



Contents

Welcome

- Frank Reimen new CEO

Commodities

- Breakthrough for the Transportation of Temperature Sensitive Cargo
- Chitty Chitty Bang Bang!!
- Roaring Shipment

Charter

- Pharmaceutical Charters to Lagos

Market Information

- Soccer Balls to South Africa
- Africa in the Spotlight!
- EU – ICS Implementation

Awards

- Italy Award

Events

- Dancing for a Good Cause
- Logistics Days in Luxembourg
- Forklift Competition: LuxairCARGO second
- Cargolux Donates to Charity
- Air Cargo Africa

People

- New Member of the Executive Committee for Cargolux
- Cargolux Welcomes New Head of Communications

March 2011

Welcome



Frank Reimen new CEO

Dear customers,

As the new President and Chief Executive Officer of Cargolux, I am pleased to welcome you to the first edition of our 2011 newsletter.

Cargolux is recognized worldwide for its customer-oriented solutions and high quality services, and I am proud to take the reins of such a prominent company. Over the past years, my predecessors have laid strong foundations for business success: my mission is to pursue the path to excellence by making this great company even stronger, and more competitive.

In spite of the many opportunities that lay ahead of us now, several challenges need to be tackled. On the business front, 2011 will most probably be a transitional year for the air freight industry. The cargo industry is coming out of an astounding year 2010, characterized by rising prices and increased supply. With capacity almost fully restored, this will most likely create strong market volatility globally, but most particularly in Asia.

On the other hand, the overall demand for traditional air freight commodities is bound to translate into positive results for our industry. Oil and gas related commodities, high-tech products, perishables and pharmaceuticals are all growing market segments and are expected to support our operations going forward. As the world economy is expected to pursue its recovery in 2011, the second half of the year will probably see demand catch up with supply again, and, the peak season of 2011 could therefore, interestingly enough, be better than 2010.

On the cost side, rising fuel prices will undoubtedly impact our bottom line and the industry, as a whole must gear up for turbulent and unpredictable times. Currency exchange imbalances need to be managed, while security requirements become more and more stringent. In all of this, the planned arrival of our first B747-8's will be positive as it will help to keep the rise in our unit costs under control. Still, we all know that this business is not for

the faint-hearted: we are exposed to fierce competition from all parts of the world and burdened by a high level of fixed costs that increases our vulnerability to economic swings.

In the meantime, Cargolux will continue to build upon its strengths: network flexibility and front-line commercial presence: the corner stones of its success for more than 40 years!

Enjoy the read,

Frank Reimen

[Back to top](#)

Commodities



Breakthrough for the Transportation of Temperature Sensitive Cargo

Resulting from a joint effort between Cargolux Airlines International S.A (Cargolux) and DuPont de Nemours (Luxembourg) s. à r. l. (DuPont), the Tyvek® Air Cargo Cover represents an innovative breakthrough for the transportation of temperature sensitive air

cargo.

The blanket made from high-density polyethylene (HDPE) creates a unique balance of properties that are ideal for protecting sensitive cargo from extreme temperature variations. As it is porous, it allows gases and water vapor to escape. Air Cargo Covers protect temperature sensitive goods against sunlight, temperature variations, rain and theft with pest or contamination control (liquids, dust, pollens, insects, bird droppings etc.) as an additional benefit.

Hippolyte Bruwier, a member of Cargolux's dedicated keepcool team observes: "This Air Cargo Cover was for me the most surprising outcome of a project intended to improve the efficient protection of perishables and pharmaceutical cargo, in many years of activity on the cool chain".

The Cargolux Keepcool team has been testing the blanket in stations where temperature sensitive cargo is mostly vulnerable. Malik Zeniti, project manager from DuPont notes: "The breathable highly reflective cover, which weighs less than 3 kg for sizes up to large ULD or as little as 0.7 kg for Euro or UK/US size pallets can be applied very quickly."

Positive results have prompted Cargolux to introduce the Air Cargo Covers throughout its network for the benefits of its worldwide customers requiring additional protection for their temperature sensitive shipments.

Compared to existing protection methods, Air Cargo Covers also have the advantage of being 100% recyclable.

Franco Nanna, Cargolux Head of Management Network Support says: "The initial reaction by the industry to our expanded offer – now also incorporating this single-layer thermal protection which can be recommended when expensive multiple-use thermal protection is not acceptable for cost and hygienic reasons – is very encouraging indeed".

The cover has been launched on the Cool Chain Europe 2011 event in Rotterdam for distribution in EMEA.

It is available from Cargolux Airlines on request.

For further information, please contact our team of experts: keepcool@cargolux.com or www.cargocovers.dupont.com.



Chitty Chitty Bang Bang!!

On 12 January, the iconic car which starred in the film Chitty Chitty Bang Bang and became a symbol of British eccentricity flew aboard one of Cargolux's planes from London to Los Angeles.

The much-loved motor - with the registration number GEN11 - has been seen by thousands of fans and spent more than 30 years competing in charity races around the country.

It will be auctioned in Los Angeles next spring and is expected to fetch hundreds of thousands of pounds. Pierre Picton, its current owner, a retired actor and current owner of the car decided to finally sell the car after owning it for more than 50 years!

LV Shipping, the UK-based agent, was chosen to arrange the transportation of this amazing vehicle and entrusted Cargolux with this job! The car will start a new life abroad with one of its many fans in the US!



Roaring Shipment

On 19 January, six beautiful tigers were flown from Luxembourg to Ho Chi Minh City on a Cargolux aircraft.

The animals, coming from a zoo in the Czech Republic, spent a few hours in Luxembourg at Luxair's live animals station that is designed to meet the very specific needs of such exceptional travellers. Cargolux animal attendants, who were trained to handle such VIP shipments, continuously ensured that all needs

of the little passengers were taken care of, while trying to make their journey as pleasant as possible.

[Back to top](#)

Charter



Pharmaceutical Charters to Lagos

Fiège Logistics of Basel chose Cargolux to operate two full charters from Luxembourg to Lagos with a Novartis medical product against malaria that shows great effects in defeating the illness. It was the first time that a new kind of packaging was utilized for

improved cargo handling.

The aid program against malaria runs under the patronage of the G20 countries and Novartis.

Fiège and Novartis were very pleased with the given service.

Thanks to all involved Cargolux parties for their effort!

[Back to top](#)

Market Information



Soccer Balls to South Africa

IMBASA, a local Luxemburgish association that helps people in need to sustain their basic needs, organized the sponsorship of 232 soccer balls for South Africa, together with Luxembourg beer producer Bofferding (www.bofferding.lu).

After all arrangements were made with Bofferding, IMBASA was looking for a suitable transportation of the balls to Johannesburg. Cargolux was contacted and positively responded with a free charity airfreight service from Luxembourg to Johannesburg.

On 21 December 2010, IMBASA began to distribute the soccer balls in the most famous township of South Africa, the South Western Townships, commonly known as Soweto. Shortly after the arrival of IMBASA's Nanga Vhuthilo (Choose Life) Project, news of the free soccer balls spread amongst the children. Within short time, a large group gathered, waiting anxiously to finally receive one of the balls. And this was when the real fun started - everybody proudly demonstrated how artistic he or she could get with the ball. They told us with bright eyes and still deeply impressed by the Soccer World Championships about their big dream - becoming a professional soccer player! Even if this dream will come true for only a few of those children, South Africa will have a very promising soccer future ahead. Unfortunately, IMBASA had to return to Luxembourg the following day and local friends of IMBASA undertook the task to further distribute the remaining Bofferding balls among the children of the community.



Africa in the Spotlight!

Cargolux's Area 4 – Africa has recently been restructured with the appointment of Georges Biver as head of this new area, assisted by Isidro Marques-Lopes and Hemant Whabi.

The company's African gateways cover Lagos/Nigeria, Nairobi/Kenya, Libreville/Gabon, N'Djamena/Chad, Kinshasa/Democratic Republic of Congo, Brazzaville/Republic of Congo, Accra/Ghana, Abidjan/Ivory Coast, plus Johannesburg/South Africa.

Lagos in Nigeria is served since June 2004 with 4 flights per week. The main commodities transported to Lagos are oil drilling equipment, consumer goods and general cargo.

Kenya, which is part of Cargolux's route network since 1993, has developed into an important gateway, with daily flights operated via Nairobi. Kenya's agricultural capital Nairobi remains the company's African 'flower gateway' in addition to other perishable shipments exported from this area.

N'Djamena in Chad, served since 2004, will soon be reopened again with a weekly service. Similar to Lagos, oil drilling equipment and general cargo are transported to this destination.

Since November 2003, Cargolux serves Kinshasa in the Democratic Republic of Congo with two weekly frequencies. This gateway is mostly used as an import station for freight from Europe, the USA, the Gulf Region, India and other Asian countries.

Since the beginning of 2009, a service to Brazzaville/Republic of Congo is also offered on Sundays. It serves as a hub for cargo on-forwarded to Pointe Noire.

Abidjan/Ivory Coast is served on every Mondays, the same goes for Accra in Ghana, bringing telecommunications equipment, car parts, chemicals, pharmaceuticals, mining machinery, ship spares, and oil drilling equipment from Europe. Exports from both countries include perishables as well as household and other goods.

Since November 2007, two weekly services on Thursdays and Sundays are offered to Libreville/Gabon, with mainly consumer goods and general cargo.

Johannesburg in South Africa - Cargolux's oldest African gateway - is served with three flights per week. Southbound, most cargo on board is generated from Cargolux's European stations with a smaller contribution from the USA and the Far East, consisting of high-tech equipment, such as computer and telecommunications equipment, car parts, textiles, chemicals, pharmaceuticals, mining machinery, and ship spares. Northbound, the freight includes car parts, mining equipment, textiles, chemicals and a growing importance of seafood shipments to Europe.

For schedule details, please see our enclosed flyer ([link](#))

For more information, please contact: Georges Biwer, Head of Cargolux Area 4 - Africa

Phone: +352 4211 3216

Fax : +352 4211 3692

E-mail: africa@cargolux.com



EU – ICS Implementation

On the 1 January 2011, the European Union (EU) implemented their electronic customs pre-notification requirements for all consignments travelling to or through the EU, with their customs Import Control System (ICS).

Pre-Notification Programs are driven by security concerns around the world.

As the freight industry continues to move towards a tighter cargo security practice within a paperless environment, such electronic initiatives come as no surprise and are becoming quite common-place. We continue to see an increase in similar mandatory programs introduced by various customs authorities each year, starting with the US in August 2004,

followed by Canada, Nigeria, the EU and in the coming months, Mexico.

Brazil and Colombia have mandated electronic entry but the timing is done following arrival of the flight.

Cargolux is no stranger to advance electronic customs requirements for air freight, having aligned with these early adopters of pre-notification programs since the inception of the U.S. AAMS. The EU has mandated electronic pre-notification of all shipments entering into or transiting the EU through EU regulation 1875/2006 – Entry Summary declaration (ENS). For all Cargolux Areas, the EU-ICS pre-notification process is a new concept and a new responsibility that each station now has to assume for all its EU-bound shipments (including transit and FROB).

For the Americas in particular, the roll out of the EU-ICS (Import Control System) program is a role reversal of the flow of information. Previously, this area was the recipient of the data as it was the imports and transit goods bound for the US, Canada and, Mexico that came under electronic scrutiny. EU-ICS now puts these stations on the data transmitting side and requires exports to be submitted to the Customs authority at the point of entry into the EU.

With EU-ICS, many challenges were confronted in all Areas, with coordination between all vested parties being critical. Cargolux customers would need to supply the necessary data via electronic means (by preference) or paper, handling agents would need to prepare for a new set of procedures and IT systems would need to have the means to communicate with the governing bodies involved. Cargolux did its utmost to facilitate the arrival of EU-ICS for its customers, including issuing guidelines to the new data requirements and offering its on-line Web Portal application for those unable to send Cargo-IMP messages. Customer communications, staff briefings and regulatory familiarization for Cargolux's organization began over a year ago, culminating in a detailed focus at Area and station level since last October.

The effort did not stop with only high level awareness. A vast amount of resources were dedicated to bringing Cargolux staff in all Areas up to speed and on-line with the new reporting requirements.

By using a series of webinars, conference calls, FAQ boards and training videos Cargolux was able to welcome in the New Year by successfully transmitting its first flight manifests to Luxembourg and other EU customs authorities via CHAMP Cargo Systems' Global Customs Gateway (GCG) system.

While the EU-ICS program is now up and running, there is and will continue to be new revelations pertaining to system behavior and the interaction between carriers, customers and customs.

As with the U.S. Air AMS and others, time will allow the systems to be improved upon and streamlined for efficiency within the community.

This expanding process whereby Cargolux ensures the receipt, validation, completion and filing of the electronic pre-notifications to customs systems means that we will now levy a customs fee for this service. This fee was effective from the 1st January 2011 and will depend on our effort required to ensure correct customs filing for a consignment. It means that the better the electronic data quality received for a consignment, the lower will be the fee charged by Cargolux for the customs filing.

On behalf of Cargolux Area Management we would like to thank all our customers, vendors and staff that were and remain instrumental in the roll-out efforts for EU-ICS.

[Back to top](#)

Awards



Italy Award

Cargolux was honored to be elected the airline with "Best Quality Overall Performance" in Italy.

The award gala was held on 24 November 2010 in a very nice location near the airport of Linate in Milan. The picture shows Massimo Panunzi, Gildo Romano, Bruno Biagio, President of JAS, Andrea Sanfelici, Supervisor Reservation Milano and Francesco Semprini, Coordinator Sales & Reservation.

[Back to top](#)

Events



Dancing for a Good Cause

On 25 November 2010, Arabian Reach Dubai held a Cargo Charity Ball in conjunction with NAFL, Dubai (National Association of Freight Forwarders) at the Aviation Club.

The event was pleasantly organized, providing an opportunity for forwarders and airlines to interact on an informal social platform.

The proceedings of the evening, after a brief introduction of sponsors, were followed by a sumptuous buffet, music and dance.

It is noteworthy that Cargolux dominated the dance floor and ended up taking home some envious prizes.



Logistics Days in Luxembourg

On 10 and 11 February 2011, Luxembourg hosted the second Logistics Management Forum (LMF), bringing together regional institutional and private operators of the transport and logistics sectors under the theme of high added value logistics. As Jeannot Krecké,

Luxembourg Minister of Economy and Foreign Trade mentions: "Located in the heart of Europe, Luxembourg provides global companies with many strategic advantages for conducting successful business in Europe. With its open and export-driven economy, Luxembourg is fully integrated in the EU single market, yet offers commercial neutrality. Luxembourg is the ideal gateway to the European market with some 500 million consumers".

The Logistics Management Forum is a multimodal platform that promotes various existing or future services and logistics expertise.

The 2011 LMF integrated conferences and workshops in a conducive setting and opened the way to new and enlarged connections between Luxembourg and other European logistics centers. The next Luxembourg Management Forum will take place in February 2012.



Forklift Competition: LuxairCARGO second

On 9 January 2011, a team of four pallet building specialists represented LuxairCARGO at the International Forklift & Pallet Building Competition in Hong Kong.

Expectations were high because the LuxairCARGO team took home the title at the previous competition in 2010, while participating for the first time ever.

In 2011, the team succeeded in finishing second in the most important competition, pallet building.

The excellent result highlights once again the proven handling services available at the Luxair Cargo centre in Luxembourg. Well done!



Cargolux Donates to Charity

It became a tradition at Cargolux to support people in need instead of sending Christmas gifts to customers and business partners at the end of each year.

During the recent Christmas season of 2010, Cargolux supported two charitable organizations in Luxembourg with €5,000 each.

The first donation was given to the 'Fondation Kribskrank Kanner', an organization that provides care to families of cancer-stricken children. They have been active in the Grand Duchy for 19 years.

The second organization, 'Le Rêve du Petit Prince asbl', organizes therapies with dolphins for children suffering from autism and Down Syndrome as well as children that grow up in children's homes and orphanages. Additionally, it aims to fulfill the dreams and wishes of seriously ill children.

Cargolux is grateful to be able to support these organizations and to ensure that their valuable work can continue to the benefit of children in need and their families.



Air Cargo Africa

The Air Cargo Africa 2011 event was the first of its kind at the Kenyatta International Conference Centre (KICC) in Nairobi from 22 to 24 February 2011. The conference enabled all players in the air cargo industry to come together and discuss issues concerning the air cargo fraternity. During the event, on 23 February, Cargolux was presented with the award of "Best All-Cargo Carrier of Africa" that Georges Biwer, Head of Area 4, Africa, accepted on behalf of Cargolux.

[Back to top](#)

People



New Member of the Executive Committee for Cargolux

Cargolux warmly welcomes Henning zur Hausen, Sr. Vice-President Legal Affairs & Compliance – a newly created division - and a member of ExCom since 1 January 2011. Henning is a German citizen who grew up in Brussels. He is married, has two kids and now lives in Luxembourg.

A lawyer by training, Henning studied in Germany and Canada.

Henning has spent 13 years with Lufthansa in various management and legal roles, including his most recent assignment as General Counsel at Lufthansa Cargo between

2008 and 2010.

He has served as a member of the Board of Directors of Luxair for 10 years until September 2010.



Cargolux Welcomes New Head of Communications

Cargolux also welcomes Martine Scheuren as Head of Corporate Communication.

Martine has been active in communication for over 20 years. She was previously employed by large banking and industrial companies, providing her with an encompassing experience in the field of both internal and external communication.

She succeeds Jeannot Erpelding, who is now leading the newly created Government and Industry Affairs department.

Martine is of Luxembourgish nationality; she is married and has one daughter.

She can be contacted at: martine.scheuren@cargolux.com.

[Back to top](#)

for more information please contact: [A.Ottinger](#) or visit [our site](#).

Subscribe: To subscribe to Cargolux's newsletter, please [click here](#)

Unsubscribe: To unsubscribe from Cargolux's newsletter please [click here](#)

Printable version: the attached document is a PDF version of our newsletter.