

Berjaya Auto to retain car prices next year, says CEO

Company to minimise ringgit effect on prices by cutting operating costs and absorbing yen costs

by MOKHRIZ MOKHTAR

BERJAYA Auto Bhd will likely retain its Mazda car prices next year despite the increase in production costs due to the weak ringgit, says CEO Datuk Seri Ben Yeoh Choon San.

Despite the ringgit-yen exchange rate fluctuation, Yeoh said Berjaya Auto will attempt to minimise the effect on its prices by cutting operating costs and absorbing yen costs as long as it can.

"We have been purchasing our cars in yen for the last couple of years," Yeoh told reporters at the sidelines of Institute of the Motor Industry's (IMI) conference in Kuala Lumpur yesterday.

Yeoh, however, said the company would not be able to sustain prices if the ringgit weakens further.



Pic by Muhd Amin Nahanul

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"If the ringgit continues to depreciate, then we will increase our prices. The majority of the models we sell are basically completely knocked-down (CKD) cars.

"For CKD models, Mazda is trying to look at opportunities to reduce costs. We will try to increase our local content. As we produce more cars, we will become more efficient.

"This efficiency will be reflected in a cost-down structure which will mitigate the impact of the poor foreign exchange," Yeoh said.

Presently, the Mazda holds

2.5% of the local car market share. As for its sales performance up to October, the company sold 12,000 cars which surpassed last year's sales of 11,000 cars.

"We hope to have an increase in brand equity. We will launch the Mazda CX-3 soon and next year we will be launching another new model that will enhance our line-up," said Yeoh.

Meanwhile, UK-based IMI is calling for training on energy-efficient vehicles (EEVs) as demands for such vehicles are expected to increase.

IMI CEO Steve Nash said the

number of EEV technicians in Malaysia is still low to cater for the increase in the EEV industry.

He said to improve the situation, the automotive professional body has been working closely with the Malaysian government to provide training via community colleges.

"We have expected demand for electric or hybrid vehicles to rise as these cars become more sophisticated and as the public awareness grows for alternative vehicles.

"Malaysia has the potential to become the main regional training hub for electric vehicles as it is ahead of others in electric vehicle adoption," said Nash.

Currently, there are 264 EEV trained technicians in Malaysia. The Kepala Batas Community College's Technology Centre for Hybrid and Electric Vehicle and Pekan Community College are among the IMI-approved centres that provide EEV skills.

IMI offers over 250 technical and non-technical qualifications and accreditations via 560 training partners in more than 13 countries.