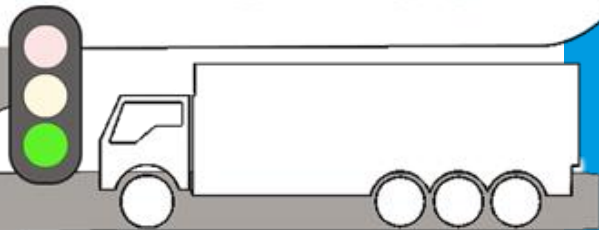




European Green Fast Lanes



Progress Report

Pilot FRA/AMS

QUALITY IS CREATED TOGETHER
KWALITEIT MAKEN WE MET ELKAAR

Mar 2017



Content

- **Status report**
 - ABCD
 - Rolling Planning
 - Sprint Planning
 - New truck schedule
 - LateShow / NoShow / GoShow Principles
- **Dashboards**
 - Cargo IQ reports
 - Trucking performance
 - Late-Show / No-Show
 - High-Show
- **Roll-out approach (in progress)**
- **Appendix**
 - Rolling Backlog of Improvement elements
 - Acceptance Process
 - Trucking process
 - Executive Summary / Context
 - Vision Board

EU Green Fastlanes ABCD

Status Stream

Overall process:*



Achievements

- Generic**
- **Sprint 5: Live, Compliance checker to be implemented**
 - **On boarding of Interns**
 - The middle-ware AF/Cargonaut is created to connect the E-messaging layer to the Compliance Checker, this requires some extra effort
 - The 4-truck schedule is still challenging for Networkplanning and Swisspot further tuning is required
 - Availability Display issue with AFLS under investigation

Mainport

- Cloud**
- POC2 has been delivered, / **issue with Dynamic IP addresses is solved**
 - **Compliance checker is available ap per mid February**

Benefits

- Generic**
- Increase over all quality / efficiency
- Source Data**
- Increase of loadfactor
 - Green-data, omtimum documentation process
- Remote Gateway**
- Spread of Cargo delivery (eliminate rubbish-in)
 - Acceptance according RFC
- Trucking**
- Reduced trucking complexity
 - Reduce waiting times of trucks
- Hub**
- Green cargo in (on time and correct) reduce throughput time
- Cloud**
- Consistent – Real-time information

Concerns

- Generic**
- CCP solution too narrow for our customers?
- Source Data**
- E-capabilities customers
- Remote Gateway**
- Late show / Ops vs Commercial
 - **Resources to implement the operational changes at FRA**
 - The FRA quality has been established on a stable acceptable level **however the infrastructure and operational changes at FRA need to be secured permanently.**
- Trucking**
- Sales impact new trucking design
- Hub**

- Cloud**
- Timing
 - Smart or Not // Overlap own development

Do next

- Generic**
- Monitor performance on a daily basis
 - Prepare Sprint 5 and onboarding of interns to prepare roll-out
 - Develop generic communication plan/strategy for MM's to support roll-out
- Cloud**
- Other countries' customs compliance elements will be added

EU Green Fast Lanes

Rolling Planning



IT Involvement



Completed



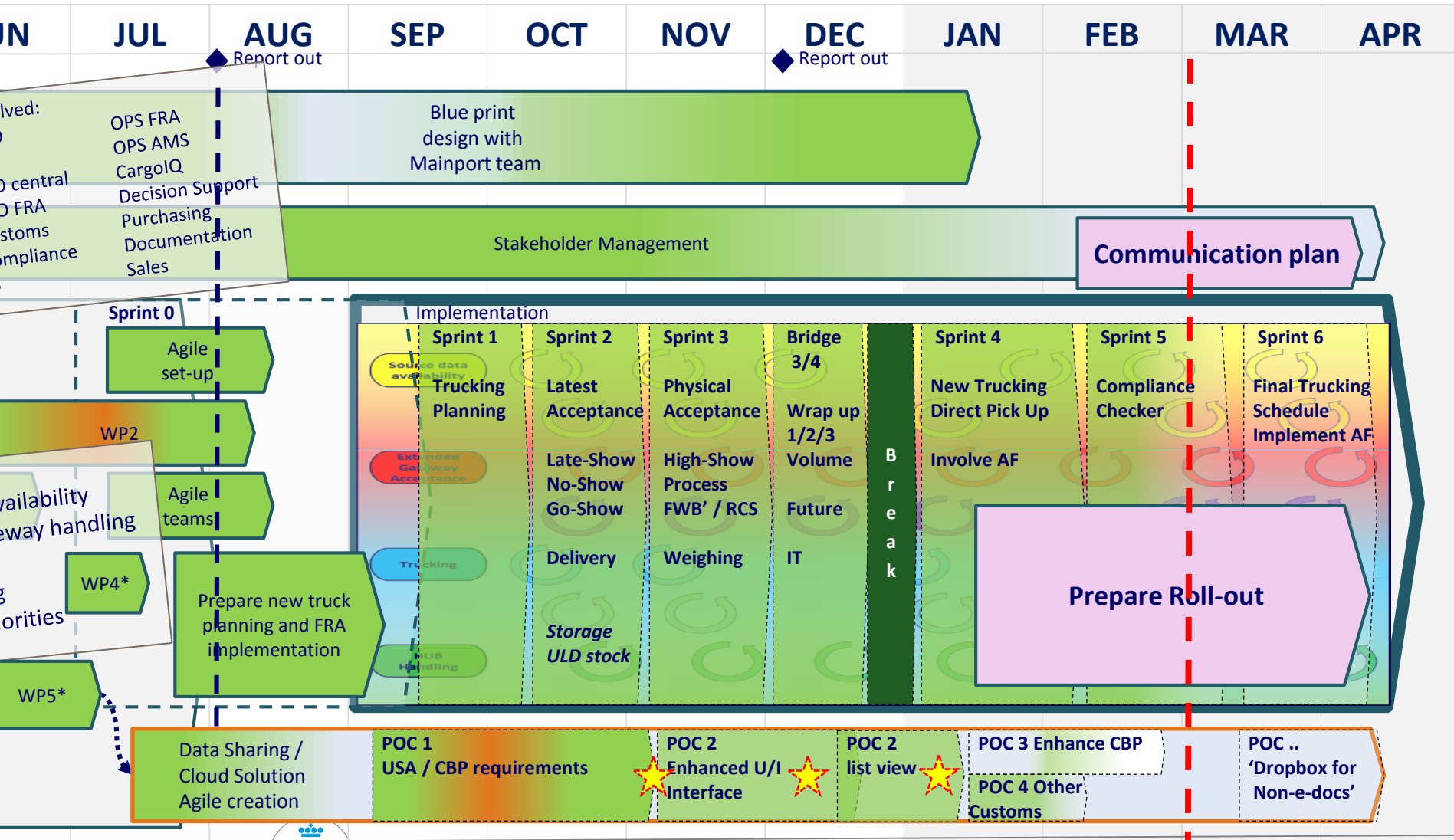
In progress



Planned



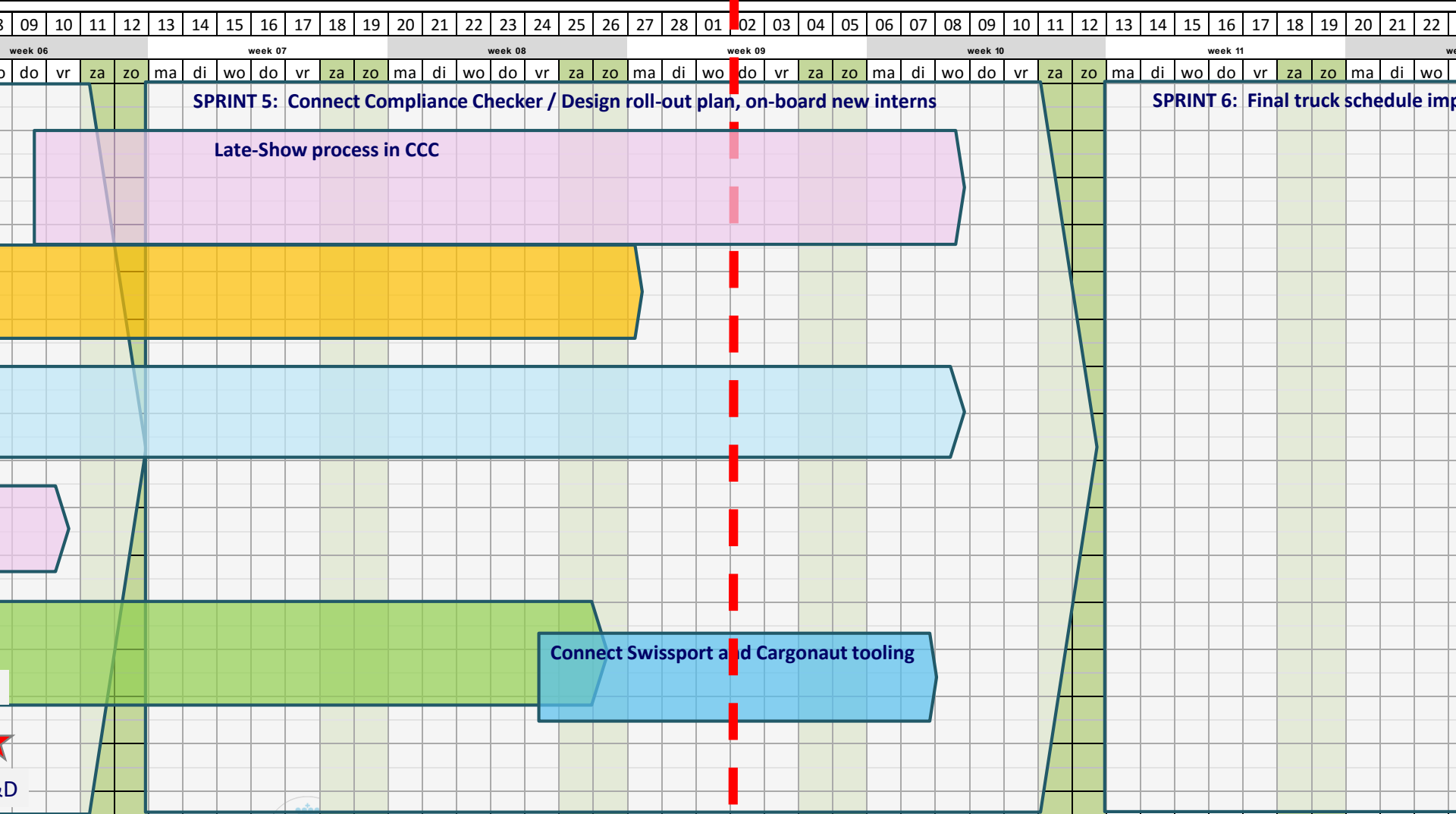
Behind planning



EU Green Fastlanes Sprint Planning

februari

maart



New Trucking Principle (second step)

kind	#	LAT	DEP	ARR	CT	Conx interval	Remarks	1	2	3	4	5	6	7	
	MP4010		2:00	10:00	8		MP Traffic only								
	MP4012		3:00	11:00	8										
OPS-BKG	8404		1:00	9:00			Same day connections Flight Optimization								
	8350	-1 23:00	2:00	11:00	5-9	16:01		19:00	X	X	X	X	X	X	X
	8354		3:00	11:00											
	8356	1:00	4:00	12:00	5-7	17:01		19:00							
	8360	3:00	6:00	14:00	5-10	19:01		23:59	X	X	X	X	X	X	X
OPS-BKG	8370		10:00	18:00			LONG								
	8372		11:00	19:00											
	8374		12:00	20:00											
	MP4020		20:00	04:00	8		MP Traffic only								
OPS-BKG	8082		15:00	23:00			Next Day Departure ONLY Selective Loading Flight Optimization								
	8084		18:00	02:00*											
	8086		19:00	03:00*											
	8376		19:30	03:30*											
	8088	17:00	20:00	04:00*	5-7	9:01		13:00	X	X	X	X	X	X	X
	8378		20:30	04:30*											
	8092		21:00	05:00*											
	8094	19:00	22:00	06:00*	5-7	11:01		13:00							
	8096		23:00	07:00*											
8098	21:00	23:59	08:00*	5-8	13:01	16:00	X	X	X	X	X	X	X		



Late-Show / No-Show / Go-Show – principles

Late-Show:

FOH status message is triggered between LAT and DEP of truck/flight

- Green - recovery process.
- Red - rebooking process; all segments are cancelled, rebooking on 1st available flight with capacity no scb/ec check

No-Show:

Cargo is NOT on hand at DEP of truck/flight

All segments are cancelled, a new booking is required scb/ec check applicable. (complete booking/AWB to be cancelled in a later stage)

Go-Show:

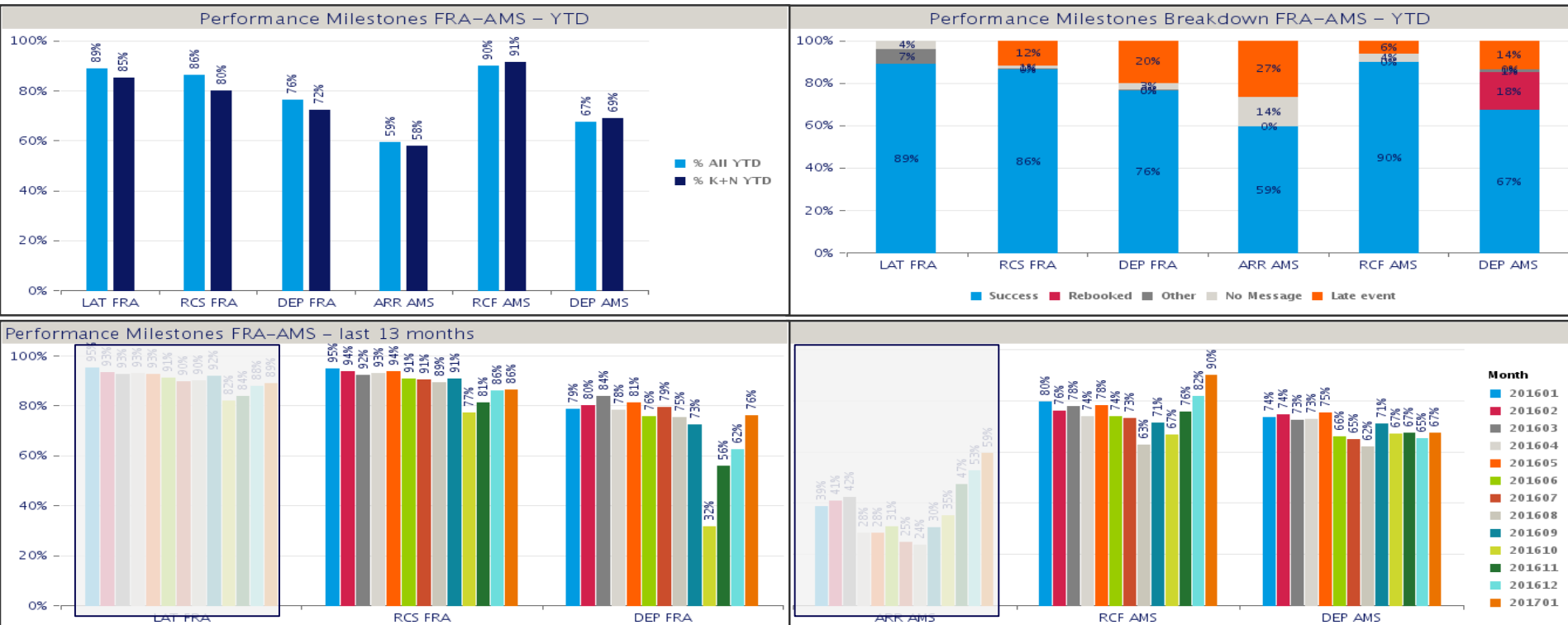
No booking present, proceed after a confirmed booking is made.



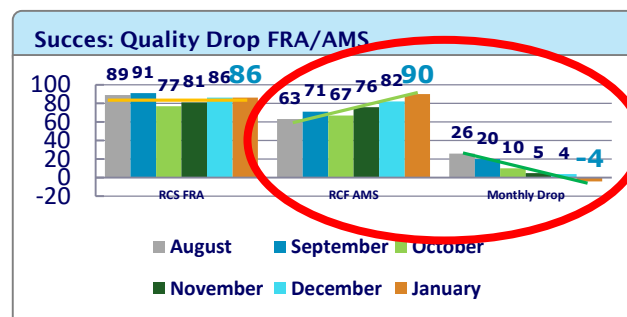
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Quality Tracking on CargoIQ milestones (month)



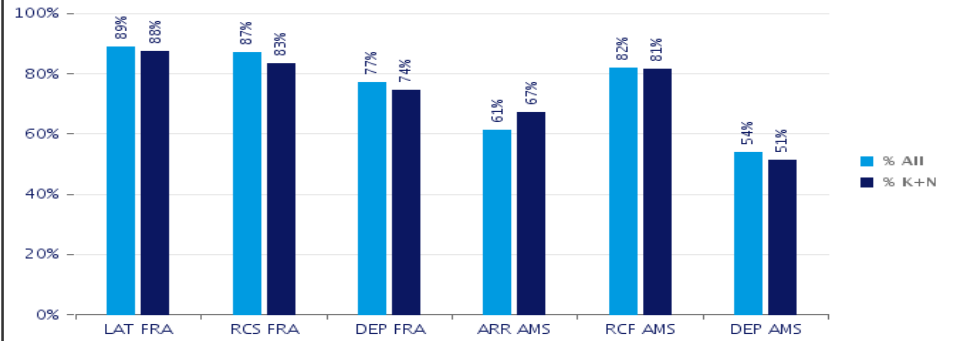
This slide shows the impact of the process changes in FRA. Since August the 'input' quality at the HUB (RCF AMS) increased month over month. The Performance drop ex FRA does no longer exist.



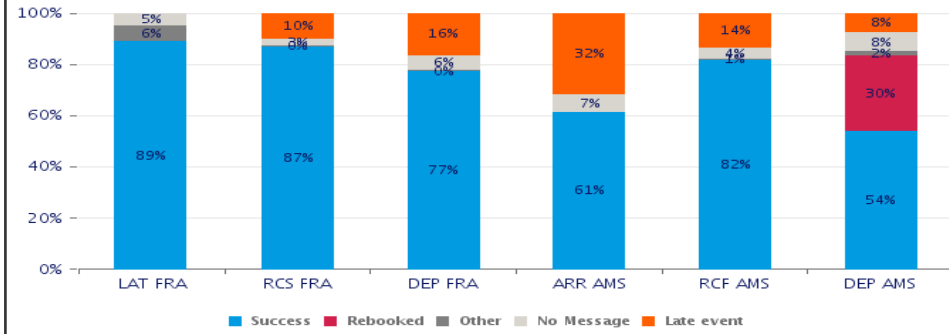
Dashboard daily overview

CargoIQ

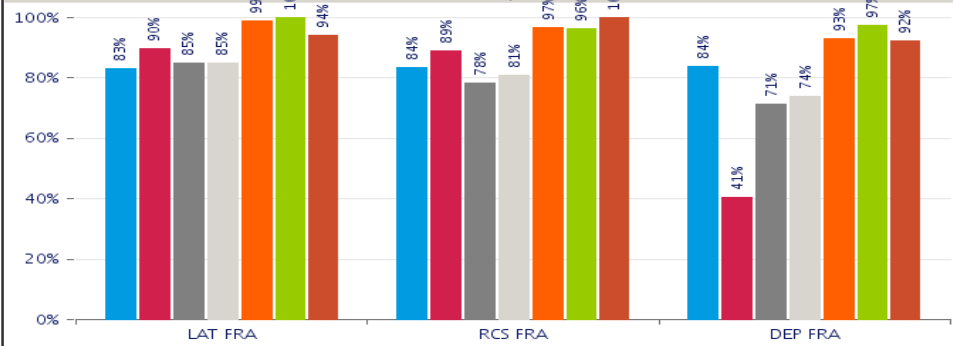
Performance Milestones FRA-AMS – last 7 days



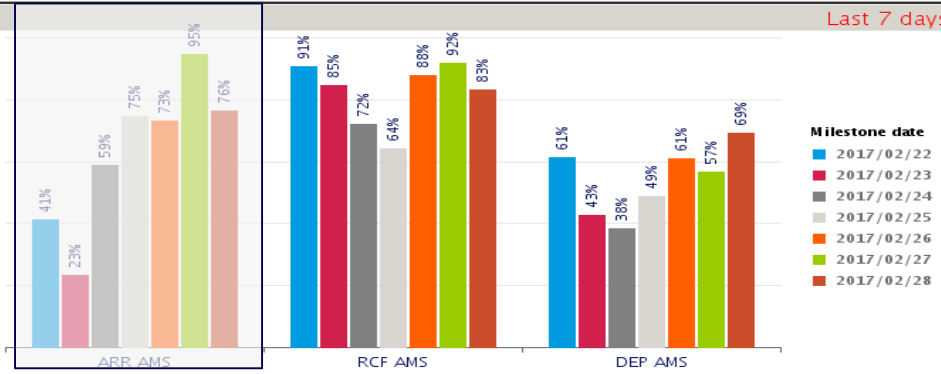
Performance Milestones Breakdown FRA-AMS – last 7 days



Performance Milestones FRA-AMS – last 7 days

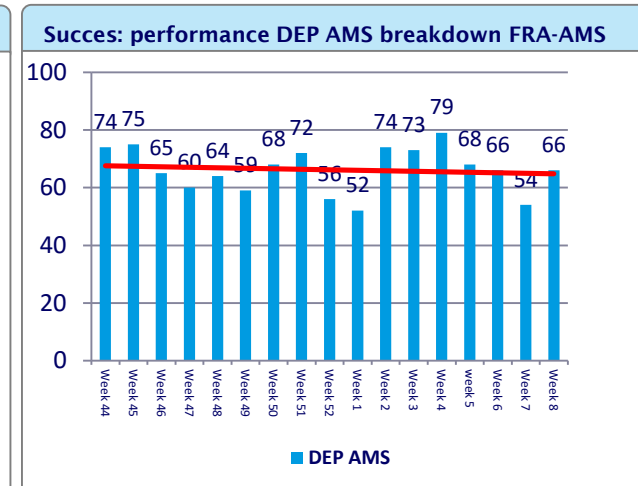
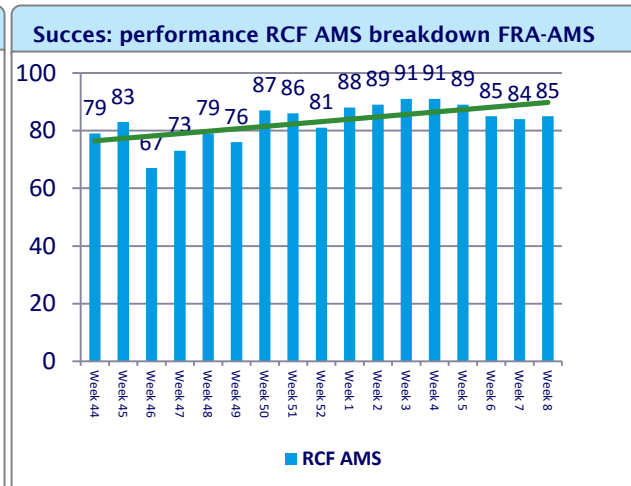
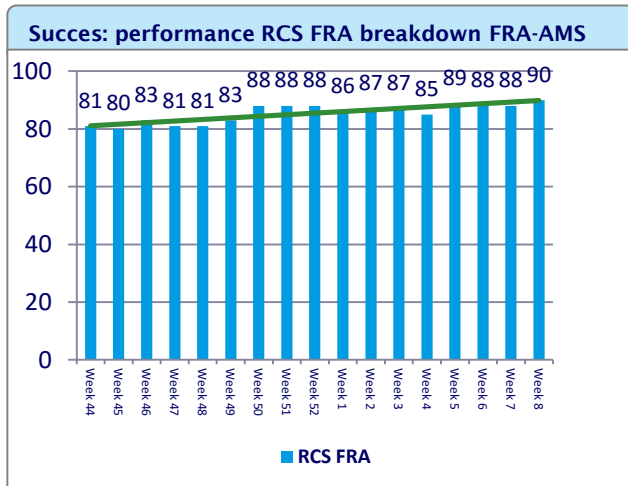
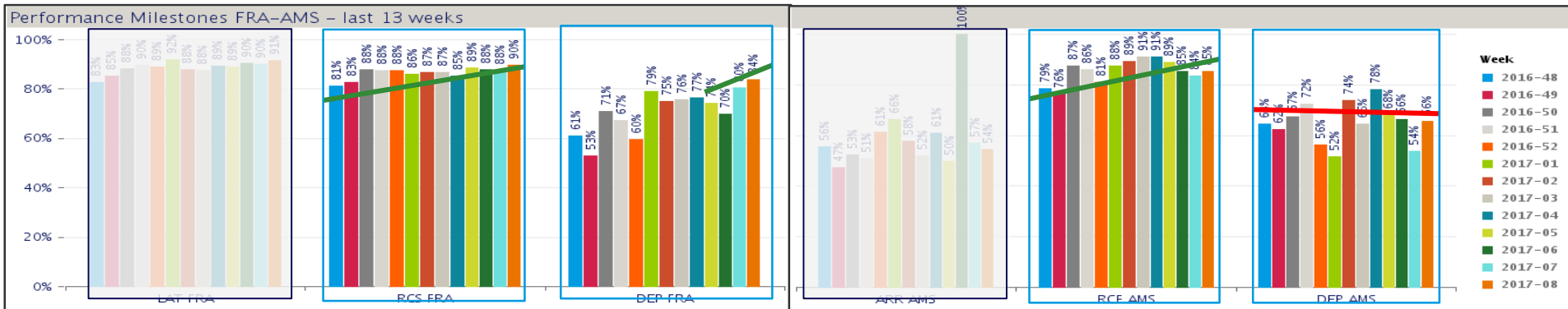


Last 7 days



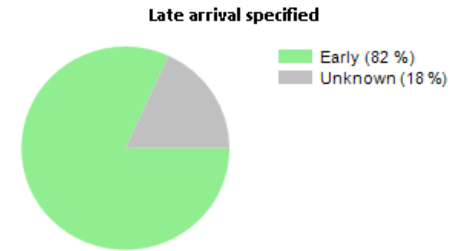
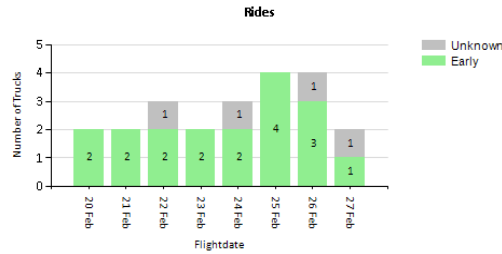
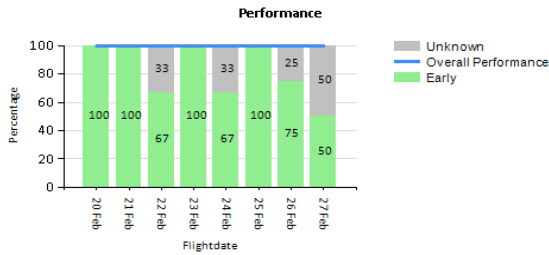
Quality Tracking on CargoIQ milestones (Week)

Including trendlines

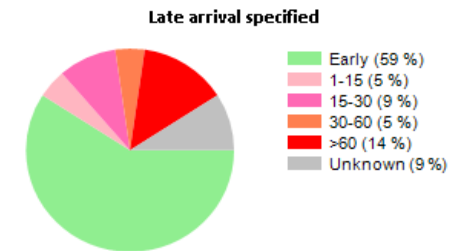
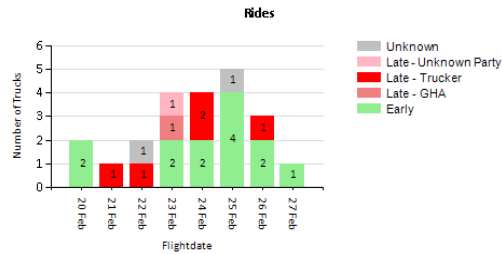
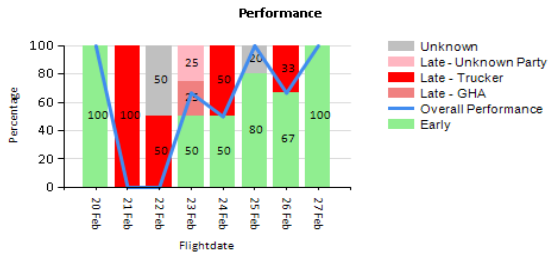


Dashboard Trucker On-Time Performance last week

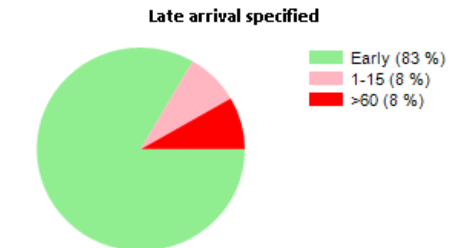
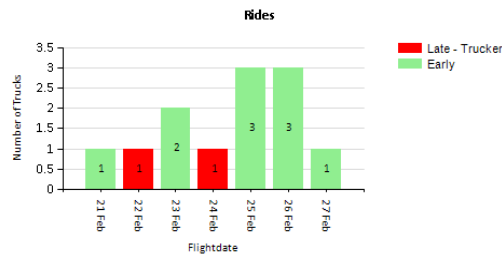
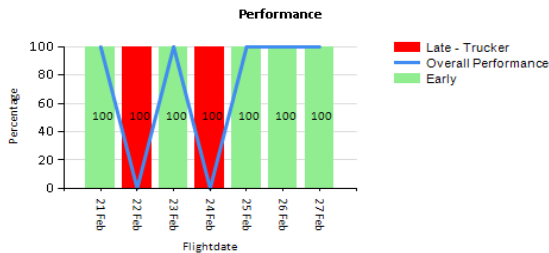
GEORGI



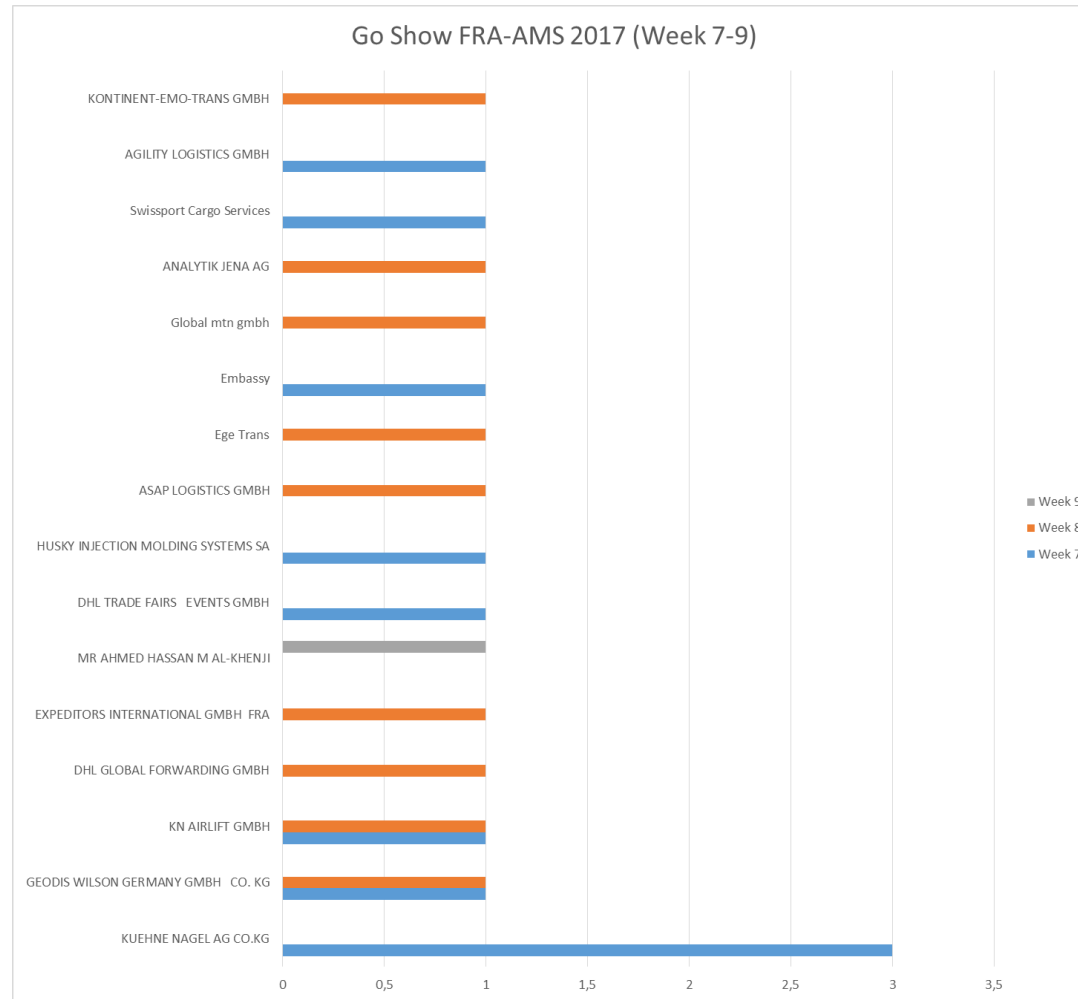
JAN DE RIJK



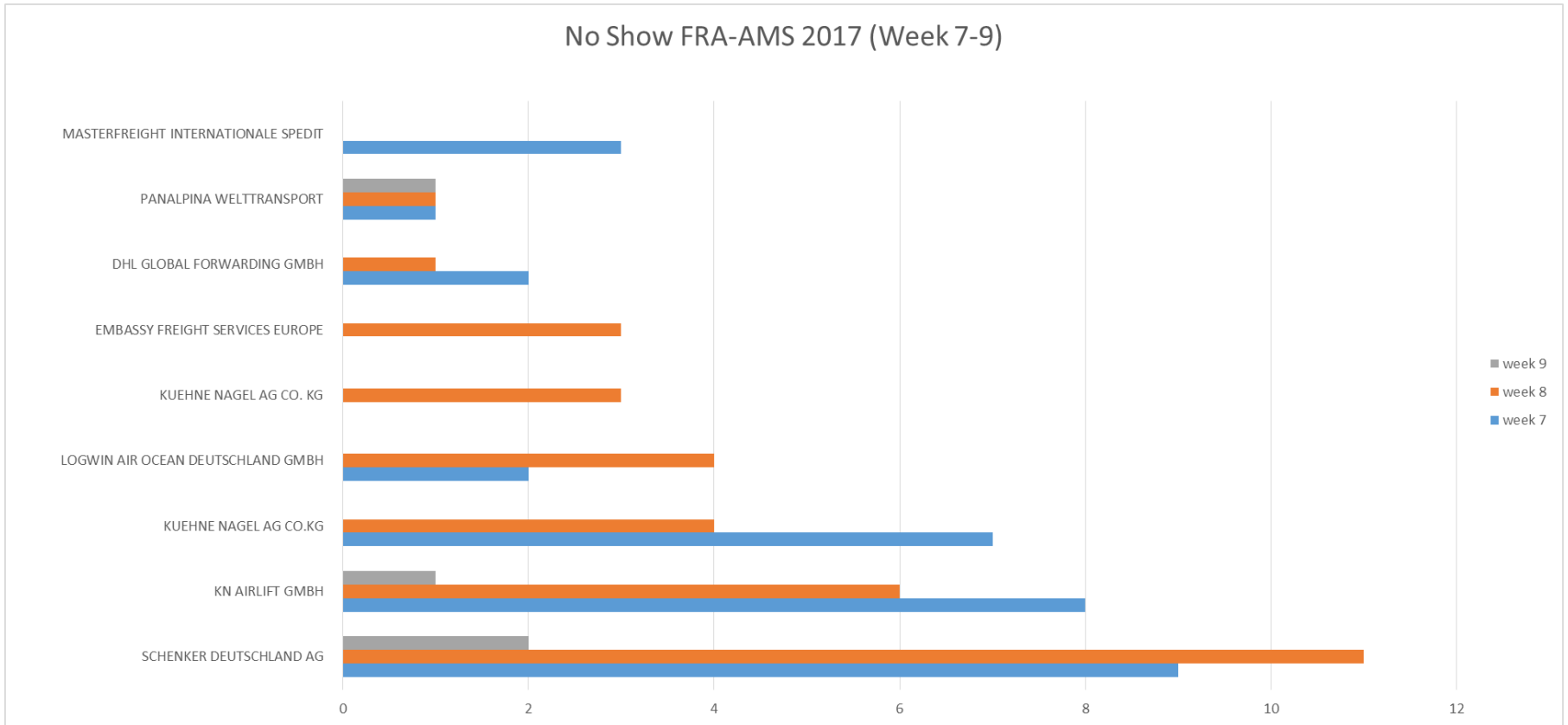
VAN SWIETEN



Go Show FRA – AMS



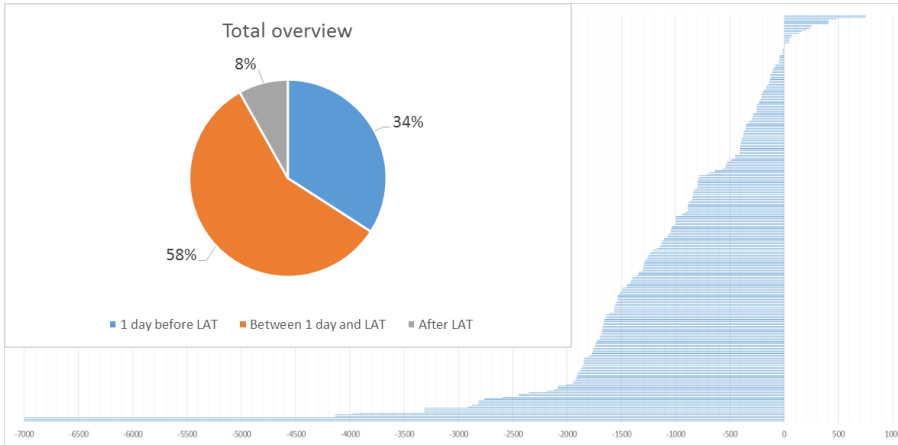
No Show FRA – AMS



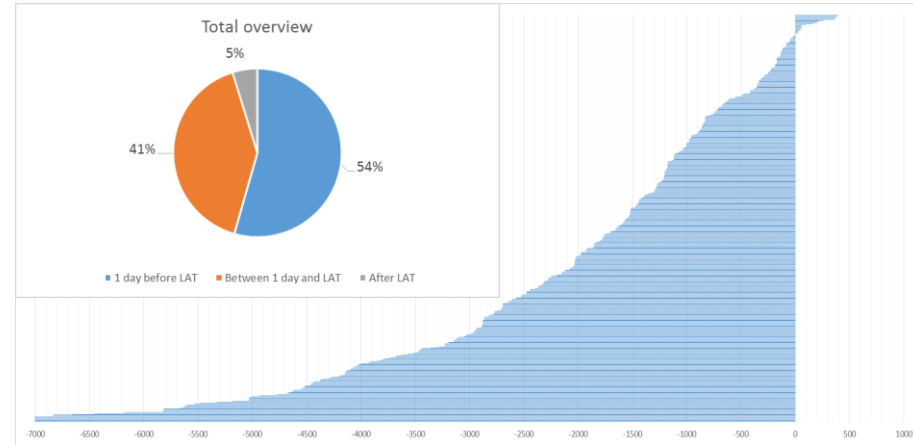
Performance LAT FRA-AMS

Total of minutes FOH is triggered before LAT time

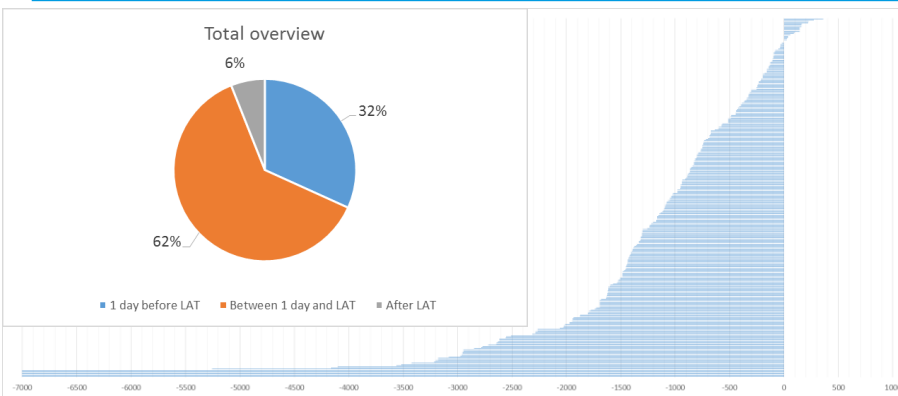
Week 5



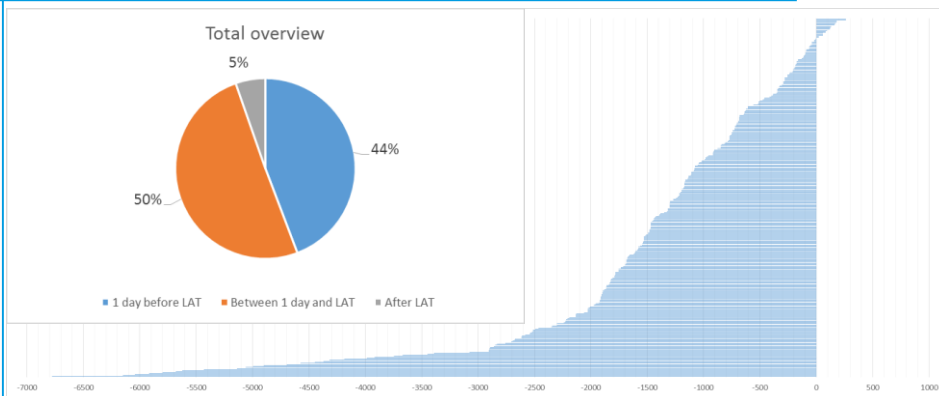
Week 6



Week 7

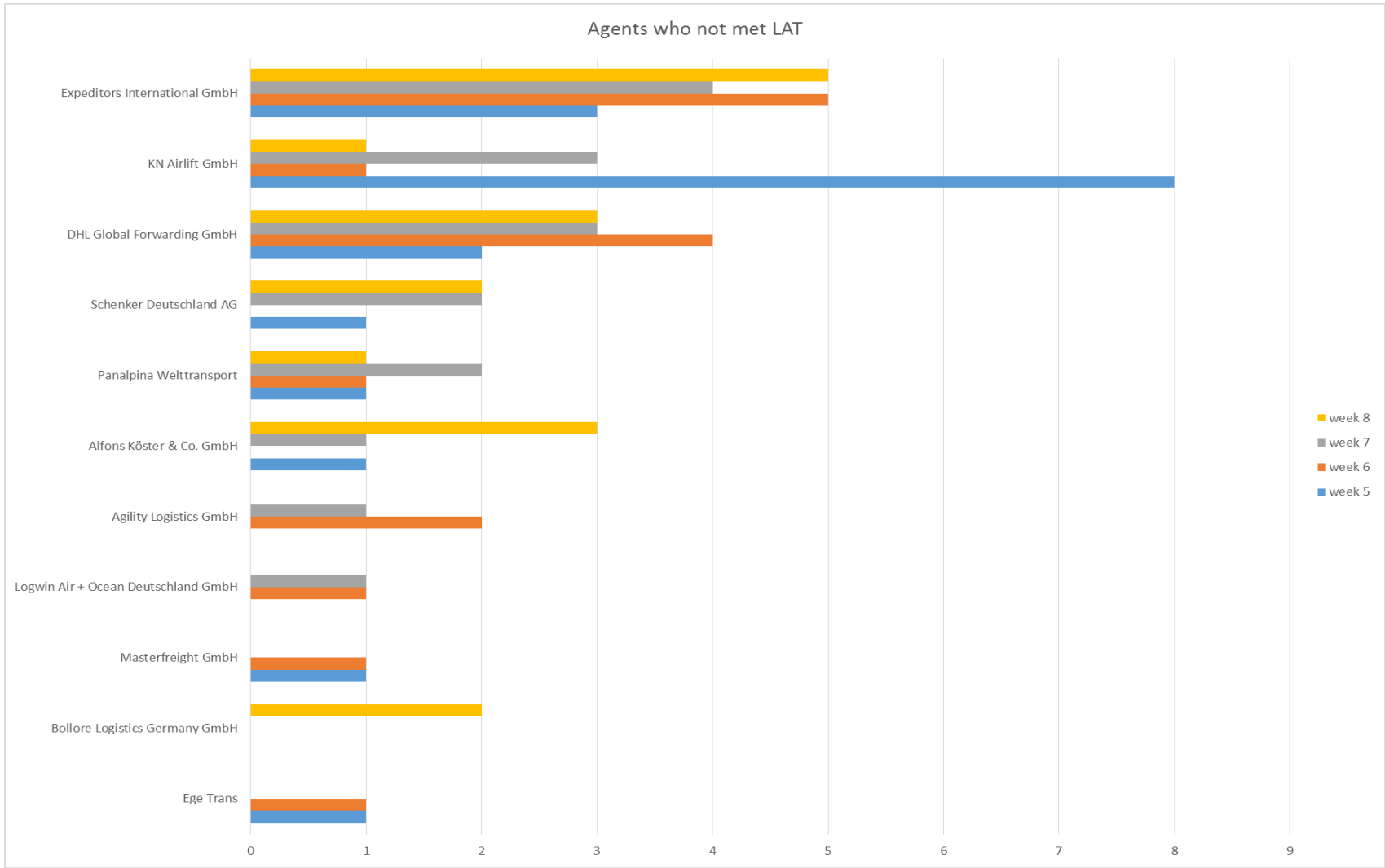


Week 8



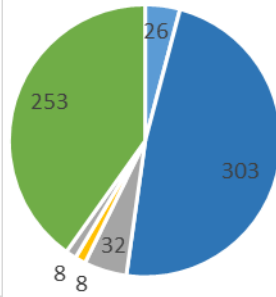
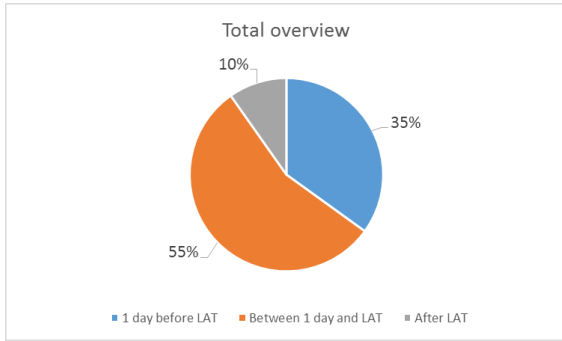
The 6% agents who not met LAT

13 feb – 15 feb

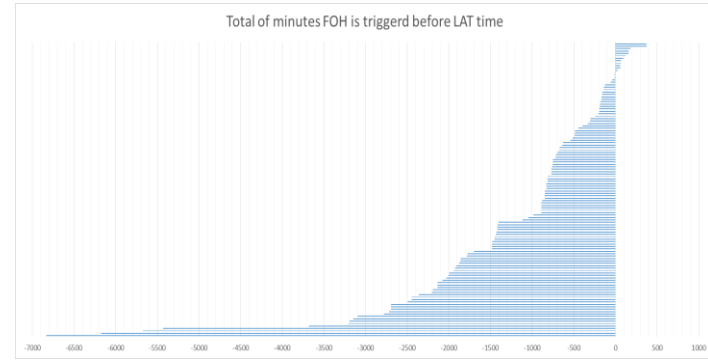


Dashboard Agents Performance

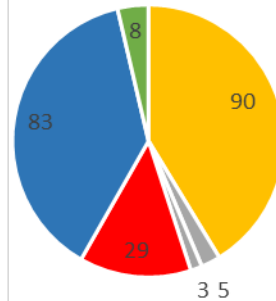
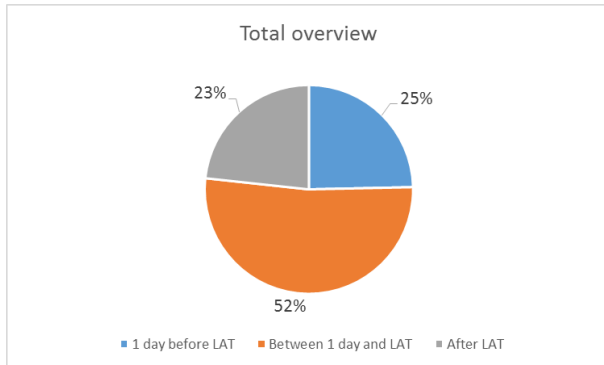
DHL



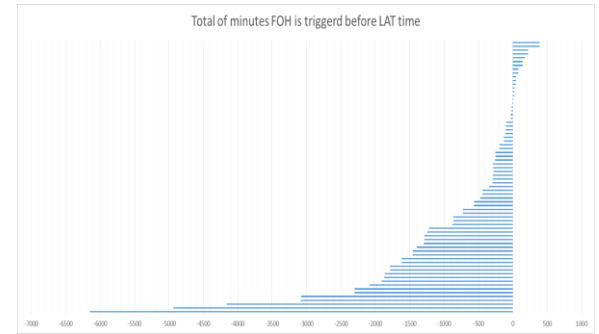
- (blank)
- REBKD
- NOSH
- NFAP
- GOSH
- FAP



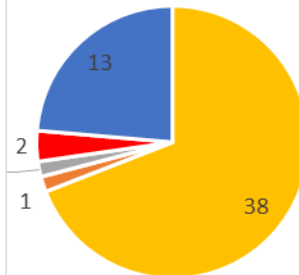
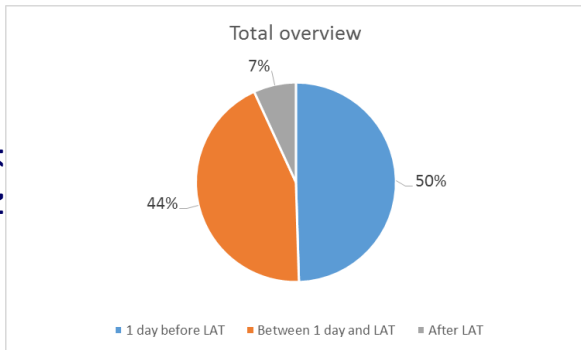
Expeditors



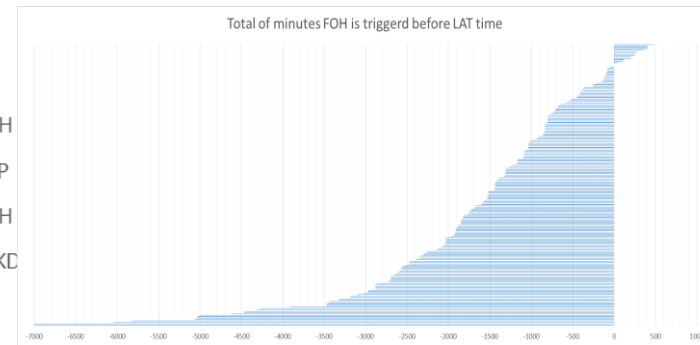
- FAP
- GOSH
- NFAP
- NOSH
- REBKD
- (blank)



K+N



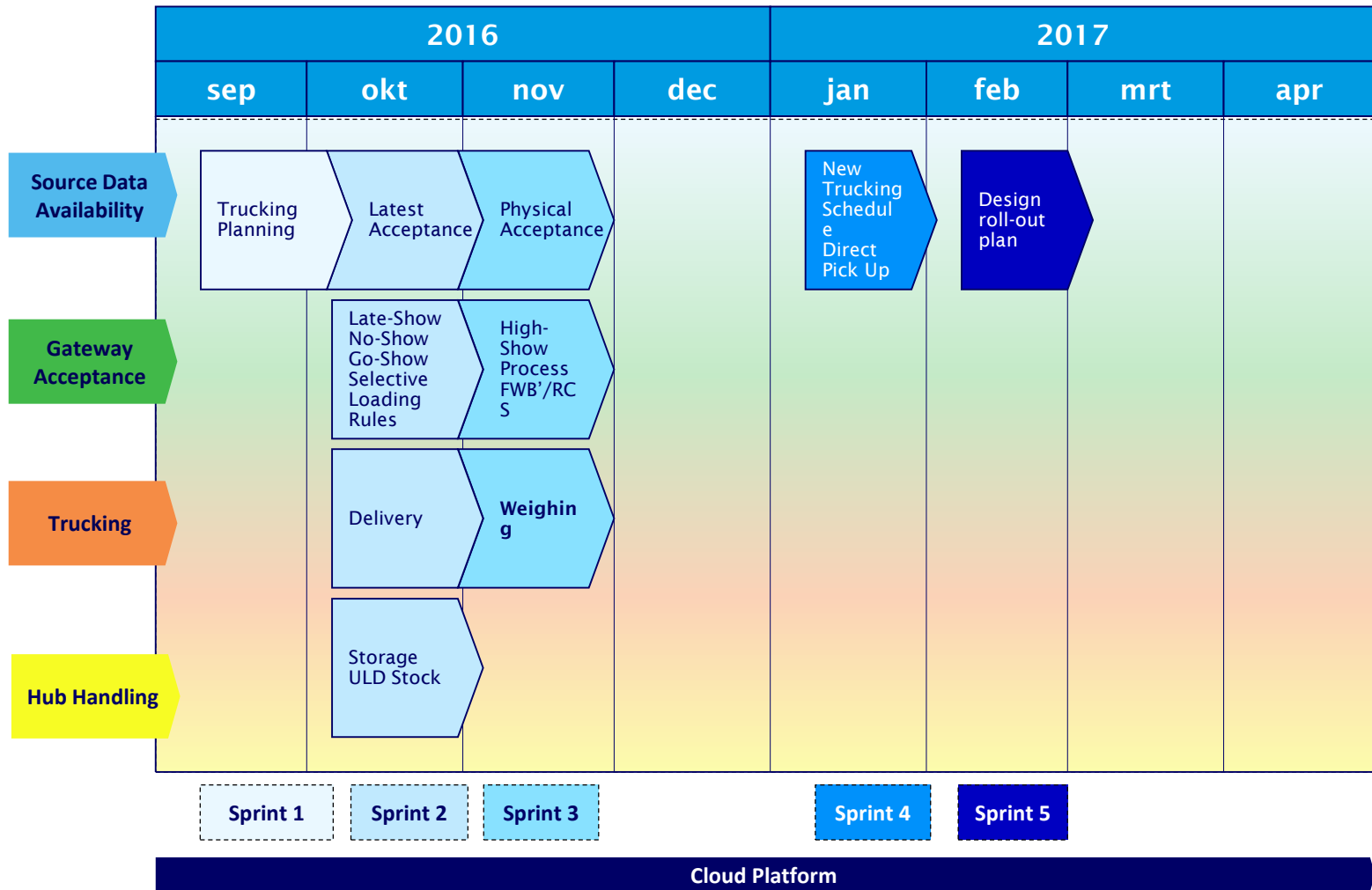
- FAP
- GOSH
- NFAP
- NOSH
- REBKD



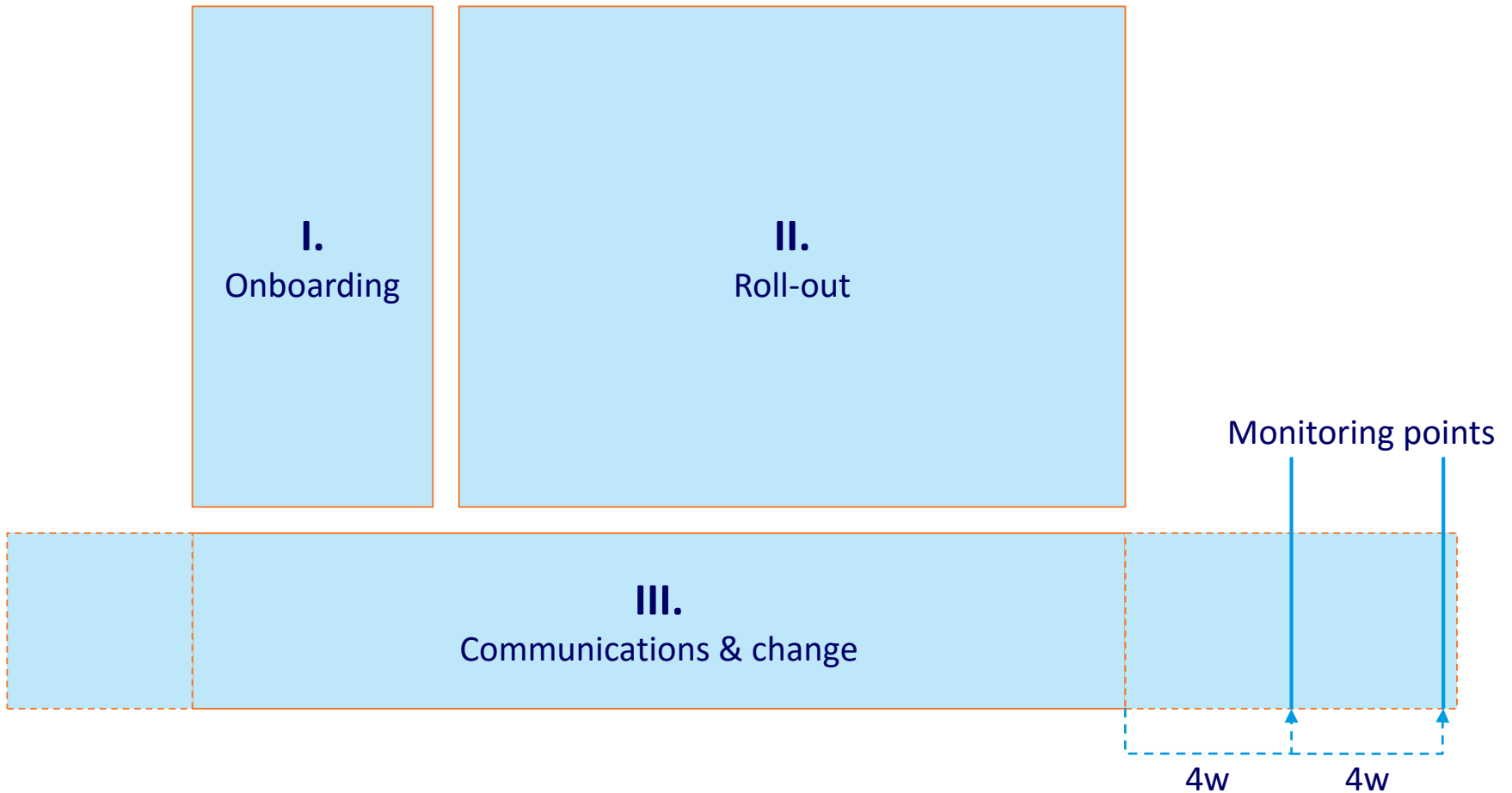
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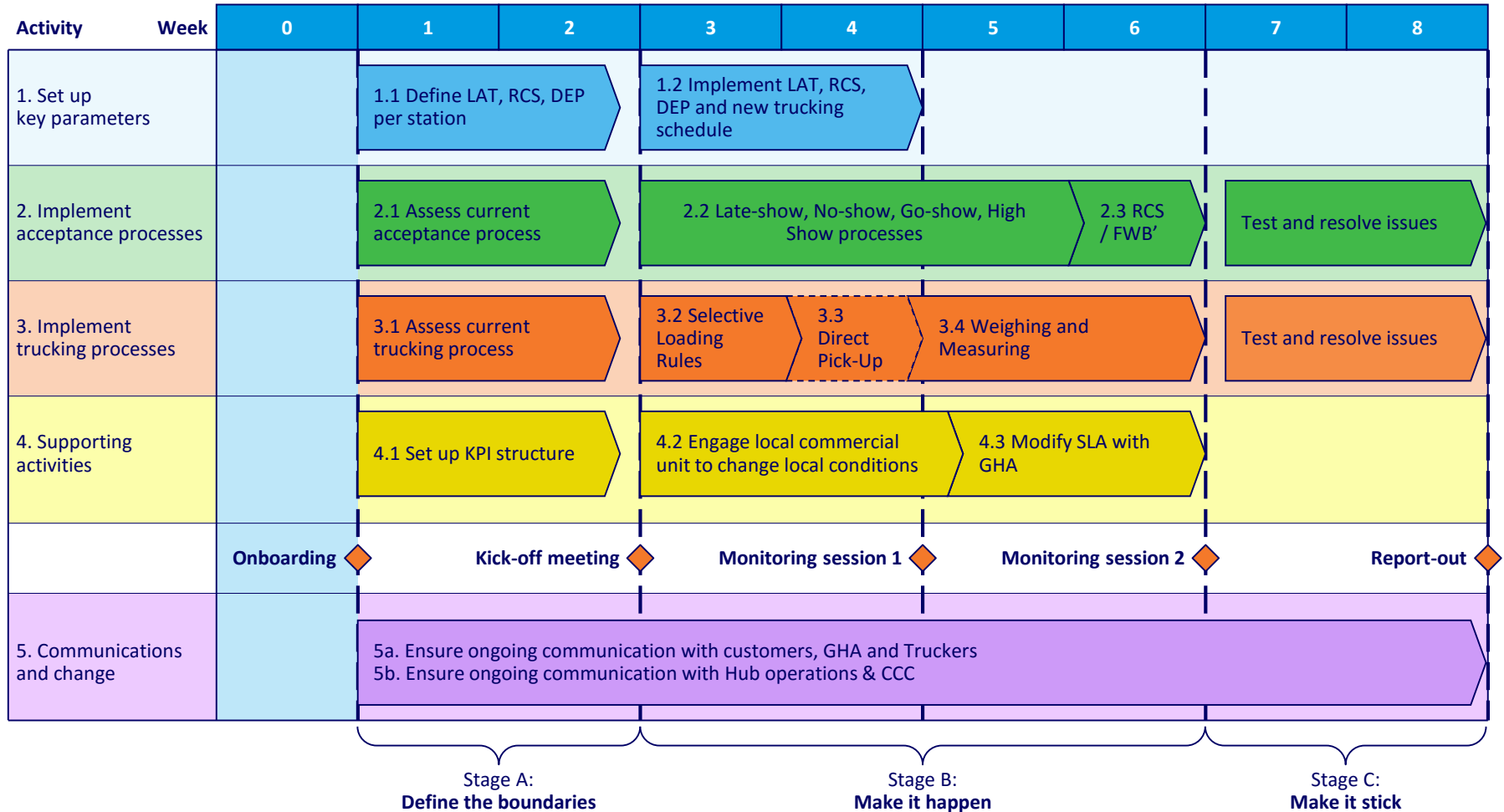
While the 5 themes were grouped based on content, the rolling planning was developed based on a logical roll-out sequencing



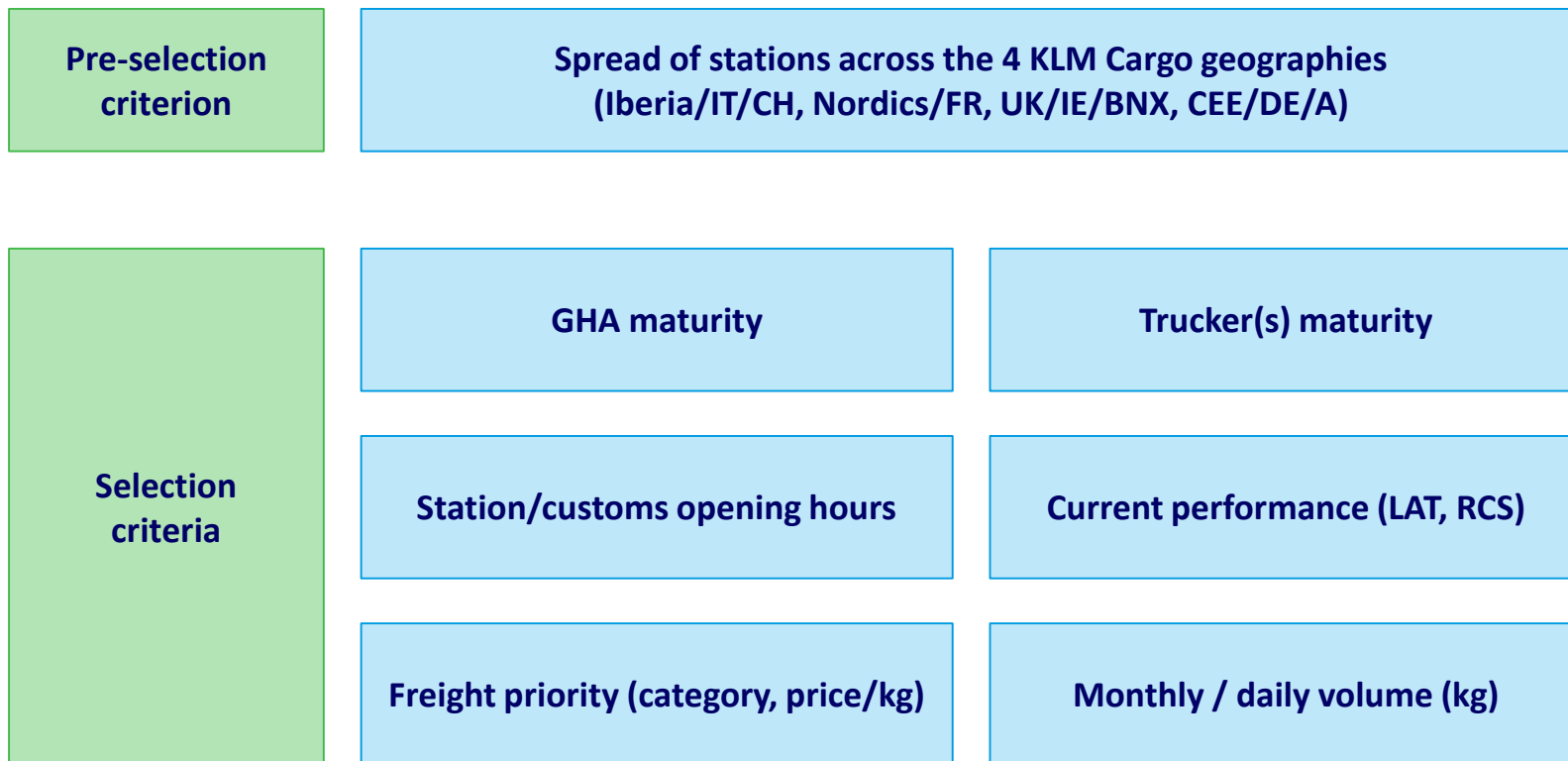
The roll-out per station can be divided into an initial onboarding stage, the actual roll-out and an ongoing communications and change stage



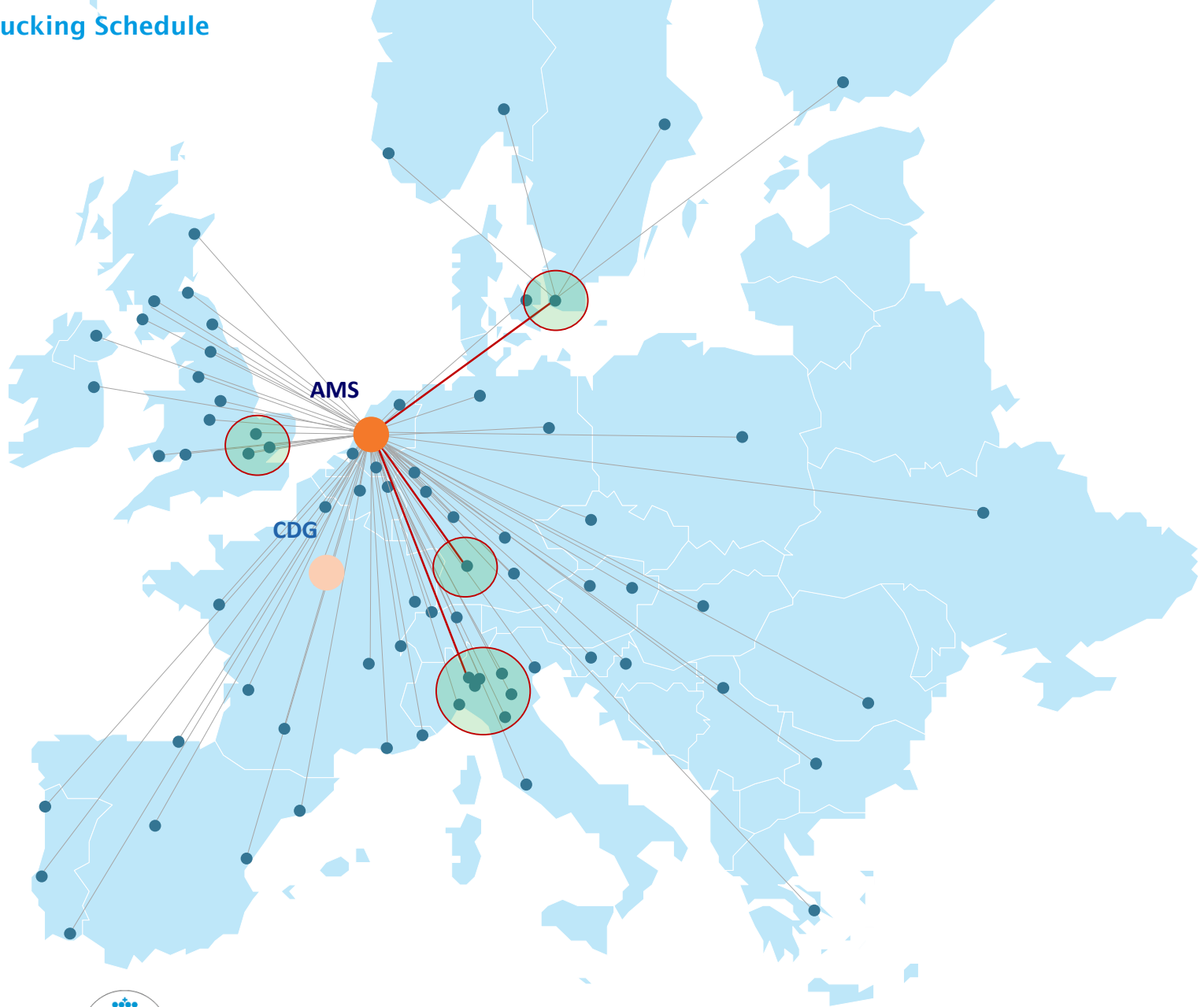
The proposed roll-out plan distinguishes four core clusters of activities and a communication stream that need to be carried out at each station



The roll-out will be evenly distributed across markets, to enabled focused support from the regional area managers



Integral Trucking Schedule



Content

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Backlog of improvement elements

1. Start with redesign of trucking process to '*Dual*' option (bigger stations/only ops trucks on smaller)
2. **Implement the LAT milestone (3 Hrs), FOH status updates and Late-Show process**
3. **Finalize business rules for acceptance**
4. **Implement the designed acceptance process**
5. Consider gateway principle for FRA (Trucks ex Poland)
6. Centralize CP role of FRA
7. **Process the physical cargo according planning and respect co-load- and selective loading rules**
8. Process the data into the cloud environment
9. STM and FFM will trigger 'Cargo status is final and on the way' data is ready for processing at HUB'
10. Enable truck Check-in mechanism as to link driver to the load and steer on arrival time
11. Prioritize the truck-movements based on the connection time and cargo on board
12. Redesign flight planning process related to new connection times T/M/Loose (revised to 4 hrs)
13. Design physical flow at HUB for T/M/Loose

Optimize IT structure 'Reservations Only' set up with GHA's

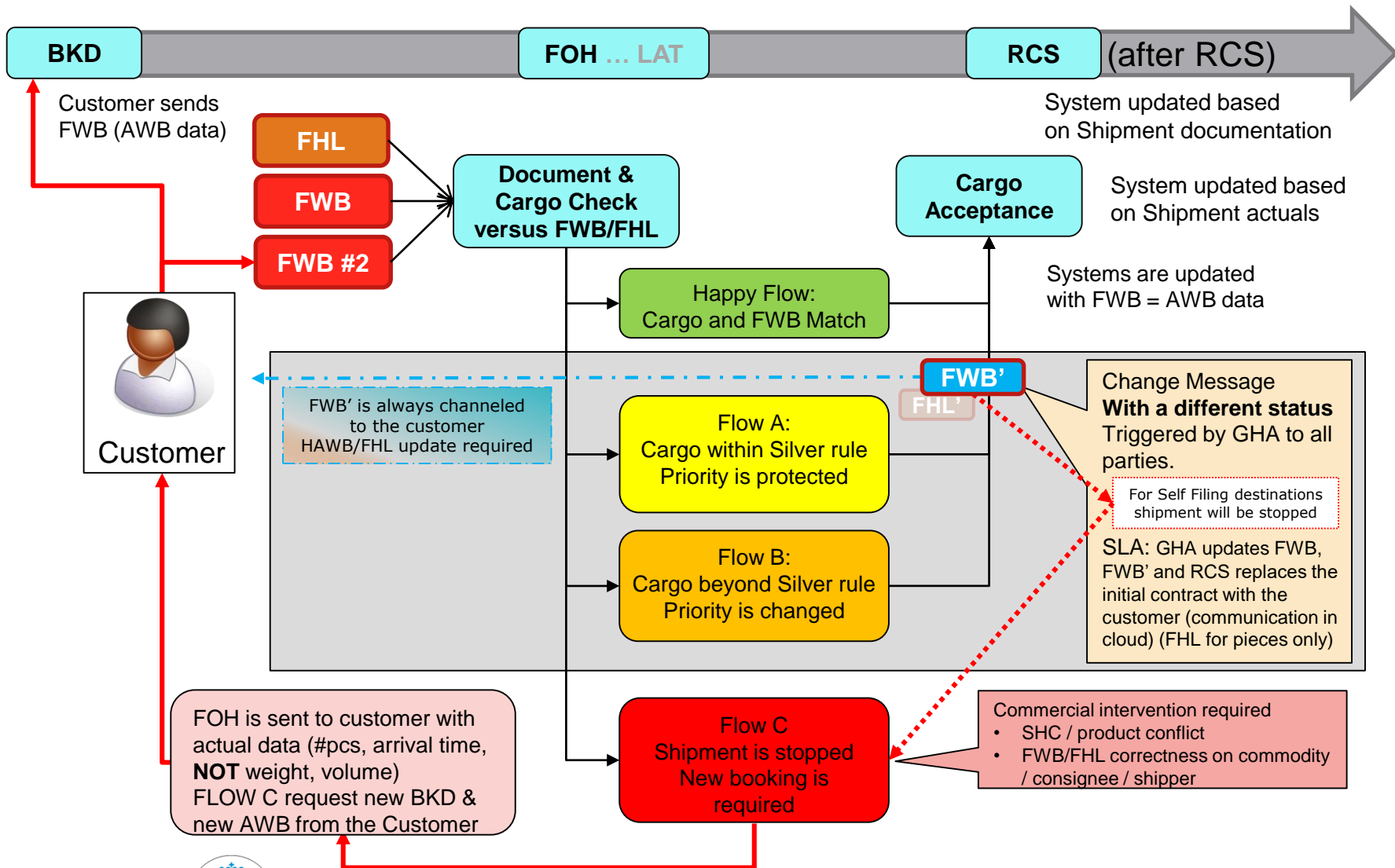
1. **Constantly improve booking reliability and data quality of H/M AWB**
 - **Implement detailed feedback loop in case of errors/mishaps or improvement elements**



Bold = in progress
Italic = added / revised

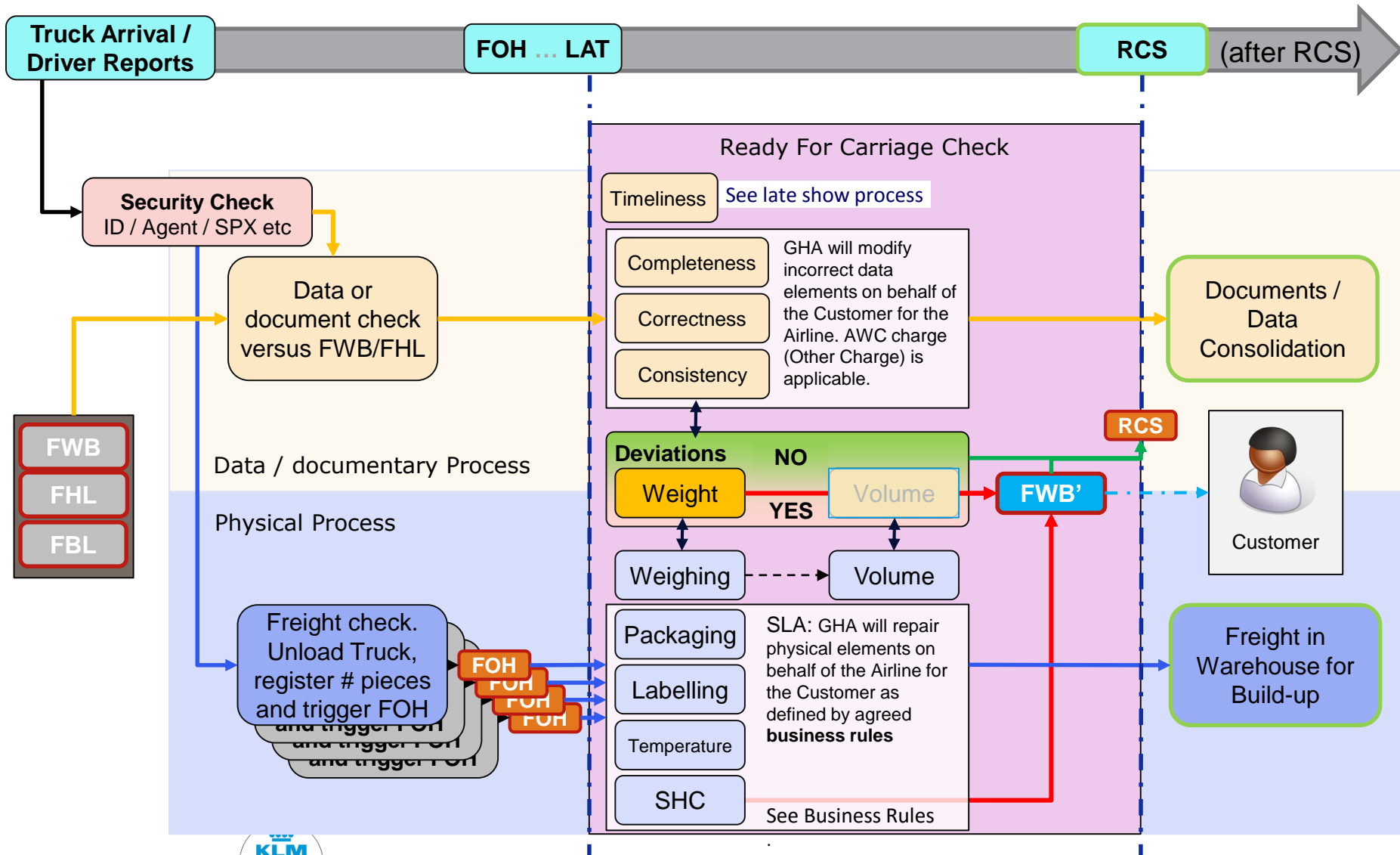


Deviations during Acceptance

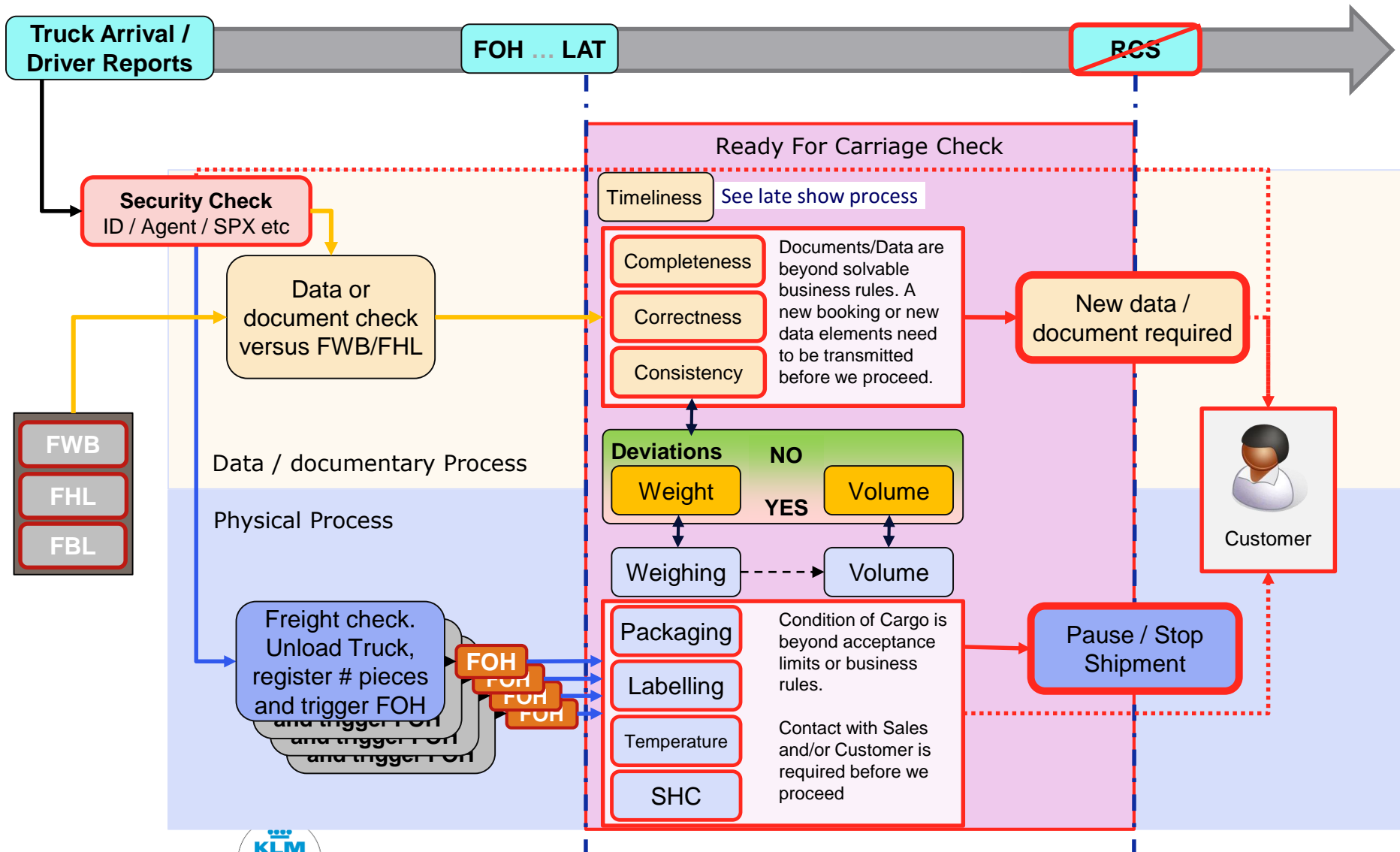


Actual vs FWB check by Operations
(Actual/FWB') vs Booking check in commercial systems

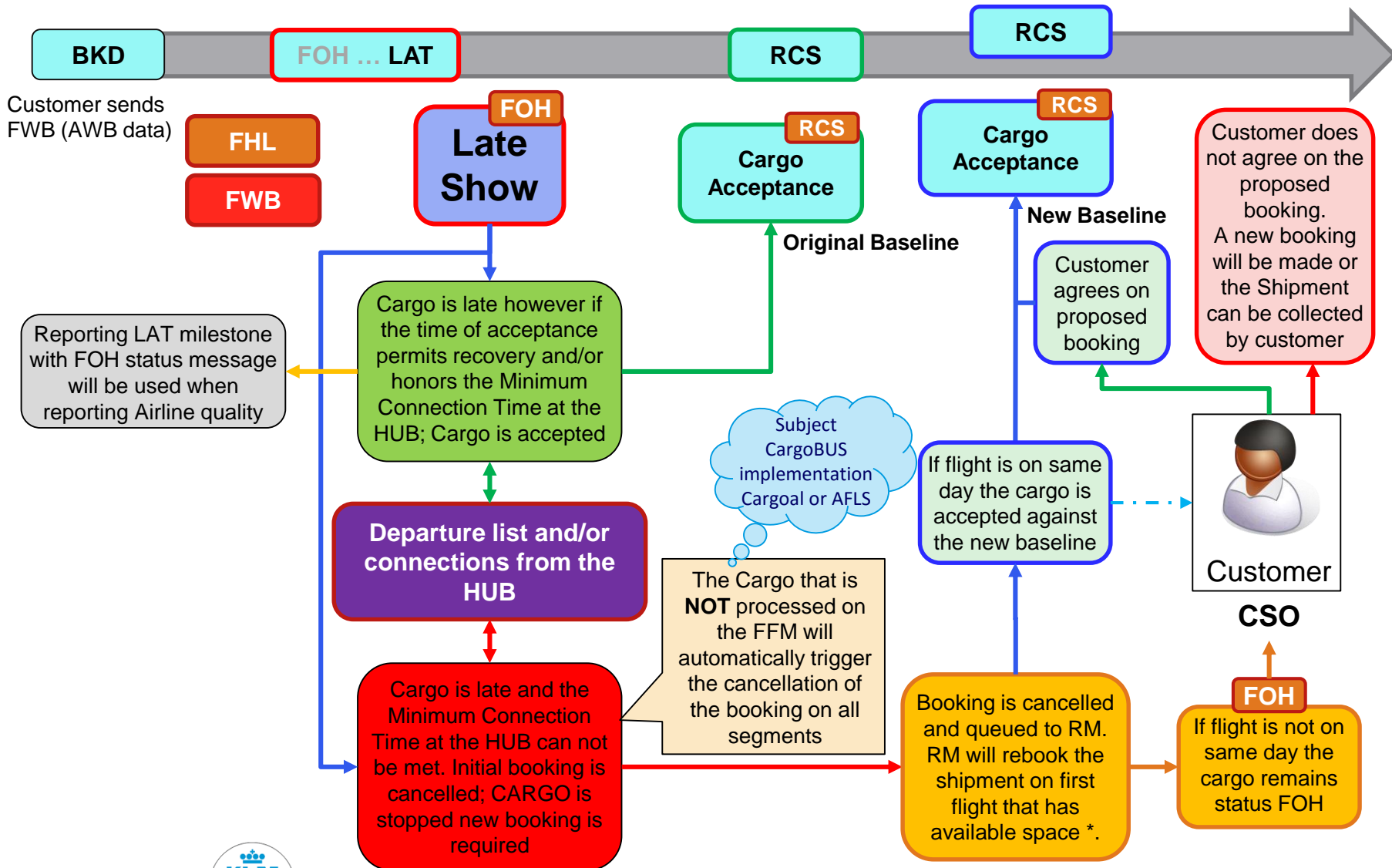
Physical Acceptance Process Green/Yellow/Orange flow



Physical Acceptance Process **Red flow**



Late Show Process

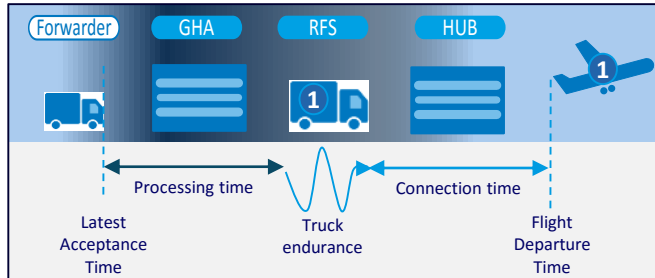


Manage Expectations Late-Show

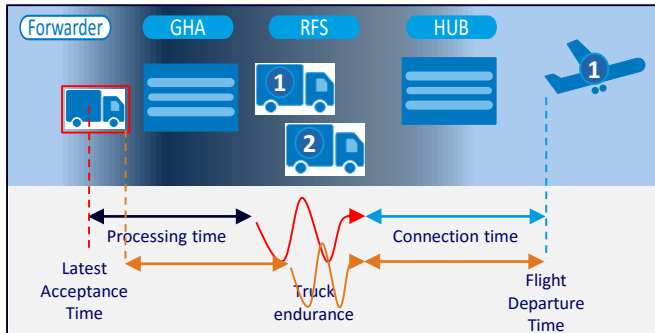
- Current non-sustainable process
 - RM-SIN has been changed to RM-AMS/CDG
 - Cancellation of segments by SCS in Cargoal
 - Disremark and Queueing in Cargoal
- Principles
 - RM will not allow others to book without EC/SCB check
 - GHA's will operate in own systems (Reservations Only set-up)
 - ~~- Process need to be embedded in AFLS and not in Legacy~~
- Options (CCC support?)
- ~~▪ Requirements for 'automated' process written -> CR for Cargobus~~
- Discuss 'principle' with AF AOD for assessment on:
 - AF systems (pelican / AFLS?)
 - Roles & Responsibilities
- Change-Management to GHA's and organization is 'significant'...



As to ensure Cargo will fly on the booked flight; LAT will be introduced **GREEN Process**

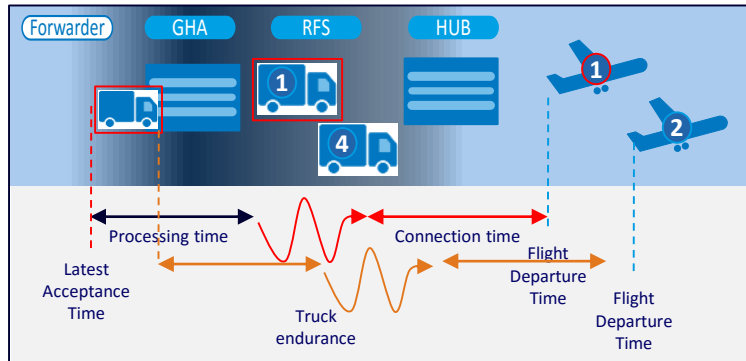


Ideal process

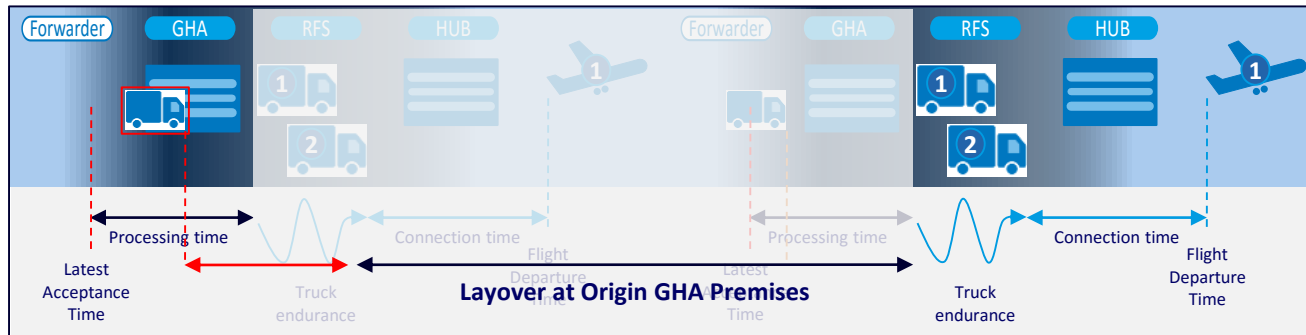


Green process;
Recovery at Outstation or on
Minimum Connection time is possible

As to ensure Cargo will fly on the booked flight; LAT will be introduced **RED process**



Red process with flight on same day possibility



Red Process

Shipment is late and misses same truck and same day connection at the HUB.
Cargo will be rebooked and layover at origin until next days-truck departure.
In case of commercial discussion, ample time to manage or cancel the shipment

New Trucking Principle (final step)

kind	#	LAT	DEP	ARR	CT	Conx interval	Remarks	
	MP8344		2:00	10:00	8		MP Traffic only	
	MP8346		3:00	11:00	8			
OPS-BKG	8348		1:00	9:00			Same day connections Flight Optimization	
	8352	-1 23:00	2:00	10:00	5-7	15:01		17:00
	8354		3:00	11:00				
	8356	1:00	4:00	12:00	5-7	17:01		19:00
	8358		5:00	13:00				
	8360	3:00	6:00	14:00	5-10	19:01	23:59	
OPS-BKG	8370	7:00	10:00	18:00			LONG	
	8372	8:00	11:00	19:00				
	8374	9:00	12:00	20:00				
	8376	10:00	13:00	21:00				
	8378	11:00	14:00	22:00				
	MP8350	18:00	21:00	5:00	8		MP Traffic only	
OPS-BKG	8084		16:00	23:59			Next Day Departure ONLY Selective Loading Flight Optimization	
	8086		17:00	01:00*				
	8090	17:00	20:00	04:00*	5-7	9:01		11:00
	8092		21:00	05:00*				
	8094	19:00	22:00	06:00*	5-7	11:01		13:00
	8096		23:00	07:00*				
	8098	21:00	23:59	08:00*	5-7	13:01	15:00	

Executive Summary / Context



Redesign of the Origin-to-HUB Cargo Value Chain

Part of Schiphol 'Smart Mainport Program'

Supported (co-financed) by Topsector Logistiek

Why: 80% of export cargo handled in KLM warehouses at Schiphol comes from 81 EU stations
The flown-as-planned quality need to be improved

What: An 'Operational Proof of Concept' on trade-lane Frankfurt/Amsterdam (before April '17)

- | | |
|--|--|
| <ul style="list-style-type: none">• 'Advanced acceptance' process modified and implemented• Shorter (at least 2 hours) itinerary for shipments in general• less 'physical' touching points• less rework and repair• All according LEAN concepts First Time Right / Just In Time.• Increase of booking reliability | } <ul style="list-style-type: none">• Increased quality• Drive for efficiency / productivity• Higher volumes (same footprint)• Eco friendly (less CO2)• Increased loadfactor |
|--|--|

How: A 'Consortium' approach with leading and innovative Business Partners plus Authorities

1. European Green Fast Lanes: Agile redesign of the physical cargo process
2. E-acceptance project: building front-ends for users
3. Mainport/Cargonaut: Development of an Industry-Data-Cloud platform (*back-end*)




Upgraded transparent integral business processes
Data driven real time consistent Cloud environment
Apps / based on API's



EU Green Fastlanes Vision Board

Together we transport your cargo Fast and Easy



Themes 	Epics 	Target Groups 	Needs 	Product, System or Tool 	Value 
<ul style="list-style-type: none"> ○ Source Data Availability (Booking vs FWB / M-HAWB correctness) ○ Remote Gateway handling ('Latest acceptance' / Acceptance / Planning / Processing / Digitization) ○ Optimum truck management 'Hot' or 'Not' status (Ordering / Planning / Check-in / Prioritizing) ○ HUB Handling (Yard Management, fastlane for green cargo/ physical handling / documentation) ○ Data Sharing / Cloud platform (interaction with Mainport team) 	<ol style="list-style-type: none"> 1. Redesign of trucking process ✓ 2. Implement the LAT milestone and FOH status updates ✓ 3. Implement the designed acceptance process ✓ 4. Redesign CP role of FRA ✓ 5. Processing of physical cargo (planning) ✓ 6. Process the data into the cloud environment 7. Implement 'e-link' trigger mechanism 8. Enable truck Check-in mechanism 9. Prioritize the truck-movements 10. Optimize flight planning process 11. Design physical flow HUB <p>Create feedback mechanism to Handlers and Forwarders</p>	<p>Users:</p> <ul style="list-style-type: none"> • Kuehne+Nagel • Swissport • Jan de Rijk • KLM HUB • KLM FRA ✓ CSO/SALES/OPS • Customs <ul style="list-style-type: none"> • Forwarding industry • Other Truckers <p>Mainport group</p> <ul style="list-style-type: none"> • KLM Cargo • Schiphol Cargo • Cargonaut <p>Consortium group</p> <ul style="list-style-type: none"> • Kuehne+Nagel • Swissport • Jan de Rijk 	<p>Forwarder need:</p> <p>Fast: Later delivery Short Throughput</p> <p>Easy: Transparent Less Repair</p> <p>GHA need</p> <p>Fast: Consistent input Coordinated process Less rubbish-in</p> <p>Easy: Checked data</p> <p>Trucker need</p> <p>Fast: Predictable handling time less waiting time</p> <p>Easy: Managing expectations</p> <p>KLM HUB need:</p> <p>Fast: Clean input Predictable flows Shorter Throughput</p> <p>Easy: Readily available data No rubbish in</p> <p>KLM Airline need:</p> <p>Fast: Shorter Throughput</p> <p>Easy: Transparent Less Repair</p>	<p>Upgraded transparent integral business processes</p> <p>Data driven real time consistent Cloud environment</p> <p>Apps / based on APIs</p>	<p>Benefits:</p> <ul style="list-style-type: none"> • Less repair • Less waste • Increased quality • Higher volumes (same footprint) • Eco friendly • Increased loadfactor <p>Measurable</p>