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PM: Time for Proton to learn from lessons of the past

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PUTRAJAYA: Proton suffered because of protectionism and “too much” political interference during former prime minister Tun Dr Mahathir Mohamad’s tenure as company chairman, said Datuk Seri Najib Tun Razak.

“Proton is not currently in the position that it should be. It lacks the right research and development ability and the production scale required to remain competitive.

“It flourished, yes, but only due to a high level of government help. Our car industry grew under the umbrella of protectionism, with quotas on engine sizes and high import duties on foreign cars.

“There has been too much political interference in Proton’s strategy, management and business model.

“Now, I am pleased to say, there have

been significant changes at the top levels of Proton. Tun Mahathir’s era of political interference has come to an end,” said the Prime Minister.

He added that it was time for Proton and the Government to learn from the lessons of the past and for reforms to be put in place for the company to get back on track.

Najib stressed that to move forward, Proton needed to ensure it has a sustainable business model and to immediately identify a strategic foreign partner.

He said the RM1.5bil soft loan to Proton approved in April was not a bailout but subject to “strong conditions”.

“Proton must prove itself, both in the domestic and international markets.

“It must build up a strong export programme and become less reliant on Malaysian buyers.

“There have to be results. We cannot

put the people’s money into ventures that cannot support themselves,” he said.

Najib asked that the new Proton Perdana and new management be judged on their merits.

“I am told that in anticipation of its launch, 900 units of the Perdana were pre-booked, which shows the confidence that people have in this new model, and their desire for Proton to succeed.

“Proton’s new management tells me they are confident that customers will not only like the Perdana’s elegant looks, they will also love the drive.

“I am looking forward to getting behind the wheel myself,” he said, as the crowd applauded.

Also present at the launch were International Trade and Industry Minister Datuk Seri Mustapa Mohamed and International Trade and Industry Minister II Datuk Seri Ong Ka Chuan.



It's finally here: People admiring the new fourth-generation Proton Perdana after its launch.