

# Jet Vibes

V01. 1 • N0 2 • Fall 2003

The Newsletter for Employees of Cargojet



## ON TIME PERFORMANCE

On time performance commonly referred to as "**OTP**" is a standard aviation measurement to track the day-to-day performance of an airline. In the world of Cargojet, **OTP** is also a measurement of our ability not only to operate the planes safely and on time but also to consolidate multiple customer's shipments, accurately load, unload, connect, deconsolidate and deliver them through our extensive flight network to customers on time. On time performance standards is the commitment we make to our customers, which in turn enables them to compete effectively in the market place and gives them the confidence they need to fulfill their obligations to the ultimate customer.

Every morning when I wake up the first thing I do is switch on my computer and check the messages that reflect the previous night's performance and challenges. Obviously, our present performance levels of 99% +, puts a smile on my face and all of our customers as well. It is an industry milestone we should all collectively take great pride in.

This all sounds very simple. Let me take you for a quick tour of how miracles are performed each night by our highly professional and specialized **ONE TEAM** (combination of professionals from Cargojet Airways and Cargojet Commercial). Numerous pieces of the puzzle have to fit together each night to achieve our ultimate goal of 99% plus performance and a safe operation.

- Throughout the day the commercial division accepts booking of cargo from various customers.
- Daily bookings are then combined with fixed block space allocations to come up with the optimum load plan for each flight leg and segment.
- A master plan is developed and communicated between all branches and our major customers.
- In the evening our ground handlers are busy accepting cargo both loose and containerized, verifying the weights, cube, and the process of consolidating the cargo and putting the pieces of the puzzle together begins.

While the commercial activity is taking place maintenance staff have been busy to ensure they fulfill their obligations toward supporting our **OTP** objectives.

- As soon as the planes have landed from the previous night's operation, maintenance starts working in the morning on any reported snags or their planned check on the aircraft.
- By mid-afternoon or early evening the status of each aircraft is conveyed to the flight dispatchers.
- Maintenance Staff standby during critical periods to ensure an instantaneous reaction to any problem.

Now let us reflect at what role the flight operation department plays.

- As soon as the dispatchers receive the status of each aircraft from maintenance, a decision is conveyed to commercial after consulting with maintenance and commercial as to which aircraft will fly on what flight segments.
- The dispatchers start to work on flight plans based on the anticipated loads, weather conditions and the aircraft in use.
- Flight plans are faxed over to each station for the pilots to review.

Now begins the critical time when the real operation "juggling" starts and we have three hours or less for the whole puzzle to fit together.

- Ground handlers are loading the planes based on the flight loading plans.
- Pilots have checked in an hour or so early to conduct their preflight checks, fuel plans, flight plans, weight and balance, weather conditions, etc.
- Once loaded the ground handlers and flight operations are checking, matching and confirming the weight and balance of each aircraft.
- Maintenance trucks and personnel are busy ensuring each plane is ready for flight.

The planes are now ready to take off and if all of the above goes well we have on time departures. But wait .... the job is not done yet!

While the planes are en route, the dispatchers keep monitoring and tracking each flight to ensure the weather conditions haven't changed significantly and all flights are on schedule.

- All en route and final stations are now reviewing the off loading, deconsolidating and plans for connection of cargo on various flights.
- Maintenance personnel and ground staff are ready to welcome each flight at their station to ensure the aircraft are fully serviceable, safe to operate and turned within the allocated station time.
- The flight crew and load planners are going through the weight and balance procedures to ensure safe operation.
- If everything works well at the station, on to the next for a similar orchestrated operation until we land at the final destination.

Once we land at the final destination.

- Ensure all ground equipment is staged and serviceable to ensure a quick retrieval.
- Flights are offloaded and deconsolidated safely and quickly.
- All paper work etc. is processed and if all is in order we have **OTP** on each leg operated.

The whole process sounds extremely routine if there are no challenges. However, contingency plans for maintenance issues, weather conditions, capacity constraints for overflows, late tenders, ground equipment or computer break down, paper work, irregularities, can all make the lives of everyone more challenging.

The entire daily network operation is overseen by the Duty Managers who in conjunction with flight operations will make many critical on the spot decisions every night. Constant updates are given to our customers through emails and voicemails throughout the night. As you can see there are several key components that are linked together in establishing the operational harmony necessary to continually set high levels of **OTP**. Every member of our **ONE TEAM** and his or her performance is a reflection of our ability as a company to provide a first class service to our customers and the competitive edge that we and our customers need to excel and continue to lead in the market place.

Best regards,

AJAY K. VIRMANI



# CARGOJET



## ***“CUSTOMER SERVICE”***



**Jamie B. Porteous**  
**Executive Vice President -**  
**Sales & Service**

By the time you are reading this article, Cargojet and its' customers will have entered the traditional peak volume period of the year. Typically, volumes begin to increase once summer holidays end, schools return and business activity picks up. Average daily volumes from most of our customers will increase by up to ten percent after Labour Day and eventually increase by up to fifty percent as we approach the traditional busy Christmas period.

This not only presents challenges to accommodate the increased volumes and all of the related demands that accompany a peak volume period, but it also provides an opportunity for Cargojet to provide added value to its customers, by the efficient and controlled manner in which we take on and handle this additional volume. Besides being the most challenging time of the year in our business, it is also the time of year that Cargojet and our customers can shine in the eyes of the end-user customer. The ability, or inability, to deliver on-time during this peak period is often the only thing that the ultimate customer remembers. This can and does directly influence their selection of which air courier or air freight transportation service provider they will continue to use next year, and of course we want them to continue to select their present supplier, who is already a valued customer of Cargojet's. So, you can see how we have an important role to play in

ensuring that all of our customers continue to be provided with excellent on-time service, especially during the peak volume period. We are in fact an extension of our customer working in partnership to deliver the ultimate commitment to service.

Excellent customer service isn't just an art, it is also a science. It goes far beyond human nature and a good overall attitude, despite the operational frustrations and pressures we may sometimes be under, especially in the peak - and can be further broken down into a few critical areas:

- Important communication (both internal & external) - everything from proper advance planning, coordination of multiple activities, to the timely advice of information concerning a shipment, and of course our overall service performance levels.
- Creating and maintaining a quality service experience - from the acceptance and proper handling of their peak volumes, to the on-time arrival of the customers shipments at destination, to the professional and friendly manner in which we handle a customers telephone enquiry.
- Handling difficult situations with patience and professionalism. Whether it's the customers unrealistic expectation of shipping a 10,000 pound shipment with a fifteen minute tender time or an arrival delay, whether it is controllable or not.
- Providing a timely and 100% accurate invoice every single time.

As a service-driven team, every single one of us at Cargojet are responsible for providing an important aspect of what our customers perceive as their individual "customer-service experience" with Cargojet. Our on-time performance levels are at an all time high and as we move further into the peak volume period, face the inevitable inclement weather challenges and other obstacles, it is critical that we continue to keep the momentum going and perform at exceptional levels.

The challenges that we have faced as a company and business over the past couple of years have been many and are well documented, yet because of the relentless focus on maintaining and improving our customer service performance levels and not forgetting what is important to our customers, we have been able to keep and grow our existing customer base. Our customers like and want to do business with Cargojet. They have complete faith and confidence in our operational customer service teams across the country and our overall ability to operate our network on time, all the time.

It is a testament to the efforts of every single one of us at Cargojet, whether you are a ramp loader; an aircraft mechanic; a pilot; play an administrative role; a manager and/or have direct customer contact and involvement. Providing the service levels that our customers have come to expect and that will allow us, as a business, to continue to grow into the future is the essence of Cargojet's One Team. Your role in this team has been and will continue to be a major part of our continued success and I sincerely thank each one of you for your great effort and contribution.

This is especially critical at this time of year, when volumes and revenues increase in direct proportion to the attention and focus that will be placed upon us by our customers during this important period.







## ***"THE EVOLUTION OF CARGOJET"***



**Dan Mills**  
**Executive Vice President -**  
**Chief Financial Officer**

August 1, 2003 marked the second anniversary of the purchase of Royal Cargo; one of the predecessor companies to what is now known as "Cargojet".

Time has passed quickly and much has changed in a positive way although there were times when it felt slightly otherwise. The original business plan that Ajay, Jamie and I worked through back in the summer of 2001 might as well had us raising cattle or building houses; the current business model is simply that much different.

At the time Royal Cargo was operating with one hand tied behind its back. The owners and suppliers lacked focus, however, what it did have was a loyal customer base, passionate employees and a market niche that had great business merits but required some fine tuning.

The name Royal Cargo was quickly changed to Canada 3000 Cargo and although the domestic cargo market was the main cog of the business, the international markets and the belly's of all of C3's aircraft were to be the key focus for us. We know what happened next, September 11 and the failure of Canada 3000 cancelled those plans!

Business turmoil or upheaval can sometimes create opportunities. A quick reorganization and re-evaluation of the

costs involved in operating the business revealed there may be a better business model to work towards. One that offered better service and reliability to our customers, better cost containment and control and ultimately a sounder and more financially viable air cargo operation which this industry had never experienced.

***Sounded great on paper!***  
***So where did we go next?***

2001 saw us negotiate the purchase of the shares from our insolvent partner C3 in January 2002, launch and start-up of Cargojet in February, purchase 3 aircraft in the spring of that same year, purchase Winnport in June (welcome Lynn), a massive start-up of the airline throughout the remainder of the year (welcome Al, Richard, George and gang), end our relationship with ACE and forge new alliances with Firstair and ICC at the time.

Throughout all of this, constantly communicating with our customers as to what was happening. By the end of the year we were flying our own planes, expanding the service and beating all expectations on performance. We were also getting an education on what it means to run an airline administratively, operationally and financially. And what an education it has been and continues to be. With the bricks and mortar of the new mousetrap firmly in place, 2003 was to be a year of constant refinement, and as I like to put it "screwing down the corners" of the business plan. The change in the network, primarily due to the advent of UPS, changed the business plan once again resulting in a greater financial commitment for the company during the spring of this year.

Thus far, every test we have faced as a company we have met and surpassed. Operationally we have not missed a beat, which is simply astounding. I believe our customers recognize this as well.

As a result of our revenue being on plan meeting goals and our costs being under control our bottom line is on target. Changing the business plan is no longer a weekly event! What started as a simple idea to enhance an existing air cargo

operation has turned into a full-blown cargo consolidation airline. I believe we had between 50 and 75 employees back in August 2001. We now have over 350! We are very pleased and proud of where we are today. There was much consternation on our part at various times throughout the past 2 years and we forget that while we are working through these issues, other managers and staff are going about their business every day, day in day out without having the benefit of knowing exactly where we are at. We recognize that this requires a great deal of patience and loyalty without having the full understanding of where we are headed. For this we greatly appreciate and thank you all.

Thanks as well to all of our customers who had the patience and trust in us to accomplish what we had set out to do.

We plan to finish 2003 profitably although we had a slower start to the year than planned. The future looks terrific and with the **One Team** that we have in place we are moving forward with great confidence. The "vibes" are great!



*Winston Solomon -  
Assistant Technical  
Librarian*



## WESTERN CANADA . . .



**Lyle Gibson - GM Western Canada**

The Western Canada region of Cargojet comprises Calgary, Edmonton and Vancouver. The cargo flow has increased by 60% over the past two years due to some significant improvements. These include a dedicated warehouse facility in YVR, a Western Canada sales team and an enhancement to our information technology services, which enable us to book and track freight directly through our IT network.

Along with the improved corporate image (warehouse and vehicle signage and fully uniformed staff), this has given us a much higher profile with our customers in Western Canada.

Our increase in business can be attributed in part to interline agreements that we have signed. Vancouver is uniquely positioned as the premier cargo gateway between North America and the Asia-Pacific region. This allows our interline partners to sell directly to all points across Canada, through our overnight domestic network.

Our partnership with our interline carriers have allowed us to generate more awareness of our service to international forwarders thus creating opportunities for Cargojet.

The largest increase in volume was a consequence of running a second aircraft to accommodate the new expanded network. The second aircraft has increased the available lift and enabled us to provide an early morning service to Montreal.

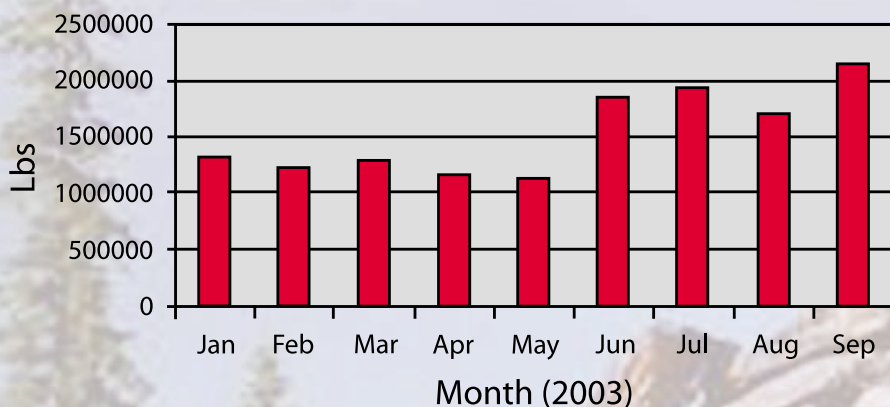
The cargo operation is overseen by Base Managers, Alex Lowe (YEG), Mike Hiebert (YYC) & Lou Maznik (YVR), whose dedicated and professional staff of 57 employees ensure that our customers receive the highest standard of service.

Our sales team is headed up by Roger Tangry, who is based in Vancouver. His knowledge and experience of the international freight business has been vital in helping us to expand our market.

*Future improvements include Bonded facilities in YVR with YYC and YEG to follow in a few weeks.*

**Lyle**

**Freight Ex Western Canada**



## WESTERN BASE MANAGERS



**Roger Tangry - Sales Manager BC & Alberta Region**



**Lou Maznik - Base Manager YVR**



**Alex Lowe - Base Manager YEG**



**Mike Hiebert - Base Manager YYC**

## WESTERN CANADA MAINTENANCE TEAM



**John Gatz - Aircraft Maintenance Engineer**



**John Graham - Aircraft Maintenance Supervisor**



**Richard Halliday - ACA Holder**



**Ronald Lising - A/C Mechanic**



## **DIRECT TALK WITH AJAY K. VIRMANI - PRESIDENT & CEO**



- Q.** Can staff purchase company promotional materials?
- A.** We will be launching "**Jet Shop**" in the next couple of weeks, where you can purchase Cargojet products.
- Q.** Would a Cargojet employee be able to take a jump seat for personal reasons?
- A.** Yes, the Company personnel are allocated seats on a first come first served basis. The booking will be to be done through Perry Rowcliffe 48 hours in advance. They may not get the seat if it conflicts with Crew Training or Transport Canada Inspections. They can be bumped out on the day by either the Captain (for Safety reasons) or a Transport Canada Inspector wishing to do a surprise check on the crew (regulations) or for payload and commercial reasons. Photo Company ID is required to travel.

- Q.** What is the status of Mexico Service?
- A.** Cargojet wants to expand into Mexico. However, due to the domestic network expansion we decided to postpone this service to 2004. Mexico is very much on the map and within our reach and will be launched in 2004 sometime.
- Q.** A number of employees have asked what are the future growth plans of the company?
- A.** I will be addressing this issue in detail in the next issue of Jet Vibes.
- Q.** Many employees have inquired about shipping personal effects through the Cargojet system.
- A.** Within the next three to four weeks we will be introducing an Employee Shipment Program Policy dealing with personal effects, which will allow employees to ship personal effects on space available/confirmed basis at no charge.

## **CONGRATULATIONS**



*"Al Pidgeon on his promotion to  
Senior VP Cargojet Airways"*



*"David Graham on  
his promotion to  
Fleet Manager"*

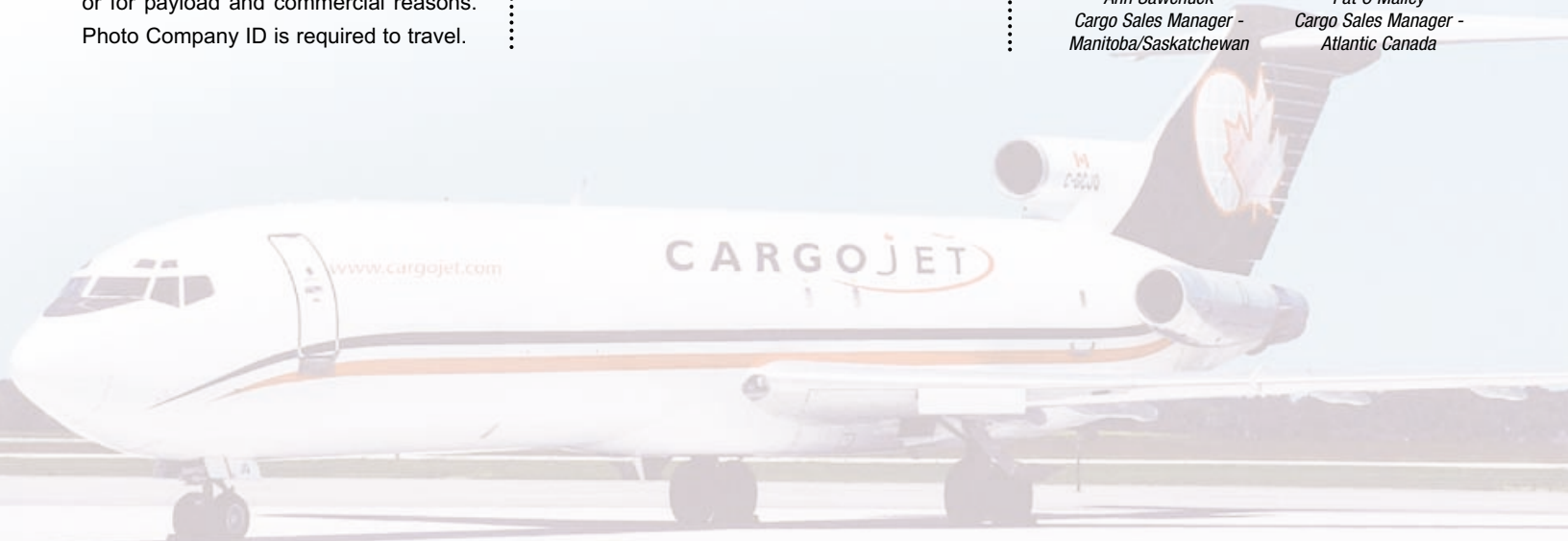
## **WELCOME ABOARD**



*Ann Sawchuck  
Cargo Sales Manager -  
Manitoba/Saskatchewan*



*Pat O'Malley  
Cargo Sales Manager -  
Atlantic Canada*







## JETBITS ...

## PICTURE GALLERY ...



### "Ladies of Cargojet"

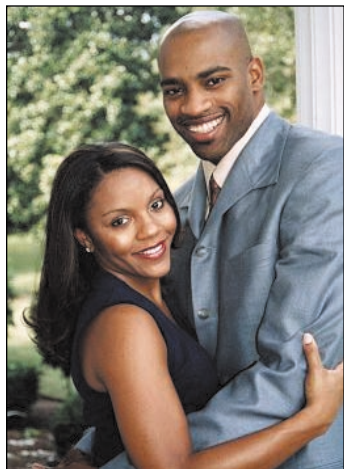


Left to right; Baljit Sidhu - Accounting Manager; Anju Virmani - Director IT; Heather Cooper - Office Manager YYZ; Anna Corriea - YYZ Billing; Miona Joseph - Executive Assistant to Ajay Virmani.

### Wedding Bells have Chimed.



Congratulations to Lou Maznik (YVR Base Manager) as he wed wife Krista, on Sat. Sept. 6 at a private ceremony in Shaugnessy.



"Congratulations to Vince & Ellen, dear friends of Cargojet. Vince Carter launched Cargojet in February 2002."



### YHM Maintenance Team

### Casual Lunch & Chat Session in YVR



Left side, front to back; Bob Humble - Captain; Ravi Sharma - First Officer; Ajay K. Virmani - President and CEO; Fred Dick - First Officer.

Right side, back to front; Scott Fafard - First Officer; Reid Elliott - Second Officer; Fred Thompson - Captain; Lyle Gibson - GM Western Canada; Paul White - Second Officer.



### UPS Pull for United Way Charity in YHM - Sept. 13

## BABY GALLERY ...

### Baby Madison Ryan

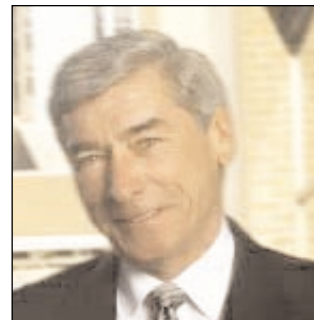


Congratulations to Chris Ryan (Ops Manager YYZ) & Tanya Ryan.

### Baby Cierra @ 6 mths



Cierra is Kiran Benet (HR Manager) and Pat Singhs bundle of joy.



Geoff Davies recently appointed President & Chief Executive Officer of ICS Courier.



Dan Mills, Paul Rinaldo and Ajay Virmani enjoying a few good laughs.

Top Ontario Girl's Chess Player, "Known as Master of All the Moves".



Megan Rowcliffe  
(Daughter of Perry Rowcliffe)

# CARGOJET

### SHARE WITH US ...

**Jet Vibes** is an employee publication of Cargojet. Your stories, ideas, pictures and comments are welcome.

Next issue will be our Holiday Issue.

**Please send contributions to:**  
[cargojetcommunications@cargojet.com](mailto:cargojetcommunications@cargojet.com)