

CHAPTER VI

Haulage of "Imported" Goods into Beserah

A. General Description

In Beserah mukim there are 52 shops of all kinds, ranging from provision or sundry shops to coffee-shops. Most of the big provision shops and some other shops have their goods delivered to them from Kuantan by the delivery vans of the wholesalers, the transport charges being included as a part of the whole transaction. Some branded goods are distributed by vans or lorries which come from as far as Kuala Lumpur. Kuantan soft-drink manufacturers and large-scale distributors of goods such as kerosene or cigarettes possess their own lorries or vans which deliver their products to various small shops in the Kuantan District including Beserah. The petrol supply of about 1,200 gallons per month is conveyed to Beserah by Shell Company's lorries to the only agent in the mukim. Fishermen are principal buyers of petrol, which they use for their outboard motors.

Only certain goods such as attap, planks and other building materials, furniture, kulit samak,¹ firewood and charcoal provide revenue for the cooperative van and other small transport operators,

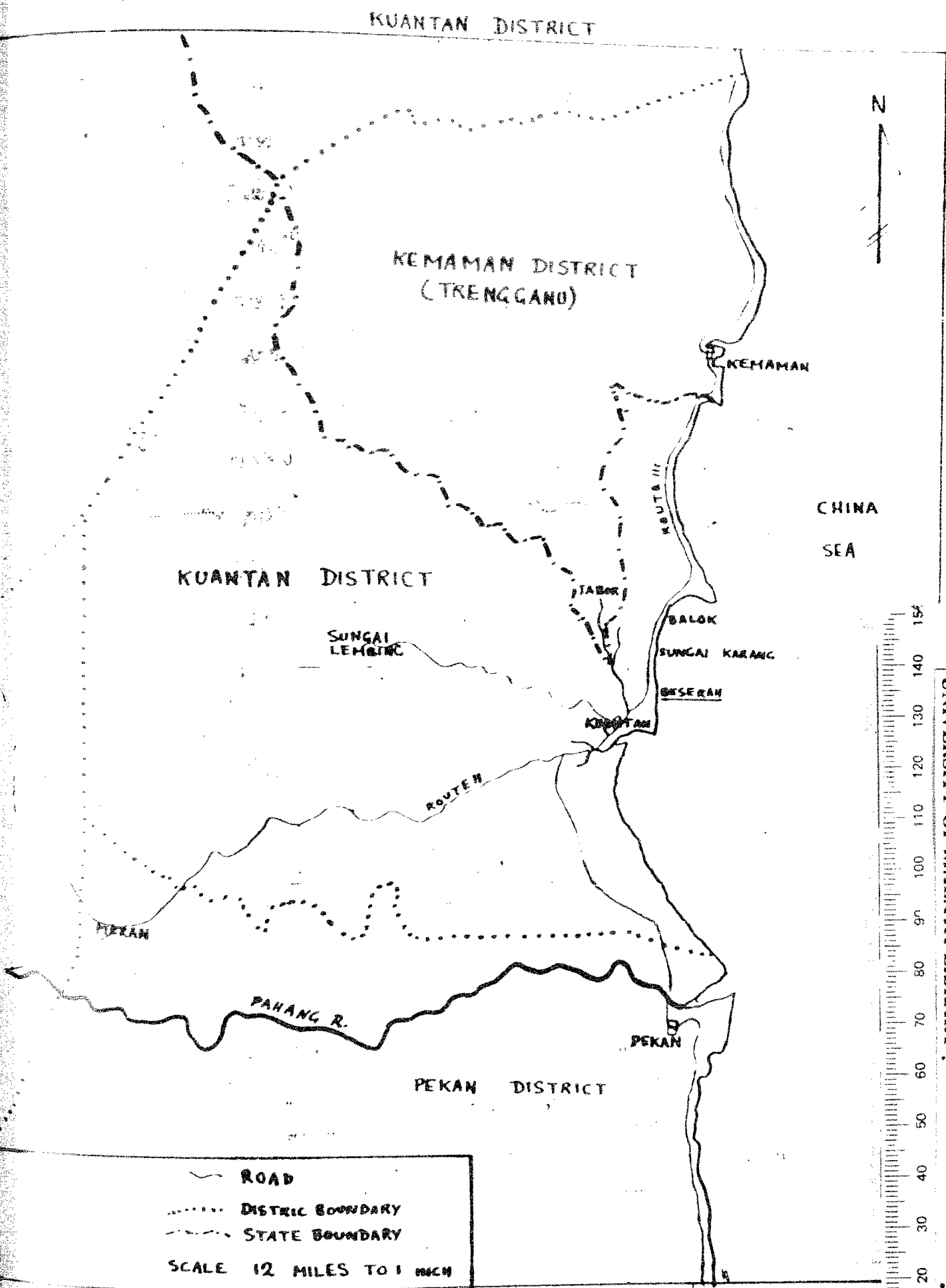
1. Tree barks used as a substance for staining fish nets.

since the sellers of these products do not normally have their own means of transport. The cooperative van, however, provides transport services for hauling goods usually carried by wholesalers' delivery vans, such as rice, sugar, flour and salt for a retail shopkeeper in Beserah who buys goods from a wholesaler who does not possess a delivery van, the transport charges being borne by the wholesaler. This is done in order to compete with those wholesalers who have delivery vans. The Cooperative van charges a rate of 60 cents per picul.

B. Wholesalers' Delivery Van Services.

There are a number of large retail shops in Kuantan which also function as wholesalers for small retail shops situated within a big radius of the town. Eleven of these shops possess their own private delivery vans, with 'C' haulage permits, which are used for distributing goods to the numerous retail shops. Beserah is one of the areas where these vans deliver consignments of goods purchased by retailers. If a shopkeeper in Beserah buys a reasonably large amount of goods from one of the wholesalers (usually with a value of \$100.00 or over), they are sent to his shop by the wholesaler's van free of direct transport charges.

The very small retail shops in Beserah usually buy goods not from Kuantan but from any one of the bigger retail shops in



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MAP 3

the mukim itself, which act as local wholesalers. Delivery vans send goods to such local wholesalers in large quantities.

The Kuantan wholesalers operate their delivery vans on a large scale and thus able to enjoy the economies of large-scale production. They are able to deliver goods free of transport charges to the numerous retailers because the costs of operating the vans are included as a part of the whole cost of running the firms. Their business turnover is usually large, and so the costs incurred in providing transport services amount only to a small fraction in each unit of production.

Table 11 below shows the major areas where the wholesalers' vans deliver goods to retailers. These areas are situated in the Districts of Kuantan, Pekan and Kemaman (Trengganu) and are served by roads branching from Kuantan.²

TABLE 11
MAJOR AREAS SERVED BY THE WHOLESALERS'
DELIVERY VANS

Major Areas	Distance from Kuantan (in miles)
Beccrah	6
Sungai Karang	8
Balak	12
Jaber	15
Gambang	18
Sungai Lembing	23
Pekan	28

2. See Map 3 on page 47

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There is competition among the wholesalers to get custom from the retailers, who for obvious reason prefer to purchase goods from those who can provide free transport services. From the point of view of the wholesalers, the costs of operating delivery van is compensated or more than compensated by the increase in sale. As a consequence of this competition, the wholesalers who do not possess delivery vans engage common or public carriers to carry goods for their retail shop customers, the transport charges being borne by the former, e.g. the case of the cooperative van previously mentioned.

C. Buses and Personal Services.

Some shopkeepers in Beserah, especially the small ones, buy goods in small quantities whenever they go to Kuantan. Buses usually do not charge haulage fares for small quantities of goods carried by passengers. In this way such shopkeepers do not have to pay transport charges for the goods they buy.

A few shopkeepers carry goods they buy from Kuantan on bicycles. Bicycle transport is also important in the haulage of vegetables from other areas to Beserah.

D. Price Differentials.

Because of the absence of direct transport charges on goods purchased by the retail shopkeepers in Beserah, it is found

that there is almost a total absence of differences in prices between those prevailing in Kuantan on the one hand and those in Beserah on the other. This is more so in the case of daily necessities such as rice, sugar and other goods the prices of which are well known.

Beserah is in such close proximity to Kuantan that if there are price differences between the two places and if such price differences exceed the cost of transport between the two places, as is expected the Beserah residents would then go to town to buy their consumption goods.

In conclusion it can be said that because of the nearness of Beserah to Kuantan and because of the absence of direct transport charges on the delivery of goods to retailers in the mukim, the consumers there enjoy the same prices of goods as the Kuantan residents.