

## Editorial



As midsummer and the holiday season in the northern hemisphere are approaching it is time to say thank you to all the people that came to see us at conferences and exhibitions in the first half of this year.

TRAXON Europe has been able to sign up many new customers in the past few months. In this issue we are introducing you to Polet Cargo Airlines. Our success has motivated us to raise the bar further and expand our sales team concurrently. Have you had a chance to meet René Kircil yet?

If you want to know more about why northern Europeans celebrate the summer solstice keep on reading and join them in their celebrations. We wish you a joyful time!



Felix Keck, Managing Director TRAXON Europe

## TRAXON Solutions

### Case Study TRAXON Europe partners ANA

The Japanese carrier All Nippon Airways (ANA) has chosen TRAXON's Air Cargo Customs solution to comply with European ICS requirements.



TRAXON Europe provides one exclusive gateway to all European customs authorities.

The Japanese carrier All Nippon Airways (ANA), with the support of Cargo Community System Japan (CCS-Japan), has implemented the TRAXON Air Cargo Customs (ACC) Europe solution by the end of last year. The customs application provides a simple and efficient service to meet EU Import Control System (ICS) requirements which became mandatory at the beginning of this year.

#### Taking the lead

ANA is the biggest Japanese airline in terms of passenger numbers. Cargo as well is an important pillar of its business and a significant revenue source. The carrier has considerably expanded its footprint in the European air cargo market in recent months as part of its current

cargo network and marketing strategy. Since 2010, ANA flies daily to four European hubs London-Heathrow, Paris-CDG, Frankfurt/Main, and Munich. Further to the self-operated 28 Asia-Europe flights per week the carrier offers additional market coverage in cooperation with partner airlines. The recent route expansion and new customs regulation in the EU had made an update of the IT capabilities of the airline necessary in 2010.



Japanese All Nippon Airways (ANA) ensures customs compliance through TRAXON Air Cargo Customs (ACC).

## Establishing ICS connectivity

The TRAXON ACC Europe ICS application based on TRAXON EDI enables ANA in cooperation with CCS-Japan to exchange real-time data with custom organizations in the EU. Since the beginning of this year economic operators have to provide electronically and in time pre-arrival information for all shipments to customs authorities at the first point of entry into the EU. Entry Summary Declarations (ENS), Diversion Requests (DIV) and in some countries Arrival Notifications (ARN) have become mandatory. The electronic customs procedure aims to improve security by providing advance cargo information for shipments entering the European Union.

Since the introduction of the new EU regulation ICS has proved rather challenging to implement as each individual EU country has issued separate specifications in terms of format and process of data exchange. However, pan-European connectivity is important to an airline such as ANA in order to manage this complex process for its customers who include a number of global forwarders and shippers.

## Convincing benefits

"ICS compliance is both crucial and time-critical for us. We have opted for the TRAXON ACC Europe ICS application because of the high reputation TRAXON Europe enjoys in the airline industry. In addition, we as well as CCS-Japan have made positive experiences with the company. TRAXON connects many large airline customers and offers a strong Air Cargo Customs portfolio. Furthermore, the company has demonstrated a reliable operating performance in the past and has an efficient and flexible support infrastructure. Our evaluations have also shown that TRAXON ACC Europe ICS is a cost-competitive solution", says Naofumi Ueda, Manager, Cargo IT Strategy & Planning, All Nippon Airways, Tokyo.

"Electronic customs declarations are not only a requirement by some countries such as the EU member states but also a prerequisite for e-freight and a seamless global e-supply chain process. Deploying the appropriate application can contribute significantly to realize cost and time savings," explains Guy Deschamps, Business Partnership & Area Manager Sales Asia Pacific.

"ICS is no longer a new procedure, and the grace period initially extended by the EU is (almost) over in all countries. Carriers who do not comply will start to experience the full impact of delays to shipments or even fines. We thus urge airlines without adequate arrangements in place to consider the impact of non-compliance in terms of disruption to their and their customers' business," adds Guy Deschamps.

## Summary

### Challenge

Many countries have introduced more exacting customs regulations and stricter security procedures including the electronic submission of documents. One of the latest examples is the European Union with their Import Control System (ICS) which was launched 2011 in all EU member states as well as Norway and Switzerland.

### Solution

TRAXON ACC Europe ICS provides a single gateway to all European customs authorities supporting electronic customs. It allows the automatic handling of all messages to and from local customs via one interface using standard EDI messages like FWB, FHL and FFM. Based on these messages Entry Summary Declarations (ENS), Arrival Notifications (ARN) and Diversion Requests (DIV) are created to comply with ICS requirements.

### Benefits realized

- One single entry point to all EU customs authorities
- Low investment and easy maintenance
- Minor adaptations through the use of standard EDI messages
- Easy adjustments to future customs requirements
- Handling of customs replies
- Complete validation including alerting function
- Web interface for missing data
- Long-term archiving

### TRAXON Customer News

## Polet uses TRAXON EDI

TRAXON Europe has recently won the Russian air cargo operator Polet Cargo Airlines as customer. Polet will be using TRAXON EDI messaging services for communication with customers in several European and Asian countries. For the renowned all-cargo carrier the co-operation is a big step forward into the e-freight era.



Mikhail Golubev, Cargo Manager of Polet Airlines

Polet Cargo Airlines is headquartered in Voronezh and Moscow (Russia) and uses Ulyanovsk as its technical base. The privately owned aviation company operates a fleet of Antonov 124-100 aircraft, one of the largest cargo aircraft in the world for charter flights, and IL-96-400T for regular flights. The air carrier has recently expanded its activities on the Asia – Europe route.

TRAXON EDI gives Polet new possibilities to increase its efficiency and customer satisfaction. "We are always looking to improve communications with our customers and key suppliers. Paperless message exchange via TRAXON EDI offers clear advantages versus conventional methods. That was a key consideration in taking the decision in favor of TRAXON Europe. With TRAXON EDI we communicate now faster and

more flexibly." explains Mikhail Golubev, Head of Cargo Development Department from Polet Cargo Airlines. Moreover, many companies Polet works with, are already connected to the TRAXON Europe network.

TRAXON EDI stands for optimal connectivity, customized consulting, and seamless data transmission. The integrated host-to-host solution supports various transmission protocols and is compatible with all standard message formats and versions. By choosing TRAXON EDI, Polet connects to a global network with approx. 9000 forwarder offices around the world, and can now use numerous other TRAXON Europe solutions as well.

„We see interesting opportunities in the Russian and CIS markets. Our priority now is to live up to Polet's expectations and support the airline in continuously improving its customer service", says Reinhard Schöler, Area Manager Sales Eastern Europe, Russia & CIS.

## René Kircil drives sales in Middle East and beyond

TRAXON Europe has recently appointed René Kircil as Senior Area Manager Sales. He is heading the regional sales team for Germany, Austria, Switzerland, Eastern Europe, and the Middle East. In addition he is directly in charge of expanding the Middle East business of the company.



René Kircil,  
Senior Area Manager Sales

**Mr. Kircil welcome to the TRAXON family. You have been nine months with the organization now. How do you feel about your job after this period?**

I am still very excited about the opportunities and sales challenges of my new area of responsibility. For TRAXON the Middle East is an emerging but also very diverse market. Several countries show strong economic growth and have a thriving transport and logistics industry. On the other hand, in many parts of the region business is still conducted in a traditional manner. While there are some strong and innovative players in the region for the majority a paperless air cargo process is still a long way to go. However the idea of improving the bottom line through process optimizations goes hand in hand with e-freight and is becoming increasingly attractive. Of course, the current political upheaval in the region poses some uncertainties for the short-term business outlook but from a mid to long term perspective the Middle East, and here especially the Gulf region, will gain a tremendous importance for the global supply chain.

**What about the other regions for which you are responsible?**

Of course, I also want to help drive forward sales in the other markets in my area of responsibility such as Germany, Austria, Switzerland and Eastern Europe. I am delighted about the opportunity to work with such an exceptional team. The enthusiasm, competence, and quality of our staff are key differentiators in this business. TRAXON Europe has a clear global strategy, and we are determined to deliver best quality and efficiency through teamwork and focus on the customer.

**Coming back to the Middle East. Which products hold most promise in the region?**

As I said many companies still use manual processes and a lot of paper. Labor is relatively inexpensive. In the past return on investments in technology was much lower than in Europe or North America. Many forwarders did not communicate with airlines electronically. However, companies begin to realize that they can improve data and service quality by automating processes. Our solutions such as TRAXON EDI and TRAXON Line perfectly suit these needs. Besides, I also sense a growing interest in our Air Cargo Customs portfolio.

**Have you set yourself a specific goal for each region?**

I certainly aim to enlarge our footprint in the Middle East and in other markets in the future. The opportunity to contribute to TRAXON Europe's continued success is very appealing to me.

**What is your background?**

I am a sales person through and through. I have spent over twenty years in the global CEP and forwarding industry. I started my career with an American global integrator and stayed 17 years with the company developing strong ties with industry, trade and international forwarders in Europe in a number of senior sales positions. During that time I also spend a year in the US. This was followed by a shorter period with a major German CEP company. Subsequently, I gained valuable insights into the

Middle Eastern business world as Business Development Manager for a global logistics services provider in Saudi Arabia. This rounded off my multi-cultural experience.

**You are multi-cultural yourself.**

I am, indeed, although I was born in Stuttgart (Germany). My father is of Turkish origin, my mother German. And I am married to a Brazilian.

**How do you spend your leisure time?**

Mostly with my wife. I am also very interested in sports. I am a keen skier and play football. Physical fitness is important to me.

**Thank you for the interview. We wish you all the best for the future and hope to hear more from you soon.**

## TRAXON Activities

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## Thanks for visiting us!

TRAXON Europe showed a strong presence at the leading industry events in May, the 2011 Annual CNS Partnership conference in Phoenix (Arizona, USA), and the Air Cargo Europe exhibition and conference in Munich (Germany). Both proved to be fruitful for networking and driving industry issues further.

„The atmosphere at both events was exceptionally business-focused. The Air Cargo Industry celebrated itself in Munich. The majority of people were very positive and forward-looking. Most of the logistics supply chain participants find themselves in a strong upward trend. Whether this translates into investments in future-oriented technology and IT solutions remains to be seen“, says Felix Keck.

**Some impressions of the the Air Cargo Europe 2011 can be found right here:**





Good to know ...

## “Midsommar” – celebrating the longest day of the year

Scandinavians are often considered a bit shy or stiff. Well, they eliminate any such prejudices completely when you see them celebrating midsummer. We asked our colleague, Karin Siegmund, Senior Marketing Manager who has worked seven years for a Finnish company to tell us more about this festival.

**Karin, when do people from Nordic countries actually celebrate the summer solstice, also known as midsummer?**

The summer solstice falls between June 20th and 22nd, when the sun is at its highest point in the sky in the northern hemisphere. It is the longest day of the year, the beginning of summer and for many people in Nordic countries the start of their summer holidays. The midsummer celebrations usually commence on the weekend after June 19th and may last several days.

**When did people start celebrating midsummer?**

The celebration of the summer solstice dates back to pre-Christian times. According to an old belief, the short night of Midsummer tempted witches, fairies and elves to tease people or to show them their future happiness. This is why Midsummer has been linked to magic and many beliefs. Even today it is popular among young girls to pick flowers on midsummer night and to place them under their pillows in the hope that their future husband will be revealed to them in their dreams.

Another tradition which is still followed today are bonfires originally lit to dispel evil spirits and bad fortune.

**And the festival is still popular today?**

Certainly! Midsummer is the most popular festival in Nordic countries besides Christmas. In Sweden and Finland it is even a national holiday.

**How is midsummer celebrated today?**

Throughout the Nordic countries the festivities consist of good eating, of course drinking, dancing, singing, and burning bonfires.

In Finland many people like to spend the midsummer with their family in the countryside. They head for their cottages and summer cabins, leaving towns and cities deserted.

Swedes decorate their houses inside and outside with wreaths and flower garlands for “Midsommar”. They dance around a decorated midsummer pole (similar to the maypoles raised in the continental Europe) while listening to traditional folk songs.



Midsummer bonfires are very popular in Finland, where people often celebrate in the countryside.