

One-stop wholesale city in GM Klang taking shape

Ability to take big orders and send or redirect goods will strengthen Klang's position as international trade hub



by Laura Lee

GM Klang Sdn Bhd, aiming to make GM Klang Wholesale City the largest and most comprehensive one-stop international wholesale centre in Southeast Asia, could realise its dream more quickly if the government would make it easier for international wholesale and retail players to do business here.

Managing director Datuk Lim Seng Kok hopes for support and assistance from the federal and state governments not only to promote the project abroad but also to help simplify entries and exits by legitimate foreign business-owners.

He is confident Selangor's royal town of Klang is well-positioned to help GM Klang Wholesale City achieve its goal. GM Klang Wholesale City is jointly developed by Gamuda Land Sdn Bhd, a leading property developer, and GM Klang, which has a proven track record in developing and managing wholesale complexes.

Envisioning it as a re-export centre for wholesale products to Asean countries and others such as Pakistan, Turkey, China and India, he says Klang has port facilities such as North Port, South Port and West Port.

GM Klang Wholesale City's ability to take big orders and send or redirect the goods to their destinations will strengthen Klang's position as an international trading hub.

"We want this to be a place where business can be done from all over the world," says Lim, who also hopes to create high-value job opportunities in Selangor.

GM Klang Wholesale City, which Lim estimates will take eight to 15 years to be completed, is expected to have over 5,000 wholesalers and create some 20,000 jobs.

He tells *FocusM* the current minimum package for hiring a shop assistant amounts to around RM1,500.

GM Klang Wholesale City, developed in phases on 10.2ha at Bandar Botanik in Klang, will have a total gross development value (GDV) of close to RM3 bil.

Selangor Menteri Besar Mohamed Azmin Ali, guest of honour at the official opening of phase one or Block A of GM Klang Wholesale City on April

4, acknowledges a permanent site or structure is necessary if the state intends to woo such international players.

Lim remarks: "We hope the government will pave the way for many small and medium enterprises to join us, especially if they are involved in halal and export products. What they need is a wholesaler to market their products."

An encouraging response to the five-level Block A led GM Klang to launch Block B, comprising 12 levels. With a GDV of RM530 mil, the new block will have a bigger net lettable area (NLA) of 350,000 sq ft.

"When we saw people trying to hike up property prices of shop units at Block A, the company stopped it by launching Block B," Lim says.

"We feel if you allow a property price to rise too high, at the end of the day wholesalers will not make money.

"Our philosophy is to ensure our wholesalers make money and strengthen themselves for expansion; only then can it be good for us. We adopt a very long-term view."

Responsibility starts after property sale

Unlike many developers, which wash their hands of a property after selling it, Lim says, "For us, after we sell, our responsibility has just begun; because we have to engage in promotion and bring in customers for our wholesalers, so they can do business and make money."

Block A, which has a GDV of RM250 mil, has been operating since October 2012. It has an NLA of 250,000 sq ft with 700 lots over five levels.

While some units are sold, Lim points out they are also leased back to enable management to organise tenants and ensure a wide range of wholesale products sold.

Block A's ground floor, which houses a moneychanger's and some food-and-beverage outlets, will be converted to the wholesale business when Block B opens for business on Oct 1 next year.

By then, Lim expects a sizeable fashion and fashion-related



wholesale business to be taking shape in GM Klang, which aims for a wide offering of products ranging from home decor and renovation to cosmetics, stationery, toys and information technology and electronic goods.

From left: Gamuda Land managing director Chow Chee Wah, Mohamed Azmin, Lim and Ahmad Zul-Qurnian Ibrahim, director of TSI Holdings Sdn Bhd, at the official opening of Block A of GM Klang Wholesale City on April 4

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