

NK Rubber (M) Sdn Bhd



Mr. Hai Kin Cheng had ventured to Japan to further his studies and upon graduating from Japan University, he found himself gaining employment there within the rubber industrial field. Considering the relevant experiences gained in Japan for more than 6 years, he decided to establish NK Rubber (M) Sdn Bhd in 1999.

The company's initial story was fraught with challenges but boosted by family's support - Kin Cheng was able to overcome a myriad of issues, from investments to retaining staff. The latter issue resulted in the company to offer more employees' allowances as well as develop more

company activities in order to attract new workers.

The company managed to change its course when it was able to offer a diverse range of incentives, from competitive prices, quality technical support, and fostering a much closer communication and strategic alliances with some of their Japanese customers. This resulted in reacquiring back some key businesses from their mostly-China based competitors. This has allowed for a steady expansion of their factory, which is still located at the very same premises since its establishment.

Recalling their association with MIDF, Kin Cheng remembers vividly that, "it was during the year of 2009, we were finding it difficult to get a loan from other financial institutions for our new production line and automation program; not necessarily because of our financial position but due the lack of confidence in Electronic & Electrical industry," before adding, "some banks even considered E & E industries in their negative list." However, after a rather fortuitous approach to MIDF's Johor Bahru branch, the company, as per his words, "were most fortunate to get our first loan from MIDF, for our automation quality checking machine. This machine made our customers

appreciate our commitment to improve product quality, since then they appoint us as one of their major supplier.” The financial assistance from MIDF has most certainly paid dividends as N.K. Rubber continues its upward trajectory with a 30% increase in production capacity, as well as allowing for development of new processes and products and boasting an annual turnover of RM27 million.

Even so, Kin Cheng remains guarded, knowing that in order for them to continue growing will require the sourcing of labour, especially in well-trained staffs and experienced technical personnel. Furthermore, in the current market environment, any extra increase in general operational cost will render them unable to provide customers a competitive price. To this effect, NK Rubber is determine at finding ways to avert such scenarios therefore allowing for further growth via development of new products and markets, leading to more customers.

It is here that one is reminded that the company’s strength and emphasis lie in their continuing know-how on the latest machinery designs required to be invested upon, which translates to constant

improvements made in the their productions’ process flow.

This has led to earning the trusts of some of the markets’ major brands such as Panasonic, Shimano, Pioneer, and Sony. It is with this very reason that N.K Rubber is most optimistic of its future and will further use their technical expertise for future business growth.

“Knowledge is power, they say. To us, the continuing investments in developing our own expertise on latest machinery designs and product skills are our current focus. Its ROI will definitely help long-term wise. For example, allowing for improvements in the process flow, therefore reducing waste,” explains Mr. Hai Kin Cheng in closing.