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Looking beyond our shores

KLANG Port Management Sdn Bhd'S (KPM) vision of turning Northport into a global name is neither a long shot nor an impossible dream if one takes a close look at the track record of Port Klang's leading terminal operator. When the authorities first announced cargo load centring at Port Klang in 1993, sceptics said that it would be impossible to shake Singapore's position as the cargo hub in the region but with determination and a little help from the Government, KPM has managed to turn a little of the tide in its favour and make Singapore sit up. Every success story starts with a dream. Many local companies are contented with their "backyard achievements". They are happy to fight among themselves for a piece of the local action and they forget to look at the global picture. The sooner these domestic players realise that the market of 22 million is too small for them, the better it is for the country. These companies must remember that they should not just look internally for their future but to take on the increasingly borderless world. Malaysian companies, be they multinationals or small- and medium-enterprises, should seize opportunities that come their way or find themselves squeezed out.

Taking the cue from Prime Minister Datuk Seri Dr Mahathir Mohamad's call for Malaysian companies to go global, KPM, one of the private port operators at Northport, is already making its presence felt regionally. Going global does not necessarily mean going big. Such is the case with KPM which invested in inland port operations in Phnom Penh with a Cambodian partner. Already a major port operating company in Malaysia, KPM has the skills, manpower and funds to help its less-developed fellow Asean member in port development. Apart from taking up a strategic investment in port operating companies/facilities in foreign countries, KPM can impart its port management and operation skills to its partners in countries where it has invested or has joint ventures. In this case, it is a "win-win-win" situation for the company, its partners and the host country. In Cambodia, KPM has set its sight beyond the inland port - the seaport of Sihanoukville being its ultimate target. The potential to channel cargo from Indochina to Port Klang by sea and rail through the Trans Asia Railway looks promising. KPM's aims may sound ambitious to some, but given the chance, it can match the likes of P&O, Hutchinson, PSA, Eurogate and Evergreen which have interests in many parts of the world. KPM has demonstrated that it is a forward-looking company. Aware of the physical space constraints that Port Klang is facing, KPM - which operates both Northport and Southport - know that it has to move beyond Port Klang as the facilities there may not be able to cope with the demand five years from now.

Overseas ventures involve very high risks - uncertain political and investment climates, different business and taxation laws and a whole new culture, to mention but a few. The capital outlay is immense and the revenue from such operations may be small initially. But one can always learn from the Japanese, South Korean and Taiwanese firms. They started operating overseas in the 1960s and 1970s by targeting their products and services at developing countries. Many of these companies have grown into multinationals with international brand names today and their high-quality products and services are much sought after, and they are courted by countries in need of foreign investments. Malaysian-made products such as air-conditioners, television sets, cameras, condoms, tyres carrying

international brand names have gained much acceptance in both developed and developing countries and there is no reason why an indigenous product or company cannot achieve global recognition.

KPM is not the only one paving the way. A number of logging companies, independent power producers, telecommunications operators, hotel and housing developers are making waves overseas. But we need more of such companies on the global market. It is time more Malaysians learn to ride and brave the global waves and emerge up among the top.

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