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**VDW’s Malaysia symposium opens up market opportunities
Contact platform for machine tool manufacturers and Malaysia’s industrial sector**

**Frankfurt am Main, 24 July 2017.** –Despite the currently weakened vigour of its economy, Malaysia remains an attractive export market for German machine tool manufacturers. Admittedly, the forecasts for machine tool consumption in 2017 are only very cautiously optimistic, but as from 2018 annual growth rates of around 3 per cent are again being predicted. In the long term, too, Malaysia offers attractive scenarios for machinery vendors, since the country is in this category largely dependent on imports.

Malaysia’s import market is currently dominated by Asian vendors, chief among them the Japanese. But at least Germany ranks fourth, behind China and Taiwan, with scope for improvement – after all, manufacturers from Germany have hitherto operated rather cautiously in Malaysia. The VDW (German Machine Tool Builders’ Association) accordingly arranged a symposium for the ASEAN nation. “Its primary purpose is to give member companies a feeling for the Malaysian market,” is how Klaus-Peter Kuhnmünch describes the motivation for this multi-day event. As the organiser of the VDW’s symposia abroad, he has for years now been accompanying representatives of German machine tool manufacturers to attractive markets all round the world. This time, the companies availing themselves of the opportunity were Alzmetall, Chiron-Werke, DMG Asia, FFG Europe & Americas, Hermle, Index-Werke, Liebherr-Verzahntechnik, Mauser-Werke and Open Mind. The majority wanted to become better acquainted with the market and make new contacts. Others made the journey already resolved to gain partners or representatives in the region. And several of them came along because in the past they had already learned to appreciate the VDW’s symposium format.

**Keen interest from Malaysia’s industrial sector**

The main event, entitled “Innovations in Production Technology – Machine Tools from Germany in Kuala Lumpur” on 11 July was supported by the German-Malaysian Chamber of Industry and Commerce (AHK Malaysia). There, the German participants had an opportunity to spotlight their corporate profiles among users and potential partners with their presentations. Daniel Bernbeck, Executive Director of the AHK Malaysia, rates the symposium as a great success. “The high number of business meetings held under the aegis of this event underlines the keen interest displayed by Malaysian entrepreneurs in German technology. The symposium is a consummate example of cooperation between the VDW and the AHK in market entry consultancy, from which small and mid-tier German companies can derive especial benefit.”

**Modernisation remains dependent on machinery imports**

Insights into the status of production technology were provided by visits to international branch operation under the aegis of the symposium. In and around Penang, the Bosch, Osram and Infineon companies invited participants to inspect their production facilities. “These visits made it clear that high-tech is also represented in Malaysia,” is how the symposium’s host Klaus-Peter Kuhnmünch describes his impressions. However, Malaysia’s production technology across the nation as a whole is very far from equalling the level attained by highly developed industrialised nations. “The expectations and results in regard to Malaysia are mixed” is how Roland Merz, Asia Sales Manager at Chiron, for example, assesses his experiences in business meetings there as follows: “Manifestly, the main business here still involves triaxial machines. But high-end solutions sometimes seem quite a long way off.”

That, however, also opens up long-term opportunities, because in order to catch up technologically, Malaysia needs imports. The country will not be able to postpone the industrial sector’s renewal for much longer, since their sophisticated sectors (like aircraft manufacturing) are increasingly dependent on technologically advanced machinery. These developments, for example, are a major focus for symposium participant Martin Winterstein, Business Development Director at the gear system manufacturer Liebherr Verzahntechnik: “For us, Malaysia has definite potential, thanks to its growing aerospace industry, but also its automotive, oil and gas sectors. This is why we’re looking for a representative there. I am very satisfied with the VDW’s symposium, and will already be taking specific customer inquiries back home with me. And we at Liebherr are already planning another visit to Malaysia in the autumn”.

It’s not only the German participants who benefited from the event, but also representatives of Malaysia’s business community. “An excellent initiative”, comments an enthusiastic Helmi Sheikh Mahmood, for example. He is the CEO of Sapura Industrial, part of a group of companies active in all of the region’s key industries. The symposium, he says, offers Malaysia’s business community a unique opportunity at a single location to establish personal contacts with quite a few representatives of Germany’s technologically sophisticated machine tool industry.

**Background:**

For thirteen years now, the VDW has been organising German technology symposia in important growth markets. They aim to assist the German machine tool industry to penetrate these markets and to showcase for the users there the sector’s professional competence and corporate capabilities. So far, symposia have been organised in Brazil, China, India, Mexico, Poland, Romania, Russia, Thailand, Turkey, Iran, Malaysia, Indonesia, Vietnam and South Korea. In line with sustainability thinking, the symposia are repeated at certain intervals.

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**Picture:**

The business talks in the context of the VDW Symposium in Kuala Lumpur (Malaysia) enabled German machine tools manufacturers to establish contacts in the Malaysian industry.

(Source: VDW)