

CARGO chat



SPECIAL EDITION

FLYING HIGH



The acquisition of the business of Imperial Air Cargo (IAC) is the biggest deal BidAir Cargo has struck in 15 years. IAC brings with them three contracted Boeing 737-200F freighters which we are using for our overnight service. This is significant because we now have a comprehensive range of daytime and overnight services to satisfy the total needs of our market.

Couriers have been pressing us for the extra convenience of a one-stop-shop. The logical solution was the acquisition of IAC, with whom we already had a

successful working relationship. After extensive discussions, we made an offer for the business which was accepted. We then had to wait for the Competition Commission to approve the acquisition which has now been done.

The highlight was the three freighters operating overnight to a comprehensive schedule networking the coast with Johannesburg in both directions. The highly-experienced IAC operations team moved into our premises and are already part of the family. As senior IAC manager, Vernon Muller, put it “The

move was natural. We shared the same goals and served the express logistics industry jointly for years; now we are performing as one unit.”

Our position as South Africa’s leading independent provider of Express Airport-to-Airport line-haul solutions has thus been further strengthened and we look forward to continued growth with our clients in the courier industry.

GARRY MARSHALL

ENVIABLE TRACK RECORD



Muriel Sahd, Managing Director, IMPERIAL Air Cargo and Garry Marshall, Chief Executive Officer, BidAir Cargo.

Formed as recently as August 2006, IMPERIAL Air Cargo quickly established itself as a force in the overnight domestic express air freight market, rising to a 50% market share in less than five years.

Managing Director, Muriel Sahd told the UK magazine Business Excellence that the performance was achieved despite global economic recession, with shrinking markets. "IMPERIAL Air Cargo management team and staff have a strong focus on being involved, having transparent communication and client relationships and operational excellence as key drivers," said Muriel. "The result is a reputation for quality service, reliability and attention to detail."

Muriel is confident the operation will continue to prosper under the BidAir Cargo banner and sends her former colleagues best wishes. "The teams complement each other and the acquisition means even closer integration – a recipe for continued successful service to the courier industry."



BUSINESS MODEL

BidAir Cargo has become South Africa's leading independent provider of Express Airport-to-Airport line-haul solutions thanks to its innovative business model.

"What makes us different is the fact that we serve two masters - couriers and airlines," says Commercial Director, Roy Solomons. "Airlines want to concentrate on passengers and cargo is specialised and a distraction. They don't have the time nor the expertise to handle freight. Ideally, they want someone to take care of it for them.

"Couriers, on the other hand, want to hand over their consignments to a service provider who will accept them, screen them and put them on the next flight all in the shortest possible time."

The BidAir Cargo solution is to take over the entire cargo operation and administration on behalf of the passenger carriers and make the

capacity available to the courier industry. "Our daytime service uses the cargo space on kulula.com, British Airways/Comair and on some routes, Mango to move couriers' same-day consignments."

When couriers hand over their cargo BidAir Cargo screens it for security purposes and supervises the transfer to the aircraft and loading. At destination, we oversee the off-loading and present the consignments for collection. All this is done with the shortest-feasible hand-in and hand-out times to prune precious minutes off the transit times.

"Our overnight courier service uses the dedicated BidAir Cargo 737-200F freighters networking Cape Town, Durban and Port Elizabeth to Johannesburg while South Africa sleeps with a combined capacity of over 80 freight tonnes," says Roy. "Bloemfontein, East London and George are served by road feeder connections."

BIDAIR SERVICES

BidAir Cargo is delighted that we were able to appoint BidAir Services to take care of our ground handling requirements for the Boeing 737-200F freighters thus sharing business in the Group.

For a precision, high-octane business like ours, co-ordination is critical and having a Group sister company providing the service gives us added confidence. BidAir Services take care of

the ramp handling, transporting cargo and containers to the aircraft and load management. Their people operate with urgency, tempered by respect for the cargo, in line with the BidAir Services Quality Management plan.

Moreover, we offer the protection of a "closed-loop" network whereby cargo remains under our control throughout transit for security and traceability.

TEAMWORK IS THE KEY

"Service to the couriers is paramount"



While our short time-windows from cargo induction to aircraft loading to departure deliver the desired benefits to couriers, it puts pressure on the BidAir Cargo operations.

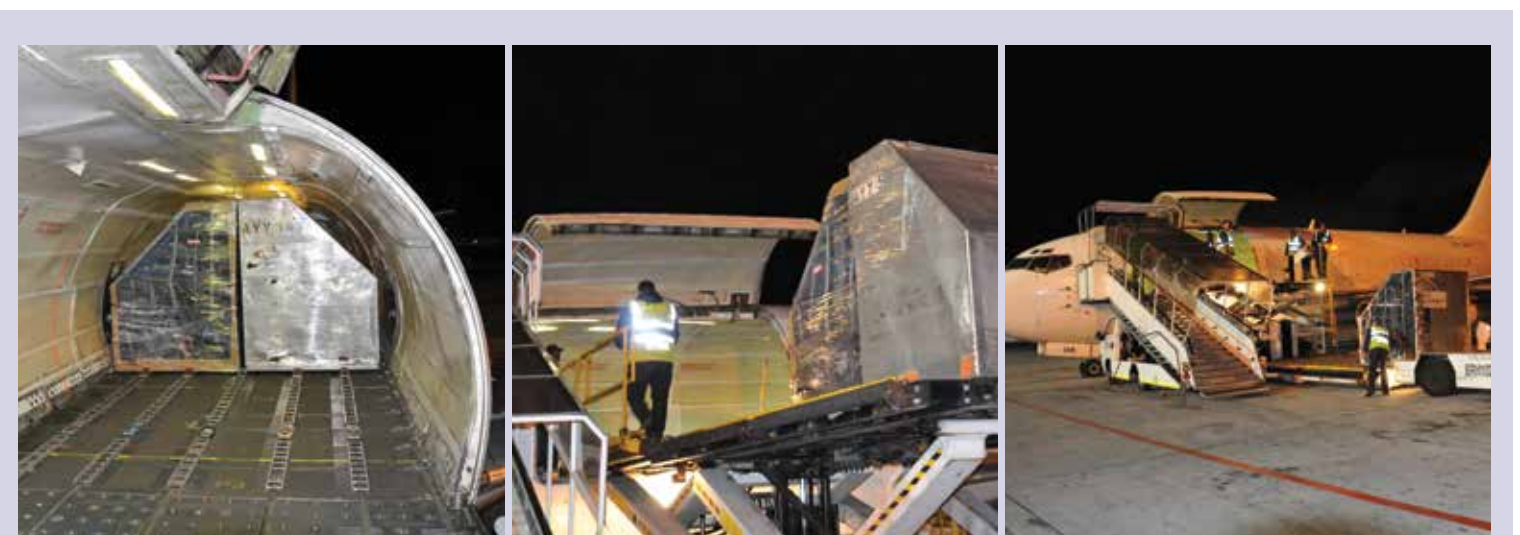
"You can see from the interlocking schedule that if one flight is delayed, it has a knock-on effect on the whole night's performance on all routes" says Deon Fourie, National Operations Manager in Cape Town who supervises the overnight service. "With very little recovery time, it means the team has to do the job right, first time, every time."

That's why BidAir Cargo welcomed the integration of the experienced, hands-on IAC team.

"We've worked together for years, sharing the same goals, so transformation into one unit was seamless," says Deon. "Everyone weighs in to keep the system running on time."

Deon stays in touch with all stations on the network all night and manages the performance of third parties to ensure they conform to the service level agreement. There are also strict security disciplines to be followed. All against the clock.

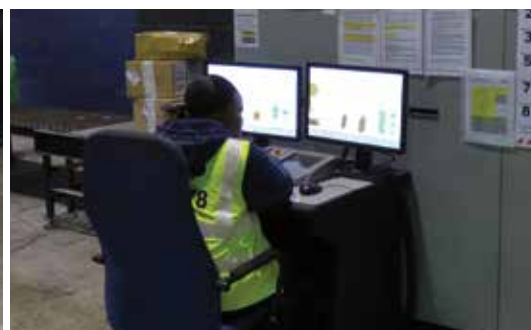
Yet there is still room for flexibility when it comes to client service. "If a courier flags a problem delivering on time, we'll happily send a vehicle out to collect the consignment. Anything to help." Shutting out cargo that didn't make the cut is the last resort. Even then, cargo which misses the flight is sent priority on the first passenger flight next day. "Service to the couriers is paramount," says Deon



COURIER-FRIENDLY SCHEDULES

Express freight is an urgent, last-minute business. Couriers want to collect from the sender as late as possible to give them a longer business day. At destination the recipient wants the goods as soon as possible. So couriers clamour for a swift hand-out to give them more time to sort and meet delivery promises, some of them to outlying districts. In the middle, the aircraft operator is squeezed for time. That's why flight scheduling is critical.

Our overnight express flights have been tailored to the needs of the industry, using a pattern that shortens transit times, yet avoids bottlenecks by staggering departure and arrival times so that our people on the ground can give the cargo their full attention.



DAY	ROUTE	HAND-IN	DEP	ARR	HAND-OUT
Northbound Flights					
1,2,3, 4	CPT – PLZ	20h00	21h00	22h15	23h15
	DUR-JNB	20h45	21h45	22h45	00h00
	CPT – JNB	20h45	21h45	00h00	01h00
	PLZ – JNB	22h00	23h00	00h30	01h30
5	CPT – JNB	20h00	21h00	23h15	00h15
Southbound Flights					
2,3,4,5	JNB – CPT	23h00	00h00	02h15	03h15
	JNB – PLZ	23h00	00h30	02h00	03h30
	JNB – DUR	23h00	02h00	03h00	04h00
	PLZ – CPT	01h30	02h30	03h45	04h45
6	JNB – PLZ	23h00	00h30	02h00	03h30
	PLZ – CPT	01h30	02h30	03h45	04h45
Feeder Services					
1,2,3,4,5	ELS - PLZ	18h00	18h30	21h45	22h30
1,2,3,4,5	GRJ – PLZ	18h00	18h30	21h45	22h30
1,2,3,4,5	BFN – JNB	17h30	18h00	22h30	23h15
2,3,4,5,6	PLZ – ELS	02h00	03h00	06h45	07h15
2,3,4,5,6	PLZ – GRJ	02h00	03h00	06h45	07h15
2,3,4,5,6	JNB – BFN	23h00	02h00	06h30	07h15