

S'pore firms can add value to Europe tie-ups: SM Goh

■ BY AARON LOW

MILAN: Senior Minister Goh Chok Tong sees a bigger role for Singapore companies, one that goes beyond being just stepping stones for European companies keen on Asian markets.

He wants local small- and medium-sized enterprises (SMEs) to add value by partnering companies in Europe, including Italy, to break into the huge and growing China consumer market.

One promising area he pinpointed was with Italian SMEs, which excel in areas such as precision engineering and design.

Together, they can target the middle-income Chinese consumers, who are growing in numbers as well as affluence, he said.

Mr Goh was speaking to reporters yesterday after meeting the Mayor of Milan, Mrs Letizia Moratti.

He said: "We are not interested in being marketers for them or marketing agents and gaining a commission. We want to add value to what they do."

Citing fashion, he said Singapore designers can work with their Italian counterparts to create demand for Italian fashion in China.

"If our designers are trained by the Italians, we in fact create a larger Italian fashion industry there by combining Singapore expertise and design expertise here," SM Goh said.

Mayor Moratti agrees. She said the teaming up would be particularly useful for penetrating key Asian markets such as China and Vietnam, as Italian SMEs may find it difficult to do so on their own.

Both leaders also witnessed the signing of an agreement between International Enterprise (IE) Singapore and the City of Milan to promote economic cooperation in areas such as design innovation.

The memorandum of understanding was signed by IE Singapore's chief executive officer Chong Lit Cheong and the City of Milan's Commissioner for Business, Labour Policies and Employment Giovanni Terzi.

The MOU will also promote knowledge-sharing and trade and investments between Singapore and Milan.

Last year, bilateral trade with Italy totalled \$5.77 billion. The Italians' key purchases included fuel oil, steel and aluminium

products. Yesterday, Mr Goh also visited Singapore furniture companies showcasing their designs at the Milan Furniture Fair, considered the Rolls-Royce of such shows.

This is the second year they are banding together to promote their designs under the Singapore Mozaic brand. They are also occupying double the exhibition space, spread over 160 sq m.

Mr Goh noted that such exposure was important in helping to build up the designers' reputation.

He also told reporters after the visit that the Government is exploring with its



Senior Minister Goh Chok Tong, who is on a four-day visit to Italy, visiting the Singapore Pavilion of the Milan Furniture Fair yesterday, where local furniture firms were showcasing their designs. PHOTO: AGENCE FRANCE-PRESSE

Italian counterparts the possibility of Singapore fashion designers being given some exposure at Milan fashion shows.

Mr Gavin Woo, managing director of Office Planner – one of the six Singapore furniture firms at the fair – said the exposure in Milan has begun to pay dividends.

Within hours of the show opening, a French company that supplies office furniture to big companies such as Carrefour inquired whether it could be Office Planner's agent in France.

Mr Goh, who is on a four-day visit to Italy, wrapped up his second day in Italy by flying to Rome in the afternoon.

He is accompanied by Senior Minister of State for Trade and Industry S. Iswaran.

Today, he will have a dinner meeting with Italian Prime Minister Silvio Berlusconi at his official residence in Palazzo Chigi.