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**E&E CONTINUES TO REACH NEW HEIGHTS OF EXCELLENCE: SUCCESS
STORIES OF DDTM FOR SMES**

13 March 2023, Kuala Lumpur - KCL Metal Industries Sdn Bhd, a metal stamping business that was started in the 1980s was a typical small and medium scale business, doing things the old-fashioned way, drawing diagrams of engineering components on a sheet of paper and sending these off to the wire cutter. It was an expensive, laborious and not very precise process and according to its business development manager Lim Chun Mun, often resulted in a lot of back and forth between the wire cutters and the company as all the dimensions could not be spelled out in a mere drawing.

He realised that technology had progressed and there was software which would enable these drawings to be done on the computer but the software was often prohibitively expensive, especially for SMEs which had only just survived the pandemic.

When he heard about the Digitized Design to Manufacturing Program Mechanical Computer Aided Design (DDTM MCAD) programme which would provide such a software for free and train the company how to use it, he hastened to apply and KCL was one of the 21 selected.

The training was so comprehensive that Lim, who had a background in economics rather than engineering, was able to pick it up quite easily. KCL implemented the software immediately and Lim said it resulted in a whopping 40% increase in efficiency as well as a 20% to 30% increase in new business.

What is DDTM MCAD? Basically, it is a programme that offers SMES in the electrical and electronics as well as the machine and equipment industries, a Solidworks CAD software licence as well as the training on how to use it, for free. The licence alone, could set a company back by RM40,000, placing it out of the reach of most SMEs.

These tools would allow the SMEs, among other things, to create sophisticated part and assembly designs quickly, find and leverage existing engineering data to create new designs and speed up product development, provide flexible 3D modelling tools to help quickly develop product concepts and verify operation and performance with fully integrated simulation and analysis tools.

The DDTM MCAD programme is an initiative by MIMOS and the Science, Technology and Innovation Ministry, under the 12th Malaysia Plan (RMK12), in collaboration with NCER Malaysia, Malaysia Productivity Corporation, Electrical and Electronics Productivity Nexus (EEPN) and Machinery and Equipment Productivity Nexus (MEPN).

“We want to empower Malaysian SMEs in the E&E and M&E sectors. We want to help them move up the value chain and go from being small contract manufacturers to companies with product design capabilities. Ultimately, we want them to become global OEMs with their own brands”, said Sheikh M Shahrizal, MIMOS Product System Design head as well as the DDTM project programme lead.

So far, 51 companies have received the software and training. The government is targeting to disburse the software and training to a minimum of 100 companies under the DDTM MCAD programme for the duration of RMK12, which ends in 2025.

MPC Director General Dato Abdul Latif Haji Abu Seman is optimistic that the DDTM MCAD programme will continue to increase the productivity and competitiveness of Malaysian SMEs. “This programme will help SMEs build capabilities, creating opportunities in product design and high value jobs whilst facilitating knowledge transfer”.

What has the results been so far? According to data obtained by MIMOS, they have been most encouraging. Overall, the companies that went through the DDTM MCAD programme experienced a 20% improvement in efficiency and have managed to cut waste by at least 10% to 15%.

“We’re very pleased with the results,” said Dato Dr Shanmuganathan Palanisamy, Chair of Electrical and Electronics Productivity Nexus (EEPN) Pillar #1: E&E Value Chain and CEO of Kontron Malaysia. “But we’d like to see more applicants from other states for the 2023 cohort. We noticed the first and second cohorts were very Klang Valley and Penang-centric, which is perhaps natural, but now, we’d like this programme to have a wider reach throughout the country”.

Who can apply? The requirements are pretty basic – the company has to be categorised as an SME under the latest guidelines, which is sales turnover of less than RM25 million or less than 150 full-time employees and be at least 51% Malaysian-owned. It should also already have a minimum design and development capability and staff with basic CAD knowledge and be preferably in the electrical and electronics or machine and equipment industries.

The next DDTM MCAD programme is open for application on March 15 at www.ddtm.com.my and qualified SMEs are encouraged to apply without delay.

About MIMOS Berhad

MIMOS is Malaysia's national Applied Research and Development Centre that contributes to socio-economic growth through innovative technology platforms, products and solutions. Our R&D activities revolve around economic impact and strategically driven areas. These include Electrical and Electronic (E&E) encompassing Renewable Energy & Future Grid, Electric & Autonomous Vehicle (EAV), E&E manufacturing, and Automation and Sensory in primary sectors. In addition, ICT-based technologies are focused on targeted national agendas.

About the Malaysia Productivity Corporation (MPC)

Malaysia Productivity Corporation (MPC) is a statutory body under the Ministry of International Trade and Industry (MITI). It drives national productivity holistically at the national, sectoral, and enterprise levels through five main thrusts: developing future talent, driving digitization and innovation, ensuring industry accountability for productivity, building a robust ecosystem, and fostering productive mindset. It collaborates strategically with the private and public sectors by emphasising productivity as a key agenda to boost productivity growth and national competitiveness, ultimately leading to shared well-being and prosperity.

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