

A Case Study Analysis Of DMIB BERHAD

Presented To:

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BBA FINANCE 05 A



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Executive Summary Letter

DMIB Berhad Malaysia is a well-known company that is a manufacturers and markets tyre. With a paid-up-capital of RM 150 million and authorized capital of RM 200 million they have gained such a big profit over the years. So, after we going through the case, we have found out that this company is facing with rather stiff competition in order to market their product. But, with believe that there are lots of opportunities for every firm to enter the markets.

Therefore, we have come out with others strategies that we think would help the company to maintain its position in the industry. These strategies have been outline in the QSP matrixes based on result accumulated by accumulating using various matrixes with some information regarding its SWOT factors. We believe with all the strategies that we have come out would assist the company to maintain their position in this industry.

After done a depth study on DMIB Berhad external opportunities and threat and internal strength and weaknesses, the alternatives strategies for DMIB Berhad in order to maintain its position as the leader of the tires industries is product development. Product development can be defined as to increase the sales and revenue by creates new product or modifying the existing product in order to increase the customers' satisfaction.

Case Summary / Background

1.0 Case Summary/Background

Background of DMIB

DMIB Berhad initially known as Dunlop Malaysian Industries Berhad, it changed name from Dunlop Malaysian Industries Berhad to present form in 1998. It was incorporated on 12th July 1961 and listed on the KLSE at main board on 9.10.61. It has a paid up capital of RM150 Million and authorized capital of RM200Million.

The company was form to manufacture and deal in Dunlop product. It's Petaling Jaya tyre factory commenced production in April 1993. The following year a new Dunlopillo factory was set up in Seremban to absorb and expand upon the latex foam operation started in Bahau in 1956. The company expanded into earthmover and tractor tyre manufacture, industrial adhesive and a Dunlopillo unit in Singapore in 1967.

In 1985, a DMIB became a Malaysian own company and a member of the Sime Darby group, on all the largest conglomerate in South East Asia with for business operations covering plantation, manufacturing, heavy equipment, distribution, property development, Insurance and oil and gas.

Sime Darby Berhad is listed in the KLSE. Consolidated Plantations, a subsidiary of Sime Darby Berhad holds 51.04% equity in DMIB Berhad. Initially, Dunlop holding UK held a 51% controlling interest in DMIB. Subsequently the Sime Darby Group bought over the Dunlop Holdings, 51% equity in DMIB.

DMIB Berhad a member of Sime Darby Group, is principally involve in the manufacture and marketing of a wide range of passenger car, 4-wheel drive, truck and bus, agricultural, industrial, earthmover, forklift, military and aircraft tyres.