

**KEYNOTE ADDRESS BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT EXPO CINTAI MALAYSIA 2008
AT MALAYSIA INTERNATIONAL EXHIBITION AND CONVENTION CENTRE
4 DECEMBER 2008**

BISMILLAHIR RAHMANIR RAHIM

ASSALAMUALAIKUM WARAHMATULLAHI WABARAKATUH AND GOOD MORNING

Y.BHG. TAN SRI WILLIAM CHENG
PRESIDENT, KUALA LUMPUR AND SELANGOR
CHINESE CHAMBER OF COMMERCE AND INDUSTRY

DISTINGUISHED GUESTS

LADIES AND GENTLEMEN

1. I AM PLEASED TO BE HERE TO OFFICIALLY OPEN THE 2008 EDITION OF EXPO CINTAI MALAYSIA, ORGANISED BY THE KUALA LUMPUR AND SELANGOR CHINESE CHAMBER OF COMMERCE AND INDUSTRY. INDEED, I WOULD LIKE TO THANK AND CONGRATULATE THE CHAMBER FOR PLAYING ITS PART IN PROMOTING THE GROWTH AND DEVELOPMENT OF MALAYSIAN BUSINESSES.

2. CERTAINLY, AS WE BRACE OURSELVES FOR THE PAINFUL REALITY OF A WORLD-WIDE ECONOMIC SLOWDOWN, IT IS NOW MORE IMPORTANT THAN EVER THAT WE PLACE EMPHASIS ON THE DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES (S.M.E.'S) AS AN IMPORTANT DRIVER FOR ECONOMIC GROWTH.

3. AS OF 2007, 99 PERCENT OF BUSINESS ESTABLISHMENTS IN MALAYSIA WERE MADE UP OF S.M.E.'S. THESE S.M.E.'S CONTRIBUTED 32 PERCENT OF MALAYSIA'S GROSS DOMESTIC PRODUCT (G.D.P.), MADE UP 56 PERCENT OF TOTAL EMPLOYMENT, AND ACCOUNTED FOR 19 PERCENT OF TOTAL EXPORTS.

4. THEREFORE, IT IS EXCEEDINGLY CLEAR THAT AS WE ATTEMPT TO RIDE OUT THE PERFECT STORM AHEAD OF US, WE MUST STAND COMMITTED TOWARDS THE DEVELOPMENT OF A ROBUST AND COMPETITIVE S.M.E. SECTOR.

5. ON THAT NOTE, I AM PLEASED TO SAY THAT OUR EFFORTS TOWARDS PROMOTING S.M.E. GROWTH IN MALAYSIA HAVE BEEN BEARING FRUIT.

6. ON THE PART OF MY GOVERNMENT, WE HAVE IMPLEMENTED A NUMBER OF PROGRAMMES TOWARDS ENHANCING THE CAPACITY AND CAPABILITY OF S.M.E.'S, PARTICULARLY IN THE AREAS OF SKILLS UPGRADING, MARKETING & PROMOTION, AND PRODUCT DEVELOPMENT. IN 2007, 72 PERCENT OF THESE PROGRAMMES HAD MET OR EXCEEDED THE TARGETS SET, THUS BENEFITING A TOTAL OF ALMOST 290,000 S.M.E.'S.

7. I AM ALSO GLAD TO NOTE THAT THE PRIVATE SECTOR IS ALSO PLAYING ITS PART TO PROMOTE S.M.E.'S. FOR INSTANCE, BANKING INSTITUTIONS AND

DEVELOPMENT FINANCIAL INSTITUTIONS (D.F.I.'S) APPROVED 63.2 BILLION RINGGIT IN FUNDING TO OVER 132,000 S.M.E. ACCOUNTS IN 2007. THIS AMOUNT EXCEEDED THE TARGET OF 51 BILLION RINGGIT TO 110,000 S.M.E. ACCOUNTS PROJECTED FOR LAST YEAR.

8. IN SHORT, MUCH HAS BEEN DONE IN THE EFFORT TOWARDS PROMOTING THE GROWTH OF MALAYSIAN S.M.E.'S. BUT MORE WORK NEEDS TO BE DONE. IN PARTICULAR, WE WANT TO GROOM S.M.E.'S WHICH WOULD NOT MERELY BE CONTENT WITH BECOMING "JAGUH KAMPUNG", BUT ALSO WILLING TO PUT IN THE HARD WORK AND EFFORT TO BECOME GLOBAL CHAMPIONS.

LADIES AND GENTLEMEN

9. IN ORDER TO SUCCEED IN THE GLOBAL MARKETPLACE, OUR S.M.E.'S MUST BE PREPARED TO MAKE THE SHIFT TOWARDS PRODUCTIVITY-DRIVEN GROWTH. AS A MIDDLE INCOME COUNTRY, MALAYSIA CAN NO LONGER SUSTAINABLY COMPETE WITH ITS NEIGHBOURS ON THE BASIS OF LOW WAGES. INSTEAD, S.M.E.'S NEED TO MANAGE AND REDUCE THE COST OF DOING BUSINESS, BY IMPROVING PROCESSES AND MOVING UP THE VALUE CHAIN.

10. FURTHERMORE, OUR S.M.E.'S MUST LEARN TO BENEFIT FROM THE POWER OF BRANDING. BUSINESSES WHICH SEEK TO THRIVE IN A COMPETITIVE GLOBAL MARKET MUST BE ABLE TO DIFFERENTIATE THEMSELVES. BY CONSISTENTLY DELIVERING ON CUSTOMER EXPECTATIONS, THE VALUE OF A WELL-CRAFTED BRAND CAN LAST THROUGH THE AGES, AND BRING GREAT COMPETITIVE ADVANTAGE.

11. ON THAT NOTE, I BELIEVE THAT THE THEME OF THIS YEAR'S EXPO – "TOWARDS GLOBAL BRANDS" – IS MOST APPROPRIATE. OUR S.M.E.'S SHOULD NO LONGER THINK OF BRAND-BUILDING AS A FRIVOLOUS INDULGENCE. INSTEAD, THE CREATION OF A TRUSTED AND RELIABLE BRAND IMAGE MUST BECOME AN IMPORTANT PART OF AN S.M.E.'S DEVELOPMENT.

12. WE ARE STILL WAITING FOR THE DAY WHEN MALAYSIAN BRANDS CAN REACH THE STATURE OF "COCA COLA", "NIKE" AND "MERCEDES-BENZ". I AM CONFIDENT, HOWEVER, THAT IT WILL ONLY BE A MATTER OF TIME BEFORE MALAYSIAN BUSINESSES BECOME HOUSEHOLD NAMES AROUND THE WORLD. I AM ALSO CERTAIN THAT EXHIBITIONS SUCH AS THIS YEAR'S EXPO IS AN IMPORTANT STEP TOWARDS THAT CHERISHED GOAL OF GLOBAL SUCCESS.

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13. AS MENTIONED EARLIER, WE FACE CHALLENGING TIMES AHEAD. A NUMBER OF COUNTRIES ARE HEADING INTO RECESSION, AND MALAYSIA – WHILE NOT LIKELY TO FACE A RECESSION ITSELF – WILL CERTAINLY NOT BE SPARED FROM THE GROWING ECONOMIC TURMOIL. ON OUR PART, THE GOVERNMENT HAS ANNOUNCED A 7 BILLION RINGGIT STIMULUS PACKAGE, ALONGSIDE PLANS TO LIBERALISE THE SERVICES SECTOR, AS WELL AS RELAXATION OF GUIDELINES FOR FOREIGN INVESTMENTS. WE WILL CONTINUE TO MONITOR THE SITUATION, AND TAKE ACTIVE STEPS AS NECESSARY TO ENSURE THAT MALAYSIA'S ECONOMY CONTINUES TO GROW AND BE MANAGED ON AN EVEN KEEL.

14. MANY OF OUR S.M.E.'S TODAY WILL UNDOUBTEDLY BE PREPARING THEMSELVES FOR ROUGH SAILING IN THE COMING MONTHS. BUT I AM CERTAIN THAT IF OUR S.M.E.'S CONTINUE TO INVEST IN PRODUCTIVITY GROWTH AND BRAND DEVELOPMENT, AND ALWAYS KEEP THEIR EYE ON THE FUTURE, THEY WILL EMERGE STRONGER, MORE NIMBLE, AND MORE PREPARED TO SEIZE SUCCESS IN THE GLOBAL ARENA.

15. ON THAT NOTE, IT IS NOW MY PLEASURE TO OFFICIALLY DECLARE THE EXPO CINTAI MALAYSIA 2008, OPEN.

THANK YOU.