

SPRING 2007

MANAGEMENT

airline cargo

SOLUTIONS FOR AIRLINES, AIRPORTS AND HANDLERS

MIDDLE EAST

A hub too far?

IT SYSTEMS

Legacy pains

AIRPORT

Singapore
Changi

INTERVIEW

Michael Wisbrun

Creating common values
at AF-KLM Cargo

www.airlinecargomanagement.com



migration to the new system by early 2008. In the first step, it intends to switch over the platform and core functions like capacity management and bookings, with other elements to

follow later. Some of those are still on the drawing board at the moment. Mercator has yet to develop Cargo 2000 capability, which was a requirement of the airline. The ability to add

Minnow solutions

A start-up airline with a handful of aircraft and routes does not need complex route planning functionality in its cargo IT infrastructure, nor would it find one-on-one links with a host of different customs authorities economical. On the other hand, the outfit cannot run its cargo operations on the back of an envelope. One systems company, Freightpath, a spin-off of Fountainhead International, seeks to occupy that niche with its cargo IT offering.

"There is a large, under-served segment of the market that ranges from regional airlines to mid-sized carriers," contends Ted Braun, President, Freightpath. "They have the same needs as large carriers but don't need the bells and whistles. For them, there are not a lot of options."

Certainly, systems on offer from providers such as Unisys are not for everybody. "Our target market is the top 100 airlines," says Christopher Shawdon, the company's Vice President of Logistics Solutions, Global Transportation. Theoretically, small carriers could use a reduced version but "any system – like any car – is designed for certain functionality. If you do interline business, have a complex set of different products or deal with large forwarders, you have more complex requirements".

Freightpath was born after Alaskan carrier Everts Air Cargo approached Fountainhead in 2002 with a view to developing a system to manage its business. The following year Canadian North Airlines, which had been using Sabre for historical reasons, signed up for a cargo system.

Fountainhead was later acquired by Eagle Datamation and Freightpath went its own way, with Braun controlling 87% of the company. By his estimate, about 200 of the 270 IATA member airlines have no cargo IT set-up or only small, patchy solutions with insufficient access to data.

What Freightpath offers is a solution on a Microsoft platform that is designed to act as an enterprise system with core elements such as reservations, space control, air waybill processing, document generation, flight schedules, financial and reporting functions. Particular elements can be added as per client requirements. For Air Greenland, for example, Freightpath has added interline settlement and mail modules.

Some new functions such as revenue management and ULD control are on the drawing board and should be ready later this year, according to Braun. The system incorporates a web-based tracking tool. Electronic booking and web quotes will be rolled out later.

The Freightpath offering is available either for sale or on a hosted basis. Braun says there is no difference between the two options in terms of functionality.

But unlike most hosted legacy cargo systems, it does not bill its customers on the basis of air waybill volumes. Instead, charges are based on the number of concurrent users, the maximum number of users on the system at any given time. Besides the user charges, customers are billed for the licence, implementation, interfaces, web services and maintenance.



Ted Braun: "A large, under-served segment of the market"