

# MTC MECHANISATION & AUTOMATION (M&A) AND RETROFITTING PROGRAMME 2020



**I**n a bid to reduce labour dependency and to improve production efficiency at woodworking factories, the Malaysian Timber Council (MTC) initiated the Mechanisation and Automation (M&A) and Retrofitting Programme. Consultants would be engaged by MTC to study the participating company's factory operations and recommend corrective measures in areas where efficiency could be improved. This may eventually result in cost-savings by reducing manufacturing cost.

The Malaysian timber industry is very much a traditional economic sector which has been confronted with numerous challenges. These challenges have affected its competitiveness in a dynamic marketplace that is dictated by the everchanging preferences and requirements of end-users/consumers. By and large, these demands are being met by our industry players, thanks to innovation and technological advancements. The working conditions in most woodworking factories make it less attractive to the workforce,

which is why most factories experience labour shortage. The dwindling raw material supply further compounds the problem as business owners grapple with wastages arising from poorly skilled labour manning vital workstations. This programme is available to all subsectors in the timber industry – sawmilling, plywood, builders' joinery and carpentry (door & flooring) and furniture.

Participating companies will be given a report on the recommended areas for improvement. Some of the consultants' findings have resulted in a reduction of monthly electrical charges while furniture and door manufacturers recorded higher productivity. On the other hand, Retrofitting for the woodworking machinery examines the operating and technical state of existing machines and recommends retrofitting options such as digitisation, integration of auto feeders as well as upstream and downstream processes to existing equipment for improved production efficiency.



***MTC's M&A and Retrofitting Programme helps a company stay ahead!***

[www.mtc.com.my](http://www.mtc.com.my)



**MALAYSIAN TIMBER COUNCIL**

To participate in the Programme, kindly return the completed Application Form to MTC via facsimile no. 03-9282 8999 or e-mail to [adeline@mtc.com.my](mailto:adeline@mtc.com.my) or [amira@mtc.com.my](mailto:amira@mtc.com.my)

# APPLICATION FORM

## MTC MECHANISATION & AUTOMATION (M&A) AND RETROFITTING PROGRAMME 2020

1. Company: \_\_\_\_\_

2. Address: \_\_\_\_\_  
 \_\_\_\_\_

3. Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ Website: \_\_\_\_\_

4. Member of:  MWIA  TEAM  MPMA  MWMJC  MFC  PEKA

5. Contact Person: \_\_\_\_\_ Designation: \_\_\_\_\_

Mobile No.: \_\_\_\_\_ E-mail: \_\_\_\_\_

6. Products Manufactured: \_\_\_\_\_

7. Fees & Payment Method:

Programme	Fee / Visit	Please Select Programme <input checked="" type="checkbox"/>
i. Mechanisation and Automation (M&A)	RM500	<input type="checkbox"/>
ii. Retrofitting for the Woodworking Machinery (RWM)	RM500	<input type="checkbox"/>

Payment to MTC shall be made in the name of “**Malaysian Timber Council**” either by cheque or online transfer.

Cheque: The company’s name and “**MTC M&A and Retrofitting Programme 2020**” to be written at the back of the cheque.

Bank Transfer: **Public Bank Berhad**  
 Account No.: **3077 656 422**



**MALAYSIAN TIMBER COUNCIL**

For further enquiries, please contact 03-9281 1999:  
 • Ms Adeline Goh ([adeline@mtc.com.my](mailto:adeline@mtc.com.my) ext 504)  
 • Ms Amira Ismail ([amira@mtc.com.my](mailto:amira@mtc.com.my) ext 508)

Signed by: \_\_\_\_\_  
 (Authorised Signature & Co Stamp)

Name: \_\_\_\_\_

Date: \_\_\_\_\_



# GUIDELINES

## MTC MECHANISATION & AUTOMATION (M&A) AND RETROFITTING PROGRAMME 2020

Malaysian Timber Council (MTC) initiated the Mechanisation and Automation (M&A) and Retrofitting Programme as part of its initiative to assist the timber industry players to move towards more mechanisation and automation as one alternative for the players to gradually reduce their current dependency on manual labour. In addition, this programme also assist them to determine areas where they may further improve their production efficiency.

Consultants would be engaged by MTC to study the participating company's factory operations and to recommend corrective measures in areas where efficiency could be improved which may eventually result in cost-saving.

The Programme is divided into 2 types of study:

### i. Mechanisation and Automation (M&A)

- To assess the performance of existing manufacturing processes and production capacity and capability.
- To provide recommendations on processes to be mechanised or improvements in workflows and recovery as well as waste reduction in the manufacturing processes.
- To provide recommendations on how these processes could be mechanised or automated to potentially reduce dependency on manual labour.

### ii. Retrofitting for the Woodworking Machinery (RWM)

- To examine the operating and technical state of existing machines and to recommend retrofitting options.

## 1. ELIGIBILITY CRITERIA

- The timber company must fall within the definition of small and medium enterprises (SME) as per the National SME Development Council's definition;
- Must be based in Peninsular Malaysia and installed with own wood-based manufacturing facilities;
- The company must be involved in sawmilling or production of value added wood-based products;
- The company must be a majority Malaysian-owned company (i.e., with at least 51% of Malaysian shareholding); and
- Must be a member of any one (1) of the six (6) timber associations:
  - Malaysian Wood Industries Association (MWIA);
  - The Timber Exporters' Association of Malaysia (TEAM);
  - The Malaysian Panel-Products Manufacturers' Association (MPMA);
  - Malaysian Wood Moulding and Joinery Council (MWMJC);
  - Malaysian Furniture Council (MFC); and
  - Persatuan Pengusaha Kayu-Kayan & Perabot Bumiputra Malaysia (PEKA)





# GUIDELINES

## MTC MECHANISATION & AUTOMATION (M&A) AND RETROFITTING PROGRAMME 2020

### 2. APPLICATION PROCEDURE

- Completed Application Form should be submitted to MTC together with the following supporting documents:
  - Certified true copies of:
    - Form 24 as per the Companies Act 1965 (Complete Return of Allotment of Shares Form) OR Section 78 as per the Companies Act 2016 and Form of Annual Return; and
    - Form 49 as per the Companies Act 1965 (Notification of Change in the Register of Directors, Managers and Secretaries Form) OR Section 58 as per the Companies Act 2016.
    - Latest audited accounts; and
    - Manufacturing process flowchart explaining major processes on the factory floor.
- The M&A and Retrofitting Programme is on a “first-come, first-served” basis until the budgeted allocation is completely utilised in the particular year.
- MTC reserves the sole discretion to accept or reject any applicant.
- MTC also reserves the sole discretion to cancel or postpone and/or vary the Programme.
- Companies are required to submit to MTC:
  - The Evaluation Form on the field study by the Consultant within 1 week after the visit;
  - An evaluation on the study Report by the Consultant; and
  - Post-study Evaluation Form 3 months after the field visit.

### 3. FEES & PAYMENT METHOD

- Fee charged to each participating company/visit is as follows:

Programme	Fee / Visit
i. Mechanisation and Automation (M&A)	RM500
ii. Retrofitting for the Woodworking Machinery (RWM)	RM500



- Payment to MTC shall be made in the name of “**Malaysian Timber Council**” either by cheque or bank transfer.
- Cheque: The company’s name and “**MTC M&A and Retrofitting Programme 2020**” to be written at the back of the cheque.
- Bank Transfer: Public Bank Berhad    Account Number: 3077 656 422

**For further enquiries,  
please contact the following:**

- Ms Adeline Goh, ext 504, e-mail: [adeline@mtc.com.my](mailto:adeline@mtc.com.my)
- Ms Amira Ismail, ext 508, e-mail: [amira@mtc.com.my](mailto:amira@mtc.com.my)



**MALAYSIAN TIMBER COUNCIL**

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Website: [www.mtc.com.my](http://www.mtc.com.my)

