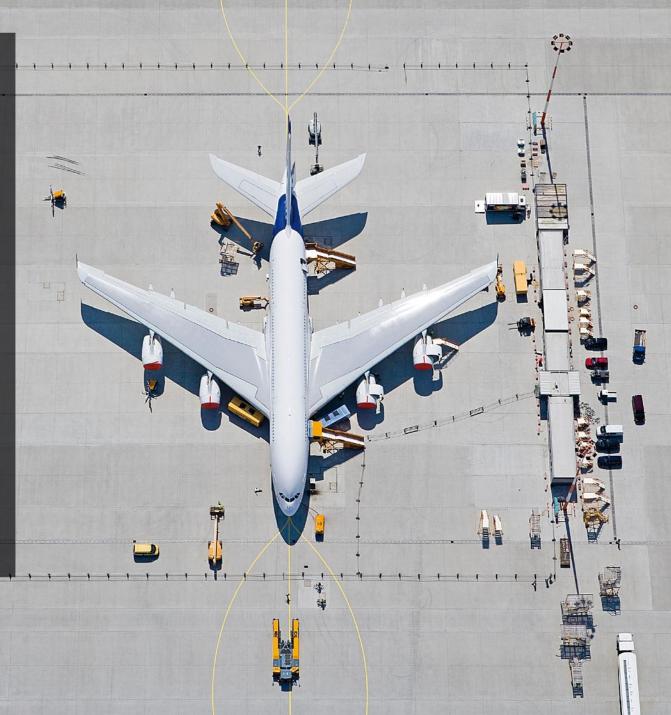
THE SMARTER ULD SOLUTION

CHEP Aerospace Solutions, the global force in outsourced ULD and galley cart management.

IULDUG Annual Conference – A Pooling Company Perspective

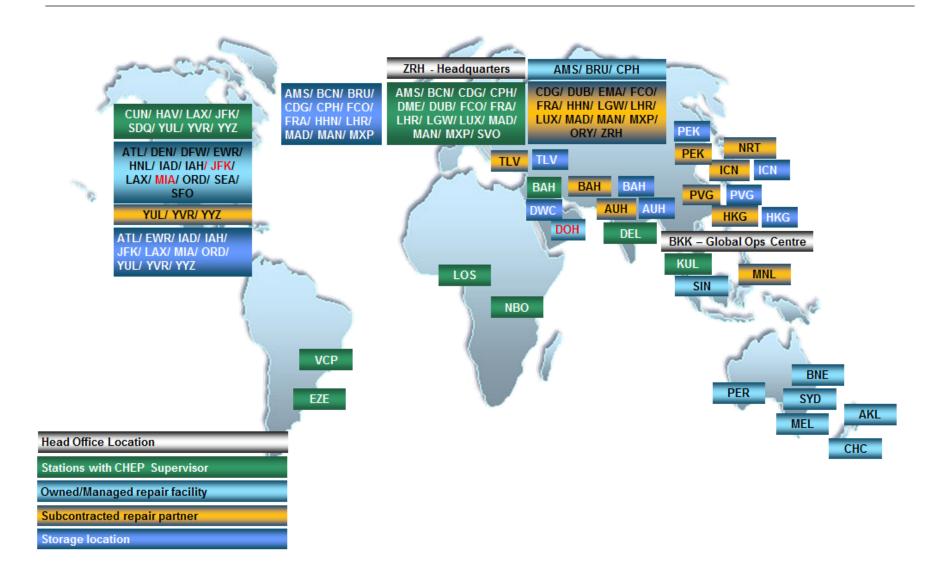
Shanghai Sept 10-13





A POOLED NETWORK OVERVIEW





ENABLERS OF EFFICIENT POOLING



Internal	External
 Focus on Total Cost of Ownership of assets Ubiquitous assets / Standardised equipment Global repair network Ground services support Strategically located storage locations Optimised parts inventories World class IT systems for tracking, analytics and reporting 	 Harmonised regulations Uniform procedures, protocols and standards Compliance by all parts of the supply chain

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HOW CAN WE REACH INDUSTRY WIDE REGULATORY COMPLIANCE? **CHEP**

- Why aren't we there already?
 - Lack of knowledge
 - Confusion
 - Cost pressures on all parts of the industry mean parties are taking shortcuts
 - Lack of accountability
 - No / limited consequence for non compliance (Regulatory or commercial)

HOW CAN WE REACH INDUSTRY WIDE REGULATORY COMPLIANCE? **CHEP**

Make it simpler - Harmonisation and consolidation

Get everyone on-board – Certification

- Create a certification scheme which is administered by a single entity such as ISAGO and backed by the FAA/EASA.
- Raise the awareness that ULDs are considered as aircraft parts
- Cooperation with ACI (Airports Council International) to lobby for sufficient storage space and facilities

Self regulation

- All airlines would need to buy in to a minimum operating requirements for the likes of storage/handling such as using ISAGO approved Ground Handling Agents but this would need to be world-wide. Damage of ULDs or poor handling is often accepted by many airlines as the norm in return for cheap handling arrangements. For those that follow the ISAGO rule many low-cost airlines do not. This could be a minimum requirement for all IATA members?
- Regular audits

Compliance with teeth / Consequences

- Make stakeholders accountable including airline, user, GHA, GSA, FF and individuals that misuse or poorly handle ULDs. Fines should be imposed to those stakeholders that misuse or poorly handle ULDs, or if a damaged ULD is loaded on an aircraft that is out of limits.
- Engage with FAA and EASA to ensure and regulate that all airlines and handling agents operating to/from use the above.
- Enforce proper and documented handover processes between partners in supply chain

HOW CAN WE REACH HIGH OPERATING STANDARDS FOR ULD?



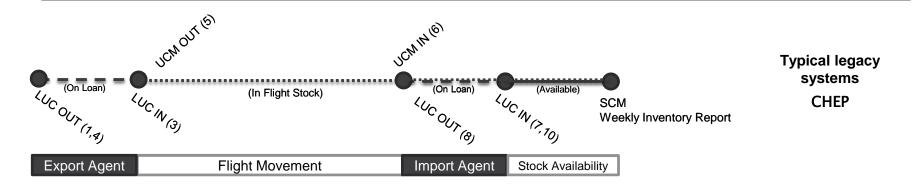
- Common understanding of correct handling equipment
 - Identify industry approved and recommended operating equipment to handle and store ULDs and audit through ISAGO. Appropriate and maintained infrastructure (storage racks, slave pallets, dollies, etc.)

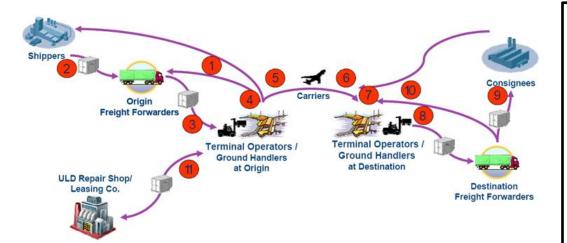
Certification

- Through the ULD handling certification this can be revoked if airlines/users do not meet the standard IATA requirements or regulations.
- Engage with airports to ensure that sufficient space is provided to all GHA to manage ULDs and their customer requirements. Only GHAs with a ULD accreditation may use ULDs and would only be granted is the relevant regulations and/or requirements are followed.
- Training and accreditation
- Technology to improve our ability to see what is happening throughout the supply chain.

IMPROVED VISIBILITY THROUGH ULD TRACKING SYSTEMS







CHEP – ULD MANAGEMENT SYSTEM

- ULD Stock is broken up into different statuses, reflecting ULD availability and condition. Available stock is used for measurement against target levels
- ULD Stock is generally available on Network/ Station/ Substation/ ULD Group / Individual ULD properties/ ULD Movement detail levels
- Allows CHEP to provide visibility and granularity of ULD stock with performance reports

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TECHNOLOGY TO ENABLE BETTER VISIBILITY



Global vs. Local

For purposes of balancing the network, ULD management systems that offers different levels of data aggregation.

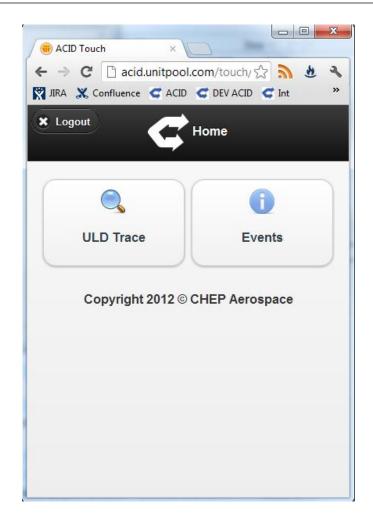
Interfaces that allow drilling from aggregated stock data into individual unit detail level.

Stock data is generally available on three levels:

- Network / Zone / Carrier Network / ULD Group
- Station / Substation / ULD Group
- Individual ULD Detail / Movement details

ULD TRACKING SYSTEM APP









Data Review

AMA70068CV = Tag Id 30227 Installed 24Mar2012



HOW DO WE REDUCE ULD ASSOCIATED RISK



- Simplify the regulatory landscape
- Define industry code of practise throughout the supply chain
- Introduce a certification scheme backed up by a compliance framework
- Consistent regulatory enforcement
- Utilise technology as an enabler