

A technological perspective

Moving its infrastructure and many customers to the cloud before the crisis happened has proven to be the right setup when access is needed across multiple locations and has simplified the move to home-working, says Yuval Baruch, CEO at cargo handling technology specialist Hermes Logistics Technologies

What have been the biggest challenges to cargo handling companies?

The biggest challenge for our customers, cargo handlers, appears to have been the rapid reduction in flights. As the pandemic started, we were able to move very quickly from office-based working to all our staff working from home in order to do our part in reducing any possibility of transmission whilst continuing to assist our customers.

How have you responded to these challenges?

We have seen an increased level of communication around the industry. Internally, we hold frequent virtual company meetings increased update emails, multiple daily calls across our offices. Zoom has been our chosen video option and has proved a boon in this lockdown.

Has there been any significant cooperation between stakeholders?

We are supporting customers by progressing with initiatives already in the pipeline in order to be prepared for when we get back to business-as-usual and continue developing our NG Suite of Apps., as demand and adoption look to be strong – Coronavirus or not.

Have you had to let go of or furlough significant numbers of staff?

Yes, we did furlough: specifically, sales, project oriented, and junior staff as the pandemic has evolved. We have offices in various international locations each providing



support for businesses and employees through furlough schemes. We feel that the UK scheme has so far been the best in supporting us as a business.

To what extent has it been possible to maintain normal levels of service or handling times in recent weeks?

We ensured that our support teams and all support resources were available with no impact. We also communicated to customers that we are on a higher alert as they might need more support in the current climate.

Has the changed environment meant you have had to change your charging structure?

Yes, we offered customer different payment terms and have also relaxed our usage enforcement. Furthermore, we launched

some product prototyping to assist customers to be ready with newer products as they begin to return to normal business.

What new opportunities have arisen, amid the challenges of the last few weeks?

All RFPs have been put on hold; however, this was an opportunity to show customers we are open and available to them in difficult times.

To what extent did your contingency planning prepare you?

We completed a planned move of our infrastructure and many customers to the cloud before the crisis happened. This has since been proven to be the right setup when access is needed across multiple locations and has simplified the move to home-working.

How well do you feel the air cargo handling sector has responded?

The proactive move to cargo-only flights was a good response.

How do you see the situation evolving over the coming weeks and months?

Despite a relatively quick return on the demand side, there will be tougher competition in air cargo ground handling as overall cargo will be limited. Now that passenger flights have drastically declined and will not return to previous volumes anytime soon, the lower belly cargo capacity will lead to an overall decline in air cargo volumes – hence tougher competition on the handling of each air cargo tonne.

Elsewhere, operations based on freighter business should do well.