## The United Local Synergy alliance hopes to take M'sia's E&E scene to the next level—here's how





[Written in partnership with Malaysia Digital Economy Corporation (MDEC), but the editorial team had full control over the content.]

There's no doubt that the ongoing US-China trade war has created ripples across global supply chains, especially in the Electrical and Electronics (E&E) sector.

For Malaysia, a key player in this space, the disruption might just present an unexpected opportunity. As multinational corporations are diversifying their supplier bases, Southeast Asian countries such as Malaysia have become an increasingly attractive alternative.

But while the opportunity is immense, it's also too complex for any one company to tackle alone.

Recognising this, Greatech Technology Berhad, a notable Malaysian automation solutions provider, is spearheading a strategic initiative called United Local Synergy (ULS).

This coalition unites seven Malaysian-owned companies—Coraza Systems, Aurelius Technologies, Eng Teknologi, Swift Bridge Technologies, Berjayapak, Prodelcon, and of course, Greatech itself.

Driving this coalition is a bold but straightforward mission: to strengthen the local supply chain and to elevate Malaysia's position in the global economy.

## Creating the initiative

In this coalition, Greatech acts as the initiator, anchor, and facilitator, having worked to develop the localisation framework and work with policy makers on localisation policy.



Image Credit: United Local Synergy

The idea for ULS was conceived a few months ago by Greatech's CEO, Dato' Seri Tan Eng Kee. It started with a simple observation that, while many Malaysian companies are highly capable individually, they can achieve far more together when aligned under a common objective.

Plus, the COVID-19 pandemic and subsequent global supply chain disruptions also highlighted the urgent need for localisation and self-reliance. That further catalysed this initiative.

More than just self-reliance, though, a localised industry can be a breeding ground for innovation. It enables knowledge and expertise to be shared between companies, allowing them to better customise solutions to meet unique customer demands as it fosters closer collaborations between tech companies.

It seems like a total win-win solution.

To understand ULS better, we spoke to two of the participating companies: Coraza Systems and Aurelius Technologies.

## Bringing on the synergy

Founded in September 2001 in Seberang Perai, Pulau Pinang, Coraza began as a sheet metal fabrication company serving a single multinational client in the instrumentation industry.

It was originally established by Coraza Systems, Inc., an American company, but in August 2002, the company was acquired by Armour Holdings (then known as Senzoon Enterprise Sdn Bhd).

This acquisition marked the start of Coraza's transformation into a Malaysian-owned company focused on growth in the engineering support industry, the company told Vulcan Post.

Today, Coraza Systems has grown into a fully integrated engineering solutions provider, serving industries such as semiconductor, aerospace, life sciences, medical devices, and

telecommunications.



Image Credit: Coraza Systems

Having moved up the value chain from basic sheet-metal work to more sophisticated turnkey solutions, Coraza is now an integral part of the semiconductor ecosystem.

This is why the company is a committed member of the United Local Synergy Programme, aligning closely with national localisation (NSS) objectives and collaborating across the seven company alliance.

As a member, the company supports policy frameworks, shares capabilities and resources, as well as fosters ecosystem growth.

"Through our active role spearheaded by Greatech's initiative and facilitated by regular intercompany workshops, Coraza helps drive the alliance's mission of strengthening local supply chains, elevating Malaysia's global manufacturing standing, and delivering integrated, world-class solutions," they said.

Another business in the alliance, Aurelius Technologies Berhad (ATech), was incorporated in February 2021 as a private limited company and subsequently converted into a public company in July 2021.



Image Credit: Aurelius Technologies

Its core capability lies within connectivity, IoT, and communications-related products with industrial applications. They've also invested in various new capabilities such as surface mount technology, engineering builds, and equipment testing.

ATech has also been involved in the electronics manufacturing services (EMS) industry via its wholly owned subsidiary, BCM Electronics Corporation Sdn Bhd, which was established in 1993 as a product assembly in Penang. It eventually became one of the first occupants of Kulim Hi-Tech Park in 2000.

The company has also expanded into producing multicomponent semiconductor components, enabling it to expand its IoT product solutions to a wider global market.



Image Credit: Aurelius Technologies

ATech's role in United Local Synergy Programme is to offer its expertise in printed circuit board assembly, box build assemblies, and product testing, they shared with Vulcan Post.

This complements the vision of ULS to provide customers with a one-stop, total integrated end-to-end solution.

## Moving forward and upward

Looking ahead, both companies fully intend to deepen their role in ULS.

With the alliance's support, Coraza aims to expand their production capacity and infrastructure, increasing market share in the semiconductor ecosystem.

With that, they hope to transform into a leading regional engineering solutions provider, supporting Malaysia's national technology and IP growth vision. It goes without saying that achieving high and sustained revenue growth comes as a big goal too.

Like Coraza, ATech aims to continue working closely with policy makers on localisation policy. By strengthening collaboration among alliance members and promoting each other's offerings to customers through joint solutions, all of ULS' members stand a better chance to work directly with MNCs.

Greatech pointed out that this teamwork will also allow local companies to develop a strong second and third-tier ecosystem, referring to the different layers of the supply chain.

With that, they can transform Malaysia from a contract or outsource manufacturing base to a creator of technology and IP.

It's heartening to see how a large player like Greatech is uplifting and moving their suppliers up the value chain with an effort like ULS.

This kind of collaboration is also supported by agencies such as Malaysia Digital Economy Corporation (MDEC), which remains dedicated to supporting tech companies in Malaysia's tech industry. It does so by providing access to capital, mentorship, and strategic networks.

All in all, it works to foster collaborations such as ULS. And hopefully, through collaborations like these, we'll get to see a more united Malaysian ecosystem that will work to prop local companies up in the global economy.

- Learn more about Greatech Technologies here.
- Read other articles we've written about Malaysian startups here.

Featured Image Credit: United Local Synergy