

Flexibility creates opportunities

Air cargo continued to operate during the pandemic and the ULD management sector has continued to perform strongly. This has been a significant year for Unilode Aviation Solutions, says Marc Groenewegen, Chief Commercial Officer and Managing Director of MRO Solutions, with new ownership between private equity companies, an expanding customer base and diversification of services.

"The pandemic hasn't slowed down our commercial activities and we've had an active sales pipeline with several new business wins and contract renewals in both our ULD management and MRO business unit," he says.

Unilode's digitalisation is progressing well with close to 90,000 digital ULDs in the fleet, and MRO volumes are increasing. With the peak season underway, ULD management operations teams have been kept busy.

Everyone has been affected by the pandemic, and Unilode is no different, but with a strong and varied product portfolio and customer base, it has coped well. The ULD repair network has been key to operational readiness and revenue-generating business opportunities, says Groenewegen.

He says: "We have increased our operational capacity to service a higher number of pallets to support our airline customers to move essential cargo when passenger travel restrictions were in place and there was a significant shift in focus to cargo activities."



The pandemic squeezed airlines' finances and provided operational challenges. Outsourcing ULD management can provide greater flexibility in an uncertain market.

Challenges caused by the pandemic has caused airlines to look more closely at ULD management as it can give them greater flexibility in these uncertain times.

Groenewegen says: "Operational and financial issues faced by airlines have increased during Covid times, and after travel restrictions were lifted in many countries and airlines could restart flying, they faced business continuity challenges and money was very tight."

It is not just one type of airline that is taking an interest in Unilode's services, Unilode works with mainline, cargo, regional, low-cost and leisure carriers, with some only having a few units and some having up to 21,000 containers and pallets.

Groenewegen says: "As Unilode offers pooled, dedicated and hybrid ULD fleets, we are able to provide a tailored ULD management solution for each customer."

Supply chain issues have affected the business, with leasing

requests mainly for pallets as airlines and shippers face ULD shortages due to high demand and production capacity is at its limit. The ULD repair business is having to turn units around quickly as airlines cannot afford to have ULDs out of action for long periods of time or have damaged ULDs occupying valuable aircraft space so Unilode's network of 36 repair shops is proving invaluable, and output has been increased to meet customer demand.

Making assets available is a priority for the ULD management team, and the peak-season combined with supply chain issues makes for a challenging period. Sharing assets through ULD pooling is helping solve imbalances and fluctuations in seasonal demand.

Groenewegen says: "The global supply chain issues may have contributed to the increased interest for our ULD management solutions from airlines, freight forwarders and shippers."

With air cargo demand looking strong going into 2022, Unilode will be staying busy as it looks to retain existing customers and win new business. Digitising the ULD fleet is a priority, and a large task with over 145,000 units.

Groenewegen is confident about the outlook, saying: "This year we've started tapping into new market segments that will bring more opportunities and revenue potential for Unilode in 2022, and although we are aware there will be challenges along the way, we look forward to a successful new year." 🌐



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