

The History of "K" LINE

Pioneering and Innovation

The history of "K" Line is a story of early pioneering and continuous innovation that resulted in the formation of our present, state-of-the-art, worldwide network that is recognized as one of the major marine transport operations in the 21st Century.

It is a story of constant commitment to unique strategies with a spirit dedicated to overcoming difficult challenges. "K" Line has built a proud tradition for its trendsetting that distinguishes it in the maritime shipping industry through its sensitivity to changing times and progressive activity, agile business activities.



1919

Establishment of Kawasaki Kisen Kaisha, Ltd.

The outbreak of the World War I created a huge demand for new ships. Along with that demand Kawasaki Dockyard Co., Ltd., predecessor of Kawasaki Heavy Industries, Ltd., responded with construction of stock boats.* However, at the end of the war, demand returned to normal, resulting in an excess of ships. Kojiro Matsukata, President of Kawasaki Dockyard, actively pursued progressive measures even in the face of such a situation. He thought that selling new ships overseas would only give profits to foreign shipping companies. It was his belief that in the interest of Japan's national development, his company had to retain newly-constructed vessels for use by Japan and set up a large shipping company capable of rivaling much larger operators at the time, Nippon Yusen and Osaka Shosen. Accordingly, Kawasaki Kisen Kaisha, Ltd. was founded in April of 1919.

* Stock boats: Ships of a single type that are built predicated on a certain level of demand, before gaining specific customers.



Head office at the founding of Kawasaki Kisen Kaisha.

1921

Birth of "K" Line

In 1921, Kojiro Matsukata was residing in London while serving as president of three companies: Kawasaki Kisen, Kawasaki Dockyard and Kokusai Kisen. It was then that he reached out to key persons involved with the three companies and revealed his vision for combining the fleets of the three companies into a joint operation under a single banner. Upon receiving consent, he immediately instructed the headquarters of the three to move forward with this plan. At the meeting they also discussed a trade name and funnel mark* for the new organization. Ultimately, the name "K" Line was decided, a clear and simple name taken from initials of the three companies. For the funnel mark, a white "K" against a red background, was a design recognizable at a glance, was adopted. In this way, "K" Line was born in a room at an elegant, old-fashioned London hotel.

* Funnel mark: The chimney portion of a ship is referred to as a "funnel" with design on funnels differing for each shipping company.



Establishment of "K" Line in London in 1921. Kojiro Matsukata is in the center of the second row.



The funnel mark is a white "K" against a red background.

1948

Postwar Restoration

Since its founding, "K" Line continuously expanded its business operations while navigating many unpredictable twists and turns. However, the Pacific War dealt a devastating blow to the company. In addition to many ships being sunk while in battle, the lives of over 1,400 crew members were lost in intense attacks in various locations. 56 ships were lost in the war, resulting in a mere 12 ships remaining at end of the war in 1945. As part of rebuilding after the war, "K" Line salvaged KIYOKAWA MARU, an outstanding ship half-sunken off the coast of Yamaguchi Prefecture, and restored it. After this, KIYOKAWA MARU acted as the main force in the "K" Line fleet, becoming a symbol of the company's strong recovery.

Subsequently, riding the wave of Japan's rapid economic growth, "K" Line increased the number of operating ships and expanded the scale of its business, advancing into Asian routes beginning with a Bangkok route. After this, it continuously reorganized and expanded routes, moving beyond Asia to introduce services between Asia and North America and between Asia and Europe, among others. In the process, it became the first Japanese shipping company to independently assign ships to Asia-North America routes. Yet, Asia continued to be at the heart of export, and the industry-leading strategic move to expand from Japan into Asia set the stage for "K" Line's subsequent development into one of the world's leading containership service operations.



Salvaged KIYOKAWA MARU is placed into service on overseas routes.



KIYOKAWA MARU in the process of being salvaged.

1960

Development of Dry Bulk and Tanker Businesses

In the 1960s, in Japan the country's demand for resources and raw materials rose as industrialization moved forward. Japan imported vast quantities of resources from countries around the world. Tankers and bulk carriers took care of the marine transport for such resources. In order to address transport of the greatly increased imported cargo, consideration was given to the nature and loading/unloading efficiency of cargo transport, and ships specialized in the transport of such cargo were developed. Starting with the iron ore carrier FUKUKAWA MARU in 1960, "K" Line rapidly began to use specialized carriers for transport of resources and industrial raw materials such as coal, grain, lumber, and chips.

Some years later, in June of 1994, Kawasaki Heavy Industries and "K" Line jointly developed CORONA ACE, a thermal coal carrier. This wide, shallow draft ship is able to provide optimal cargo handling efficiency for Japanese power companies. Afterward, this became the industry standard for thermal coal transport to Japan and the CORONA series was accepted in the market as a high-quality brand.

Tanker business has a long history, stretching back to the building of the first tanker in 1934. In the 1960s, the company built its own tankers one after another, beginning with SHINANOGAWA MARU. High quality of transport, backed by utmost attention and care toward safe operations and environmental conservation, created an excellent reputation both with Japanese customers and major oil companies.



Iron ore carrier FUKUKAWA MARU.



CORONA series, which are notably wide, with shallow drafts.

1968

Beginning of Containership Services

Containerization has been called the greatest technical innovation in the industry since start of the world's liner shipping services in the 19th century. In mid-1960s, it set in motion a global wave of change that swept across the industry. Since containership services require enormous initial investment, at the beginning, Japanese companies adopted a joint management approach to such services. However, "K" Line gradually demonstrated its independence. Beginning in 1969, the year after it containerized its California routes, the company began to containerize nearly all of its main routes. Further, in 1971, it independently launched a Far East-North American Pacific Coast containership service neither destined for nor originating in Japan. The opening of independent routes linking foreign countries just three years after the initial stage of containerization was considered revolutionary at the time. This story represents "K" Line's independence.



GOLDEN GATE BRIDGE, "K" Line's first containership.



Containers unloaded at a port on the West Coast of North America are transported inland by rail.

1970

Japan's First Pure Car Carrier

After Japan overtook the United States and became the world's leading automobile producer in 1980, its automotive industry has continued to increase productivity to become one of Japan's leading export industries. "K" Line, in early recognition of this potential as far back as the 1960s, began to sequentially formulate a bold strategy. Cars were generally transported on conventional cargo ships, however, "K" Line considered using specialized carriers in order to handle increasing exports. In 1968, the company launched TOYOTA MARU NO. 1, a car bulk carrier that carried cars to North America and grain back to Japan.

However, its backhaul schedule was unstable and caused delay of subsequent car exports. In order to eliminate this problem, "K" Line built TOYOTA MARU NO.10, Japan's first pure car carrier, designed exclusively for car transport, in 1970. The term "Pure Car Carrier," or PCC, has become synonymous with car carriers in the industry. Afterward, in 1973, "K" Line built what was then the world's largest PCC, sparking a global trend toward larger PCCs. Since transport of cars involves carrying bare cargo without packing materials, it requires sophisticated quality control. Accordingly, only a limited number of shipping companies possess the necessary know-how. As a pioneer in car transport, "K" Line does not limit itself to cars shipped to and from Japan; it has actively advanced into transport all over the world. "K" Line has contributed to the development of the world's automotive industry and, in the process, established a solid position as a world-class car carrier.



Early car bulk carrier used for both cars and grain.



TOYOTA MARU NO.10, Japan's first pure car carrier.

1983

BISHU MARU, Japan's First LNG Carrier

After the first oil crisis, LNG (liquefied natural gas) gained attention as a clean source of energy, and the demand for it as an alternative for oil skyrocketed. However, transport of LNG was dominated by European shipping companies. At that time, Arun and Badak, Indonesian projects to increase the transport of LNG, were moving forward. This presented the Japanese shipping and shipbuilding industry an opportunity for the transport of LNG. A project was launched with LNG produced in the Arun and Badak gas fields was transported to Japan by seven Japanese-flagged LNG carriers. In this context, "K" Line at first worked together with other Japanese shipping companies in the Badak project, leading to ordering three LNG carriers. One of these ships was BISHU MARU, Japan's first LNG carrier, built in 1983.

Today, with more scrutiny being directed toward environmental problems around the world, demand for LNG as a clean source of energy continues to increase. "K" Line is actively contributing to numerous LNG projects and expanding its business.



BISHU MARU, Japan's first LNG carrier.



Cargo being handled on LNG carrier.

1985

Innovations to Prevail over Global Competition

The late 1980s saw major changes in business environment surrounding the marine transportation industry. Skyrocketing energy costs and worldwide slowdown in economic growth brought stagnation in cargo movement, a glut of ships, and the emergence of ocean shipping industries in developing countries. Further worsening the situation, Plaza Accord was concluded in 1985 that led to rapid appreciation of the yen. As Japanese ocean shipping companies, including "K" Line, obtained bulk of their revenue in US dollars, appreciation of the yen against the dollar resulted in an erosion of revenue in terms of yen.

Operating amid these vast changes in the global business environment, "K" line struggled to maintain its international competitiveness. In response, the company conducted a rigorous business review and took all possible measures to reduce costs, including conversion of overseas agencies into its own subsidiaries. Such measures allowed "K" Line to develop a corporate structure that is sufficiently competitive even against global competition. By safely navigating troubled waters time and time again since its founding, "K" Line has cultivated what is known as the "K" Line Spirit, a corporate culture characterized by independence and autonomy, broad-mindedness and enterprising spirit.



"K" Line Pte Ltd in Singapore.



"K" Line (Europe) Limited in London

2001

Creating Businesses Overseas

China achieved remarkable economic development that sparked booming global trade. Aiming to respond to this growth in global trade demand, "K" Line sought to cultivate new business by establishing business bases in market centers not only in Japan, but also overseas. In 2001, the company established "K" Line Pte Ltd in Singapore, rolling out tanker and dry bulk shipping businesses. The "K" Line European Sea Highway Services GmbH, launched in Germany in 2003, provides car transport services within the European Union. Also in 2003, "K" Line established "K" Line Bulk Shipping (UK) Limited in London. Further, in 2008, it established "K" Line (India) Private Limited in India that has also experienced striking economic development.

In addition, it continuously expanded its logistic business in areas such as Thailand, Indonesia, India and Vietnam, and is also actively moving forward with development of a logistics business for assembled cars.



Iron ore being unloaded from a ship in China.



Land transport business in Thailand.

2010

Investment for the Future

"K" Line has cultivated its advanced technical abilities and outstanding transport quality over many years and has been highly appraised by its customers. Starting in 2015, 13 pure car carriers capable of holding 7,500 cars were deployed into service one after another. These ships are responsible for the next generation of automotive transport. DRIVE GREEN HIGHWAY is the premier ship among these 13. As the flagship for "K" Line's environmental efforts, it features advanced integration of various environmental technologies. In terms of containerships, 10 highly competitive ships of 14,000 TEU have been put into service.

Global energy demands have expanded due to population increases and accompanying boom in economic activity. Global energy demands have expanded in emerging economies. Accordingly, transport of energy resources has taken on even greater importance. In addition to marine transport of energy resources such as crude oil, LNG and LPG, "K" Line is also engaged in upstream and downstream business development in the energy value chain. For instance, in 2007 in Norway, it established K Line Offshore AS in a joint venture and began an offshore support vessel business to provide services for offshore oil drilling facilities and oil production platforms. In addition, in 2009, it participated in a drillship project off the coast of Brazil. Further, in 2017, it participated in an FPSO* project operating off the coast of Ghana.

* FPSO: An abbreviation of "Floating Production Storage and Offloading System."



Offshore support vessel.



Offshore drillship.

2018

Start of Ocean Network Express (ONE)

Ocean Network Express (ONE) is a new business entity. It resulted from "K" Line, Mitsui O.S.K. Lines and NYK Line spinning off their individual containership businesses and overseas container terminal businesses, and then unifying them. Operating over 250 ships worldwide, it will offer global customers high-quality services and safe, reassuring operations that the three companies developed through their long histories. ONE's core values are quality, reliability, innovation and customer satisfaction. It aims to be a company combining the mobility to provide services with utmost attention and care to cope with major overseas players.



Containership of OCEAN NETWORK EXPRESS.

2019

"K" Line's 100th Anniversary and Its Future

2019 is the 100th year since the establishment of "K" Line. In terms of its vision, it aims for four values: providing reliable and excellent services, a fair way of business, above all, it truly believes that basis for the "K" Line Group's existence is providing reliable and excellent service. Further, it is actively working toward resolution of environmental problems in order to fulfill its mission of passing a sustainable society and the planet's beautiful blue oceans to the next generation. Based on "K" LINE Environmental Vision 2050, a set of long-term guidelines concerning environmental conservation, the company will continue to put forth efforts ahead of the future strengthening of environmental guidelines and aim for the improvement of corporate value.

As one of the world's foremost comprehensive shipping companies, "K" Line will continue sailing forth toward the next 100 years, aiming to always provide indispensable services to society through activities such as its tireless efforts toward safe operations and its cultivation of new areas.



"K" Line Environmental Vision 2050