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Haulier eyes air cargo business

KONSORTIUM Perkapalan Bhd, the container haulage and shipping company, is setting its sights on air cargo operation to be a complete land, sea and air transportation group.

Executive chairman Mirzan Mahathir said: "Our corporate finance side is very busy now evaluating the options. Certainly, we are not just developing land and sea capabilities but also the air cargo business which we feel is a growing and strategic business to be in."

Citing components manufacturers as one of the potential users of air cargo transport, Mirzan said: "Some of these products, most probably very hi-tech and expensive, need to be transferred as fast as possible."

He also did not rule out potential clients coming from within the Multimedia Super Corridor.

Declining to elaborate, Mirzan said negotiations on the matter were ongoing with several local and foreign parties.

When asked whether the expansion would entail the allocation of funds for acquisitions, he said: "The financial part of it is not that important."

"We are looking at a wide range of possibilities, such as service partnership and technical agreements. It may not necessarily be acquiring an existing operation."

The company's interest in air cargo transport was also prompted by the absence of a strong local operator.

"Unlike shipping, where we have well-established competitors such as P&O and the Japanese shipping companies, air cargo is relatively without any strong presence (by any one company)," Mirzan said.

He was speaking to reporters in Kuala Lumpur yesterday after the conference on "Globalisation through mergers & acquisitions" organised by the Asian Strategy & Leadership Institute. Mirzan is the president of ASLI.

He said Konsortium Perkapalan was also interested in acquiring a stake in West Port near Port Klang in Selangor as it would complete the company's plan to build up a logistics network.

"Certainly port management is an area of great interest for us. If there is an opportunity, we would be keen to evaluate it."

"West Port is important because it has the capacity and can be tailored to customers' needs. It is a greenfield project. It could become a major hub of the region," Mirzan said.

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