

# ULD CARE's IULDUG System



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# Overview

- Basis for the IULDUG system?
- What purpose does the IULDUG system serve?
- Features and Benefits
- What is the future for the IULDUG system?



# Basis for the IULDUG System

- IATA Multilateral Interline Traffic Agreements (MITA)
- The IATA Multilateral Interline Traffic Agreements (MITA) is an agreement whereby passengers and cargo use a standard traffic document (i.e. passenger ticket or air waybill) to travel on various modes of transport involved in a routing in order to reach a final destination.
- One Multilateral Agreement concluded with another airline through IATA results in joining a partnership of the growing network of over 350 participating worldwide domestic and international airlines.



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## 3.2.3.7 Unit Load Devices

- A unit load device which has been transferred remains the property of its owner. The receiving airline shall return such unit load device to the transferring airline, and the transferring airline shall be entitled to a signature from the receiving airline on a receipt for such transferred unit.

# Why Interline Cargo?

- No airline can reach every destination every day of the year
- All airlines need some kind of partnerships
- In at least some airlines interline cargo makes up 20-30% of their business

# What purpose does the IULDUG serve ?

- Every time unitized cargo is interlined the ULD goes with it
- How can the ULD asset be protected against overdue return, loss or damage?



**The IULDUG system is the answer**





## ULD Control Manual

7th Edition  
Effective 1 March 2000



## MULTILATERAL AGREEMENT FOR THE INTERLINE HANDLING AND CONTROL OF CARRIER OWNED AIRCRAFT UNIT LOAD DEVICES



**The parties hereto (hereinafter referred to as participants) operate scheduled air transportation services and desire to introduce standard procedures for the Interline handling and control of carrier owned Unit Load Devices (ULDs) to ensure the return of such ULDs to the owner carrier.**

The participants whose Terms of Reference and Rules of Procedures are set out in Attachment 'A' which forms a part of this agreement are also party to the IATA Multilateral Interline Traffic Agreement —Cargo.

# What is the IULDUG?

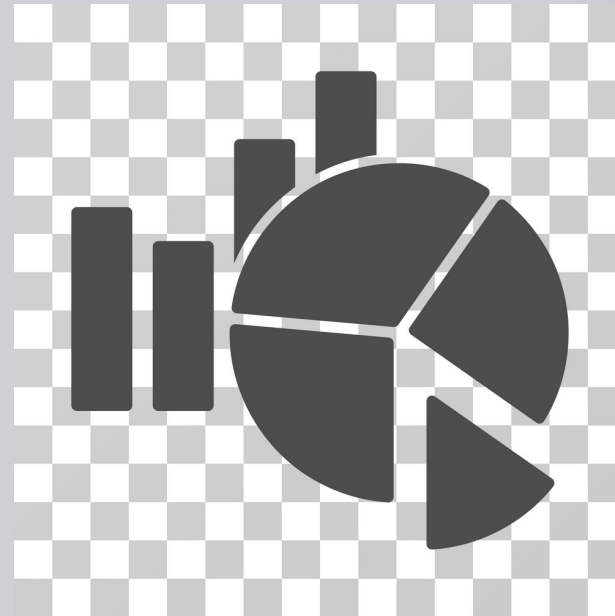
- It is NOT a ULD management system
- It is NOT a ULD rental/supply operation



**THE ULD CARE IULDUG SYSTEM IS THE  
GLOBAL COMMUNITY PLATFORM FOR  
RECORDING THE TRANSFER OF ULD'S  
BETWEEN MEMBER AIRLINES.**

# Vital Statistics

- Earliest members - 1971
- Over 50 member airlines
- Around 35,000 transactions per year
- Currently in its 2nd generation



# Key to the IULDUG success

- Trustworthy
- Not for profit- community activity
- History-almost 50 years



50 YEARS

# Challenges to IULDUG?

- Maintaining and increasing user base
- Keeping pace with technology
- Remaining financially sustainable



# Maintaining and increasing user base

- IULDUG depends on its network of users
- More members equals a more effective system.
- Interlining from a member to a non member is not as convenient as member to member





# Financial sustainability

- Current system generates an adequate positive income and contribution to reserves
- New system will require investment
- Current transaction fees remain unchanged for many years.



# Features and Benefits of the IULDUG system

# Why be part of IULDUG?

- Its all about managing your ULD assets
  - Any interline transaction takes the ULD out of your visibility and control
  - The industry appears to loose about 3% of its fleet per year..maybe 30,000 units..how many of these are uncontrolled interlinings?
  - And how many units don't return in the 5 day grace period but only pop up a couple of weeks, months or even years later?



# Demurrage and Non Return

- Money talks !!!!!
  - Libraries have fines for overdue books
  - Car owners get fines for overstaying time on a parking meter
  - Businesses get fined for late payments of bills
  - Taxes get increased if you don't pay on time



# IULDUG deliverable #1

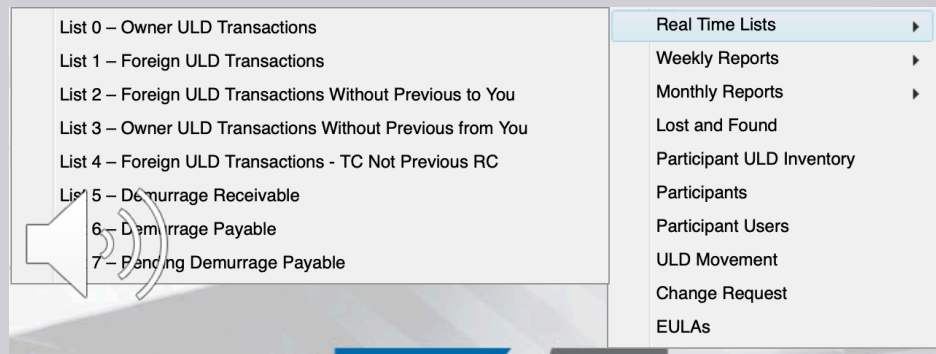
- The owner of any ULD whose transfer has been recorded through the IULDUG system has a cast iron case to collect demurrage and non return fees from the counterparty if they choose to do so.



**No IF's, no But's.**

# IULDUG deliverable # 2

- Transaction visibility
  - All your interline transactions on one system at your fingertips
  - Unit by unit transaction details
  - Member by member demurrage details



# Owner units transferred

Report: Owner Units Transferred

1 50% Date 28AUG2019 PDF Excel  
0 0% Print to PDF Export to Excel  
1 A4 Letter

RC	UNIT CODE	TP	FD	# TRANSFERS	DAYS OUT*	AVG DAYS OUT*	LOST UNITS	% NO CHARGE	DEM
AKE	LHR	XXX		1	78	78	0	0%	
				1	78	78	0	0%	
AKE	LHR	XXX		9	102	11	0	0%	
PMC	GRU	XXX		2	26	13	0	0%	
PMC	LHR	XXX		45	489	10	0	9%	
				56	617	11	0		
PMC	BOG	XXX		2	87	3	0	0%	
				2	87	3	0		
PMC	LHR	XXX		1	61	61	0	0%	
				1	61	61	0		
AKE	NRT	XXX		1	5	5	0	100%	
				1	5	5	0		
AKE	JFK	XXX		2	58	29	0	100%	
				2	58	29	0		
DOF	LIM	XXX		1	56	56	0	100%	
FQA	LIM	XXX		6	249	41	4	100%	
PLA	LIM	XXX		1	87	87	0	100%	
				8	392	184	4		
PMC	HNL	XXX		16	170	10	1	50%	
PMC	SYD	XXX		1	36	36	0	0%	
				17	206	46	1		
AKE	AKL	XXX		3	316	105	0	67%	
AKE	LHR	XXX		6	74	12	0	0%	
PMC	LHR	XXX		17	187	11	0	18%	
				26	577	128	0		
PMC	LHR	XXX		4	10	2	3	0%	
				4	10	2	3		
DOF	LIM	XXX		5	0	0	5	100%	
PLA	GRU	XXX		1	44	44	0	0%	
PMC	GRU	XXX		8	337	42	0	0%	
				14	381	86	5		



# Foreign Units transferred to you

## Report: Foreign Units Transferred to you

Participant

Date

28AUG2019

PDF

Excel



Print to PDF



Export to Excel



A4

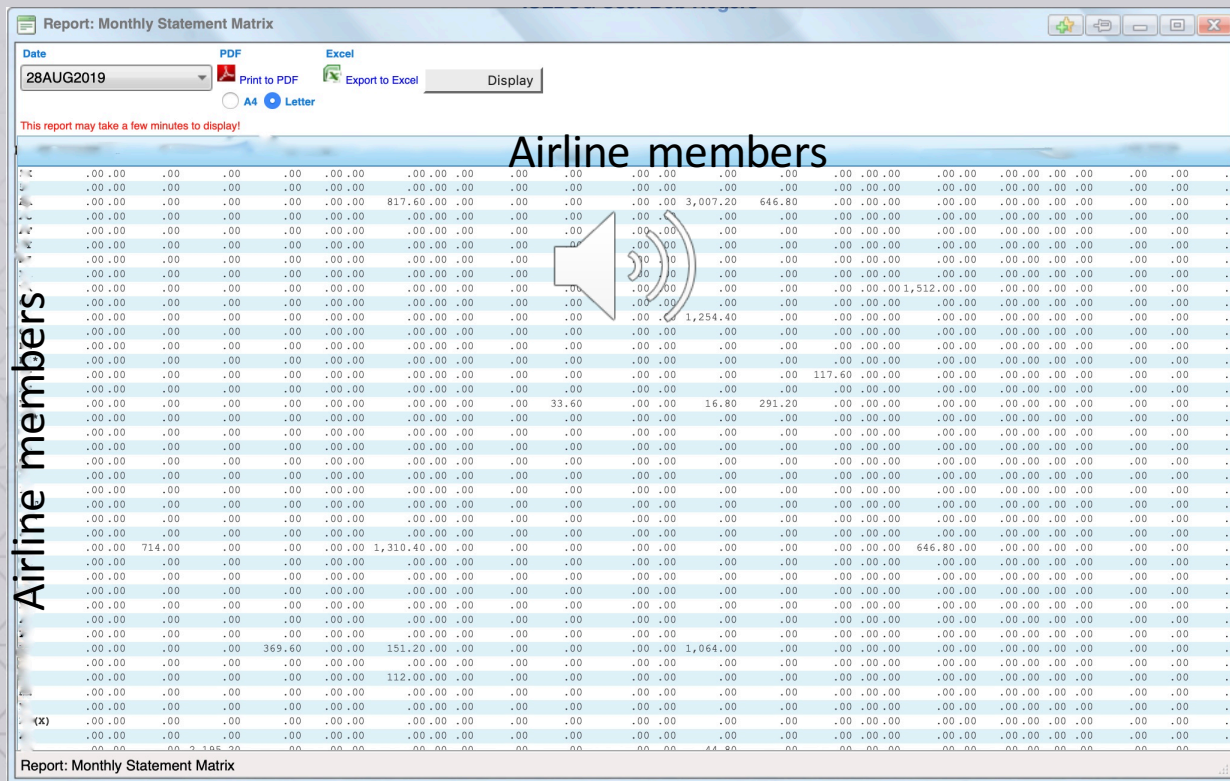


Letter

OC	UNIT CODE	TP	FD	# TRANSFERS	DAYS OUT*	AVG DAYS OUT*	LOST UNITS	% NO CHARGE	DEM
PMC	HNL	DFW		7	87	12	0	71%	
PMC	HNL	MIA		1	2	2	0	100%	
PMC	HNL	SJU		1	20	20	0	0%	
PMC	KOA	DFW		5	42	8	0	40%	
				14	151	42	0		
TOTAL FOR RECEIVING CARRIER				14	151	42	0		

\* Days out excluding lost units





# Dollars talk !!!!

The accumulated demurrage – all members- year to date 2019 is US\$ 742767.!

If we take \$ 10 a day as an average, this equates to 74,276 ULD “days” or 203 ULD years of time over the 5 free days that ULD have been “away from their owner”, in 8 months.

**The threat of demurrage is what encourages these units back home.**

# Why NOT be part of IULDUG?

- Cost? Hardly
  - Annual subscription US\$ 1050
  - Transaction fee \$ 1.50
- If you consider the IULDUG system as “insurance”
  - Say 500 units transferred out a year
  - Total cost \$ 1050+ \$750=\$1800
  - Replacement value of 500 units= \$ 500,000
  - “premium” as a % of value insured: 0.36%



# Hard to use?

- Maybe..a little..could always improve
  - System itself is easy to use, desktop, laptop, even your mobile
  - Data entry is antiquated
    - Paper based UCR
    - 3<sup>rd</sup> parties not reliable



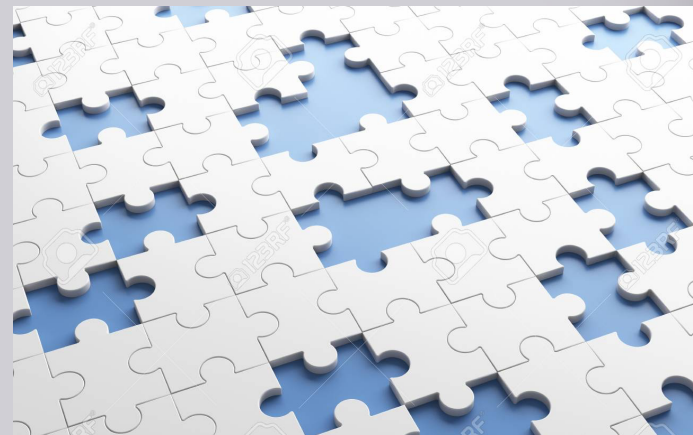
# Clarifications

- ULD CARE and the IULDUG system does not process any kind of financial transactions- IULDUG data is for our members to use to collect demurrage from other members at their discretion
- The IULDUG system is not interconnected to the IATA clearing house. An incurred demurrage will not automatically be deducted from another member airline.
- ULD CARE is happy to support tech questions such as password resets but does not in general see itself as getting involved or taking sides in any kind of discussions between member airlines
- Interlining not only applies to the transfer of built up ULD in the course of cargo shipments but can and is also used to track courtesy moves between airlines ( no demurrage in such transfers)



# What's next for IULDUG?

- Maintain and extend our membership, its in everyone's interest for IULDUG to  over the entire industry
  - All our members can help to bring in the missing pieces of the jigsaw
  - Trial memberships
  - Promotional material from ULD CARE



# It's all about digital

- Increased connectivity
  - Replace the paper !!!!
    - UCR's
    - LUC's and MUC's
    - SITA messages
  - Smartphone
  - Or even “ smart watch”





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Thank You