

## Freight forwarders set up network to compete

A GROUP of small and medium-sized freight forwarders has established the Global International Logistics Network (GILN) to compete against the multinationals.

The network comprises two to five representatives of freight forwarders from each country based on the size and population of a nation.

GILN, set up in January, has members from over 30 countries.

Chairman Eddie Maraiyah said the aim of GILN was to promote the mutual services of members from different countries.

"As an example, a freight forwarder in Malaysia can utilise the services of GILN members in India and vice versa for a quick response service with the advantage of local knowledge for the seamless transport of goods," he told *StarBiz* at the GILN Worldwide Conference in Kuala Lumpur recently.

Maraiyah said GILN acted like a principal company to all its members under one network interconnected globally.

"The buying power of the network to negotiate competitive arrangements with ocean and air carriers enables members to compete globally. It is like a contracted freight rates with shipping lines," he said.

He added that the network also facilitated the most economical solutions in transportation according to clients' needs.

"Today (at the conference), we see over 40 members from more than 30 countries, including the US, Britain, China, India, Malaysia, Dubai, Singapore, Australia, and Hong Kong. In the future, we anticipate more freight forwarders from the Middle East to join us," he said.

Maraiyah said that since its short period of inception, GILN, headquartered in Kuala Lumpur, had set up regional offices the US, Britain, Singapore, Australia, Dubai and Hong Kong.

"So far, responses on its effectiveness in enhancing international business process have been good," he said. — **By SHARIDAN M. ALI**

# Northport super cranes to boost volume growth

## Likely to surpass 5% forecast annual growth

### NEWS ANALYSIS

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NORTHPORT (M) Bhd, which has added three new super post-panamax ship-to-shore cranes costing RM75mil, is expected to witness accelerating volume growth in the next three years.

It said that the new equipment would further boost its capacity from the present four million TEUs (20-ft equivalent units) per year.

With the extra capacity, the premier import and export gateway is likely to surpass its humble 5% forecast annual TEUs growth.

The port aims to handle 2.8 million TEUs by year-end against 2.7 million TEUs last year.

From next year, its three-year, RM585mil expansion plan announced early this year would start showing results.

It will have a dedicated terminal, to be operational in two years' time, to cater to Suez Max-class vessels of 12,000 TEUs.

These mega-sized vessels, which require a deep draft, will be berthed at the new 350-metre berth (Berth 8A) that is being developed linearly as an extension to the Container Terminal 1 (CT1) at Northport.

With the development of Berth 8A and the re-development of the break bulk terminal converted into container handling, the container quay line (including CT1 and CT2) will run linearly 3.2km (*see graphic*).

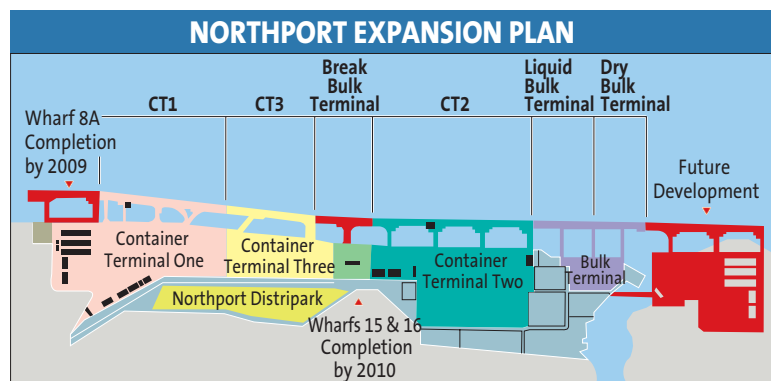
The dedicated Berth 8A for handling the ultra-sized container ships will be supported by four super post-panamax cranes capable of lifting two 40ft laden containers or four 20ft containers in one move from ship to quay or vice versa.

On completion of this project in 2009, Northport's capacity will be boosted to over five million TEUs.

Its other future development plan, not included under the RM585mil



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budget, is the extension of its quay line and landside operation to an undeveloped area north of Port Klang in the Sungai Puloh area.

According to industry sources, negotiations to acquire the land is ongoing.

Dubbed as the "freight corridor", this new terminal is expected to open a new chapter for the port to look for more businesses.

Besides containers, the port also

owns a dedicated general cargo terminal at its south point.

This segment is also expected to grow, as plans are in the pipeline to upgrade the terminal.

It has also been reported that the Port Klang Authority had offered 20 acres to be leased out to Northport in that area.

Another promising market for the port is roll-on/roll-off (roro) berths and its logistics services, which the

port is currently working on to expand.

Financially, the wholly owned subsidiary of NCB Holdings Bhd is expecting another profitable year for the period ending Dec 31, 2007.

Last year, the port posted revenue of RM634.1mil against RM604.6mil in 2005.

Its pre-tax profit increased to RM158.3mil from RM140.7mil in 2005.

NCB Holdings (which has another direct subsidiary, Kontena Nasional Bhd) has announced its key performance indicators (KPIs) for the financial year ending Dec 31, 2007, which include growth of 8% and 1.3% in revenue and net profit, respectively.

Under the KPIs, NCB has also targeted a 5% growth in container throughput, 7% return on shareholders' equity and earnings per share of 25 sen. NCB posted a pre-tax profit of RM165.3mil on revenue of RM834mil for its financial year ended Dec 31, 2006.

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