

# Quality! More Important Than Ever

CNS Partnership Conference 2009  
Carlsbad, California

# Presenters

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The Americas

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Regional Director Cargo 2000  
Europe, Africa & the Middle East

# Mission and Objective

## **Mission**

*To create world-class logistics Standards for the worldwide air cargo industry*

## **Objective**

*To improve the efficiency of the air cargo industry, improve customer service and reduce costs to all participants by implementing a program of agreed business processes and automation standards*

# C2K Members

## Airlines

- Air Bridge Cargo [+]
- Air Canada (\*)
- Air France (\*)
- Alitalia (\*)
- American (\*)
- Austrian (\*)
- British Airways (\*)
- Cargolux (\*)
- Cathay Pacific (\*)
- Delta (\*)
- Egyptair [+]
- Etihad (\*)
- Finnair [ t ]
- JAL [+]
- KLM (\*)
- Korean (\*)
- Lufthansa (\*)
- NCA (\*)
- Polar [+]
- SAS (\*)
- Saudi Arabian Airlines [+]
- Singapore (\*)
- South African Airways [+]
- Swiss (\*)
- Turkish Airlines [+]
- Virgin Atlantic [+]
- United (\*)

# C2K Members

## Forwarders

- Agility Logistics (\*)
- Cargomind [ t ]
- CEVA Management LLC [ t ]
- DHL Global Forwarding (\*)
- Geodis – Wilson (\*)
- Hellmann [ + ]
- Kühne + Nagel (\*)
- Panalpina [ + ]
- Schenker AG (\*)
- SDV Intl. Logistics (\*)
- Uti [ + ]
- Yusen Air & Sea Service (\*)

# C2K Industry Associates

## Industry Associates

### Ground Handlers

- AACT [+]
- Asia Airfreight Terminal [+]
- Australian Air Express [+]
- Aviapartner (\*)
- Cargo Center [+]
- Cargologic (\*)
- Hong Kong Air Cargo Terminals Ltd. [+]
- HAWK Cargo Services PVT.LTD [+]
- International Cargo Centre Shenzhen (\*)
- Kenya Airways GHA Div. [+]
- National Aviation Services [+]

## Industry Associates

### Ground Handlers

- SATS Ltd. [+]
- Servisair UK [+]
- Swissport (\*)
- TAT (\*)
- Worldwide Flight Services [+]

### Airports

- Fraport (Frankfurt Airport) [+]

### Trucking Companies

- Rutges [ t ]

# C2K Industry Associates

## Industry Associates

### IT Providers

- Airclic [+]
- British Telecom (\*)
- CCN (\*)
- Cargomatrix [+]
- Cargonaut [+]
- Descartes Global Logistics Network (\*)
- IBS [+]
- GLS (\*)
- Mercator [+]
- Riege Software [t]
- Traxon (\*)
- Unisys (\*)

(\*) = active Members who obtained the C2K Quality Certificate

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

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

# Our Newest Members

And now announcing our latest members to Cargo 2000



# C2K Data - Who Provides It?

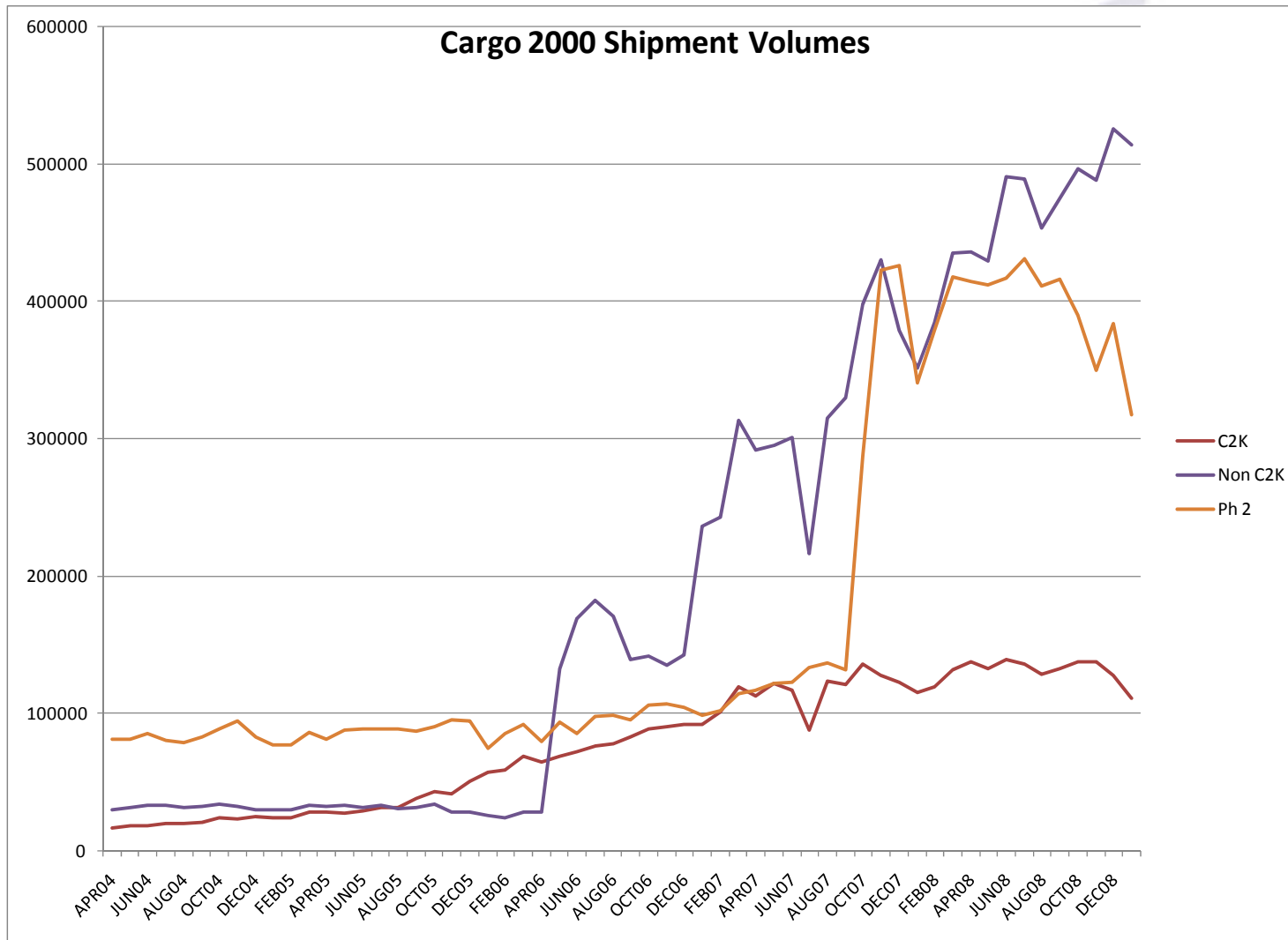
## Currently 24 Reporting Members

- American Airlines
- Air Canada
- Air France
- Alitalia
- Austrian Airlines
- British Airways
- Cargolux Airlines
- Cathay Pacific Airways
- Delta Airlines
- KLM
- Korean Air
- Nippon Cargo Airlines
- Lufthansa Cargo
- SAS
- Swiss
- Singapore Airlines
- United
- Agility
- DHL Global Forwarding
- Geodis Wilson
- Kuehne + Nagel
- Schenker
- SDV
- Yusen Air & Sea Service

# How Have We Progressed?

- Started from a zero base
- Gradually ironed out process & technical issues
- Before 2006 we implemented on a Network basis – adding key stations
- Since 2006 have been focused on driving full implementation of Phase 1 and rolling out Phase 2
- In June 2008 we exceeded 1 million reported transactions in a month for the first time

# Reporting Volumes



# KPI's

- Our KPI performance goes beyond anecdotal and measures true performance against plan
- We measure not only the event occurrence, but whether it took place within the agreed timescale
- This is important because it enables us to separate quality performance from happy coincidence

# KPI's

- A key part of our reporting process is the ability to benchmark performance, knowing that everyone is using the same measures
- This “neutral” or “independent” validation of performance is becoming increasingly interesting to shippers

# Published KPI Data

	March 2008	March 2009
FWB	93%	90 %
FAP	87%	91 %
NFD	82%	87 %

# Apples & Apples

- We also measure the total number of shipments, stations, and lanes that our Members report
- This enables us to make informed comparisons about quality performance depending where a Member is in their implementation cycle
- 98% quality on a single trade lane does not equal 98% quality across a network!

# How Does C2K Improve Performance?

- We speak a common language
- Partners work on comparable data sets
- We can identify problem areas
- We use intensive monitoring to understand root causes
- We target agreed areas for improvement e.g. NFD

# Slice & Dice

- We also analyze our data by origin and destination station, with particular emphasis on those stations where we have C2K Local Associations.

# Local Associations

## Local C2K Associations in:

AMS

**ATL**

BKK

CDG

**DFW**

FRA

HKG

ICN

JNB

**LAX**

LHR

**MIA**

MXP

NBO

**NYC**

**ORD**

PVG

**SFO**

SIN

TYO

**YUL**

**YYZ**

VIE

## Regional Associations

Asia

Australia

Scandinavia

**USA**

# How can new members start?

- Get initial information & ongoing support from your C2K Regional Director
- Start by performing a gap analysis between your current systems/processes and the C2K specifications
- Participate in C2K Local Association's as a learning tool and support mechanism
- Use the C2K quality matrix as permanent "to-do-list" and quality management tool
- Participate in the C2K technical working group

# In Conclusion

- Measurement & Reporting are key elements in the Cargo 2000 Process
- Our data enables us to target corrective actions and eliminate quality roadblocks
- The ability to deliver benchmark figures based on common measurements is becoming increasingly important
- We still have room to improve, but as a group we have made significant progress from the industry norms.

# In Conclusion

- Cargo 2000 is the only global organization, where all stakeholders of the airfreight industry are working together on quality improvements
- C2K is inviting interested parties to join and work with us so that their requirements can be taken into consideration
- Cargo 2000 has reached out to shippers / customers to be part of this initiative .....

# Questions?

Visit our website

[www.cargo2000.com](http://www.cargo2000.com)

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