

ANS Chief Sees Slow Air Cargo Growth

In a cautious forecast of what lies immediately ahead for the international air cargo industry in the opening year of the century's second decade, the chief executive of Airline Network Services declared that early indications point toward an uptick in volume in the first half of 2010.

CEO Jens Tubbesing stated that he based his prediction on the firming of ANS traffic in the final quarter of 2009 as well as on perceptions in the US freight forwarding industry. He also asserted that he did not anticipate the nation's adjustment to rates of economic growth to strike more than a moderate pace, at least in the short- to medium-term.

ANS' top executive was careful to forecast a gradual and modest improvement in an economy that is beginning to show the first slight signs of improvement. But he warned that more time is required to gain a more secure picture of business trends. When, for example, will the flow of replacements for depleted inventories reach a reasonably "normal" level.

Tubbesing was particularly positive about business activity in Middle East, Indian, Chinese and Brazilian markets. He called attention to Taiwan's and South Korea's improved prospects.

How long will it take for international air trade to return to levels prior to the sudden economic downturn? Tubbesing, who formerly headed Cargo Network Services as president, noted that there is wide disparity in the forwarding industry in respect to the answer to this question. He suggested that a consensus would place it at mid- to late 2011.

Air freight rates have edged up, ANS' head observed. He anticipated further increases, "but these will go into effect gradually." The industry, he added, has moved into the New Year with higher fuel surcharges.

Tubbesing took issue with a recent survey by an overseas source which found that roughly one-third of the respondents, a portion of whose air freight had been diverted to ocean transport, reported a lack of intention to an eventual return to airlift. He noted that there was a diversity of factors whose decisions to abandon flight were effected. These involved product, price, destination market, consignee environment, competition, etc. His personal opinion was that long-term modal diversion would be minimal.

Taking a strong stand on the relationship of quality service to restoration of vitality in the air cargo industry, Tubbesing held that the severe reduction in airline staffs has gnawed away at primacy in processing and handling.

ANS, a general sales agency performing professional services in the US for airlines based on four continents, is headquartered in New York and maintains branches in Atlanta, Chicago, Dallas, Los Angeles, San Francisco and Seattle. The company base, within easy reach of La Guardia and John F. Kennedy International Airports, is located at 1979 Marcus Ave., Lake Success, New York 11042. Phone: 516-622-2352.

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