

Ministry out to help Malaysian franchisors enter China market, assures Chong

POSTED ON AUGUST 26, 2019, MONDAY AT 12:11 AM



Chong (head of table) chairs the meeting between the representatives of MFA and Maycham Shanghai.

KUCHING: The Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) is keen to assist more franchises from Malaysia to penetrate China's market.

According to deputy minister Chong Chieng Jen, to date only 12 Malaysian franchise brands have successfully entered China and they include Global Art, Poney and Marrybrown.

On the other hand, there are 19 China-based franchises that are in operations in Malaysia, he adds.

"The ministry takes a very serious view on the development of the franchise business of the country. In 2018, the franchise business contributed RM30.3 billion to Malaysia's GDP – the government targets RM35 billion for year 2020.

"As such, allocation is granted to assist local franchises to participate in overseas trade exhibitions," he said in the statement.

On Saturday, Chong chaired a business-matching meeting between representatives of Malaysia Franchise Association (MFA) and Malaysia-China Chamber of Commerce (Maycham) Shanghai branch.

The session was conducted in connection with the visit by the Malaysian delegation – led by Chong and included nine Malaysian franchise businesses – to participate in the China Franchise Expo (CFE) held at Shanghai New International Expo Centre, which ran from Aug 23 to 25.

Chong said the Malaysian delegation also included officials from two agencies under the KPDNHEP, the Intellectual Property Corporation of Malaysia (MyIPO) and the Companies Commission of Malaysia (SSM).

According to Chong, Maycham Shanghai is the only association of its kind that is officially recognised by the government of China.

Maycham Shanghai gathers the businessmen and businesswomen, their employees and also operators of business entities who work, live and have business connections in Shanghai. The majority of them have been residing in Shanghai for more than 10 years and thus, they have the necessary experience and knowledge about doing business in China.

“The ministry sees their experience as valuable assets in helping the Malaysian franchise brands and businesses penetrate the Chinese market via Shanghai.

“As such, the business-matching meeting was held in conjunction with our participation in the CFE in Shanghai. Also present at the meeting were the Malaysia Consul-General in Shanghai and representatives of Matrade (Malaysia External Trade Development Corporation) in Shanghai,” said Chong.

He also said his ministry had been working closely with agencies like Matrade, MFA and Malaysia Retail Chain Association (MRCA) to help franchisors expand their businesses within and outside the country.

