



Streamlining and measuring operations

How Traxon CDMP enables Air France KLM Martinair Cargo (AFKLMP) streamline and measure their operations beyond Cargo iQ/traxonCDMP

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Together, leading data driven improvement in the supply chain

As is probably the case for many of the leading airlines, Air France KLM Martinair Cargo (AFKLMP) wondered about the consistency of their operational performance. Commercially and as an overall business, they were doing well. But could they really be sure that operationally, all tasks, processes and procedures in all the different locations with different staff, working cultures and sub-contractors were all carried out to the same and highest levels, ensuring full customer satisfaction?

AFKLMP decided they wanted to measure and improve their operational performance and identify weak spots to eliminate discrepancies across their entire network, from suppliers, to contractors, to ground handlers and more, with the overall aim to offer a quality-driven service to their customers.

Not only a powerful solution, but also an auditing tool for business improvement

Excellent versus average performance

As a leading airline business, AFKLMP compared performance between different stations, their own internal benchmarks. But was this enough?

The idea of an interest group focused on quality management was born out of the need to improve service delivery with the objective to enhance quality along the air cargo supply chain through efficient data sharing and analysis, ultimately leading to much higher transparency for the forwarder, shipper and consignee.

As founding members of Cargo 2000 - now known as Cargo iQ - AFKLMP sought to bring a grade of excellence to the air cargo community. This interest group, primarily made up of major airlines freight forwarders and GHAs, established performance standards along the supply chain for benchmarking purposes. With optimized processes in place, any supply chain stakeholder should be able to conform to these standards.

When it came to implementing the required technology

to efficiently measure the airline's own operational performance, Air France's key requirements were for messaging services, appealing user interface / look and feel, and ease of use. Traxon CDMP - offered by CHAMP as part of its Community Integration Services - was a perfect fit and was adopted by KLM and Martinair Cargo later.

"Traxon CDMP plays a key role in the day-to-day management of performance across the AFKL operational network..."





Cargo iQ, CHAMP and Traxon CDMP have impacted AFKLMP

Through comprehensive support and collaboration, the Traxon CDMP implementation was completed with some change of business processes and a steep learning curve for the entire AFKLMP team. The unique graphical dashboard in Traxon CDMP enables all users at AFKLMP to spot discrepancies and underperformances easily and quickly.

In just a few months, AFKLMP had collected and analyzed sufficient data to identify the most critical performance issues, which were ranging from station operations effectiveness to staff allocation.

And a mere 12 months later, not only all critical issues were resolved, also the sales and operational teams were much better aligned thanks to better understanding and insights into the operational processes, challenges and opportunities, significantly improving the teamwork across key departments.

“With the great visibility that Traxon CDMP provides complying with Cargo iQ’s standards, the visualization of the processes, and the easy-to-use features, Traxon CDMP enabled us to be able to focus on those areas for improvements, by using the existing resources and staff, which saved us effort and led to great achievements.” explained Rutger Jan Pegels, the new Director Performance Management at AFKLMP.

Today the Traxon CDMP plays a key role in the day-to-day management of performance across the AFKLMP operational network and provides the after-the fact performance reporting to help deliver a consistent and predictable service to their customers.



AFKLMP goes the extra mile

When the fine-tuning and “business-as-usual” was about to start, AFKLMP decided to take their quality management program even one level further. “With all that data at our fingertips, and knowing the potential that Traxon CDMP can further develop and offer, we couldn’t just ignore other improvement opportunities”, says David Granzotto, Head of Performance Management, Cargo Opérations & Logistics at AFKLMP. “Traxon CDMP is fantastic, it really allows you to pinpoint where operations aren’t as efficient as they should be. Of course, no CDMP will do the entire work for you. It’s down to the workforce to then perform a root-cause analysis, overlay it with your business processes and come up with solutions.” added Bram Snel, Operations Research Consultant at AFKLMP.

Potential benefits go beyond those of Cargo iQ

CHAMP and AFKLMP enjoy a very fruitful partnership that was well beyond the common vendor-buyer-relationship.

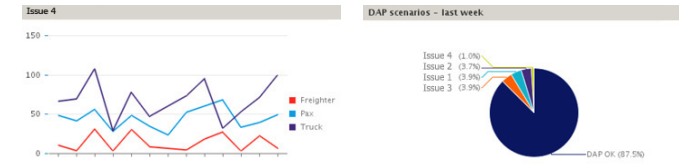
With that and the highly customizable Traxon CDMP in mind, AFKLMP decided to jointly explore with CHAMP how they could further enrich the Traxon CDMP application for additional benefits.

One of the results is the implementation of Exception Handling Codes, which enable AFKLMP to more easily identify not just what has failed, but also the reason why it failed helping to manage discrepancies much more effectively.

With a continuously growing business, AFKLMP wanted to automate the root-cause analysis in order to save time and increase accuracy. The Exception Handling Codes provide configured reasons as to why a milestone was not met, e.g.

adverse weather, late positioning of freight etc. which made the identification of suitable counter measures significantly easier.

Some of the required changes were as simple as adjusting the shift times by 15 minutes for example.



Also, AFKLMP wanted to share some of the dashboard views that are commonly used for monthly reporting with the operational staff to support improved involvement. CHAMP enhanced its Traxon CDMP with additional user interfaces beyond shipment view, enabling operational staff to use the tool in their daily work by selecting trucks and flights and multiple milestones at once instead of single shipment only.

The dashboards, data and reports are also being used by AFKLMP’s key account management for conversations with their clients. There is a very high level of trust and transparency, issues are being flagged and counter measurements are taken to improve the area of concern, for example booking. CHAMP played a pivotal role in enhancing the reports in line with AFKLMP’s business intelligence requirements.

Long-term Partnership with even more room to grow

Whereas the traditional scope for Cargo iQ is improving the quality in the supply chain, AFKLMP sees further utilization of Traxon CDMP for external partner management, further increasing the return on their Traxon CDMP investment.

In addition to Traxon CDMP, AFKLMP also uses CHAMP’s messaging and distribution services Traxon cargoHUB to efficiently send and receive messages regardless of message type, format and protocol - a pre-requisite for effective participation in e-freight.



About the Air France KLM Group

The Air France KLM Group is a global airline group with a strong European base.

Main areas of business are passenger transport, cargo transport and aeronautical maintenance.

Air France KLM is the leading group in international traffic from Paris – Charles de Gaulle and Amsterdam Schiphol, which stand in the top 3 European cargo hubs. With a fleet of 534 aircraft in operation and 93.4 million passengers carried in 2016, Air France KLM operates to 320 destinations in 114 countries from its hubs at Paris and Amsterdam.

In 2016, Air France KLM Martinair Cargo carried 1.1 million tons of cargo. In addition to its global network of passenger aircraft, the group offers cargo main deck capacity on 2 Boeing 777 Freighters, 4 Boeing 747-400 Freighters and 9 Boeing 747-400 Combis.

Air France and KLM are members of the SkyTeam alliance, which has 20 member airlines, offering customers access to a global network of over 16,320 daily flights to more than 1,000 destinations in 179 countries.

Additional information is available at www.afklcargo.com

AIRFRANCEKLM
GROUP

About Cargo iQ

Cargo iQ operates as a not-for-profit membership group supported by IATA and composed of some 80 major airlines, freight forwarders, ground-handling agents, trucking companies and IT solution providers globally.

Cargo iQ members developed a system of shipment planning and performance monitoring for air cargo based on common business processes and milestones. As part of that system, the Master Operating Plan (MOP) describes the standard end-to-end process of transporting air cargo.

To get more information, please visit www.cargoiq.org

CARGO iQ

About CHAMP

CHAMP Cargosystems provides the most comprehensive range of integrated IT solutions and distribution services for the air cargo transport chain. The portfolio spans core management systems, messaging services, and eCargo solutions. These include applications to meet customs and security requirements, quality optimization as well as e-freight and mobility needs. The products and services are well known under the Cargospot, Traxon, and Logitude brands.

The company serves over 200 airlines and GSAs, and links these with some 3,000 forwarders and GHAs worldwide. CHAMP's solutions help its customers and their clients adapt to critical and continuous changes in air transport logistics to meet global trade demands.

CHAMP Cargosystems is headquartered in Luxembourg and operates offices in London, Zurich, Frankfurt / Main and Manila.

For further information see www.champ.aero

 **Traxon** CDMP