

Greed behind failed firms

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Abdullah:
Malays
diversify
business
too quickly

PANGKOR: Being greedy and wanting to go into other ventures before their core business has grown strong is why many Malay entrepreneurs fail.

Datuk Seri Abdullah Ahmad Badawi, who stated this, said he had seen many such cases in the past.

"I have come across many businessmen who handed me business cards that stated they run a number of companies. Later, I found out that all their companies had closed shop," the Prime Minister told reporters after performing the ground breaking ceremony for a biotechnology farm run by Global Hi-Q Biotech (M) Sdn Bhd here yesterday.

Abdullah said many Malay entrepreneurs were fond of diversifying before their core business became established.

He advised them not to be greedy as diversifying into too many businesses could exhaust their capital, which should be best used to place the core business on a sound footing.

Abdullah, who is also Finance Minister, said entrepreneurs



'PLUM' JOB: Abdullah showing off his ability to pluck ripe guavas at the Golden Hope guava plantation in Sitiawan during his two-day working visit to Perak yesterday. Behind him is Golden Hope Plantations Bhd chairman Tan Sri Ahmad Sarji Abdul Hamid.

should only diversify in ventures that were related to their core business.

Global Hi-Q Biotech is a joint venture involving local entrepreneur Mohd Nasir Mohd Rashid and Taiwanese company Hi-Q International Ltd, which has 20 years' experience in biotechnology.

For a start, the company plans

to invest RM11.5mil to produce tiger grouper hatchling for export and local consumption.

In his speech, Abdullah reminded local entrepreneurs to be honest in their dealings to gain the confidence of their foreign partners.

"I don't want the Taiwanese investors, for instance, to be disappointed if their project

failed," he said, adding that patience was needed to realise the full potential of biotechnology.

Citing United Plantations Bhd, which he visited earlier, the Prime Minister said the plantation group had successfully used biotechnology to produce banana seedlings through tissue culture.

Aside from its own use, the company also sells the banana seedlings to local farmers at affordable prices.

"This also brings additional income to the locals," he said, adding that the company also produced a coconut seedling that could yield 30,000 fruits per tree annually.