

# Suvarnabhumi Airport offers fresh opportunities

Despite initial teething problems, Bangkok's new state-of-the-art airport has ushered in a new era for Thailand's fresh produce trade. **Chris Catto-Smith** reports from Bangkok



The new airport opened in September

**T**HE opening of Thailand's new Suvarnabhumi Airport in September 2006 has signaled a major transition for Thailand and its perishable and fresh produce industry.

As global demand for fresh produce around the world increases, airlines are enjoying growth of perishable air cargo volumes by a healthy 12 per cent per annum. Thailand is one of the world's largest exporters of fresh produce, and the new perishable air cargo handling facilities will match future growth and provide benefits for the industry.

The two new international air cargo operators, Thai Cargo and Bangkok Flight Services, have invested in over 13,000m<sup>2</sup> of dedicated cold rooms allowing for the correct receipt, containerisation and dispatch of fresh produce for both export and import.

However, despite this major investment in cold chain infrastructure the Thai fresh produce industry faces increasing pressure and competition in the global marketplace to provide low-cost, high-quality produce with consistent supply and suitable variety.

In order to remain competitive, the industry faces a number of ongoing challenges to optimise the quality of produce at destination and reduce overall delivery lead times at the same time as achieving overall cost efficiencies.

For fresh produce being shipped through Suvarnabhumi Airport, all supply chain partners must collaborate to maintain cold chain integrity and improve handling techniques throughout each stage of transportation.

Despite a number of start-up issues faced during the activation of the new airport, shippers – and in particular the Thai Air Freight Forwarders Association – are closely monitoring the way the new facilities are being utilised and products handled prior to loading on aircraft.

To meet the stringent requirements of international retailers, a number of Thai shippers have invested in world-class temperature-controlled packing facilities and delivery vehicles.



Thailand is one of the world's leading produce exporters

However, a majority of perishable products are still being packed in ambient temperatures and delivered to the airport in open-top pickup trucks.

Improved temperature control and reduced handling times can be achieved through consolidation of produce through the new world-class dedicated processing facilities, greater use of refrigerated transport and increasing use of pre-loaded or direct shipment unit loading devices (ULDs).

Despite increasing international demand for Thai fresh produce, airlines are constrained by the available uplift capacity for air cargo out of Suvarnabhumi. With additional costs such as fuel levies and ground handling charges, shippers must maximise the full capacity of ULDs.

New EU regulations are being introduced to discourage the use of expanded polystyrene (EPS) packaging in favour of shelf-ready cartons. Airlines are also working to assist shippers with improved cold chain services, direct shipments and offering freight rate incentives for better load utilisation.

Retailers are imposing greater penalties for delivery and quality failures. This has resulted in airlines taking greater ownership in overall cold chain and supply chain performance. However, this requires cross industry collaboration.

A problem facing many shippers is maintaining the temperature control of perishable air cargo after leaving Suvarnabhumi which is then routed through transit hubs such as Singapore and the Middle East.

With transfer times of only two to three hours and high ambient temperatures, there is little time to put produce away into cool rooms. Once airlines and ground handlers can demonstrate that produce can be handled with no breaks in the cold chain, shippers can move away from the use of EPS and gel packs allowing up to 40 per cent greater load utilisation.

Each of the two Suvarnabhumi cargo terminal operators can benefit through the introduction of specialist cold chain management initiatives that focus on overall cross industry



Open-top trucks are still being used improvements: the main focus being benchmarking and compliance with IATA perishables handling guidelines, including and temperature datalogging from packhouse, containerisation to loading on aircraft.

Continuous review and improvement of loading facilities can reduce delivery times and improve handling efficiencies: including introduction of ground-mounted scissor lifts for low tray delivery vehicles and pickup trucks.

Improved protection from rain and storm water drainage at loading docks can ensure efficient unloading of vehicles in all conditions.



The airport offers coldstorage facilities

The single greatest issue for all shippers remains the thermal protection of produce in ULDs from direct sun and high ambient temperature on the tarmac after it leaves the cargo facilities and prior to loading on aircraft.

The recent introduction of the Coolcargo dolly-mounted cooling solution at Suvarnabhumi offers the industry significant benefits in this respect. The patented Coolcargo solution keeps pre-cooled perishables loaded in ULDs and cooled until loading onto aircraft.

With the mounting global focus on product availability, quality, cost and



Delivery times are being cut

cold chain integrity during transportation, global retailers are applying increasingly more stringent requirements for the handling and transportation of fresh produce throughout the entire delivery supply chain.

Exciting times lie ahead for the Thai perishable and air cargo industry to demonstrate its commitment to collaboratively improve overall supply chain efficiency for exported and imported fresh produce.

The new airport has provided the opportunity to meet international expectations of product availability, quality, cost and cold chain integrity. ■

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