

Lotus' F1 won't affect Proton's profit: Nadzmi
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Group Lotus' participation in the Formula One (F1) will not adversely impact the balance sheet and profit of Proton Holdings Bhd.

Its chairperson Mohd Nadzmi Mohd Salleh said the national car company did not have the budget from the government to get involved in this programme, adding that all costs would come from its business activities.

NONE" This is purely part of Lotus' turnaround plan.

"Of course, they must have advertising and promotion plans, including participating in F1," he said at the Lotus Renault GP press conference in Petaling Jaya today.

Mohd Nadzmi said Lotus has long-standing heritage in motorsport that could be used to promote its cars.

Group Lotus plc, a subsidiary of Proton, has announced its entry into F1 next season when it acquired a stake in the French Renault F1 team, which would be renamed Lotus Renault GP.

"Its spending on F1 will come from a portion of its marketing budget of between £15 and £20 million per annum," he said.

Allow to ccess a global branding

Meanwhile, Proton Group managing director Syed Zainal Abidin Syed Mohamed Tahir said Lotus would use the current budget allocation as presented to the board one-and-a-half years ago.

He said if ever there was a perception that participating in F1 was going to drain Proton's resources, the answer is it would not.

"The details of this F1 sponsorship are normally not disclosed and should be respected. We are not spending any further money for this F1," he said.

Syed Zainal said people should understand that Lotus, as a global brand, would continuously be spending in North America, Europe, Asia and Japan and it needed to spend on marketing and branding like Ferrari and Aston Martin.

"As shareholders of Lotus, we see a possibility to work in terms of product and technology development with Renault," he said.

He said Proton was also in discussions with many other global original equipment makers like Nissan on other collaborations.

Group Lotus chief executive officer Dany Bahar said the participation in F1 as the title sponsor of the team would allow the company to access a global branding to attract new and existing sports car fans.

He said motorsport racing like F1 offered the best opportunity to attract and drive customers to buy Lotus sport car.

- Bernama

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