

A passion for solutions

International Air Transport Forum

Ulyanovsk, August 2012

Panalpina Air Freight



Supply Chain Solutions

Air Freight

Ocean Freight

Logistics

Air Freight Value in Global Logistics: Key Factors for Choice - 1

Infrastructure:

1. Physical Infrastructure, road feeder network, warehouse and airport facilities
2. Customs Procedures
3. Communication
4. Unified global contract and legal standards
5. Unified security procedures

Rather than addressing the commercial side of this question I want to highlight some aspects which are vital so that airfreight can continue to play the important role in global logistics it is playing today.

Air Freight Value in Global Logistics: Key Factors for Choice - 2

Key factors for choice can be determined by a number of criteria which does not even have to be exhaustive:

- Goods are of high value
- Goods are of great urgency like organs, vaccines or relief goods in case of humanitarian catastrophe
- Goods are perishable in the real meaning of the word or they are undergoing a very short life cycle
- Goods are being produced just in time in order to fulfill a single task in a manufacturing process
- Goods require or demand the highest possible security level

There are many reasons for making airfreight the key factor for choice.

Airfreight though being the most expensive form of transportation on a per unit level does, for different reasons, provide in many cases the best relation between cost and value.

Hereafter some deliberations about which measures are required in order to retain and further enhance the environment in which airfreight can continue to fulfill the expectations of the trading partners.

Air Freight Value in Global Logistics: Key Factors for Choice - 3

1. Physical infrastructure

Road feeder network, an efficient warehouse environment as well as an infrastructure oriented on speed as far as the throughput is concerned are major success factors for airfreight. One major factor all airfreight shipments have in common is the requirement for speed.

2. Customs procedures

The global environment in which makes markets and their production and consumer adjacencies ever so similar and compatible does require a global customs structure. If we are to remain on the growth path then this factor of transport procedures is an indispensable prerequisite in order to retain the main element of airfreight: speed.

3. Communication

E-freight, accompanied by e-files, chaperoned by e-customs is the answer to today's most buoyant line of trade: e-commerce. The need for speed has arrived in a new consumer dimension which requires uniformed means of communication.

Air Freight Value in Global Logistics:

Key Factors for Choice - 4

4. Unified contracts and legal standards

IATA, TIACA, GACAG, FIATA, UN Recommendations, Warsaw Convention, Montreal Convention are important signposts en route to a unified contractual base between the parties which benefits the main element of air transportation: the requirement for speed. A reliable legal basis becomes more important when the speed of trade and transportation requires a dependable thus adapted fundament.

5. Security standards and procedures

Last not least should the need for speed not lead to carelessness. Security for the people who are dealing with air cargo, for the means of transportation as well as for the cargo itself is to be considered the highest priority. However, these standards require under global scrutiny a united if not uniform approach.

Black and Caspian Sea Area



The main BCS Area Countries:

- Azerbaijan
- Kazakhstan
- Russia
- Ukraine

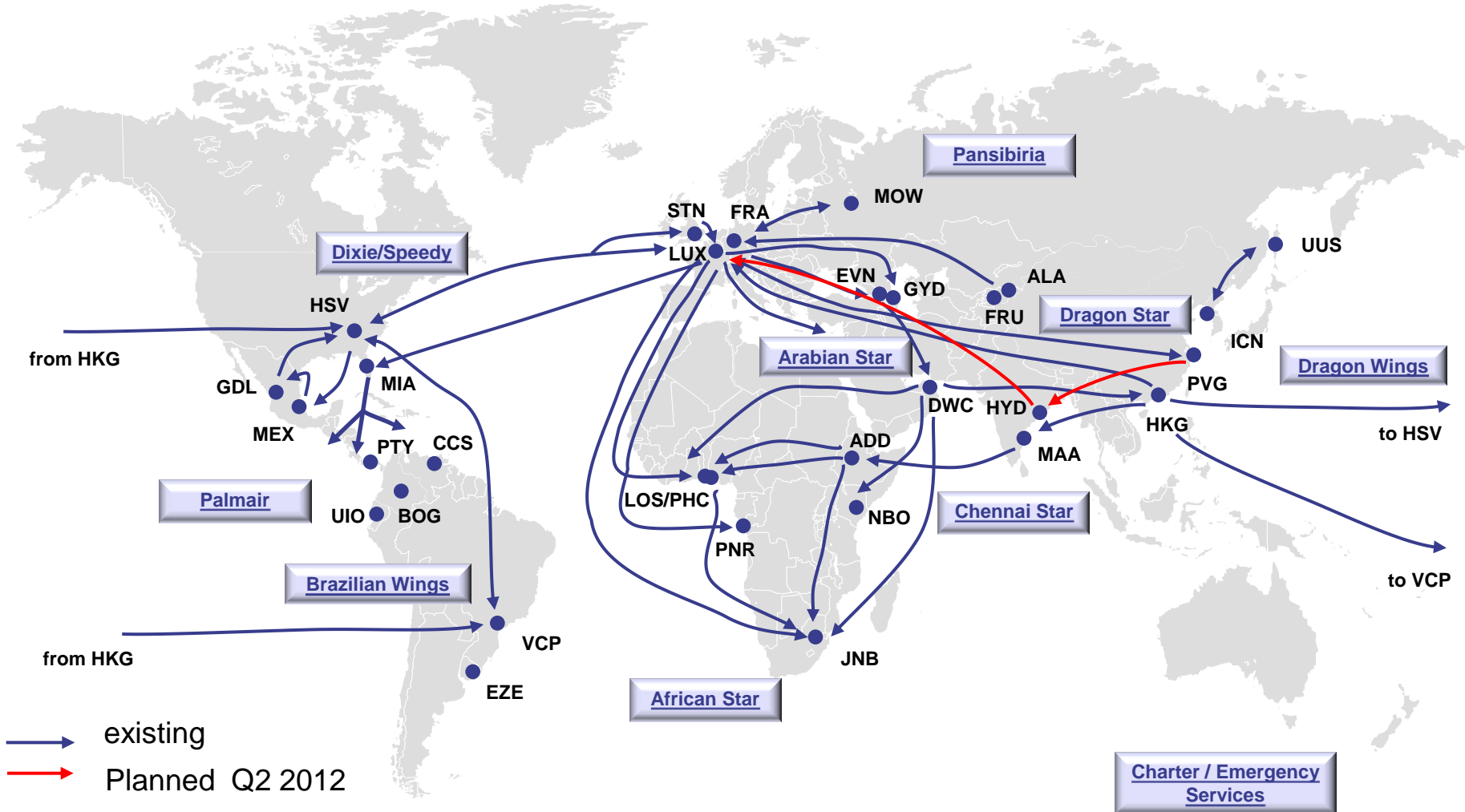
Countries under BCS Area control:

- Armenia
- Belorussia
- Georgia
- Kyrgyzstan
- Moldova
- Tajikistan
- Turkmenistan
- Uzbekistan

Panalpina Black and Caspian Sea as part of a worldwide logistics network

- Worldwide Airfreight network in a combination of own controlled capacity and cooperation with commercial carriers
- Routing options and capacity planning according to customer request and needs is possible anytime
- Special services like worldwide full charter with 24/7/365 coverage
- Hand-carry and On-Board Courier Emergency service worldwide available
- More than 500 offices worldwide with dedicated airfreight departments connected to the Panalpina net

Current Network: Own Controlled Overview



Contact Us

Panalpina Russia

Business Unit Moscow

Address: Derbenevskaya naberezhnaya 7,
bldg 9 Business Centre "Novospasskiy Dvor"
115114, Russia, Moscow

Phone: +7 (495) 961 25 59

Fax: +7 (495) 961 25 69

info.russia@panalpina.com

www.panalpina.com

