



Following the Flowers to Success

Service, Quality, Details Form the Basis of Prime Air & Ocean Cargo

Prime Air & Ocean Cargo started shipping flowers from Ecuador and now incorporates their experience into shipping all kinds of cargo worldwide.

Our carrier background helps us understand all the details in the supply chain.

Roger Paredes, President,
Prime Air & Ocean Cargo



At a Glance

Prime Air & Ocean Cargo
www.primeaircargo.com

Industry
Freight Forwarder

Solution
Magaya Cargo System, ISF, Transaction Tracking

Prime Air & Ocean Cargo is a freight forwarder, bonded common carrier, OTI and NVOCC located in Miami, FL. They are a CNS endorsed cargo agent and have a global network of offices, including New York, Amsterdam, Quito, and work with agents in many other locations.

Challenges

Shipping perishables requires attention to detail and relationships with quality vendors in every step of the supply chain. Prime Air & Ocean Cargo (PA&OC) got its start shipping flowers from Ecuador to Miami and Amsterdam. Today the company has grown to offer complete logistics services worldwide for all types of cargo.

President of Prime Air & Ocean Cargo, Roger Paredes explained the steps involved when shipping a perishable such as flowers. When flowers are harvested from the fields and greenhouses, they are packaged in specially designed boxes that allow air flow inside the boxes and protection of the flowers. Flowers are pre-cooled to remove warm air inside the boxes because flowers that get too warm have a shorter vase life. Airports that receive a large volume of flowers have facilities to perform the pre-cooling step. Miami handles over 80% of all cut flowers imported into the U.S.

Many of the flowers that arrive in Miami are from Ecuador and Colombia. Approximately 40% of the flowers exported from Ecuador are shipped to the U.S. Ecuador sends about a third of its yearly production just for Valentine's Day.

Prime Air & Ocean Cargo has the experience from years of working with air carriers to understand the requirements that ensure the cargo is handled and shipped to preserve quality. In addition to their experience, they use the Magaya Cargo System logistics software to process the shipments.

"Our carrier background helps us understand all the details in the supply chain. It makes it easier to work with air carriers because we know how they operate, how to prepare the cargo, and what happens if a plane is delayed. We emphasize that experience with our customers. We also want them to know we are here 24/7 if something is urgent. We don't wait until 9 am the next day to answer something important."

They use the software in the Miami office to prepare shipments and to receive cargo at their warehouse.

"We prepare the paperwork such as the air waybills in our Magaya system. Then our employees go to the airport to put stickers on the flowers that are in the coolers between flights."



Some flower shipments are destined for the U.S. and others go to Europe, especially Amsterdam. PA&OC has a company in Amsterdam called Prime Fresh Handling which manages the arrival of Ecuadorean flowers in Schiphol Airport and distributes them to Russia and other countries.

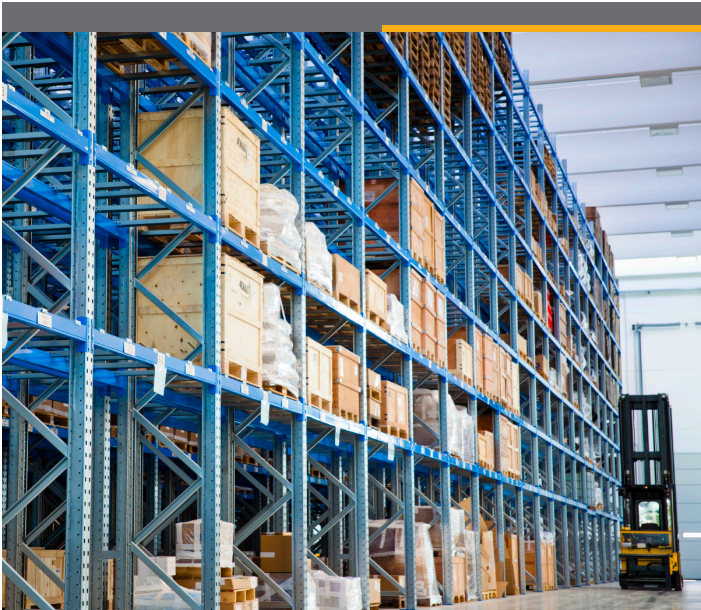
Expanding from Ecuador to Miami and Beyond

Prime Air & Ocean Cargo learned its trade in the demanding conditions of shipping perishables and still applies that methodology today to all the cargo they ship and every customer they serve. When Mr. Paredes and his partner, Omar Zambrano, started their company in 2001 in



Ecuador, they were a General Sales Agent for airlines, representing airlines such as Atlas and Centurion Cargo.

In 2004, Mr. Zambrano came from Ecuador to Miami to expand the business into freight forwarding. They changed their name from Prime Air to Prime Air & Ocean Cargo. "Our main market is Brazil now," Mr. Paredes said. Commodities they ship include electronics, perishables, machinery, and other types of cargo.



When Mr. Zambrano arrived in Miami, he worked with another warehouse that was using Magaya software. When he opened PA&OC, he continued to use Magaya software.

The Miami warehouse is 10,000 square-foot warehouse and additional leased space with an affiliated company, BlueEx Logistics that stores items for PA&OC and other freight forwarders. There are 18 employees in the Miami location. They have a bonded warehouse nearby in Medley.

They have a small package courier business, bagging up the items from USPS or Amazon and send them to Costa Rica, Ecuador, the Dominican Republic and other countries in the Caribbean and Latin America. They also offer repacking services.

Solutions

Since their company handles many imports, they use the Magaya ISF plug-in to file import documents required by US Customs. The

Importer Security Filing (ISF), also called the 10+2 initiative, requires that importers and carriers submit certain details about cargo destined for the United States. Magaya Corporation has been certified by US Customs and Border Protection (CBP) to offer ISF and has incorporated it into the software.

When items arrive in PA&OC's Miami warehouse, they create barcoded labels to track each item and its location in their software. They keep their customers updated about the status of cargo by sending out Transaction Tracking links via email. For customers who want to check their cargo online, there is a web-based tracking tool called Magaya LiveTrack that PA&OC uses for their global customers.

For their exports, PA&OC uses the Magaya AES feature, the Automated Export System, to send shipment information to the US Customs office. All the data entered in their software for the export is transferred automatically into the AES.

To meet Ecuadorean Customs requirements, PA&OC was able to implement customized labels in their Magaya system that create tracking numbers according to Customs standards. This is just another example of how their experience in their market helps them ensure quality customer service.

"We are very picky about the details," Mr. Zambrano said. "It makes us different from our competitors."

In Conclusion

"The customers that we started with are still with us. We don't have a high turnover of customers," Mr. Paredes said. "With our background and experience, we cover all the details to prevent errors. We always know what alternatives to pursue if a problem occurs."

"We advise customers of the best path to take. For example, when someone called wanting to ship luggage, I said it would be more expensive than taking it with them on their flight. It lost me money, but that kind of customer comes back when they need shipping because they know they will get the best advice from us," Mr. Zambrano said. "All our customers are important to us. Maybe a small package from a customer today can become a large shipment from them in the future."