

Jet Vibes

Vol. 13 • NO 1
Summer 2015

The Newsletter for Employees & Friends of Cargojet



Cargojet has once again been selected as Canada's Cargo Carrier of Choice by Canadian Shipper (formerly Canadian Transportation & Logistics) magazine, a national leading publication. Cargojet surpassed our customers' expectations as well as the industry benchmark in the key areas of On-time Performance, Customer Service, Quality of Equipment & Operations, Competitive Pricing, Leaders in Problem Solving and Sustainable Transportation Practices. Cargojet is the only Canadian Air Cargo carrier to receive this honour for the thirteenth consecutive year. Our on-time performance levels are running at an enviable 98.9% and this award is a direct result of the dedication and loyalty of our professional team who are the real driving force behind our success.

With the introduction and launch of the new fleet, we are aggressively pursuing additional air charters both domestically and around the world. Our focus will be to fully utilize our freighter aircraft fleet to its full potential including our newest addition – the B767-300ER Freight aircraft. Our unique service will provide our customers with reliable and cost-effective delivery for their urgent shipping requirements and needs. Whether it's for oversized cargo, oil/gas/mining industry needs, cars, high value shipments or musical bands,

Cargojet is able to fulfill our customers urgent lift requirements anywhere in the world safely and reliably.

I am thrilled to hear the positive feedback from many of you as you received the Cargojet Commemorative Jacket. This jacket is a limited edition item in recognition and appreciation of the Cargojet teams' contribution, dedication, and hard work as we launched the new network and integrated the new fleet.

In recognition of our customers continued commitment to Cargojet, we hosted an event in Hamilton this summer celebrating the launch of the new network as well as allowing our customers a first-hand opportunity to view the Boeing 767-300ER Freight aircraft. To launch this celebration we had a very special friend of Cargojet's, DRAKE, do the honour.

As we continue to move forward with these exciting new opportunities, we will also continue to face many challenges. Our focus will be to maintain our cost control efforts while continuing to provide reliable, on-time, and value added services to our loyal customers. I am counting on each of you to ensure we operate as efficiently and safely as possible so that we continue to be industry leaders

I hope all of you have had a wonderful summer and as we approach the latter half of the year we need to remain focused on all of our customer's needs and requirements and surpass their expectations, as we move into our peak season shipping period.

Cargojet's true success is each and every one of you!!

Best personal regards,

A handwritten signature in black ink, reading "Ajay Virmani".

Dr. Ajay K. Virmani
President & CEO



The Cargojet logo, featuring the word "CARGOJET" in a bold, sans-serif font, with a red swoosh underneath and a small red maple leaf above the "J".



“CARGOJET & UPS ENTER INTO LONG-TERM AIR CARGO SERVICES AGREEMENT”

Cargojet announced they have entered into a new Air Cargo Service Agreement with United Parcel Service Canada Ltd. (UPS). This Agreement replaces the agreement originally entered into in 2003 to provide domestic overnight air cargo services throughout Canada.

“Cargojet is extremely pleased to have successfully extended our long-standing business relationship as the primary domestic air cargo service provider to UPS in Canada. Cargojet will continue to provide highly reliable and cost-effective overnight air cargo services to UPS,” said Ajay Virmani President and CEO of Cargojet. “Cargojet and UPS will work together to provide Canadians with world-class and flexible air cargo services in today’s changing business environment,” added Virmani.

The initial term of the agreement is for a ten-year period with two, three-year renewal options.

“Cargojet has a proven track record of outstanding performance and world class service.” said UPS Canada President, Michael Tierney. “UPS is pleased to extend this agreement through the next 10 years.”





“WELCOME TO OUR BOARD – MR. JAMES R. CRANE”



We welcome Mr. Jim Crane to his new role as a Board Member of Cargojet and will seek his guidance and contributions to the continued growth of Cargojet. We are excited to have Jim as a member of our Board; his valuable insights will be significant to Cargojet's growth strategy in the years to come.

Mr. Crane is the Chief Executive Officer & President of Crane Capital Group, Inc. Mr. Crane earned a Bachelor of Science degree in Industrial Safety from Central Missouri State University in 1976. In 1984, Mr. Crane founded Eagle USA Airfreight (EGL, Inc.), a freight forwarding company, and sold it in 2007. In 2008, Mr. Crane formed Crane Worldwide Logistics (CWL) and is the President and Chief Executive Officer a global provider of customized transportation and logistics services.

Mr. Crane is also the owner of Champion Energy Services, a retail electricity company in the United States. Mr. Crane is also the controlling investor in the Houston Astros baseball team.

A scratch golfer, Crane has been ranked as the nation's top CEO golfer. In April 2010 he purchased The Floridian National Golf Club in Palm City, Florida

“I am thrilled to join the Board of Directors of Cargojet. Ajay and his team have built Canada's Cargo Airline, tremendously helping Canadian businesses serve all their stakeholders throughout the world,” said Mr. Crane.

“CONGRATULATIONS TEAM CARGOJET”



Rising Above it All

Airfreight is a high cost business for both the buyers and the providers to the service. And in the game on-time performance is definitely king. That's followed by the highest customer service expectations of all modes. Not many can make the cut against such high demands but every year a few select air carriers do.

Airfreight carrier winners and their scores for each of our eight KPIs are shown in the table below. The bottom row of the table shows this mode's Benchmark of Excellence for each KPI. The winners are shown in alphabetical order and only those scoring above the total Benchmark of excellence are included.

The Most Awarded
Air Cargo Airline in Canada

Air Carrier Award Winners

Total no. of shippers evaluating carriers in this mode: 345 Total carrier evaluations: 628 Benchmark of Excellence: 149,876

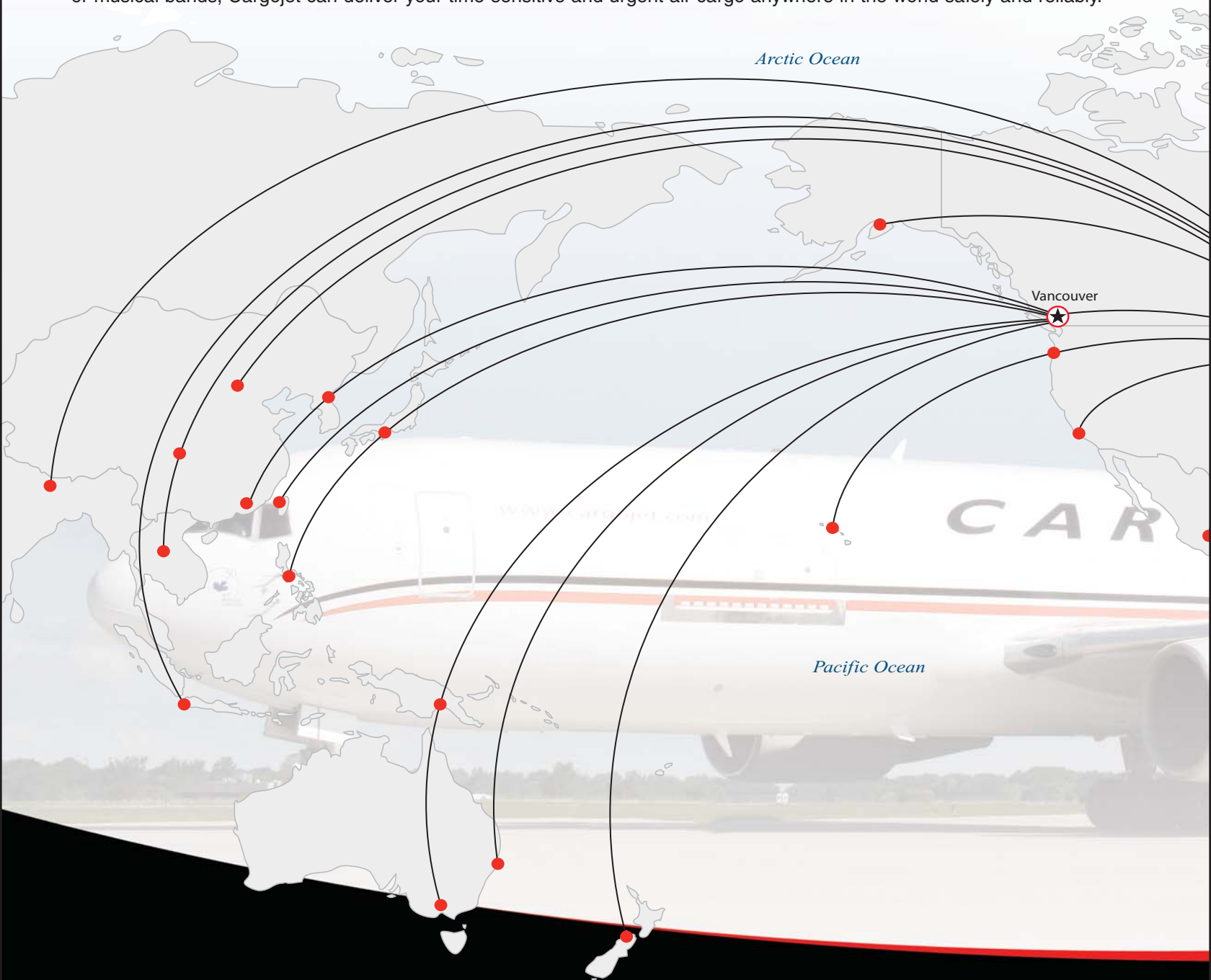
*Honourable mention

Carriers	On-time performance	Quality equipment & Operators	Information technology	Competitive pricing	Customer service	Leadership in problem solving	Ability to provide value-added services	Sustainable transportation practices
Cathay Pacific	21.49	18.50	18.62	18.99	22.16	18.67	17.00	17.86
Cargojet	22.95	20.25	18.94	19.96	21.78	19.89	17.05	18.16
Lufthansa*	21.33	20.06	20.20	17.14	19.82	18.04	15.66	16.92
Benchmark of Excellence	21.42	19.54	18.94	19.03	19.71	18.35	16.01	16.89



"CARGOJET AIR CARGO CHARTER SERVICE"

Cargojet provides a first class Air Cargo Charter Service utilizing its freighter aircraft fleet of B767-300ER, B767-200ER, B757-200ER, and B727AF. Our unique service provides our customers with reliable, cost-effective delivery for their urgent shipping requirements and needs. Whether it's for oversized cargo, oil/gas/mining industry needs, cars, high value shipments, or musical bands, Cargojet can deliver your time-sensitive and urgent air cargo anywhere in the world safely and reliably.





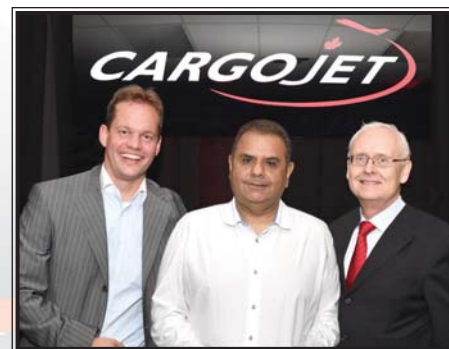


"CARGOJET & FIRST AIR EXPAND COMMERCIAL CO-OPERATION AGREEMENT"

Canada's leading domestic premium overnight air cargo network operator, and First Air, the Airline of the North, announced today that they have expanded their commercial co-operation agreement effective July 1, 2015 and extended their Transportation Agreement to June 30, 2025.

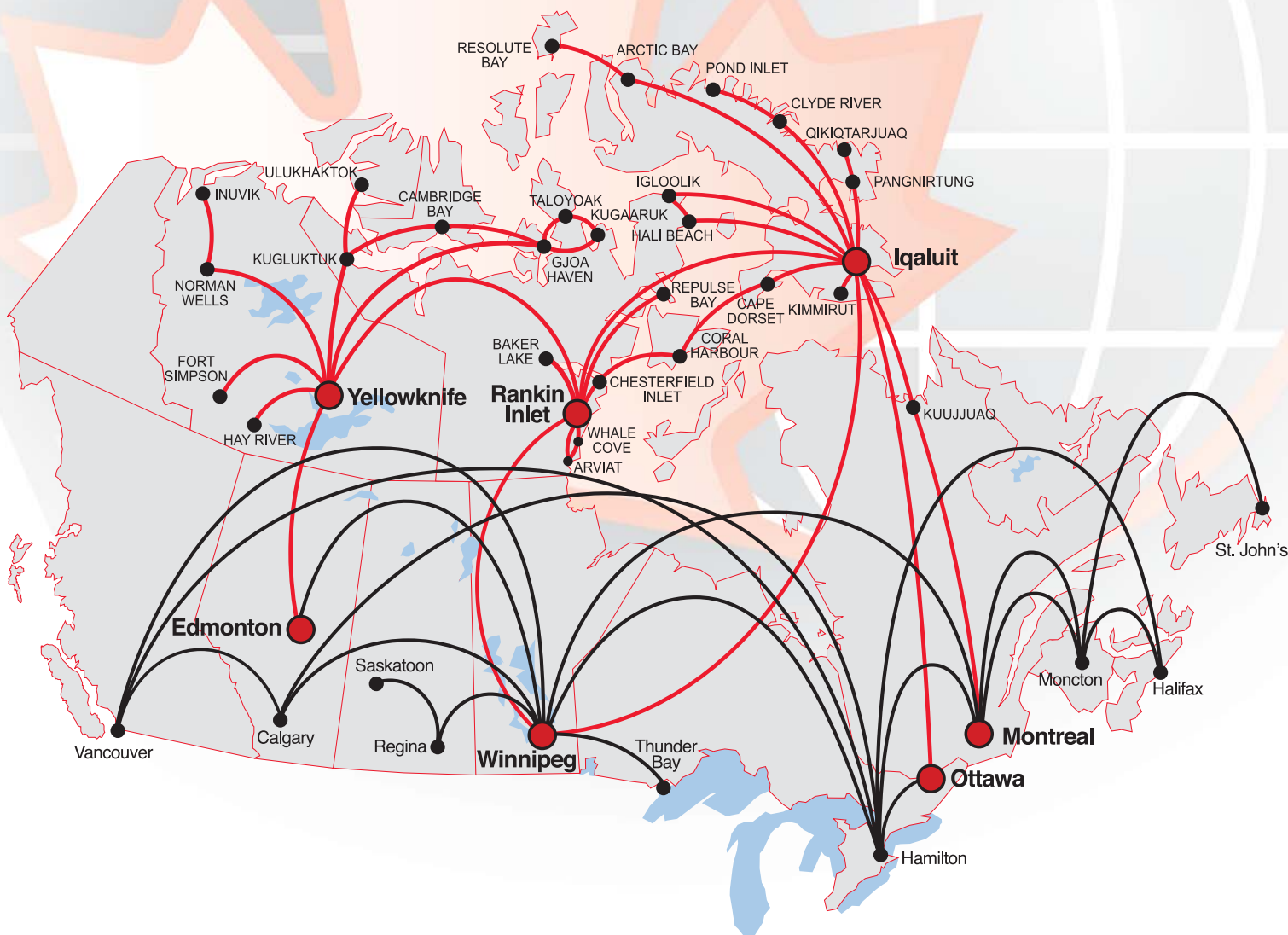
This agreement further strengthens the strategic alliance between the two companies, and will allow for seamless air cargo transportation between the 14 major Canadian cities served on Cargojet's overnight air cargo network as well as the 32 communities served by First Air in Canada's North.

"We are excited to expand service to the entire Canadian domestic market, including key communities in Northern Canada," stated Dr. Ajay K. Virmani, President and CEO of Cargojet. "Cargojet and First Air will work together to provide Canadians with world-class, flexible air cargo services for today's changing business environment."



Dr. Brock Friesen, President and CEO of First Air, also stated, "Our goal with this agreement is two-fold. It is intended to create financially viable cargo operations in the North and to expedite service to our customers".

"This new agreement is a logical extension of our relationship and allows First Air to improve cargo connectivity to the Arctic, by way of the Southern Canadian gateways served by Cargojet", said Bert van der Stege, Vice President Commercial at First Air. "This partnership is a major step forward in providing cargo to our northern clientele at a reasonable price and in a reasonable timeframe."





“TRANSPORT CANADA AUDIT SMS”

Since the inception of the program by Transport Canada in 2005, Safety Management System requirements have shifted the routine oversight of airline operators to the internal Quality Assurances processes of the airlines themselves. Throughout this time, operators and Transport alike have had to overcome challenges to align the expectations of the regulator with the realities of commercial capabilities.

Over recent years, the specifications have become more consistent as experience with the concept has increased within Transport Canada. Today, the program is a realistic and achievable requirement for companies such as Cargojet.

SMS brings real value to our company. To fulfill the program processes, there is regular and comprehensive communication taking place across all departments to discuss our operations and how hazards and occurrences can be mitigated. In addition to being a general objective of Cargojet, safety processes are formalized and integrated into our day-to-day activities to meet specific requirements and targets.

This naturally requires considerable paperwork and documentation, as well as tracking and follow-up. Mariana de Volpe, Director SMS and Security, is the person with this responsibility and she has done a tremendous job over the years in staying adaptable and flexible as Transport Canada has developed their requirements. She is also highly skilled at communicating these procedures and at creating a cooperative but workable framework for other very busy Cargojet team members in the effort to maintain safety and compliance.

The success of the Cargojet SMS was recently affirmed by Transport Canada in March 2015. A large team of inspectors was on-site in Hamilton and Mississauga for a full week conducting an extremely thorough examination of the structure and effectiveness of our program. They were quite pleased with the high level of cooperation, knowledge and participation in their interviews with employees, and with the completeness and accuracy of the documentation. Their overall impression of our company was greatly enhanced by their visit.

The final report recently received indicated no findings of non-compliance, and their comments indicated a high degree of satisfaction with our program. They had suggestions, and of course we will integrate their observations in the interest of maintaining continuous improvement.

Please accept our thanks to all Cargojet employees for the tremendous effort each day in the operation and in maintaining a high standard of safety. The frequent inspections and oversight by other agencies can only improve our company. Even more important are your suggestions and reporting of safety concerns in our shared goal of enhancing safety every day.



"CARGOJET COMMEMORATIVE JACKET"

January 2015

Dear Cargojet Team,

As we embark on a new chapter in Cargojet's history, I would like to congratulate and thank each of you for your individual contribution to our organization. We are celebrating the launch of the new "Expanded Overnight Network" as well as the integration of the new aircraft fleet by providing each member of the Cargojet Team with a commemorative Limited Edition Cargojet jacket, produced & designed by Roots Canada.

As many of you know we have grown from our very humble beginnings as a small cargo operator to becoming the largest and most dominant cargo airline in Canada providing the best customer service in the industry today. I am very proud of the dedicated professionals at Cargojet who have all worked extremely hard to ensure that we operate safely at all times and have allowed us to achieve the levels of excellence that we have reached.

Our network has been expanded and enhanced significantly to handle the additional customers and volumes. We will continue to provide the highest levels of on-time performance and reliability to all of our customers as we continue to grow. The foundation that we have built and the loyalty we have earned from our customers, continues to prove that Cargojet is the right business model for the domestic overnight air cargo market across Canada and for our continued international expansion and growth.

We must continue to earn our customers business each and every day and to understand and exceed their expectations every night.

I wish to personally thank and congratulate each of one of you and ask that you all wear this jacket on Monday, March 16th so that together across the country, each member of the Cargojet Team will proudly be saluting our newly expanded network, our organization and our customers and most importantly our team.

Enjoy and wear this very special commemorative jacket proudly.

My best,

Ajay





CARGOJET



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"CARGOJET CELEBRATES THE LAUNCH OF OUR NEW DOMESTIC





OVERNIGHT NETWORK & INTRODUCTION OF THE BOEING 767-300ER"





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"CARGOJET LEISURE OFFERS"

Cargojet is proud to announce we have negotiated discounts with the following travel providers for employees wishing to book leisure travel.

These offers are valid for current Cargojet employees. All employees may be required to present their Cargojet ID in order to take advantage of these deals.

FIRST AIR

Discounts include reduced rate travel on First Air to destinations they service in the North such as Yellowknife. Requests must be submitted at least two weeks prior to the intended travel date. For a complete list of destinations serviced by First Air visit <https://firstair.ca/book/destinations/>.

Rates and reservation request forms can be obtained by Donna at dbryson@cargojet.com

AIR TRANSAT HOLIDAYS

Enjoy savings up to 8% off packages and up to 5% off air only for interline employees. Discounts on cruises are also available. Call Air Transat Interline Sales at 1-888-256-9259 ext. 1510 - Nancy, 1509 - Julie or 1508 - Dothlyn

Or if in the GTA call 905-676-0565. Identify yourself as a Cargojet employee requesting an interline rate.

Employees can also email requests to: torinter@transat.com
Visit <http://www.transatholidays.com/en/Home.aspx> for the most up-to-date schedule, destinations and packages offered.

SUNWING VACATIONS

Sunwing Vacations is extending a discount of 5% off all their products for interline employees. To make reservation call Sunwing Interline Sales at 1-866-344-9464 or 416-620-3710 – Press 1 for Airport Personnel. Identify yourself as a Cargojet employee requesting an interline rate.

Visit www.sunwing.ca for the most up-to-date schedule, destinations and packages offered.

PARK'N FLY

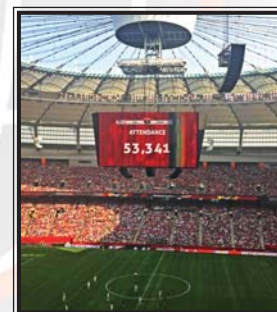
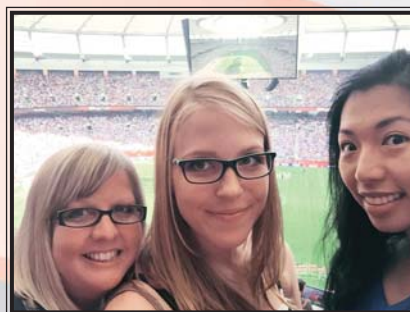
Park 'N Fly is offering up to 30% their airport parking rates across Canada.

Our corporate Discount Number is 784446. To sign up visit: parknfly.ca/Cusloyalty/en/JoinProgram.aspx?referralID=15038&coupon=784446



Duane Wilson of Arctic Co-op Presenting Ajay with a Soapstone Sculpture of an Eagle ...
Thank you Duane & The Team at Arctic Co-op.

"CANADA HOSTS FIFA"



Thank You Ajay

We would like to thank you for treating us to a wonderful day.
It was a once in a life time experience we will never forget.

Kalli, Peggy, Tamara and Lyle.

"CELEBRATING OUR FIRST ALL FEMALE CREW!"



Captain Taraneh Nasooti,
First Officer Dana Strudwick, & Second Officer Sarah Vaughn

