

17 FEB 2000

MAS-CARGO

MAS UPBEAT ON CARGO BUSINESS

SERI KEMBANGAN, Feb 17 (Bernama) -- Malaysia Airlines is upbeat about its cargo business which has been growing since the airline moved its cargo operations to the new Kuala Lumpur International Airport (KLIA).

"We are quite positive that the growth is going to be substantial as some of the manufacturers have indicated to us that they plan to double their exports," MAS chairman Tan Sri Tajudin Ramli told newsmen after the opening of the Air Freight Asia 2000 conference here by Prime Minister Datuk Seri Dr Mahathir Mohamad today.

He said MAS' cargo operations currently handled 400,000 tonnes of cargo annually compared with the 230,000 to 240,000 tonnes it handled at the Subang Airport previously.

MAS cargo has the capacity to handle up to 650,000 tonnes of cargo at the RM10 billion state of the art KLIA airport which began operations in June 1998.

Tajudin said more and more manufacturers wanted their high value items to be moved with speed and MAS was doing its part through investments.

He said MAS had invested RM640 million for its cargo operations, which included the Advanced Cargo Centre system to support the expansions of the its air freight services.

However, some small operators like truck and service operators have not come up to fully support the airfreight industry with speed, he added.

As such there has been a break in the total logistics chain, he said, adding that this issue needed to be addressed.

Resolving the problem has been made even more crucial with KLIA becoming popular as a transshipment point for air freight service.

For instance, he said, cargo bound for Europe come as far as from Korea.

"We have to do it as efficiently as possible because some other airports might become more efficient and we will lose our business," he said. -- BERNAMA

AD SA