experience are of value to our China partners. These alliances would enable I-Berhad to build its brand presence in the AFTA and OIC regions quickly and cost-effectively," he explained.

Eu said I-Berhad also welcomed the forward-looking vision of Prime Minister Datuk Seri Dr Mahathir Mohamad in the 2004 Budget when he said that there could be Malaysian brands even though some of the components were made elsewhere.

At present, he said there were many well-known foreign brands whose components were sourced from Malaysia.

On the government's increased funding to support the promotion of Malaysian brands overseas, Eu said this was a healthy initial step but added that brand building was more than just brand promotion.

Citing the success of the i-brand in Malaysia, he said it was not only due to brand promotion but also establishing a strong distribution and service support infrastructure.

In going global, he said I-Berhad would also have to invest in building up the distribution and service infrastructure in each of the target countries.

There may also be product development investments to modify the products and packaging to suit local conditions, he said, adding that these investments were now borne by the company.

Eu said some companies with limited resources may feel that supporting such endeavours were a heavy burden and that the current brand promotion

incentives may not be sufficient to mitigate the risks involved.

"One possible way to overcome this is to extend incentives to other types of investments required to go global. Then we may have more Malaysian companies with global brands," he said. -- BERNAMA

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