

# Fasfik: Serving a need at an affordable price

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**KUALA LUMPUR:** The service centre is bright red, almost an AirAsia red, but not quite. It is called Fasfik, so that anyone with a corpuscle of Malaysian blood running through their veins should figure out fairly easily what it does.

Put the two together and what do you get? An affordable service centre for cars that will deliver fast? Right in one.

It seems perfectly natural then that it is one of AirAsia Bhd's founding partners, Datuk Pahamin Rajab, who is chairman of Fasfik (M) Sdn Bhd and a driving force behind the chain of automotive service centres.

Pahamin laughed off the colour comparison with AirAsia. "It's a different red," he said. There is no link to AirAsia at all, at least in the sense of equity ownership.

However, there are other incidental similarities. Firstly, prices are low. For instance, balancing all four tyres of a car will cost the customer RM9.90, whereas the industry now charges anywhere between RM5 and RM8 per tyre. Tyres can be realigned for RM9.90 compared to the RM20 or thereabouts the market charges.

"For us the returns will come from high volume, though the margin may be lower. To keep prices low, the volume must be there," explained Pahamin.

As a former director-general of the Road Transport Department, Pahamin knows a thing or two about the business and the industry.

"Most accidents are caused by problems with the wheels or the brakes. So we wanted to handle this essential, compulsory part of motor maintenance — and make it more affordable," said Pahamin.

Because of its business model, the plan is to expand Fasfik rapidly. By year-end, there will be 100 Fasfik centres around the country. By end-2008 there will be 200 and by end-2009, there will be 300. There are currently 25 Fasfik service centres in the country, even though operations only commenced in April.

There are plans to grow the busi-



**Fasfik MD Armin Baniaz, who is Pahamin's son. Photo by Chu Juck Seng**

ness regionally after it has established itself in Malaysia. Each outlet will require an investment of between RM300,000 and RM500,000, depending on the location. Funds will be generated internally.

"After that, we will offer franchise arrangements among our staff who have proven themselves," said Pahamin.

Here the plan is to tie up with institutions of higher learning and vocational schools to train technicians in the theoretical aspects of the job. This will be augmented with on-the-job training. After three years, a qualified technician will be able to set up his own outlet under a franchise agreement.

Another feature of the Fasfik model that should appeal is what Pahamin says will be the reliable and quick service.

"We are not going to dismantle your car and then tell you what needs to be done and then you will not know when you can get the car back. No, we will do a 34-point check of your car and then

you decide what you want to do because we will tell you exactly what needs to be done and how much it will cost. And we will tell you how long it will take. That's our guarantee," said Pahamin.

For customers, an additional service will be the ability to source their records online to check their service records.

Fasfik will also be tying up with Commerce Assurance Bhd, one of the leaders in automotive insurance in the country and which offers the e-policy. Fasfik may increase the number of tie-ups in future.

"If you renew your motor insurance at Fasfik, you will get wheel alignments, balancing, nitrogen gas for your tyres for free," said Pahamin.

Fasfik also guarantees that customers will have the choice of original equipment manufacturing (OEM) parts sourced from authorised vendors. There will also be more affordable compatible parts of high quality, sourced from the Asean Free Trade Area (Afta) region to ensure that cost is managed.

"At the end of the day, we will guaran-

tee that all the parts are new, and that it will be quality and competitively priced. We will open for tender the supplies of our parts and components within Afta participating countries. Our model is to earn returns on volume, not on marking up the prices or charging high for quality service," Pahamin said.

Initially at least, Fasfik will target individual customers. However, in future there are plans to become an authorised service centre of the Ministry of Transport should the testing of cars become mandatory after a few years, or of other organisations which have large fleet of cars.

"Once our network is established throughout Malaysia, it will be feasible and convenient for the government and other corporations to appoint Fasfik as their vehicle testing agents and authorised service centres.

"This is a business opportunity for us and we will offer a valuable service. At the same time, we will allow our people to grow with us," Pahamin said.