

# KALES



## Kales Group

Carving a niche legacy in the GSSA industry

Sebastiaan Scholte  
Kales Group CEO



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**Era of Transformation**

After a catastrophic economic performance during the pandemic, the aviation industry seems to be heading to years of prosperity.

Next year, some 4.7 billion people are expected to travel, a historic high that exceeds the pre-pandemic level of 4.5 billion recorded in 2019, according to the International Air Transport Association (IATA).

The aviation industry's revenues in 2024 are expected to grow 7.6% year over year to a record \$964 billion while expense growth is expected to be slightly lower at 6.9% for a total of \$914 billion.

The airline industry's net profits are expected to reach \$25.7 billion in 2024 (2.7% net profit margin), slightly up than 2023 which is expected to reap \$23.3 billion net profit for the sector. But IATA cautioned in both 2023 and 2024 return on invested capital will lag the cost of capital by 4p.p., as interest rates around the world have risen in response to the sharp inflationary impulse.

Nevertheless, the projections essentially mean more business for airlines, airports, ground handling, security, and tech companies, among many others in the aviation supply chain. Likewise, this will translate to more economic activities to destinations across the world.

The global aviation industry, long a symbol of progress and connectivity, stands on the edge of a transformative era.

As the world grapples with environmental concerns, technological advancements, shifting passenger expectations, and unexpected geopolitical instability and conflicts in different continents, the industry is forced to adapt to remain relevant, agile, and sustainable.

The future of aviation is not just about flying, but about connecting, innovating, and inspiring. And it requires collective actions globally. Read more about this issue and other news and features in this edition of **Air Cargo Update**.

**Gemma Q. Casas**

Editor-in-Chief

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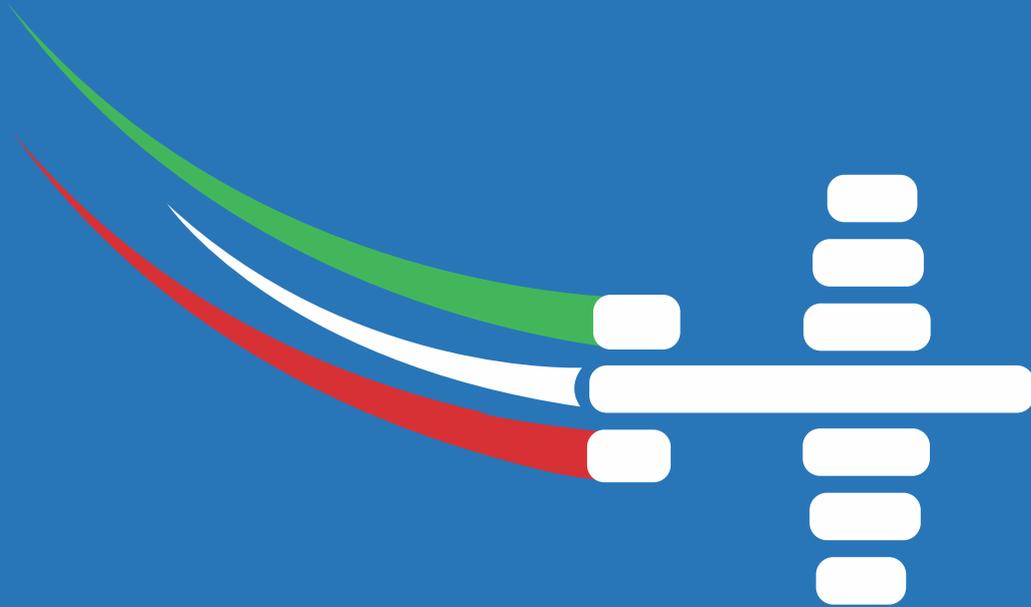
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The Lounge

## 'UNWINDING AMIDST THE DIFFICULTIES ENTAILS FAMILY, FAITH, AND A HEALTHY LIFESTYLE'



**William Mac Fraser IV**  
Project Manager, Global Feeder Services

**W**illiam Mac Fraser IV's story in the air cargo and aviation industries reveals an enthralling blend of professional insights and personal musings. Fraser brings a unique viewpoint to his work as Project Manager at Global Feeder Services (GFS), the exclusive GSA of Silkway West Airlines, bringing insights into the changing terrain that has profoundly shaped his career.

"I stumbled into this industry. Before GFS, I spent a decade in the oil field, working with BJ Services and Baker Hughes. The transition to marketing and directing was a blessed accident," shares Fraser, highlighting the unexpected shift that shaped his current role.

Fraser's roots in aviation run deep, nurtured by a childhood as an American military kid and his father's Air Force career. Despite a stint in the Marine Corps Air Wing and detours into the oil field, aviation's magnetic pull persisted.

"It's always been in my blood. You've seen your father there, you live in that community; there's just something about the smell of jet fuel," reflects Fraser on his enduring connection with aviation.

"Working with Silkway Airlines and Azerbaijan Airlines started with a connection my father facilitated. It evolved from marketing support to a more operational role, involving hands-on experiences like learning how to build pallets and understanding aircraft loading intricacies," he adds.

But how does one find balance in an industry that operates around the clock? "Maintaining a work-life balance in the aviation industry is crucial," Fraser notes. "Even before COVID,

**"I've traveled extensively, covering nearly every part of the world except South America and the polar regions. Growing up in Europe as a military kid, I explored every country in Western Europe, including Turkey. Turkey, especially, left a lasting impression, and I fell in love with it at the age of 11," says Fraser.**

we transitioned to remote work to reduce overhead expenses. Dedication to our customers goes beyond the standard 9 to 5; we make ourselves available whenever they need us."

Fraser seeks consolation in the intimate amidst professional obligations. "Unwinding amidst the difficulties entails family, faith, and a healthy lifestyle. My sense of balance is enhanced by my involvement with my children, participation in church activities, and leading a disciplined life," he shares.

"I've traveled extensively, covering nearly every part of the world except South America and the polar regions. Growing up in Europe as a military kid, I explored every country in Western Europe, including Turkey. Turkey, especially, left a lasting impression, and I fell in love with it at the age of 11," says Fraser.

Culinary preferences offer insight into Fraser's diverse palate, with Azeri and Mediterranean/Middle Eastern cuisine claiming the top spot. Influences from Dubai and Eastern Europe shape his culinary favorites.

Turning to role models, Fraser draws inspiration from a trio of self-made individuals—his father—Gen. William Mac Fraser III, Zaur Akhundov, and Arthur Ilyaev. Their resilience and commitment to goals motivate him in his career journey. Acknowledging his father as a mentor, Fraser values their close relationship.

Addressing the younger generation, Fraser observes a shift towards instant gratification and credit-driven mindsets. His advice is rooted in cultivating patience, emphasizing the satisfaction of achieving goals through perseverance.

"Nowadays, it seems like the generation coming up has been catered to a lot. Everything is instant. But I'd love to see more of a willingness to work towards a goal, to be patient," encourages Fraser, underscoring the importance of embracing the journey.

In the context of the air cargo industry, Fraser highlights its enduring significance. "We're not going anywhere. It's a constant need. Embracing new solutions like drone delivery is vital." His call to the younger generation is to passionately engage in the dynamic air cargo landscape.

As Fraser encapsulates his journey, he emerges as a storyteller in the complicated tango of aviation logistics, tying together the complexity of his professional activities with the simple joys that offer balance to his life.



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## Her Sky, Her Rules: Phaedra den Hertog's Blueprint for Conquering the Air Cargo Industry

### Phaedra den Hertog

Customer Success Officer, Awery Aviation Software

**T**he air cargo industry, a complex beast often perceived as a man's world, held no fear for Phaedra den Hertog. Armed with a degree in Commercial Economics and a spirit that refused limitations, she forged her path, leaving an indelible mark on every company she graced. From her early days navigating the terrain of Schiphol Airport to her current role at Awery, where she empowers a dynamic team, Phaedra has consistently pushed boundaries. But her impact extends far beyond software and operations.

Phaedra's roots lie in a traditional family structure, where a strong work ethic was instilled by hardworking parents and a sibling. Her pursuit of independence and financial autonomy led her to the field of Commercial Economics, a decision rooted in the desire to explore the world and forge her path. This early ambition laid the foundation for a career that would span various sectors within aviation and logistics.

Following her successful completion of a degree in Commercial Economics, Phaedra's journey took an unexpected turn. A sojourn in Switzerland to enhance her proficiency in the French language became a pivotal chapter. The initial goal of entering the tourism sector shifted when an opportunity at Schiphol airport, extended by a neighbor from Rotterdam Airport's Freight Forwarding

**"Come and join the air cargo industry, develop your network, get the support of inspiring mentors, help other women along the way and contribute to positive changes to make your company and industry better, efficient, inclusive, attractive, sustainable, modern, and profitable."**



Company, emerged. This marked a turning point, catapulting Phaedra into the intricate domain of air cargo.

Being one of the few women at the Schiphol Airport, Phaedra found herself in roles that demanded resilience and a thirst for knowledge. Typing airway bills on a typewriter, she quickly progressed, driven by her proactive approach and eagerness to learn. After one and a half years, a significant leap occurred as she joined Cathay Pacific Cargo (1991-2001) at Amsterdam Airport. Her responsibilities extended to overseeing cargo operations, setting the stage for a decade-long tenure that included roles in both outside and inside sales.

During this period, Phaedra's commitment to learning was evident as she completed internal courses and Middle Management education.

Subsequent chapters saw her at Polar Air Cargo AMS (2001-2008) and Air Bridge Cargo (2009-2022), contributing significantly to operational improvements. In 2022, Phaedra took on the role of Customer Success Manager at Awery Aviation Software, was further promoted to Customer Success Officer in 2023. Here, she optimized onboarding processes and shared industry knowledge with a dynamic team.

Her career, marked by adaptability and dedication, boasts achievements such as spearheading Awery's On Board Courier (OBC) software. Phaedra emphasizes the importance of work-life balance, having opted for part-time work during her daughter's formative years, she recognizes the significance of balancing professional pursuits with family commitments.

Gender has not been a hindrance in Phaedra's career progression. Despite certain roles being stereotypically associated with a specific gender, she feels fortunate to have never felt limited in her choices.

Beyond the professional sphere, Phaedra finds solace and balance in her interests. As a CrossFit Level 1 trainer and Hyrox Coach, she dedicates a few hours each week to training groups of athletes, providing a respite from work-related stress. Regular outdoor walks contribute to mental clarity, emphasizing the importance of staying active.

A key element in Phaedra's success is her ability to stay focused under pressure and fearlessly express her opinions when they matter. Being well-organized has been a linchpin to her success, ensuring efficiency in her multifaceted role.

Phaedra den Hertog's journey embodies personal and collective progress in aviation and logistics. Her story, rooted in passion, dedication, and a thirst for learning, underscores the significance of recognizing and celebrating women's contributions.



## Saudia Cargo, Cainiao, and WFS/SATS increase strategic collaboration to efficiently process cross-border e-commerce shipments in Liege

**Jeddah, KSA:** With the growth of online shopping on a global scale and the need for efficient and innovative e-commerce logistics solutions paramount, Saudia Cargo, Cainiao, and Worldwide Flight Services (WFS, a Member of the SATS Group) have agreed to strengthen their collaboration to optimize their logistics operations.

A key component of their collaboration is the establishment of a dedicated area in the air cargo station of Cainiao Liege eHub in Belgium, the company's European regional hub. WFS/SATS, in close collaboration with Cainiao, operates in the air cargo station.

This initiative responds directly to the escalating demand for high-quality logistics operations in the cross-border e-commerce sector, particularly in the Middle East and European markets. Earlier this year, Cainiao unveiled its international express shipping service, Global 5-Day Delivery, in collaboration with AliExpress, now available in the United Kingdom, Spain, the Netherlands, Belgium, and South Korea.

Saudia Cargo and Cainiao boast a robust collaboration, with a history that spans several years. The latest agreement reinforces this longstanding relationship by giving precedence to specific Saudia Cargo freighter flights originating from Hong Kong and bound for Riyadh and Liege. This strategic move is meticulously crafted to address the burgeoning logistics demands in these key regions, further amplifying the efficiency of e-commerce deliveries.

Additionally, the contract extension to WFS/SATS for handling over 50,000 tons annually on flights connecting Liege and Riyadh underscores Saudia Cargo's commitment to operational excellence and reliable logistics services.



**From left: Marwan Niazi (VP Commercial, Saudia Cargo), Thomas Yu (Sr. Director, Global Hub Operations and Product Development, Cainiao Group), Eric Xu (VP of Cainiao Group), Eng. Loay Mashabi (Managing Director, Saudia Cargo), John Batten (CEO EMEA, WFS/SATS), Teddy Zebtiz (CEO, Saudia Cargo), Mohanned Badri (VP Operations, Saudia Cargo), Assaad Sfeir (Key Account Director, Group Commercial, WFS/SATS). Saudia & WFS/SATS Photo**

WFS/SATS's investment in subleasing part of the Cainiao facility in Liege emphasizes its focus on innovation and efficiency, creating a dedicated area for speedy and real-time information processing. WFS/SATS's embrace of innovative technology solutions, including AGVs, advanced PDAs, digital dashboards, and live tracking systems, support a new generation of cargo management systems using IoT technologies to drive efficient and sustainable e-commerce handling.

Teddy Zebtiz, CEO of Saudia Cargo, remarked: "By building on our existing commitments, we are poised to redefine the industry landscape, offering innovative and customer-centric solutions. Our collaboration ensures a seamless flow of e-commerce materials from Hong Kong to Liege. With high-frequency flights on our Hong Kong, to Liege Via Riyadh route, we have a significant capacity exclusively dedicated to Cainiao. Utilizing a meticulous process involving pre-built ULDs, we facilitate an uninterrupted supply chain, supporting Cainiao in achieving their key performance indicators."

"With a 'human first' approach, we're committed to collaborating with customers and partners, offering tailored solutions. This collaboration significantly strengthens our e-commerce operations, positioning us as a trusted industry provider. We anticipate expanding our e-commerce network in Asia and Europe to meet evolving industry demands and customer logistics needs," he added.

Eric Xu, Vice President of Cainiao Group, stated: "Cainiao is committed to transforming the logistics industry through continuous innovation to enable a seamless e-commerce experience and we are delighted to find close partners like Saudi Cargo and WFS/SATS on this path. Through continuously equipping our Liege eHub with cutting-edge technology solutions, we managed to boost the efficiency of logistics operations while improving customer experience through greater transparency and traceability."

John Batten, Chief Executive Officer, Europe, Middle East, Africa and Asia (EMEA) WFS, a Member of the SATS Group, also commented: "With the growth projections for e-commerce, the industry response must be more dynamic and tailored, and this is what WFS/SATS aims to deliver in Liege working alongside Saudia Cargo and Cainiao. This three-party collaboration leverages operational excellence skills and requirements from the airline, cargo handler, and e-commerce logistics perspectives, and will exemplify our commitment to innovation, speed, and real-time information for the future of the e-commerce logistics ecosystem."

Inaugurating on 01 March 2024, the strategic collaboration between Saudia Cargo, Cainiao, and WFS/SATS aims to make a transformative leap in global logistics and to set a new benchmark that propels cross-border logistics into a new era, driven by efficiency and innovation.

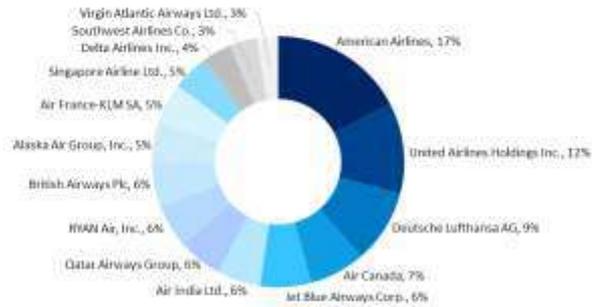
## GlobalData: American Airlines emerges as social media vanguard among top 15 global airline

**LONDON:** With 17% share of conversations, American Airlines emerged as the top company among the top 15 most mentioned global airline firms on social media platforms (both on "X" and Reddit) in 2023, according to GlobalData, a leading data and analytics company.

The remaining most talked-about global airline companies in 2023 are United Airlines Holdings Inc. with a 12% share of voice, followed by Deutsche Lufthansa AG (9%), Air Canada (7%), Jet Blue Airways Corp (6%), Air India Ltd (6%), Qatar Airways Group (6%), RYAN Air Inc (6%), British Airways Plc (6%), Alaska Air Group Inc (5%), Air France-KLM SA (5%), Singapore Airline Ltd (5%), Delta Airlines Inc (4%), Southwest Airlines Co (3%), Virgin Atlantic Airways Ltd (3%).

A significant surge in influencer discussions around American Airlines was noticed in May 2023, when American Airlines and JetBlue vehemently disagreed the federal court's decision to dissolve their Northeast Alliance (NEA), citing its unprecedented nature and the absence of evidence of consumer harm.

Share of voice of top 15 Global Airline companies on social media in 2023\*



\*Share of voice is based on the volume of posts in 2023 (1 January 2023 to 31 October 2023)



Source: GlobalData-Social Media Analytics Platform

The influencers' opinion appears to be mixed, with some recognizing the advantages of competition and others expressing skepticism about the impact of the alliance's dissolution on fares and options for travelers.

The social media influencers voiced concerns regarding United Airlines' financial loss in the first quarter of 2023 (January-March) and emphasized the importance of robust cost management, urging preemptive measures to address potential pilot contract disagreements and fuel cost volatility.

Influencers have also deliberated on the disruptions encountered by Deutsche Lufthansa AG during February, unveiling insights into the susceptibilities inherent in contemporary airline operations. Furthermore, they accentuate the pivotal significance of resilient IT infrastructure and uninterrupted communication networks.

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## Silk Way West Airlines expands fleet and cargo capacity



**Baku, Azerbaijan:** Silk Way West Airlines, the leading cargo airline in the Caspian and Central Asian region, is expanding its fleet and cargo capacity with the addition of two Boeing 777 freighters.

The cargo carrier said the investment comes in response to the increasing demand for air cargo services, and underscores its commitment to providing efficient and reliable transportation solutions around the world.

The twin-engine B-777 aircraft features the latest innovations in technology and fuel efficiency, enhancing Silk Way West Airlines' capacity to deliver cargo with speed and reliability. The expanded fleet represents a substantial increase in cargo capacity, allowing the carrier to meet the growing needs of its customers across various industries, including e-commerce, pharmaceuticals, and manufacturing. With the new additions, the airline further strengthens its position as one of the leading global air cargo carriers, providing comprehensive coverage and efficient connections between key air cargo markets.

Silk Way West Airlines says the expansion also reflects its commitment to minimizing its environmental footprint. The new aircraft are equipped with advanced eco-friendly technologies, reducing carbon emissions and aligning with ongoing efforts to contribute to a greener aviation industry.

"We continue to reimagine the air cargo experience by adding these environmentally friendly aircraft to our fleet. This expansion is a pivotal step in ongoing efforts to provide world-class cargo services, reflecting our dedication to meeting the evolving needs of customers while maintaining a focus on sustainability and efficiency," said Wolfgang Meier, President of Silk Way West Airlines.

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## Air Cargo demand up 3.8% in October

**Geneva, Switzerland:** The global cargo demand, measured in cargo tonne-kilometers (CTKs\*) increased by 3.8% compared to October 2022 but for international operations, the demand lagged slightly at 3.5%, according to The International Air Transport Association (IATA).

Capacity, measured in available cargo tonne-kilometers (ACTKs), was up 13.1% compared to October 2022 (11.1% for international operations). This was largely related to the growth in belly capacity. International belly capacity, for example, rose 30.5% year-on-year on the strength of passenger markets.

### Notable factors during the period:

- Economic activities slowed in October. With the Purchasing Managers' Index for manufacturing output and export orders for major economies (excluding the US) remaining below the critical 50 mark, there is a clear marker for economic challenges ahead.
- Inflation in major advanced economies continued to ease from its peak in terms of Consumer Price Index (CPI), reaching between 3% and 4% for the US and for the EU respectively, in October. China's CPI, however, indicated deflation for the second time this year, raising concerns of an economic slowdown.
- Global trade reversed its downward trajectory and stabilized in September. Although below its 2022 peak, global cross-border trade is more than 5% above pre-pandemic levels.
- After a continuous 17-month decline, cargo yields ticked-up in September and continued into October with a 2.6% month-on-month gain, remaining well-above pre-pandemic levels.



Willie Walsh, IATA Director General

“Demand for air cargo was up 3.8% in October. That marks three consecutive months of year-on-year growth, placing air cargo on course to end 2023 on a much stronger footing than it began the year. Recovering demand, slightly stronger yields and the uptick in trade are all good news. But with demand still 2.4% below pre-pandemic levels, and much uncertainty remaining over the trajectory of the global economy, optimism must be balanced with caution. Nonetheless, a continued strong peak year-end season will certainly help the sector to manage through whatever turns the global economy might take in 2024,” said Willie Walsh, IATA's Director General.

## Maersk Air Cargo chooses Bournemouth for a China-UK route trial

**Bournemouth Airport, UK:** Global integrated logistics company A.P. Moller - Maersk (Maersk) has chosen Bournemouth Airport (BOH) as its UK gateway for a trial of a new route from China.

Carrier Maersk Air Cargo has started the weekly service from Hangzhou Xiaoshan International Airport (HGH) in Zhejiang province to Bournemouth using a 45-tonne capacity Boeing 767-300 freighter, working with BOH's in-house air freight business Cargo First.

It is the latest coup for Bournemouth's fast-growing cargo operation which continues to establish itself as an alternative gateway outside London. For Copenhagen-based Maersk, the route is part of its growing air freighter network between mainland China, Southeast Asia, Europe and the US. In March it launched a service from Hangzhou to Billund Airport (BLL) in Denmark, and from Hangzhou to Chicago Rockford International Airport (RFD) in the US in April.

The Bournemouth route will initially operate until the end of the year, helping to meet peak demand, with the potential to continue thereafter.

“It's fantastic to see Maersk Air Cargo landing in the UK. This represents our integrator strategy and demonstrates our product offering and capabilities across all modes of transport. Whether it be time-critical, capacity challenges or product launches we have the capabilities to meet our customers' demands,” said Gary Jeffreys, Managing Director of Maersk Area UK & Ireland.

Steve Gill, Managing Director of Bournemouth Airport, said, “We're delighted that Maersk has chosen Bournemouth for this new route as we grow our ambition



to become the UK's number-one entry and exit points for time-critical cargo. We now have 500 tonnes of weekly import capacity operating between China and Bournemouth as more customers take advantage of our location, lack of slot constraints and 'One Team' integrated approach across all airport and cargo handling operations.”

Bournemouth Airport and Cargo First are part of the UK's privately owned Regional and City Airports (RCA) group, which also owns the neighboring Cargo First Logistics Park at Bournemouth Airport, with over one million square feet of warehousing development potential.

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## Ireland's Premier GSSA, IAM, joins ECS Group

**Dublin:** Ireland's largest and leading GSSA, International Airline Marketing (IAM) which has a successful track record spanning nearly 35 years, joined in October the world's leading GSSA, ECS Group.

"IAM is the absolute leader in the Irish market, with more than 30 years of experience and an outstanding reputation," says Adrien Thominet, Executive Chairman of ECS Group. "It is the perfect example of a family business that has remained true to its founding credo of 'Service excellence and continuous improvement through innovation and professionalism'— one that very much aligns with our ECS Group philosophy. We share commercial synergies too, in the companies represented across our network, and similar business acumen. When two winners join forces, everyone wins – in this case, our joint customers."

IAM's strengths will soon be further enhanced through access to ECS Group's in-house digital tools, revenue management solutions, and abilities portfolio. With open arms and a shared vision, ECS Group and IAM embark on a collective voyage, bound by a common commitment to shaping the future of aviation services and ensuring a legacy of continued growth and success. With IAM, ECS Group augments its market share in Ireland to 30%.

"Our rapidly changing air-cargo industry landscape demands a solid global presence and innovative and flexible service solutions. In ECS Group, IAM sees a partner with an international reputation as a market leader, and one that recognizes the importance of growing its global business via a



network of well-established local market representative offices. We are proud to become part of a group that is forward-looking, technologically advanced, and known to be a highly supportive business partner that is committed to promoting sustainability in the industry," says Ian McCool, Managing Director of IAM.

Navigating the intricacies of the complex Irish market requires a nuanced understanding, and despite its geographical modesty, Ireland stands as a formidable player in the realm of exports. It proudly hosts an array of the world's most renowned brand-name shippers and logistical providers, further underlining its significance on the global stage.

Founded in Dublin, in 1989, by Sean McCool, father of current Managing Director, Ian McCool, International Airline Marketing has grown from initially representing Air Canada, to now serving 15+ world-leading carriers, and boasting long and loyal relationships with all freight agents across Ireland.

Operating from central offices in trendy Stoneybatter, just 15 minutes from Dublin Airport and close to all major freight agents in Dublin, IAM is now responsible for over a quarter of Ireland's annual air cargo exports. Senior Sales Representatives are also located in Cork (serving Cork & Shannon agents), and Belfast. More than simply a GSA, IAM added a trucking division in mid-1990s and expanded into handling support and air cargo dangerous training in the early 2000's.

## Lufthansa welcomes fourth A321 freighter

**Frankfurt, Germany:** Lufthansa Cargo recently welcomed its fourth Airbus A321 freighter to add capacity to its short-and-medium-haul network.

The new freighter has been in operation since November making a significant contribution to the cargo carrier's expansion plans. The freighter with the registration D-AEJG completes the A321F fleet, meeting the growing freight requirements of its customers.

With 14 pallet and container positions on the main deck and 10 on the lower deck, the twin-engine medium-haul aircraft has a total payload of 28 tons each and offer fast and flexible transportation solutions in scheduled or charter operations.

The freighter has already made its first flights to Istanbul (IST), Helsinki (HEL), Stockholm (ARN), Birmingham (BHX), Dublin (DUB), Casablanca (CMN), Copenhagen (CPH), and Madrid (MAD). Especially the Spanish colleagues were pleased to welcome the new freighter named "¡Hola España!".

"I am very pleased that with our latest additions, we now connect all Nordic countries to the rest of the world with our A321 freighter fleet," says Henning Oldendorf, Head of Sales



and Handling Nordics & Baltics.

"In total, we will serve 18 destinations in the short- and medium-haul network on more than 32 weekly flights with Airbus A321 freighters," says Ashwin Bhat, CEO of Lufthansa Cargo. "The high demand and the very positive feedback from our customers confirm our strategy to further expand our capacity and offer with the fast connections of the A321F operations. In addition, we are constantly evaluating our route network to create and adapt new capacities."

In addition to the expanded A321F service, Lufthansa Cargo offers its customers 83 weekly connections with currently 16 Boeing 777 freighters to intercontinental destinations in this year's winter flight schedule and markets the belly capacities of more than 6,000 flights operated by Lufthansa, Austrian Airlines, Brussels Airlines, Discover Airlines and SunExpress. The fleet is expected to grow to 18 B777 freighters during the winter flight schedule.

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## Sharjah Ports, Customs and Free Zones Authority and Gultainer extend concession agreements

**Sharjah, UAE:** Leading regional ports and terminals operator Gultainer announced it has extended its concession agreements with the Sharjah Ports, Customs and Free Zones Authority for a further 35 years, reinforcing their common goal of modernizing the key trade gateways in the Northern Emirates.

The extended agreements allow Gultainer to manage, operate and further develop the Sharjah Container Terminal (SCT) and Khorfakkan Container Terminal (KCT) throughout this century.

Gultainer signed the original concession agreements for operating and managing the container terminal at Port Khalid in 1976 and the container terminal at Port Khorfakkan in 1986.

Gultainer and Sharjah Ports Authority have been the trade enablers not only for the Emirate of Sharjah but also for the Northern Emirates and the whole UAE, handling container, bulk, Ro-Ro and general cargo.

Additionally, KCT – one of the world's most productive ports, strategically located outside the Straits of

Hormuz in Sharjah and the Indian Ocean serving the major east-west shipping routes, is capable of handling the world's largest container vessels and is also fully equipped to handle general cargoes for the UAE market and the wider GCC region.

Sheikh Khalid bin Abdullah Al Qasimi, Chairman of Sharjah Ports, Customs and Free Zones Authority, signed the agreement with Peter Richards, Group CEO of Gultainer. Their continued collaboration spanning over five decades marks a significant milestone in the UAE's maritime landscape, underscoring the value of public-private partnerships and their vital role in revolutionising port infrastructure and bolstering trade for the region and beyond.

"We look forward to continuing these endeavours and remain committed to fostering the right blueprint in advancing the UAE's maritime sector by connecting our region with global markets. Sharjah is well positioned to contribute to the future and prosperity of the country's economy, and with the extended concession agreements with Gultainer, we strengthen the foundation stone for a new era of resilient trade and smooth connectivity for the supply chain and logistics industry, both within and from our region



**Gultainer CEO Peter Richards with Sheikh Khalid bin Abdullah Al Qasimi, Chairman of Sharjah Ports, Customs and Free Zones Authority.**

to the world," said Sheikh Al Qasimi.

Peter Richards, Group CEO of Gultainer, said: "I am delighted that our strategic partnership with the Emirate of Sharjah is going from strength to strength and these agreements are a win for both parties, reaffirming Gultainer's commitment to actively manage its growing portfolio; to ensure that we continue to deliver positive benefits for the economy and the communities in which we operate."

## Aramex opens new cutting-edge courier operation facility in Oman

**Muscat, Oman:** Aramex (DFM: ARMX), a leading global provider of comprehensive logistics and transportation solutions, has unveiled a new and advanced courier operation facility in Muscat, the Sultanate of Oman, as part of its efforts to further streamline the entire shipping process – from package arrival to their final delivery.

The new state-of-the-art facility is strategically located near the Muscat Airport to serve as a central hub for Aramex's operations, facilitating faster delivery times and more efficient logistics management. It is equipped with the latest sorting and processing technology, which ensures every package is handled with precision and efficiency.

It also puts extra emphasis on security, which, besides being equipped with non-stop CCTV surveillance, features improved access control and robust security protocols, thus ensuring peace of mind for customers by protecting their packages and information.

With a goal to significantly enhance the overall customer experience, the facility will also serve as a customer service center, delivering face-to-face assistance and swift support for any inquiries that customers might have.

The new facility was officially inaugurated on the 14th of November in the presence of Aramex's team, including its senior management, along with local government officials and private sector partners.

Speaking on the occasion, Samer Marei, Vice President – GCC at Aramex, said: "We are delighted to open our enhanced facility in the Sultanate of Oman. Exemplifying our unwavering commitment to excellence and innovation in the logistics industry, this facility marks a significant milestone in Aramex's dedication to enhancing global shipping capabilities. It enables us to provide even more efficient and reliable services to customers, contributing to the growth of the logistics sector in the Sultanate. I thank our exceptional team and every partner involved for their collaborative efforts in making this achievement possible."

The new facility is also set to support the local job market by creating new job opportunities, especially for the youth, and ultimately contribute to Oman's economic growth and community development.



# Kales Group: Carving a niche legacy in the GSSA industry

Representing more than 70 airlines and collectively moving over 200,000 tons of cargo and handling over 100,000 passenger tickets per annum, Kales is further expanding its global reach.

By Mohammed Irshad



**Sebastiaan Scholte**  
Kales Group CEO

**W**ith a legacy spanning over two decades, Kales Group—an independent entity boasting over 185 local employees and a growing network of 39 companies—stands as a formidable force in the aviation industry, serving as a General Sales and Services Agent (GSSA).

Since its establishment in 1994, the company has charted a path of success, intricately looking after the entire order-to-cash process and prioritizing the growth of its partner airlines.

Representing a dynamic consortium of over 70 airlines in cargo-passenger and charter services, Kales Group, which is based at Schiphol Airport, Europe's third-largest cargo hub, operates seamlessly through a vast network of 58 offices spread across 30 countries. This expansive reach not only showcases the company's global footprint but underscores its passion for flexibility, personalized service, and steadfast support.

Remarkably, Kales handled nearly 200,000 tons of cargo last year, surpassing pre-COVID levels and achieving market share growth. This accomplishment is not solely attributable to market expansion but reflects Kales' success in gaining a larger slice of the market.

As a GSSA, Kales Group distinguishes itself by emphasizing a holistic approach that goes beyond cost reduction. The company's strategy revolves around optimizing profitability and quality, aiming to provide airlines with a higher yield, generating more revenues at a lower cost while maintaining high-quality services.

A significant benefit for airlines partnering with Kales is the elimination of fixed costs. By avoiding the need for offices, staff, and investments in infrastructure, airlines can maximize profits in good times and maintain



financial flexibility in challenging periods. This absence of operational costs provides airlines with a key advantage, allowing them to externalize their costs, making them variable and enhancing overall flexibility.

### Revenue Breakdown: Cargo Takes the Lead

In terms of revenue breakdown between passenger and cargo services, Kales Group emerges as a predominantly cargo-driven GSSA. Cargo constitutes over 90% of the company's total revenues, underscoring its prowess in the air cargo domain.

While passenger services faced challenges during the COVID pandemic, with a significant drop in air travel, there's now a notable rebound in passenger volumes. An intriguing aspect is the 10% increase in general load factors for passengers compared to pre-pandemic levels, leading to higher ticket pricing and indicating a positive trend. Despite this, Kales Group maintains its primary focus on tonnage in its pursuit of excellence in the air cargo industry.

### Diverse Cargo Portfolio: From Machinery to Perishables

An influential factor in Kales' operations is the rapid growth of e-commerce, particularly in its relationship with China. Notably, the cargo flows from China to Europe, and Kales maximizes the available capacity on return flights from Europe to China. While not directly selling e-commerce services, the company strategically leverages the capacity generated by e-commerce shipments, commercializing it for general cargo purposes.

Kales manages a diverse cargo portfolio, spanning a wide array of goods. From machinery to luxury items, and even perishables, the company caters to a spectrum of cargo needs. While perishable items constitute a smaller portion, Kales handles them with precision, including a substantial volume of fish shipments.

In a candid conversation with Air Cargo Update, Kales Group CEO Sebastiaan Scholte reveals core strategies that distinguish the GSSA in the competitive air cargo industry.

### Operational Excellence Beyond Cost Reduction

"For us, the emphasis goes beyond mere cost reduction; it's about solving the entire cargo puzzle," says Scholte. He articulates a strategy focused on optimizing



**“For us, the emphasis goes beyond mere cost reduction. It's about solving the entire cargo puzzle. Our entrepreneurial spirit and agility are what truly set us apart in the industry. Our lean structure fosters direct communication, enabling us to live and breathe air cargo. 'No' is not in our dictionary.”**

– Kales Group CEO Sebastiaan Scholte

profitability and quality, positioning the company as a partner dedicated to providing airlines with a higher yield. “Our entrepreneurial spirit and agility are what truly set us apart in the industry,” he adds, emphasizing their unique operational structure.

Operating through 58 offices in 30 countries, each managed by directors treating them as their own businesses, Kales differentiates itself from larger, bureaucratic organizations. “Our lean structure fosters direct communication, enabling us to live and breathe air cargo. ‘No’ is not in our dictionary,” Scholte proudly states. Kales prides itself on 24/7 availability, agility, and quick responses, embodying a culture where ‘no’ is not in their dictionary.

### **AI's Transformative Potential in Air Cargo**

“In our vision, AI holds significant potential, particularly for e-commerce companies dealing with return shipments,” states Scholte. AI can proactively advise customers, reducing the need for returns and optimizing operational efficiency. Additionally, AI connects stakeholders in the air cargo industry, enhancing predictability through insights and information sharing. “By identifying patterns and optimizing planning, AI contributes to better outcomes for the industry,” he explains.

### **Skillset and Cohesive Collaboration**

When it comes to expertise, Kales Group stands out for its diverse team and commitment to continuous learning and innovation. Scholte sheds light on the company's approach to training, upskilling, and staying abreast of new technologies, highlighting plans to share this wealth of knowledge as a potential strategic partner.

“Our team at Kales hails from diverse sectors of the industry, bringing a wealth of experience to the table,” Scholte says.

He emphasizes the company's impressively low attrition rates, attributing the success to continuous training—an integral part of their approach. Learning isn't confined to the company. As Scholte pointed out, they glean insights from the airlines themselves, particularly smaller carriers.

Representing 70 airlines, Kales has a unique vantage point in the best practices of each carrier, aiming to blend these insights for an optimal airline experience.

A distinctive capability showcased by Kales is Total Cargo Management (TCM). Scholte clarifies that TCM, far from being a mere buzzword, involves completely relieving airlines of their cargo operations. An example is the Total Cargo Management for Norse Atlantic Airlines, where Kales handles every aspect of a low-cost airline's cargo operations, from IT systems and operational tasks to auditing, sales, billing, and even involvement in planning.



Addressing commercial planning processes like pricing and revenue management, Scholte clarifies that their approach is macroeconomic, focusing on larger corporations diversifying their supply chains. "While we don't instruct companies on where to conduct their operations, we actively engage in developing our own solutions," he emphasizes. Collaborating with dedicated partners, they optimize digital tools to cater to the specific needs of their customers, reflecting their commitment to innovation.

### Air Cargo Market Dynamics and Post-COVID Trends

Scholte sheds light on the choice between air and sea freight, dispelling the misconception that air freight is always more expensive. "It's essential to clarify that air freight can be more cost-effective for specific goods with high-value density," he emphasizes, challenging traditional beliefs. In the post-COVID landscape, perishable goods and the pharmaceutical sector thrive in the air cargo market. "Our focus on reliability and innovation positions us strongly in these growing markets," Scholte concludes, highlighting Kales Group's commitment to shaping the future of air cargo.

### Consultancy and Strategic Partnerships

Scholte is keen on leveraging Kales' expertise beyond its current operations. "Certainly, it's all about the interconnectedness of our operations," he noted. Kales isn't confined to selling from a single location; instead, their reach extends to wherever the airlines operate, even in regions where they don't have a direct presence. The company establishes connections and effectively manages operations in those areas as well, forming a core part of its strategy.

"This approach is a core part of our strategy, and we are eager to further expand on it," Scholte emphasizes. Whether it's a startup or an existing carrier with cargo operations, if an airline is looking to streamline its processes and outsource cargo management to experts with a deep focus on this field, Kales Group is well-equipped and enthusiastic to take on the task. The vision is clear—collaborative excellence, continuous innovation, and a commitment to being a strategic partner in shaping the future of air cargo.

### Strategic Network Planning for Revenue Optimization

Network planning is a critical aspect where Kales excels. Unlike some airline cargo departments, the company places a strong emphasis on optimizing revenues through informed choices in destination planning. Scholte explains, "By suggesting flying to one destination over another, we can significantly enhance revenue generation." This collaborative approach ensures that Kales works hand-in-hand with airlines to make choices that align with the airline's best interests.

### Environmental Sustainability Efforts: A Dual Focus on Technology and Operations

According to Scholte, sustainability is a vital aspect of Kales Group's strategy. "We focus on aircraft engines, airplanes, and innovations related to fuel, including

biofuels and other technologies. These are key elements of our sustainability strategy," he says, noting that the company places a strong emphasis on efficient cargo management.

Scholte further said, "Optimizing load factors from, say, 60% to 70% results in a one-sixth or one-seventh reduction in total emissions per kilo, making a significant positive environmental impact."

He underscores that this commitment goes beyond rhetoric. "This may sound like a sales pitch, but it's indeed true. Higher load factors translate to more eco-friendly solutions per kilo of cargo," Scholte emphasizes.

Scholte believes in the positive impact of improved collaboration within the supply chain. "Fewer trucks waiting and higher load factors contribute to fewer trucks on the road. In essence, the better we can cooperate and streamline our supply chain operations, the more beneficial it is for the environment," he states.

### The Future of Kales Group: Growth Trajectory and Global Expansion

Discussing the company's growth trajectory, Scholte notes, "Our growth trajectory is certainly on an upward trend, with an increasing number of airline partnerships." Despite industry trends, Kales Group observes a different pattern. "Airlines are still inclined to reduce costs and operate as lean as possible, which often involves outsourcing. We find ourselves at a crossroads in this regard."

Geographical expansion is a key agenda. Scholte expresses, "We are actively exploring opportunities in Asia and Latin America. Our geographical focus for expansion lies in these regions, with recent growth in India. Looking ahead over the next five years, we aim to establish even more partnerships with carriers."



# Join the Digital Flight: Qatar Airways Cargo's Next-Gen Success Story

By Poonam Chawla

Over a year has passed since the initiation of Qatar Airways Cargo's groundbreaking 'Next Generation' strategy, a pivotal milestone reshaping their business practices and setting the stage for future innovations. More than a mere short-term endeavor, this strategic framework is the bedrock for Qatar Airways Cargo's commitment to redefine the air cargo industry by seamlessly merging digital efficiencies with a distinctive human touch.

In an exclusive interview with Poonam Chawla of *Air Cargo Update*, Liesbeth Oudkerk, Senior Vice President of Cargo Sales & Network Planning at Qatar Airways Cargo, discusses the advancements made under the airline's 'Next Generation' strategy, initiated just a year ago. With digitalization now exceeding 60%, the interview showcases the airline's innovative strides, including the revamped Mail solution and a suite of cutting-edge digital tools.

Oudkerk emphasizes the customer-centric benefits, discusses challenges faced, addresses the pandemic's impact, and outlines future plans, such as the recently launched Digital Lounge and upcoming enhancements slated for 2023.

In asserting Qatar Airways Cargo's commitment to industry-leading digital transformation, the interview paints a vivid picture of streamlined processes, enhanced customer experiences, and a secure, connected future.

## Digital Evolution: From 30% to 60%

Qatar Airways Cargo's journey into the digital arena is marked by compelling numbers. The initial digitalization figure of around 30% has surged to an impressive 60%, demonstrating the airline's steadfast strides in embracing the digital landscape. Oudkerk emphasizes, "Our 'Next Generation' strategy goes beyond numbers; it's about redefining the core of air cargo operations."

Under the 'Next Generation' strategy, Qatar Airways Cargo introduces a suite of digital solutions and new products designed to enhance efficiency and elevate customer experience. Launched in October 2022, the Digital Lounge web platform stands out as a comprehensive customer experience hub, going beyond a simple website. Integration with third-party digital marketplaces, including WebCargo, Cargo One, CargoAi, and Freightos' WebCargo Pay, propels Qatar Airways Cargo's dedication to innovation.

The portfolio expansion includes services like Securelift, Fresh, Pharma, Drive, Mail, and Courier, all successfully relaunched in the current year. Oudkerk notes, "Our innovations have a ripple effect, reflecting a holistic approach in revolutionizing our air cargo business."

## Revolutionizing Mail Solutions for Efficiency

Qatar Airways Cargo's relaunched Mail solution takes center stage with features optimizing postal services and enhancing overall efficiency:

**Comprehensive Services:** The Mail product offers a suite of customizable services aligned with international regulatory standards, ensuring adherence to global postal norms.

**Enhanced EDI:** Boasting 100% Electronic Data Interchange (EDI) at over 110 stations, complemented by handheld Android scanners, the Mail product ensures seamless communication and data exchange throughout the operational process.

**Expanded Reach:** The Mail solution breaks conventional practices by accepting shipments from various customers originating from the same source, broadening the customer base and enhancing accessibility.

**Specialized Support:** Dedicated support teams ensure privacy, efficiency, safety, and security of mail shipments, while real-time tracking empowers customers with transparency throughout the shipping process.

**Dedicated Airmail Facility:** The Doha facility, a sprawling 4,900 sqm hub, serves as a dedicated center for airmail operations, equipped with advanced technology, tracking solutions, and EDI capabilities.

**Advanced Security Measures:** Prioritizing safety, the Mail solution incorporates in-house screening facilities, X-ray scanners, Explosive Detection Dog (EDD), and Explosive Trace Detection (ETD) capabilities, aligning with international safety standards.

## Positive Impact: Customer Feedback on Digital Initiatives

Qatar Airways Cargo's implementation of digital solutions and products has left an indelible mark on customer experiences. The Digital Lounge, integral to the Digital Experience platform, transforms customer engagement by prioritizing simplicity, scope, and security. Oudkerk notes, "Our customers appreciate the improved visibility, faster processing times, and heightened security measures provided by our digital solutions."

The collaboration with WebCargo Pay by Freightos streamlines transactions, while the integration of PROS pricing and quoting solutions ensures real-time rate transparency, swift auto confirmation, and personalized pricing across various channels. State-of-the-art technology, including EDI capabilities at over 110 stations and handheld Android scanners for mail services, facilitates seamless communication and real-time tracking for customers.

## Global Presence and Ongoing Developments

Actively engaged in a comprehensive digitalization journey, Qatar Airways Cargo focuses on establishing stations globally in close proximity to customers. Oudkerk highlights, "We're adapting our services to diverse customer needs, and our ongoing digitalization journey is a key enabler in achieving this adaptability." While details of these efforts are in development, the airline encourages stakeholders to stay tuned for forthcoming updates, emphasizing their willingness to invest in transparency and continued digital advances.



**"Our innovations have a ripple effect, reflecting a holistic approach in revolutionizing our air cargo business."**

### **Pandemic as a Driver of Digital Acceleration**

The pandemic served as a catalyst for expediting the digitalization process within the traditionally slow-moving air cargo sector. Recognizing the pivotal role of digitalization, Qatar Airways Cargo intensified efforts by accelerating various digital projects. Despite industry-wide challenges, the commitment to digital transformation is exemplified through the implementation of digital enhancements, introduction of new products, and the launch of a revamped website under the banner of "The Next Generation."

### **Addressing Concerns and Data Security**

Digitalization, often perceived as a costly endeavor, raises concerns about whether the benefits justify the short-term investment. Acknowledging these challenges, Oudkerk asserts, "Our transformation requires significant financial resources and skilled personnel." Addressing data security concerns, Qatar Airways Cargo implemented robust measures, including stringent access controls, secure data transmission protocols, and thorough encryption, reassuring customers of their commitment to data security.

The dynamic nature of the digitalization process, marked by rapid obsolescence, presents challenges that Qatar Airways Cargo tackles by maintaining agility. Constant adaptation to industry needs becomes imperative as the world embraces the digital era. Qatar Airways Cargo's continuous efforts to transform its operations are aimed at favorably contributing to the changing geography of the cargo industry.

### **Digitalization's Pivotal Role in Success**

Digitalization emerges as a critical aspect in Qatar Airways Cargo's success, increasing sales and building consumer trust. Recognizing the imperative shift to the digital era for effective customer retention, the airline strategically implemented streamlined processes and deployed reliable booking and tracking tools. These initiatives not only enhance operational efficiency but also play a crucial role in providing customers with a seamless and trustworthy experience.

### **Future Digital Endeavors**

Oudkerk charts Qatar Airways Cargo's ambitious course towards further digitalization in 2023. "We're expanding the Digital Lounge with features like credit card payments, bulk booking allotments, and improved self-service options," she shares, offering a glimpse into an exciting future for the airline and its customers.

In this comprehensive interview, Liesbeth Oudkerk seamlessly integrates Qatar Airways Cargo's digital transformation journey into her words. The commitment to innovation, customer-centric solutions, and a seamless fusion of digital and human elements come alive, promising a future where the digital skyways are navigated with precision and purpose. Qatar Airways Cargo, under the stewardship of Oudkerk, is not merely embracing digital disruption; it is charting a course toward a new era of air cargo excellence.

#### **Liesbeth Oudkerk**

Senior Vice President of Cargo Sales & Network Planning, Qatar Airways Cargo



# Frozen Frontiers:

## Defining tomorrow's cool chain standards in air cargo logistics

By Mohammed Irshad



**T**he transportation of temperature-sensitive items is a vital symphony within the larger orchestration of air freight logistics in the complicated movement of global commerce. The Cool Chain, a precisely orchestrated sequence ensuring the safe transport of pharmaceuticals and perishable items, has undergone a dramatic evolution highlighted by technical advances, increased regulatory standards, and industry collaboration.

Air Cargo Update explored the inner workings of this intricate network, seeking insights from three renowned individuals who are defining the future of the air cargo sector. Fabrice Panza, Etihad Cargo's Manager of Global Cool Chain Solutions, Daniela Vial, Latam Cargo's VP of Product Development, and Matthieu Casey, Air Canada Cargo's Managing Director, Commercial.

With the global demand for the safe and efficient transportation of goods that are sensitive to temperature, these cargo executives provide insight into the tactics, advancements, and difficulties that characterize the Cool Chain industry.

Their collective wealth of experience and leadership within prominent air cargo organizations positions them as flag bearers steering the industry toward a future where the Cool Chain not only meets current demands but anticipates and addresses the evolving complexities of a dynamic global market.

**Etihad Cargo:** Fabrice Panza, Manager Global Cool Chain Solutions

Fabrice Panza, Manager of Global Cool Chain Solutions at Etihad Cargo, articulates the airline's unwavering commitment to ensuring the integrity of temperature-sensitive cargo.

"Our commitment is precisely why we sought out and achieved the International Air Transport Association (IATA)'s Center of Excellence for Independent Validators (CEIV) Pharma certification. This certification and its stringent requirements for quality assurance and

quality management are fundamental to our operations and commercial activities," asserted Panza.

In emphasizing the significance of the CEIV Pharma certification, Panza extends the benefits beyond the carrier to Etihad Cargo's customers. He states, "Through our dedicated Cargo Pharma management team, we constantly monitor and analyze the quality and safety of Etihad Cargo's PharmaLife product performance. We demonstrate a high level of attention to standards and the safe transportation of pharmaceuticals across the entire organization. Pharmaceuticals are identified as a critical product within our operations and commercial activities."

Highlighting the comprehensive nature of their commitment, Panza details that CEIV Pharma Certification extends to cargo handling and warehousing at Abu Dhabi International Airport (AUH).

Etihad Cargo's vision includes a multi-phased cargo infrastructure development strategy, featuring an expanded pharma facility and the establishment of a Cool Chain Centre of Excellence at their UAE hub.

Panza underscores the importance of investing extensively in training, acknowledging that highly trained staff are essential to maintaining quality throughout the pharmaceuticals' entire journey.

Panza provides a nuanced view of the enhancements made to Etihad Cargo's IATA CEIV Pharma-certified PharmaLife product. He says, "We have enhanced Etihad Cargo's PharmaLife product to meet not only the pharmaceutical transportation challenges of today but also the life sciences challenges of tomorrow. We offer two main solutions: open cool chain and closed cool chain. Whether transporting temperature-sensitive cargo via active and hybrid containers as premium products or via customers' passive autonomous packing, Etihad Cargo offers specialized handling and transportation solutions to ensure the safe and efficient transportation of pharmaceuticals."

## Technologies and Innovations in Cool Chain Logistics

Etihad Cargo's commitment to innovation is evident in its continuous enhancement of the PharmaLife product through technology. Panza shares insights into their pivotal role in establishing Pharma Corridor 2.0 between Abu Dhabi and Brussels. He says, "The main objective of this project is to provide the highest levels of assurance in the quality of handling to pharmaceutical shippers and forwarders through the establishment of pharma corridors between airports with cargo handling communities certified under the IATA CEIV Pharma program."

Collaborating closely with government bodies, including the Department of Health and Abu Dhabi Customs, and industry associations like Abu Dhabi Airports Company, Brussels Airport Company, and Pharma.Aero, Panza emphasizes the importance of reliable data. He notes,



"Reliable data, and the ability to freely share this data, will enable every stakeholder to track shipments in real-time and react dynamically as and when required."

Discussing the impact of the Pharma Corridor initiative, Panza provides impressive statistics. "Through this first-of-its-kind pharma corridor, Etihad Cargo has already shipped 71 percent more pharmaceutical and life sciences cargo volumes than before its creation. This ensured the smooth and efficient delivery of more than 1,900 tons of medicines and treatments to those in need across more than 32 countries."

Panza also details Etihad Cargo's active contribution to Pharma.Aero's pharma green lanes initiative. He highlights a key advantage, stating, "A key advantage of these green lanes is the reduction in waiting time through the efficient use of data."

In terms of exploring artificial intelligence (AI), Panza shares the airline's vision, "We are exploring the utilization of artificial intelligence to improve forecasting and automation to enhance our current capacity and capabilities to support the sector's growth." He details a key development, stating, "One key development in this area is Etihad Cargo's deployment of AI-powered solutions to boost efficiency, digitize, and standardize cargo handling across Etihad Cargo's network, and enhance service levels for the carrier's customers and partners."

Panza explains the utilization of AI to enhance the quality of operations. "We are utilizing AI to enhance the quality of our operations through the integration of the third dimension to generate ULD-level load plans. This ensures we can maximize the cargo carried on our flights and significantly reduce the risk of needing to offload a shipment due to overbooking or having to load cargo in a way not anticipated."



Highlighting their utilization of technology to ensure traceability, Panza notes, "Utilizing technology to ensure the cargo Etihad Cargo transports is fully traceable and trackable has enabled us to simplify interactions with our customers and continue to provide them with a seamless end-to-end experience during all touchpoints throughout their cargo's journey."

In a nod to environmental sustainability, Panza concludes, "Finally, to improve efficiency and reduce our environmental impact, Etihad Cargo only works with CSR and ESG-compliant partners."

## Latam Cargo: Daniela Vial, VP of Product Development



Daniela Vial, VP of Product Development at Latam Cargo, provides insights into the critical role of temperature monitoring and data logging in maintaining the quality and safety of perishable goods within the Cool Chain.

In explaining the importance of temperature monitoring, Vial states, "Temperature monitoring and data logging are crucial elements in maintaining the quality and safety of pharmaceutical and healthcare products during transportation and storage in the Cool Chain." She underscores the dual aspects of their monitoring approach, covering both storage facilities and shipments.

"When it comes to our temperature-controlled storage facilities," Vial explains, "we monitor their temperature in real-time and have established proactive alerts in case of deviations, enabling proactive measures to be taken in case of temperature excursions." This proactive monitoring approach minimizes the risk of spoilage, degradation, or ineffectiveness of pharmaceutical products.

For their PHARMA shipments, Vial details the use of passive data loggers. These loggers provide a comprehensive look into temperature conditions throughout the transportation and storage process. Vial notes, "This data can be analyzed to identify trends, patterns, and potential issues that may impact the quality of pharmaceutical goods." The ability to detect temperature excursions or fluctuations initiates investigations to identify the root cause, enabling continuous process improvements.

## Handling Disruptions and Ensuring Customer Satisfaction

Vial sheds light on Latam Cargo's approach to handling unexpected disruptions or temperature deviations in the Cool Chain. "When a temperature deviation or disruption is detected," she emphasizes, "it is

crucial to initiate rapid response and corrective actions." This may involve adjusting temperature controls, repositioning pharmaceutical products, or activating contingency plans to transfer goods to alternative storage facilities if necessary.

Latam Cargo has proactively developed robust contingency plans to address various scenarios, including power outages, equipment failures, or extreme weather events. Vial notes, "These plans outline alternative storage options, transport routes, and backup facilities." Clear communication channels with all stakeholders are maintained to coordinate effective responses. "We ensure prompt communication with customers and other stakeholders in the event of a temperature deviation or disruption," Vial states. This communication provides accurate and timely information about the situation, the steps being taken, and any potential impact on product quality.

As part of its continuous improvement process, Latam Cargo actively learns from disruptions and deviations encountered in the Cool Chain. Vial explains, "We look to learn from the disruptions and deviations encountered in the Cool Chain to improve and incorporate these lessons learned and update our standard operating procedures, training programs, and quality management systems." This commitment to learning and evolving ensures that Latam Cargo remains agile and adaptive in the face of unforeseen challenges.

## Regulatory Compliance and Impact on Cool Chain Operations

Vial addresses the impact of regulatory compliance, including Good Distribution Practices (GDP) and other industry standards, on Latam Cargo's Cool Chain operations. She emphasizes, "Regulatory compliance is crucial for Cool Chain operations as it ensures the integrity, safety, and quality of temperature-sensitive products throughout their journey."

Highlighting their commitment to excellence, Vial notes, "LATAM Cargo got CEIV PHARMA certified in 2017 and is going through their second recertification." This certification ensures that all processes are designed and implemented following the highest industry standards. The external validation by a certified auditor (CEIV PHARMA) contributes to building consistency and reliability in the services offered to clients, thereby increasing trust.

Vial underscores the significance of certification, stating, "Getting our processes and products reviewed in-depth and validated shows our commitment to enhancing our audit and quality management processes and to continuous improvement in a context that constantly evolves." The certification serves as a testament to Latam Cargo's dedication to staying at the forefront of industry standards, ensuring compliance while prioritizing cost-effectiveness.

Matthieu Casey, Managing Director, Commercial at Air



## Air Canada Cargo:

Canada Cargo, provides valuable insights into the meticulous processes and robust measures implemented by the airline to ensure the integrity of temperature-sensitive cargo throughout the entire Cool Chain process.

Casey begins by emphasizing Air Canada Cargo's commitment to maintaining the integrity of temperature-sensitive cargo. "As a CEIV Pharma air cargo airline," he states, "we ensure the integrity of temperature-sensitive cargo throughout the entire cool chain process by implementing stringent protocols and specialized procedures." This commitment is further solidified through the establishment of comprehensive Standard Operating Procedures (SOPs) designed explicitly for handling temperature-sensitive cargo.

The execution of these processes is entrusted to a highly trained team, ensuring not only adherence to established protocols but also preparedness for unforeseen circumstances. Casey notes, "These processes are executed by a highly trained team that not only ensures that the established processes are followed but is also prepared to handle unforeseen circumstances or contingencies that may arise during transportation."

Additionally, Air Canada Cargo places a strong emphasis on maintaining temperature-controlled storage facilities. Casey elaborates, "We focus on maintaining adequate temperature-controlled storage facilities, either own or through our GHA partners, with proactive monitoring systems, maintenance, and regular calibration of equipment." This approach underscores their dedication to providing a reliable and controlled environment for pharmaceutical cargo throughout the entire cool chain process.

“

**We focus on maintaining adequate temperature-controlled storage facilities, either own or through our GHA partners, with proactive monitoring systems, maintenance, and regular calibration of equipment.”**

**Matthieu Casey**  
**Managing Director, Commercial**  
**Air Canada Cargo**

### Addressing Challenges and Risks

Casey acknowledges the multifaceted challenges associated with managing the Cool Chain for pharmaceutical products. "Successfully managing the cool chain for pharmaceutical products requires a combination of robust infrastructure, regulatory compliance, temperature control management, supply chain visibility, and security measures," he states.

To address these challenges, Air Canada Cargo has made strategic investments in temperature-controlled infrastructure and established processes to minimize exposure times during cargo transportation. Casey notes, "We have invested in having the proper temperature-controlled infrastructure, as well as processes in place that ensure that exposure times are minimized within the cargo transportation process."

This commitment extends to the implementation of a robust and comprehensive cold chain management system, accompanied by regular training for staff to ensure compliance with established processes and regulations. Casey affirms, "Implementing a robust and comprehensive cold chain management system and providing regular training to staff ensures compliance with the established processes and regulations."

### Conclusion

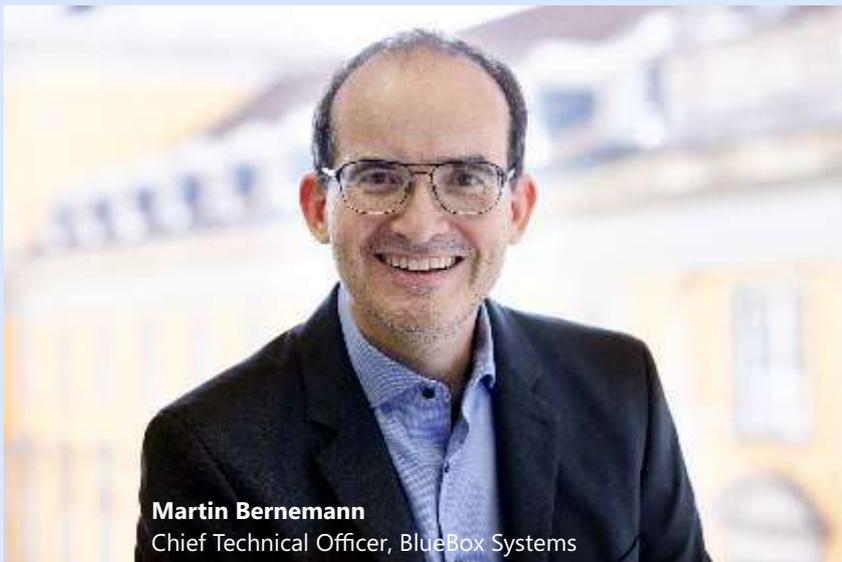
These in-depth views from air freight industry professionals provide light on the careful efforts, innovations, and collaborative ways used to negotiate the complex Cool Chain ecosystem. From certifications to technological advancements, contingency planning, and regulatory compliance, these professionals exemplify a collective commitment to ensuring the safe, efficient, and sustainable transportation of temperature-sensitive cargo.

As the Cool Chain industry continues its evolution, its focus on collaboration, adherence to regulatory standards, and ongoing technological advancements will undoubtedly shape the future of air cargo logistics. The journey through the Cool Chain is not merely about transporting goods; it's a dynamic expedition driven by expertise, innovation, and a relentless pursuit of excellence in air cargo logistics.



# AI is reshaping jobs and opportunities in air cargo operations

By Ayesha Rashid



**Martin Bernemann**  
Chief Technical Officer, BlueBox Systems

**A**s Artificial Intelligence (AI) takes flight in the air cargo industry, its applications extend far beyond enhancing operational efficiency and streamlining logistics.

From autonomous drones managing last-mile deliveries to predictive analytics optimizing supply chain routes, the integration of AI is redefining traditional job roles and creating new opportunities for professionals in this ever-evolving field.

Martin Bernemann, Chief Technical Officer, BlueBox Systems talked to Air Cargo Update about the multifaceted impact of AI on jobs in the air cargo industry, examining both the challenges and the promising prospects it brings,

From the cockpit to the warehouse floor, the synergy between human expertise and artificial intelligence is shaping the future of air cargo operations, and understanding this dynamic interplay is key to navigating the evolving employment landscape in this vital sector.

## Current AI Applications

Currently, AI plays a pivotal role in predictive maintenance, ensuring that aircraft and cargo-handling equipment operate at peak performance, minimizing downtime and optimizing maintenance schedules.

Route optimization and dynamic pricing strategies leverage AI algorithms to navigate the complexities of global supply chains, maximizing efficiency and cost-effectiveness in the process. The utilization of data optimization further streamlines logistics, providing real-time insights that empower decision-makers

in this fast-paced industry.

New research from a variety of sources including Goldman Sachs, Open Philanthropy, Andressen Horowitz, and OpenAI, all point to potential major growth in national and world gross domestic product (GDP).

For instance, Goldman Sachs forecasts a \$7 trillion increase in annual global GDP over a decade due to the adoption of AI.

However, research conducted by the Massachusetts Institute of Technology suggests that the adoption of AI and its contribution to the world's GDP could be between 30 and 50 years away.

Martin Bernemann, Chief Technical Officer, BlueBox Systems, said, "AI is currently used in the air cargo industry in different ways. Present applications include predictive maintenance, for example, as well as route optimization, data optimization and dynamic pricing.

"In the future, more opportunities will emerge, such as advanced predictive analytics for demand forecasting and autonomous, AI-driven vehicles that will take over cargo handling. I am also sure that enhanced security through AI-powered surveillance and threat detection systems will be a common standard".

Here are the top 4 areas in the air cargo industry, where AI is being leveraged:

## Warehouse and Inventory Management

Using advanced algorithms and machine learning, AI systems can accurately track and manage inventory levels, optimize storage space, and streamline the movement of goods within the facility. By automating these tasks, air cargo companies can significantly reduce human error and improve overall efficiency.

## Predictive Analytics for Demand Forecasting

By analyzing historical data, AI algorithms can identify patterns and trends that heavily

influence future demand for air cargo services. This enables companies to adjust their operations proactively, ensuring they have the necessary resources and capacity to meet customer needs while minimizing excess inventory and costs.

## AI-Enhanced Security and Safety Measures

AI-powered systems can identify potential risks and anomalies in real time, helping to prevent security breaches and unauthorized access to cargo. Additionally, AI technology is being used to improve the screening process for dangerous goods, ensuring compliance with stringent safety regulations.

### Customs Clearance and Documentation

By automating tedious paperwork and compliance checks, AI systems can expedite the clearance process, reducing delays and improving overall efficiency. Furthermore, AI helps to ensure accuracy in documentation, minimizing the risk of errors or discrepancies that could lead to regulatory issues.

## Shift in AI Skillsets

The introduction of AI in the air cargo industry will necessitate a shift in the skill sets required in the workforce.

Employees will need to adapt to working alongside AI systems and develop new proficiencies to remain competitive in the evolving job market.

This means that continuous upskilling and training programs will be essential to prepare the workforce for the AI-enabled workplace.

Training in data analysis, machine learning, and AI system management will become increasingly crucial.

Companies will need to invest in providing opportunities for their employees to upskill and gain expertise in these areas to ensure that they can effectively work with AI technologies. Embracing the upskilling and training of the workforce will be imperative for the successful integration of AI in the air cargo industry.

To meet the demands of this dynamic sector, air cargo companies are on the lookout for skilled professionals who possess a unique blend of expertise.

Harnessing the power of machine learning stands out as a cornerstone skill. Prospective candidates are expected to demonstrate proficiency in machine learning techniques, algorithms, and frameworks, showcasing their capability to apply AI solutions to intricate challenges unique to the air cargo domain.

A solid foundation in programming languages such as Python or R is equally essential, as these languages form the bedrock for developing and implementing cutting-edge AI solutions.

Moreover, expertise in data analysis is a key prerequisite for professionals aiming to make a mark in AI within air cargo companies. The skill to extract meaningful insights from vast datasets and navigate diverse data sources is crucial for addressing the nuanced complexities of air cargo operations.

Statistical modelling further enhances a candidate's profile, emphasizing their ability to derive actionable conclusions from data and design models tailored to the specific needs of the industry.

**"From my point of view, I would recommend pursuing degrees in computer science, data science, or related fields. A competitive advantage would be specialized courses or certifications regarding machine learning and AI applications in logistics. AI technology is something that is constantly and rapidly changing. It is like other technical aspects: you must keep up with it and continue to learn, for example, through workshops and conferences. That's essential."**

### Martin Bernemann

Chief Technical Officer, BlueBox Systems

"When looking for employees with AI-related skills, there are multiple qualifications that are important: ability in machine learning, data analysis, and programming languages such as Python or R, statistical modelling, and their ability to effectively translate complex business challenges into actionable AI solutions. Degrees in computer science or data science are valuable, to name two examples. When working with AI, employees should also have practical experience and skills that allow them to solve problems. Also important are strong communication skills. This makes collaboration with cross-functional teams much easier," Bernemann explains.

## Recommended AI learning

Think of AI technology as a dynamic force, always evolving and transforming, much like the changing landscapes visible from an aircraft window.

Staying relevant isn't just recommended; it's the key to unlocking the doors of opportunity. Just as a pilot constantly refines their skills, the same applies to navigating the ever-changing world of AI in the air cargo industry.

As technology continues to evolve, AI is poised to play a critical role in driving innovation and transformation across the sector. This includes advancements in autonomous cargo handling, the development of intelligent air traffic management systems, and the implementation of predictive analytics to optimize supply chain operations. Furthermore, AI has the potential to enhance safety and security measures by detecting and mitigating potential risks in real-time, ultimately improving overall operational efficiency and customer satisfaction.

"From my point of view, I would recommend pursuing degrees in computer science, data science, or related fields. A competitive advantage would be specialized courses or certifications regarding machine learning and AI applications in logistics. AI



technology is something that is constantly and rapidly changing. It is like other technical aspects: you must keep up with it and continue to learn, for example, through workshops and conferences. That's essential.

"For me personally, online courses, regular workshops and attending industry conferences that deal with AI are a good way to ensure ongoing training. Collaborations with educational institutions are also a very good option because it is fostering a culture of innovation and keep employees updated about the latest AI developments."

## Primary recruiting challenges

As AI continues to evolve and take on more complex tasks, it will undoubtedly impact the nature of jobs, the skills required, and the overall workforce structure within the industry.

One of the most significant implications of AI in the air cargo industry is the potential for job displacement and creation. The automation of certain tasks through AI could lead to the elimination of some traditional roles within the sector. For example, routine manual labor positions may become obsolete as AI-enabled systems and robots are deployed to handle repetitive tasks more efficiently.

However, it's important to note that with the integration of AI, new job opportunities will also emerge. AI will create the need for roles such as AI system operators, maintenance technicians, data analysts, and AI ethicists, among others.

Additionally, there will likely be an increased demand for individuals with expertise in AI and technology to develop and manage these systems.

"One of the biggest challenges is that there are not enough specialized professionals and the demand for those professionals is high. At BlueBox Systems, we offer competitive compensation, a stimulating work environment, and a commitment to professional growth. We are also proud of working closely together with academic institutions and mentorship programs to ensure that talented people receive excellent training," Bernemann said.

He continues, "Predictive maintenance is a good example. AI algorithms can predict equipment failures and thus reduce downtime. AI applications also have transformed air cargo operations in terms of dynamic pricing because AI-driven pricing models adapt to market conditions. Another example is the impact on job roles. AI technologies necessitate upskilling for jobs in data analysis, AI development, and system maintenance."

## Ethical Considerations

Notwithstanding the potential benefits of implementing AI in the air cargo industry, several challenges and considerations need to be addressed.

One of the primary concerns is the ethical and legal implications of using AI technologies in this sector.

Data privacy and cybersecurity concerns also need to be carefully managed, and significant investment and infrastructure requirements must be met.

"This is a very complex, but also very exciting question. What

many will think of first are data protection concerns. When dealing with sensitive cargo data, every customer requires robust solid data protection. Of course, companies always should be transparent to their customers and communicate when AI is used," said Bernemann.

"Another important topic is to ensure, that AI communication is unbiased and fair. To solve these challenges, BlueBox Systems addresses these topics by incorporating ethical AI principles into its developments. We also engage in open dialogues on ethical considerations regarding AI," he added.

According to Bernemann, Air cargo companies need to invest in robust cybersecurity measures to protect sensitive information and ensure the integrity and confidentiality of their data. This includes implementing encryption, access controls, and regular security audits to mitigate the risk of cyber threats and data breaches.

## Job Displacement and Creation



The automation of certain tasks through AI could lead to the elimination of some traditional roles within the sector.

For example, routine manual labor positions may become obsolete as AI-enabled systems and robots are deployed to handle repetitive tasks more efficiently. However, it's important to note that with the integration of AI, new job opportunities will also emerge.

AI will create the need for roles such as AI system operators, maintenance technicians, data analysts, and AI ethicists, among others. Additionally, there will likely be an increased demand for individuals with expertise in AI and technology to develop and manage these systems.

"AI will have a big impact on traditional jobs in the air cargo industry. The new technology will transform old role models by automating routine tasks, for example, allowing employees to work on higher-valued tasks. Companies will have to invest in reskilling programs to prepare their employees for this role-changing development. AI will also affect the collaboration with employees, for smooth adaptations it'll be necessary to include decision-making processes," said Bernemann.

"If someone wants to work in the field of cargo AI Jobs, I recommend a strong educational foundation. That includes degrees, and certifications in AI, data science or related fields. Practical experience is also needed: Gain hands-on experience through internships or projects! Networking is another factor, get to know professionals at industry events and expand your connections. And finally, stay curious and continue to learn about AI and its emerging technologies," he concluded.

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# Multimodal Logistics Parks seen to transform India's economy

By R. Chandrakanth



**A**s we come to the end of 2023, India's Logistics Performance Index (LPI) has vastly improved, ranked by the World Bank at 38th from the previous year's ranking of 44, thanks to the many initiatives the government has taken in the recent past.

The 2021 launch of the PM Gati Shakti (Power of Speed) – a National Master Plan for Multimodal Connectivity, has been a major catalyst in driving efficiencies in the supply chain, consequently boosting economic indices to an altogether new level.

The Pradhan Mantri Gati Shakti National Master Plan is a transformative approach to economic growth and sustainable development and is driven by 7 engines – Railways; Roads; Ports; Waterways; Airports; Mass Transport; and Logistics Infrastructure.

When it comes to highways, India has been witnessing massive road development, under the leadership of the Union Minister for Road Transport & Highways, Nitin Gadkari. As of June 5, 2023, a total of 737,230 Km of road length has been constructed. The National Highways Authority of India (NHAI) had set a target of 25,000 kilometers of national highways in 2022-23 at a pace of 50 km per day.

As part of capacity building of logistics infrastructure, one of the engines, the Ministry for Road Transport & Highways (MoRTH) is developing 35 Multi-Modal Logistics Parks (MMLPs) under a public-private partnership on design, build, finance, operate, and transfer (DBFOT) mode.

The MMLPs are coming up in Bangalore, Nagpur, Chennai, Sangrur, Coimbatore, Kota, Jagatsinghpur, Mumbai, Pune, Indore, Surat, North Gujarat, NCR, Jaipur, Kandla, Nashik, Panaji, Kochi, Vishakapatnam, Hyderabad, Bhopal, Guwahati, Kolkata, Raipur, North Punjab, Valsad, Ambala, Rajkot, Solan, Bhatinda, Sundargarh, Jammu, Hissar, Vijayawada and Patna.



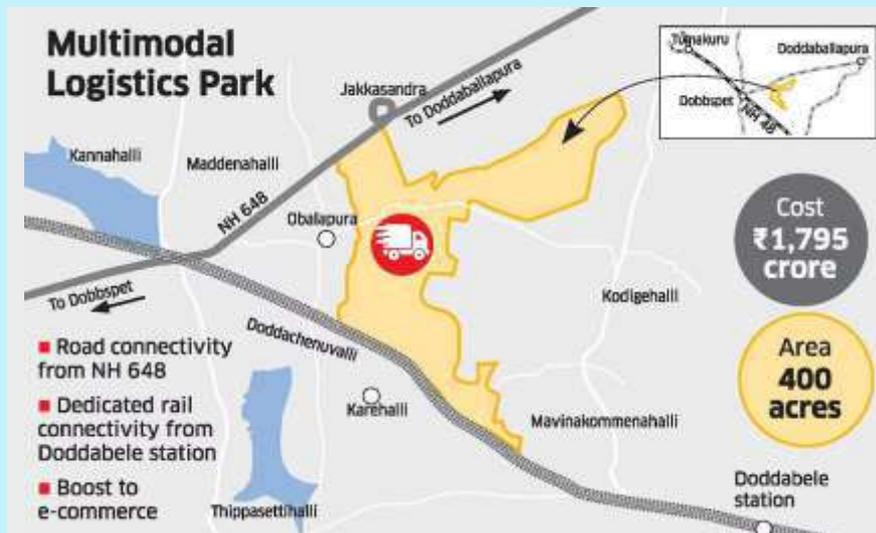
**Nitin Gadkari**  
Minister for Road Transport and Highways  
Government of India

### Bengaluru MMLP agreement signed

In September this year, the National Highways Logistics Management Ltd (NHLML), a 100% owned company of NHAI signed an agreement for the development of MMLP at Bengaluru proposed to be developed under the Public-Private Partnership (DBFOT) model at an estimated cost of US\$200 million (Rs 1,770 crore). The agreement was signed between Government SPV, Bengaluru MMLP Pvt. Ltd. and Concessionaire SPV M/s. PATH Bengaluru Logistics Park Pvt. Ltd.

The MMLP is being developed over 400 acres at Muddelinganahalli in Karnataka, poised to become one of the largest MMLP ever implemented in the country under the PM Gati Shakti National Master Plan.

To facilitate seamless logistics movement, the



site is strategically located adjacent to the upcoming industrial area on the eastern side, abutting the NH 648, Dabbaspes to Hosur as well as Satellite Town Ring Road on the north side and Bengaluru – Hubli – Mumbai rail line on the south side. Bengaluru MMLP is located at a distance of 58 km from the Bengaluru International Airport and 48 km from Bengaluru city railway station.

The MMLP is being developed in three phases with the first phase completion set at two years. It is expected to cater to about 30 million metric tonnes (MMT) cargo by the end of the concession period of 45 years while boosting industrial zones in the catchment region such as Bengaluru and Tumkur.

The MMLP site at Dabaspete is about 50 km from Bengaluru and 25 km from Tumkur with access to Niduvanda and Hirehalli railway stations. It is surrounded by large manufacturing clusters. Tumkur is one of the nodes along the Chennai–Bengaluru Industrial Corridor.

Of the organized facilities, the major container handling facility in the region is the Inland Container Depot of the Container Corporation of India (CONCOR), which handles 112,941 twenty-foot equivalent units (TEUs) of container traffic annually, with the containers transported through rail.



The CONCOR ICD caters to industrial centers in the districts of Bengaluru Rural and Bengaluru Urban including Peenya, Jigani, Mysore Road, Electronic City, Malur, Dabaspete, and Bommasandra. The facilities are clustered around the Whitefield area, leading to congestion and logistical challenges. The tariff structure of the existing facilities shows high storage costs as they are located within the city.

**The Bengaluru MMLP would provide an integrated platform and facilities for logistics with sufficient capacity to meet the requirements of end users on the western side of Bengaluru for the next 20 years. Projected traffic is expected to grow to 0.35 million TEUs and 14.8 million metric tons of bulk-break bulk cargo in FY2035.**

The share of road traffic in the overall modal mix will decline from FY2017 levels by 10 percentage points by FY2025 in favour of rail. Key infrastructure projects that have been prioritized for the success of the Dabaspete MMLP include the Bengaluru-Chennai Expressway, Satellite Town Ring Road, a railway spur to the Hirehalli Railway Station, a Tumkur-Rayadurg rail connection, and a Tumkur-Davangere rail connection.

Lauding the initiative, the former Secretary of the Federation of Karnataka Chambers of Commerce and Industry, Mr. Ramappa said that the MMLP's would majorly improve the country's freight logistics sector by enabling efficient inter-modal freight movement to lower freight costs and time, provide efficient warehousing, improve tracking and traceability of consignments thereby enhancing the overall efficiency of the Indian logistics sector.

Mr. Ramappa further added that "The parks will enable the shift from a point-to-point to a hub-and-spoke model in the logistics sector, eventually helping us bring down logistics costs by at least half and enabling more efficient movement of new-generation vehicles."

## Easing Logistics

**RIL, and PATH (India) bid for Bangalore MMLP**

**Aim to award Nagpur and Indore MMLP by March 2023**

**35 MMLPs** being developed under Bharatmala Pariyojana



### WHAT ARE MMLPS ?

**Multimodal logistic parks are large freight handling facilities**

**These will have** warehouses, cold storages with multi-transport access.

**These would be developed in** PPP mode

**These aim to bring down** transit costs; ensure speedier turnaround time

**MMLPs are a key element of the National Logistics Policy**



**Assure connectivity to rail & road or port networks**

The former Union Road Transport Secretary, Giridhar Aramane explained that the Parks are being set up, based on a very detailed Logistics Efficiency Plan. "The aim is to make the Indian logistics system comparable to the best in the world. The series of MMLPs will provide efficient trans-shipment and processing facilities; we have not left any loose ends, a comprehensive plan has been made to address all segments of the logistics sector."

### **ADB forecasts \$360 billion in logistics value by 2032**

The Asian Development Bank (ADB) has pegged logistics industry in India to expand at a rate of 1.2 times the growth rate of gross domestic product (GDP) and generate \$360 billion in value added by 2032.

The MMLPs are going to be drivers providing (i) infrastructure for enabling seamless multimodal freight transfer; (ii) mechanized warehouses and specialized storage solutions such as cold storage; (iii) mechanized material handling and intermodal transfer container terminals, and bulk and break-bulk cargo terminals; (iv) value-added services such as customs clearance, bonded storage yards, quarantine zones, testing facilities, and warehousing management services; and (v) late-stage manufacturing activities such as kitting and final assembly, grading, sorting, labeling, and packaging activities, reworking, and returns management.

The Ministry estimates that logistics parks would drive about a 10% reduction in transportation cost for the top 15 nodes by enabling freight movement on higher-sized trucks and rail, which will also result in lower carbon dioxide emissions and less congestion in cities.

Shifting warehouses and wholesale markets, currently inside the city, to logistics parks (driven by lower rentals) would reduce urban congestion. In addition, modern and mechanized storage solutions provided by logistics parks would cut down storage and handling losses.

According to MoRTH, the MMLPs are expected to serve five key functions: freight aggregation and distribution; multimodal freight transport; integrated storage and warehousing; information technology support; and value-added services.

ADB which is the lead partner has conducted pre-feasibility studies to assess the suitability of MMLPs near Bengaluru and near Guwahati in Assam and identified the requisite infrastructure, connectivity, and regulatory reforms. The Guwahati MMLP is coming up on 317 acres, to house facilities like warehouses, railway siding, cold storage, custom clearance house, yard facility, truck parking, boarding, lodging etc. The Guwahati MMLP is expected to be ready in the next couple of months.

India's logistics sector is coming of age from a skewed modal transportation mix wherein 60% of the freight moves by road, which according to ADB is significantly larger than in many developed economies.

Coastal movement and inland waterways are at a nascent stage. Rail transport is marginal, in spite of being 45% cheaper per ton-km than the road, due to adverse pricing and rake booking practices and lack of intermodal facilities to enable easy transfer. Once the MMLPs are in place, and the processes are happening quite fast, India's logistics sector will truly become an engine of growth.

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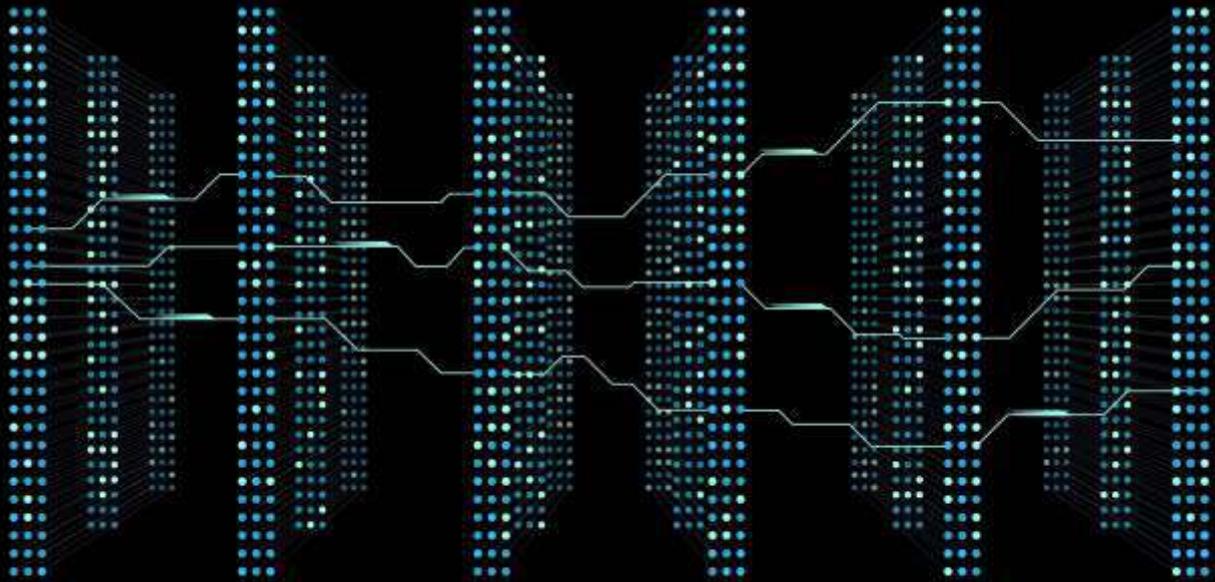
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# Wiremind's Integration of Large Language Models: A Revolution in Air Cargo

By Mohammed Irshad



**Wiremind, a leading player in air cargo technology, recently announced plans to integrate large language models like ChatGPT into its Cargo Stack platform by 2024. This strategic move aims to redefine commercial decision-making in the industry, leveraging the interpretative capabilities of these models to provide enhanced solutions.**

Wiremind envisions large language models as digital assistants, not replacing human involvement but offering support in improving efficiency and generating code. The integration positions Wiremind at the forefront of innovation, providing a significant competitive edge while delivering substantial benefits to clients.

Wiremind's journey in the cargo industry began with Sky Palette, an innovative palletization tool optimizing cargo space efficiently. Currently adopted by 20 customers,

including global airlines like Emirates, WestJet, and United, Sky Palette has established itself as a valuable solution. Expanding its product portfolio with the Cargo Stack family, Wiremind caters to Revenue Management (RM) and pricing teams with the Cargo Stack Optimizer and offers the Cargo Stack CMS as a comprehensive system for housing transactions.

The products are designed to complement each other, offering flexibility to clients. Wiremind's API-native architecture prioritizes connectivity, allowing users to choose and integrate modules based on their requirements. Engaging in discussions with airlines, forwarders, and Ground Handling Agents (GHAs), Wiremind anticipates further growth and adaptability in its product portfolio.

## Optimizing Commercial Decision-Making with Large Language Models

Wiremind's interest in large language models and generative AI stems from their interpretative capabilities, particularly valuable for recommendations and predictions. The integration targets two key use cases, showcasing the transformative potential of these models within the Cargo Stack platform.

The first use case involves the redefinition of quotation management. Traditionally, this process required manual entry of information from various sources into a form. With large language models, the platform

**“Wiremind's unique adaptability as a startup within the Cargo Tech family distinguishes us in an industry dominated by IT behemoths. We embrace modern technology expertise, ensuring our teams stay at the forefront of digital solutions. Our user-centric approach, born from firsthand experience, makes Wiremind not just a solution but a reflection of credibility in addressing the challenges faced by users.”**

**Nathanael DE TARADE**  
CEO Wiremind Cargo & Board member Wiremind



can now interpret messages from diverse sources, such as emails or WhatsApp, translating them automatically into the relevant fields in the quotation. This not only saves time but also streamlines the process, significantly enhancing overall efficiency.

The second use case focuses on enhancing the platform's business rules engine. While this engine enables automation, it often requires coding expertise. Wiremind aims to democratize this process by utilizing large language models. Users can express rules in layman's terms, and the model converts these instructions into the necessary code. This user-friendly approach makes the business rules engine accessible to individuals without coding expertise, fostering broader automation.

### **Addressing the Unique Challenges of Revenue Optimization in Air Cargo**

The challenges of revenue optimization in the airline industry, particularly in air cargo, are intricate and distinctive. Unlike other industries where companies can adjust offerings to match supply and demand, the majority of cargo capacity in the airline industry is fixed. This is further complicated by the fact that over 70% of freight is moved on passenger flights, where capacity is predetermined, leaving airlines to make the best of the available space.

For example, when planning flights to certain destinations, the decision to increase capacity may not solely be within the control of the cargo division. Passenger flights often share

the same aircraft, and cargo space is determined irrespective of the specific demand for cargo to that destination. This lack of control over capacity poses a significant challenge in optimizing revenue.

The diverse nature of cargo, ranging from horses to e-commerce parcels, adds another layer of complexity to the optimization process. Each type of freight requires a unique approach, making revenue optimization in air cargo a complex and challenging task.

**Wiremind acknowledges the intricacies of revenue optimization in such conditions and recognizes it as a complex problem. Rather than claiming to solve it entirely for airlines, Wiremind aims to assist and guide airlines in navigating these challenges. By leveraging expertise, modern software techniques, and a user-centric approach, Wiremind provides tools and insights that empower airlines to make informed decisions in the dynamic and complex landscape of air cargo revenue optimization.**

Wiremind's approach to assisting airlines in flight optimization targets unique challenges posed by varying routes and capacities. The product offerings are tailored to address specific aspects of revenue optimization. Sky Palette, Wiremind's palletization product, is particularly valuable for freighters, optimizing space efficiently. The Overbooking product addresses concerns about customer behavior, helping airlines anticipate and manage cargo commitments.

In essence, Wiremind's suite of products is designed to assist airlines in navigating the complexity of revenue optimization. The step-by-step approach, starting with foundational elements like accurate capacity forecasting, reflects Wiremind's commitment to providing comprehensive solutions tailored to the unique challenges of the air cargo industry.



**"Optimizing revenue in air cargo is a difficult task. Wiremind Cargo seeks to help and guide airlines through these complexities by leveraging knowledge, cutting-edge software, and a user-centric approach. Our solution portfolio, which includes Sky Palette and Overbooking, is intended to assist airlines in managing the particular issues of air cargo revenue optimization."**

**Guillermo Medina Moralejo**  
VP Business Development, Wiremind Cargo

## Empowering Sales Teams with Redefined Quotation Management

Wiremind's redefined quotation management system addresses historical challenges in the air cargo industry. Previously, a lack of structured records and systematic information storage on messaging platforms hindered sales teams from recording and referencing past quotes. To address this, Wiremind implemented a comprehensive quotation solution, allowing the input of detailed information on past quotes and systematic logging.

Looking forward, the system enables proactive analysis as more data becomes accessible. By logging the outcomes of past quotations and reasons for rejection, sales teams can identify areas for strategic improvement. Integrating this data into pricing recommendation models powered by machine learning allows for the analysis of price points and characteristics associated with winning or losing business. The redefined



quotation management system equips sales teams with proactive tools and insights, ushering in a new era in the air cargo industry.

## AI Implementation in Air Cargo: Genuine Readiness and Key Challenges

The integration of Artificial Intelligence (AI) in the air cargo sector is a significant and transformative step. According to Wiremind, the industry is genuinely ready for this shift, with senior leaders in cargo organizations expressing high intent and priority in digitalization and adopting new technologies. However, the key challenge lies in ensuring that the foundational steps are in place for a successful AI implementation.

The critical area identified by Wiremind as a potential challenge is data readiness. In their implementation experiences, Wiremind emphasizes the crucial role of structured, clean, and usable data for effective AI models. Investments in data quality are essential, as historical data, past bookings, and market data are fundamental inputs for machine learning models.

The ongoing use of AI for producing recommendations underscores the importance of a seamless flow of data and robust integration points. This highlights the need for a well-established data architecture and a dedicated data team to ensure the effectiveness of AI models.

While the industry showcases a genuine readiness for AI integration, the key focus should be on building a solid foundation for data. This includes investments in data architecture and teams that can adapt and evolve, making AI implementation not just a superficial change but a genuinely successful and transformative shift for the air cargo industry.

## Wiremind's Distinctive Advantages

In a competitive landscape dominated by IT companies, Wiremind distinguishes itself through a combination of key factors. The relative newness of Wiremind, operating as a startup and part of the Cargo Tech family, offers a unique agility that larger, more established competitors may lack. This agility allows Wiremind to adapt quickly and stay ahead of technological advancements.

Modern technology expertise is a significant differentiator for Wiremind. While some competitors rely on systems built in the '90s, Wiremind utilizes only modern techniques in software development. The teams consist of engineers trained in cutting-edge technologies, providing a fresh and dynamic perspective to development.

The depth of technical expertise sets Wiremind apart. Unlike larger companies with developers trained in outdated technologies, Wiremind's teams consist of individuals thinking in digital terms since their academic days. This ensures that Wiremind stays at the forefront of digital solutions.

A user-centric approach, rooted in firsthand experience as users of airline systems, is another distinctive advantage. Identifying areas for improvement, Wiremind took the initiative to build a system that aligns with user needs. This unique origin gives Wiremind a deep understanding of the challenges faced by users, making the product not just a solution but a reflection of credibility.

Wiremind stands out in the competitive landscape through a combination of a startup mindset, modern technology expertise, and a user-centric approach. These factors collectively position Wiremind as an innovative and agile player in the air cargo technology sector.



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For more information please contact:

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# Saudi Arabia's NEOM and DSV establish US\$10 billion logistics joint venture

By Gemma Q. Casas

The joint venture which is expected to commence in 2024 will provide a full suite of ground, sea, and air logistics services for the multibillion-dollar mega project.



**N** EOM and DSV announced in December a US\$10 billion exclusive logistics joint venture to support the development of the ambitious projects taking shape in NEOM, a new urban area planned by the Kingdom of Saudi Arabia being built in northwestern Tabuk province, which is north of the Red Sea, east of Egypt across the Gulf of Aqaba and south of Jordan.

NEOM's total planned area is 26,500 km<sup>2</sup> with distinct eight regions and many sectors. Backed by Saudi's Public Investment Fund, the new futuristic city's total cost is estimated to be more than US\$500 billion once fully completed by 2039.

NEOM and DSV's partnership will focus on providing logistics services for NEOM in the coming years. NEOM will hold 51% of the joint venture with DSV holding the remaining 49%.

Under the agreement, the joint venture will provide end-to-end supply chain management, development and investments in transport and logistics assets and infrastructure as well as transport and delivery of goods and materials within NEOM.

NEOM envisions unparalleled demand for construction logistics through 31 December 2031, with sustained growth in non-construction logistics thereafter. In addition to its impact on the logistics landscape, the venture is expected to boost the Saudi economy, through infrastructure development and creating more than 20,000 job opportunities.

"The projected demand in both construction



and non-construction logistics will make NEOM one of the largest customers in the world, and this partnership allows NEOM to create value from its demand. Working alongside one of the world's leading logistics companies, the joint venture with DSV will build on expertise and know-how to drive innovation and sustainability



throughout the logistics value chain. The economic benefit to this partnership will not only provide tens of thousands of jobs, but it will also enable growth to capture local and regional market share. It's a living example of Saudi Vision 2030 in action, fostering job creation and building a future-leaning economy," said Nadhmi Al-Nasr, CEO of NEOM.

**Jens Bjørn Andersen, Group CEO, DSV, commented: "NEOM is one of the largest and most complex projects in the world. It provides a unique opportunity for DSV to support a development that is at the forefront of innovation, technology and digital transformation. DSV already has a strong presence in Saudi Arabia, and this is a significant growth opportunity for us in the region and we look forward to working with NEOM Company and bringing our logistics capabilities to the table."**

NEOM and DSV affirmed their commitment to driving innovation and will allocate a portion of the JV's revenues to foster the development of ground-breaking technologies and commercialize new sustainable next-generation logistics solutions.

The vision extends further by establishing a dedicated innovation centre at NEOM's clean and advanced manufacturing hub, Oxagon.

The new joint venture is a significant milestone

demonstrating NEOM's commitment to revolutionizing Saudi Arabia's logistics sector and paves the way for pioneering sustainable logistics solutions, marking a new chapter in its journey towards realizing Vision 2030.

Completion of the partnership is awaiting customary regulatory approvals, which are expected to be obtained in the second quarter of 2024.

### **DSV, the global transport and logistics powerhouse**

Since its establishment in 1976 in Denmark, DSV has seen a series of mergers to maintain a key position in the global transport industry. Today, it is one of the largest transport and logistics companies in the world with more than 75,000 employees in over 80 countries.

DSV's parent company, DSV A/S is listed in NASDAQ Copenhagen and included in the C25 index as one of the 25 most actively traded shares on the Copenhagen stock exchange.

DSV A/S has three divisions: DSV Air & Sea, DSV Road, and DSV Solutions.

DSV Road is one of the leading road freight operators in Europe with distribution networks in North America and Africa. It handles more than 30 million shipments loaded onto over 20,000 trucks.

DSV Air & Sea offers alternative routings and flexible schedules to suit even the most demanding logistical requirements to and from all parts of the world. The company handles 2,600,000 TEUs of sea freight and 1,700,000 metric tonnes of air freight every year.

DSV Solutions designs and delivers logistics solutions, adding value by increasing operation and cost efficiency. Its logistics facilities total 6,000,000 m<sup>2</sup>.

In 2021, DSV acquires Agility's Global Integrated Logistics business (GIL), a leading global transport and logistics provider with a strong footprint in emerging markets and with a broad span of strong offerings within logistics. With this addition to the organization, DSV becomes a global top-three player within transport and logistics.

DSV reports good H1 results and strong cash flow, adapting to soft market conditions by leveraging its asset-light business model. Gross profit was down 14.2% and EBIT before special items 31.6% from last year's extraordinary results but compared favorably to pre-pandemic levels.

DSV's joint venture with NEOM will not have any material financial impact on DSV for the financial year 2023.

**Source: DSV and NEOM newsrooms**

## Etihad to fly to Bali from April 2024

**Abu Dhabi, UAE:** Etihad Airways announced it is Bali-bound, and will start flying non-stop to the tropical Indonesian getaway four times a week from 23 April 2024.

Conveniently timed to connect with flights from across Etihad's growing global network, guests will arrive at the island's Ngurah Rai International Airport (DPS) refreshed and ready to transfer to their resort.

Antonoaldo Neves, CEO of Etihad Airways, said: "We are thrilled to announce our first-ever flights to Bali. This exciting development follows closely on the heels of our dynamic Summer 24 schedule, reinforcing our dedication to expanding our network in tune with the needs of our customers so they can travel to their desired destinations in comfort and style.

"Bali is the quintessential tropical escape, enchanting travellers with its verdant surroundings, vivid culture, and dreamlike beaches. From jade-green rice terraces to pristine white sands, the island balances exquisite beauty with deep tradition, offering a bewitching escape for those looking for tranquility and excitement alike. We have timed the flights so guests can even enjoy a long weekend if they choose. We can't wait to go there."

Visitors travelling from Europe and North America will also find the timings convenient for combining their trip with a stopover in Abu Dhabi to enjoy the legendary hospitality and remarkable attractions of the UAE's capital.



Etihad will operate flights to Bali four times a week on Tuesdays, Thursdays, Saturdays, and Sundays, flying its state-of-the-art Boeing 787-9 Dreamliner, featuring the airline's award-winning service, delivering a comfortable and enjoyable travel experience year-round.

## Alaska Airlines buys out Hawaiian Airlines for \$1.9 billion

**Seattle and Honolulu:** Alaska Airlines is acquiring Hawaiian Airlines for \$1.9 billion, including its \$0.9 billion net debt, with the company pledging to unlock more destinations for consumers and expand its choice of critical air service options and access throughout the Pacific region, Continental United States and globally

Alaska Air Group, Inc. (NYSE: ALK), and Hawaiian Holdings, Inc. (NASDAQ: HA) jointly announced they have entered into a definitive agreement under which Alaska Airlines will acquire Hawaiian Airlines for \$18.00 per share in cash, valuing the transaction to \$1.9 billion.

As airlines rooted in the 49th and 50th U.S. states, which are uniquely reliant upon air travel, Alaska Airlines and Hawaiian Airlines share a deep commitment to caring for their employees, guests and communities.

Ben Minicucci, Alaska Airlines CEO, commented. "We have a longstanding and deep respect for Hawaiian Airlines, for their role as a top employer in Hawaii, and for how their brand and people carry the warm culture of aloha around the globe. Our two airlines are powered by incredible employees, with 90+ years of legacies and values grounded in caring for the special places and people that we serve.

"I am grateful to the more than 23,000 Alaska Airlines employees who are proud to have served Hawaii for over 16 years, and we are fully committed to investing in the communities of Hawaii and maintaining the robust Neighbor Island service that Hawaiian Airlines travelers have come to expect. We



look forward to deepening this stewardship as our airlines come together while providing unmatched value to customers, employees, communities, and owners."

Peter Ingram, Hawaiian Airlines President and CEO, said the carrier has been an integral part of life in Hawaii since 1929.

"In Alaska Airlines, we are joining an airline that has long served Hawaii and has a complementary network and a shared culture of service. With the additional scale and resources that this transaction with Alaska Airlines brings, we will be able to accelerate investments in our guest experience and technology, while maintaining the Hawaiian Airlines brand," said Ingram.

The combination of complementary domestic, international, and cargo networks is positioned to enhance competition and expand choice for consumers on the West Coast and throughout the Hawaiian Islands.

In 2022, Alaska Airlines made its largest Boeing fleet order in its 90-year history, focused on the Boeing 737-MAX aircraft, which are 25% more fuel-efficient on a seat-by-seat basis than the aircraft they replaced.



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## Virgin Atlantic flies the world's first 100% Sustainable Aviation Fuel flight from London Heathrow to New York's JFK



**London:** Virgin Atlantic's historic flight on 100% Sustainable Aviation Fuel (SAF) took off from London Heathrow to New York JFK on 28 November, marking the culmination of a year of radical collaboration, to demonstrate the capability of SAF as a safe drop-in replacement for fossil-derived jet fuel, compatible with today's engines, airframes and fuel infrastructure.

SAF has a significant role to play in the decarbonization of long haul aviation, and pathway to Net Zero 2050. The fuel, made from waste products, delivers CO2 lifecycle emissions savings of up to 70%, whilst performing like the traditional jet fuel it replaces.

While other technologies such as electric and hydrogen remain decades away, SAF can be used now. Today, SAF represents less than 0.1% of global jet fuel volumes and fuel standards allow for just a 50% SAF blend in commercial jet engines. Flight100 will prove that the challenge of scaling up production is one of policy and investment, and industry and government must move quickly to create a thriving UK SAF industry.

Virgin Atlantic said apart from proving the capabilities of SAF, Flight100 will assess how its use affects the flight's non-carbon emissions with the support of consortium partners ICF, Rocky Mountain Institute (RMI), Imperial College London and University of Sheffield.

The research will improve scientific understanding of the effects of SAF on contrails and particulates and help to implement contrail forecasts in the flight planning process. Data and research will be shared with industry, and Virgin Atlantic will continue its involvement with contrail work through RMI's Climate Impact Task Force, which is part-funded by Virgin Unite.

The SAF used on Flight100 is a unique dual blend; 88% HEFA (Hydroprocessed Esters and Fatty Acids) supplied by Air bp and 12% SAK (Synthetic Aromatic Kerosene) supplied by Virent, a subsidiary of Marathon Petroleum Corporation.

The HEFA is made from waste fats while the SAK is made from plant sugars, with the remainder of plant proteins, oil and fibres continuing into the food chain. SAK is needed in 100% SAF blends to give the fuel the required aromatics for engine function. To achieve Net Zero 2050, the innovation and investment needed across all available feedstocks and technologies must be harnessed to maximise SAF volumes as well as continuing the research and development needed to bring new zero emission aircraft to market.

Virgin Atlantic affirmed its commitment to finding more sustainable ways to fly, taking action across every part of the journey. Already operating one of the youngest and most fuel and carbon-efficient fleets in the sky, Flight100 builds on the airline's 15-year track record for leading on the development of SAF at scale.

Collectively, industry and government must go further, to create a UK SAF industry and meet aviation's 10% SAF by 2030 target, capitalizing on the significant social and economic benefits it will bring – an estimated contribution of £1.8 billion in Gross Value Added to the UK and more than 10,000 jobs.

"Flight100 proves that Sustainable Aviation Fuel can be used as a safe, drop-in replacement for fossil-derived jet fuel and it's the only viable solution for decarbonizing long haul aviation. It's taken radical collaboration to get here and we're proud to have reached this important milestone, but we need to push further. There's simply not enough SAF and it's clear that to reach production at scale, we need to see significantly more investment. This will only happen when regulatory certainty and price support mechanisms, backed by the Government, are in place. Flight100 proves that if you make it, we'll fly it," said Shai Weiss, Chief Executive Officer, Virgin Atlantic.

Sir Richard Branson, Founder, Virgin Atlantic, said: "The world will always assume something can't be done, until you do it. The spirit of innovation is getting out there and trying to prove that we can do things better for everyone's benefit.

"Virgin Atlantic has been challenging the status quo and pushing the aviation industry to never settle and do better since 1984. Fast forward nearly 40 years, and that pioneering spirit continues to be Virgin Atlantic's beating heart as it pushes the boundaries from carbon fiber aircraft and fleet upgrades to sustainable fuels."

Sheila Remes, Vice President of Environmental Sustainability, Boeing said: "In 2008 Virgin Atlantic and Boeing completed the first commercial SAF test flight on a 747 and today we will accomplish yet another significant milestone utilizing a 787 Dreamliner. This flight is a key step toward our commitment to deliver 100% SAF-compatible airplanes by 2030. As we work toward the civil aviation industry's net-zero goal, today's historic journey highlights what we can achieve together."



## DXB traffic seen to reach over 86 million by the end of the year

**Dubai, UAE:** Propelled by strong growth throughout the first three quarters of the year and anticipation of an exceptional surge in guest numbers in the final quarter, Dubai Airports is forecasting annual passenger traffic at Dubai International (DXB) to reach 86.8 million – surpassing the 2019 traffic.

DXB commenced the second half of 2023 with its growth story continuing unabated, with average monthly traffic reaching 7.6 million, tracking pre-pandemic levels throughout the third quarter. In Q3, it welcomed 22.9 million passengers – the highest quarterly traffic since 2019, taking the total year-to-date traffic for the first nine months of the year to 64.5 million passengers, up 39.3% compared to the same period in 2022 and 1% above 2019.

“We’re thrilled but not entirely surprised that DXB is all set to surpass the pre-pandemic milestone well ahead of our initial projections by almost a year. Our outlook for the remainder of this year and the next remains optimistic. Teaming up with our strategic partners, we’re ready for the challenge to continue to exceed guest satisfaction amidst the continuous surge in traffic,”

said Paul Griffiths, CEO of Dubai Airports.

He added: “Our team embarked on a remarkable journey, navigating fresh challenges during the recovery period and swiftly revitalizing the business. Instead of settling, we’re dedicated to exploring inventive solutions, reimagining traditional concepts, integrating state-of-the-art technology, and addressing the mammoth challenge of sustainability. Events like the Dubai Airshow present the ideal platform to recognize accomplishments and foster future growth. This edition is clearly playing a critical role in forging the path for the industry’s future.”

Dubai Airports is expecting record-breaking numbers to continue in Q4 and 2024. To accommodate growth and to achieve the company’s ambition of revolutionizing the guest journey at DXB, Dubai Airports is undertaking a strategic project to expand infrastructure capacity while enhancing operational efficiency.

With a current capacity of 100 million passengers annually at DXB, the deployment of innovative technology, expansion and refurbishment of existing infrastructures and more efficient use of its space and resources is expected to propel the airport’s capacity to 120 million.

As Dubai tops the list of cities with the highest spending by international visitors with a total earning of \$29.4bn, and the Emirate at the forefront of deploying the latest technologies, Dubai Airports has continued to work closely with its stakeholders to provide guests the experience they expect from Dubai

## Saudi's PIF to acquire 10% stake in Heathrow Airport

**RIYADH and LONDON:** The Kingdom of Saudi Arabia's Public Investment Fund (PIF) has entered into a share purchase agreement to acquire a 10% stake in FGP TopCo (TopCo), the holding company of Heathrow Airport Holdings Ltd, from Ferrovial S.A.

Under the terms of the agreement, PIF, one of the world’s largest sovereign wealth funds, will acquire 10% in TopCo. And Ardian, a world-leading private investment house, managing or advising \$156bn of assets on behalf of more than 1,470 clients globally, via its infrastructure funds, will acquire 15% of Heathrow Airport.

The transaction is subject to complying with ROFO (Right of First Offer) and full tag-along rights which may be exercised by the other Topco shareholders pursuant to the Shareholders' Agreement and the

Articles of Association of the company, in addition to satisfaction of applicable regulatory conditions.

PIF says it is pleased to be investing in Heathrow, a world-class airport, which acts as a key gateway to the world. Heathrow is one of the world’s largest air traffic platforms, connecting the UK with global trading partners to help stimulate economic growth.





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## Challenge Group appoints David Canavan as Group COO



David Canavan

**MALTA:** Challenge Group, an international air cargo conglomerate offering tailored end-to-end logistics solutions for complex verticals, announced the appointment of David Canavan as Chief Operating Officer (COO).

In his new role, Canavan will be responsible for leading, planning, directing, coordinating, aligning and overseeing all Group Operations, bringing his extensive experience and expertise to drive operational excellence and contribute to the company's overall expansion plan and fleet growth.

Canavan comes to Challenge Group with a proven track record of more than 30 years' international experience in strategic planning, operational efficiency, supply chain management and logistics, having previously led various multinational teams and business units in senior management roles both in Europe and Asia at FedEx.

"We are thrilled to welcome David to our Executive Team," said Yossi Shoukroun, CEO of the Challenge Group. "His wealth of experience and demonstrated leadership will be instrumental in propelling Challenge Group to new heights. We are confident that he will play a key role in developing and implementing efficient and cost-effective operational processes to meet the current and future growing business needs of the Group to better serve our customers and partners."

## Steven Polmans re-elected as TIACA Chair for another two years

**Florida:** The International Air Cargo Association (TIACA) Executive Elections for the 2024-2025 term has concluded with Steven Polmans re-elected as Chair for another next two years.

Following TIACA's change to the Governance rules, two Vice Chairs were elected—Emir Pineda of Miami International Airport and Roos Bakker of Amsterdam Airport Schiphol will serve as co-Vice Chairs and will also take on the role of Secretary and Treasurer, respectively.

"Receiving the Board of Directors re-appointment is deeply appreciated, and I'm thankful for their unwavering support. Both the industry and our association have a lot on their respective plates and I am dedicated to ensuring that we continue to serve our members and the industry effectively. I eagerly anticipate carrying out the directives set forth by the Board, maintaining a focus on membership, advocacy, partnerships, knowledge,



Steven Polmans



Emir Pineda



Roos Bakker

sustainability, and events. Working closely with outgoing Vice Chair Sanjeev Ghadia over the last four years has been a pleasure, and I'm immensely grateful for his tremendous camaraderie and support. I eagerly look forward to collaborating with our new co-Vice Chairs, Emir Pineda and Roos Bakker, as we embark on this journey together," stated Steven Polmans, the newly re-elected chairman of the organization.

Emir Pineda, Vice-Chair and Treasurer of TIACA, said: "Seeing the progress that TIACA has made over the past several years, I am proud to take on this commitment as Vice Chair. I look forward to working alongside Steven Polmans and Roos Bakker to ensure we are meeting the needs of our membership, and of course, the industry."

"TIACA has made great strides over the past several years and I am humbled to have been appointed as Vice-Chair for the next two years. TIACA has earned a reputation as the only association that unites all of air cargo. I am excited to get started and continue to push forward with our work," stated Roos Bakker, Vice Chair and Secretary of TIACA.

Glyn Hughes, Director General of TIACA, said the group's strategic direction and governance are constantly reviewed to ensure that it is run with the highest standards that benefit its members.

"Association programs are designed to support the industry with key challenges in the areas of sustainability, digitalization, market intelligence, people issues including the need for an inclusive and diverse workforce as well as critical focus on safety, security, innovation, and collaborative partnerships. Collectively the programs are designed to meet the needs of our members, who are the real drivers of this association," said Hughes.



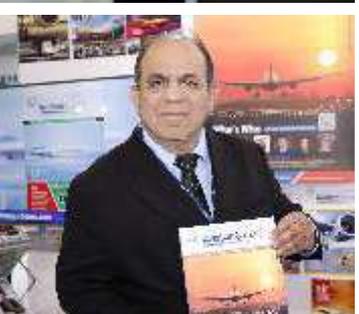
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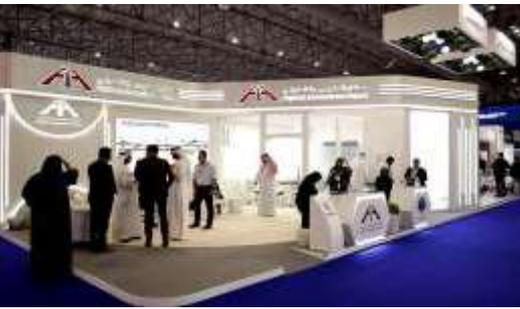
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# Upcoming Events



## 20th Transport Middle East 2024 Exhibition and Conference

The biggest and longest-established annual Ports and Terminal Operations event in the Middle East is returning next month in Abu Dhabi. The two-day international conference will feature 30 world-class speakers addressing topical issues and challenges in global transportation and logistics.

Join 300 senior executives, harbor engineers, port engineers, and procurement decision-makers from the GCC region, along with leading shippers, cargo owners, importers/exporters, shipping lines, freight forwarders, logistics companies, ports, terminal operating companies, railway operators, and port equipment and services suppliers in this proactive event.

**23 - 25 January, 2024**  
**InterContinental Abu Dhabi, Abu Dhabi, UAE**

## World Cargo Summit 2024

After the successful inaugural World Cargo Summit held in Abu Dhabi this year, the next event will be held in Bangkok, Thailand. The current business environment for the air freight industry is highly challenging and unpredictable.

World Cargo Summit will focus on air cargo economics, strategy and market trends. If you are looking for new contacts, this event will provide unrivalled business opportunities. Meet and network with airlines, airports, forwarders, project developers and aviation service providers. We have incredible networking capabilities to drive meaningful engagement between participants.

**29-31 January, 2024**  
**Hyatt Regency Bangkok Sukhumvit Bangkok, Thailand**

## 6th Annual Cargo Facts EMEA

Immerse yourself in the epicenter of airfreight innovation at the 6th annual Cargo Facts EMEA. All freighter professionals are invited to register and step into a dynamic environment filled with unparalleled networking opportunities, industry insights, and business growth potential.

Dive into engaging sessions led by global experts who will share invaluable insights and experiences. Thoughtfully curated topics and discussions will traverse the breadth and depth of the industry, from freighter conversions and e-commerce fleet growth and modernization to airfreight market trends and sustainability efforts.

**05-07 February, 2024**  
**Amsterdam, The Netherlands**



## Air Cargo India Mumbai

The international air cargo event taking place in Mumbai is both an exhibition as well as a conference. The exhibition is aimed to give experts from the air cargo industry a perfect opportunity to exhibit their products and services. During the conference a variety of topics regarding for example infrastructure facilities, new simplified procedures and technical possibilities are discussed. Overall, the show constitutes a platform for air cargo professionals to come together, network and to do business.

The Air Cargo India will take place on 3 days from Wednesday, 14. February to Friday, 16. February 2024 in Mumbai.

**14-16 February, 2024**  
**Mumbai, India**

## 5th Aerospace & Defence, MRO South Asia 2024

The 5th AEROSPACE & DEFENCE, MRO SOUTH ASIA 2024, organized by STAT Times, is a regional Summit spotlighting the emerging opportunities within the MRO industry in the region. This event, taking place on February 28th-29th, 2024, in New Delhi, serves as an exceptional platform for the air cargo industry and all prospective players. Join to connect with industry experts, airlines, MRO service providers, and solution vendors, forging invaluable connections and exploring avenues for growth and profitability.

The event will offer technical presentations, discussions led by industry leaders, and insights into cutting-edge innovations in technology, digitalization, and automation, all of which are transforming the maintenance and repair sector. This event unveils the limitless potential in the world of aerospace maintenance and repair.

**28-29 February, 2024**  
**New Delhi, India**

## World Cargo Symposium 2024

The World Cargo Symposium (WCS) is the largest and most prestigious air cargo annual event. The 2023 edition brought 1250 delegates to Istanbul, Türkiye.

The WCS 2024 will continue offering plenary sessions, specialized streams, workshops, and executive summits, tackling aspects related to technology, innovation, security, customs, cargo operations, and sustainability.

**12-14 March, 2024**  
**Hong Kong (SAR), China AsiaWorld-Expo**



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