

## Penang Investment Updates

*(June – September 2013)*



### Latest Developments in Batu Kawan

The Penang Development Corp (PDC) has issued a request for proposal (RFP) to build a 12-acre and another 18-acre **foreign workers villages** in Juru and Batu Kawan respectively. Experienced local and international companies with minimum paid-up capital of RM500,000 are encouraged to tender for this proposal. The closing date for submission was 18 November 2013.



<http://www.citigroup.com>

**Citigroup Transaction Services (Malaysia) Sdn Bhd (CTSM)** has opened a new trade processing hub in Penang. The Penang operation, which is the largest amongst Citigroup's six other hubs, occupies approximately 60,000 sq ft of the office space at the One Precinct, Bandar Bayan Baru and employs approximately 1,000 experienced professionals. The Penang Hub has a throughput of US\$5.8 trillion across trade and cash businesses last year. CTSM is targeting an 8% growth for 2013.

**Wilmar International Ltd**, Asia's leading agribusiness group, opened its first global business services (GBS) centre in Penang, Malaysia to support the group's next phase of growth. Currently, the centre is providing financial services to Australia, New Zealand, Malaysia and Indonesia. With this new centre, GBS will diversify its operations across the world with over 450 manufacturing plants. Currently, Wilmar GBS Centre employs over 100 employees and by end 2014, its staff strength is expected to reach 200. With more than 450 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries, Wilmar's market capitalization is US\$17 billion. The opening of Wilmar's GBS contributes to the financial sector in Penang and provides job opportunities for accounting professionals.



<http://www.wilmar-international.com>

## Penang's Business Processing Outsourcing (BPO) Hub

investPenang and MDEC co-organised the Second Penang Shared Services and Outsourcing Conference on September 19, 2013. At the opening of the Conference, Chief Minister of Penang, The RT Hon Mr Lim Guan Eng in his speech, mentioned that in recognition of the importance of BPO, the Penang State Government will set aside approximately 17 acres of land in Bayan Baru (Phase 1) and Bayan Lepas (Phase 2) to be the next business processing outsourcing (BPO) hub. The Penang BPO Hub will offer world-class office buildings with excellent working environment within the next 3-5 years. Currently, the outsourcing sector is very optimistic with its estimated growth of 15 per cent a year and the State Government hopes to see an increase in growth over time. The outsourcing sector currently provides high-salaried employment to approximately 7,000 Penangites.



<http://www.mdec.my>



<http://www.haemonetics.com>

**Haemonetics Corporation** is a global leader for blood management systems, listed in New York Stock Exchange (NYSE) with market capitalization of US\$ 2.1 Billion and employs over three thousand employees. It provides end-to-end solutions in blood and plasma component collection as well as surgical suite and hospital transfusion services. Haemonetics has reaffirmed their location in Penang with its groundbreaking ceremony taking place in Batu Kawan on 20 September. It occupies a 4.96 ha land and will provide approximately 700 job opportunities. Penang was selected as Haemonetics' first Asian manufacturing facilities to operate along with other facilities in US, Mexico, UK and Italy.

## Education Hub in Batu Kawan

*Education Hub in Batu Kawan is developed to meet demands of high-level graduate in view of high-knowledged employees required by companies in Penang*

**PKT Logistics Group Sdn Bhd**, a total logistic solution provider is diversifying and will invest approximately RM130 million to set up the University of Hull's first franchised branch campus outside the UK in Batu Kawan. Sitting on 2ha land area and with its ship-like architecture, the Hull International University Campus will be named "The Ship". Upon completion, The Ship is able to accommodate approximately 5,000 students. The construction will commence in 2014 and the student intake will commence in 2016. Courses offered at the Batu Kawan's branch campus will include electrical and electronics engineering, mechanical engineering, business studies, logistics studies, accountancy and law, all of which will be fully certified by the University of Hull.



<http://www.pktgroup.com>

**Paramount Corporation Berhad** announced its purchase of a 30-acre piece of land in Batu Kawan to construct a new university college and a university. The proposed university college and university will occupy 10 acres of land while the remaining 20 acres will be dedicated to a mixed development. A subsidiary of Kolej Damansara Utara (KDU), Paramount Corporation Berhad's university college and university will offer degree courses in engineering, accounting, business, pre-university studies, hospitality, culinary and tourism, information systems, mass communications, design and English language. KDU College, Penang is currently in the process of obtaining University College accreditation from the Ministry of Education.



<http://www.pcb.com.my>



**VAT Manufacturing Malaysia Sdn Bhd**, a Swiss high-tech world renowned company, supplying vacuum valves for the state-of-the-art applications in the semiconductor industry, has set up a manufacturing plant in Batu Kawan. InvestPenang interviewed Mr. Martin Hunziker, the Director of Corporate Development for VAT Asia to find out more ...

**Q: What made you choose Penang among the rest?**

**Martin Hunziker:** Every morning, I noticed heavy traffic coming in from other states, bringing workers into the Penang Island. I thought that if there were so many people going across to Penang Island to work, we would be able to get some of them to work in my factory. Also, when I talked to MIDA and investPenang, I felt very welcomed. I was impressed that we were able to find suitable facilities that meet our requirements in Penang i.e. clean environment with 5,000 kg per meter/square floor loading and high ceilings. It clearly showed Penang's capability.

**Q. Could you please describe your experiences in Penang so far?**

**Martin Hunziker:** In Penang, people are very professional. When you talk with authorities like PDC, investPenang, and TNB, you can always find really good professionals who know what they are talking about.

**Q. What is the time frame that you took in setting up your factory?**

**Martin Hunziker:** In July 2011, we have decided on Malaysia and by beginning of September, we made a decision to locate the facility in Penang. Our appointed architects visited VAT Switzerland in November to understand our processes. On 6<sup>th</sup> of February 2012, we had our ground-breaking ceremony. The construction was completed within 10 months and our operations commenced in April 2013.

**Q. How many percent of VAT's products are going to be manufactured in Penang?**

**Martin Hunziker:** At the end of phase 1, it would be almost 10% of the volume of VAT worldwide. We are planning on setting up a procurement center.



<http://www.vatvalve.com>

---

**For more information or enquiries:**

**1, Jalan Sultan Azlan Shah,  
PSDC Building,  
Bayan Lepas 11900 Penang,  
Malaysia.  
E-mail: [enquiry@investpenang.gov.my](mailto:enquiry@investpenang.gov.my)**



[www.investpenang.gov.my](http://www.investpenang.gov.my)  
T: +604 646 8833 F: +604 646 8811

*Talk to us .....*