

WFS sees no signs of demand dropping off in 2018

2017 is shaping up to be a good year for **Worldwide Flight Services (WFS)**, and group chief commercial officer, Barry Nassberg (pictured) says the signs suggest demand is unlikely to drop off in 2018.

Speaking to *Air Cargo Week* at the Air & Sea Cargo Americas conference in Miami on 2 November, Nassberg says volumes are up across the board of all the locations WFS handles cargo. He says WFS has had consistent year-on-year growth and though there is a slight softening,



Nassberg thinks that is probably because of the pre-season lull before the winter rush.

He explains: "We've had the benefit of integration in terms of some of the projects we've done such as acquisitions in the US. All in all a good year, we're growing increasingly optimistic that we'll at least see stability in 2018."

"We're not seeing signs that the cycle is going to drop off and go back into some kind of trough. We're cautiously optimistic that we can maintain the traffic in 2018."

Nassberg says the peak season is looking good, with increasing amounts of work on e-commerce, which is something WFS has not seen in previous years.

He says: "We're working with some of the operators in e-commerce business and their traffic is growing. Starting off from a very low



base they've seen really explosive growth both in terms of overall traffic and as more and more try and take control of the air elements of their shipping requirements."

In the past this was tendered out and Nassberg says WFS is working with them to provide support on the airport side of the services, so WFS is growing with them.

Strong Christmas season

"We're seeing the start of a strong Christmas season. **Apple** has not disappointed with the launch of a new phone. The introduction of one new product has a very significant impact because it's all produced in one place, it's high value, very dense and it's a just in time release getting into the Christmas season."

The new product must be in shops by December so this creates huge demand, and Nassberg comments WFS has always seen spikes in demand that in years an Apple phone has been released in the fourth quarter.

E-commerce is an area WFS sees growing opportunities for cargo handlers, particularly with an intentional pun from Nassberg, "those thinking outside the box".

This includes offering more than just the straightforward cargo terminal but also joining with integrated operators in e-commerce to serve their needs for off airport warehousing, deconsolidation and distribution.

"We want to be market leaders on how a cargo handler can move beyond its traditional area of work to specialised products such as perishables and pharma. We're investing in equipment and facilities, and we want to work closely with airlines in being able to sell those products."

For regions around the world, Nassberg thinks WFS is very well balanced in the US, with some more major stations that WFS is not in, but Nassberg believes that if WFS can get into them we the company will be well developed in the US.

WFS is working on next generation facilities, including a new one at New York **John F. Kennedy International Airport**. This is a brand

new green field facility customised to WFS's needs.

Over in Europe, Nassberg says WFS is looking east of central Europe where WFS has not penetrated so that will be an area of focus. WFS is also looking at South America where it owns a big ground handling business, but has not touched on cargo yet, and there are likely to be projects in Asia.

He says: "We have a successful operation in Bangkok but we've never been able to move beyond that. The cargo market is very hard to break into in Asia but a couple of opportunities have come up so we're pursuing those."

"We're trying to round out the geography. We've got a few gaps we're going to try and fill over the next two to three years."

Move outside the warehouse

Nassberg says the plan over the coming years is to broaden the view of what a cargo handler does, moving outside of the cargo warehouse by understanding customer needs and how WFS fits into the supply chain. WFS is also working on IT, having invested heavily and establishing a global IT department, allowing for the integration of systems with customers down to house air waybill level.

WFS is also investing heavily in safety and security, initially in the US and will be moving onto Europe in security systems.

He says: "We've worked with an outside company to develop a comprehensive management system, for example in the x-ray of shipments, managing that from a central location. We can see into the x-ray machine of every machine we use giving airlines and the TSA access to that system."

Nassberg says WFS is moving airport security from minimal requirements to the "leading edge", so it can show how using WFS has a clear advantage over using a competitor.

"Not only are we compliant we make it much easier for the airline to be compliant. We know there is no other handler out there with anything of the sort."



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