

benchmark

ISSUE 12 / May 2011

Newsletter for the supporters of *Cargo 2000*



Lufthansa Cargo gains global compliance in Phase 1

2010 review and objectives for 2011

MOP: Time for a review

Outcomes of the AGM

Technology updates

Regional Director updates

Delivering reward and recognition for Cargo 2000's most committed members



Welcome to the April 2011 issue of Benchmark

Once again we are pleased to bring you the latest round up of news and views from the Cargo 2000 community. Spring has always been considered a time of renewal and the same holds true in Cargo 2000. At our March AGM we not only reviewed the past year's performance but also set out objectives for the coming twelve months. In this issue you can read about some of our results to date as well as the key topics we will be tackling in the coming months. You can also meet the newly elected Board, including our incoming Chairman, Mattijs ten Brink of Air France/KLM. We are delighted that our long serving Past Chairman, Mick Fountain from OHL has agreed to continue on as Vice Chairman, ensuring his vision and enthusiasm remain on tap.

Our work theme throughout last year was 'strengthening the foundations' of C2K and you have already seen how this led to a series of projects such as data congruence, aimed

at improving our standards and processes. In 2011, under the theme of 'Driving Internal Quality' we will build on these programs and deliver further quality improvements

both internally and consequently externally. Work has already started on reviewing and updating our Master Operating Plan that drives the fundamentals of Cargo 2000. We look forward to sharing this with you and the industry at large in the coming months.

I would also like to take this opportunity to thank all of our members for their support and commitment to Cargo 2000. Without their engagement and participation we would not have been able to make the tremendous advances that we have in recent years.

Happy Reading



MICHAEL VORWERK

Executive Director of Cargo 2000 and President of Cargo Network Services (CNS)

MOP: Time for a Review

Although the term "Master Operating Plan" may not be well known to all readers, it is actually the name of the document that incorporates the overriding process descriptions and vision which form the very basis for the Cargo 2000 program. It has well served the program over the better part of the past 14 years as the starting point from which all three phases and their technical specifications have evolved from.

Recognizing that during those 14 years the air cargo industry has seen and undergone a number of significant developments such as greatly increased security requirements as well as the introduction to e-Freight to name but two, it has been deemed appropriate that we conduct a timely review of the Master Operating Plan itself. To this end a small group of individuals from member companies, representing some of the main stakeholder groups such as Forwarder, Airline, GHA and IT providers, has been put together. The immediate mission of this group is to review all of the high level process descriptions as represented in

the 19 identified process steps that make up the current document. Attention will be given to editing and updating these descriptions as needed. At the same time the group will also work to ensure that all important processes, new and old, are properly covered and incorporated, thus representing the current as well as anticipated future directions within the entire air transport supply chain.

In addition to the content review, the group will also be engaged in the process of redesigning the look and user interface of the MOP. When undertaking the initial planning related to the review project it

was noted that improvements could also be made in the way the information was presented and ultimately distributed amongst interested user groups. It is envisaged that a Master Operating Plan information package could be developed in such a way that would allow a user to view a basic high level process overview in a mostly graphical format. If and when more information was needed or desired, the user could "drill down" to find increasingly more detailed insights and information. Using a methodology such as this would allow the MOP to become a much more user friendly document, as well as enabling it to contain links to more detailed descriptions and actual specifications related to the program.

The MOP review initiative has been given a high priority by the Board, and the group aims to conclude its initial stage of review and content adjustment by September 2011 and be able to have the revised Master Operating Plan available in its new format by the end of this year.

Inside this issue ...



Page 3

Outcomes of the 2011 AGM



Page 4

Review of 2010 and objectives for 2011



Page 5

Delivering reward to our members



Page 6

Mother Nature dominates 2010



Pages 7-8

Data improvements and enhancements for C2K



Page 9

Audits and Certification



Pages 10-11

C2K Regional updates



Page 12

Certification for Turkish Cargo



Outcomes of the 2011 AGM

New Chairman

Cargo 2000 has a new Chairman after Mattijs ten Brink of Air France-KLM Cargo officially took over the role at the 2011 AGM in Istanbul.

Mick Fountain, who has held the Chair in recent years, will now assume the post of Vice Chairman. The Board wishes to acknowledge Mick's strong contribution to the development of Cargo 2000 and will value his continued participation as Vice Chair.



Board Election

A one-year amendment to Cargo 2000's Board composition to 6 Airlines and 4 Forwarders instead of 5 & 5 was agreed.

Mick Fountain from OHL, Albert Lo of Cathay Pacific, Junichi Kitamura from Yusen Logistics, Ulrich Huesson from Lufthansa Cargo, Roy Kinnear from Etihad Airways, Thomas Mack of DB Schenker, and Roland Bischoff of Kuehne + Nagel were all re-elected to the Board.

The Board has also welcomed two new members; Angel Ramirez from United Airlines - replacing Kyle Betterton, who stood down - and Neel Shah of Delta Air Lines. Mr. Ramirez is from the Continental side of the business and has responsibility for cargo ground operations worldwide while Mr. Shah is Senior Vice President & Chief Cargo Officer for Delta Air Lines.

In addition, John Batten, Executive Vice President of Swissport, agreed to join the Board as a special advisor to represent the GHA community.

The Board continues to reflect the global Cargo 2000 community and the inclusion of John Batten will further strengthen the link between Cargo 2000 and the important ground handling sector, which plays such a major role in the delivery of Cargo 2000's objectives.

At the meeting, the Board members reconfirmed their commitment to building on the current Cargo 2000 foundations, to accelerate the delivery of C2K projects, and lead by example in terms of progressing Cargo 2000 within their own companies and within the air cargo community.

New members 2010

In March 2011, Cargo 2000's membership stood at 78 companies, broken down into the following categories:

Member Category	Mar 2011
Airline	29
Forwarder	15
GHA	19
Airport	1
RFS	2
IT	12
Total	78

During the course of 2010/11 we welcomed 10 new members:

Associate Members

- Iberia
- Martinair
- OHL
- Qantas

Industry Associates

- GHA - Plane Handling
- GHA - CSC (India)
- GHA - Flightcare Ground Services Spain
- GHA - Flightcare Ground Services Belgium
- IT Provider - CargoFlash Infotech
- RFS - Jet Airways



A review of 2010 and objectives for 2011

In 2010 we set ourselves the task of energizing the C2K Foundation. This involved a series of tasks that were designed to address the fundamentals of the C2K programme.



These tasks incorporated:

- Validating the quality of our measurement process by measuring data congruence whilst introducing new reports and measurements to highlight problem areas such as NFD
- Completing the outstanding work on our Phase 2 specifications and restarting our audit process
- Growing our membership
- Increasing the volume of shipments that we measure each month
- Delivering improved quality performance.

So how did we do?

Under the banner of improvement our first success story was with our audit programme where we performed 23 audits to revalidate quality certificates in 2010, covering 50% of our certified members.

In terms of our 'deliver' objectives, we didn't fare so well. We managed to grow our shipment volumes but with airspace closures due to volcanic ash in the early part of the year and the disruption across Europe and North America from exceptional winter storms in December we fell short of our target. Our average annual FWB performance actually fell by 1% over 2009 and more importantly our NFD performance fell by 3% over the previous year.

We did complete our Phase 2 specification work and met our budget targets for the year, but we decided to not pursue the Q Cargo initiative during 2010 in favor of concentrating on more important deliverables.

In the 'support' category we delivered the BRAVO 3 specification and business rules and are currently finalizing the implementation plan. We completed the groundwork for our data analysis training which is now ready to go when members wish to implement it. We delivered a number of enhancements to our reporting process, including the introduction of data congruence at AWB level, NFD discrepancy reporting, the introduction of minimum data congruence thresholds with mandatory CDMP reporting action and the development of CDMP error reporting to

assist with data congruence analysis.

On an equally positive note, shipments measured continued to grow and remained above the one million shipments per month mark for the entire year. And we welcomed eight new members in 2010, namely CargoFlash Infotech, CSC India, Iberia, Martinair, OHL, Plane Handling and Qantas.

So, in conclusion, 2010, has been a good year for meeting our objectives and consequently the fundamentals of our program are sounder now than ever before. This reflects not only the efforts of our management team but also from you the individual members and the strong support of our CDMPs in developing and delivering the means for us to measure and improve.

We have started a number of important initiatives that we will need to continue to drive forward in 2011 to deliver the maximum value from our investment so far – areas such as data congruence and NFD deviation to name but two. As we shone some light into previously dark corners we also came across some new issues that were not in our vision previously and some of these will need further follow up and work in 2011.

In looking at our future strategy the Board has agreed on a number of key elements:

Continue the focus on getting the basics right

We need to keep up the work we have started last year to ensure that the foundations of our program remain strong. This includes not only resolving any outstanding issues but also maintaining the monitoring systems like data congruence to have a constant health check of our internal quality.

Actively engage the broader membership

The time is right for everyone to become more engaged with Cargo 2000, not just within their own companies but also in working together to deliver our goals. Cargo 2000 is a unique opportunity for us all to come together for the good of the industry and we need to take greater advantage of it.

Recognize those who are engaged

We also believe the time is right to recognize those who are engaged and who are making

an effort to improve. (See Membership Classification article in this issue)

Accelerate delivery of projects through member support

We want Cargo 2000 to deliver more and faster, and to do this we have to be prepared to commit additional resources. We will begin to select key projects where we can bring together small teams from the members to work alongside the management team on a short-term secondment basis to take a project from inception to delivery. We will also be looking for members to host these teams within their organizations to create multi-disciplinary teams working together in active environments.

Members to champion individual projects

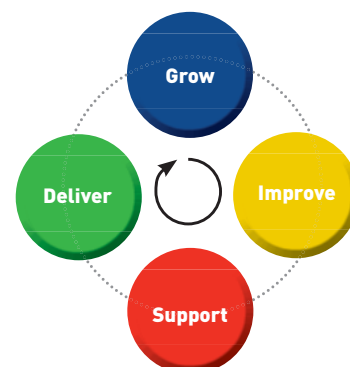
We plan that each project will have a member champion to support it and share responsibility with the C2K management team for delivery.

Become more forward looking

As we address our foundation issues in a more rapid delivery oriented manner we will also start to become more forward looking. This has started with our innovation and technology group, and will continue through all aspects of our work, including starting to prepare for the development of Phase 3.

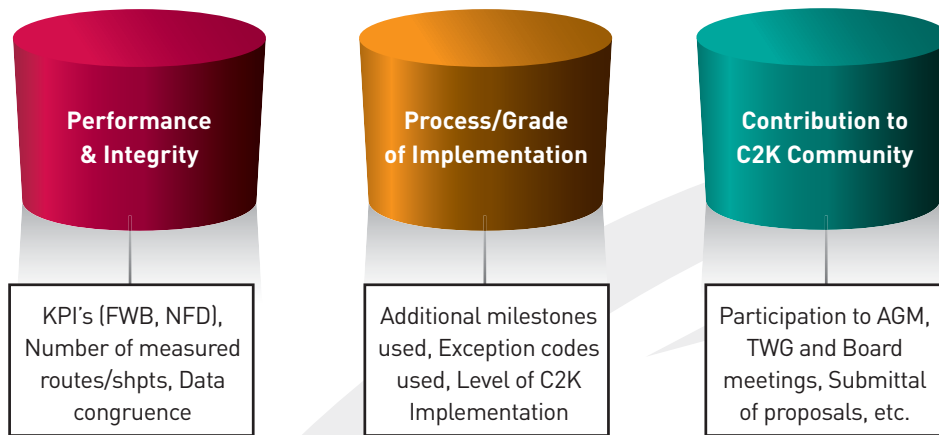
Start to re-engage the customer

Finally, we will begin the process of re-engaging the customer in a meaningful manner that enables us to validate our plans and processes but also starts to integrate the customer into not only the planning but also the delivery of Cargo 2000's future.



Delivering reward and recognition for Cargo 2000's most committed members

The measurable criteria for the membership classification are:



- Motivation of stakeholders to follow the 'best in class' and become more active participants
- There was consensus at the AGM and within the C2K Board that membership classification is needed in order to increase the value and quality of the C2K organization
- Depending on certain fulfillment grades of the individual criteria, each member will be ranked into one of the categories
- An independent body (auditors) will be needed to check and verify the criteria for each member

Membership classification needs to be as transparent as a 'Frequent Flyer' program and will help to push Cargo 2000 throughout all levels of members' organizations.

In an effort to reward and recognize the various degrees of members' commitment to the Cargo 2000 program as a whole, the Board and members have approved the concept of a Membership Classification mechanism.

In addition to providing recognition to those members which are heavily engaged in all aspects of the C2K activities, it is hoped that by creating such a mechanism all members will be encouraged to participate in all aspects of Cargo 2000 to the fullest extent possible.

The first step will provide the opportunity for members to complete a 'Self Assessment' as well as provide comments and feedback prior to the final adoption of a Membership Classification mechanism.

The Cargo 2000 management team will perform a general review of each response to ensure they are considered accurate

and completed in accordance with the requirements of the concept. The overall purpose of this initial self assessment is to familiarize members with the process and to provide an indication of where they would currently stand in the classification categories.

Future assessments will, of course, be subject to a more stringent verification process.

The value for C2K and members

- Highlight the 'best in class' stakeholders to receive a recognized benefit for their C2K dedication and progress

Timescales

Cargo 2000 intends to adopt a tight timeline for self-assessment and final adoption of the program. The program will be launched officially by 1st January 2012 and the classification of all members will take place every year.



Raising Cargo 2000's profile in Africa

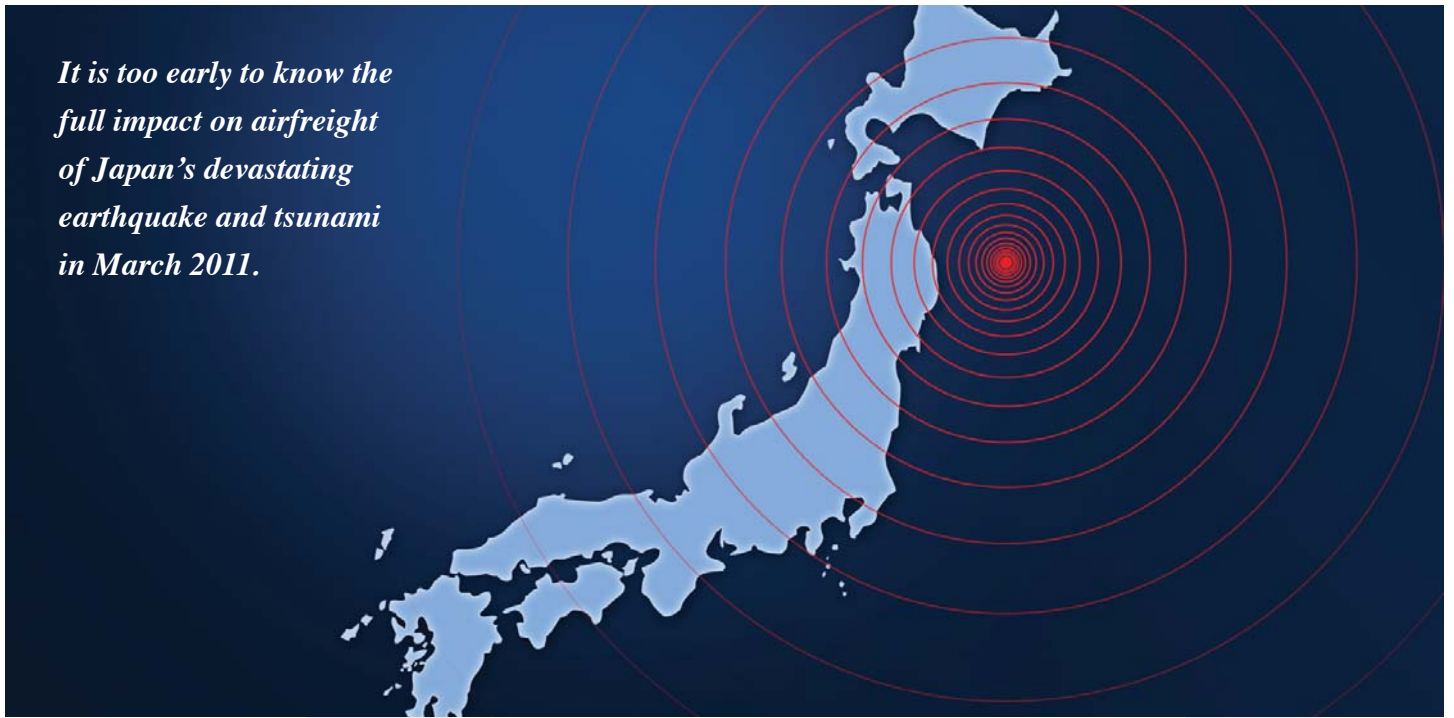


Lothar Moehle, Regional Director for EMEA, was given the opportunity to introduce Cargo 2000 to the professional visitors attending the Air Cargo Africa 2011 conference, held for the first time in Nairobi, Kenya, at the end of February.

The three-day conference attracted a large number of shippers, airline representatives, ground handlers and forwarders – not only from Kenya, but from several countries in Africa and from further afield.

Kenya is well known for exports of horticultural and agricultural produce – mainly to Europe. Speaking on the subject of "Quality Management in Air Cargo in Africa", it was highlighted that if exporters wish to continue to be successful in the very competitive European markets, they need to fulfill the increasingly strict quality expectations of importers, which include the handling and shipping of products by air.

It is too early to know the full impact on airfreight of Japan's devastating earthquake and tsunami in March 2011.



Mother Nature dominates the year in 2010

If we take a look at the monthly results over the past year we can clearly see the impact that Mother Nature has on air cargo operations.

Starting at the beginning of 2010, we see the tail end of the North American winter storms impacting our Flown as Planned (FAP) and Notification to Forwarder at Destination (NFD) measures. This was swiftly followed in April by the volcanic ash clouds which not only disrupted flown and delivered KPI's but also the timely delivery

of freight and electronic transfer of data as forwarders scrambled to find alternative routings to move their freight.

May through November was a calmer period, and then in December we had the exceptional winter storms which hit both North America and Europe and caused airport closures and major flight disruptions.

If we ignore these three exceptional months, you can see that we ended up in January pretty much where we were one year before. However, we should not simply assume that this means quality has not

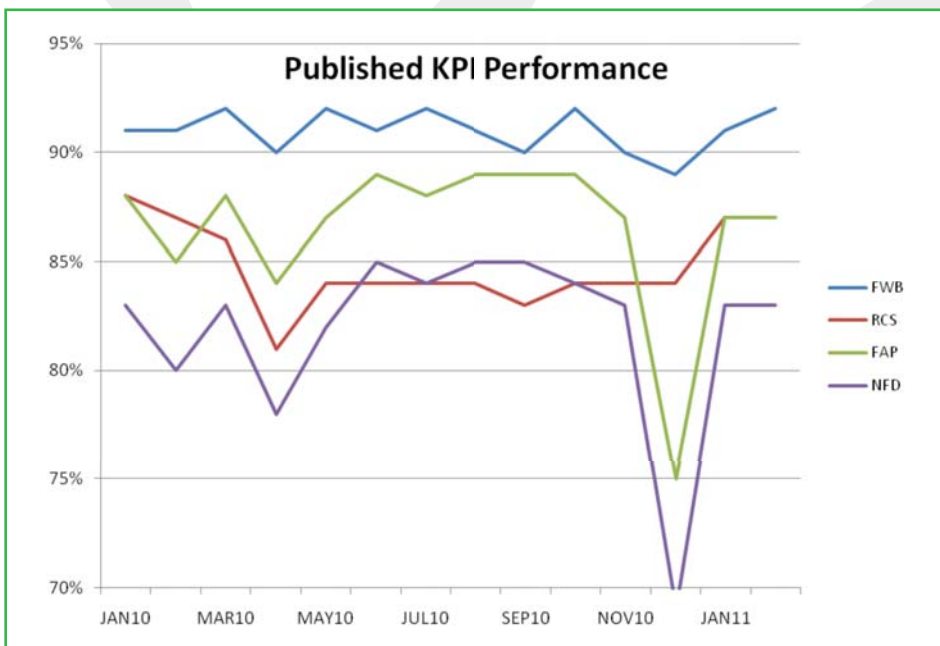
improved; during 2010 we implemented a number of initiatives under the banner of data congruence to enable us to work on our data quality issues. As is normal in such situations when you first focus on something, the quality measure goes down as issues are highlighted and then rises again only as the underlying problems are corrected.

So, whilst we always want to see year-on-year improvement, in this instance we can be certain that our data quality and therefore the reported performance is much more accurate in January 2011 than it was in January 2010.

January and February 2011 were mostly unchanged in terms of KPI's with the exception of improving electronic data transfer of air waybill information (FWB). Volumes, however, saw a modest decline both in January over December 2010 and February over January.

It is still too early to say what impact the tragic earthquake and tsunami in Japan will have on future freight volumes, nor the smaller New Zealand earthquake which preceded it. One thing is for sure, when Mother Nature comes alive it is not good news for airfreight.

'The quality measure goes down as issues are highlighted and then rises again only as the underlying problems are corrected'





Improved quality of data and further enhancements for the C2K platform

Significant improvements in data congruence

Under the banner "Driving Internal Quality" we have summarized our key objectives and priority tasks for 2011 which have been endorsed by the C2K Board and Annual Membership Meeting in Istanbul in March. That means we will continue to work on activities which we have started in 2010 to improve quality and performance and we will launch new projects to further develop and strengthen our foundation.

In the last two newsletters we presented our data congruence reporting, which was introduced in the first half of 2010, as a key element of our "Energizing the C2K foundation" initiative to monitor the quality of data provided by airlines and forwarders for performance reporting and benchmarking.

Operating a multiple system environment with several IT providers delivering C2K Data Management Platform (CDMP) services, it is of utmost importance to keep the individual systems synchronized. This

means a constant check that business rules and logic are applied correctly and quickly identifying any technical issues which might have an impact on the quality of reported data. Data congruence reporting is the tool we use for this kind of "health check".

Since the introduction of this monitoring we have significantly improved our congruence performance by over five percent to an overall congruence level of 95%. To ensure that we maintain these high standards we have now introduced a minimum threshold concept which requires mandatory investigation and reporting whenever performance falls below agreed threshold levels. This process has been started on a CDMP to CDMP basis since the beginning of the year.

In addition, we are introducing a new detailed error report starting in June which will enable us to identify and tackle the last of the issues that are preventing us from reaching our 98% target for data congruence. At the C2K Working Group meeting in Kuala Lumpur (5-7 April) the CDMP sub-working group agreed upon specific measures and procedures which

will also eliminate some of the outstanding congruence issues. Going forward we can be more confident than ever that our performance data meets the high quality standards expected by, and from, C2K Members.

New milestone deviation reports to improve performance

As we constantly seek to improve our reporting process and procedures it is important to remind ourselves that reporting itself is not the goal of Cargo 2000, but simply a set of tools to use in our quest to improve industry quality. Our aim therefore is to provide more detailed standard reports which facilitate the analysis of potential performance issues.

One such example is the milestone deviation report for NFD (notification that freight and documentation are on hand at destination airport) which monitors any discrepancy between planned milestone time and actual achievement. Initially introduced on a forwarder to carrier basis, this report is now centrally collated by C2K for distribution to all reporting airlines. After several months of reporting it was agreed to further develop this report at an AWB level to better support airlines in identifying the cause of "early" performance of NFD's. The goal being to improve the accuracy of planning the NFD

Continued on page 8

'Going forward we can be more confident than ever that our performance data meets the high quality standards expected by, and from, C2K Members'

From page 7

in the Airport to Airport movement in order to facilitate a more accurate planning of the Airport to Door movement for the customer.

Following a final review at the recent Working Group, this latest initiative will go live later this month. The new report will provide airlines with a more detailed evaluation of their NFD performance

'We will also start with a project of a complete review and overhaul of our Phase 1 specification to reflect new developments'

and support them in taking appropriate measures for improvement.

When we started with the monitoring of NFD deviation it became obvious that the quality and accuracy of bookings have an impact on whether a shipment is moved according to the plan and might become an "early" performed NFD (e.g. if moved on an earlier flight). A subworking group consisting of airlines and forwarders was established in November last year to assess the current quality of bookings and to identify measurable parameters that contribute to booking quality. First findings and proposals for further actions have been presented at the recent C2K Working Group meeting.

Enhancing the C2K reporting platform

As a result of our growing reporting requirements we are currently looking at options to upgrade our existing reporting system and to move it to a more robust database platform with web access for our members which would not only allow them to receive the current range of reports but

also make controlled queries and generate their own specific reports.

New functions for offset management

We have completed the specification of business rules for the introduction of new functionality in our offset management application (BRAVO) to enter time periods when offices and/or warehouse facilities are open and closed. This will allow a more

accurate and transparent data entry for the calculation of milestones planned time. The development of the new functionality along with some further enhancements of the application will be completed in June 2011. Data collection and preparation by airlines will follow and CDMP services will have implemented the new business logic within their systems by the end of 2011. The data migration from the current version 2 to the new version 3 and implementation will then start in January 2012.

Update of C2K specifications

Having finalized the further development of the Phase 2 (D2D) specification in 2010, we are focusing this year on a review of the Master Operation Plan (MOP) and the review and update of our Phase 1 (A2A) specification. A working group is currently reviewing the MOP (see article in this newsletter). We will also start with a project of a complete review and overhaul of our Phase 1 specification to reflect new developments and to make necessary changes and adjustments to business rules

as a result of our work and findings with data congruence issues. As a first step, an initial update of the reporting section of the Phase 1 specification is currently being worked on to reflect the changes and progress we made with the newly implemented reports. This update will be available by the end of May.

C2K Working Group: Focus on 2011 priorities

Main topics at the recent C2K Working Group in Kuala Lumpur, attended by some 50 representatives of C2K members, were related to the new developments of the reporting process and the findings from analysis based on the reports, such as data congruence and NFD deviation.

Furthermore, several sub-working group meetings took place: the CDMP group discussed and clarified congruence and other issues related to correct data processing. The GHA/RFS group finalized its work on the new GHA/RFS report, and it is planned to start with the internal report for import and export shipments first and most of the members will be ready with April data for the new report. The project group BRAVO application discussed and decided upon the data migration and implementation plan for the new version (3.0). The booking quality group continued its work on measures to assess and to improve the quality of bookings as mentioned above. The discussions and decisions made at the meeting showed that there is strong commitment within the C2K community to improve data quality and to further develop and strengthen the C2K standards for measuring and benchmarking supply chain performance.

Flightcare Cargo joins for 'the best solution'

Flightcare Cargo Belgium and Flightcare Cargo Spain are the latest companies to join Cargo 2000.



Part of FCC Holding and a founding member of Aviance, Flightcare reports annual revenues of more than €228 million and employs over 4,000 staff. Overall, FCC's annual turnover (2009) is €12.7 billion.

Flightcare provides services to over 250 airlines and handles 260,000 tons of cargo per annum.

Cargo Director, Jesús Romero, said: "We have decided to join Cargo 2000 because we strongly believe that it is the best solution as a quality measuring instrument for the services performed

by handling companies and uses the same language as our airline customers. By becoming Cargo 2000 compliant, we will not only benefit our customers but also our own business by having a clear understanding of our quality goals and performance."



JESÚS ROMERO
Cargo Director

Continuing to monitor quality improvement

At the request of the Board, the Cargo 2000 management team has completed a series of re-audits of members that had been certified at an earlier stage in the program and whose quality certificates had since expired.

The team actually exceeded the initial target of completing 17 audits over the course of the year and actually undertook 23 audits in 2010. This included some members that had requested their first audit to be conducted having only recently completed the implementation of the C2K requirements.

Cargo 2000 extends its congratulations to the following members for obtaining new C2K quality certificates after successfully passing a thorough audit process:

During the Cargo 2000 AGM in Istanbul, Mick Fountain presented certificates to the newly-audited members, including the host of the IATA World Cargo Symposium, Turkish Airlines.

Handing over the certificate to Turkish Airlines, he stated: "After only two years of membership, the team at Turkish Airlines have managed to successfully implement the C2K requirements, which included the development of their own CDMP module. This is again proof that dedication to the

cause of quality improvement will help individual members to achieve improved quality levels in an environment where all stakeholders of the industry are working closely together. This achievement of Turkish Airlines is a job very well done."

During 2011, Cargo 2000 will continue to audit new members and conduct re-audits of existing members when these are due. At the same time, a complete review of the audit procedures, including the audit agenda and checklists, will be undertaken. A dedicated sWG with quality experts from within Cargo 2000's membership will be set-up to tackle this project.



Carrier	GHA	CDMP Provider	Forwarders
Air Canada	Swissport	BT Air Logistics Programme	SDV Logistique International
Air France Cargo	TAT	Champ Cargosystems S.A.	Agility Logistics
Cargolux Airlines International	Groundforce	Descartes Systems Group Inc.	Geodis Wilson
British Airways World Cargo	ICCS		Schenker
Lufthansa Cargo	AAT		
KLM	Hactl		
Turkish Airlines			
United Airlines			
Delta Air Lines			
American Airlines Cargo			

Lufthansa Cargo achieves global compliance with Phase 1

Lufthansa Cargo has successfully achieved Phase 1 compliance with Cargo 2000's Master Operating Plan for its global network.

The airline's route network serves over 300 destinations and, in 2010, Lufthansa Cargo reported revenues of €2.7 billion from an 18.2% growth in volume carried to 1.79 million tons.

Ulrich Huesson of Lufthansa Cargo, said: "Due to its structured approach, Cargo 2000 gives us transparency in fulfilment of the customer promise with clearly defined points to measure. It makes Lufthansa Cargo's service visible as an integrated but also prominent part of

the entire logistics chain. As a premium air cargo carrier we cannot afford not to be part of the C2K initiative and want to push forward with the development of C2K, especially expanding the scope and accelerating the implementation."



ULRICH HUESSON
Lufthansa Cargo



C2K Regional updates

EMEA

During the last couple of months, several members have worked very hard behind the scenes, to “get started” with C2K implementation.

The results of these efforts can't be seen in our monthly reports yet but we are happy to recognize that the following companies have moved towards the implementation and testing phase.

- Panalpina appointed their CDMP provider and have started to test several lanes with Delta Airlines as their first airline partner. The next step is for them to submit monthly reports to C2K, roll-out more carriers, stations and lanes and become a certified member soon thereafter.
- Qatar Airways are even a bit further on in their activities and have already submitted their monthly reports to C2K. The date for the quality audit has been scheduled.
- Aramex are in hot pursuit. They have started tests for monthly reporting and will soon be ready to be audited.
- Turkish Airlines have passed the first official C2K audit and – as part of the procedure – have upgraded their membership status to “Global Member”.
- AirBridgeCargo Airlines have put it on record that they have contracted Traxon

to be their CDMP provider. Following this important step, ABC will be starting a thorough test program with some of their forwarder partners.

- Virgin Atlantic is yet to announce their CDMP provider but is already working – behind the scenes – on the alignment of their quality management system with the C2K requirements.

These examples of tireless work by the listed members to reach the stage where the first benefits of being a C2K member can be realized should not distract from the continued quality improvements all other members are working towards respectively and achieving.

New Members

- The major European Ground Handling companies Flightcare Belgium and Flightcare Spain have joined the Cargo 2000 organization as “Industry Associated Members”

Potential New Members

C2K has been contacted by several interested parties with the view to joining Cargo 2000. These potential new members are from all areas of the logistics industry, such as forwarding companies, air cargo carriers, ground handling companies, road feeder service operators as well as airport companies. Several discussions are going on or have been scheduled but it would be a bit premature to reveal further details.

Sub-Working Group Phase 2

The work of the sWG had been concentrated on the details of the MOP Implementation (Phase 2). As a reminder, with Phase 2 we are looking at the planning, verification and reporting of House Air waybill shipments ranging for the transportation leg from the house of the shipper up to the house of the consignee.

The members of the sWG completed the respective specifications and the members have adopted them during the membership meeting in November 2010 in London. The first forwarders are now working with their CDMP providers on the implementation.

Reporting to C2K as per the specifications on a monthly basis is expected towards the end of 2011.

sWG GHA

This sub-working group has been working on a reporting structure for the GHA members of C2K. The specification has been completed and monthly quality reporting will start in May 2011 – showing April data.

The members of C2K are – in a next step – to decide by when the publication of the results will start in the form of a monthly GHA report.

In the meantime, this sWG will continue to work on further interfaces e.g. hand-over rules between Ramp Handling and Ground Handling etc.

Americas

Attracting more ground networks to C2K

The United States is one of the most diverse multi-modal transportation systems in the world with over 40 air gateways and more than 140 customs ports for clearance nationwide. In an average week there are



4,750 flights carrying 1.3 million master and house air waybills.

These are amazing numbers and over 500,000 of those waybills will move in bond, usually on a truck.

The importance of trucking is becoming more of an integral part of the C2K visibility in the supply chain. This year, Jet Airways of Los Angeles has joined C2K because they know how important it is for their air

carrier and forwarder partners to measure the supply chain.

2011 will be critical as we work to bring more of the ground networks into C2K so there can be more visibility within the supply chain and to ensure that a key part in the supply chain is measured. Many call these ground transports "flying trucks" and they can be found crossing the US/Canada border through some of the busiest trade crossings in the world. Hundreds of trucks carry air cargo both ways to hubs and destinations on both sides of the North American border.

U.S. Customs and Border Protection's Air Automated Manifest System (AMS) can also be used to move cargo electronically in bond. As more carriers and forwarders move to a paperless environment, using AMS for electronic approval for the movement of cargo in bond to inland ports is certain to increase. The importance of good and timely data, key points for C2K, are also what are needed in AMS to ensure that cargo can move without issues and without penalties.

So the next time you think air cargo, don't forget the truck. By implementing C2K within a truckers' program, you can open new insights and understanding and not be stuck with your cargo sitting on the dock.

Asia Pacific

Further progress with audits and re-certifications

In the past few months since our last newsletter, effort has been focused on both the initial auditing of new members within the area as well as providing re-certification audits for several long standing members. On the new member front we are happy to share with you that Hong Kong Air Cargo Terminal Ltd (HACTL) as well as Asia Airfreight Terminals (AAT) have successfully completed their initial Cargo 2000 quality audits. Re-certification audits have been completed for ICCS in Shenzhen as well as Singapore Airlines and CCN, which are scheduled for completion by the end of this quarter. Later this year, we will be planning audits for Cathay Pacific as well as GLS Hong Kong.

During late March we had the opportunity to present the Cargo 2000 program at the International Cargo Logistics Conference (ICLC 2011) held in Kuala Lumpur. This is in line with our objective to start to re-engage the customer as participation in this event was from a broader range of industry stakeholders including a number of shippers. Judging from the questions



that were posed during the presentation, we clearly will benefit by this engagement over time. Kuala Lumpur was also the location of our latest Working Group sessions which were held there on April 5-7.

We are also pleased to announce that our local association group in Shanghai has elected Mr. Victor Yao Zhenhua of Singapore Airlines as its new Chairman and Ms. Vivian Zhu of Kuehne + Nagel as Vice Chair and secretary. Our thanks go to the previous Chair and Vice Chair, Ken Huang of Cathay Pacific and Winnie Qin of DB Schenker for their dedication, time and efforts.

Next regional meeting

Our next regional association meeting is planned for June 2nd in Hong Kong. Any readers with either a regional or area wide role who would like to also take part in this session can contact me at presnait@iata.org for additional information. We admit that keeping an up-to-date contact list for all members' representatives at this level presents quite a challenge and though we do our best to advise all members of these meetings by mail invitation, we sometimes fall short of the objective.

Phase 1 certification for Turkish Cargo

Turkish Cargo has underlined its commitment to service quality by successfully achieving Phase 1 certification for Cargo 2000's quality management system.

The airline joined Cargo 2000 as an Industry Associate Member in February 2009 in response to requests from its major freight forwarder customers. It has since become a Full Global Member. Its Phase 1 accreditation is for Turkish Cargo's Istanbul, London and Amsterdam routes. The airline's Chief Commercial Officer, Mr. Orhan Sivrikaya was officially presented with the company's Phase 1 certificate by Cargo 2000's Chairman, Mick Fountain, during IATA's World Cargo Symposium in Istanbul.

The airline said its decision to become a Full Global Member of Cargo 2000

demonstrates its commitment to provide absolute customer satisfaction, increase its service quality and current share in the growing market, and to continue its overall business growth and development.

The Cargo 2000 Members welcome that Turkish Cargo has shown that it is possible within a fairly short schedule to implement the Cargo 2000 quality management system and operational standards. The airline has also worked with determination on an upgrade of its IT system so that it has become one of the few members using its own Cargo 2000 Data Management Platform (CDMP) for planning and controlling

purposes. This ensures every shipment can be closely monitored in real time.

Turkish Cargo is the 17th carrier – out of Cargo 2000's 29 airline members – to achieve Phase 1 accreditation.



Cargo 2000 Members (as of April 2011)

AIRLINES

- AirBridgeCargo [+]
- Air Canada [*]
- Air France [*]
- Alitalia [*]
- American [*]
- British Airways [*]
- C.A.L. [+]
- Cargolux [*]
- Cathay Pacific [*]
- Delta [*]
- Egyptair [+]
- Etihad [*]
- Finnair [t]
- Iberia [+]
- KLM [*]
- Korean [*]
- Lufthansa [*]
- Martinair [+]
- Polar [+]
- Qantas [+]
- Qatar Airways [+]
- SAS [*]
- Saudi Arabian Airlines [+]
- Singapore [*]
- South African Airways [+]
- Swiss [*]
- Turkish Airlines [+]
- United Airlines [*]
- Virgin Atlantic [+]

FORWARDERS

- Agility Logistics [*]
- Aramex [t]
- Cargomind [t]
- CEVA [*]
- DHL Global Forwarding [**]
- Geodis – Wilson [*]
- Hellmann [+]
- Kuehne + Nagel [**]
- OHL [+]
- Panalpina [+]
- Schenker AG [**]
- SDV Intl. Logistics [*]
- UPS Supply Chain Solution [+]
- Uti [+]
- Yusen Logistics Co., Ltd. [**]

GROUND HANDLERS

- AACT [+]
- Asia Airfreight Terminal [+]
- Australian Air Express [*]
- Aviapartner [*]
- Cargo Center [+]
- Cargologic [*]
- CSC India [+]
- Flightcare Ground Services Belgium [+]
- Flightcare Ground Services Spain [+]

- Groundforce [*]
- Hong Kong Air Cargo Terminals Ltd. [*]
- International Cargo Centre Shenzhen [*]
- Kenya Airways GHA Div. [+]
- Plane Handling [+]
- SATS Ltd. [*]
- Servisair UK [+]
- Swissport [*]
- TAT [*]
- Worldwide Flight Services [+]

AIRPORTS

- Amsterdam Airport Schiphol / Cargonaut [+]

TRUCKERS

- Jet Airways [+]
- Wallenborn [t]

TECHNOLOGY PROVIDERS

- Airclis [+]
- British Telecom [*]
- Cargo Flash Infotech [+]
- CCN [*]
- Champ Cargosystems [*]
- Descartes Global Logistics Network [*]

- GLS [*]
- IBS Software Services [+]
- Mercator [+]
- Riege Software [*]
- Traxon [*]
- Unisys [*]

KEY:

[*] = Active Members who obtained the C2K Quality Certificate

[**] = Active Member who obtained Phase 2 certification

[t] = Members who are presently testing the C2K Quality Management System

[+] = Members who are yet to implement the C2K Quality Management System

Contact

To find out more about Cargo 2000, please contact:

- Americas: Michael White at mwhite@cncs.us
- EMEA: Lothar Moehle at moehlel@iata.org
- Asia/Pacific: Tom Presnail at presnailt@iata.org