

ULDs GO FLEXI-MODE TO RESPOND TO ADHOC AND CRITICAL CARGO

— Surya Kannoth

A significant percentage of air cargo moving from Asia to across the world today is Personal Protective Equipment (PPE) to fight the Covid-19 pandemic. However, carriers are challenged to move such critical freight due to a global imbalance of ULDs. The short supply of ULDs for critical cargo shipments and flexible leasing options, stock availability in the right locations and quick response times can help carriers to find new revenue streams and opportunities, which can be instrumental in keeping their businesses afloat.

PHOTO: ACL Airshop



The current times are uncertain and a flexible supply chain holds key in the air cargo sector, in particular, which plays a critical role in maintaining the expedited movement of goods and perishables. Given the fluid air cargo environment, the visibility of Unit Load Devices (ULD) and their continuous availability has become more important than ever to help ensure efficient movement of critical PPE shipments and better management of shipping assets. ULDs are the only aircraft parts that leave the control of the airline and return after passing through many unregulated hands, as most ULD operations are outsourced to ground service providers. At such times, flexible leasing options serve to cover peak demands. ULD manufacturers and ULD management companies are now working on such options, which they believe, can be tapped into with little lead time, geared mostly for ad hoc requirements of certain ULD types.

"The market is fluid and fast-changing right now, and we are leasing more and

more ULDs every day. Chaotic fast changes actually favour the business model of ACL Airshop, and our customers know we always strive to be rapidly responsive," said Steve Townes, CEO, ACL Airshop.

With air cargo making it to passenger seats, ULD players are aware of the urgency to react to the unique crisis. "The availability of containers and pallets is now more critical than ever and all our staff are working hard to make sure that we provide the ULDs necessary for our customers' flights around the globe. Our service delivery is guaranteed at the same high levels as before in spite of the restrictions and difficulties that most companies are facing nowadays," said Benoit Dumont, CEO, Unilode.

Moving forward, flexibility is going to be key. "We feel that airlines are going to need to be able to deploy assets in a cargo network that can not only cope with the day-to-day rigours of distribution but can be used to deliver tangible service enhancements that delivers value to their customers," said Tom Pherson, president, AEROTUF.

In the current environment, it is critical that there are solutions available in the market that is easily adaptable for multiple application usage. There is an increasing demand for such solutions that are diverse when needed, yet effectively repositioned into supply chain as regular assets.

"We provide a specific custom solution to every single customer, whether you are leasing for a few days or weeks, a few months with a lease/purchase, or have a 3 to 5-year management contract for an entire fleet plus logistics services and innovative technologies. Our customers must react flexibly to the constant volatility of the air cargo market worldwide, and we are rapidly adaptive to that. Especially right now, we see new shifts, changing patterns of demand, evolving paradigms, and ACL Airshop is flexing right alongside our customers," said ACL Airshop's Townes.

In the US, for example, there is often a surplus of ULDs, while in China there is frequently a shortage. The supply and demand mismatch between the two



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PHOTO: ACL Airshop

» The collapsible AAY Container

countries is a major reason for this imbalance. The demand for Chinese products is greater in the US than the demand for American products in China, which means many more ULDs are going east to west. It is not just the trade lanes between countries that are suffering an imbalance; trade lanes between companies are facing the same issue, too. Around 20 percent of trade flow is imbalanced, according to air cargo calculations. Until recently, what to do with empty ULDs was a major concern, especially with storage space at airports being both scarce and expensive. Collapsible ULDs or contain-

ers may be a solution for a situation like this. In October 2019, ACL Airshop became the launch customer for these collapsible AAY containers and the first to market these for its lease fleet thus optimising its management capabilities. VRR, the design and manufacturing company behind the collapsible AAY container, believes that this solution will help solve the current global imbalance in main deck containers. These containers will help save on logistics costs and can be moved in larger quantities using less volume, thus saving time and money for the airline and the end consumer.

Weighing in at approximately 280kg (617lbs), the container can be erected and collapsed by two people in just two minutes. When folded, the container is seven times smaller, and has a height of only 255mm (10”). The units can be stacked up to four high on the B737F main deck, and six high on the lower deck of a wide-body aircraft. On land, the units can be stored up to six high.

Tech-enabled ULD fleet management

Companies have been investing heavily in new technologies for tracking and





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“We are enhancing our ULD management systems with an automated and AI-driven software product to streamline the handling of ULD management-related communications and coordinate logistics activities much quicker with ground handlers, airlines and the freight communities”

Benoit Dumont
Unitode

tracing ULDs and in ULD fleet management, which in the current situation, are very critical. ACL Airshop's FindMyULD app is specifically designed to enhance every data requirement end-to-end in air cargo transactions, across the entire worldwide ecosystem of the air cargo industry. From location and status accuracy to barcoding and Bluetooth scanning and tracking, FindMyULD pulls together all of ACL Airshop's ULD management services in one seamless tool. Explaining how the app has been aiding its customers, Townes said, "FindMyULD continues to provide our ULD Control customers 24/7 access to their assets. With the swipe of a screen, they know



when and where their ULDs are, where they are going, and other status metrics.”

To speed up the search for the right ULDs, skypooling, the online platform for the global exchange of ULDs, is now offering the function for emergency inquiries, which is otherwise only unlimitedly available to premium users, to all participants free of charge. In this way, inquiries can be addressed to all users simultaneously. Leasing companies also have the option to offer their ULDs on the skypooling platform, so that users can contact the companies directly in an emergency, if they cannot find suitable matches.

"We are currently registering overstocks of ULDs in many places, but about every third entry on our platform is a search query. We are therefore calling out to all airlines to report their overstocks on skypooling. The more airlines take advantage of the service, the better the devices can

be used for urgently needed freight. At the same time, storage costs for overstocks can also be reduced in some cases," said Christine Klemmer, general manager of skypooling in a press release.

Jettainer's global leasing offer for adhoc needs, JettLease, also assists in this endeavour. Jettainer provides existing customers, but mostly non-ULD customers with units at stations that are outside of their regular flight schedule. In China in particular, predominantly in Shanghai, the demand has recently increased significantly. The growing number of charter flights with medical equipment or humanitarian freight mainly explains the unpredictable need of ULDs. In addition to suitcase and freight containers, pallets, car racks and horse stalls, nets for securing goods in freight and passenger machines complete the offer of JettLease.

"Especially in emergency and crisis situations airfreight is of central im-



» Digitised main deck containers

portance. With our international network we can provide the required unit loading devices quickly and flexibly. I would like to thank the entire team that is doing its utmost for days to meet the increasing demand for short-term solutions,” said Thomas Sonntag, managing director, Jettainer.

Meanwhile, another major player, Unilode, whose main business model is a shared economy concept of pooling, provides flexible access to containers and pallets in key locations, scalable stock levels to accommodate changes to their network and aircraft fleet, and cost-saving opportunities.

“We are enhancing our ULD management systems with an automated and AI-driven software product to streamline the handling

of ULD management-related communications and coordinate logistics activities much quicker with ground handlers, airlines and the freight communities. This application will further improve the quality and response times of all our customer contact methods,” Dumont explained.

One of the main benefits of Unilode’s digital solution is that enables the geo-tracking of the ULD and its cargo, and this provides global asset visibility without the need for manual and laborious, and often inaccurate messages sent by the GHAs. It

makes the tracking of the whereabouts of the assets much easier, reliable and efficient as it improves data quality and therefore the efficient use of the ULDs.

In January 2020, Unilode announced its partnership with Freshworks Inc., the customer engagement software company. Freshworks provides customer engagement software to businesses of all sizes, making it easy for customer support, marketing sales, and customer success professionals to communicate more effectively with customers. Freshworks offers a full suite of SaaS (Soft-



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PHOTO: DoKaSch Temperature Solutions



ware as a Service) products that gives businesses a 360-degree view of the customer to offer quicker and better service.

Catering to temperature-controlled shipments

ULDs or containers for pharmaceuticals and temperature-controlled shipments were of high importance before the ongoing pandemic and are even more relevant now. The pandemic has focused the need for deploying assets in cargo networks that go beyond the norm, especially so, in high value industries like pharmaceuticals and medical devices. ULD manufacturers and leasing companies are tapping this important market now. "The already high demand for our active Opticooler containers has increased even further during the first quarter of 2020 compared to 2019. And there is another difference. Our containers were often transported as belly freight in passenger planes. Due to the breakdown of capacities worldwide, pharma companies switched to use charter flights more often. These, however, require more complex preparations due to the fact that they often transport 30-40 Opticoolers at once instead of just a few



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Andreas Seitz
DoKaSch

like on a passenger airplane. It is a challenge to provide that kind of capacity at short notice, but we are managing well thanks to reserves," explains Andreas Seitz,

managing director, DoKaSch. DoKaSch's Opticoolers offer direct delivery of the containers to the exporting pharma warehouses across Europe and the US. Adapting quickly to the rising number of short-notice requests and changes, the company has been able to accommodate the needs of its clients in the current crisis without any problems.

ACL Airshop is also planning a cool container market test in the Asia-Pacific region, after the pandemic dissipates. "That advancement was put on hold when the crisis began hitting everywhere so hard," revealed ACL Airshop's Townes.

The current situation has provided new opportunities to a few carriers for additional business in the pharma sector. "The Bluetooth tags installed in Unilode's containers and pallets can measure temperature, in addition to providing data on location, light, humidity and shock. The temperature-monitoring feature ensures that the carrier can keep track of the conditions of the shipment at all handling stages, know to what temperatures the products have been exposed during the journey and take corrective actions if needed, which are all very important



for the transport of pharmaceuticals,” explained Unilode’s Dumont. Unilode also offers new services such as disinfection of ULDs if required by its customers. Unilode is a global repair partner for Envirotainer and helps them ensure that their containers meet the strict requirements of the pharmaceutical industry.

Meanwhile, AeroTUF has been working in partnership with Sonoco ThermoSafe on the development and launch of their Pegasus ULD containers, which are a range of passive temperature-controlled unit load devices. These containers will be integrating AeroTUF’s patented AeroTHERM composite material technology and will be the first passive bulk container that is also an approved unit load device. The first Pegasus ULD will be based on the AKP size, which fits a full US pallet and shares the same footprint of the AKE sized units, without the imbalanced overhang, that can account for around 80 percent of transit damage to AKE / RKN containers.

Pherson added, “Both Sonoco ThermoSafe and AEROTUF are well known for

innovation in their respective fields. We are pleased to be playing a key role where our technology allows Sonoco ThermoSafe to go to market at a time where there is absolute focus on making sure bulk volumes of critical, life-saving pharmaceutical products get to where they are needed and arrive in compliant condition.”

Another important player, SkyCell, a designer of ‘smart containers’ which maintains constant conditions for drugs that need to be kept at strict temperatures, humidity levels, and levels of vibration, to transport pharmaceuticals around the globe on behalf of drug companies, has been involved in helping to transport supportive medications related to the Covid-19 pandemic to different parts of the world. SkyCell had recently announced that it has raised \$62 million in growth funding. SkyCell had also revealed that several of its customers are current working on Covid-19 medications to ease symptoms or potentially to vaccinate the virus. So, it may play a role in getting drugs to where they need to be. ■

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