

Hong Kong is **the ONE**

A joint venture of three Japanese shipping lines has set up its East Asia regional headquarters in Hong Kong.



Three major Japanese shipping companies, Kawasaki Kisen Kaisha, Ltd. ("K" Line), Mitsui O.S.K Lines, Ltd. (MOL) and Nippon Kaishiki Kaisha (NYK) have joined together to create a joint venture company, Ocean Network Express (ONE) and commenced operations on 1 April 2018. According to Shunichiro Mizukami, ONE East Asia's Managing Director and Region Head of East Asia, there are a number of factors that contribute to this decision.

Necessity is the mother of invention

"At the time of the October 2016 announcement regarding the integration of container shipping business of "K" Line, MOL and NYK, the decision to merge came on the heels of a challenging business environment, sluggish cargo demand, and over-supply of trade capacity. Container shipping companies suffered losses in the volatile business environment. We have made efforts to cut cost and restructure their business, but there were limits to what can be accomplished individually."

"In order to maintain membership of a global alliance, it would be necessary to have a certain business scale. Under such circumstances, the three companies decided to integrate our container shipping business so that we could continue to deliver stable, high quality and customer

focused products to the marketplace," Mizukami added, "In 2018, we at ONE are to ensure a smooth and stable operation to our customers globally."

Hong Kong plays a crucial role in the global plan

As a global city and an international maritime centre, Hong Kong offers unlimited opportunities and possibilities arising from the Belt and Road initiative and Guangdong-Hong Kong-Macao Bay Area development plan.



Hong Kong is where ONE East Asia can leverage the competitive advantages the territory offers and make use of every opportunity to shine.

Shunichiro Mizukami
Managing Director and
Region Head of East Asia
ONE East Asia Limited

Being the regional headquarters of the East Asia region, the Hong Kong office acts as the "extended arms" of the global headquarters, plays an important role in handling global key accounts and boasts a robust Hong Kong project cargo team.

From the outset ONE chose Hong Kong as its East Asia headquarters for a number of strategic reasons, most notably its reputation for being a well-established maritime hub, a

key port of call for global cargo carriers, with world-class infrastructure and proximity to Mainland China.

ONE offers more than 85 service loops, calling at over 200 ports in 100 countries. It makes over 25 direct call services the Port of Hong Kong.

Mizukami sees Hong Kong as the shining gem in East Asia, "Hong Kong is where ONE East Asia can leverage the competitive advantages the territory offers and make use of every opportunity to shine."

Mizukami appreciates the assistance provided by InvestHK including helping to secure employment visas for key personnel.

A new paradigm for container shipping

ONE aims to make a difference as a new hybrid class of lines, which can deliver services for customers that are different to those offered by the mega carriers or niche players.

"We are not interested in mega carrier status, our future is not just a matter of being big; however, we are "big enough to survive, small enough to care," Mizukami concluded.

ONE East Asia Limited

- Ocean Network Express (ONE) that comprises resources of Kawasaki Kisen Kaisha, Ltd. ("K" Line), Mitsui O.S.K Lines, Ltd. (MOL) and Nippon Kaishiki Kaisha (NYK), have joined together to create a new joint company, Ocean Network Express and commenced the operation on 1 April 2018.
- Its East Asia regional headquarters in Hong Kong was established in July 2017.

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