

# Work with UMS to acquire technology, MTDC tells SMEs

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**KOTA KINABALU:** Local small and medium enterprises (SMEs) have been urged to collaborate with universities, polytechnics and research institutions to inject technology into their business processes and operations.

Malaysian Technology Development Corporation (MTDC) chief executive officer Datuk Norhalim Yunus said the agency encouraged local entrepreneurs to work with universities because small companies would not have the internal resources to develop technology.

He said companies should make use of the resources available to them at local universities or else the knowledge generated at these higher learning institutions would remain in laboratories, untouched and unexploited.

Norhalim said companies had to take cognizance of the fact that the world was moving towards Industry 4.0 that was based on technology, automation, robotics and artificial intelligence (AI).

"As we move towards Industry 4.0, companies left behind will not be able to compete because of their higher costs and lower efficiency," he said at the Road2Growth programme hosted by MTDC here yesterday.

He said both SMEs and universities would benefit by establishing collaborations.

"Researchers will benefit from solving real industry problems whereas SMEs benefit from having highly educated, highly technical individuals working with them to grow their technologies in the companies."

He said smaller companies might think they were not qualified to engage with universities, but these entrepreneurs should think about how to grow their businesses



Norhalim (front row, sixth from right) with the participants.

through strategic collaborations.

He pointed out that there were several channels in the transfer of technology from universities, namely through teaching, technology advisory to industries, courses and commercialization via licencing.

Instead of engaging universities in commercialization which SMEs might have the internal capability to receive, Norhalim said companies could seek for technology advisory, attend trainings or courses.

"We encourage SMEs to work with universities in all channels of technology transfer," he said.

Based on the attendance yesterday, Norhalim said Sabahan entrepreneurs were aware that they had to have technology to compete in the market.

He said MTDC was trying to find opportunities to work with SMEs in Sabah on six of the funds the agency offered.

MTDC offers Commercialization of Research and Development Fund (CRDF), Technology Acquisition Fund (TAF), Business Startup Fund (BSF), Business Growth Fund (BGF), Business Expansion Fund (BEF) and the latest, Halal Technology Development Fund (Halal Fund) to assist companies and entrepreneurs at different

level of business undertakings.

For example, he said the Halal fund would allow companies to expand their market through technology injection. He said SMEs could work with Universiti Malaysia Sabah (UMS), one of the three more established Halal centres in Malaysia.

Norhalim said MTDC was not a funding agency, but a venture capital company which invested and worked with SMEs to grow their companies.

He said MTDC worked with companies by connecting them to the established fund recipients, providing technology advisory and assisted in fund raising that would allow the companies to go for listing eventually.

"We are looking for entrepreneurs who are hungry to grow, who know that for them to grow, they need to acquire technology and willing to work with strategic partners to receive and utilize technology."

This year, Norhalim said MTDC was looking at three automation, AI and robotics companies that would soon be listed.

One of the companies, soon to be listed in the second quarter of next year, is involved in automation and robotics.

"This company supplies its

product to Apple."

Another company is in the solar, light-emitting diode (LED) and semiconductor business in Penang, whereas the third company which is involved in AI and automation is being acquired by a Japanese conglomerate, he said.

MTDC is a wholly-owned subsidiary of Khazanah Nasional Berhad and has been the key player in commercialization and management of government funding since the Seventh Malaysia Plan.

The company was set up in 1992 to promote the adoption of technologies by local companies via commercialization of local research and development (R&D) or acquisition of foreign technologies.

The one-day Road2Growth roadshow yesterday acts as a platform for MTDC to showcase its integrated services as a means for the participants to grow their business.

In the programme, speakers shared their expertise on how to develop entrepreneurs and their companies. They were expose to the various divisions in MTDC such as the Advisory and Value Added Services (AVAS) which gives advisory assistance for finance, technical, business development and product marketing including the services provided by MTDC incubator centres.

Some 150 participants from Sabah, comprising mainly students, researchers and technology-based entrepreneurs, attended the event.

The last leg of the year-long roadshow will be held in Kuching on September 28 this year.