Voice of the Independent

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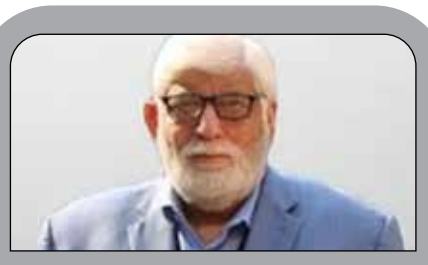
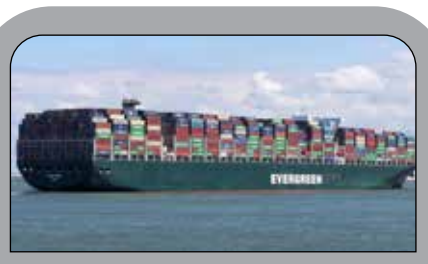
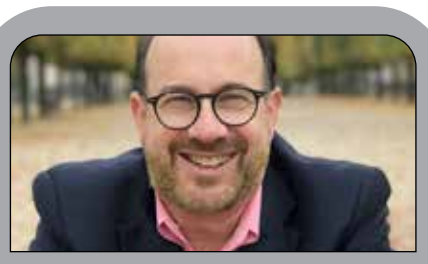
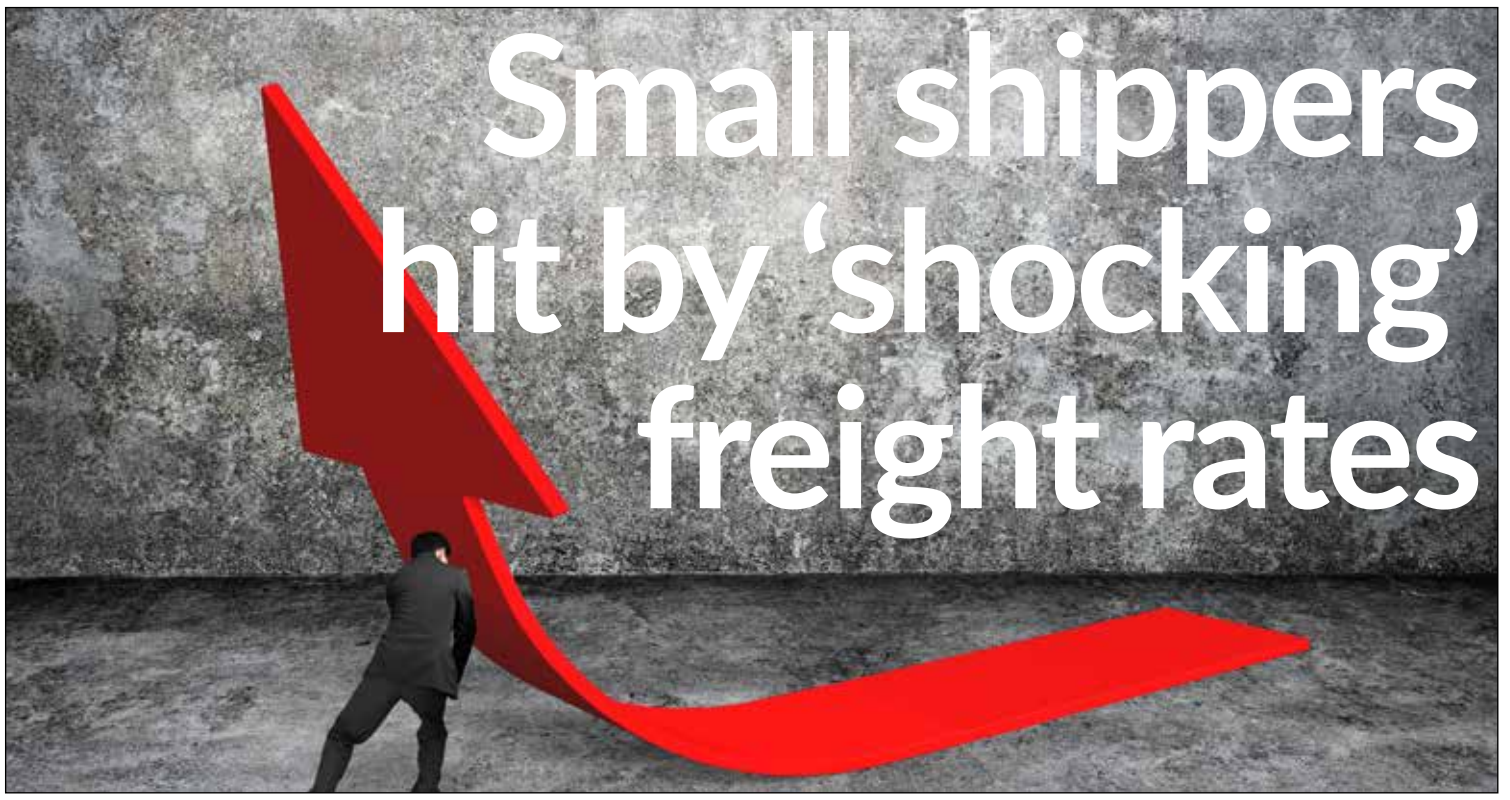








Small shippers hit by 'shocking' freight rates

Box lines expected to see nearly US$100bn in profits this year

'CRAZY' ocean freight rates are unfairly impacting smaller shippers, as margins are substantially cut.

New figures from consultancy Drewry show that this year liner profits will approach $100bn, with average freight rates up 50 per cent. Carriers recorded an EBIT in the first quarter of $27.1bn – up 1594 per cent from $1.6bn a year earlier. In fact, the quarter showed higher EBIT than the whole of full year 2020, which was $25.4bn.

"We are now getting accustomed to seeing triple-digit annual growth rates for spot rates on most lanes," wrote Drewry. "That these instances are no longer shocking is further proof, if needed, that the market truly is crazy right now.

"Average freight rates (spot and contract) across global trades are expected to rise by around 50 per cent in 2021, an uplift of as much as 30 per cent on our March forecast, indicative of the acceleration in pricing seen already through 1H21."

But those box line profits come with severe consequences for small shippers, according to Lars Jensen, consultant at Vespucci Maritime.

He explained that while major increases in rates were a challenge for everyone, smaller shippers would be disproportionately affected, because the "widening spread in the market has become a critical competitive parameter for importers – and if the spread persists, this will result in significant shifts of market share and profit within importer business segments".

> "That these instances are no longer shocking is further proof"

Jensen said that a shipper moving cargo at the lower end of the spot market would have seen rates increase from US$2,200/FFE a year ago, to $5,300 today, while another, unable to secure the lower rates, would have paid $2,700/FFE a year ago and $11,200 in today's market.

He used the example of two US shippers, both importing large appliances with a retail value of $30,000, and both selling them at the lower end of the market.

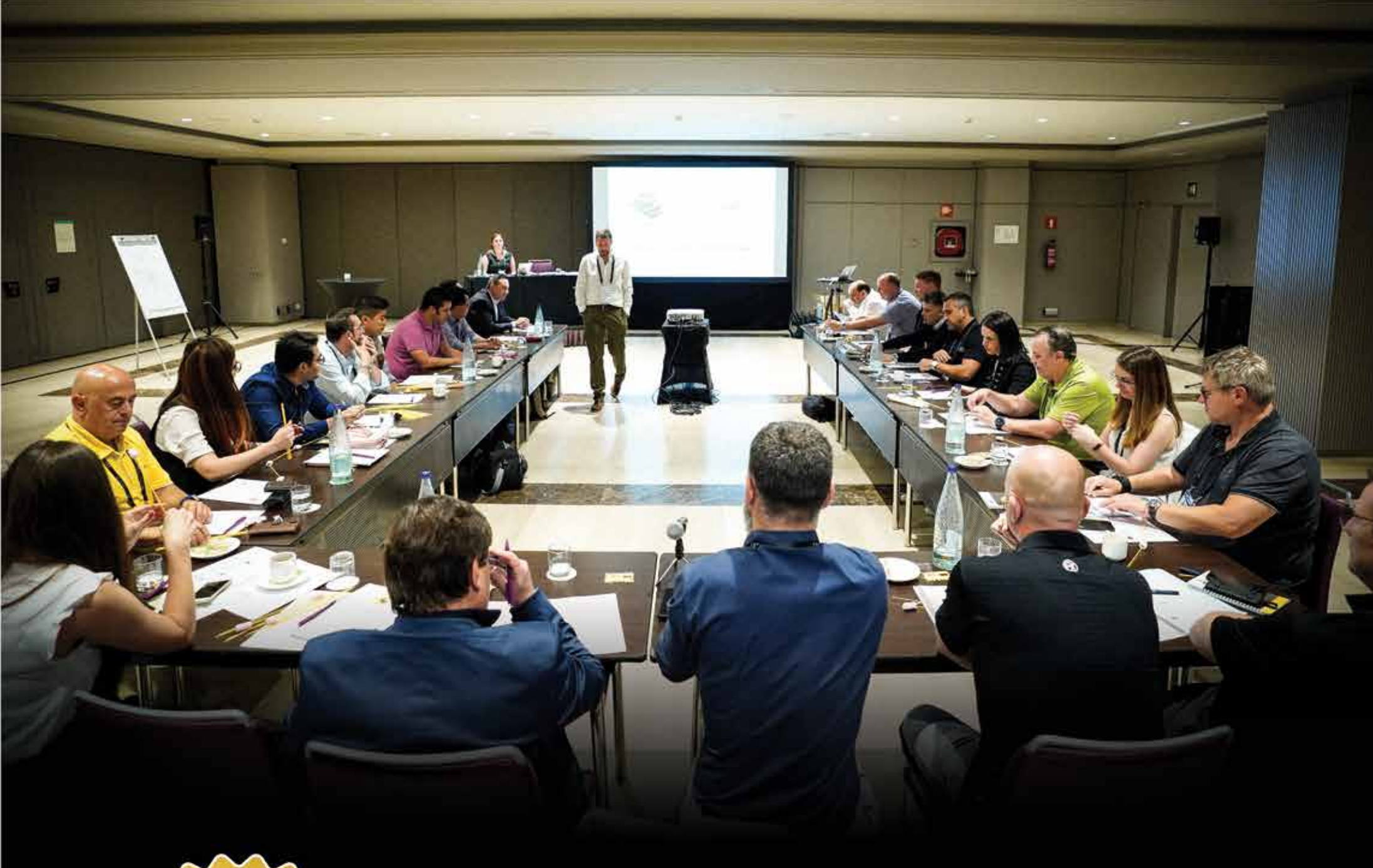
"If the importer with the lower freight rates decided to pass on the extra costs to the customer, the retail price would increase to $33,100. In this case the importer maintains the same port-freight profitability as before.

"But if the importer with the higher freight costs also increases the sales price to the same level, it would still see the margin reduced from $27,300 to $21,900 – a 20 per cent decline," said Jensen.

Rates don't seem set to fall significantly this year, although Drewry is forecasting EBIT to drop by about one third in 2022.

"Nonetheless, it would represent another astonishing performance by historical standards," noted the consultant.

Continued on page 3



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Air freight readies for busy season

FORWARDERS are preparing for a busy second half year in air freight, after a couple of months of relatively stable volumes.

May was flat, while June saw some growth, but forwarders told Voice of the Independent that the market began to change significantly at the start of July – and they expect it now to remain busy until the end of the year.

"We expect demand to stay strong till the end of 2021, due to the traditional peak season," said a Singapore-based forwarder.

Citing a backlog of goods waiting to leave China, he said rates to the US had remained at a relatively high level and were likely to increase later in the year. This has led to more airfreight capacity moving to China, out of south Asia, where some manufacturing has faced Covid-related delays.

A European forwarder, who said his air freight volumes were 100 per cent higher than a year ago, added that rates are climbing everywhere, with demand increased as shippers look to alternative modes to ocean freight, which is under severe pressure.

"Various local issues and congestion are coming together to form a very early peak, which is anticipated to continue for months to come. And it was all pretty sudden."

An analyst added: "Some retailers seem to be making the choice to move ocean imports to air despite the expense and possible financial loss, as a way to guarantee inventory and build customer loyalty while their competitors may be sold out due to logistics delays."

> "We expect demand to stay strong till the end of 2021"

The Indian subcontinent is particularly badly affected, following an increase in export volumes as lockdowns ease, but airports remain slow and congested, while rates and transit times have jumped to the US and Europe from India. Infrastructure work at Dhaka meanwhile has caused severe truck delays, just as its export market builds up. Some airlines have had to cancel or delay flights, reported one Dhaka-based forwarder, adding to the congestion – and driving rate increases.

At the same time, carriers globally are said to be 'micromanaging capacity'.

"In June, we once again saw no signs of recovery in capacity," said Niall van de Wouw, managing director of Clive Data Services. "It is abundantly clear that airlines are micromanaging their flights because the pressure is everywhere and, in the case of cargo-only services by passenger airlines, the capacity out there is expensive to operate."

Outside of the forwarding market, economists and analysts believe there will be a 'traditional' air freight peak.

Noting "a highly supportive summer period [an unusual thing for the 'normal' airfreight market] stretched inventories and the reopening of economies post-Covid", Peter Stallion, head of air and containers at Freight Investor Services, said the market would likely see both strong demand and "strong forward capacity".

Bruce Chan, VP global logistics for Stifel, said he didn't expect a return to 'normal' rates for a while.

Noting that air freight rates are now connected to passenger demand, epidemiology and port operations, he said none of the factors pointed toward "structurally lower rates anytime soon".

Stifel reiterated that it didn't see a big return for long-haul passenger travel before 2023 or 2024, but Chan said rates were unlikely to stay at this level for another three years.

But he added: "There are structural factors that may keep rates higher than before, including the global rise of e-commerce and the fractionalisation of supply chains in search of labour, capacity and production diversification.

"And several large freight forwarders have now declared air charter to be a permanent part of their service offering, not just peak capacity in-fill."

Chan said rates could be expected to remain high until next year, and were likely to rise sharply soon.

"Recall that there was no back-to-school season in 2020, retailer inventories remain near historic lows, ocean capacity remains under pressure and port terminal bottlenecks and trucking shortages are increasing hinterland lead times.

"These factors will be slow to unwind, in our view, and leave precious few alternatives to airfreight for shippers in need."

BRUCE CHAN
Stifel

Rates misery and charges doubled

continued from page 1

There has been a slew of newbuild orders, which begin to deliver in 2023, which could cause a drop in rates – but it won't matter much to the lines.

"Even if carriers do revert to type and the current newbuild craze ends the upcycle in 2023, they will have made so much money between 2020-22 that they will be set up for years to come," noted Drewry. "They could potentially make as much profit in this window as they could have hoped in a decade, or more."

However, there is a downside.

"Carriers' only account in deficit is public relations. With increasing attention on shipping's environmental footprint and tax contributions, lines are in danger of being cast as profiteering villains, unsympathetic to the needs of their customers. We hope they will be good global citizens and do more to help improve the efficiency of the supply chain."

It's not just freight rates causing misery however. Detention and demurrage charges have doubled during the pandemic across the US, Europe and Asia, while shippers claim they don't know what the costs are for.

Global Shippers' Forum executive James Hookham said shippers could not understand what they were being charged for as they got 10 days' free storage time.

"But what if the vessel is late?" he asked.

According to the Container Xchange survey, D&D charges in the world's 20 largest ports, increased 104 per cent in 2021 compared with 2020 – an average of $666 per container.

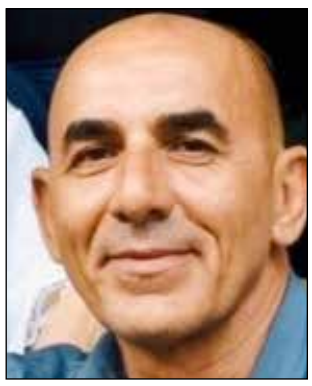
It added: "On average, demurrage and detention charges reached $1,219 per container after two weeks in 2021. The cheapest is Cosco in Busan and the most expensive is CMA CGM in Long Beach and Los Angeles."

Focus ON

Cold comfort: perishable shippers face a capacity squeeze

PERISHABLE supply chains have been stretched to breaking point over the 18 months of the pandemic. But being classified as "essentials" has at times helped shippers find capacity that other sectors have struggled to reach. This, sales and marketing director of Able Freight, Xavier Ripoll, said likely kept many businesses afloat that otherwise would have fallen. Sales manager for Aircargo.nl, Donny Hamelink, says such was the determination to get food on the move that his perishables business was down for "only a couple of months".

"After that, it came back twice as good," Hamelink tells VOTI. "The second half of the year gave us huge opportunities to reach out to potential new clients. Bigger companies were suffering higher costs and needed to make up for this with a higher margin. Smaller companies could have taken the advantage with lower costs and a lower margin in combination with a better service. We did not look at the pandemic as high risk, we looked at the opportunities the pandemic gave us, and we took advantage of these."



XAVIER RIPOLL
Able Freight Services

Similarly, Ripoll says that with the exceptions of Mexico and the US, Able Freight has managed to service "most of our customers" around the clock. This, he continues, was made possible because of the relationships developed with the airlines – and the fact that these very same carriers had found a means to get their fleets moving cargo again.

"While most passenger planes were grounded, we were able to capitalise on the close relationships we have developed with our airline partners, both passenger and cargo, over the past 28 years," says Ripoll. "This allowed us to access capacity, providing Able the confidence to continue to service our customers.

> "While most passenger planes were grounded, we were able to capitalise on the close relationships we have developed with our airline partners"

"This wouldn't have been possible without the communication and attention to detail from our warehouse, operations and customers coordination. Indeed, when it comes to air freighting perishable cargo, our customers trust in our ability to get through situations and [succeed in the] delivery of high-level services."

Hamelink believes the efforts made by his team have been responsible for forming new relationships with exporters the world over. But beyond new customers, he is not sure if there will be a significant change to the way global supply chains operate post-pandemic, other than maybe broadening reach.

"A lot of exporting companies have found new partners over the past months. The rates were fluctuating a lot, as there were almost no passenger flights," he says. "Naturally exporters are shopping about as the rates have increased a lot."

He says that while some rates have now declined, rates are still at high levels in North and South America.

"But in general, I think that most of the changes that have been seen or reported are simply a response to the pandemic, and in all likelihood, I expect that most things will get back to normal. Although, I believe many companies will try to handle more different product types, so they are safe whatever happens in a particular branch."

Hamelink sees a return to standard operating procedures when the virus is eventually brought under control; Ripoll believes that the pandemic sped up a transformation process in supply chains that had already begun.

"There is no doubt, the global supply chain is undergoing what can only be described as a major transformation, and I do not see this stopping," says Ripoll.

"This pandemic truly derailed all the passenger planes at an international level. The new era of remote-work and people staying home has boosted the demand for e-commerce to new levels. Many key ocean ports around the globe are experiencing backlog with some reporting delays of two to three weeks compared to what their schedule says, and this is tied to both a shortage of containers and labour.

> "The new era of remote-work and people staying home has boosted the demand for e-commerce to new levels"

"As a result, growers and exporters are experiencing difficulties booking and supplying their overseas customers. We strongly believe that cooperation and collaboration are the key ingredients to pursuing a greater future in this new operating environment."

And how will the perishable sector be transformed?

"Ocean and air logistics are here to co-exist," says Ripoll.

Hamelink is quick to note that his company does not handle any sea freight – but he also says that he is witnessing an increase in frozen food stuffs – typically the best perishables to go by reefer – now moving by air.

Improvements in technology are making it possible to keep food fresher for longer, and increasing amounts go by sea

He adds: "There is not a lot of equipment available in ocean freight and the combination of that mode's high rates and the present urgency for shippers, means we are seeing airfreight getting more popular after all."

Perishables have long been cited as a sector likely to see modal shift. Where once, much flew by air, improvements in technology are making it possible to keep food fresher for longer, and increasing amounts go by sea.

"Airfreight is, at the end of the day, the fastest way to get to any key market, but ocean freight offers a competitive option and refrigerated containers have proven to be safe, reliable and able to keep most commodities fresh," continues Ripoll.

"The future could be a combination of multimodal solutions, for instance, a combination of air and sea. We will definitely see technology and data drive both ocean and airfreight towards something more efficient and sustainable. The goal is being able to do things better and achieve a greater balance throughout, with ships and planes full on both legs. The most perishable cargo of all is empty space, be it onboard a boat or a plane."

Director of pharma & government affairs at AGL, Jackson Campos, agrees but he also points to some sticking points in the process – not least of which has been the lack of empty

DONNY HAMELINK
Aircargo.nl

Perishables

containers in Brazil.

"There are shippers who have been trying to source a single, empty reefer for six months… and yet, no luck," Campos tells VOTI.

It is not just forwarders pointing to such difficulties. Reefer analyst at Drewry Maritime Research, Philip Gray, also notes the many difficulties shippers are facing in sourcing reefer spots.

"Supply chains are extremely stressed at the moment and any airfreight business which wants to transfer to sea will find it very difficult to source a reliable transit time – end-to-end including terminal times, etc - under current circumstances," Gray tells VOTI. "Maybe with very few exceptions in which there are direct services with no transhipments and high levels of reliability it could take up some of that cargo.

JACKSON CAMPOS
AGL Cargo

"Reefer cargo is only a small percentage of the cargo moved worldwide, so in the vast majority of cases it 'rides' on complex routes and is prone to all the woes that are felt right across the broad containerised world. Reefer shippers are facing the reality that they are 'riding' on a different set of rules, or rather normal supply and demand rules."

> **"There are shippers who have been trying to source a single, empty reefer for six months… and yet, no luck"**

Reefer rates are reflecting higher demand. Drewry's reefer index jumped 29 per cent year-on-year in the second quarter of 2021. But this, says Gray, "is still a fraction" of what was recorded in dry cargo, which over the period saw a 167 per cent spike.

"Depending on the area in the world it can be difficult to obtain the space but also a predictable arrival time," Gray continues. "We have now witnessed many shippers having to hastily arrange specialised reefer charters to avoid losing sales due to lack of space on container lines or missing their selling windows in the case of fresh produce.

"For many years reefer rates had been very low in absolute terms with abundance of space and container lines fighting for cargo which was paying a premium over the very low dry cargo rates. Repositioning of empty containers was also not a great issue as there was always some space available, and anyhow the cargo they were displacing was low paying.

"But now the need for shippers to engage with their service suppliers is paramount, gone are the times in which space was a quick phone-call away. Planning and meaningful long-term sustainable relationships marks the difference between those reefer shippers that are managing well in the present situation, and those that are found literally 'in the cold'."

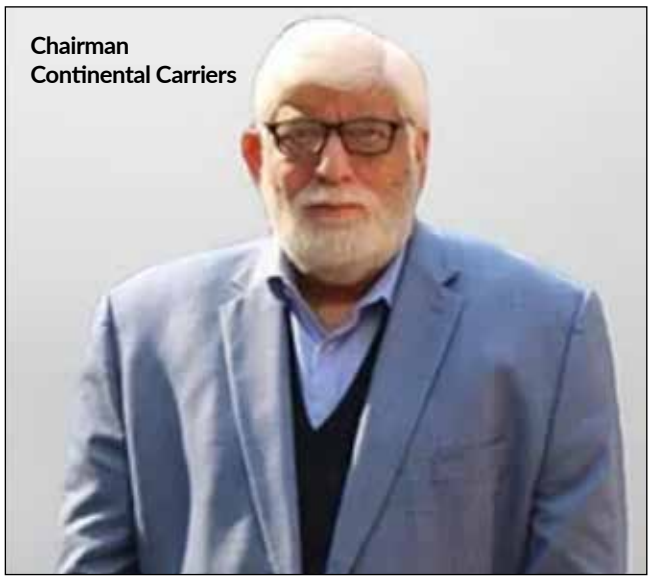
Campos reaffirms the difficulties for perishable shippers in finding capacity. Unlike many of his forwarding contemporaries, plagued by the grounded global air fleet, for Campos and Brazil in general it was the lack of sea freight capacity that hit the country's food exports.

"From Brazil the most affected industry was the sea businesses as the major exported commodity is meat," says Campos. "Of course, there are fruits and others, but they have agreements with the airlines and even though the rates increased and space was reduced, they are still exporting. And now Brazil has increased its food export volumes with the pandemic still raging. Those shippers that have contracts with carriers are the ones that enjoy preference to get empty containers. As new meat manufacturers have got the sanitary license to export to China, we will keep facing problems if carriers don't increase their fleet. As far as air's concerned, the necessary changes will be for the carriers to sort out."

Spotlight ON

Vipin Vohra

Incredible India


Chairman
Continental Carriers

DELHI-headquartered Continental Carriers, which has a further 18 offices across India, has been in the thick of it this year. India, famously, has had a tragic year. But, like many independent forwarders around the globe, Continental has put itself at the heart of the supply chain and has worked hard to transport Covid-related equipment, often free of charge. In fact, it has even been recognised for its services by India's Ministry of Health.

"We handled three charters within two weeks, carrying oxygen tanks and crucial raw material for producing oxygen"

"The second wave of Covid was really devastating," explains chairman Vipin Vohra. "There was a huge, unexpected demand for oxygen, and Continental managed to do the best for the Pharma & Healthcare segment.

"We handled three charters within two weeks, carrying oxygen tanks and crucial raw material for producing oxygen.

"Apart from this, we shipped PPE kits, oxygen concentrators, and other pharma-related shipments. During this tough time we worked seamlessly with NGOs and hospitals to ship required essential material across the globe free of cost. We decided to ferry oxygen for one of the prestigious hospitals in Delhi free of cost for almost a month.

"This became possible due to our determination to stand with the nation during this hard time and, of course, our experience in this field helped us to achieve the desired outcome."

The situation is now "under control", with demand back to normal levels.

Like other companies, Continental found the initial Covid 'wave' difficult.

"The initial days were a little disruptive as we had never been through this situation. There was a shortage of drivers, a demand – supply difference, terminals were packed, and everything was at a halt.

"It took us some time to understand the situation, but we concentrated on the solutions and soon things started coming under control. In fact, Continental Carriers was the first company to start operations and help others manage shipments during the first lockdown."

He adds that "slowly and steadily" shipments began to move again, with authorities such as the airport, the ministry of civil aviation and Customs working 24/7.

Vohra says the first priority was to deliver shipments "without adding any extra cost burden to our customers, [to ensure] safety and security of our people and shipments, and find solutions to unprecedented challenges".

Continental then began planning for the longer-term. It put its major focus on pharmaceuticals and expanded in the cold chain, launching its ContiCool cold chain solution to manage global pharma demand. And it added manpower – it now has more staff than pre-Covid.

And, in line with other forwarders around the world, it saw rising demand in one of its sectors, ecommerce.

"There was a good revenue increase in ecommerce business during this lockdown," says Vohra.

"With pandemics around, as every day we are hearing about new variants popping up, consumers are scared of going out and shopping for day-to-day needs. Frequent lockdowns have made them comfortable about online shopping. Consumers are happy getting offers on digital platforms and making contactless payments."

A separate company, TNX Continental, manages the group's ecommerce demand, and it is expanding its warehouse network, as well as working 24/7 to "provide a smooth service".

Perhaps surprisingly, even Continental's aerospace business remained busy. "In fact, we shipped the most in this segment," says Vohra. "Engines for helicopters."

One of the biggest challenges facing companies in logistics has been the - in some cases -devastatingly high costs of transport. Vohra says Continental has worked hard to keep major shocks from its customers.

"Our relationship with clients has become better during this period, their trust level has got better with time"

"We are trying to control the cost with innovative solutions, and trying our best to not let customers get affected much by this. Customers are also cooperative and supportive enough in understanding the situation.

"Our relationship with clients has become better during this period, their trust level has got better with time."

WCA membership has helped too, he explains. "With a genuine and vast network of freight forwarding partners at WCA, it becomes easier to identify the right partner to collaborate and manage shipments globally."

But the key to success in this environment, he believes, is investment, in technology and people.

"Investment in technology is a continuing process for Continental. We have always understood the importance of digitisation and technology in the logistics business. [New] technology helped us overcome these challenges easily.

"It has always been about survival of the fittest for any business, and this has become more true during this pandemic. Those who invested in manpower, technology and infrastructure are managing well in comparison to others.

"Being digital is the only way forward in this industry, so yes, we are going to see digital forwarders who will be investing heavily on infrastructure development to provide the best to customers.

"And It is high time to invest in technology, multi-product focused shipments, and to visualise proactive solutions for unexpected disruptions - which are bound to occur in future."

The 'Ever Stuck' leaves Egypt

THE Ever Given, the ship which forever will be remembered for blocking the Suez Canal, is set to reach Rotterdam in the middle of July after finally getting the go-ahead to leave Egypt.

The vessel was allowed to leave after its owner, Japan's Shoei Kisen Kaisha, reached agreement on the amount of compensation due to the Suez Canal Authority (SCA) after the grounding of the vessel. The terms of the settlement have yet to be disclosed, although it is thought to include the delivery of a tug.

The agreement followed a request to adjourn the case launched by the SCA against Shoei Kisen for compensation for the canal blockage, with the request accepted by the court in Ismailia.

The ship was due to stop at Port Said for a survey, before finally continuing her journey to northern Europe.

The industry welcomed the news – in particular the relief for the mainly Indian seafarers aboard the ship who have lived with months of uncertainty.

Insights IN

Seafreight – comment by Mike Wackett

MIKE WACKETT
Sea Freight Consultant, FICS

Ever Given shippers enjoy cheaper rates

AFTER more than 100 days under arrest in the Great Bitter Lake, the 20,124 teu Ever Given has finally been released by the Suez Canal Authority (SCA) to complete its voyage to North Europe after a survey.

Four months after the containers were loaded in Asia for European consumers, shippers will finally get the opportunity to take delivery of their cargo at Rotterdam – once the complex and unwieldy General Average process is completed.

Through gritted teeth, the Japanese owners of the Evergreen-operated ship, Shoei Kisen Kaisha, their insurers, The UK Club and the SCA exchanged platitudes amongst the pomp and ceremony of the vessel's departure from its anchorage detention, where it had spent over three months just growing barnacles on its hull.

> **Four months after the containers were loaded in Asia for European consumers, shippers will finally get the opportunity to take delivery of their cargo at Rotterdam**

At the time of writing the GA percentage bond on the value of cargo for the tens of thousands of bill of lading holders is still to be determined.

However, it is clear that a huge number of shippers that were not insured, or consignees that no longer want the products that were due to arrive at Easter, will decide to abandon their cargo.

Others will face a further wait while the antiquated GA process plays out - assuming that importing companies that had committed a sizeable amount of their goods on the beleaguered ship have been able survive the disruption to their business.

The Ever Given General Average is likely to be one of the biggest in the history of containerisation and has all the hallmarks of being the messiest, with claims and counter claims pinging to and fro between shipping lawyers for months and years to come.

As is the norm in the liner industry, after the most basic of voyage update advisories from Evergreen and its Ocean Alliance vessel-sharing partners, the carriers will then distance themselves from the GA process.

This is partly because they are advised to do this by their P&I insurers, but another factor is that they wish to wash their hands of the PR nightmare and instead leave the unfortunate shippers that managed to secure space on the Ever Given in the GA legal quagmire.

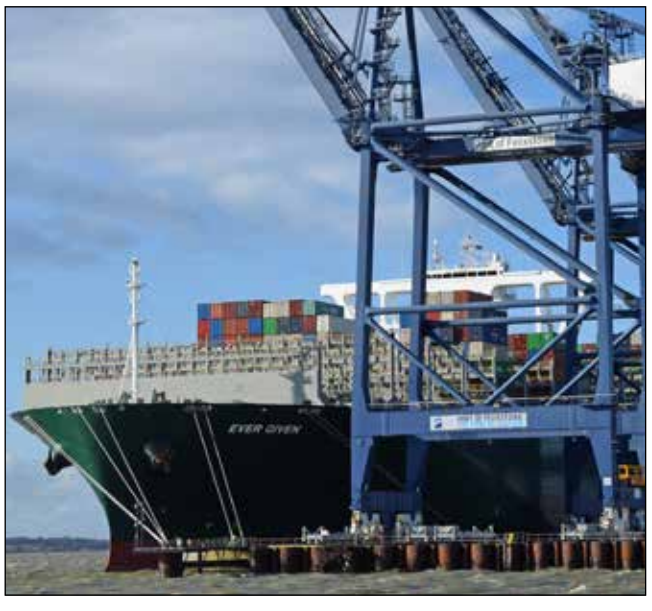
Nevertheless, for those shippers that do still have a market for the products that they ordered from Asia over six months ago, and are insured and able to navigate their way through the legal morass, there is some good news: they have the benefit of a cheaper freight rate than their importing rivals, potentially giving them a competitive market advantage.

At the time of the Ever Given's loading on its westbound voyage the spot rate from Asia to North Europe was starting to wane at about $8,000 per 40 ft and many shippers still had the benefit of unexpired contracts and would have paid considerably less.

A quick look at the current spot rate indices tells us that the spot rate is now somewhere near $12,000, but that does not tell the whole story.

Since the Ever Given inexplicably got wedged across the north – south artery for six days, stymieing the supply chain and tying up billions of dollars' worth of freight, the actual price paid by shippers on the route has sky-rocketed with the introduction of a raft of premium fees and charges by carriers required to secure shipments, lifting the all-in price to ship a 40 ft container from Asia to North Europe to $20,000 and above.

Entrepreneurial European importers could find that there is a silver lining in the Ever Given arriving four months late – that's unless, of course, they are expecting a consignment of Easter bunnies.



Talent-less: staffing challenges

AT the beginning of June Amazon officially dropped its drug screening policy for marijuana use for new hires in warehouse and other logistics jobs in the US. The decision may have been impacted by increasingly lenient state laws on the substance, but without question the main driver has been the shortage of workers in these sectors.

Warehouse operators have been struggling to recruit employees.

"It's not only the labour market, but also security for airport access. The security ID badging process can take up to eight weeks. Workers are not going to wait that long; they get a job at a fast-food restaurant," remarked Brandon Fried, executive director of the US Airforwarders Association.

The labour shortage is not limited to blue-collar jobs. Forwarders are also feeling the strain. Fried noted that this has been the most frequently raised issue by members of his organisation recently, bar only the new security regime around the mandate to screen airfreight that goes on freighters.

"There's not enough talent available," confirmed Helmut Berchtold, head of the US arm of logistics recruitment specialist adi Consult.

Both he and Fried observed that the shortage of qualified staff is across the board, from compliance to air and ocean imports and exports.

The pressure to find new recruits is intensified by concerns that existing staff may experience burn-out, Berchtold warned.

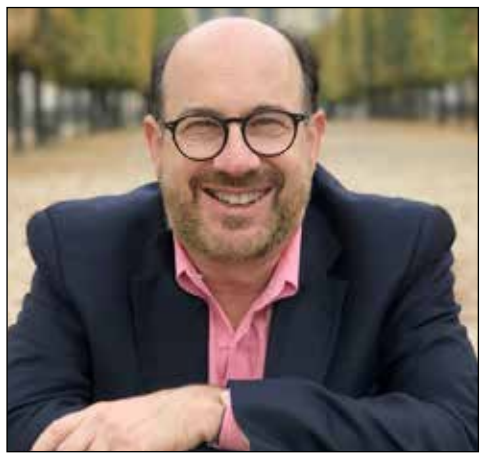
"Companies are forced to burn their people out. Business is up, there's lots of freight, but not enough resources, so what do you do? You're not going to turn business away and send your people home at five. People haven't had a vacation in a long time," he said.

Before the pandemic the market was awash with experienced forwarding personnel made redundant by the slow market, or mergers and takeovers, but this pool has dried up in recent months as logistics firms have begun to scramble to bolster their ranks.

Joe Delli Carpini, president of Cargo Tours, had a new recruit lined up, who called the Friday before he was due to start informing him that he had received a better offer. As in the trucking sector, firms are offering higher pay to recruit qualified people.

"You cannot get qualified people unless you pay a super premium. People are picky because they know they have choices," said Berchtold.

Luring recruits with elevated pay is problematic, as it wrecks the pay structure, he pointed out. "If you go down that road, you boost the existing pay framework. Your existing staff will be unhappy that newcomers get more pay. Later, when the market is back to normal, you have people that are overpaid. They're not going to accept less. Either you let them go or you charge your customer base," he said.



BRANDON FRIED
Airforwarders Association

Alternatively forwarders could recruit people at more junior levels and train them to take on more senior positions. Usually this brings in staff who do not have the full skill set for the position that they are ultimately meant to fill, but with some required strengths already under their belt.

> "Young people will stay if the package includes training and ascension to upper levels"

"You don't want to start training from Adam and Eve," commented Berchtold.

Fried emphasised the importance of offering recruits training to elevate their qualifications. "Young people will stay if the package includes training and ascension to upper levels. They ask how invested you are in their development and how flexible you are," he remarked.

The disruptions in the market since the outbreak of the pandemic will be reflected in volatility on job seekers' resumes, Berchtold reflected. Some lost their job because of the pandemic and took a position in another industry to pay the bills. Human resources staff have to set aside traditional lenses and look at longer timeframes. If an applicant has been in different jobs during this period, this does not necessarily indicate a job-hopping attitude, he warned.

For their part, job seekers are often cognisant of companies' track record in employee severance. "If companies have laid off people, it depends how they did it. If you burned too many people that's known in the marketplace," Berchtold said, adding that he has had cases where applicants declined to pursue an opening when they found out which company this was with.

Cargo Tours has recruited 10 people since the market began to rebound last summer. The forwarder is in expansion mode and recently opened a station in Miami with a 20,000 sq ft facility. Now Carpini is about to take on four experienced people in one go. He is preparing to take over a small forwarder.

"They have an antiquated system, so they can't follow the new compliance requirements. They don't have the back office that they need," he said.

Many forwarders would be happy to find one or two suitable candidates in the current market conditions.

Turkish takes on Covid

TURKISH Cargo has now flown more than 100m Covid-19 vaccine doses – or about 450 tonnes - to more than 35 countries.

While some carriers have noted that the vaccines' impact on air freight has been far less than expected, Turkish said it is a "lifeline" for countries without vaccine production facilities.

Chair of the board M. İlker Aycı said; "Proving itself with hundreds of vaccine transportation operations to countries all around the world, ranging from China to Brazil, India to Democratic Republic of the Congo, along with operations to our own country, Turkish Cargo showed its reliability."

Turkish added that it had increased its global market share to 7.5 per cent in pharmaceutical transport and has become one of the most active carriers in vaccine transportation.

The airline has carried seven different Covid vaccines, requiring different cooling solutions, it said. It has bulked up its active and passive container capacity, and has prioritised medical transportation, it added.

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