

Cheetah holdings berhad essay



**ASSIGN
BUSTER**

Cheetah Corporation (M) Sdn Bhd 1. 0 APPAREL INDUSTRY BACKGROUND

During the eighties, Malaysia was the fourth largest manufacturing export contributor of apparel. However, the industry had shown declining trends during the nineties as the government switched their focus towards the electronic and electrical industry and was prevailed by China, Bangladesh, Sri Lanka, Pakistan, Indonesia and Vietnam due to lower production cost, and cheap and longer hours labour. Between year 1999 and 2000, the industry showed the slowest growth rate with only an average growth of 1. % per annum (The Malaysian Institute of Economic Research n. d.

). The industry was the sixth largest manufacturing contributor in year 2006 (Malaysia Textile and Apparel Industry 2007). The dominants of the manufacturing apparel would be Padini Holdings and Hing Yiap Knitting Industries Berhad. Currently, success local brands such as Padini, Miki, P&Co. , Vinci, Seed, Rope, La Primavera and Monaco show potential growth in this industry (The Malaysian Institute of Economic Research n.

d.). As reported on 7th February 2007, Malaysia had outweighed United States by exporting \$743 million's worth of apparel to United States as United States had only exported \$24. 5 million into Malaysia (Apparel groups push for Malaysia trade pact 2007). From January to July in the year of 2007, the exportation of apparel had reached 2, 672.

80 million (Malaysian Textile Manufacturers Association n. d.). 2. 0

CORPORATION AND SBU BACKGROUND 2.

1 CORPORATION Cheetah Holdings Berhad was established in year 1979 and was listed on the Second Board of Bursa Malaysia Securities Berhad on 19th

January 2005. In year 2007, they have moved into the First Board of Bursa Malaysia Securities Berhad. The objective of the company is to grow its bottom line together with its mission and vision of increasing profitability, satisfying stakeholders and enhancing skills of their people to upgrade their research and development (Cheetah 2007). Cheetah Holdings Berhad has three small business units.

They include Cheetah Corporation (M) Sdn Bhd which is in charge of the company's core apparel business, Cheetah Reality Sdn Bhd which is in charge of property investment, and Cheetah Marketing Sdn Bhd. With regards to this report, our group has chosen Cheetah Corporation (M) Sdn Bhd to be studied in this ' Strategic Marketing Plan'. 2. 2 SBU Cheetah Corporation (M) Sdn Bhd is involved in designing, development, retailing, and brand building for its Cheetah sports apparel, casual wear and accessories. There are six main developed brand names, which are Cheetah, Cheetah Ladies, Cheetah Junior, Cth Unlimited and C2. The revenue showed a growth rate of 31% from RM2.

2 million in year 2005 to RM2. 9 million in year 2006 (Cheetah Holdings Berhad 2006). The reason of the growing revenue is because Cheetah Corporation had acquired 75% stake in Above Fashion Sdn Bhd and the famous junior brand, LadyBird from Woolworth Plc. in the year of 2006.

As reported in New Straits Time on 21st September 2007, apparel maker Cheetah Corporation with sales of US\$25 million is one of the nine companies listed on Forbes Asia 2007 list is widely recognised in its

consistency of profitability and growth in the last three years (Nine Malaysian companies on Forbes Asia 2007 list 2007).