

Logwin: maximum data quality with e-freight

Grevenmacher (Luxembourg) - Greater transparency, greater security and greater speed are what Logwin, the international logistics service provider is offering its customer with its e-freight services. All Logwin locations around the world are able to reproduce the documentation steps required for processing air freight completely electronically. Logwin is thus one of the first logistics service providers to implement end-to-end e-freight handling.

E-freight replaces the old paper-based air waybill (AWB) with electronic documentation. The forwarding agent transmits the AWB data to the airline. As soon as the airline confirms receipt of the shipment with an event called RCS (received from shipper), the air freight agreement is considered concluded.

Customers sending their air freight in this paperless procedure via e-freight benefit in the following ways:

- E-freight guarantees customers maximum data quality for air freight processing. "Paper forms allow greater leeway with the details", says Volker Hoebelt, Director Global Sales + Marketing Air + Ocean at Logwin. "The specifications for the electronic form are stricter. Overall, e-freight provides more transparency thanks to obligatory data entry." With electronic documentation, the predefined input mask forces all those involved in the process to maximum accuracy - with the standardized input of all information such as type, value and volume of the shipment and details on the consignor, consignee, dispatch and arrival times as well as forwarders, airlines and customs clearance.
- Faster and safe IT-based transmission: with e-freight there is no risk of important documents being lost on long routes and not being available for customs clearance at the destination. The basis for fast and secure data transmission at Logwin is the globally standardized IT system Procars. The logistics service provider uses the proven TRAXON cargo community system to forward the freight documents to the airlines.
- Environment-friendliness thanks to paperless documentation: according to estimates, 7,800 tonnes of paper could be saved annually through e-freight if all logistics companies, airlines and customs authorities adopted it.

Must: everyone joins in

Despite the benefits of e-freight listed above, it is not enough with paperless processing for the customer to request e-freight and the logistics service provider to provide it. "In order to be able to perform end-to-end paperless air freight transport all parties involved must be equipped for it and must be willing to adopt it", explains Andy Nutz, Director Information Technology at Logwin. "Besides the sending and receiving forwarding agents, this also involves airports, airlines, ground handling companies¹ and customs." If just one of the parties has not yet made the transition to e-freight, a printed document will be necessary at some stage along the process chain. If this is missing, there could be problems with customs or liability for a shipment that has arrived at its destination. E-freight-capable therefore means two things: the technical standard must be available and there must be a willingness to recognize the virtual electronic document in the same way as the air waybill and accompanying paper documents (e.g. packing list, commercial invoices etc.) in the past.

And yet how can logistics personnel and airport and customs staff see whether freight without any accompanying documents is e-freight or whether the freight documents are simply missing? Appropriate labeling will make this clear in future. A list of the airlines, logistics companies and customs agencies as well as the destinations where e-freight is already recognized can be accessed on the IATA website. However, it is necessary to check the routes closely since e-freight capability also depends on the connections in questions and the transit stops.

Day-to-day experience reveals

IATA (International Air Transport Association) launched its so-called "Message Improvement Program" (MIP) shortly after the start of the project in mid-2007 in order to further increase the acceptance and data quality of e-freight. The participants are airlines and logistics and transportation companies. The MIP allows the quality and data of all parties involved in the process to be checked. Participants report regularly on their experience with e-freight concerning such aspects as completeness of data records, transmission time or special occurrences. The MIP documents the reports, evaluates them in monthly statistics and makes them available to the participants of the program. "It's an excellent way of continuously improving the processes", praises Volker Hoebelt. "As a logistics service provider for whom

¹ Staff responsible for freight processing between the terminal and the aircraft.

quality is an essential component of its value proposition, Logwin benefits from the optimization potential provided by its participation in the MIP."

However, the MIP is not just intended to monitor data quality. IATA intends to use the evaluation results to convince even e-freight skeptics of the advantages of electronic documentation since many logistics service providers and also a large number of airports, airlines and customs offices still have their problems with the new development. "The initial challenge for logistics companies is to identify relevant IT applications, make them available and to train their staff appropriately", says Andy Nutz. "Logwin created the conditions for this early on and is in a position to implement paperless air freight processing using e-freight for its customers." Once airlines have converted all their processes, the second step is to convert the House Air Waybills (HAWBs) to e-freight.

Logwin Bots - ahead of the time

Logwin customers have been enjoying the benefits of electronic documentation for a long time. Logwin Bots, the globally standardized order fulfillment and tracking system, scans all relevant documents such as packing lists and commercial invoices as PDF files and then makes them available online - also for customs clearance. The high level of service effort associated with this pays off since the entire export supply chain can be implemented and seamlessly monitored with Bots in a paperless way. "Bots does not just give our customers extremely high process certainty; the application also makes it possible processing an order without using paper. Logwin customers can enter their bookings directly 24 hours a day and upload and insert up to ten documents" explains Logwin's Volker Hoebelt.

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About Logwin AG

As an external partner, Logwin AG, Grevenmacher (Luxembourg), develops a comprehensive range of logistics and service solutions for trade and industry. In 2009, the group generated sales of 1.1 billion euros and currently employs approximately 5,500 staff. Logwin operates in all main markets worldwide and has locations across all continents. With its two business segments Solutions (customer-focused contract logistics solutions) and Air + Ocean (global air and sea freight activities), Logwin AG is one of the leaders in the market.

The Logwin business segment Air + Ocean is represented at over 200 locations, of which 98 are wholly-owned, on all five continents. Around 1,900 employees provide air and sea freight transport as well as specially tailored and complex logistics solutions. The focus of our international engagement is in Europe, Asia, Australia, South America and South Africa. The global network is reinforced by partnerships and cooperation agreements, which include membership of the sea freight cooperation Group 99 and the air freight cooperation FUTURE.

Logwin AG is listed in the Prime Standard of the Deutsche Börse. The majority shareholder is DELTON AG, Bad Homburg (Germany).

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