

# 'Mid corporates can drive growth'

Expert: They have stronger capacity to fund innovation and invest in infrastructure

By M. MAGESWARI  
mages@thestar.com.my

**JOHOR BARU:** With 800 infrastructure projects in the pipeline across Asean, there are opportunities for mid corporates to be growth drivers for the regional economy.

Standard Chartered Bank Malaysia Bhd transaction banking head of trade Segar Govindasamy said medium-sized companies have stronger capacity to fund innovation and invest in talent and infrastructure compared to small-scale firms.

Also, mid corporates are more familiar with the local markets compared to large-scale multinationals.

Medium-sized companies with annual revenue of between US\$10mil and US\$500mil have the agility to adapt effectively to evolving needs compared to smaller businesses and MNCs, he added.

Segar was one of the four panellists at a forum on "Critical Aspects of Exporting with Growth Opportunities in Asean" at the Export Excellence Awards 2019 roadshow at the DoubleTree by Hilton Hotel here.

The other panellists were Pelabuhan Tanjung Pelepas Sdn Bhd head of commercial division Prakash Thuraiarasasingam, Linaco Manufacturing (M) Sdn Bhd managing director Joe Ling and GPRO Global Sdn Bhd founder and executive director Jordan Tang.

The forum was moderated by



**Exchanging ideas:** The panellists (from right) Prakash, Ling, Segar and Tang, with Sabariah (extreme left) as moderator, at the Export Excellence Awards 2019 roadshow.

International Trade and Industry Ministry (Johor Regional Office) director Sabariah Mohd Sofian.

Segar pointed out that there are about 10,000 mid corporates in Malaysia, and despite being just 1% of all Malaysian firms, they collectively contribute about 30% of the country's GDP and employ over 22% of the workforce.

According to Standard Chartered Bank, mid-sized companies are crucial engines of economic growth and job creation across Asean, and are increasingly active in global trade. These firms will benefit from banks with multiple market presence to be able to navigate through new business environments.

Prakash highlighted that export-

ers should comply with government regulations to ensure smooth process in their dealings and avoid unnecessary costs, adding that as many as 30% to 40% of exporters were ignorant of regulations.

Ling advised exporters to consult banks before entering a new market, and to get local partners for their ventures.

Tang urged exporters to research their target market to minimise surprises.

He also reminded exporters: "Delivery of your promises is part of product or service branding".

Standard Chartered Bank economist Jonathan Koh Tien Wei, who spoke on "Facilitating Trade and Investment in Malaysia and

Beyond", said Malaysia's exports were relatively well diversified in terms of products and destination.

"Malaysia's exports grew about 14% yearly (in US\$) in 2018, outperforming regional peers," he said.

Medium-term challenges such as US-China trade tensions and the rise in restrictive trade measures globally bear monitoring, he said.

PKT Logistics Group Sdn Bhd chief operating officer Png Tean Hau, who presented "A Guide Through the Maze of Export Logistics", said exporters should choose the right logistics partners who could help them in documentation and smooth delivery of goods to their clients.

Malaysia External Trade Develop-

ment Corporation (Matrade) southern regional office director Zuaziezie Zulkefli told the audience that trade drives the Malaysian economy.

In the 1970s, total trade was recorded at RM9.45bil and it has increased to RM1.876 trillion last year, he said.

The Export Excellence Awards 2019 roadshows provide a platform for entrepreneurs and businesses to share best practices and challenges faced by Malaysian companies in the export industry.

Star Media Group in partnership with Standard Chartered launched the inaugural Export Excellence Awards 2019, with PKT Logistics as co-sponsor and Matrade as patron.

The seven main award categories are electrical and electronics; oil and gas; chemical, mineral and alloy; agriculture; machinery, equipment and automation; services; and other industries. Three companies will receive the Exporter of the Year title, while a special award will be given in the halal products category.

Deadline for entry submission is Aug 2, and winners will be announced at the awards ceremony in November.

For details, go to [exportawards.com.my](http://exportawards.com.my).

Watch the video  
[thestartv.com](http://thestartv.com)

