



Automating Dimensional Data Creates Average of \$1.4 Million in Revenue
- Global Statistics Demonstrate Opportunity for Airlines to Increase Profits Annually -

Solana Beach, California, January 14, 2009 – FreightScan, LLC, a leader in the development and deployment of innovative technology solutions for the freight and logistics industry, has released data collected from onsite evaluations of its *FS100* automated dimensioning system around the world in 2008. Data compiled demonstrates an average increase of \$1.4 million in potential additional revenue from dimensional weight shipments per cargo facility, per year. Further, manpower savings from using an automated dimensioning system versus manual dimming were an average of 10 hours per day, and the average shipment was processed faster by 6.5 minutes.

FreightScan conducted 27 onsite evaluations at air cargo facilities in the U.S., Latin America, Europe, the United Kingdom and Asia, with consistent results across regions. “We took our *FS100* automated dimensioning system to cargo warehouses, and with a temporary installation proceeded to dimension as many shipments as possible. Even with variations due to regional cargo profiles in terms of size and tonnage, the potential to generate additional revenue and operate more efficiently was substantial,” said Sheri Ascencio, FreightScan's EVP of Marketing. “We analyzed the percentage of total shipments that had a higher dimensional weight than scale weight along with what the increase in chargeable weight should have been accordingly. That number gave us an indication of how many kilos of freight an airline is flying for free on average per year if it is not consistently collecting and using accurate dimensional data on the cargo they move.”

The data collected by FreightScan showed that U.S. stations have an average of 27% of total shipments with higher dimensional weight than scale weight, with 152 kilos increase in chargeable weight on those shipments. As an example, if a shipment is tendered with a scale weight of 100 kilos and the dimensions of that same cargo equal dimensional weight of 190 kilos then the airline is potentially flying 90 kilos at no charge. “The average large cargo facility in the U.S. showed an annual total of 1,572,656 kilos in additional dimensional weight,” said Ascencio. “An airline might decide not to charge for all of that weight for a variety of management reasons, but it is a valuable piece of information necessary to run a cargo operation – to know precisely what kinds of concessions are being given to customers who move large but lighter freight, and what the real opportunity is to generate additional revenue in these difficult economic times.”

Other regions yielded similar results. Europe/UK had an average of 41% of total shipments with higher dimensional weight, with an increase in chargeable weight on those shipments of 101 kilos and total of 1,397,015 kilos potentially flown free for an average large facility. Asia had an average of 35% of shipments with higher dimensional weight, with an increase in chargeable weight on those shipments of 95 kilos and 560,471 total kilos potentially flown for free at an average large facility. Latin America had an average of 22% of total shipments with higher dimensional weight, with an increase in chargeable weight on those shipments of 125 kilos and 1,645,421 total kilos potentially flown for free.

The other significant finding was the potential manpower savings at facilities that have a manual dimensioning process in place. “We conducted time studies in warehouse after warehouse and found a great difference in time and process between manually dimensioning cargo versus using an automated system,” said Ascencio. “It takes most warehouse agents a minimum of one minute to take out a tape measure, measure length, width and height, and write those measurements down on paper – that versus a four-second scan with the automated *FS100*. That paper then has to go to a data entry person who must enter the dimensions into whatever application the airline is using. In many cases, the dimensional weight must be calculated by one of these people with a calculator versus software. Average time to manually capture, calculate and record dimensional weight is 90 seconds versus 14 seconds with the *FS100*. When one multiplies that time savings by total shipments per day with an average of five or 10 pieces per shipment, the total time savings averaged out to be 10 hours per day -- and that does not factor in the value of eliminating errors due to the manual process.”

The final piece of information revealed was the reduction in the time it takes to process a shipment. FreightScan found that the vast majority of facilities that are collecting dimensions use that information solely for the purpose of calculating dimensional weight. However, the manual process requires warehouse agents to capture dimensions of 100% of the pieces of all shipments tendered in order to determine whether dimensional weight is greater than scale weight. With the *FS100*, stations were able to scan each piece of a shipment in four seconds and obtain an immediate indication of whether the shipment had a higher dimensional or gross weight. Those shipments that were gross weight were moved straight through to the next step of acceptance without taking valuable time to dimension the cargo. The net result was that only those shipments that would yield additional chargeable weight were dimmed, and acceptance time for the facility as a whole was reduced by an average of 6.5 minutes per air waybill. During peak hours, this had a significant impact on dock queues and wait times, improving customer service, extending cut-off times and maximizing throughput.

“This is the first time the industry has been offered a glimpse of the many ways that dimensional data can be valuable to an air cargo operation,” said Ascencio. “As FreightScan continues to install automated dimensioning systems around the globe, our database of information will increase and become even more detailed, including data for freight forwarding and trucking facilities. We are excited

about the opportunity to share this data, and provide transportation companies some new ideas on how to improve operational efficiencies and profit margins through the use of automated dimensioning."

ABOUT FREIGHTSCAN

FreightScan, LLC is a leader in the development and deployment of innovative technology solutions for the freight and logistics industry. Its groundbreaking automated dimensioning systems include the *FreightScan FS100*, an overhead scanner, and the *FL1000*, the world's first forklift mounted scanner.

Utilizing revolutionary D.I.M.M. Tech™ (Defined Imaging and Multiple Measurement Technology), the *FS100* and *FL1000* have the capability to scan cargo in all configurations within seconds, providing companies with the ability to maximize warehouse resources, establish accurate billings and significantly improve revenues and profit performance. FreightScan has also recently introduced CargoVizion, a cargo screening system that works in conjunction with the flagship *FS100* to provide *non-radiation technology for screening cargo at the pallet level*. Logistics industry segments it serves include air freight, ground freight, rail freight, sea freight, multimodal transportation and container logistics. For more information, please visit: www.freightscancargo.com.

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