

MM Vita oils to move upstream



MAZLAN: The company is in talks with several parties to buy plantation land around the country.

■ **By Azlan Abu Bakar**
alan@nstp.com.my

PALM oil and edible oil products manufacturer MM Vita oils Sdn Bhd plans to move upstream by having its own plantation to ensure sufficient supply of raw materials.

Managing director Mazlan Muhammad said the company is in talks with several parties to buy plantation land around the country.

"We have started negotiations and we expect to seal at least one deal by year-end," he told Business Times in Shah Alam, Selangor, recently.

He said the deal involves a 10,000ha site in Sabah and the investment is expected to be not more than RM200 million.

Mazlan said the acquisition would put MM Vita oils in a better position to meet rising demand for its products mainly in the international market.

"We are ready to become an upstream player and it is seen as a viable move for us to move forward," he said, adding that the company hopes to have its own mill as well.

Established in 1999, MM Vita oils manufactures and exports trans fatty acid-free shortening, cooking oil, margarine, pastry margarine and vegetable ghee, with over 20 brands in the market.

Qualitaste, Golden Treat, Rise & Shine, Blossom, Marveloso, Serimas and Palmas are among the Malaysian in-house brands it promotes.

With presence in more than 63 countries, the company markets 99 per cent of its products overseas while the rest is for local consumption.

Mazlan said the company hopes to increase its presence in the international scene with the penetration into new markets across Asia, the Middle East,

“
We target to be
in 80 countries by
the end of 2009.

Mazlan Muhammad
Managing director
MM Vita oils Sdn Bhd

Europe, the US and, more recently, South America.

"We target to be in 80 countries by the end of 2009," he said.

Europe remains as MM Vita oils' biggest market with 32 per cent, followed by Africa and Asia, both having 25 per cent each.

Russia is fourth with 15 per cent, the Middle East with four per cent and Australia and the US contribute about one per cent in revenue.

The company expects to record more than RM100 million in revenue this year, from RM87 million in 2007.

"I am glad to say that our revenue so far for this year is more than 10 per cent than what was achieved in 2007," he said.

MM Vita oils was named one of the 50 winners of this year's Enterprise 50 Award Programme, which was jointly organised by the Small and Medium Industries Development Corp and Deloitte Consulting Malaysia Sdn Bhd.

Launched in 1997, the annual award recognises 50 most enterprising small and medium-sized companies in Malaysia.