



PERDANA MENTERI MALAYSIA

LAUNCHING SPEECH

YAB PRIME MINISTER

28th FRANCHISE INTERNATIONAL MALAYSIA (FIM) 2021

MINISTRY OF DOMESTIC TRADE

AND CONSUMER AFFAIRS (KPDNHEP)

BISMILLAHIRRAHMAANIRRAHIM

1. YANG BERHORMAT DATO' SRI ALEXANDER NANTA LINGGI

Minister of Domestic Trade and Consumer Affairs

2. YANG BERHORMAT DATO' ROSOL WAHID

Deputy Minister of Domestic Trade and Consumer Affairs

3. YANG BERBAHAGIA DATUK SERI HASNOL ZAM ZAM BIN AHMAD

Secretary General

Ministry of Domestic Trade and Consumer Affairs

4. YANG BERBAHAGIA DATUK DR. RADZALI BIN HASSAN

Chairman of the Malaysian Franchise Association (MFA)

Dearest Keluarga Malaysia, ladies and gentlemen,

Assalamualaikum Warahmatullahi Wabarakatuh and Salam Keluarga Malaysia.

1. Alhamdulillah we are here together, through this virtual event to celebrate the launching of the **28th Franchise International Malaysia (FIM) 2021 Virtual Exhibition and Conference**, with its theme, **'Towards Digitalized Franchising'**.

2. This is the second time that FIM is held in digital format. The first one was last year on October 2020. This virtual event is one of many examples on how we must never stand idle in facing challenges. They must be dealt with, by swiftly adapting to new norms.
3. For this reason, I would like to congratulate the Ministry of Domestic Trade and Consumer Affairs (MDTCA) as the caretaker for the franchise industry in Malaysia and the Malaysian Franchise Association (MFA) for their efforts in making FIM2021 a success.
4. As many would have noticed, I was the Minister of Domestic Trade, Cooperatives and Consumerism from 2009 to 2013. Inevitably, franchise industry and this event has a very special meaning to me.

Dearest Keluarga Malaysia, ladies and gentlemen

I. INTERNATIONALIZATION OF FRANCHISE MALAYSIA

5. Franchising today has grown to be a significant force that propels the internationalization of businesses. The resultant higher value created from this dealing has profited business communities internationally.
6. In the light of this, FIM has been an annual event since 1994, with aims of bringing the local and overseas franchising communities together. This include franchisors, franchisees, franchise experts, as well as the would-be franchisors and franchisees.

7. Indeed, FIM provides opportunities to all, especially Franchise Malaysia to grow and to familiarise with international business discussions in expanding globally. It serves as an important practice ground for local franchisors and franchisees to learn and to train themselves in the art of marketing and negotiation.
8. Today, FIM has become one of the focus of the Malaysian Government in increasing the number of exports of our home-grown products and services.
9. Since 1994, Franchise Malaysia brands had shown its resilience in facing global economic challenges, by providing quality products and services. As a result, more and more of our franchise had captured the interest of wider international market.
10. Looking back to the achievements of franchises throughout 11th Malaysia Plan (2016-2020), a total of 391 new Malaysia franchise outlets had been opened globally.
11. This was achieved through the implementation of Enhanced Franchise Development Program (EFDP) in collaboration with KPDNHEP, MFA, Economic Planning Unit (EPU) and Malaysian External Trade Development Corporation (MATRADE).

Dearest Keluarga Malaysia, ladies and gentlemen

II. MALAYSIA AS INTERNATIONAL FRANCHISE HUB

12. Malaysia has always adapted into pro-franchise policy and welcome franchisors globally to do businesses in Malaysia. This is in line with our aim to establish Malaysia as the franchise hub for ASEAN.

13. We believe that a healthy growth of the franchise businesses will help prosper and benefiting the nation, entrepreneurs, consumers, bankers, support services, and the whole Malaysian society at large.
14. Within that policy framework, programs aimed at young entrepreneurs in gaining fair access to resources, have been put in place. This is achievable through grants offered by the government via Micro and Affordable Franchise Development Program.
15. Under this program, new business owners being offered matching grants, whereas full grants is for the franchise owners to expand for more business opportunities.
16. These are some of the initiatives to revitalise economic growth under the 12th Malaysia Plan, in achieving the goal of ***Keluarga Malaysia – A Prosperous, Inclusive, Sustainable Malaysia*** as outlined.
17. Thus, we are extending our invitation to foreign franchising communities to make this country as your hub in establishing your central facilities for Southeast Asian region, as well as launching your businesses throughout the East Asian countries. You will find that Malaysia's enabling business environment and the pro-business government is an excellent choice for your investments.

Dearest Keluarga Malaysia, ladies and gentlemen

III. ACHIEVEMENTS AND WAY FORWARD

18. In the year 2019, franchise industry in Malaysia has recorded a total sale of RM13.3 billion, which was 19.1% increase compared to previous year total sale of RM11.16 billion. For the year of 2019 alone, franchise industry has provided more than 80,000 jobs with estimated contribution of RM1.4 billion wages.
19. As for financial year 2020, approximately RM5.2 billion sales has been recorded. We are positive that the final sales figure this year would reach RM13 billion, judging from the inherent strength of this industry despite the pandemic.
20. In the next five years, concerted effort from various agencies and industry players are needed to revitalise the momentum.
21. In achieving this, government had allocated RM10 million to KPDNHEP to continue with the implementation of EFDP. This is for the purpose of training local franchise businesses in the international franchise management and practices, business matching and trade missions, as well as reimbursable of export costs.
22. At the same time, the effort under Micro and Affordable Franchise Development Program shall bear fruit by end of this year, where micro franchisees will begin their businesses. Government remains committed in supporting the growth of franchise industry through various initiatives under KPDNHEP.

Dearest Keluarga Malaysia, ladies and gentlemen

23. I wish you every success in your virtual exhibition and conference. May this annual meeting gained 15,000 visitors with RM200 million investment valued.
24. My sincere congratulation to Dato' Sri Alexander Nanta Linggi and Datuk Dr. Radzali Hassan who had been working tirelessly with their respective teams in utilizing digital technology for the continuance of this auspicious event. Together we must play our role in this trying times.
25. **With utmost belief for this event will be a huge success, I gladly launch 28th Franchise International Malaysia 2021.**

Thank you.

**Wabillahi taufiq wal hidayah
Wassalamualaikum warahmatullahi wabarakatuh.**