

Dr M says Khazanah cannot save Proton
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SHAH ALAM, Jan 7 — Tun Dr Mahathir Mohamad appeared today to back a management buyout of Proton Holdings, saying the national carmaker needs “proper attention” and “somebody more focussed” to help it recapture its share of the domestic passenger vehicle market.

The former prime minister pointed out that at present, national investment arm Khazanah Nasional, which owns 42.7 per cent of Proton, could not afford to focus fully on turning around the carmaker’s flagging finances.

“Khazanah has a lot of other investments... it cannot give focus to Proton. I think we need somebody to be focussed on Proton. Proton needs proper attention and also, Proton needs money.

“If you want to do anything in this industry, it is not about RM1,000 or RM2,000... It is RM100 million, RM200 million... it is a very expensive business and whomever comes in should have the capacity to support it financially,” the Proton adviser said.

Dr Mahathir (picture) was speaking to reporters after accompanying Prime Minister Datuk Seri Najib Razak on a special visit to some 20,000 Proton workers at its plant in the Hicom industrial park here.

According to news reports, Khazanah has put its entire 42.7 per cent stake in the national carmaker up for grabs, and confirmed it has received several proposals of interest.

Dr Mahathir noted today that three firms have indicated an interest but declined to reveal their names.

Proton chairman Datuk Nadzmi Mohd Salleh has also openly indicated his interest in purchasing Khazanah’s controlling stake in the national carmaker, suggesting during a recent interview that Proton needs to sell part of its stake in Lotus, slash costs and increase exports to recoup some of its losses in the industry.

He is believed to be up against business tycoon Syed Mokhtar Albukhary for the bid.

Dr Mahathir also confirmed that US-based General Motors and Proton are currently discussing the former’s proposal to move part of its production to the latter’s Tanjung Malim plant.

“Yes, we have been talking to GM for a long time. This is to fully utilise our capacity in Tanjung Malim... if you do not utilise your plant, you will lose money. This is one way to increase volume,” he said.

In his speech earlier, Najib sought to motivate Proton employees, giving his word that the government would continue to care for their welfare.

He called the national carmaker a “catalyst” for the transformation of mindsets, saying its success in the automobile industry shows there is no obstacle Malaysians could not conquer.

“We always say we do not want to be just a kampung hero, we do not want to be champions in our own country but champions of the region and the world... this is our ambition, our dream.

“And this confidence began with our national car Proton, which has become the catalyst for the transformation of our mindsets whereby today we have a car of international standards created by Malaysians,” he said.

He told Proton employees that the firm’s successes was heavily dependent on three key factors — an efficient management team, inspired and productive employees, and “a government that offers full support”.

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