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Konsortium Logistik eyeing vast China market

Rupa Damodaran in Shanghai

HAULIER Konsortium Logistik Bhd is determined to tap the vast market in China and strengthen its position as a major logistics service player, executive chairman Mirzan Mahathir said.

"With numerous infrastructure plans in the pipeline by the Chinese authorities for the next few years, we feel that we can apply our expertise in these areas," he said at the sideline of the Apec CEO Summit 2001 which opened yesterday.

"We are looking at automotive logistics, oil and gas, retail and industrial distribution as well as infrastructure and industrial projects logistics."

The company has been looking at expanding its operations and China, being the fastest growing economy in the world, required "a lot more to do and that is where we can come in".

Konsortium Logistik had early this year announced a proposal to acquire three transportation companies - KP Asia Auto Logistics Sdn Bhd, Aman Freight (M) Sdn Bhd, and Gapima Sdn Bhd.

The three companies provide total logistics and inventory solutions, including container haulage services, bulk liquid distribution, inland container depot, freight forwarding, shipping agency, warehousing and distribution, and insurance.

Mirzan also said the recent terrorist attacks and the slow economic recovery for the US have created uncertainties for the business community.

It was imperative for Malaysian companies to "re-conglomeratise" and focus on core companies.

He said previously companies would follow the direction of the economy, but they should now seek businesses which have growth potential such as logistics.

"There is a lot of concern as to where the demand is going to be and when Malaysian companies come to China, they must realise how important it is play globally."

This was important especially with China's accession to the WTO.

Mirzan is among the many Malaysian CEOs attending the three-day meeting.

Prime Minister Datuk Seri Dr Mahathir Mohamad will be delivering a keynote address entitled Globalisation with Common Development.