

The Newsletter for Employees of Cargojet/Starjet



STARJET TAKES OFF

Cargojet Canada (our commercial cargo division) has enjoyed tremendous success in gaining market share and growth over the last couple of years. In order to support the growth of Cargojet Canada, it was important to control our own destiny and fulfill our customers' expectations with a First Class Cargo Service, thus we created Cargojet Airways (our licensed airline division).

Cargojet Airways has done exactly what was expected of them as a company. With both Cargojet Canada and Cargojet Airways working together as one team the company has been placed in a very synergistic position in the market place. Together we are the only company in the cargo business today that directly controls our own airlift for our commercial cargo customers.

Companies such as Cargojet often find themselves at crossroads. There is often a need for diversification, profitable growth and improved utilization of an existing infrastructure to maximize opportunities. Achieving all of these, yet not losing focus on the core business is often a challenge for any organization. Keeping all this in mind we saw an opportunity to capitalize on our existing infrastructure and enter into a very specialized and niche market on the passenger side of the business. The intent is a) not to enter into an already overcrowded Canadian airline industry b) not to enter into this business at the cost of sacrificing service and commitment to our cargo business.

I am pleased to advise that effective April 1, 2004, we are introducing "STARJET" - "First Class Service" into the market place. The company has acquired two Boeing 727-200 Advanced Aircraft with sixty (60) First Class leather reclining seats with footrests, state-of-the-art entertainment system and unparallel first class in-flight service.

Each flight will be custom designed to meet the unique individual requirements of our customers and will provide the highest levels of safety, comfort, convenience and in-flight service. We have paid attention to every detail to ensure that any person traveling aboard Starjet is treated like a "STAR". Air travel is often boring and cumbersome. Starjet will attempt to make its customers feel at home and will attempt to bring pleasure into flying again.

The Toronto Blue Jays, our esteemed baseball club, will be the first charter customer for the 2004 season. Starjet will offer custom designed First Class Service to professional sports teams such as the Blue Jays and to other corporations and individuals on a charter basis. A true First Class Service and the experience of pure luxury and comfort at 30,000 feet in the air, will be something that all of our customers will experience while onboard every "STARJET" flight.

Exceeding our customers' expectations and redefining industry standards is what we pride ourselves in at the Cargojet/Starjet Group of Companies, as we have already proven on the cargo side of the business. While continuing to maintain our First Class <u>Cargo</u> Service in the marketplace, we will now be able to offer a true First Class <u>Passenger</u> Service in North America through dedicated, experienced and the finest professionals in the industry.

I would like to thank each and every one of you for helping to make this company a success. The challenges ahead of us are to be continually successful, in all ventures, given the state of the aviation industry in North America today.

No doubt, with the team that we have in place we will continue to be successful and provide all of our customers - both cargo and passenger - with a true First Class Service!

Best regards.

AJAY K. VIRMANI

DAN MILLS

JAMIE PORTEOUS







"A JOB LIKE NO OTHER"



George Sugar - Chief Pilot

Despite outward appearances, flying an aircraft is a job like any other. Like all of the associates at Cargojet, the flight crew are a part of a large team that comes together every night to deliver a vital service for our customers. We all work together for the success of the firm, and in doing so we achieve those personal milestones that can make our working lives fulfilling. Pilots are no different in this respect than any other colleague at Cargojet. Much of what a pilot does is less visible than most jobs, and this may make the operation of our aircraft somewhat mysterious and glamorous. Sure, we see the airplanes come and go, and the crews going to and from the aircraft in their impressive uniforms, but these are the images that have come to be idealized as what it is to be an airline pilot. This image, however, is the result of the hard work and talent of dozens of other people without whom nothing would be possible.

The high points of being a pilot are very visible, but the consistent hard work is rarely seen. Knowledge and experience must be applied every day to new situations and demands. However, this is the case throughout our company. It is amazing that so many packages from thousands of customers find their way into the right cans on the right aircraft after the last late tender, and it seems supernatural that an engineer can find a problem and be done fixing it just as the cargo door is closing. All of the professionals at Cargojet make these wondrous things look easy time after time. None of us have come to this by chance. It is the result of years of hard work, frustrating at times, that brings us to where we are, and it is good fortune that we can all work together now in such a positive way and have some fun while we do it. The road that the aircrews took to get here was just different.

So how does someone get to be a pilot on a 727? It depends, but if there's a surefire way, no one knows what it is. So many events in the industry are outside of any individual's control. often times it feels like being carried along on a raft in stormy seas. A pilot can do everything right, get all of the right qualifications, become a consummate professional, and then get nowhere. Others can just sail along, never put a foot wrong, and retire as a 747 Captain with millions. Timing has a lot to do with it, personal connections too. You never know for sure, but the thing that keeps pilots going through the many setbacks is the love of the job, and they must love it a lot, because it sure isn't easy at times.

Once you get to fly a 727, then what? After the newness wears off, once vou've learned what all of those dials and switches do, it's "keep on keeping on". Fly an airplane, it's been said, is 95% boredom and 5% terror. In night cargo flying, it's staying up past your bedtime that's the hardest part, and then being able to respond when things go wobbly at the worst time. Contrary to what many think, the pilots at Cargojet are not just "building time" to get a job with Air Canada or some other overwhelmingly large airline. Our crews are here with us because they chose to be, because our company is a dynamic firm that treats all employees with respect, one where an individual can make a difference. As basic as that sounds, most aviation firms aren't like this. Pilots are routinely taken advantage of, pressured into cutting corners, asked to put up with poor conditions, all to be just another number. Not here. Nothing makes a pilot happier than being part of a successful, profitable organization with a limitless future. Cargojet allows every employee to speak up, to suggest new ideas, to be heard. More importantly, all of the pilots appreciates this difference, and are a part of your team. Next time you see a Cargojet pilot, say hi. We're all just plain folks, and we're all in this with you together. We just happen to fly the airplanes.



"PRAIRIE REGION"



Lynn Bishop - General Manager

Established in early May, Cargojet's new Prairie Region takes in Manitoba and Saskatchewan and with these the major prairie centres of Winnipeg, Regina and Saskatoon.

A number of factors led to the establishment of the new Region:

- the emergence of new business opportunities within the prairies and the Company's newly established capabilities to pursue these;
- the desire to establish a corporate profile in the central part of Canada where little previously existed, and
- the need for more direct and on-going contact with existing and potential Cargojet customers as part of efforts to elevate overall service levels in this part of the country.

The more significant of determining factors, however, was the introduction of the enhanced network effective June 2nd, 2003. With this came a dramatic increase in activity levels as well as the strategic importance of YWG to the overall system. At a minimum, there would be 6 scheduled flights a night at YWG with product moving through, off and on as well as between aircraft and all of this occurring within a tightly scheduled time frame.

The decision to create the new Region in early May was made and a number of matters had to be dealt with quickly.

The enhanced network would require significant increases of ground handling equipment and staff. The Company's ground handling contractor, Dryden Air Services (DAS), quickly complied by securing the required equipment as well as recruiting and training additional staff.

With 6 flights nightly, aircraft maintenance requirements took on a new dimension. Doug Rowsome and Les Harder, AME's certified and experienced on 727's, 757's, 320's as well as other types were brought on board and by June 1, the first provision of aircraft spares and parts was in place.

As well, it was determined that effective October 1, the load planning and warehousing activities previously contained within the DAS contract would be performed directly by the Company. Suitable office and warehousing space to contain these activities had to be found and staff recruited.

Key among the start-up challenges, however, was securing suitable long-term apron space upon which to conduct the expanded operation. Available apron space was in limited supply, offered a constrained and congested operating environment and was fast approaching the end of its useful life. On a short-term basis, however, and with the care and vigilance of ground handlers, refuelers and flight crews, it could be made to work.

Readily recognizing the beneficial local impact of Cargojet's expanded presence at YWG, the Winnipeg Airports Authority (WAA) proactively set out to work with the Company in addressing its longer-term operational needs.

In early June, Cargojet formally submitted to the WAA its statement of operational requirements and time lines. In response to these and other cargo specific requirements, the WAA approved in late June a \$4 million apron development project to be fast tracked and completed by early to mid-November.

In early September, office and bondable warehouse space adjacent to the new apron area was secured and Anne Sawchuk joined the new Region as its Sales Manager. In mid-October, Naresh Singh was appointed Operations Supervisor responsible for overseeing ground handling services provided under contract by DAS as well as all load planning and warehousing activities now being performed directly by the Company. Assisting Naresh in these activities are 2 newly recruited load planners and 6 warehouse attendants.

Activities on the sales front, particularly in terms of inter-line opportunities and traffic, have been encouraging. The opportunity to move large, heavy pieces of freight within Canada to an international gateway has been well received and Cargojet freighters now give Winnipeg customers the ability to reduce transit times to final destination by eliminating the necessity to truck within Canada.

Combining this with the Company's recently announced inter-line agreements with BA, Air France, Swiss and Korean, is giving Winnipeg customers an exciting new option to move their freight to points throughout the world. That such new service offerings have been well received is readily apparent.

International volumes and weights continue to grow month over month proving the need for such services and solidifying Cargojet's presence in the Winnipeg market. Tonnage in the month of October alone was 8 times the monthly average from April to August.

And to compliment the handling of new and increasing volumes, the new apron was completed on schedule with the Company conducting its first operation on it during the small hours of November 15th.

In all, Cargojet's new Prairie Region is up and running.



Les Harder - Aircraft Maintenance Engineer



Naresh Singh -Operations Supervisor



Doug Rowsome -Aircraft Maintenance Supervisor



Anne Sawchuk -Cargo Sales Manager, Manitoba - Saskatchewan



"MESSAGE FROM" PAUL GODFREY - PRESIDENT & CEO



Paul V. Godfrey
President and Chief Executive Officer
Toronto Blue Jays Baseball Club

It is very exciting to have a new carrier - Starjet - in the executive/sports travel business. Starjet's parent company's business record is superb and the Blue Jays are proud to be associated with such an outstanding organization.

The Toronto Blue Jays Baseball Club will fly exclusively with Starjet for at least the next three years.

Our aircraft - a customized 727-200 - is visually superb and luxuriously appointed. The 60 first class seats

throughout the aircraft provide deluxe surroundings and the plasma televisions and first class sound system are second to none. It is essential that a Major League Baseball club provide its players with comfort and relaxation as they travel from city to city during the busy, tension-filled season and Starjet has committed itself to this goal.

Starjet has provided our team with a fabulous method of travel that satisfies all our needs and expectations.

The three main specifications that the Toronto Blue Jays sought and received were:

- Solid safety record
- On-time performance
- Ability to provided added-value service

Starjet's planning team and engineers are to be commended for their cooperation and diligence in solving all potential difficulties.

A first rate professional sports franchise require a first rate professional partner to deliver our team on time, safely and in an efficient first-class way. If first impressions are any indication, the Toronto Blue Jays look forward to a long relationship with Starjet.

May we fly and celebrate World Series wins together.



"WE WELCOME THE STARJET TEAM"



Janet Stewart -Manager, In-Flight Services



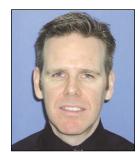
Steve Lemesuir -Director, Corporate/Sports



Lori Ross -Supervisor, In-Flight Support



Chris Audette -Flight Coordinator/ Charter Manager



Stephen Jones -Supervisor, In-Flight Services



Vicky Tanguay -Purser







Starjet In-Flight Team with Ajay K. Virmani - President & CEO





Olga Tchoukarine -Flight Attendant



Monica McDonald -Flight Attendant



Caroline Miller -Flight Attendant



Flight Attendant



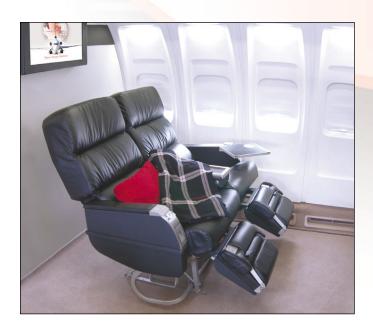
Laura Muirhead -Flight Attendant



STARJET

FIRST CLASS SERVICE

- * Luxurious VIP Format.
- * Each Charter Flight is Designed to Our Customers Needs & Requirements.
- * Fleet of Boeing 727- 200 Aircraft With Our Dedicated Maintenance & Flight Operations.
- * Sixty Seat, First Class Configuration.
- * Reclining Leather Seats with Footrests & Seat Pitch Ranging from 42 to 60 Inches.
- * Start of the Art, In-Flight Entertainment.
- * Unparallel In-Flight Service.
- * Exclusive Menus, Designed to Entice Your Taste Buds.
- * A Selection of the Finest Wines & Liquors.
- * For Privacy & Convenience Boarding & Arrivals will be Through Private FBO's Whenever Possible.

























JETBITS . . .

PICTURE GALLERY...

Congratulations to the following on recent promotions



Ontario Citizen's Volunteer Award

Fiona Cheeseman, our Payroll Administrator received the Ontario Citizen's Volunteer Award on Dec. 10th for her many years as a faithful volunteer at Evangel Hall, an inner city mission in Toronto. Fiona was recommended for the award by Evangel Hall. The award was presented by Honourable George Smitherman - Ontario Minister of Health.

BABY GALLERY...Baby Valla



Congratulations to the Valla Family, on their new addition.

Wedding Bells are going to chime . . .



Congratulations to Fiona Cheeseman, Payroll Administrator, and Peter Crevier on their engagement.



Paul Rinaldo -Director of Technical Operations



Ralph Pielsticker -Production Manager



Dale Gregory -Crew Planning Administrator



Look Who Is In Love!





Who is Dave Herz secretly in love with, Wade or Serge.
Please cast your vote at cargojetcommunications.
Results to be announced in the next issue.

Congratulations



Wade & Sarah Morrell on the Celebration of their wedding Jan. 10, 2004



Please join in welcoming Kiran Benet, HR Manager, back from maternity leave.



"King Ralph **I**, with his many followers enjoying a King's feast."





SHARE WITH US . .

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

Next issue will be our Summer Issue.

Please send contributions to: cargojetcommunications@cargojet.com