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M'SIA-CHIP

MM CHIP TO BE MANUFACTURED IN M'SIA BEFORE YEAR-END

KUALA LUMPUR, March 2 (Bernama) -- The Malaysia Microchip, better known as the MM Chip, is on track to be manufactured at Silterra Malaysia Sdn Bhd facility, a government-owned semi-conductor manufacturer based in Kulim High Technology Park, before the end of the year.

FEC (M) Sdn Bhd (FEC Malaysia) chief executive Kunioki Ichioka said that initially, the chip will be manufactured in Japan at a cost of 10 yen (about 38 sen) per chip.

The cost will be reduced further in the future, he said at a briefing on the development of the chip.

"Currently, we are doing the evaluation test for the MM Chip, and the engineering sample is scheduled to be completed in April," Ichioka said.

MM Chip is the first contactless chip in the world that operates on all frequencies from 13.56 MHz to 2.45GHz.

It is the first multiband IC (integrated circuit) Chip in the world, the first to have infrared method of data writing and the smallest-class built-in antenna chip in the world, readable and writable.

The Malaysian government acquired the property rights to the MM Chip from Japanese semi-conductor developer FEC Inc for an undisclosed amount in September last year.

FEC Malaysia is a joint venture between the Malaysian government and FEC Inc formed to carry out the business development for the MM Chip.

FEC Malaysia's executive director, Major Gen (R) Datuk Gophal Ramdas, said that engineering sample model will be ready in three weeks' time, while the technical sample will take another three weeks to be completed.

Ramdas said that the manufacturing will be undertaken in Japan first as the facility in Malaysia is not ready.

He expected the demand for the MM Chip to outstrip supply.

He said that Iris Corporation Bhd wants to order 100 million chips, while China will be a potential big market.

Ichioka, who is also the CEO of FEC Inc, said that several countries such as China, Taiwan, Canada, US and Australia have expressed interest in the chips.

He said that China is keen to participate in the Malaysian national project, Canada and Australia are interested to use it for their ID (identification) card, while Mexico is interested to use it for its election card.

In Japan, he said that Toppan Forms Co Ltd has introduced the chip at its booth at the IC Card World 2004 exposition in Tokyo.

"We are also considering establishing a working relationship with The Auto-ID Labs, Japan, an organisation that has shown considerable interest in the chip," he said.

He added that The Auto-ID Labs is one of the international organisations which are laying the global standard for radio frequency identification (RFID).

He said that FEC Malaysia had already discussed with Iris Corporation on the chip applications and are working on proposals to submit to various ministries.

Former Prime Minister Tun Dr Mahathir Mohamad, the main supporter of the MM Chip, said that the chip prototype has been demonstrated as workable and the private sectors are anxious to make use of the chip.

"That is progress enough for us. As to the application, it is up to us to find the various applications," he said when asked about the progress of the chip.

Dr Mahathir said the MM Chip is meant for use worldwide for a range of applications, and Malaysia will be manufacturing, supplying and licensing the usage.

Minister in the Prime Minister's Department, Datuk Seri Utama Dr Rais Yatim, who is also chairman of the MM Committee, said that the usefulness of the chip such as in identification and tagging has been indicated to various ministries and their response had been encouraging.

The MM Committee is an independent authority set up to approve and monitor the usage of the internationally competitive MM Chip, locally and abroad.

Apart from Dr Rais, its members are Tan Sri Dr Zaharudin Idrus (Science Advisor to the Prime Minister), Datuk Dr Mohamed Arif Nun (CEO of Multimedia Development Corporation), Abdul Rahim Mokti (principal secretary, Ministry of Finance) and Ichioka. -- BERNAMA

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