CargoFlash Infotech

Website: https://www.cargoflash.com/

Customers benefits from the implementation of nGen systems



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Introduction

About Cargo Flash Infotech

Cargo Flash is one of the leading IT and business consulting solutions provider firm

exclusively focused on the Air Cargo Industry. It seamlessly integrates client's business and organizational strategies with IT implementations, thus helping them to improve their financial performance and operational efficiency. With offices in Delhi and Mumbai, Cargo Flash employs a team of nearly 120 experts in the domain of Air Cargo.

The bouquet of products from Cargo Flash provide an end-to-end Cargo Reservations System, Cargo Revenue Accounting, Warehouse/Cargo Handling Management, Door-to-Door/Ecommerce Virtual Integrator System, Revenue Planning System and Slot and Doors Management System. These solutions offered are designed with the objective of being scalable, flexible, transparent, reliable and streamlining the business processes for revenue growth, by using state-of-the-art technology.

Our Vision

To be preferred IT vendor in aviation and logistics space.

Our Mission

To continuously innovate for building a synergistic portfolio of aviation & logistics related business, thereby creating an enduring value for our principals

Background to the study

The first cargo flight took place on the 7 November 1910 in the USA, between Dayton and Columbus, Ohio. Philip Orin Parmelee piloted a Wright Model B Aeroplane 65 miles (105 km) carrying a package of 200 pounds of silk for the opening of a store.

Since then the Air Cargo Industry has come a long way, however, despite widespread hopes for a vibrant industry, for decades the air freight sector has not grown as expected and still remains a small part of total air traffic, reason being still most carriers sees it as a secondary activity, although there have always been specialized cargo airlines. This is changing slowly as some passenger airlines have found the practice of carrying "belly cargo" a highly lucrative enterprise (in fact, it is estimated that 50% of all air freight is moved in this way).

Air cargo is a trade facilitator that contributes to global economic development and creates millions of jobs. The global economy depends on the ability to deliver high-quality products at competitive prices to consumers worldwide. The value of goods carried by air has exceeded \$6 trillion in 2018. Airlines transport over 52 million metric tons of goods a year, representing more than 35% of global trade by value but less than 1% of world trade by volume. That is equivalent to \$6.8 trillion worth of goods annually, or \$18.6 billion worth of goods every day

On average, cargo business generates 9% of airline revenues, representing more than twice the revenues from the first-class segment.

When a demand on one place is supplied from another place with air transport as the main transport mode, an air cargo supply chain must be compiled.

Air transport is relatively expensive, but often the fastest mode of transport available to cover medium to long distances.

The air cargo supply chain consists of several parties: the forwarders collect air cargo shipments and consolidate these shipments in regional warehouses all over the continent. They decide upon the export airport and bring it there to consolidate all shipments in their air cargo hub - warehouse according to the chosen flight. Using local truckers, the shipments, consolidated by airline, are forwarded to the handling agents to load air cargo containers or to build up air cargo pallets. The containers or pallets are brought to the apron and loaded into the planes. There is not a single chain existing; the parties involved are part of a dynamic network which is fixed with every single shipment

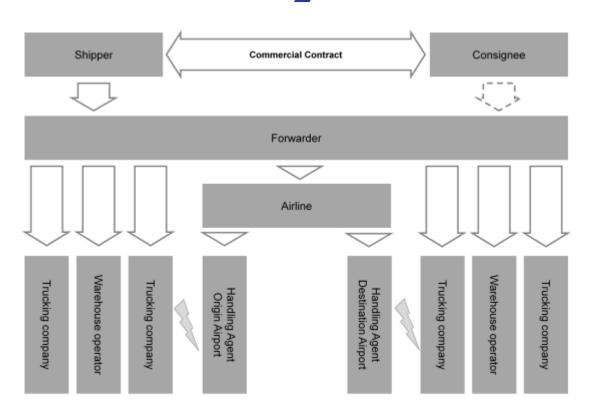


Figure 1: Stakeholders in Air Cargo

The size of the global air cargo market is expected to exceed 85 million tons by 2021, growing at a CAGR of 5% between 2017-2021. During this forecast period, the growth in air cargo market size will be attributed to the rise in global e-commerce business and a need for instant shipment and delivery, as retailers are increasingly preferring the option of air cargo shipment for quick deliveries and enhanced consumer satisfaction. Additionally, rising demand from just-in-time manufacturers, who manufacture goods just before the loading of cargo onto the trucks, is another major growth factor for the air cargo market.

However, the air cargo industry still almost exclusively relies on paper-based manual processes or using multiple non-connected legacy systems to facilitate the domestic and international movement of freight. The average shipment generates more than 30 documents that are used and/or handled by the various parties involved. These paper-based, disconnected processes are not cost-effective and does not serve well the key requirements of air cargo: quality, security and speed.

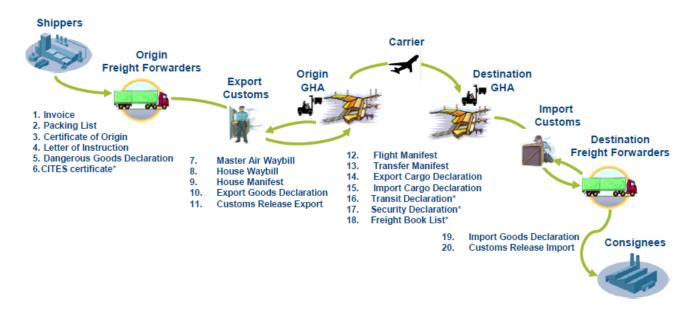


Figure 2: Manual documents, processes in Air Cargo

Generic Advantages through nGen Systems

The nGen systems are web based, and cloud hosted solutions is using the latest technology and has seamlessly integrated Sales, CRM, reservations, Express Door to Door, accounting, operations and HHT modules. This makes the complete cargo aviation process

seamlessly exchanging information real-time and taking out the need for an airline to manage anything manually outside the system.

The system gives an absolute peace of mind and from booking to rating to invoicing and payments everything is done and captured directly and automatically in the system.

- @ Real Time Actionable Business Intelligence
- @ Increased Operational Efficiency
- @ Abreast with IATA's initiatives (e-AWB, e-CSD etc.)
- @ Highlight and Minimize Revenue Leakages
- @ Low Cost of Ownership
- @ Customer Centric Approach
- @ Flexible Implementation and Payment Models
- @ Cuts down duplication and repetition of processes
- @ New Age Technology

I. Swissport

About Swissport

Swissport International Ltd. is an aviation services company providing airport ground and cargo handling services owned by Chinese company HNA Group. It is headquartered in Opfikon, Switzerland.

It handles around 282 million passengers and 4.8 million tonnes of cargo annually, on behalf of some 850 client-companies in the aviation sector. With a workforce of around 66,000 personnel, Swissport is active at 307 locations in 50 countries, and generates consolidated operating revenue of EUR 2.8 billion.

Precursor

Swissport uses Cargo Spot system to manage its handled warehouses for the import and export of air cargo. The services offered by them are -

- Freight Handling
- Forwarder Handling
- Special Cargo Services
- · Temperature-controlled Handling
- Express Services
- Road Feeder Service
- Hub Handling

Challenges

Swissport in all its warehouses was facing the following challenges:

- 1. There was no visibility of the trucks expected to drop the export cargo of collect the import cargo
- 2. There was no way of advising the truckers regarding any operational delays at the warehouse except by calling them over phone (which is an extremely tedious and non-efficient method)
- 3. There was no pre-information regarding any truck bringing in any special cargo requiring any special handling
- 4. There was no method to control the flow of the trucks to the right gate once the trucks arrived at the warehouse
- 5. All these lead to many challenges, one of the major ones was the warehouse gate and parking area getting chocked and also created a traffic mess on the approach road

Cargo Flash Solution

Cargo Flash developed and implemented a state of the art Slot and Doors Management system which allowed Swissport to –

- 1. The forwarders/Truckers were now able to pre-book a slot based on availability and system will intelligently calculate the required slot time based on multiple factors including the weight and number of pieces, type of cargo, whether secure/insecure, type of truck etc.
- 2. Trucks allowed to enter the premises within 15 minutes of allocated slot and not before that thus removing the congestion
- 3. Once truck arrived the system will put the truck on Doors monitor and perform the process of auto door allotment again based on multiple parameters including type of truck, secure/insecure cargo, temperature restrictions, etc.

- 4. The supervisor will have complete access to door monitor giving not only a dashboard view of the movement of trucks from parking to the docks but also option to manually intervene through system whenever required
- 5. Meanwhile the truckers have the visibility of their approx waiting time, their position in the queue, alert when the door allocated with the door number to report to on the drivers panel
- 6. Once the truck arrives at the door, the system records the milestone and based on system pre-calculated time blocks the door, once the time is breached system alerts the door supervisor to intervene

Benefits to Swissport

- 1. Hassle free movement of trucks without congesting either the approach road or the parking area
- 2. Truckers no longer required to enquire to the doors supervisor every few minutes if any door is free for them to dock and had full visibility
- 3. Swissport now had full visibility of the expected workload of a day based on the truck slots booked and based on it could manage their work rosters
- 4. The system ensured better security with advance information of any special cargo
- 5. Made the life much easier for the doors supervisors as truck dock assignment now was automated