Cover Story
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Contest
Win a Swiss chocolate surprise
Welcome to this year’s first issue of our customer magazine. 2016 will mark the beginning of a new era for SWISS and therefore also for Swiss WorldCargo. It has already seen the arrival of the first of our Boeing 777-300ER at the end of January (enjoy our photo story in this issue’s lead article), and it will see the first of our brand new Bombardier CSeries aircraft mid-year. Both of these aircraft are an important investment into a sustainable future for our airline.

At the same time we will continue to pursue our current strategy and clear-cut positioning. My team and I will continue to play to our strengths and competences, and provide you with the operational excellence, the high quality service and the flexibility for which we are known and appreciated. “If you are good at something, stick with it”, as I always say.

With “Cargo Matters” now in its twelfth year, this is more true than ever: we stick to our tradition to keep you updated with interesting facts and stories, however, we have created three new content categories:

1. **Made in ...**: Here we focus on vertical industries and products which are specific to certain destinations we fly to and which require our care intensive, transportation solutions. One example is the high-end fashion manufacturing system in the Italian region of Tuscany.

2. **Swissness**: As of January 2017, the Swiss government will introduce new rules on what can be called “Swiss”. In this category we present typical Swiss industries, their specialities and what makes them Swiss. We are Swiss at heart, starting off our trilogy in this category with one of the best things that Swiss food has to offer: chocolate. It will be followed by features on the Swiss watch industry and on Swiss-quality service in issues two and three.

3. **Logistic Discussions**: this time by giving Supplier Code of conduct backgrounds.

4. **Cargo System**: Here we give you a behind-the-scenes look at our Swiss WorldCargo’s partnership world, starting with our European road feeder network and partners.

Besides keeping you informed, I am always interested in your ideas, suggestions, worries or requests: I will always have an open ear for your personal messages.

So far on the news. And here is the known at Swiss WorldCargo: We are happy to assist you with any information and booking requests, whether they are general or directed at our specialised industry verticals.

Because, as always: We care for your cargo.

Ashwin Bhat
Head of Cargo
Swiss International Air Lines Ltd.

Dear Cargo Matters reader,
The new Boeing 777-300ER has arrived!

Swiss International Air Lines Ltd. took delivery of the first of its nine new Boeing 777-300ER aircraft on 29 January. The new twin-jet will enable Swiss WorldCargo to offer improved airfreight services and enhanced environmental performance on its long-haul operations.

The first of the nine Boeing 777-300ERs which SWISS has ordered arrived at Zurich Airport on 29 January. The aircraft, which bears the registration HB-JNA, was flown directly to Zurich from Boeing’s Everett Factory in the state of Washington in the USA.

The observation deck is packed with staff, media representatives, authorities and a crowd of plane spotters. Cameras and smartphones are out.

The new flagship was welcomed into the Swiss airspace by two F/A-18 jets of the Swiss Air Force, which escorted it all the way to Zurich Airport. There it is!
HB-JNA safely touched down at 09:14.

The Zurich Airport Fire Department welcomes the new SWISS aircraft with a water salute.
The Boeing 777-300ER at a glance

- 9 new Boeing 777-300ER aircraft in the SWISS fleet
- 6 more in 2016, 3 more in 2017/2018
- A bigger belly hold: 24.5t of cargo capacity
- A wider range: 14,490 km with maximum payload
- More respect for the environment: Reduced CO2 emissions and noise

Reg. | Delivery | In operation
---|----------|-------------
HB-JNB | March | 29.03.2016
HB-JNC | April | 27.04.2016
HB-JND | May | 29.05.2016
HB-JNE | June | 27.06.2016

The first Boeing 700-300ER is dedicated to the SWISS employees. For a period of one year over 2,500 faces of colleagues from across the company, including Swiss WorldCargo, will feature on the fuselage of our new flagship.

After almost one month of testing, HB-JNA is ready for its first scheduled intercontinental flight: LX14, ZRH-JFK. On the picture: the first cargo loading operations on Sunday, 21 February.

The aircraft is taken to the hangar and is introduced to the media by representatives of the SWISS Management Board and of Boeing.
Our view of Supplier Codes of Conduct

Text by Joachim Ehrenthal

Your suppliers’ wrongdoings can be reflected in the service you offer to your customers. This creates the need for Suppliers Codes of Conducts (SSC), which transfer buyer expectations into supplier behavior and have become an essential tool in global supply chain management. Looking at the SSC of Roche, of SWISS, and initiatives in supplier collaboration, we argue that SSC are important to create mutual understanding on what matters in the supply chain beyond product and service specifications.

If you are looking for a new supplier, you are probably looking for some combination of cost, quality, speed, dependability and flexibility. Your needs determine your supplier’s production complexity and cost structure. This holds for as long as your contract runs. But what if your supplier increases profits by exploiting its workforce, environment and suppliers? That is obviously not acceptable. In addition, it will come back to haunt you. Reduced quality drives up your recovery costs, dependability decreases and you let down your customers. Globally aware customers, media and other stakeholders may well hold you publicly responsible for your suppliers’ wrongdoings. Even if they are on the other side of the planet and it all looked good when you visited them.

Either way, the damage is done. The key problem is that supplier behaviour is far more difficult to check and fix than the much more visible product and service issues, and very rarely part of day-to-day purchasing. Therefore, we need a mechanism to transfer buyer expectations into supplier behaviour to prevent wrongdoings
before they occur. Doing so is only fair, because after all buyers are driven and measured by their customers’ expectations. In addition, not all countries on this planet share the same laws, and compliance differs. Enter Supplier Codes of Conduct (SCC).

Typically, SCC require safe and hygienic working conditions, enforcement of labour standards, reasonable working hours and wages, obligation of suppliers to prove compliance and audit practices to check this compliance, as well as implications of non-compliance. Companies usually add specifics important to their industry or beliefs. To put it simply: anything a company wants because it helps them grow and get better, or anything a company does not want because it is regarded as unethical and/or will have a severe impact on business, will be in a SCC.

Take the life sciences company Roche, for example (1). Their products directly touch people’s lives. Quality of goods and processes drives their success. What’s more, they spend one third of their annual revenues – about USD 15bn – on suppliers. If you were in their shoes, you would make sure to prevent supplier wrongdoings as well. Consequently, their SCC video on YouTube is called “Roche Procurement: Sustainability and compliance are non-negotiable”. Get it?

Also, Roche references to the established Principles for Responsible Supply Chain Management, covering expectations in ethics, labour, health and safety, environment, but also the use of management systems. They add their expectations about innovation, economic sustainability and supplier diversity. As a supplier, you know what they want.

Take SWISS as another example. The SWISS SCC covers suppliers and their suppliers, compliance to all applicable laws, expectations on corporate social responsibility, labour conditions, sustainability, environment and preventing improper advantage-taking. SWISS reserves the right to verify supplier compliance, demand corrective measures, claim compensation or stop working together (2).

Swiss WorldCargo also takes great care in choosing whom they work with. This is because their business model is built on collaboration and co-creation of value with their customers, and with their partners in aviation and its supporting industries. For example, Swiss WorldCargo with our temperature road feeder services collaborates with partners to provide companies like Roche with highest quality cooling on the road (see pages 16-17).

At the same time, Swiss WorldCargo goes above and beyond with its partners to make sure to satisfy high customer standards. The Center of Excellence for Independent Validators (CEIV) certification from IATA for handling pharmaceuticals at the Zurich hub with handling partner Cargologic is a recent example. So as a supplier, you can use standards, reference models and codes of conduct as a guide improve your value proposition to customers in showcasing your ability to run a compliant supply chain.

Critics have a point in arguing that SCC are a costly solution to a self-made problem: hunting the world for the best bargains, and then waking up to the reality of the suppliers’ race to the bottom of the price going wrong, with one’s own reputation, quality and brand value suddenly on the line.

So let us recognise that Supplier Codes of Conduct are here for a reason. They have become an essential tool in global supply chain management and will develop further. There will be new, better and more cost effective ways to assess and ensure compliance up and down the supply chain. But most importantly, SSC will always help us better understand each other, and thus lay the foundation for creating better solutions.

Therefore, let us view SCC as a means of communicating and implementing our visions of sustainability for people, planet and profits, in order to excel in our business partnerships.

References
(1) Roche Supplier Code of Conduct
(2) Supplier Code of Conduct Swiss International Air Lines Ltd.
The Swissness Trilogy Part 1: Food

Putting the Swiss cross on chocolate

Every year, Switzerland produces 185’000 tons of chocolate worth about 1.7bn USD. 65% thereof are sold outside of Switzerland. Swiss WorldCargo takes pride in transporting chocolate on just about every flight. Discover how Switzerland became synonymous with exceptional chocolate, and find out what changes the new Swissness regulations for 2017 bring to Swiss food supply chains.

If you are like me, you most probably like eating chocolate. But making it from scratch? Not so much. Growing cocoa beans and sugar beets on your balcony, harvesting, processing, and slowly heating and stirring it all until taste, texture and shine are just right – that just seems like a lot of work. And hand on heart, most of us wouldn’t be able to produce anything remotely chocolaty from its raw materials. I wouldn’t.

Food chemists could. They know the secrets: about cocoa cultivation, about the importance of different processing steps like crushing, roasting, extracting, kneading, rolling, refining, the chemistry and molecular structure. None of all that really seems to matter the moment you take a bite of chocolate that melts in your mouth, but actually, it does.

As we bite into chocolate, all of us know exactly and immediately whether the chocolate is great or not. But we don’t know why. That secret is part of the excitement. Yet, if it is Swiss chocolate we are biting into, chances are it is going to be exceptional. Why is that?

The rise of the Swiss chocolate industry

It seems odd that Switzerland of all places has become synonymous with great chocolate. Switzerland is thousands of miles away from the cocoa growing regions of South America and Africa, and it does not have sugar in over-abundant supplies, either.

In fact, it took a Spanish-born Austrian princess to make a bitter Aztec cocoa drink fashionable at French courts, and French and Italian merchants to popularise the drink in Switzerland. But it was not until some time and a couple of French, English, and Dutch innovations later that (solid) chocolate-making in Switzerland as we know it today took off.

In the 19th century, a series of Swiss entrepreneurs such as Cailler, Suchard, Sprüngli, Maestrani, Munz, Tobler and the Freys – and thousands of Swiss workers, scientists, and a whole host of domestic and foreign suppliers – took to chocolate manufacturing. Their efforts were aided by an existing workforce of skilled confectioners. This spur brought along process innovations such as conching developed by Lindt, which lifts the aroma and gives the chocolate an extra smooth texture. A whole host of new products and desserts were developed, such as milk chocolate, which was first marketed by Nestlé’s Cailler brand.

At that time, Switzerland happened to be a popular tourist destination among opinion leaders. Swiss chocolate manufacturers specifically marketed their products to these wealthy and influential foreign visitors, and soon word spread about the outstanding Swiss chocolate. Chocolate became an important export good, and the ecosystem of Swiss chocolate suppliers and manufacturers turned into an industry of national importance and pride.

The value of Swissness in chocolate

Today, the Swiss people lead the world in chocolate consumption, enjoying about 12 kg per year each. The figure from the USA is just half that. What’s more, customers are willing to pay a price premium for Swiss chocolate.

For instance, Indian consumers are prepared to pay 65% more for chocolate from Switzerland compared to chocolate without a geographic origin designation. The Swissness premium even holds against Belgium, a country also renowned for great chocolate.
So apparently, Swiss chocolate makers are not only good at making chocolate, but also at marketing Swissness. In order to protect this asset, and to prevent misuse of the ‘brand’ Switzerland, policy makers have recently revised the rules which govern when a company can advertise with Swissness, such as in its logo or slogan (see box).

The new Swissness regulations for foodstuffs

Well, policy makers tend to take the magic out of nearly everything. But bear with me anyway. Here is what makes chocolate – and other foods – Swiss. It is what puts the Swiss cross on chocolate:

The new regulations see manufactured foodstuffs as a separate class of products, as opposed to natural products (like wood, stone and fish), industrial products and watches, as well as services. But it’s not quite that simple. Some products that as consumers we may consider to be food, such as dietary supplements, may fall into the industrial products class (3).

Generally speaking, foodstuffs have to fulfil a double criterion in order to be marketed as Swiss under the new regulations: first, they have to undergo major processing in Switzerland. So whatever gives the food its distinct character must be carried out in Switzerland. Second, 80% of the ingredients by weight must be of Swiss origin in a given year.

There are, however, several distinctions. Here are the most important ones. If the final product is a milk product, all milk used must be of Swiss origin. If an ingredient cannot be naturally obtained in Switzerland (such as cocoa beans), it is excluded from this calculation. Ingredients partially available in Switzerland are added to the calculation based on Switzerland’s self-sufficiency, meaning if there are plenty of apples, they have to be accounted for in total. If there are fewer apples (temporarily or permanently), they only need to be accounted for to a lesser degree.

Makes sense, right? After all, why should Swiss chocolate suddenly not be Swiss chocolate anymore because cocoa beans cannot be grown in Switzerland, or because of some bad harvest? But you can see the complexity and dynamics of the whole thing. Add to that the fact that by a special procedure, certain ingredients can be listed as not obtainable based on their processing characteristics.

To make things even more complicated, food manufacturers have the choice of adding any pre-made ingredient (e.g. biscuits) as one ingredient or with its recipe components. If added as one ingredient, it is accounted for by 80%. If added as individual components, the actual Swissness percentage is used. But that requires a supplier willing to share this information. It is important to add that there is no such thing as an official governing body for Swissness certifications. There are no official proofs of origin as we know them from customs. In essence, all companies – and their supply chains – are free to organise themselves.

Now, I like freedom. And I like choice. But in this case, the freedom and choice give rise to a whole host of challenges at the intersection of marketing and operations, most of which eventually end up having to be solved in the supply chain.

Implications of the new Swissness regulations

Let’s cut to the chase. The Swiss food makers that take the new Swissness regulations lightly either run the simplest supply chains on the planet or underestimate the risks involved. Any competitor or action group that thinks you are unlawfully marketing Swissness can quickly and publicly put you in a very bad spot. If accused, it is your job to prove your innocence, not theirs to prove you’re guilty. Nasty, right? It is no coincidence, then, that Swissness is at the top of Swiss food manufacturers’ agendas throughout 2016, and beyond (4).

The many challenges give rise to lingering questions. Food manufacturers will ask themselves: Are our products at risk of losing their Swissness? Do we need to rethink our marketing strategy? Do we need to reconfigure our current and future recipes? Are our key suppliers ready and able to provide the information necessary? Is our purchasing strategy equipped to deal with shortages in Swissness? Are recipe components interlinked, thereby limiting our supplier choice? Do we need to physically separate raw materials of Swiss origin? Do we have a system in place to document Swissness in batch production? Who monitors the changes to self-sufficiency degrees and exceptions? And how do we organise and coordinate internally the requirements of marketing, development, production and supply chain? Who is in charge when things go wrong? And so it goes on and on.
Imagine a production plant abroad requiring Swiss ingredients in the production of pre-made ingredients. Or transport origin and destination shifting if the costs of producing Swissness outweigh the benefits, turning Switzerland into an importer rather than an exporter of certain foods.

Swissness for food manufacturers seems a task as daunting as trying to make chocolate from scratch seems to us. But let’s end on a high note. I know appealing to national characteristics is always a slippery slope, yet Switzerland tends to just keep going until it’s absolutely right. Beharrlichkeit – persistence – is exactly what will drive supply chain implementation of the new Swissness regulations.

In the next edition of Cargo Matters, find out about Swissness in manufacturing and watchmaking. Plus, we delve deeper into action steps to achieve and sustain a Swissness supply chain.

Perishables at Swiss WorldCargo
Did you know, we transport about 75,000 tons of chocolate every year. Our SWISS °Celsius Active and Passive are the right transport solutions for delicate and temperature-sensitive goods such as fine chocolate and other foods. For more information and booking requests, please contact your local Swiss WorldCargo office. They will be happy to assist you!

The new Swissness regulations
In legal terms, Swissness is branding a product with a reference to Switzerland. This can either be as part of a name, such as Swiss WorldCargo, or in a symbol, such as the signet of Swiss International Air Lines. It may also be captured in slogans, such as “Swiss quality”, “original Swiss recipe” and “Swiss made”.

Any Swiss company advertising with Swissness is subject to the new legislation and must be able to prove compliance if trialled. Unlawfully using Swissness incurs the risk of legal consequences, and losses in customer trust and brand equity. Starting 1st January, 2017, a new set of regulations will govern Swissness for raw materials, food, industrial goods and watches, as well as services. The new regulations are designed to strengthen the brand Switzerland and prevent its misuse. Built-in dynamics and complex supply chain implications put the new regulations at the top of Switzerland’s CEO agendas. Swissness regulation is applicable outside Switzerland where local regulation permits.

References
(1) The history of chocolate in Switzerland was compiled from the Chocosuisse Chocology, retrieved from www.chocosuisse.ch.
(3) The new set of regulations comprises the revision of the Trade Mark Protection Act, the Trade Mark Protection Ordinance, the Ordinance on the Register of Designations of Origin and Geographical Indications of non-Agricultural Products, the EDI Ordinance on Food made of Animals, the Ordinance on the use of Swiss Origin Designations for Food, the Federal Arms Protection Act, and the Federal Arms Protection Ordinance.
The high quality of Swiss chocolate is due to a number of factors. What is decisive is the perfect quality of raw materials and state-of-the-art manufacturing methods combined with the strict quality requirements to be satisfied by the intermediate products. Not to forget the optimal processing into finished products and highly skilled personnel. One of the secrets of Swiss chocolate is the invention to combine Swiss milk with cocoa. Our brand Cailler started to add liquid milk to the cocoa mass. That is what makes our chocolate distinctive. Mixing cocoa with liquid milk is what makes it so smooth and has given Cailler its unrivalled milky taste.

How is Nestlé Suisse marketing Swissness? Are there differences in marketing Swissness both within and outside of Switzerland?

Nestlé is running 12 factories in Switzerland. We are proud to
produce in Switzerland and therefore we also refer mostly to the Swiss origin on our products. For example, we put the Swiss Cross on some of our products or we refer directly to the Swiss origin in the name of our brands. Our chocolate brands “Cailler of Switzerland” and Mövenpick “the Art of Swiss Ice Cream” express the Swiss origin. As Swissness is often important to our local consumers in Switzerland, and since consumers abroad appreciate Swiss products as well, there is no difference in marketing the Swiss origin for chocolate and ice cream.

**Will you stick to the Swissness claim despite the high requirements of the revised laws?**

With the revised Swissness law, it is not enough to produce only in Switzerland and to claim Swissness (ex. Swiss made, Swiss Cross) but also 80% of the ingredients must be Swiss. As we transform already today, if available, Swiss ingredients in our factories in Switzerland, we most probably can continue to claim Swissness. Swiss consumers appreciate Swiss products, therefore we try, if possible, to fulfill the Swissness requirements.

Due to the high costs of Swiss commodities, it is however imaginable, to resign from Swissness, as we would otherwise lose competitiveness. This could be, for instance, the case in some price sensitive export markets where Swissness is not valued as highly by local consumers as it is here.

**Nestlé runs international supply chains and moves large amounts of goods. What do you expect will be the supply chain impact of new Swissness legislation?**

The revised Swissness legislations bring many challenges for the Swiss Food Industry.

It is not enough that the product was produced in Switzerland, additionally 80% of its ingredients must be Swiss. This commodity requirement has an impact on the supply chain management. All Swissness products have to be checked if the 80% rule is fulfilled. If not, you have to either remove the “Swiss made” or “Swiss flag” from your products, or you have to adapt your purchasing strategy, which mainly means buying Swiss commodities.

In the factories, you need full traceability to ensure that the Swiss commodities are used in the product that you brand as Swiss. You also need to have a complex system in place that controls the Swissness requirements. The product information from your suppliers will become very important, as you need to know where exactly the ingredients come from. Not only the raw materials, but also each of the components of semi-finished products.

Swissness is a challenge for the whole organization as you have to coordinate internally the requirements of marketing, development, production and supply chain.

*Thank you for sharing your views on Swissness in foods, and for that brilliant closing statement.*

You are welcome (smiles).

If you’re passing through Zurich Airport, swing by one of the duty free stores and specialty shops for a selection of Swiss chocolates. They offer a great and exclusive range, with some chocolates only available in Switzerland, so they are a great present to family and friends. If you can resist the temptation during the flight, that is. So you may be better off buying two boxes, just in case. The shops are conveniently located in the Airport Center, Airside Center 1, Airside Center 2, and Dock E. If you are not in Zurich anytime soon, you can win a Swiss chocolate surprise in this edition’s contest (see page 25).
The Swiss WorldCargo System: Road Feeder Services

Our fleet consists not only of aircraft, but also extends to a fully integrated road feeder network. In this edition of “Cargo Matters”, we would like to give you an insight into our excellent trucking services in our European network and the partners that make it happen.

We believe that running integrated solutions with dependable partners is key to being reliable, economic and flexible. The weakest points in non-integrated supply chains occur when cargo is handed over from one company to another and the mode of transport changes. That is why at Swiss WorldCargo we act as a system integrator, designing, supervising and developing our systems to ever better meet the needs of our customers.

Only excellent partners will produce excellent service

Our road feeder services run as lines or special purpose services: we work with selected, long-standing partners only. In Europe, we have 18 trucking partners with a proven track record of service excellence, partnership and the ability to meet our customers’ needs.

Examples include temperature control for pharmaceuticals and perishables, satellite tracking and back-door control to secure high-value shipments.

Fischer Road Cargo
From/to ZRH:
LUG
BRN
BSL
CDG
GVA
FRA
From/to FRA:
WAW

Cargoboss
From/to ZRH:
AMS
From ZRH:
BRU

Jan de Rijk Logistics
From/to ZRH:
BRU
SXB
LYS
SWK
FRA
LNZ
From/to LNZ:
INN
SZG
VIE
GRZ
PRG
BUD
WAW

Freschi & Schiavoni
From/to ZRH:
SWK
To GVA:
SWK
Domestic Italian connections

Transdanubia
From/to ZRH:
SWK
DUS
VIE
MUC
FRA
BUD

Georgi Transporte
From/to ZRH:
FRA
To ZRH:
DUS
CGN
SWK

D&T Delli Tecnotrans
To ZRH and GVA:
FLR

Grüne Radler
From/to ZRH:
STR
MUC
From ZRH:
SXB

Schlimgen
From/to ZRH:
CGN
DUS
From ZRH:
FRA

HCS
From ZRH:
CPH
From/to CPH:
FRA
BLL
MMA
GOT
ARN
OSL
HEL

Planzer
FRA-ZRH
CDG-ZRH
ZRH-SWK

Connex Aircargo
Domestic German connections
From/to FRA:
NUE, BRE, DTM, HAM,
DUS, FMO, HAJ, TXL,
DRS, LEJ

Marras Trasporti and WTS Trasporti
Domestic Italian connections
A common goal we have with our partners is to reduce the environmental impact through the operation of modern equipment: in fact, we only contract partners who run vehicles classified at the lowest emission category for carbon dioxide.

Coordination and planning is key
Road feeder services are special in many ways. It is not only about finding a truck but also about selecting a suitable one: roller beds are a must, extra cooling may be required. Tight time windows, for pick-up and delivery, and sometimes even ferry schedules must be met. Operations must deal with delayed flights and traffic jams swiftly and efficiently.

Well-coordinated, continuously improved planning and good cooperation with the trucking partner is crucial. A dedicated team is in place at Swiss WorldCargo to manage trucking demand for operations out of Zurich. For inbound operations, our local organisations are in charge.
Made in... Tuscany!

Top designers brands from all over the world are re-shoring the manufacturing of their high end fashion goods to the Italian region of Tuscany. After a long period of decline, the opening or revival of artisan laboratories, encouraged the growth of a further network of suppliers, including small-sized specialist logistic operators. High quality is demanded at all levels here, from the manufacturing techniques to the air transportation services.

When it comes to top-quality leather goods and shoes, “Made in Italy” often means “Made in Tuscany”. The world-renowned excellence of the artisans from this region, and especially from the Florence area, serves as a sort of quality certificate for luxury and fashion consumers worldwide. Just think of Gucci, Ferragamo and Prada – three superstar brands which all originated in Tuscany in the last century before earning global fame.

After a long period of decline, “Made in Tuscany” has been experiencing a real renaissance in the last few years. The increasing demand for high quality and the rising labour costs in China and Eastern European countries have encouraged Italian and international designer brands to re-shore their manufacturing in Tuscany, to take advantage of the longstanding know-how that the region can provide.

That Gucci and Prada would substantially invest in the area may not be so surprising (1). But that other top Italian and foreign brands would start getting their high-end creations manufactured in Tuscany could not be taken for granted. We are talking here about Bulgari and Valentino, Ralph Lauren, Céline, Givenchy, Chanel, Michael Kors, Mulberry and Dior, to name just a few. The trend has facili-
tated the opening or revival of artisan laboratories, prompted further technological evolution and, of course, encouraged the growth of a further network of suppliers, including small-sized specialist logistics operators.

The fashion sector (clothing, leather goods, footwear), which accounts for about 6% of the region’s GDP (2), is especially export-oriented: fashion-related goods accounted for over 30% of total exports last year. The local freight forwarding community has specialized in meeting the specific needs of this export sector. Some 90% of Swiss WorldCargo’s shipments from Florence are fashion-related. And with its daily truck service to Zurich and Geneva (operated by the D&T Delli Tecnotrans company), Swiss WorldCargo is a preferred partner for agents such as Trans World Shipping, Albini & Pitigliani, Franco Vago, Savino del Bene, Alisped, Savitransport, DHL, Geodis and many others, all contributing to the growth of this booming Tuscan industry.

“Each designer brand has different logistics needs,” explains Lorenzo Salvi, Branch Manager at Trans World Shipping. “And in the last few years we have had to diversify our offer to provide customized solutions which seamlessly integrate into their supply chains.”

“High quality and professionalism are essential at every step, from the manufacturing plant to the logistics and the transportation services,” he continues. “That’s why Swiss WorldCargo, with its customized approach and its extensive flexibility, has proved the ideal partner for the local forwarding community.” For their high-value samples, for instance, some designer brands require express shipments and customized ‘SOPs’ – special operating procedures.

Its reliability (with a flown-as-planned rate of over 80%) and its quick connecting times (with next-day flights) are two further key reasons for choosing Swiss WorldCargo. As Mariano Scollo, Air Export Department Manager at Albini & Pitigliani, says: “Swiss World-Cargo offers very fast connections via Zurich and Geneva to the main destinations required by the luxury brands: New York, Miami and Los Angeles in North America, Tokyo, Shanghai, Hong Kong and Singapore in the Far East, Dubai, Abu Dhabi and Doha in the Middle East and most European capitals.”

For more information, contact:
cargo.italy@swiss.com

(1) Gucci has adopted a strategy of collaborating with small and medium-sized Tuscan businesses, creating joint ventures that should combine the quality of local artisanal craftsmanship with the technological innovations offered by the large international group’s solidity, and is now completing the preparations for a new production facility dedicated to bags and luggage. Prada is creating a logistics hub and a production plant dedicated to leather working in Tuscany, as well as planning to open the “Prada Academy” to train experts in the art of “Made in Tuscany”.

(2) Source: IRPET, Istituto Regionale Pianificazione Economica Toscana (The Regional Institute for Economic Planning in Tuscany)
Too Bad! If You Missed Any of These Reports:

- Breaking News – Confusion Exists on Antonov’s Existence
- Ashwin Aims at Forming a Knowledge-Based Carrier
- LH Intends Operating Unmanned Aerial Vehicles
- A320neo Fosters Freighter Conversion of A320classics

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Alexander Arafa named new Head of Global Area Management at Swiss WorldCargo

Alexander Arafa, currently Head of Cabin Crew at SWISS, has been appointed Head of Global Area Management at Swiss WorldCargo. He will assume his new duties on 1 June. He succeeds Ashwin Bhat, who became Head of Cargo last October.

In his new capacity, Alexander Arafa will be in overall charge of the worldwide sales and services of Swiss WorldCargo products and services.

Thomas Klühr, Chief Executive Officer, stated: “We are delighted to have appointed an experienced executive from within our own ranks to this important position. In addition to his extensive sales expertise from his earlier airline career, Alexander also brings the ideal credentials to his new post through the eight years he has spent as the head of our cabin crew corps”.

Alexander Arafa, 55, can draw on thorough airline knowledge along with more than 25 years of experience in the sales field. A dual national of Germany and Egypt, he began his airline career in Hamburg as an accounting analyst with Northwest Airlines some 33 years ago. He went on to hold sales positions with Olympic Airways and American Airlines before joining Lufthansa in 1993 as its General Manager Sales & Distribution USA, based in New York. Three years later he was called to Frankfurt to become Vice President Sales Strategy. At the end of 1999 Alexander joined Swissair as Head of Sales Europe. He was in charge of our Product Development at SWISS from 2001 to 2005, and then served three years as Vice President Sales Europe before assuming his present position as Head of Cabin Crew in 2008.

Ashwin Bhat commented: “We are delighted to welcome Alexander Arafa to Swiss WorldCargo. Alexander’s strong commercial expertise and vast experience will perfectly complement our current skill set.”

Diabetics do it better

What if we only hired diabetics to work in the active cold chain? Would they take more care handling healthcare products? We think they would. They know what happens if they don’t get insulin.

Of course we don’t just employ diabetics. But we do share their understanding of the value of what we ship in our containers.

We educate the members of the active cold chain on the difference they make to the lives of diabetics and others who rely on healthcare products. Because people do a better job when they understand the importance of why they are doing it.

Anna Klettner is one of those people. She is a diabetic and she works for us.
Cars are demanding! Specially when they fly.

Cars on planes are very demanding. We at Jettainer have the right car racks for any air transport.

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Swiss WorldCargo is pleased to offer you an attractive summer 2016 timetable with additional frequencies, connections and cargo capacity thanks to the integration of the B77W into the SWISS fleet and the increased operations to some existing intercontinental routes.

With the summer 2016 timetable, coming into effect on 27 March, operations to Chicago, San Francisco and Boston, until now daily, will be respectively expanded to 12, 13 and 14 times weekly.

Services to Montreal and Peking will also increase from five times per week to a daily service; the African destinations of Nairobi and Dar es Salaam will be augmented to six flights per week.

Operations to Vancouver will be resumed, with three weekly flights operated by Edelweiss. Rio de Janeiro and Calgary will be newly opened for Cargo as well, each with two weekly flights. And finally Punta Cana’s frequency will be doubled to two weekly flights.

LX 66 (MIA) will be ceased as from 26 May while LX 94 (GRU) will have no operations. LX 14 (JFK) will not be operated with B77W during the summer timetable 2016 anymore.

**Overview of the most important additional services as of the start of the winter timetable**

<table>
<thead>
<tr>
<th>Destination</th>
<th>Flightnumber</th>
<th>Frequency</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zurich – Chicago – Zurich</td>
<td>LX 86</td>
<td>Daily</td>
<td>27 March-28 August</td>
</tr>
<tr>
<td>Zurich – San Francisco – Zurich</td>
<td>LX 138</td>
<td>3-5-7/Daily</td>
<td>10 April/8 May</td>
</tr>
<tr>
<td>Zurich – Boston – Zurich</td>
<td>LX 40</td>
<td>Daily</td>
<td>10 June</td>
</tr>
<tr>
<td>Zurich – Montreal – Zurich</td>
<td>LX 180</td>
<td>Daily</td>
<td>15 July</td>
</tr>
<tr>
<td>Zurich – Peking – Zurich</td>
<td>LX 92</td>
<td>3-5-7/3-5-7</td>
<td>3 August/29 August</td>
</tr>
<tr>
<td>Zurich – Nairobi – Zurich</td>
<td>LX 38</td>
<td>3-4-6-7</td>
<td>30 August</td>
</tr>
<tr>
<td>Zurich – Dar es Salaam – Zurich</td>
<td>LX 254/256</td>
<td>0-5-7</td>
<td>5 September/2 September</td>
</tr>
<tr>
<td>Zurich – Vancouver – Zurich</td>
<td>Edelweiss</td>
<td>3 per week Edelweiss</td>
<td></td>
</tr>
<tr>
<td>Zurich – Rio de Janeiro – Zurich</td>
<td>Edelweiss</td>
<td>2 per week Edelweiss</td>
<td></td>
</tr>
<tr>
<td>Zurich – Calgary – Zurich</td>
<td>Edelweiss</td>
<td>2 per week Edelweiss</td>
<td></td>
</tr>
<tr>
<td>Zurich – Punta Cana – Zurich</td>
<td>Edelweiss</td>
<td>2 per week Edelweiss</td>
<td></td>
</tr>
</tbody>
</table>

**B77W integration plan**

<table>
<thead>
<tr>
<th>Destination</th>
<th>Flightnumber</th>
<th>Frequency</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montreal (YUL)</td>
<td>LX 86</td>
<td>Daily</td>
<td>27 March-28 August</td>
</tr>
<tr>
<td>Hong Kong (HKG)</td>
<td>LX 138</td>
<td>3-5-7/Daily</td>
<td>10 April/8 May</td>
</tr>
<tr>
<td>Los Angeles (LAX)</td>
<td>LX 40</td>
<td>Daily</td>
<td>10 June</td>
</tr>
<tr>
<td>Bangkok (BKK)</td>
<td>LX 180</td>
<td>Daily</td>
<td>15 July</td>
</tr>
<tr>
<td>São Paulo (GRU)</td>
<td>LX 92</td>
<td>3-5-7/3-5-7</td>
<td>3 August/29 August</td>
</tr>
<tr>
<td>San Francisco (SFO)</td>
<td>LX 38</td>
<td>3-4-6-7</td>
<td>30 August</td>
</tr>
<tr>
<td>Tel Aviv (TLV)</td>
<td>LX 254/256</td>
<td>0-5-7</td>
<td>5 September/2 September</td>
</tr>
</tbody>
</table>

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Swiss WorldCargo accelerates eAWB implementation

Swiss WorldCargo has intensified its efforts to adopt the new electronic air waybill or eAWB: SWISS is one of a number of IATA airlines that have taken the lead in the eAWB 360 campaign and have committed to offering eAWB under the “Single Process” concept at a number of airports, including the Zurich hub.

Swiss WorldCargo is switching to eAWB as the preferred means of shipping cargo, in conjunction with the “Single Process” service. As envisaged under the “eAWB 360 campaign” promoted by IATA to accelerate process implementation, the new eAWB approach is offered to all destinations and to all customers at a number of airports.

Amsterdam Schiphol (AMS) became the first such “eAirport” on 1 January, joined by Paris (CDG) on 1 February, and by Zurich (ZRH), Dubai (DXB), Singapore (SIN), London (LHR) and Milan (MXF and SWK) on 1 March. Additional key airports will follow in subsequent months.

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Terms and conditions: All participants must fully state their first name, last name, company, function, mailing address and the e-mail address to take part. The winner will be informed directly and their name will be published in the next issue of Cargo Matters. Employees of Swiss International Air Lines Ltd. (including Swiss WorldCargo’s GSA) and their relatives may not participate. All rights are reserved, and there shall be no recourse to any legal action.

And the winner is...

The drone was won by Bacca Atilla, Novartis (Switzerland)
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End of Early Registration:
29th May 2016

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## Event Calendar 2016, April-August

<table>
<thead>
<tr>
<th>Start date</th>
<th>End date</th>
<th>Place</th>
<th>Show name</th>
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<tbody>
<tr>
<td>14.04.2016</td>
<td>17.04.2016</td>
<td>Dubai – UAE</td>
<td>Vetenzaoro Dubai</td>
</tr>
<tr>
<td>18.05.2016</td>
<td>19.05.2016</td>
<td>Amsterdam – Netherlands</td>
<td>Cold Chain &amp; Temperature Controlled Logistics Forum</td>
</tr>
<tr>
<td>24.05.2016</td>
<td>26.05.2016</td>
<td>Hong Kong – China</td>
<td>Post-Expo Hong Kong</td>
</tr>
<tr>
<td>03.06.2016</td>
<td>06.06.2016</td>
<td>Las Vegas – USA</td>
<td>JCK Las Vegas</td>
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<tr>
<td>14.06.2016</td>
<td>16.06.2016</td>
<td>Shanghai – China</td>
<td>Transport Logistic</td>
</tr>
<tr>
<td>16.06.2016</td>
<td>19.06.2016</td>
<td>Basel – Switzerland</td>
<td>Art Basel</td>
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<tr>
<td>21.06.2016</td>
<td>23.06.2016</td>
<td>Shanghai – China</td>
<td>International Pharma Logistics Exhibition</td>
</tr>
<tr>
<td>23.06.2016</td>
<td>26.06.2016</td>
<td>Hong Kong – China</td>
<td>HKCEL - June HK Jewellery &amp; Gem Fair 2016</td>
</tr>
</tbody>
</table>

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