Cover Story
Building the Swiss WorldCargo ‘Pharma House’
Swissness
Swissness in Services
Swiss WorldCargo
‘We care for your cargo.’ is more than a claim...
Contest
Win a Victorinox pocket knife
Logistics Trends
Winning with logistics

8

Editorial
From Ashwin Bhat

3

Cover Story
Building the Swiss WorldCargo ‘Pharma House’

4

Swissness
The Swissness Trilogy Part 3:
Swissness in Services

12

Made in India
Diamonds are forever cut and polished in India

20

Swiss WorldCargo
‘We care for your cargo.’ is more than a claim...

22

Info Guide
India Cargo Awards: Swiss WorldCargo voted Best Airline – Customer Services 2016

25

Rhino Jeremy takes the plane to save endangered species

27

Contest
The ultimate challenge for motorcycle legends

29

Event Calender 2016/2017

31

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2016 has been an extremely vital and active year for Swiss WorldCargo, full of innovations that will further improve and extend our global services for clients from all industries. We are continually striving to make things better – not only by optimizing the efficiency of our infrastructures and logistics processes, but also by regularly updating our fleet with the most versatile and environmentally friendly aircraft.

In this edition’s cover story we will give you a detailed glimpse of our ‘Pharma House’ programme, which has been set up to enhance our product solutions for worldwide healthcare customers, that in turn improves the quality of life of many people. Air cargo is crucial to supply health facilities and patients with the medicines they need. From global compliance to current regulations and the optimal packaging to ensuring the required temperature along the entire supply chain and the rejection of counterfeits, many aspects have to be considered when delivering products as delicate as pharmaceutical goods. Swiss WorldCargo has implemented its structured ‘Pharma House’ programme to tackle present and future logistic challenges in the healthcare industries. Please find further information on Swiss WorldCargo healthcare solutions and milestones from page 5 onward.

Logistics is also an essential means for product manufacturers, suppliers and retailers to retain existing and win new customers. Yet, it is not easy to estimate the actual value of logistics services. The excellence of logistics is simply taken for granted as long as everything works out fine. Thus, it might be helpful to have a look at what happens if things go wrong. Retailers might suffer significant sales losses and have to deal with dissatisfied customers looking elsewhere for the required goods. It is obvious that bad logistics performance inevitably has a significant long-term negative impact on sales figures and customer loyalty. The best thing to avoid logistics failures is to differentiate your logistics efforts. You will find some hints on how this can be achieved and what it takes to understand the value of logistics on the following pages.

In the third instalment of our Swissness Trilogy we deal with the implications of new laws defining what can be labeled ‘Swiss Made’ on Swiss services and logistics industries. As a country with very few natural resources to exploit, services are a key factor for the success of our economy. Thus, innovation-driven businesses have always played an extremely important role in Switzerland – supported by a highly sophisticated service and logistics infrastructure, for instance enabling the most demanding supply chains for the Swiss life science industries. Our article on page 13 fills you in on what Swissness means for services and for logistics in particular. Please also read our interview with Claudia Pletscher of Swiss Post and Silvia Chacón Ramos of Swiss WorldCargo on service innovations Made in Switzerland.

‘We care for your cargo.’ is still the claim of our new advertising campaign, and it’s more than just words. We asked Candido Righetto of Publicis Communications Switzerland about the deeper meaning of this message and what it was like to cooperate with Swiss WorldCargo when creating the new advertising campaign, which features logistics projects that significantly contributed to the success of our customers.

Because, indeed, we care for your cargo.
Building the Swiss WorldCargo ‘Pharma House’

Discover how Swiss WorldCargo further contributes to improving patient lives by building the ‘pharma house’, a structured programme to excel in healthcare air cargo supply chains today and tomorrow.

Swiss WorldCargo has a long tradition of taking good care of healthcare shipments. Some of the world’s healthcare heavyweights have their headquarters in Switzerland, as do we. Other centres of healthcare research and production are located in US, Japan, Brazil, Hong Kong, India, and Israel – destinations we serve with pride. But in healthcare, having a strong track-record in the past just isn’t enough. And that’s the same for us.

Four factors make healthcare air cargo supply chains demanding. First of all, with any healthcare shipment, patient wellbeing is at risk. Second, any non-compliance leads to highly expensive recovery measures. Third, shippers and regulatory bodies set the highest standards for shipment control and accountability. Fourth, the healthcare industry has diverse segments, dynamics, and demands. So there is no one-size-fits-all.

At the same time, controlling bodies such as the European Medicines Agency (EMA) and the Food and Drug Administration (FDA) issue strict regulations that impact air cargo supply chains. For instance, the Good Distribution Practices (GDP) enforce end-to-end integrity in pharmaceuticals distribution.

Improving patient lives
Air cargo plays a key role in getting medicines to patients. Similarly, air cargo contributes to treatment development by enabling globally connected research. Both are vital to patient wellbeing, and to healthcare business success. At Swiss WorldCargo, our efforts are directed towards adding value to healthcare companies with our unique capabilities and ability to co-create new, innovate solutions.

Details matter throughout the entire chain: How is temperature ensured at origin and destination? What is the right inner and outer packaging, container / loading device and the ideal approach to sustaining the desired transportation temperature, taking into account product specifics, route, and pass-through facilities? How to ensure shipment identification, visibility and temperature control at all stages of the air cargo supply chain? How to prevent theft and counterfeits entering the system? How to ensure global compliance to changes in regulations and standard operating procedures?

These are just a few of the challenges healthcare air cargo supply chains face today. For every healthcare product, market, or launch procedure, requirements may differ. Regulation may change. And
With the innovativeness of the healthcare industry itself, like medication becoming personalised, distribution models will change entirely in the future to become patient-centric.

The Swiss WorldCargo ‘pharma house’ programme
In order to deal with current and future challenges, and to provide solutions to today’s industry pain points, we have implemented our structured ‘pharma house’ programme. Through trilateral discussions with shippers and forwarders, we continuously gain a deep and common understanding on shipment requirements, and observe trends in order to remain the trusted innovation leader for the healthcare industry.

To better serve customer needs, we have implemented organisational changes, and introduced new standard routines and procedures that we will expand and implement throughout our entire network.

We drive GDP and Center of Excellence for Independent Validators (CEIV) certifications, and establish worldwide standards for processes and quality control for healthcare shipments within our network. The Zurich-Singapore quality corridor, implemented with ground handling partners Cargologic and SATS, is a first step in this endeavour. Our first-class Zurich hub is always just half the story. Processes at the receiving and sending airports as well as the pre-airport processes are equally as important.

Therefore, current and new lanes undergo risk assessment, and risk mitigation measures are set in place if necessary. That entails turning local knowledge and insights from data into actions. For instance, we will make sure that if tarmac times cannot be reduced short-term, packaging and cooling will be adapted in order for shipment quality to be maintained to predefined standards.

We accompany our efforts with extensive trainings of our own and of partner staff. That way, we ensure the dissemination of knowledge about healthcare shipments and create shared values for the great care, attention to detail, and monitoring and communications efforts required. We believe that investing in people, their knowledge and attitude is as important as investing in quality control systems and information technology.

Additional measures target impacting shipper and forwarder experience, most importantly active monitoring and tracking of shipments via extended website offerings, and improved custom-
er care following the corrective and preventive action concept of good distribution practice.

Also, we will continue to expand our network cooling capacity by engaging other partners, such as trucking companies and equipment providers to offer flexible, and efficient end-to-end services our customers can depend upon. The addition of va-Q-tec cooling solutions to the SWISS °Celsius Passive range is a recent example.

**Recent Swiss WorldCargo healthcare milestones**

**2016**
- CEIV certification of ground handling partner Cargologic in Zurich
- Quality corridor Zurich-Singapore with Cargologic and SATS established
- DHL CARE Award for temperature-sensitive shipments
- SWISS °Celsius Passive range expanded with va-Q-tec container solutions
- Launch of Swiss WorldCargo ‘pharma house’ to further boost healthcare offering

**2015**
- Cold storage facilities at Zurich Airport expanded

**2014**
- GDP compliant of ground handling partner Cargologic in Zurich
- CEIV certification of ground handling partner SATS in Singapore

**2013**
- SWISS °Celsius Passive range launched

**Pharmaceuticals at Swiss WorldCargo – trusted and innovative**

Medication touches people’s lives. At Swiss WorldCargo, we take the greatest care in making sure to provide you with the highest value services to the healthcare industry. Whether in research and development, or manufacturing and distribution of medicines, our experienced and dedicated team of cold chain experts is there for you with our capabilities and know how. With our wide range of active and passive solutions, high quality standardized transport and handling processes, skilled staff, network of audited stations and partners, we offer you speed, safety, security, and visibility throughout the supply chain. As a long-term partner of the healthcare industry, we are committed to providing our resources to add value to your business, and together contributing to public health.

For more information and booking requests, please contact your local Swiss WorldCargo office. They will be happy to assist you.

**Co-creation of value in the skies ahead**

Whether moving towards higher effectiveness through personalised healthcare or higher efficiency in mass-manufacturing of medicines, we would like to foster our exchange with the healthcare industry and its logistics partners in order to push the boundaries of what is possible in healthcare air cargo supply chains today and tomorrow. Make us your trusted partner in air cargo innovation.

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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.

---

**CEIV** IATA Center of Excellence for Independent Validators

**GDP** Good Distribution Practices
Improving logistics to win customers and integrate the best suppliers is one of the undisputed megatrends that has been fueling the growth of the logistics industry for decades. Those working in logistics feel the value they deliver to customers and companies. But have you ever thought about just how high that value really is? My guess is that you are convinced it is very high and that you work hard for it. My guess is also that you are sometimes frustrated because your company (or customer, if you are a forwarder) could do so much better if only everyone appreciated the value you deliver and adjusted processes and investments just a nudge.

The question of value is important because companies assign budgets and importance to their investments based on expected return and contribution to strategy. So the more exactly you can pinpoint logistics value, the better your position in budget rounds. But here’s the tricky bit: Logistics only get noticed when things go wrong.

If it all goes well, people take your efforts for granted or just complain about cost, i.e. they want to take budget away from you, rather than add to it. So deriving an estimate of logistics value when everything is going according to plan makes little sense.

What’s left to do is to derive insights from failures. Measuring the impact of things that went wrong is painful, but a lot more effective - because it’s real. It gives you a precise cost that should be prevented in the future and, as a consequence, a budget.

The cost impact is equally well established. Retailers suffer immediate and longer-term sales losses because of decreased shopper loyalty and satisfaction. In addition, logistics costs rise dramatically due to efforts to get the missing items on the shelves, and to handle dissatisfied shoppers.

Shoppers may switch stores, buy substitute items (brand switch, size switch, category switch), postpone their purchase, decide against buying an item altogether or even never return to the respective retailer again.

The cost of items not available for sale
So rather than look at the value of logistics when everything is going according to plan, let us examine what happens when they don’t. The most advanced industry in figuring out the cost of items missing for sale is retailing.

Studies with hundreds of thousands of shoppers all over the world and billions of collected data points from online shops provide similar evidence:
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All in all, the cost impact of non-availability for retailers is 4% of sales and an increase of store logistics costs by 25%, resulting in US$0.012 cent losses in earnings per share. Investors don’t like that. And it is that cost visibility that makes retailers invest heavily in logistics processes and technology to ensure availability.

The cost of missing supplies

We can apply a similar reverse-thinking approach to goods supply. What happens when supplies dry up? Studies from industrial manufacturing show that major disruptions in supplies drastically decrease financial and operational performance.

Companies faced with sudden supply issues have 7% lower sales growth, 10% higher cost growth, and 14% higher inventories compared to those not faced with supply issues. On average, it takes companies more than two years to recover from severe disruptions in supplies, which, in turn, decreases shareholder wealth by 2-19%. So if you can set up supply logistics to alleviate this loss, it is likely to be a winner with shareholders, and thus your CEO and budget.

Differentiating to win

Analyzing the impact of different types of failures enables you to do one thing: differentiate your logistics efforts. Rather than wanting to improve everything in one go – and inevitably over-promising and underdelivering – it enables you to prioritize logistics efforts in certain supply chains and sales channels, or for individual customers and selected suppliers. That may entail using a new modal split and setting up logistical service recovery systems, which may appear expensive when looking at transportation costs in isolation.

Analysing actual failures and their impact is one way, taking study benchmarks and carrying out “what if” risk analyses another way of pragmatically and meaningfully assessing the value of logistics if your processes run like Swiss watches.

The analyses will help establish a common and pragmatic understanding in your company of the value of logistics. Most importantly, striving to accurately measure failure cost is not a weakness. It’s essential for winning with logistics.

Sources:


Hendricks and Singhal (2005), ‘Association Between Supply Chain Glitches and Operating Performance’.

Zsidisin, Petkova and Dam (2016), ‘Examining the influence of supply chain glitches on shareholder wealth: does the reason matter?’. 
The Swissness Trilogy Part 3: Services
Swissness in Services

Starting next year, what can be labelled as ‘Swiss Made’ in advertising will be governed by a new set of laws. These laws will also affect services; and, as 2017 is right around the corner, it is time to consider their implications for the Swiss service industry, including logistics.

Services in Switzerland
Switzerland is not only known for its chocolate and watches but also as a centre for services. If you’re making online payments, if a loved one is receiving cancer treatment, or if you’re checking into a well-managed hotel, chances are that key elements of what makes that happen were developed, managed or trained in Switzerland.

According to the ‘Swissness Worldwide 2016’ survey carried out with 8'000 people in 15 countries, customers of Swiss services are looking for three elements: trustworthiness, dependability, and continued excellence through innovation.

Services aren’t just fun and games for Switzerland. In a land-locked country with few readily exploitable raw materials, nothing short of the country’s wellbeing depends on them. And if you don’t want to go down in the fierce global services markets, you have to be a strong and steady innovator.

With its highly-skilled workforce, swift administration, superb physical and digital infrastructure, and stable political environment, it is one of the best places for services. Countless studies support this claim, such as the Global Competitiveness Index, which puts Switzerland in the top 10 of just about any indicator important to building successful and innovative service businesses.

Innovation as the driver of Switzerland’s success
While you are reading this, in Switzerland, countless test tubes are being spun, and data is being analysed to solve the world’s health and environmental problems and boost efficiency and security in financial transactions. Industrial engineers are solving really tricky problems and finding solutions that will be implemented elsewhere on the globe.

Innovation-driven businesses flock to Swiss universities and other research institutions, and together advance the fields of medicine, nutrition, materials sciences, and robotics to name but a few. Examples include the grand Swiss Federal Institute of Technology, slap-bang in the middle of Zurich and École Polytechnique Fédérale de Lausanne bordering Lake Geneva, as well as the proton-beaming Paul Scherrer Institute for natural and engineering sciences in Switzerland’s snug northwest. Not to forget the European Organization for Nuclear Research CERN, located at the Franco-Swiss border in Geneva. The one with Aleyet Zurer and Tom Hanks, remember?

Hollywood aside, the basis of this service and innovation success is Switzerland’s system of vocational education, in which young people receive expert training at vocational schools alongside their apprenticeships. Life-long learning continues in universities of applied sciences, whose sole purpose it is to turn Switzerland’s groundbreaking research into applicable methods, tools and instruments for people to innovate and businesses to grow and prosper.

No wonder that global service providers have located key functions in Switzerland, such as Google, which develops key Gmail and YouTube innovations in Zurich. It’s also not surprising that Switzerland’s life sciences companies continue to invest in Swiss research and development centres: it’s worth it because innovation is what’s paying the bills.

I’ll admit, the process innovations you and I work on every day may be a bit less ‘glam’ than nuclear science but they are important nonetheless. Today, logistics is an enabler of excellence as a platform service for the exchange of information and goods. Swiss life sciences companies and their demanding (research) supply chains are an obvious example.

Also, many industries are looking towards logistics methods to streamline their operations and become nimbler, more customer-centric enterprises. In fact, logistics has a history of sparking service innovation in Switzerland.
Logistics as an enabler of service innovation
To exemplify how deep the impact of logistics has been on the development of Swiss made services, let’s rewind to mid 19th century Switzerland. A brief civil war has just lead to the formation of Switzerland as a federal state. Elsewhere, the Crimean War and the American Civil War are at the onset and the Suez Canal is under construction.

At that time, Swiss textile manufacturers decided to create their own insurance companies to protect themselves against transportation risks in imports and exports, instead of depending on insurance companies from the UK, France, and Germany. However, as they were experts in textiles, not insurance, they hired experienced managers from surrounding nations to aid their cause. Spurred by the success of Swiss transport insurance, re-insurance companies were founded and the Swiss insurance industry as we know it today began to emerge.

Similarly, without investments in transport infrastructure – the backbone of logistics – tourism in Switzerland would never have taken off. It was the pioneering work of railroad construction in the 19th century that attracted new and more visitors to Switzerland. In those days, daring alpinist adventurers first ascended many of Switzerland’s peaks, like the Matterhorn in 1865, and sparked a fury of interest and mysticism that is still present in Swiss tourism to this very day.

This enabled the Swiss tourism industry to flourish and build the diverse ecosystem of tourist attractions, supporting manufacturers (skies, snow machines, cable cars etc.), and transportation companies (like SWISS) that also sustain the high global connectivity in airfreight offerings that Swiss shippers use to export 1/3 of Switzerland’s export by value.

Today, many Swiss industries, including high-tech manufacturing and banking, use the operations principles of logistics to increase processing speed, reliability and to cut costs at the same time. For instance, manufacturers’ after sales units are increasingly modelled on e-commerce logistics and banks apply lean instruments to cut processing times for mortgage loans. Thus, logistics continues to drive innovation.

The new laws for Swissness in services
Back to the future: Having established that services are essential to Switzerland, and, if you followed the previous Swissness articles on chocolate and watches, you may not be surprised to hear that services are covered by the new Swissness laws as well.

As with industrial goods and foods, there is no issuing body or certification agency to designate services as Swiss. Rather, companies advertising Swissness need to make sure they are rightfully using the claim of their geographical origin. Swissness is voluntary; so if you don’t benefit from it, or your own brand is strong enough, just cut Swissness from your advertising and you’ll be on the safe side.

In the event of accusation, it is your company’s obligation to prove its right to advertise Swissness and not the plaintiff’s task to prove any wrongdoing. Past cases of misuse show that it’s not primarily the legal battle that hurts but the public scrutiny and ridicule that rains down on your brand if you unlawfully advertise Swissness.
If advertising Swissness is important for you, here are the basics of what you need to consider if you want to advertise Swissness in services. First, your company’s headquarters must be in Switzerland; second, the company must be managed from Switzerland. Foreign subsidiaries can also advertise Swissness, provided that the two above conditions are met and the subsidiaries are in full control of the Swiss parent company and provide similar services.

In other words: letterbox companies cannot claim Swissness, nor can subsidiaries of which the Swiss parent owns minority stakes, or that provide other services. For completion, corporate structures with holdings require at least one of the holding’s companies to be based in Switzerland.

The new Swissness laws and logistics

The logistics industry has several unique features that make it stand out from other service industries and that make it particularly vulnerable in terms of Swissness-related issues. Logistics is diverse, global, and handles other people’s goods. Consequently, as a logistics service provider, you may be on the receiving end of three potential issues.

First, you may contract suppliers and sub-suppliers that unlawfully boast Swissness. Swiss customs authorities are obliged to keep an eye out. ‘Swiss Mountain Logistics’ from Portsmouth, NH, USA, would not go down well with authorities and vehicles may be stopped at the border. Second, you could be carrying goods into Switzerland that violate Swissness regulations and would be detained by customs. Third, your marketing firm or foreign subsidiaries may get carried away with advertising Swissness where there is none in terms of the new Swissness laws.

The problem is, nobody knows what impact we will see with the new laws coming into force January 1st 2017. So make sure that everyone – customers, suppliers, and subsidiaries – understand the new Swissness laws and their potential impact on advertising, supply chains and operations.

If everything goes askew, lawmakers have outfitted the new Swissness laws with one cool feature. If you think that the new Swissness laws are not useful for logistics: make your own. Just like Swiss watchmakers who have their own ‘industry ordinance’ and the cosmetics industry that is working on theirs. Provided you unite the Swiss logistics industry and your ordinance passes the necessary regulatory stages, you have your own laws. How about that as a service innovation?

Sources
Swissness Worldwide 2016
Global Competitiveness Index
Historical Dictionary of Switzerland

The ‘new Swissness laws’ include the Federal Act on the Protection of Trade Marks and Indications of Source, the Federal Act on the Protection of the Swiss Coats of Arms and other Public Signs, as well as other documentation, such as the Trade Mark Protection Ordinance.
Service innovation is key to the Swiss economy. With the growth of e-commerce and the advent of the digital age, Swiss logistics service providers are re-inventing themselves and re-framing what logistics is about, and what logistics companies are capable of.

Swiss Post and Swiss WorldCargo are two of the most prominent Swiss service providers, displaying their heritage in name and logo. They have their roots in transportation, and share a long-standing business partnership. Both are in the process of enabling new customers completely new ways of doing business – built on traditional Swiss values like trustworthiness and dependability.

Claudia Pletscher of Swiss Post and Silvia Chacón Ramos of Swiss WorldCargo, strong drivers of innovation in their fields, join me to discuss Swissness and service innovation.

To both: Many of our readers envy your positions. Innovation people get to do all the cool stuff. What are the latest and most exciting innovations you are working on?

Claudia Pletscher: In view of the fact that our customers are becoming increasingly digital, mobile and fast-paced, Swiss Post has adapted its range to suit these new requirements: Our core business is also present in the digital world. Therefore, we are working on solutions in e-health and e-voting – fields that are all about the safe digital transport of sensitive information. Another important topic for us are autonomous technologies in logistics and mobility: We are currently testing drones, delivery robots and self-driving shuttles to find out which commercial areas of use they might be suitable for in the future.

Silvia Chacón Ramos: Innovating is about being ready to change all the time. Getting comfortable with the status quo is not an option so quite often it’s back to the drawing board. It is of course very interesting to deep-dive into the industry and try to decipher and shape the future of it, but we should not forget that it entails a big time investment and facing risks regularly. The postal universe, that was in a latent state for centuries, is suddenly changing at the speed of light because of the influence of e-commerce. Its expectations and requirements are growing every month. Not only do we need to shape the products and services we offer, but also the internal understanding of our organizations.

To Claudia Pletscher: Is there something unique about innovations in Switzerland?

Claudia Pletscher: Just like other indicators, we are among the top teams playing in the Champions League of the most innovative countries. Our innovations, as they are often hidden in our products, may be harder to spot than those coming out of Silicon Valley. Yet this in no way means that they are less important. What’s more, Switzerland doesn’t exactly stand out when it comes to partnering. In that respect, Silicon Valley is more advanced. However, when we do team up with others, great things are created in a short time. Take our mobile payment solution Twint, for example: We recently started to share it with Swiss competitors – now we’re all partners in a Swiss solution.

To Silvia Chacón Ramos: Shippers greatly value the swiftness and effectiveness of Swiss WorldCargo’s supply chains. What’s your secret?

Silvia Chacón Ramos: At Swiss WorldCargo we like to give our customers first-class treatment. Our organization is rather small and very detail-oriented. Our aircrafts and hubs are just big enough
to perform efficient services and small enough to do so in a personalized manner. We focus on care-intensive special products and this also spreads to less care-intensive services, which makes them top-class as well.

In addition, two years ago, we started our journey to virtual integration with the aim of providing seamless services to our customers: We want to offer more than just airport-to-airport. But don’t expect Swiss WorldCargo to be running trucks around the world or opening 3PL facilities. Our vision is about including strategic partnerships at the beginning and at the end of the chain so we can offer broader options to the industry.

To Claudia Pletscher: Dreaming up big ideas is the one thing, market success another. What do you do at Swiss Post to turn the best ideas into profitable business?

Claudia Pletscher: We try to identify added value for our customers. Speed is a central factor and often the weak point of large businesses. We regularly carry out boot camps for promising business ideas. These are intense workshops in which a full week is dedicated to a certain business idea. It’s all about building a prototype as soon as possible and getting customer feedback in the process. So after just one week, we decide if we will continue to invest in the idea or drop it.

Involving external partners is also very important. We like working with start-ups and developing new services together. Universities, established companies and even competitors could be potential innovation partners. In the near future, we’ll be starting an initiative to develop new business ideas with suppliers.

To Silvia Chacón Ramos: Innovating your own services is one thing, supporting customers in being innovative another. How do you help new and innovating companies with special air cargo requirements grow their business?

Silvia Chacón Ramos: The first thing we do is talk to them. It’s all about putting ourselves in their shoes and understanding their key issues. The reason we don’t have product managers but vertical industry managers is that we don’t modify or innovate on our own services without also considering the customers’ needs.

To give you a couple of examples: We are currently working on a product to help start-ups in Switzerland with their exports. At the same time, we are developing a new product that will better suit the needs of e-commerce exporters than the existing offer does. We are shaping and reshaping the idea along the way as we receive more input from the parties that will benefit from the product.

To Both: What is the way forward to market Swiss service innovation so it becomes as synonymous with Switzerland as cheese and chocolate?

Claudia Pletscher: Swissness stands for trust – a valuable asset that this country takes great pride in. Nonetheless, it does occasionally get in the way of how innovations come to life. It is in the nature of innovations that they are not ‘born’ perfect. We must be prepared to try new things that could go wrong or might need modifying after gaining first insights. Finding the balance between trial and perfection is what needs to be mastered.

Silvia Chacón Ramos: I believe there are three qualities that are intrinsic to the concept of Swissness and they’re the ones we need to focus on:

- Number one is efficiency. Think of the Swiss public transportation system – everybody knows it works and expects nothing else. We need to guarantee Swiss innovations and logistics keep working with the same efficiency.
- Number two is our readiness to adapt. Like the chocolate industry that keeps reinventing its products, we need to stay ahead of the game as our industry is also subjected to constant changes.
- Finally, number three is long-term reliability. Take the Swiss watch industry, for example. It relies on partnerships and long-term relationships for both new products or old. So whatever new product we are offering our customers, we need to make sure the transition is be smooth and comes with Swiss peace of mind.

Thank you for sharing your insights on service innovation made in Switzerland.
Implementing quality corridors with our handling partners

In today’s world of speed and complexity, seamless integration of airfreight and handling at our various destinations is pivotal. That is why we have launched quality corridors with handling partners.

Picture our quality corridors as though they were a very long, very neat, brightly lit hallways connecting origin to destination and through which your goods were moved; with bouncers protecting exits and entries, and hallway security using the latest technology to monitor shipments and shipment quality.

Zurich Airport:
- First class airport for pharmaceuticals and valuables
- Best cargo airport in its class for the last five years (and top ranking in the previous five)
- GDP compliance and CEIV certification with strategic partner Cargologic
- Wide range of active and passive solutions and thermo trucking available

In more technical terms, our quality corridors are a method of virtually integrating trusted partners to implement new requirements and standards faster, and to push further the end-to-end quality of our products in specialized markets such as pharmaceuticals and valuables.
The first quality corridor on the Zurich–Singapore route illustrates our efforts to virtually integrate all the partners in the air cargo supply chain to work with special regards to regulatory and process compliance, and to foster innovation.

Ground handling agents play a key role in quality corridors, as their capabilities and operational performance directly impact the quality of your shipments. That is why we have implemented the first quality corridor with our most elite handling partners, Cargologic and SATS.

The result: highest standards in cold-chain handling and the delivering of the most accurate, reliable handling on the ground with full paperless cargo acceptance processes that enhance visibility and transparency for shippers. Please refer to the adjacent illustration for the key facts on our quality corridor collaboration.

In the future, we aim to extend our quality corridor approach to the entire network, and to provide you with the quality of a service system engineered in Switzerland, and delivered around the globe.

The ‘quality corridor’ between Zurich and Singapore is based on the ‘quality alliance’ of Swiss WorldCargo with handling partners Cargologic and SATS. Key points of the alliance are:
- Sharing best practices on processes, information technology and asset development.
- Common training and institutionalized promotion of innovation and collaboration.
- Specialized and compliant processes for Swiss WorldCargo’s temperature-controlled cargo, valuables and other care intensive shipments.

Singapore Airport:
- Storage available for all temperature ranges.
- GDP compliance and CEIV certification with handling partner SATS.
- Facilities in place for a seamless and easy customer experience with full paperless acceptance process.
When prime ministers met at the recent BRICS (Brazil, Russia, India, China and South Africa) Summit in the coastal state of Goa in India, the leaders had more than geopolitics on their mind. On the sidelines of the summit, one of the key agendas for them was the initiative to promote the direct trade of diamonds between the countries.

India is the world’s largest diamond cutting and polishing centre. It is said that 14 out of 15 rough diamonds in the world are polished in India. Surat city in the Indian state of Gujarat accounts for a whopping 90 percent of India’s diamond cutting and polishing. This is India’s top foreign exchange earner and a perfect example of ‘Made in India’.

According to the Gem and Jewellery Export Promotion Council (GJEPC), the industry’s official organisation, India’s cut and polished diamond exports in 2016−17 could rise 15 percent from a year ago to a value of $23 billion. This is due to an increased demand in the United States, Europe and some Asian countries.

“The rise in exports will prompt the world’s biggest diamond polisher to increase imports of rough diamonds by 10 percent. Demand has been increasing in the United States, which is our biggest market. Purchase has also increased in Europe and some Asian countries,” said Praveenshankar Pandya, Chairman, GJEPC.

For Siddharth Mehta, chief strategist at Rajesh Exports, air transport is the best way to move jewellery, as it saves time and is secure. Rajesh Exports is the largest gold jewellery manufacturer in the world and India’s largest exporter of gold jewellery. The quality of logistics is an essential element of India’s competitive advantage as a gem and jewellery exporter. Cost is equally important and provides an advantage for countries that already have well-developed air freight routes – whether through scheduled freighters or due to space on passenger flights.

“92 percent of our revenue comes from exports; these, in turn, are all attributed to air transport,” confirms Mehta. Gems and jewellery are among India’s top five export commodities that use air freight as their primary mode of transport.

To facilitate the easy and hassle-free transport of gems and jewellery from India to the rest of the world, India’s Central Board of
Swiss WorldCargo, the preferred carrier of the precious cargo

Swiss WorldCargo is a well-positioned niche player in the transportation of diamonds, precious stones and jewellery besides other valuables like metals, bullion, artwork, chemicals and more. Through its specialty cargo product SWISS Valuables, the diamond exporters of India get a well deserved, priority and red carpet approach. The carrier of choice, has a long lasting collaboration within the precious commodity industry.

Swiss WorldCargo flies daily from Mumbai and Delhi with A330 and the two flights interlink all major global diamond markets besides high end jewellery markets located all around the world. The flights are scheduled for early morning departures from Mumbai and Delhi making it convenient for the diamond industry. The knowledge and know-how about the needs of this niche industry, driven by a dedicated and experienced team, is our asset for meeting the expectations of an industry which has zero tolerance for errors. And this is a track record we are very proud of.

Vertical Industries

To meet the ever increasing demand for vertical expertise of air logistics solutions, Swiss WorldCargo has adopted a vertical industry approach. We aim at collaborating with forwarders by building up in-depth industry expertise and gaining better understanding of the specific needs of selected shipping industries which results in a more differentiated customer approach.

Excise and Customs, under the Ministry of Finance, has recently made provisions to assess exports online. The online assessment facility for exporting gems and jewellery started at the air cargo complex at New Delhi international airport. Prior to that, the assessment of exports of precious cargo had been done manually by the Metals and Minerals Trading Corporation of India (MMTC) in New Delhi for over two decades.

“The online assessment of precious consignments will promote fast processing and reduce transaction costs. It will also provide for greater transparency as there will be no human interference in processing the exports,” said S R Baruah, Commissioner (air cargo export) at Indira Gandhi International Airport, in a recent media report.

“It is a landmark decision to shift the export of gems and jewellery from manual mode to an Electronic Data Interchange (EDI) system and is definitely beneficial for trade,” Baruah added.
The shooting of the cruise ship spare part took place at the very windy and cold harbour of Hamburg.

Every detail including the light is prepared accurately.

Hair and makeup stylist makes sure that the model is perfectly prepared.

Photographer Christian Grund and Art Director Regine Cavicchioli in action.
‘We care for your cargo.’ is more than a claim...

After nine years with Publicis Communications Switzerland, Candido Righetto joined the managing board of the agency in October 2016. At the same time, Mr Righetto has been cooperating closely with the Swiss WorldCargo marketing team to create a new campaign focusing on successful logistics projects made possible by the dedication and diligence of Swiss WorldCargo’s expert staff. In the following interview, he shares a few insights on what it is like to work with one of the leading carriers in the global logistics industry.

Mr Righetto, which aspects did you find particularly exciting when you were asked to create a new marketing campaign for Swiss WorldCargo?

We are always looking for new challenges. After many passenger campaigns, we were of course very keen to understand the belly of an airplane, the complexity of the entire cargo business and its communication opportunities.

What was your first inspiration for the present campaign after you received the briefing from Swiss WorldCargo?

From the very beginning, we recognized the passion and dedication at Swiss WorldCargo. ‘We care for your cargo.’ is not only a claim, it’s how the company operates, which was very inspirational.

Which general message do you want to get across with the campaign?

We want to show that punctual and accurate delivery is able to drive or sometimes even trigger the success story of a customer. This is achieved thanks to the added value and help Swiss WorldCargo provides to their customers every single day.

How was the cooperation with Swiss WorldCargo during the creation of the campaign?

Relevant insights are the key to the entire creative process. Therefore, we had many conversations with experts at Swiss WorldCargo to gain a better understanding of the diversity of cargo customers and business needs.

Did you have to face any special challenges during the realization of the campaign?

We had to postpone one of our photo shootings due to bad weather; otherwise we did not have to face any special challenges. At this point I’d like to thank the marketing team and management at Swiss WorldCargo for their trust in our agency.

What are your most important means to attract the attention of the target group?

With regards to our campaign, it’s primarily online advertising and print ads in cargo and business magazines.
Decision to grow

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Delhi – Swiss WorldCargo has been voted Best Airline – Customer Services 2016 (North & East India) by India Cargo Awards, an all-Indian platform established in 2015. India Cargo Awards is supported by the Indian Ministry of Civil Aviation, the Air Cargo Agents Association of India (ACAAI), Domestic Air Cargo Agents Association of India (DACAAI), Express Industry Council in India (EICI), the Federation of Indian Export Organizations (FIEO) and the Federation of Freight Forwarders’ Association in India (FFFAI). Sumit Mathur, Cargo Manager, Swiss WorldCargo, Delhi, feels delighted and honored to have received the award: “Swiss WorldCargo was nominated by the host DDPL Publications, and we have won thanks to the internet votes of representatives of the industry. I would like to thank the entire Swiss WorldCargo team in Delhi for their excellent efforts which led to this recognition.” On 13th October 2016, Swiss WorldCargo received the award from Dr. Renu Singh Parmar, Economic Advisor, Ministry of Civil Aviation. Ashwin Bhat, Head of Cargo, Swiss WorldCargo, congratulated his Indian colleagues on the success: “Keep it going, this is the right way forward. Along with quality, enhanced customer support and service delivery are the keys to maintaining a leading position in the market.”
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Rhino Jeremy takes the plane to save endangered species

Black rhinos are impressive animals that weigh up to 1’400 kg and mainly live in the savannahs of Eastern and Southern Africa. Many of them have been killed by poachers for their horns. As a consequence the global rhino population has rapidly decreased over the last few decades.

Now, 16 year old Jeremy, a black rhino from Zurich Zoo, has been selected to take part in a project to save its species from extinction. For this purpose, Jeremy had to be transferred from Zurich to the Sharjah Breeding Centre, which is committed to the breeding of rhinos under human supervision and to making local people aware of the enormous threats rhinos are exposed to in the wild.

Three months prior to the transfer from Zurich to Sharjah, Jeremy’s keepers started to train the rhino to get used to the IATA transport box. Two weeks before flying to Sharjah, Jeremy already seemed quite happy with the box and spent a lot of time eating and relaxing in it. The training proved to be a total success: On board the aircraft, Jeremy showed no signs of anxiety or stress during the journey to his new Arabian home.

It only took a few days until Jeremy was perfectly accustomed to the new surroundings in Sharjah. He loves to wallow in the mud and to take short naps in the shade. Transporting Jeremy was a very satisfying experience for all team members at the Swiss WorldCargo Export Office who helped make this transfer possible and actively contributed to the survival of one of the most fascinating animal species.

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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 Swatch Destination Soho Cronograph was won by Thomas Lehmann, Kuehne + Nagel, Singapore
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The ultimate challenge for motorcycle legends

The first Cannonball Run took place in 2010. Back then, only a few riders felt fit to put their old motorbikes to the ultimate test: a demanding coast-to-coast endurance ride across the North American continent.

This year, the Cannonball Run was planned to be a true race of the century: Bikes had to be at least 100 years old to qualify for the run. The event did not only attract motorcycle aficionados from the US, but also from Europe. Thus, Erna Aurisch, sales representative from Swiss WorldCargo was approached by Marco Schuhen, Manager Air Cargo Export at Schäfer & SIS Interlogistik GmbH, to organize the safe transfer of five historic Harley Davidson motorbikes from Frankfurt/Main, Germany, to Newark, USA.

Mr Schuhen had successfully realized several logistics projects in cooperation with Swiss WorldCargo before. Therefore, he chose us to handle and monitor all aspects of this delicate mission. The entire process ran very smoothly thanks to the seamless cooperation between Swiss WorldCargo staff members at ZRH and FRA – from the elaborate packaging and the delivery at Frankfurt Airport to the safe shipment to Newark with LX18. Needless to say, the five ancient motorbikes from Europe were delivered to the US without any damages and just in time to take part in the legendary Cannonball Run. All people involved gave their best to make this possible, which was greatly appreciated by Mr Schuhen – thank you for the yearlong excellent partnership!
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••• Exclusive – LH Cargo Announces Radical Redesign
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