

Weekend working and more spot rates to boost AMI imports

AMI – the global trade-only freight wholesaler - has started weekend working, and added an additional spot rate specialist to its team, as the latest measures to further strengthen its UK imports offering.

AMI's Imports Department now operates on Sundays, preparing import Customs entries for submission first thing on Mondays. This means inbound airfreight shipments are being cleared more quickly, so the freight can be released earlier to the importer's agent at London Heathrow.

Meanwhile, shipments bound for the north and Scotland are also leaving London earlier for AMI's regional cargo centres, often trimming a day off transit times.

A second spot rate executive has joined AMI's imports team, to provide faster quotes for the 80+ enquiries now being received daily from UK freight agents. The extra manpower is also enabling AMI to explore a wider number of service options for each enquiry, resulting in more competitive offerings.

AMI is now connected to CNS (Southampton's port community system) and Destin8 (its Felixstowe counterpart), and recently introduced import clearances for ocean FCL and LCL traffic entering the UK through the two ports.

Says AMI Imports Manager Stuart Orkney: "We are attracting increasing numbers of airfreight agents with occasional ocean imports. At the same time, ocean freight agents are beginning to realise that they can use AMI for airfreight imports and exports."

AMI's Import service is proving particularly popular with regional airfreight agents, as it removes the need for an office, warehouse, Customs clearance staff or transport facilities in London, Birmingham or Manchester. AMI is able to provide quotes on direct services into all three airports, clear imports and then truck to the agent, or to his nearest AMI Cargo Centre.

AMI has also reviewed its agent network at origin points around the world, and new appointments have led to a steady improvement in rates and service levels in recent weeks.

Concludes Orkney: “We have a new momentum in our imports business. AMI has assembled its most robust and comprehensive offering to date for import customers. At the same time, we remain a compact operation offering a highly personal service. People like that.”

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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. Skilful 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 distancing from any commercial dealings with shippers – has always been the core ethic of AMI, and a very strong selling-point. From its beginning, when AMI first entered the market, a number of full-service freight forwarders have offered “co-load” services to smaller agents. But the underlying potential threat of an agent's customer being approached by its supplier who was also a competitor, has led many agents to give greater support to AMI.

Today, in a market which is dominated by 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, and deliver to a single drop-off point), 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. 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 programme of international expansion, aimed at building a web of sales and operational bases each of which then feeds the others. In 2004 it opened an 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 leading position in one of its historically most important markets. With the recent opening of new offices, AMI is now present at 24 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 break-bulk, clear customs and (if required), deliver to destination.

About Menzies Aviation plc:

Menzies Aviation is a leading global provider of passenger, ramp and cargo services. It also owns AMI, the world's only trade-only global airfreight- and express wholesaler. The Menzies Aviation business is highly successful - operating at 142 airports in 30 countries, with annual revenue in excess of US\$1.1bn and supported by a team of over 20,000 highly-trained people. Menzies Aviation serves over 500 customers, handling over 1m flights and 1.6m tonnes of cargo per annum. Best in class safety and security, the most resilient and innovative technology in its peer group and flawless customer service are what sets Menzies Aviation apart from other service providers.