

Meeting between PM and VW boss imminent
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Prime Minister Abdullah Ahmad Badawi is to meet a top Volkswagen official imminently to discuss the fate of troubled national carmaker Proton, said deputy premier Najib Abdul Razak.

Najib said the crucial meeting would be held "any time soon."

"The prime minister wants to meet the chairman of Volkswagen," he told reporters after the weekly Cabinet meeting yesterday.

Asked when the meeting would be held, he replied: "I don't know ... but any time soon."

The government is under increasing pressure to announce a strategic partner for loss-making Proton after failing to meet its own deadline of March 31 to announce an alliance.

Proton has been in talks with Volkswagen AG for an alliance, but the government has said the carmaker may forge a tie-up with US auto giant General Motors if that falls through.

Negotiations with French car giant PSA Peugeot-Citroen collapsed in March in what has turned into a long running saga to find a partner for the struggling Malaysian company.

Three Malaysian automotive firms have also expressed interest in partnering the national carmaker, whose sales are declining due to increased competition and poor models.

Proton posted a third consecutive quarterly loss of RM281.45 million in the three months to December compared with a net profit of RM86.51 million a year earlier.

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