DESCARTES™

Descartes for Air Cargo

The rise of international trade has fueled continued growth for the global air cargo market At the same time, the increasing emphasis on just-in-time delivery has added to the importance of managing this growth and improving delivery precision. Airlines and freight forwarders of all sizes are seeking ways to reduce costs and standardize their processes whilst continuing to keep their customers satisfied.

Operational and Cost Challenges for Today's Operators Include:

Manual Processes and Data Entry: Historically, the air cargo industry has used manual processes to negotiate and distribute rates, submit airway bill information, verify surcharges and make bookings. Only a fraction of today's air cargo shipments are booked electronically – most are made by telephone calls. This has led to inefficiencies resulting in higher costs, shipment delays and data entry errors.

Quality in Benchmarking and Status Reporting: Shippers and consignees need constant visibility into the status of their shipments, including proof of delivery. They also need ways to be able to benchmark the service quality of a forwarder or a carrier.

Drayage Management: For air freight carriers and freight forwarders that use 'for hire' transportation rather than dedicated fleets, there are numerous challenges in managing these distributed networks and optimizing freight management.

Customs Compliance: Air shipments spend a lot of time in warehouses and customs and there is an increasing need to eliminate or minimize such bottlenecks through better use of information. With increased regulatory requirements introduced in many countries, there is a need to be able to send information electronically to many customs authorities.

Trading Partner Connectivity: The complexity of connecting with their trading community in an automated manner can easily outweigh the benefits for logistics service providers. It is time consuming to map processes to each trading partner's standards and the cost of setting up the infrastructure to enable highly interactive communications across the value chain can be prohibitive.

Descartes Global Logistics Management Services for the Air Cargo Industry

Descartes can help freight forwarders and airlines of all sizes reduce unit costs and improve shipment mana-gement efficiency over the whole lifecycle while improving customer service.

With the recent integration of Global Freight Exchange (GF-X) Booking Services with Descartes Global Logistics Management Services, Descartes now offers the world's first end-to-end shipment management solution for the air cargo industry. Descartes' Global Logistics Network is a powerful and comprehensive shipment management service for the air cargo industry. Customers can access technology to help them:

- Electronically manage the entire air shipment lifecycle, including bookings, air waybills, house waybills, status messages, and customs filings;

- Manage rates from the initial booking all the way through to invoice presentation, bill of lading rating and audit;

- Comply with customs regulations and leading industry standards such as Cargo 2000 and e-freight.

The Descartes GLN Includes the Following Features:

Centralized Rates and Reservations – Descartes' centralized rate management database provides visibility into rates, contracts, and shipment details from global locations to enable more informed decision-making and contract development. Carriers can distribute product, routing, capacity and rate information to forwarders 24/7 in real time, while forwarders can access carrier information and make electronic bookings - including IATA direct, back-to-back, spot and permanent/allotment - via a simple web browser (no software installation required). Integration of cost tables with contracts also allows for deeper analysis to improve asset utilization and overall margins. Additionally, the host-to-host service enables forwarders to execute bookings from within their own in-house system.

Automated and Electronic Airway and House way Bills – Once reservations are made, the Descartes GLN electronically creates an Air Waybill that can be sent to the airlines (and customs au-thorities in certain jurisdictions) and the House Waybill to the shipper. These forms can be changed and translated into the appropriate format for acceptance by the airline, customs authority and shippers' back-office system, without the need for re-keying data.

Client Configured Data Capture – Carriers can avoid complex integration with multiple systems, since data can be integrated with back office systems. This flexibility allows carrier legacy tools and databases to capture information according to set data formats and helps tailor the way in which rate data is saved and stored.

Supply Chain Visibility and Status Messages – Communication of status messages and ongoing updates enables forwarders to access up-to-the- minute details on shipments. This enables transportation and logistics services providers to offer own-branded, value-added supply chain event management services to their manufacturing and retail customers.

Customs Filings and Compliance – The Descartes GLN provides a single access point to customs initiatives from various governments around the world. This integration capability helps customers comply with customs regulations and leading industry security standards. It also allows conformance to IATA quality management standards such as Cargo 2000 and e-freight.

Importing and Exporting Data – Data can be manipulated offline and later imported using widely-used applications such as Microsoft Excel. This improves efficiency and simplifies adoption for the various users within the air cargo community.

Trading Partner Connectivity – Descartes operates one of the largest transportation-focused messaging networks in the world. As a result, we can help our air cargo customers meet ever-growing customer demands for more data, while decreasing the strain on internal IT departments. By leveraging the Descartes GLN, air cargo carriers and freight forwarders can significantly reduce the cost of new customer acquisition, and easily adapt to industry changes.

Planning and Optimization – The Descartes GLN allows opertors to select carriers based on cost, service level and commitment to customers, while ensuring enforcement of corporate policies at the regional level. Descartes Reporting Services (RPS) also provides the ability to analyze and report on captured data to ensure carriers execute according to plan and deliver optimal performance.

Order Execution – Loads are electronically tendered to carriers, where they can automatically accept and respond to a pickup, provide tracking as required, and show proof of delivery. The Descartes eForms option allows non EDI-enabled transport providers to participate in an air cargo carrier's electronic commerce initiative simply by using their existing email application. Since all messages are dispatched from a central database, users can perform in-depth tracking of shipments and gain greater visibility into delivery status, while improving efficiencies through standardized business processes.

Settlement – Descartes Transportation Manager stores contracts and tariffs with an air carrier's land-transport providers, while supporting the electronic delivery of invoices from carriers. This improves the efficiency and accuracy of authorization, reconciliation, and auditing against rate policies. Local offices can also confirm that shipments took place, were on time, and that the billing rate is accurately reflected.

Carrier Benefits

Improved Efficiency
- Direct handling of forwarder queries through the GLN reduces time spent on responding to calls and faxes
- Electronic booking eliminates the need for double data entry into operational systems
- Less time spent on administration frees up time for sales and value-added services
- Single service provider enables end-to-end mana-gement of shipment process
- Internet web browser offers easy access

Revenue Opportunities
- Increase new business opportunities through more targeted marketing
- Recover lost business through improved customer service
- Increase business opportunities by offering 24/7 access to customers
- Enable faster more informed network and flight planning decisions with higher quality, up to date booking information
- Reduce disputes through shared records of transactions

Forwarder Benefits

Improved Efficiency
- Centralized access to information on products, flight and truck details, routings, capacity availability and rates
- Reduction in time spent on making and checking bookings
- Increased flexibility and service to customers through 24/7 availability
- Less time spent on administration frees up time for sales and valueadded services
- Alignment across gateways/branches through GLN's standard shipment processes
- Single service provider enables end-to-end management of shipment process
- More control and visibility into customs compliance and clearances
- Easy access via any Internet web browser

Revenue Opportunities
- Improved service to shipper customers through real-time response to booking requests
- Provision of value-added services to the shippers including 24/7 alerting and status updates