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ELECTRONIC AIRWAY BILL (eAWB) FOR FORWARDERS

SIMPLER. FASTER. BETTER.

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This guide explores how the eAWB is helping freight forwarders rise above industry and organizational challenges to realize meaningful benefits.

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The Electronic Airway Bill for Forwarders

The Right Method to Overcome Industry & Operational Challenges

Forwarders face increasing pressure to operate efficiently and move goods as quickly as possible at the lowest rate. In an industry with tight margins, it is essential that forwarders use methods to reduce costs and maximize efficiency.
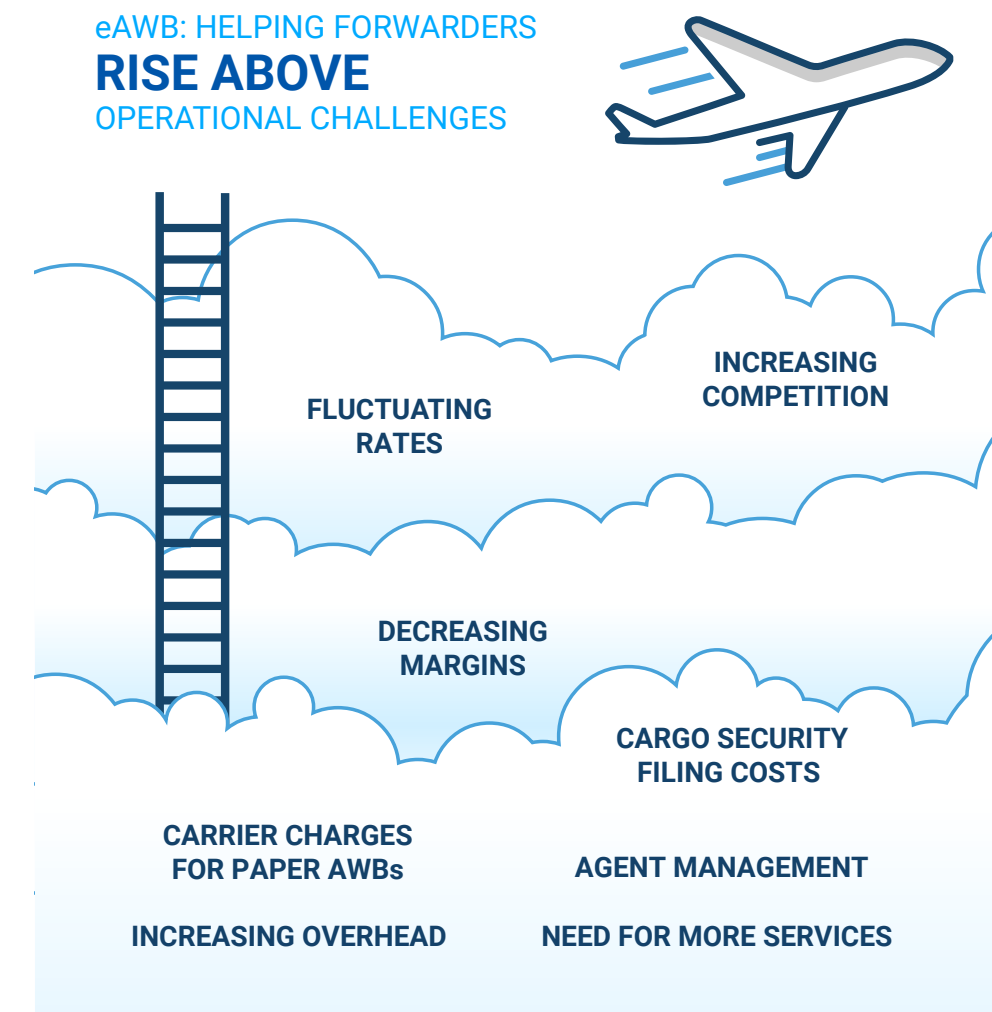
One of the leading trends in the air cargo industry is the shift toward more electronic processes including the adoption of the electronic airway bill (eAWB).

The eAWB is the future for freight forwarders.

The transition to the eAWB is one of the single most important steps that forwarders can take to upgrade their business and rise above industry and operational challenges.

Due to rapidly evolving security filing and other electronic information requirements from governments around the world, more and more carriers are requiring electronic airway bills. Many airlines are offsetting this cost by charging forwarders additional documentation fees.

Fluctuating rates and increasing competition are also prompting forwarders to move to more electronic methods, such as the eAWB, to reduce cost and maximize performance.

eAWB: HELPING FORWARDERS
RISE ABOVE
OPERATIONAL CHALLENGES

FLUCTUATING RATES

INCREASING COMPETITION

DECREASING MARGINS

CARGO SECURITY FILING COSTS

CARRIER CHARGES FOR PAPER AWBs

AGENT MANAGEMENT

INCREASING OVERHEAD

NEED FOR MORE SERVICES

In an industry facing multiple pressures, the eAWB is one practice that forwarders can control for a rapid positive impact on business. The right solution makes the process Simpler, Faster & Better and helps forwarders rise above operational and industry challenges.

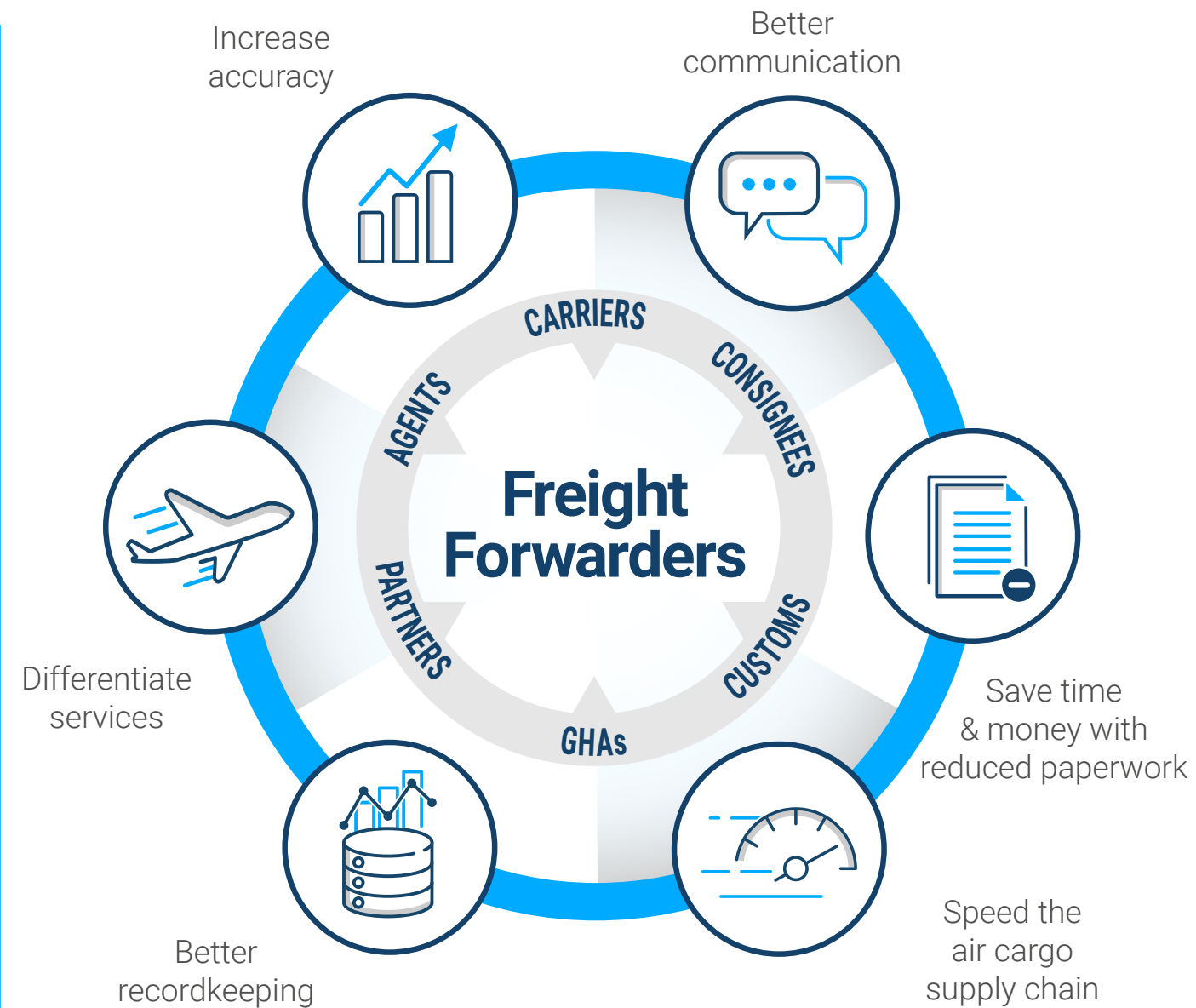DESCARTES

Benefits to Forwarders

Meaningful Results in a Fast Paced Industry

Forwarders who adopt the eAWB can derive a rapid time to benefit and are able to:

- Avoid carrier fees by transmitting electronic master and house airway bills
- Eliminate redundant data entry
- Lower manual tasks
- Reduce delays due to missing or illegible documents
- Increase access to information and move shipments as booked
- Eliminate the need to transport documents to and from airlines, Ground Handling Agents (GHAs) and agents
- Increase IT security and maintain an audit trail

Other benefits beyond the 'reduce paper and increase productivity' standard include the ability to:

- Better communicate with intermediaries and GHAs
- Reduce cargo processing times with prioritized handling of eAWB-enabled shipments
- Decrease direct and indirect costs from cargo security filing requirements by reusing the electronic data
- Re-purpose the information to speed billing

Increase accuracy

Better communication

Differentiate services

Save time & money with reduced paperwork

Better recordkeeping

Speed the air cargo supply chain

CARRIERS · CONSIGNEES · CUSTOMS · GHAs · PARTNERS · AGENTS

Freight Forwarders

FORWARDERS: AT THE CENTER OF TRADE

The benefits that surround the eAWB are of particular importance to forwarders since they are the central player moving freight and information between carriers, agents, consignees and more. Technology can amplify these benefits and add further value for forwarders.

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eAWB & Better Communication

The Value of Electronic Data to Enable Added Connectivity

In regard to the eAWB and information management, there are two fundamental concepts that are critical for forwarders:
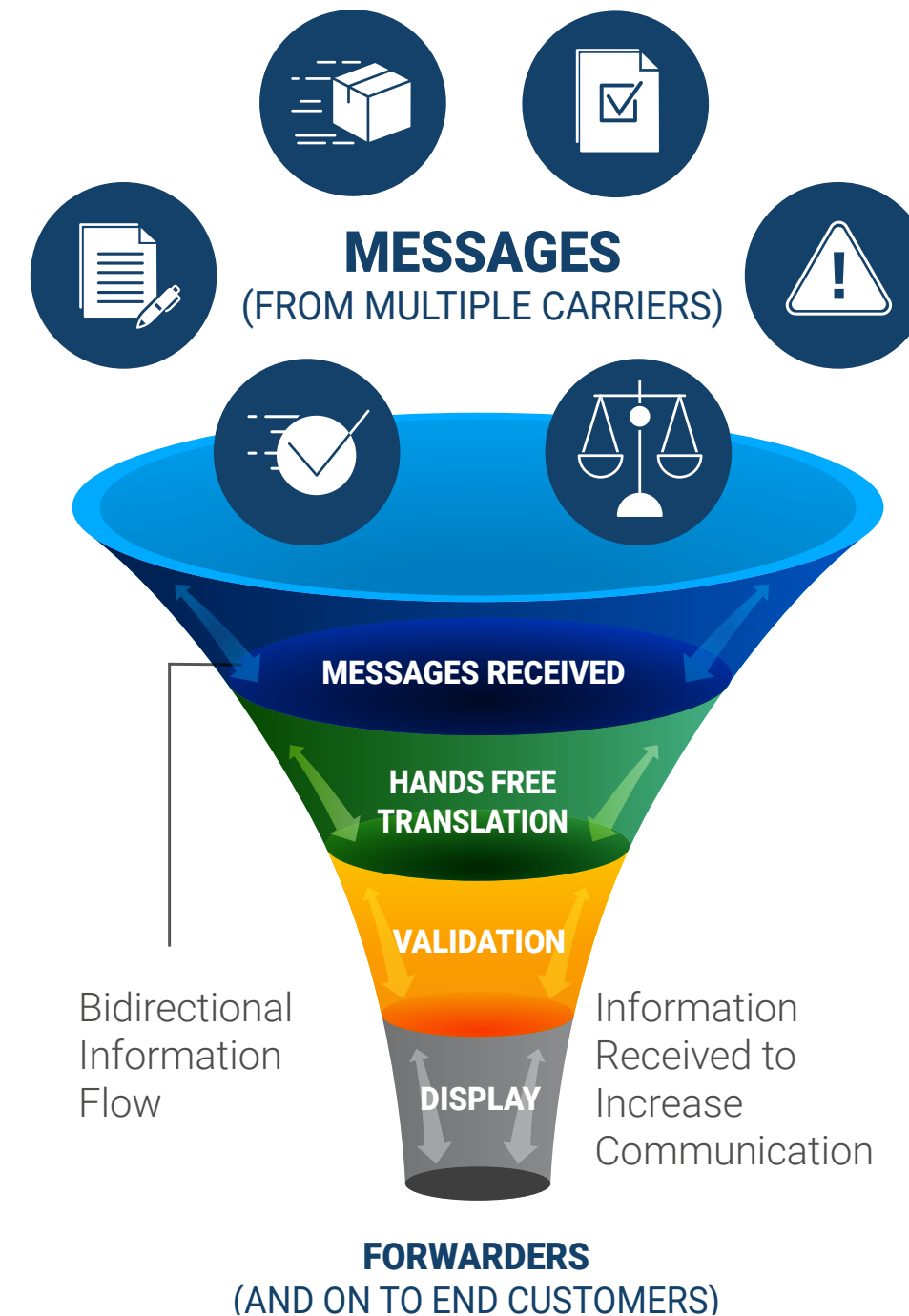
1. The eAWB enables timelier and more complete data flow

2. A solution is required to streamline communication with multiple parties

In general, if digital information is provided, then electronic responses, in the form of status messages, are returned. Leading forwarders are using messaging to differentiate service offerings in a highly competitive marketplace.

With this information, forwarders can provide real-time status events to their customers including pick up, departure, arrival and delivery. Companies with better data communication transparency are more likely to win new business and retain existing customers.

Messages can also be streamed directly into a customer's Enterprise Resource Planning (ERP) solution, a forwarder's system or provided on-demand.

All of this can be performed without an in-depth knowledge of messaging formats and protocols. This applies to forwarders who use web-based portals as well as those who leverage system-to-system connectivity.

MESSAGES
(FROM MULTIPLE CARRIERS)

MESSAGES RECEIVED

HANDS FREE TRANSLATION

VALIDATION

Bidirectional Information Flow

DISPLAY

Information Received to Increase Communication

FORWARDERS
(AND ON TO END CUSTOMERS)

DIGITAL IN --> DIGITAL OUT

When electronic information is provided, status messages are received that can be further leveraged. A **one-to-many** solution is essential to capture messaging from multiple carriers and to maximize connectivity.

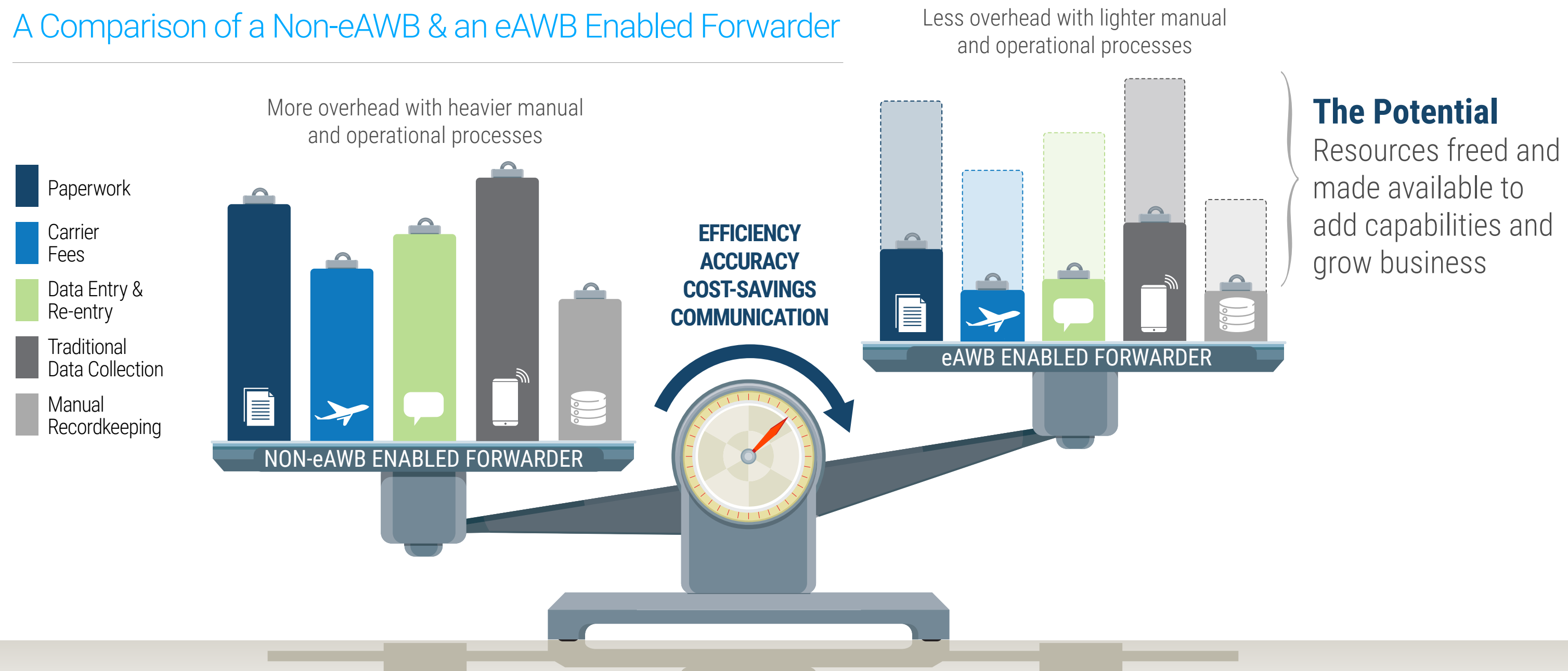DESCARTES

eAWB: Some Common Questions

Key Questions Answered & Misconceptions Addressed

Although the eAWB is the trend, there are a number of common misconceptions and questions that arise. Some of these include:

1 **Isn't the eAWB complex and costly?**

The eAWB is **simple to on-board in only a few steps**. As more and more carriers charge for paper airway bills, the complexity and cost lie in not on-boarding. The experience of many previous forwarders has blazed a trail for newcomers to easily implement the eAWB in a streamlined process.

2 **What if I still need to produce paper airway bills in some cases?**

The electronic airway bill is digital information that can be re-purposed and reformatted to paper. It is important to ensure that information is digitized first, and **paper produced on-demand.** For those trade lanes and shipments that still require paper, a digital system with hard copies created as needed is often sufficient for recordkeeping.

3 **What is the Single Process approach?**

The Single Process approach to eAWB adoption is helping many forwarders spend less time deciding whether a digital airway bill should be provided for a trade lane or scenario. Forwarders simply provide all data to a carrier that sorts and routes the information. **Systems are also available that can pull the required details** for transmission to multiple carriers.

4 **Isn't the eFreight initiative a large endeavor?**

Implementing the eAWB **does not mean** adopting the entire eFreight initiative. eFreight is a larger program of which the eAWB is one part. The eAWB is a useful practice that is already resulting in real benefits to forwarders and is the first necessary step along the path to eFreight.

5 **Do I have to use carriers' online eAWB portals?**

No, you may use other solutions. Many carriers offer portals for entering eAWB details; however, these systems do not offer validation and decrease efficiency as forwarders switch context and focus. In addition, forwarders cannot re-use the information entered for other purposes— the data is often purely for the benefit of the carrier.

6 **What if I use an older system that may not be eAWB compatible?**

The fundamentals of the eAWB exist within legacy systems. Forwarders do not have to re-enter information in a portal if the **data already exists in legacy platforms**, even older systems. The functionality to extract this data already exists in the market today from Cargo Community System (CCS) providers. Information can also be obtained from agents or customers with older technology in place.

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eAWB: Beyond Weighing the Options

A Comparison of a Non-eAWB & an eAWB Enabled Forwarder

Less overhead with lighter manual and operational processes

More overhead with heavier manual and operational processes

The Potential
Resources freed and made available to add capabilities and grow business

- Paperwork
- Carrier Fees
- Data Entry & Re-entry
- Traditional Data Collection
- Manual Recordkeeping

**EFFICIENCY
ACCURACY
COST-SAVINGS
COMMUNICATION**

NON-eAWB ENABLED FORWARDER

eAWB ENABLED FORWARDER

When comparing a non-eAWB enabled forwarder to an eAWB adopter, the benefit is not only the reduction of manual procedures and added efficiency, but the potential to do more.

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Potential for Business

Smarter & Better Paths to Add Value

Forwarders differ in size, needs, approaches and industry niche. In addition, capabilities vary by region, business line and division and can fluctuate during certain periods of time.

What a business believes it needs now may not be what is required two years from now.

The eAWB solution selected should be smart, match the needs of forwarders and offer flexible choices including:

- An industry-tested web-based portal with fast, expert implementation and world-class technical support

- Capabilities for electronic connectivity, including system-to-system messaging

- Value-added services such as comprehensive shipment management, accounting, customs clearance, detailed global Harmonized System (HS) classification, Denied Party Screening (DPS), first/last mile solutions and more

- Options to reuse electronic data to meet increasing global cargo security initiatives and to ensure that the flow of cargo is not interrupted by poor data flow

- Additional services to call upon as needed during high volume air freight periods, for complex project work, or to assist smaller branches and independent offices that may not have the resources to enter eAWB details when required
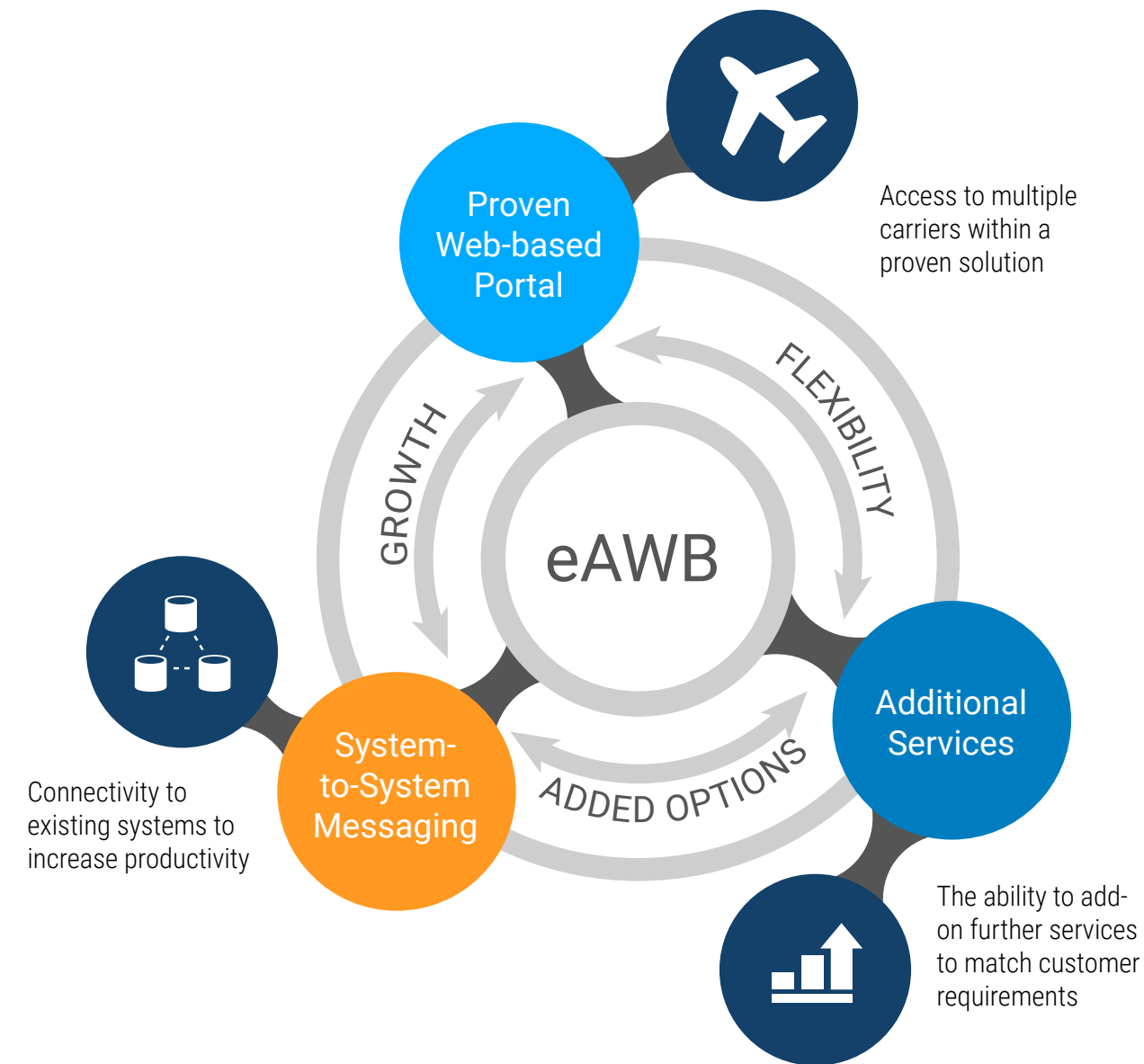
A SMART, FLEXIBLE SYSTEM

A one size fits all eAWB model is not always the best choice, and expects companies to be static. Leading forwarders need flexible choices **within the same system or framework** that can grow and adapt to a business as needs change.

eAWB: Self-Assessment Worksheet

CHAPTERS

Questions to Help Forwarders Review Operations

When adopting the eAWB, performing a quick analysis with series of questions may be required to identify needs. Some questions include:

- *How much time is allocated to re-keying airway bill information, searching for status details in a carrier's web-based portal or calling individual airlines for status updates?*

- *How confident are you in new eAWB technology that has not been tested by the marketplace?*

- *What are the capabilities of your existing logistics technology, and how quickly do you believe it can transition to the eAWB?*

- *Have carriers communicated to you that they are adopting a Single Process approach to the eAWB, and if so, how will you send them information?*

- *Are there times when you are unable to enter eAWB details in a timely manner due to business demands?*

- *Do you know that you can still benefit from the eAWB even if a carrier does not support it at origin?*

- *How much time does your business spend producing and emailing paper documents for air shipments?*
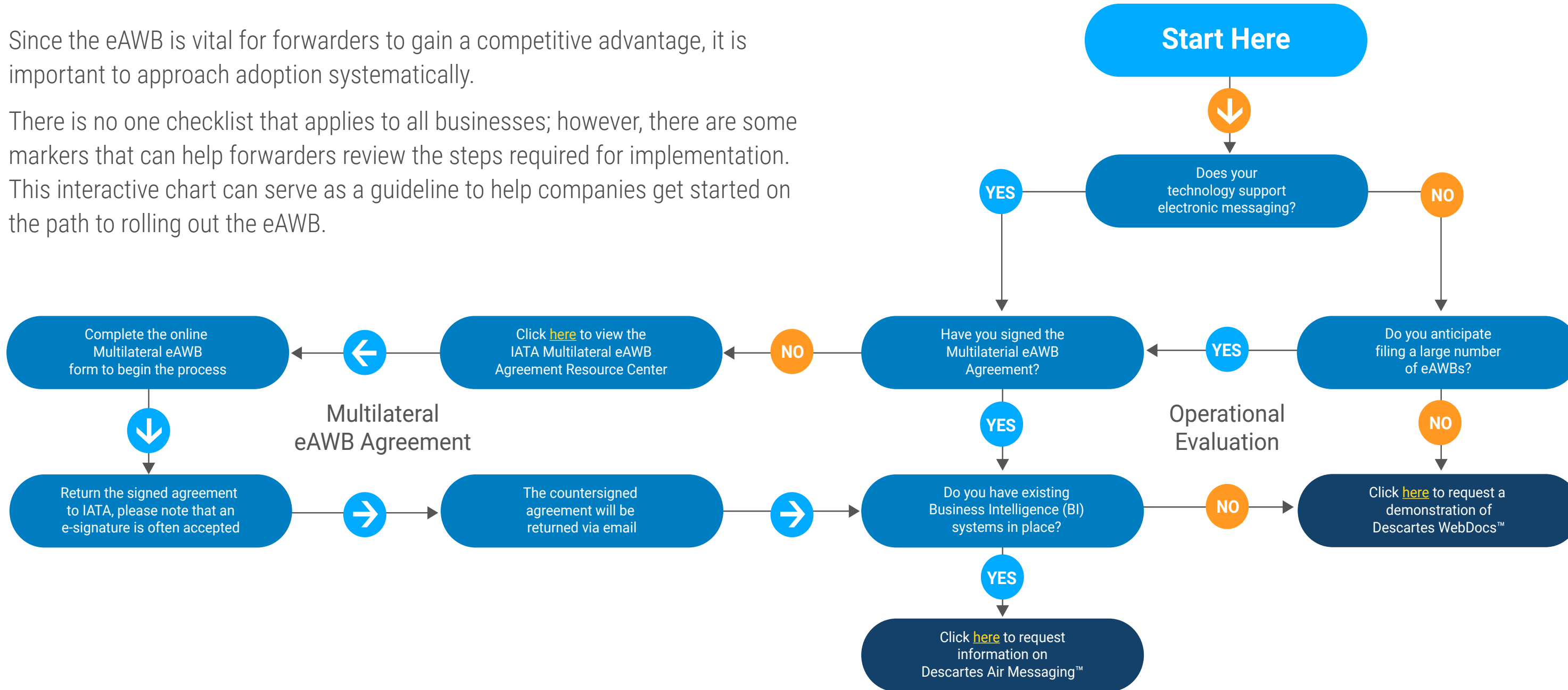
- *How are you gathering information from your customers, overseas agents and business partners?*

eAWB: Self-Assessment Worksheet

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Interactive Flow & Analysis

eAWB: How to Make it Happen

Since the eAWB is vital for forwarders to gain a competitive advantage, it is important to approach adoption systematically.

There is no one checklist that applies to all businesses; however, there are some markers that can help forwarders review the steps required for implementation. This interactive chart can serve as a guideline to help companies get started on the path to rolling out the eAWB.

Start Here

Does your technology support electronic messaging?

YES → Have you signed the Multilateral eAWB Agreement?

NO → Do you anticipate filing a large number of eAWBs?

YES (from large number) → Have you signed the Multilateral eAWB Agreement?

NO (signed agreement) → Click here to view the IATA Multilateral eAWB Agreement Resource Center → Complete the online Multilateral eAWB form to begin the process → Return the signed agreement to IATA, please note that an e-signature is often accepted → The countersigned agreement will be returned via email → Do you have existing Business Intelligence (BI) systems in place?

YES (signed agreement) → Do you have existing Business Intelligence (BI) systems in place?

NO (anticipate large number) → Click here to request a demonstration of Descartes WebDocs™

NO (BI systems) → Click here to request a demonstration of Descartes WebDocs™

YES (BI systems) → Click here to request information on Descartes Air Messaging™

Multilateral eAWB Agreement

Operational Evaluation

Interactive Flow & Analysis

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Descartes eAWB Solutions

CHAPTERS

Meeting the Needs of Large and Small Forwarders

Descartes has been helping forwarders communicate electronically with air carriers for over 20 years. Our solutions range from an advanced online interface, simple preparation and bulk options to comprehensive air messaging and robust forwarder enterprise solutions.

Simpler.

With Descartes, the eAWB is easy. We offer the industry's leading communication and messaging infrastructure. In addition, our streamlined web-based portal has helped forwarders meet expanding carrier electronic communication requirements, increase visibility and improve performance.

Faster.

It's quick and easy to create eAWBs in our solutions. Forwarders can quickly on-board in a few simple steps. Our proven track record, expert technical support and industry experience has enabled Descartes to rapidly roll out the eAWB to forwarders worldwide.

Better.

Descartes offers some of the most advanced capabilities available to standardize and automate air cargo and freight management operations, provide real-time shipment status monitoring and improve service by transmitting accurate and timely tracking updates to customers. Forwarders can also choose to expand into other business areas including routing, mobile & telematics, transportation management and more.

Descartes eAWB Solutions

DESCARTES™ **Leading the way in the eAWB**

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About Descartes Systems Group

Descartes (Nasdaq's) (TSX:DSG) is the global leader in providing on-demand, software-as-a-service solutions focused on improving the productivity, performance and security of logistics-intensive businesses. Customers use our modular, software-as-a-service solutions to route, schedule, track and measure delivery resources; plan, allocate and execute shipments; rate, audit and pay transportation invoices; access global trade data; file customs and security documents for imports and exports; and complete numerous other logistics processes by participating in the world's largest, collaborative multimodal logistics community. Our headquarters are in Waterloo, Ontario, Canada and we have offices and partners around the world.

Learn more at **www.descartes.com**, and connect with us on **LinkedIn** and **Twitter**.

DESCARTES™

The Descartes Systems Group Inc.
120 Randall Drive, Waterloo, Ontario, N2V 1C6, Canada
Toll Free 800.419.8495 | Int'l 519.746.8110
www.descartes.com | **info@descartes.com**

Uniting the People & Technology
That Move the World

About Descartes Systems Group

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