



KEMENTERIAN PERDAGANGAN DALAM NEGERI  
DAN HAL EHWAL PENGGUNA

**SPEECH BY**

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**MRCA'S 4<sup>TH</sup> ANNUAL MALAYSIA INTERNATIONAL RETAIL AND  
FRANCHISE (MIRF) EXHIBITION  
'FRANCHISE FORWARD'**

**18 JULY 2019 (THURSDAY)**

**PLENARY HALL,  
KUALA LUMPUR CONVENTION CENTRE**

*(Salutations)*

Bismillahhirahmannirrohim.

Assalamualaikum W.B.T and a very good afternoon to all.

It gives me great pleasure and honour to be invited by the **Malaysia Retail Chain Association (MRCA)** to officiate the **4<sup>th</sup> Annual Malaysia International Retail and Franchise (MIRF)** exhibition.

I would like to take this opportunity to welcome our foreign delegates and guests from all over the globe. I hope that all of you will take some time to explore the amazing cuisine, wondrous sights and warm hospitality that our beautiful country has to offer.

Ladies and gentlemen,

**MIRF 2019**, with the theme “**Franchise Forward**”, is the perfect platform for potential franchisees to explore the franchise industry by exposing themselves to a wide range of ready-made business operations with proven profit-making strategies and superb brand recognition.

Franchisors, on the other hand, are presented with invaluable opportunities to forge mutual business relationships and the possibility of exponential growth, increased brand equity and the ability to establish themselves as a global brand through international expansion.

Under the leadership and good administrative policies of the Pakatan Harapan government which is fully committed to integrity, transparency and accountability, Malaysia is fast becoming the destination of choice for businesses and investors. In fact, today's event is a testament to this fact, as MIRF 2019 recorded the highest number of corporate participation in the history of this event.

The first edition of MIRF in 2016 saw the participation of 230 booths. 2017's edition saw the participation of 260 booths and last year's edition recorded 285 booths. This year, MIRF recorded a significant increase in participation with more than 380 booths and kiosks from over 10 countries.

This phenomenal 30% increase in participation compared to previous years signifies the overwhelming confidence that investors and businesses have in the Malaysian economy and their interest to invest and benefit from our economic growth.

This year's edition of MIRF also witnessed the inaugural participation of many business associations, such as the Malaysian Bumiputra Designer Association (MBDA), whose members alone booked 30 kiosks in a strong show of support for this event.

I was also told that MBDA and MRCA will sign a Memorandum of Understanding to create a platform for local designers in MRCA's retail chains, foster a closer relationship with each other and to collaborate on many more mutually beneficial events. I would like to congratulate both of them on this collaboration and hope that this is a prelude to greater things in the future.

Ladies and gentlemen,

In Malaysia, franchising has always been consistently promoted and supported by the government. In fact, through the Franchise Act 1998, Malaysia is one of the few countries with a dedicated law to regulate the franchise industry.

To date, there are a total of 877 franchises operating in Malaysia; 570 (65%) are local franchises while 307 (35%) are foreign franchises. Further, 65 Malaysian franchises have expanded their brands to 66 countries, with more than 4,200 outlets across the globe.

The Government takes great pride in the strides gained by the franchise industry thus far. However, we must not allow this modest progress to make us complacent. There is still a great deal of work that needs to be done in order to scale up our franchise capabilities so that we can become world-class players.

As such, the Malaysian government has laid an ambitious target for the franchise industry. We hope that by 2020, the franchise industry will contribute RM35 Billion to Malaysia's Gross Domestic Product (GDP) and for Malaysia to establish itself as a franchise hub in ASEAN.

Ladies and gentlemen,

I would like to take this opportunity to invite foreign franchising communities to make Malaysia the hub from which to establish your central facilities and launch your brand across the region.

The retail sector is one of the main contributors to our country's GDP where the sales of the Wholesale and Retail trade in May 2019 contributed RM110.8 billion to the national GDP. The Government of Malaysia is deeply committed to working hand in hand with the retail community to drive retail sector growth so that our country will continue to flourish.

The rising prosperity of this region, the conducive environment and the pro-business attitude of the government should convince you that Malaysia is an excellent choice as a hub and the perfect platform from which to launch your products and services into emerging markets.

On my end, I am deeply committed to mobilizing the Ministry of Domestic Trade and Consumer Affairs and all our supporting agencies such as the Companies Commission of Malaysia (SSM) and the Intellectual Property Corporation of Malaysia (MyIPO) to facilitate the growth of the franchise and retail sector.

However, it is worth noting that the Government's role is only to facilitate. It is the role of the business communities themselves to take on the challenges of entrepreneurship and to develop, sustain and expand their respective businesses.

In that regard, I urge all of you to fully utilize business matching events such as this to not only forge valuable business relationships but as a space to formulate and experiment with new business models and innovative strategies. This is crucial as we are living in an age of disruption where failure to innovate may prove fatal and the ability to do so, bring great wealth and prosperity.

As such, it would be worthwhile to pay a visit to MIRF 2019's latest addition, a new zone named "Hatchery" which is an incubator trade program for startups. This new zone aims to assist in the development of new retail businesses by providing startups with an avenue to exhibit their revolutionary ideas, services and products to both industry players and the public.

Ladies and gentlemen,

Finally, I would like to extend my heartfelt congratulations to the MRCA team, led by their very capable President, Datuk Seri Garry Chua for the success of this year's event.

To all delegates and participants, I wish all of you a very fruitful, productive and exciting 3 days ahead.

With a Bismillahirrahmanirahim, I hereby launch the **4<sup>th</sup> Annual Malaysia International Retail and Franchise (MIRF) Exhibition.**

Thank you.

**Wabillahi Taufiq Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.**