THE POSSIBLE CAUSES OF CONTAINER INVENTORY IMBALANCES AND EFFECTS ON SHIPPING AGENTS TO MONITOR

CASE STUDY : GREEN PENINSULA AGENCIES SDN. BHD.

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ABSTRACT

Containerisation is moving its way into the hearts of manufacturers in Malaysia and growth of Shipping Agents and depots is encouraging. Playing its role as one of the major ports in Malaysia, Port Klang is considered as the core of containerisation as it was the first port ever to commence container berths in this country.

Green Peninsula Agencies Sdn. Bhd., as one of the Evergreen's Shipping Agents involved in containerisation, could not escape from having the problems of container inventory imbalances. The excess and shortage of container inventory whichare generally caused by the variance of imports and exports containers lead to several effects on the company especially to its operational costs. This research pinpoints the excess and shortage of the empty available containers.

Having three major branches in Port Klang, Penang and Johor, GPA is headed by the Kuala Lumpur office where all the performance and throughput of containers are gathered and controlled for the continuous operation. Concentrating on the Port Klang branch as the biggest branch, this research highlights the causes of container inventory imbalances and the effects on GPA to minitor the inventory. The important causes being fluctuation of trade for

containerised cargo, demand for different types of containers, ocean freight, other parties involved in containerisation and the economic and political situation in foreign countries would bring about the effects on GPA's operational cost such as cost to reposition the empty containers to other shortage areas, to store, maintain and repair the empty containers while they are idle and the effects on Operation and Business departments.

However, there is not much that GPA could do to overcome the imbalances as most of the factors cusing the imbalances aare external factors. The parties are hauliers, depots and port authority as well the infrastructure of the transport system, shippers and consignees. Therefore, GPA could only stress on providing customer service, improve its marketing strategy, implement the Elctronic Data Interchange system and to reduce the cost of maintenance with the limited authority that it has on decisions regarding the containers.

NOTE : ALL THE DATA REGARDING FREIGHT CHARGES AND CONTAINER THROUGHPUT SHOULD REMAIN CONFIDENTIAL