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MAHATHIR-PROTON

PROTON KEEN ON ITALIAN MOTORCYCLE MANUFACTURER MV AUGUSTA

PUTRAJAYA, Oct 28 (Bernama) -- National car manufacturer, Proton, today signed a letter of intent to evaluate the possibility of acquiring a 50 percent equity in renowned Italian motorcycle manufacturer, MV Augusta SpA.

Such an ownership would give Proton distribution rights and controlling stake in the company internationally known as being the "Ferrari of Motorcycles".

Prime Minister Datuk Seri Dr Mahathir Mohamad witnessed the signing between Proton chief executive officer, Tengku Tan Sri Mahaleel Tengku Ariff and MV Augusta founder and owner, Claudio Castiglioni, here.

Speaking to reporters after inspecting MV Augusta motorcycles later, the prime minister said that he was happy with Proton's new world class venture.

"It is a very competitive world and we have to be looking for niches so that in those areas we can be world class. And as you can see, these are world class bikes.

"So we are going to manufacture these bikes here and sell them all over the world," he said.

Established in 1978 to manufacture motorcycles under the name of Cagiva Motor, the company was subsequently renamed MV Augusta and is today the owner of famous motorcycle names -- MV Augusta, Cagiva and Husqvarna.

It manufactures and sells approximately 18,000 units of top-of-the-range motorcycles each year.

In a media statement released at the event today, Tengku Mahaleel said: "There are three things MV Augusta have that are of interest to us -- their engineering technology, their award winning designs and styling for three brands and their global reach."

He said that the unique alliance would enable both companies to identify how to leverage each other's strength and integrate their programmes.

"One is how MV Augusta can help accelerate Proton's very own motorcycle programme and the other is how Proton, as a manufacturer and with Lotus' input, can help MV Augusta attain higher productivity and efficiency at mass production level.

"Another area is where we shall have access to Italian design and flair," he said. -- BERNAMA

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