

# Jet Vibes

VOL. 1 • NO 1 • AUG. 2003

The Newsletter for Employees of Cargojet

## MESSAGE FROM AJAY K. VIRMANI - PRESIDENT & CEO



Let me, first of all, take this opportunity to congratulate and thank you all personally for making Cargojet a true success story in the Canadian Aviation and Cargo business. Teamwork combined with our concept of "**ONE TEAM**" is the primary reason of Cargojet's dominant position in the Canadian cargo market.

Over the past twenty-four months we, as a company, were facing one of the most difficult challenges as a business "**SURVIVAL**". After the bankruptcy of Canada 3000, the Senior Executive Management team were not absolutely convinced that we should continue on our concept of building a Cargo Airline in Canada. The major resource available to us at that time was loyalty from our customer base, their belief in our business plan, and our own unconditional support and commitment from the Cargojet team. We had to distinguish ourselves as a successful and progressive organization, today we are extremely pleased with the decision that we made, as it was the right one. Let me give you some accomplishments that this organization has been able to achieve.

- Cargojet Launch - February 21, 2002
- Acquisition of Winnport - June 21, 2002
- Bonded Carrier
- Certified to handle Dangerous Goods
- AMO (Aircraft Maintenance Organization) Certified for B727, B757, A320 Aircrafts
- ISO 9001 Certified
- 98% on Time Performance
- Member of IATA

- Member of CIFFA/ATAC/TIACA
- Type A Dispatch
- Shippers Choice Awards - 2002 & 2003
- Strategic Alliances with British Airways, Air France, Swiss Airways and Korean Airlines
- Acquisition of UPS as a network customer and partner
- Acquiring five company owned and four leased Boeings 727-200 AF, for a total fleet of nine aircraft
- Successful completion of a complete Audit by Transport Canada

Besides the above, the company has grown significantly. We are now 320 employees and our revenues have grown steadily. Two years ago we handled 300,000 lbs nightly, today it is over 450,000 lbs per night.

The company remains healthy financially and we will continue to look for new routes, international expansion and review fleet requirements.

The challenges ahead of us are significant, we not only have to maintain a 98 to 99% on time performance on a nightly basis, continue to grow, expand our customer base, be sensitive and flexible to our existing customers and keep our **COST IN LINE**. We must achieve all these features keeping in mind that **RELIABILITY AND SAFETY** cannot be compromised. Major challenges are ahead of us and we need to stay focused as a team, to deliver the best on time performance with the lowest cost model in the market place. The recipe of success is servicing our customers, maintaining our revenues consistently and keeping a tight control on our cost. We continuously need to be leaders in the market place. I am counting on each one of you to do your part and provide us with that competitive edge in the market place to become a dominant Cargo Airline not only in Canada but globally. Competitive edge can only be achieved by going the extra mile, maintaining flexibility towards all aspects of our business and excelling in what we do best.

*Wishing you and your family a great summer.*

*Best regards,*

AJAY K. VIRMANI



**CARGOJET**



## CARGOJET CUSTOMER CARE . . .

They're here when you come in every morning, they're here when you go home at night, and they're even here if you come by on Saturday for a cup of gourmet coffee. Cargo Movement Control as a whole spends more time in the office than any other department - but what do they do?

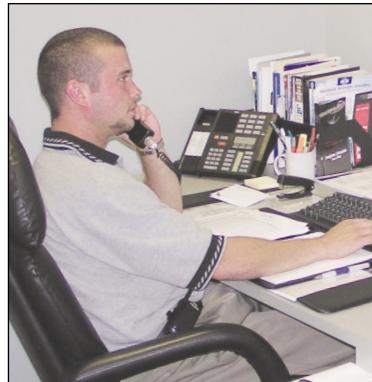
Those fresh smiling faces (Ron B, Ron M, Bob, Jay, Dale, Brian, Amy and Jon) are involved in nearly every facet of the company. From booking freight throughout the day, to confirming movement the following morning, 24 hours a day, 6 days a week, this devoted team is positioned firmly in front of their computers with phones at the ready. Taking an average of 300 phone calls nightly and 100 calls during the day CMC stays in touch with all of our customers as well as individual bases to ensure that all the paperwork is accurate and that all parties are aware of special shipments, late aircraft, missing freight etc.

Thanks to the diversity of their backgrounds and special skills, CMC is capable of tackling any problem with the confidence necessary to appease all those involved whenever the situation requires. Some members of the staff have proven their ability to adapt by taking customer service skills from past positions and gearing them to the fast and demanding pace of the cargo industry. Meanwhile, others have worked their way up the ranks in our bases, bringing their hands on knowledge and valuable insight to our constantly growing operation.

Although they may slip away for months at a time into the land of darkness, feel free to ask for help whenever you need it from one of our "day walking" representatives. They will be more than happy to assist.



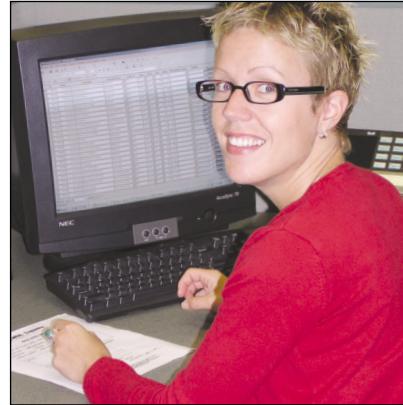
Dianne Tanner, Receptionist



Chris Ryan, Ops Manager

CF	572	VWR-HWG	0301	0206	0205	0302	0511	48-204	11	
✓	572	VWR-HWG	0125	0407	0411	0128	0811	44-215	12	
✓	571	VWR-HWG	0415	0130	0132	0505	0751	53-231	12	
✓	571	VWR-HWG	0745	0725	0728	0715	0855	10H	48-613	12
USC	573		0445	0455	0421	0451	0651	54-531	12	
✓	573		0646	0710	0712	0730	0715	04H	43-118	13
✓	573		0725	0733	0737	0756	0830	050	28-531	11
✓	573		0825	0822	0828	0733	0850	0841	20-446	11
✓	575		0725	0715	0712	0751	0730	0705	26-294	9
✓	575		0810	0810	0812	0810	0815	0820	0820	12
✓	575		0820	0820	0820	0825	0825	0825	0825	12

Ron Munroe, Duty Manager



Amy Logie, Customer Service



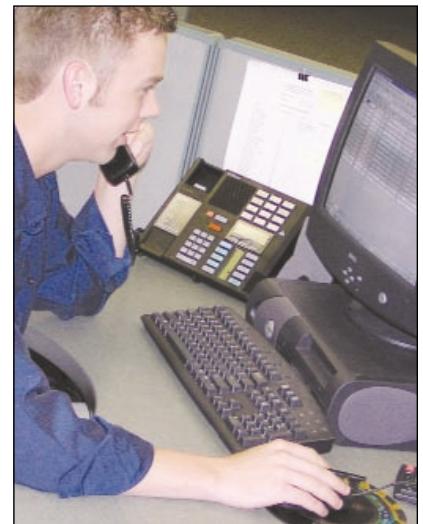
Dale Gregory, Customer Service



Daily Operations Conference Meeting



Jason Allen, Dispatch Flight Operations



Jason Dagleish, Customer Service



## ENGINEERING & MAINTENANCE

In the past year, we have seen some dramatic changes in the area of aircraft maintenance. When Cargojet first took over the flying from All Canada Express, the routes were initially operated by ICC and First Air. Maintenance was provided as part of the service by these operators. As the first two Cargojet aircraft took to the air in August of last year, maintenance was provided by Kelowna Flightcraft. However, in the background, the Cargojet Engineering and Maintenance department was busy setting up the infrastructure to allow Cargojet Airways to take on these functions.

In October of 2002, Cargojet Airways was awarded an Approved Maintenance Organization Certificate by Transport Canada for Boeing 727 aircraft. Since that time, Cargojet has steadily taken over more and more of the services previously provided by Kelowna. At present, Cargojet has maintenance facilities in YHM, YHZ, YMX, YWG and YVR and now carries out virtually all line maintenance activities. In addition, we have received additional approvals for Boeing 757 and Airbus A320 aircraft in order to take advantage of opportunities for contract maintenance.

At the present time, we are preparing for the introduction of the ninth aircraft which will be used primarily as a replacement for aircraft undergoing heavy maintenance.

This program will commence in late August and will involve approximately 6 to 8 months of downtime per year.

Aircraft reliability has also improved since the first flights in August of last year. The Cargojet fleet has achieved an average technical dispatch reliability rate of 99.1% for the second quarter of 2003, compared to 94.5% for the final quarter of 2002. (This technical dispatch rate is a measure of departures within 15 minutes of scheduled time expressed as a percentage of total revenue departures. Delays factored into the calculation are only those caused by aircraft system faults.)

Despite the fact that the operation has stabilized and the full integrated network is being operated by Cargojet aircraft, it is not the time to rest on our laurels. We need constantly to seek ways of improving our performance both in terms of operational reliability and cost efficiency, while maintaining the highest level of safety. In this regard, future goals include further reducing or eliminating the need for outsourcing, improving component reliability, optimizing inventory levels of spare parts, maximize revenue generation, and constant vigilance in ensuring that operational costs are within realistic budget limitations.

As we move forward, there are new challenges for operators of older generation aircraft. Regulatory changes have mandated that aircraft be updated with new technology to meet the demands of the industry.

### ***Some of the changes currently being actioned include:***

- Reinforced cockpit doors for security purposes.
- Modification of aircraft to meet the Reduced Vertical Separation Minima for North American airspace in order to allow higher traffic density.
- Installation of Terrain Awareness Warning Systems in aircraft to prevent accidents involving controlled flight into terrain.
- Installation of Emergency Locator Transmitters not currently required on all Transport Category aircraft.

The first year of operation for Cargojet Airways has proved to be very eventful and the next year is shaping up to be even more so, but the Engineering and Maintenance department will clearly meet the challenge.

*Al Pidgeon, Vice President  
Engineering & Maintenance*

### ***YYZ / YHM MAINTENANCE MANAGEMENT TEAM***



*Paul Rinaldo  
Production Manager*



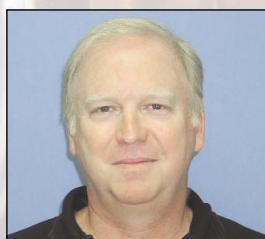
*Peter Radko  
Manager Technical Projects*



*Andy Montague  
Quality Assurance Manager*



*Brian Snooks  
Materials Manager*



*Steve Haskins  
Planning & Records Manager*



*Jamie Dors  
Senior Supervisor MCC*





## TIDBITS . . .

### **"DIRECT TALK"**

Next issue featuring a special question and answer with the President.

Please forward questions for a response directly from Ajay K. Virmani to:  
[cargojetcommunications@cargojet.com](mailto:cargojetcommunications@cargojet.com)  
[or avirmani@cargojet.com](mailto:avirmani@cargojet.com)

### Wedding Bells are going to chime . . .



Congrats to Heather Banks of YYZ Billing on her Engagement to Jeff Burn!

[www.dargal.com](http://www.dargal.com)

Paul Rinaldo has signed Cargojet up for discounted airline tickets / hotel accommodations etc... through **Dargal**. You can search the web @ [www.dargal.com](http://www.dargal.com) or call 1-800-690-3223



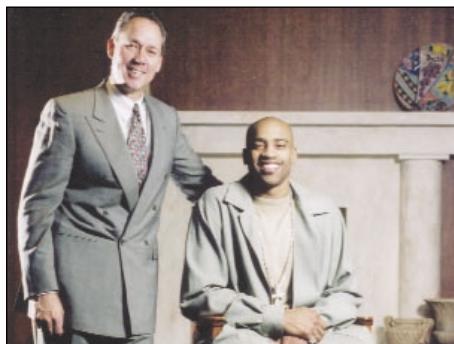
### **SHARE WITH US . . .**

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

Next issue will feature Cargojet Board of Directors.

*Please send contributions to:*

[cargojetcommunications@cargojet.com](mailto:cargojetcommunications@cargojet.com)



Jim Crane - Chairman EGL with  
Vince Carter at Cargojet Launch

## PICTURE GALLERY . . .

### The Signing of the UPS & Cargojet Agreement



From left to right:  
 Alan Gershenhorn - President UPS Canada &  
 Ajay K. Virmani - President & CEO of Cargojet.

### The Vancouver Transportation Club June 12, 2003



From left to right:  
 Captain Steve Cantwell, Ajay K. Virmani -  
 President & CEO of Cargojet., Captain Gary  
 Cox and Second Officer Adam McKittrick.

### BBQ at Head Office on July 15



### Cargojet Aircraft being Saluted by Winnipeg Airport

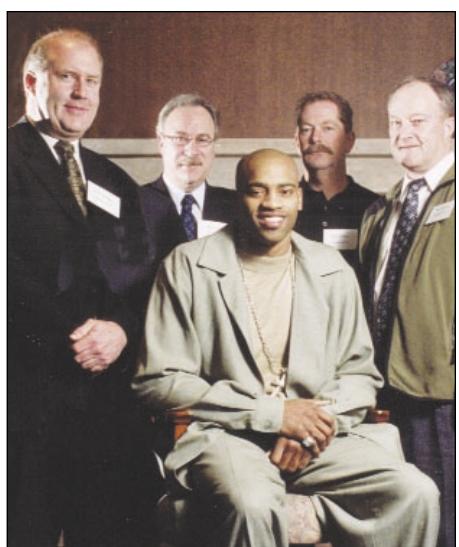


From left to right: Jamie Porteous - Executive  
 Vice President Sales & Service; Dan Mills -  
 Executive Vice President & CFO; Ajay K. Virmani  
 - President & CEO at Cargojet Launch

### Launching the Winnipeg Hub at Winnipeg Airport



From left to right:  
 Ajay K. Virmani - President & CEO of Cargojet,  
 Captain Rob Marr, F/O Darin Desroches,  
 S/O Colin Jervis and Lynn Bishop -  
 GM Prairie Region & Manitoba.



The Sameday Team with  
Vince Carter at Cargojet Launch