



MAGAYA IMPLEMENTS

Embrace a Paperless Environment

Magaya Cargo System's - Air AMS Software Solution

International Bonded Couriers (IBC), an international logistics provider specializing in courier services, found the need to eliminate the paper-driven procedures of the past to streamline their business. With a rapidly growing business, multiple offices to manage and stricter Customs regulations, IBC realized the potential in implementing a digital solution to replace their paper procedures. The Magaya Cargo System did just that, providing an all-around solution that dramatically improved their overall efficiency.

“Magaya Software provided the flexibility of doing all of those things that require paper in an electronic medium...”

Angelo Patrizio, Director of Regulatory Affairs & Compliance



AT A GLANCE

IBC Airways

www.ibcairways.com

INDUSTRY

Air Transportation

SOLUTION

Magaya Cargo System

Air AMS

International Bonded Courier (IBC) with more than 5 offices, a work force of over 1,000 employees, a cargo airline of 17 planes, their own mail house, in-house customs brokerage and more than 24 years of experience, unite all facets of value-added international and domestic delivery logistics under one

CHALLENGE

Improving productivity and complying with Customs

Prior to the information technology boom of the 90's, the majority of the world used paper documents for most of the day-to-day aspects of a business. This especially applied to logistics providers, who procured paper documents for almost every phase of every type of service they offered. This was the case at IBC Airways who relied mostly on typewriters to fill out these paper documents, re-keying all necessary information out of a system that could not generate these documents for them. With those paper procedures in place, documentation was a labor intensive and burdensome process. However, it was not until Custom's regulations drastically changed in the post September 11th years that IBC decided to tackle the problem with renewed vigor.

SOLUTION

A digital solution for a digital world

IBC purchased Magaya Software in early 2004 as a response to these increasingly demanding regulations from Customs and to eliminate the obsolete paper environment of the past. After hearing about Magaya for several months through marketing channels, the company decided to evaluate the software through its hassle-free trial period. International Bonded Couriers (IBC) has an in-house proprietary system designed by the company itself that is in use for courier, package, shipping and tracking; however, it was not designed to generate the paper documents required at IBC Airways. After the new regulations, it was evident that the paper filing days were coming to an end, rendered obsolete by a much more demanding framework. IBC needed a faster, more efficient solution to comply with the new regulations and to improve existing documentation procedures.

Today, with the help of the Magaya Cargo System, IBC Airways and IBC Cargo are able to manage the data more efficiently, eliminating redundant data entry. For exports, the system generates at the click of a button all necessary documents automatically, from the Airway Bills, to the Cargo Manifests, and everything in between. Complying with Customs (CBP) is also a hassle-free task, as Magaya's integration with CBP's systems allows automatic transmission of information at the click

A digital solution for a digital world cont.

of a button, pulling all necessary information out of the existing shipments. This feature works across the board, as Magaya out-of-the-box is integrated with AES and AMS for filing in-bound or out-bound goods through Customs.

Magaya Software also provided logistics management, streamlining the data of their three distinct business' offering different services. IBC's three related, but distinctly different divisions, include: IBC Airways, IBC Courier and IBC Cargo Division. This posed a challenge in that the data needed to be "synced" when necessary, but for the most part managed independently of each other. The Magaya Network, another out-of-the box component, allowed for the sending of data across the different divisions automatically. After shipments are prepared at IBC Cargo or IBC Courier they are sent electronically to IBC Airways so that they may be accommodated appropriately prior to the flight. This eliminates redundant data-entry, which in turn expedites the export process.

RESULTS

How it's being done

Custom's new regulations

In the mid 1980's, Customs integrated its multiple systems under one large system known as the Automated Commercial System (ACS), of which the AMS was one of the three major components. For decades afterwards, however, the preferred method of filing with Customs remained relatively unchanged, as logistics providers opted to stick to their conventional paper-driven filing methods. In order to facilitate the screening process of goods, US Customs tightened regulations in the years following September 11th. The regulations called for a significant increase to the amount of information transmitted to Customs, and imposed much stricter timelines to transmit this information. The stricter regulations required a "manifest" to be sent no later than 4 hours before the shipment reached US territory. Furthermore, a "departure" notification needed to be sent to Customs as soon as the aircraft departed at origin, commonly referred to as the "wheels-up" message.



RESULTS (cont.)

Custom's new regulations

Preparing data for streamlined processing

IBC Airways enters all of the information regarding an air shipment in the system ahead of time as soon as it is made available to them. This information is saved in the form of air shipments and can be used as a foundation to generate all necessary trade documentation, and Customs messages for both import and export. IBC preloads their database with "templates" of all these prior shipments. Being in the line of business they are in, most shipments vary slightly from one another. By preloading templates of their air shipments, they can easily create new ones modifying only a few fields each time. With the shipment created, sending the information to Customs is only a few clicks away.

Reporting The Shipment Manifest

Prior to the departure of the aircraft at origin, the information of the goods such as AWB number, pieces and weight, etc. is relayed to IBC Airways from the airport at origin. Using the previous "template" in Magaya, an IBC employee will re-use that template and modify it under a new shipment entering only the pertinent fields that changed. Within moments the information is entered on a brand new shipment, and the manifest is transmitted to Customs with a few simple clicks. Once the manifest is transmitted, all the information is verified once more as part of a last minute check to avoid errors. If an error is caught, the AMS results console provides detailed information on what the error was specifically so that corrections can be made on a timely basis. Once the successful transmission is confirmed, the "ok" is sent to the pilot of the aircraft at origin.

Aircraft Departure Notification

After receiving the "ok" from AMS, preparations are made for the departure of the aircraft at origin. Once loading is completed, it is crucial that the flight departure message (FDM) is transmitted to AMS as quickly as possible. When the pilot calls to inform that the aircraft is ready for

take-off, an IBC employee does a simple search by flight number and instantly sends the message. IBC is not required to enter any additional information, the FDM is transmitted in much the same manner that the manifest was originally sent.

Filing In-Bond Movements

Once the cargo arrives at destination, IBC can send AMS an in-bond notification that reflects the transfer of the goods within the US. The notification is sent via the same media as the manifest and departure messages. An IBC employee proceeds to find the shipment using Magaya's search feature. Once the shipment is found, the in-bond notification is sent with just a few more clicks.

IN CLOSING

Conclusion

Using the Magaya AMS software, IBC was able to meet the challenges set forth by US Custom's regulatory changes and in doing so increased efficiency and granted a much higher rate of accuracy. Furthermore, by choosing to implement Magaya Cargo System in their company, IBC is securing a peace of mind that is priceless. Any future changes to regulations will never pose a problem to IBC again, as Magaya's software is being constantly developed to meet the needs of logistics today and designed for maximum versatility for the possible needs of tomorrow. Unlike most conventional systems on the market, Magaya Cargo System's integration with AMS comes with an in-depth validation screen. This grants IBC with an unprecedented level of control over problems with mission-critical information. Instead of an error code, Magaya's validation screen offers a much more detailed explanation for transmission errors. This combined with the re-use of shipment data ensures an almost error free environment and accuracy levels that contribute to sustain the reliability and reputation that IBC have earned during years of business.