

AMI USA launches click2ship imports

The USA arm of [Air Menzies International](#) (AMI) – the world’s largest trade-only airfreight and express wholesaler - has launched an import version of its fast-growing online door-to-door Express wholesale product.

Click2ship Imports went live on 1st July following successful testing with five of AMI’s top USA customers. The new service provides all-inclusive import rates for shipments collected anywhere in the world. Rates include collection at origin, Customs clearances and delivery in the USA, but exclude duties and taxes.

This latest phase in click2ship’s USA development involved an additional investment of USD\$350,000 in IT and web enhancements.

Like AMI USA’s highly-successful click2ship Exports product which was launched just 12 months ago, click2ship Imports allows online quotes, instant conversion to a booking, and subsequent online tracking. The service has an AMI-resourced, dedicated live chat facility to answer customer queries.

Customers who still prefer to obtain quotes and make bookings by telephone can do so through a dedicated toll-free number (1-800D2Dship) connecting to specialists in click2ship’s Dallas call centre, which is open from 09:00 (Eastern Time) to 18:00 (Pacific Time).

Says AMI’s Senior VP USA, Peter Weir: “The growth of click2ship has been phenomenal in the 12 months since its launch in the USA. From zero, we are already getting 2500 online quote requests per month. It’s currently only 3% of our business in the USA, but we expect the addition of imports to take it to more than 10% within the next year.”

Although click2ship was originally expected to attract primarily small packages, the average shipment weight is now running at 38kgs/85 lbs. Continues Weir: “We have been encouraging customers with minimums to try it, as it offers better rates than airport-to-airport services, but for a full door-to-door service with online track and trace. We can be very competitive up to 75kgs/170lbs, and we’re able to provide spot rates for larger shipments.”

Weir says that the service's real popularity lies in its speed and convenience: "The ease of using click2ship online really makes the phone obsolete, although we will take telephone bookings too. Booking online gets an immediate quote, an instant booking, and total visibility of the shipment's progress."

Both the click2ship online chat facility and its call centre team have received very positive feedback from AMI's customers.

Concludes Weir: "We believe the click2ship concept is the way forward for a large part of the US market, providing better value, faster service and improved efficiency over traditional solutions. Once again, we are innovating to keep the SME freight agent in the game."

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About freight wholesaling:

"Airfreight wholesaling" is the process by which freight agents can purchase space through an intermediary ("wholesaler"), generally at lower rates than are offered by the airline or shipping line itself. In airfreight, this is achieved either:

- by the wholesaler consolidating many small shipments into a single booking, taking advantage of the lower rate per kilo offered by airlines for larger shipments, and then effectively sharing the resultant saving with its customers in the form of lower rates;

or

- by combining dense cargo and volume cargo on the same airline pallet, in order to maximise the chargeable capacity of the pallet without exceeding its physical weight limit. As most airfreight is "volume" (that is, its volume is greater than the usual airline conversion ratio of 6000cc per kilo) it is charged by volume rather than weight. Skillful combination of dense and volume cargo can reduce the average volume:weight ratio of cargo on the pallet, resulting in more capacity, and a lower cost per kilo - part of which saving is then passed back to the wholesaler's customers.

Consolidated airfreight shipments also benefit from lower minimum charges than those imposed by airlines. Normal airline minimum charges can often make a small shipment prohibitively expensive.

In ocean freight, savings are generally achieved by a consolidator combining many smaller shipments into larger volumes, and loading these into full containers

for presentation to the shipping line. The full container load (FCL) rate thus achieved represents a saving on the “loose” or LCL (less-than-container-load) rate offered by the line, and much of the difference is passed back to the exporting agent in the form of lower rates.

About AMI:

AMI pioneered the neutral, *trade-only* airfreight wholesale concept in 1976. Its early years were spent in developing relationships with numerous carriers, in order to provide its agent customers with a single source of capacity for all their traffic: a “one-stop-shop”. On many destinations, customers were given a choice of service levels, often based on direct or (slower) transshipment services, which were rated accordingly.

Neutrality – in other words, the deliberate and absolute distancing from any dealings with shippers – has always been the core ethic of AMI, and a very strong selling-point. When AMI first entered the market, a number of full-service freight forwarders also offered “co-load” services to smaller agents. But the underlying potential threat of a customer being poached by a supplier who was also a competitor, has led to the virtual disappearance of such co-load services.

During its 34 year history, AMI has spawned a number of short-lived competitors. Some have been bought by AMI, while others have simply been unable to compete with the scale of AMI’s coverage and its highly-competitive pricing, and have ceased operation.

Today, in a market which is dominated by predatory pricing and spot-rating, AMI has strengthened its competitive position through a combination of convenience (the ability of an agent to book a large proportion of all his global traffic with a single call or internet booking), pricing (like airlines, AMI also now spot rates for larger shipments), attractively-priced added-value services (such as receiving and trucking, and security scanning) and practical experience (for example, AMI will not support carriers or routings which – based on its vast experience - are known to present potential problems).

AMI was acquired by publicly-quoted John Menzies plc in 1993, following which it was re-branded Air Menzies International, and absorbed the previously-acquired express and wholesale operations of Scan Courier and Cargosave. The addition of express services to the AMI product group (now operating as a separate division, AMI Express) has broadened AMI’s appeal to freight agents, who were previously compelled to support the services of integrators offering inadequate margins and presenting the potential threat of customer poaching. AMI Express has also given AMI access to a totally new market - domestic couriers and parcel companies with occasional international needs.

AMI is now set on a program of international expansion, aimed at building a web of sales and operational bases each of which then feeds the others. In 2004 it opened its own operation in Germany and this was followed, in 2007, by the acquisition of

its former service partner UAC - a well-established and complementary trade-only freight wholesaler with extensive operations in Australia, New Zealand and the USA, plus joint-ventures in China and Hong Kong. All operations were re-branded with the AMI identity at the beginning of 2008, and the renowned AMI global tariff format and product range are being introduced to each location to complement the services already offered.

In March 2008 AMI acquired MMA, its former service partner in South Africa, giving it three more locations and a dominant position in one of its historically most important markets. With the recent opening of a new US office in Dallas, AMI is now present at 23 locations, and continues to look at opportunities for further expansion. AMI also operates a network of service partners in over 120 global markets, whose role is to breakbulk, clear customs and (on request) deliver to destination.

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