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Volga-Dnepr Group at International Air Transport Forum in Ulyanovsk, Russia

The 2nd International Air Transport Forum (IATF) organized by the regional government and Ministry of Industry and Trade of Russia with support of the upper house of the Russian Parliament and Ministry of Transport was held in Ulyanovsk, Russia, on 23-25 August. Volga-Dnepr Group again, as the year before, became the general partner of the forum.



How representative was Volga-Dnepr's presence at the forum? Answering the question, Volga-Dnepr's name was everywhere – on IATF documents, banners and design attributes. No less visibly the good and trusted reputation of the company was seen. The Governor of the Ulyanovsk Region Sergey Morozov particularly noted in his welcome address that the city of Ulyanovsk has now been known to the world not just as home of Lenin, but also of Volga-Dnepr Airlines. On the first day of the event, VIP guests of the IATF President's Plenipotentiary Envoy to the Volga Federal Territory Mikhail Babich, Advisor President Igor Levitin, Minister of Transport Maxim Sokolov, Audit Chamber Auditor Sergey Ryaboukhin and a delegation of senior regional officials headed by the governor visited the company's headquarters. The guests were given a tour around the recently commissioned Flight Operations Control Center and AN-124-100 full flight simulator facilities and highly praised Volga-Dnepr's achievements. Flybys of Volga-Dnepr's IL-76 and AN-124 aircraft accompanied by enthusiastic comments of gratitude toward the company became the culmination of the IATF. For sure, these were pleasing visual indications of the company's status. However, rather than external signs of participation, the more important was the contribution of Volga-Dnepr into intellectual products of the forum claiming to become the second in importance aviation event in Russia after Moscow Air Show.

The first part of the first day was given to a plenary meeting "Russian Aviation and Challenges of Globalization". Among the panel's experts were Russian Minister of Transport Maxim Sokolov, Vice Minister of Industry and Trade Yuri Slyusar, Senator Konstantin Titov, and United Aircraft

Corporation (OAK) President Mikhail Pogosyan. The floor was then taken by Volga-Dnepr Senior Vice President Sergey Shklyanik who spoke on "Passenger and Cargo Hubs: Conflict or Harmony?" He emphasized that Moscow airports would get to capacity limits by 2014-2015 already and the deficit of their cargo capacities would reach one million tons by 2020. The proposed solution would be in urgent creation of specialized cargo hubs to be spread around the capital of Russia, and Ulyanovsk would seem an interesting choice in this regard taking into account its spacious airport with a perfectly suited runway and the developing special port economic zone. There has not been good big freight forwarder/integrator who would come to the area and, as the global practice shows, bring carriers to the airport. According to the General Director of Ulyanovsk-Vostochny Airport Valery Bychkov, delivering cargo from Shanghai to Ulyanovsk instead of Moscow would allow taking onboard additional five tons of cargo – a quite attractive benefit for shippers and forwarders.

Another promising area for development in Russian air cargo industry would be the segment of feeder/distribution services. Vice President, Sales of AirBridgeCargo Airlines Wolfgang Meier spoke on future opportunities arising from rapidly developing e-commerce and growing consumer demand for hi-tech and quality goods (by 5 to 7% annually). These global trends have been hampered in Russia by relatively poor transport access to the great number of remote, outlying but densely populated areas. Feeder/distribution services complementing the main hub-to-hub operations would be a solution to this problem and this project has been undertaken by Atran Airlines, which became part of Volga-Dnepr Group a year ago.

Other notable input at the IATF was provided by Evgueni Borisov (Atran Airlines) at "Aviation Professionals" panel, Sergey Vasin (Volga-Dnepr Airlines) at "Technical Environment of Aviation Training" panel and Alexandra Shevchenko (Volga-Dnepr Managing Company) at "Aviation Career Opportunities for Young Employees" panel. As for the youth program, there was a sub-forum "Young Aviator" designated for youngsters dreaming of aviation. They were greeted by the governor of the region and received an opportunity to meet with the legend of Soviet aviation engineering – AN-124 'Ruslan' chief designer Victor Tolmachev. The questions asked during the meeting were not "childish". For example, Victor Tolmachev was asked: "What ideas of the Americans did you use in designing the Ruslan?" The answer was: "First of all, we did not repeat any of their mistakes, and our product was considered by experts as a volley of know-hows."

The main "business" of the company at the IATF undoubtedly was the "AN-124 Production Restart" conference exclusively organized by Volga-Dnepr. Detailed speeches on the project were given by Valery Gabriel, Victor Tolmachev and Sergey Anisimov (engines), which comprehensively outlined Volga-Dnepr's vision of the aircraft from the point of view of a commercial customer with the emphasis on reliability, durability and efficiency of heavy lift operations. To achieve this, the future 'Ruslan' aircraft should be produced up to the standard set by "digital" Boeing 747-400/8F aircraft. At the same time, simplified requirements were also presented for a "domestic" version intended to satisfy a less exacting military customer. There is no answer yet whose vision would prevail. And the IATF has helped to clarify positions and develop common views.

04-07-2012 AirBridgeCargo Airlines Wins "Golden Chariot" Award

AirBridgeCargo Airlines, part of Volga-Dnepr Group and Russian largest all-cargo carrier, received the "Golden Chariot" award as the National Leader in Air Transport Industry.

The award ceremony was held at the 2nd Russia-Germany Logistics Congress, the first in the series of events opening the Year of Germany in Russia, on 18 June 2012.

The "Golden Chariot" public award has been instituted by the Transport Committee of the State Duma (Russian Parliament) and Russian Ministry of Transport to recognize companies and their management working in the transport and associated industries.

"It is very prestigious and honorable for our relatively young airline to receive such award as an acknowledgement of the efforts demonstrated by Volga-Dnepr Group in the development and promotion of the Russian transport industry," said Alexander Lapin, Operations Director of AirBridgeCargo Airlines, after receiving the award from the Award Council.

17-07-2012 The president of Volga-Dnepr Group Alexey Isaikin met with the governor of Chinese Henan Province Guo Gengmao

The president of Volga-Dnepr Group Alexey Isaikin met with the governor of Chinese Henan Province Guo Gengmao as part of visit of the Volga-Dnepr delegation to the People's Republic of China.



During the meeting, Alexey Isaikin and Guo Gengmao discussed the opportunities and prospects of cooperation, including further development of AirBridgeCargo scheduled services from Zhengzhou airport with particular focus on introducing new flights to the USA using cross-Polar routes. The potential of using resources and infrastructure of Zhengzhou airport for charter operations of Volga-Dnepr Airlines in China was also considered. One of the main topics covered the opportunities of joint projects on development of air transportation services in central and other China regions.

A master plan of Zhengzhou airport modernization was presented and Volga-Dnepr team familiarized themselves with capabilities of the airport cargo terminal and logistics facilities.

13-07-2012 ABC Becomes a Launch Carrier for e-Freight in Russia

On 5th of July 2012 AirBridgeCargo Airlines (ABC) operated the first flight in accordance with the international e-freight standards.

The flight was performed as part of a pilot project on introduction of the internationally accepted paperless handling and air cargo escorting (e-freight) standard in Russia and became the first step towards the use of such advanced e-solution in the country.

Using the information system developed by Russian Innovation Center of Civil Aviation, ABC submitted electronic information on its aircraft and cargo to Sheremetyevo Airport customs authorities, and customs clearance was subsequently granted also in electronic format.

The e-freight implementation is aimed at facilitating Russian carriers to substantially reduce the cost and time burden associated with customs and other statutory reporting paperwork, better integrate into the global air transport community, and seamlessly serve the transfer cargo segment of estimated volume up to seven million tons each year ensuring industry revenues of around \$10 billion annually.

Alexey Isaikin highly praised the remarkable progress achieved by the logistics industry in central China and the continuous efforts undertaken by the local government to turn Zhengzhou airport into the country's major multimodal hub. "We distinguish the government of the province as serious partners aiming at long-term strategic cooperation in a wide range of activities," noted Alexey Isaikin.

The governor of Henan Province Guo Gengmao expressed his confidence that the discussed initiatives would definitely receive a progress. "The meeting we had is an important step to establish our cooperation. We saw that Volga-Dnepr Group possesses a great potential and experience in the air cargo industry. We are keen to become credible partners in projects that will facilitate our mutual development," said the governor.

In the course of the visit, Alexey Isaikin also met with the Russian ambassador to China Sergey Razov.

For information:

Since the company's inception, Volga-Dnepr has paid great attention to serving the Chinese air cargo market. In 2011, the company's sales of flight services to/from destinations in China exceeded \$470 million, comprising 26% of total revenue. Main types of cargo include electronics, hi-tech goods, industrial equipment, and aerospace equipment. The scheduled cargo operations to/from China are the key target market for Volga-Dnepr's B747 freighter carrier AirBridgeCargo Airlines (ABC) and account for around 70% of its revenue and traffic. In 2011, Henan Province and ABC signed a framework agreement providing for close cooperation in developing scheduled air cargo services in the province. ABC currently operates five weekly China—Russia—Europe flights from Zhengzhou and intends to expand such operations to seven at first and then up to fourteen weekly frequencies, including prospective flights to the US destinations.

07-08-2012 New Engine Wash Service by Volga-Dnepr Technics



Volga-Dnepr Technics (VDT), a maintenance, repair and overhaul arm of Volga-Dnepr Group, now offers a new service – on-wing engine washing – to its customers at Sheremetyevo Airport, Moscow.

The service uses hi-tech equipment of Aero Jet Wash, a US jet engine washing specialist company. The innovative Jet Wet

Suit® engineering solution recovers all the fluids used in the wash, along with the poisonous effluents they clean from the engine. The process is environment-friendly and allows to wash engines in a fraction of the time taken for traditional engine washes.

It is commonly known that regular engine washing is an essential procedure to maximize the engine's performance and make its gas path more efficient, reducing fuel consumption, increasing EGT margin and resulting in prolonged engine life. Even after the first wash the fuel consumption can be improved by about 2-3% with the exhaust gas temperature reduced by 10-12 degrees.

AirBridgeCargo Airlines (ABC), a scheduled B747F carrier of Volga-Dnepr Group, became the first in-house customer for the new service. For initial test, just one ABC's B747-400 was subjected to engine washing. After the improvement of engine characteristics was confirmed, VDT proceeded with engine cleaning on the remaining ABC fleet. The company now plans to extend the service to external customers, including B737, B757 and A320 operators.

Along with offering the service under separate requests from carriers, VDT also looks forward to make the engine washing capability part of its line maintenance package.

28-08-2012 Vnukovo Airport Cargo Terminal Handles Atran Airlines First Flight to Cologne

Atran Airlines, an air carrier of Volga-Dnepr Group, has launched a scheduled cargo service from Moscow-Vnukovo Airport to Cologne, Germany as part of a joint project between UPS, a global cargo integrator, and Moscow Vnukovo Airport Cargo Terminal. Atran Airlines has previously operated a daily flight on Antonov 12 aircraft to/from Malmö, Sweden for UPS. Following Atran's fleet replacement program and increased freight flows, a decision was made to start a daily direct service to Cologne/Bonn, where UPS has its European hub. In August, Vnukovo Cargo Terminal handled the first inbound flight from Cologne operated by Atran's recently received B737-400F aircraft.

06-09-2012 IL-76TD-90VD is granted certification for high-elevation airfields

Volga-Dnepr's IL-76TD-90VD fleet has been granted certification for operation from airfields situated up to 2,800 meters above sea level without the requirement of obtaining special pre-approval from the aircraft designer.

Ilyushin Design Bureau has authorized interim amendments to IL-76TD-90VD AFM to reflect such certification. This will allow Volga-Dnepr Airlines to eliminate time and financial costs in connection with obtaining one-off designer's authorizations to fly to a high-elevation airfield on a case by case basis, as well as facilitate the company's capability in selling such IL-76TD-90VD services.



06-09-2012 ATRAN takes delivery of first Boeing 737-400SF

ATRAN Airlines, a Volga-Dnepr Group company, has added a Boeing 737-400SF to its all-cargo fleet.

The aircraft operated its first scheduled flight from Moscow to Cologne in Germany on August 10th.

"The Boeing 737-400 is a twin-engine medium-haul airplane that is perfectly suited to our planned short and mid-range routes. Putting this aircraft into service with ATRAN will enable the company to offer a wider scope of services to our clients. Furthermore, the purchase of this aircraft is another step in one of our key projects of developing feeder and distribution network services," said Wolfgang Meier, ABC VP Sales.

The new addition to the ATRAN fleet is a converted passenger's B737-400. The conversion was performed by Aeronautical Engineers, a company with vast experience in converting passenger aircraft to freighter configuration. ATRAN expects to take delivery of its second B737-400F by the end of the year.



11-09-2012 AirBridgeCargo Increases Frequencies to Chicago

Russian aviation authorities officially announced granting more frequencies to AirBridgeCargo Airlines (ABC) on the Moscow–Amsterdam–Chicago service. The all-cargo carrier will now have five weekly frequencies on the route served by its B747-400 freighters, a substantial increase from ABC's previous three weekly flights to the US destination.

ABC performed its first Moscow–Amsterdam–Chicago flight in May last year, becoming the first cargo carrier to open a scheduled cargo service between Russia and the United States.

ABC is part of Volga-Dnepr Group specializing in scheduled B747F cargo operations in the largest markets of Asia (China, Japan and Korea), Europe (Netherlands, France, Germany, Italy and Spain) and North America (USA). The company serves 21 destinations in 14 countries. All flights are operated through its hubs in Moscow Sheremetyevo (SVO) and Domodedovo (DMD) airports. ABC's fleet currently comprises 11 Boeing 747 freighter aircraft. Earlier this year the company has taken delivery of the initial two of its five ordered Boeing 747-8Fs.

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