Yamaha to set up sales company in Myanmar

The Associated Press

TOKYO, Dec. 21 (Kyodo) — Yamaha Motor Co. will set up a company in Myanmar soon to sell its motorbikes there, president Hiroyuki Yanagi said Friday, amid expectations for the country's strong economic growth.

"Myanmar is a country very friendly to Japan and we think it is a suitable place to promote Japanese brands," Yanagi said during an interview with Kyodo News.

Yamaha has been selling thousands of motorbikes a year in Myanmar through an agent, Yanagi said, adding it has already set up a local office and made preparations to set up the sales company in the country.

Yanagi also said, "We plan to sharply increase new models" of high-end products starting in 2013.

In recent years, Yamaha had cut the number of new products due to a sharp drop in demand in developed countries for high-end motorcycles after the 2008 collapse of U.S. investment bank Lehman Brothers Holdings Inc.

Yamaha's domestic factory focused on producing high-end motorcycles manufactured only about 160,000 units in 2011, falling short of the conventional profitable line of 200,000 units.

But Yanagi said, "We have come to be able to record profits even with 180,000 units by improving production efficiency."

He added that the factory's annual production will likely surpass 200,000 motorcycles given the planned launch of new products.

On the production of automobile engines, which Yamaha currently supplies to Toyota Motor Corp., Yanagi suggested a plan to further diversify its product lineup, saying, "We have put engines for hybrid cars in our perspective."

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