Air freight company looks to increase Guam business

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As with many products and services the military buildup on Guam is likely to generate an increase in demand for air freight service. That prospect has at least one company aggressively, targeting the Guam market. After announcing, earlier this year, its door-to-door air freight service from the U.S.mainland and Hawaii to any address on Guam, Hawaii Air Cargo is making plans to further enhance its service and introduce more-competitive pricing, said Michael Mastrogiuseppe, director of operations for HAC.

"We have a lot of customers in Hawaii that have representation here and they have used us for air shipments," Mastrogiuseppe told the Journal during a recent visit to Guam. "We have always had that clientele shipping here." The company was founded 27 years ago. The buildup, Mastrogiuseppe said, will have current customers shipping to Guam more often and the company intends to build on the increased volume to make its Guam service even more attractive.

Key to HAC's Guam plan is its relationship with Ambyth Shipping & Trading Inc.— Hawaiian Air Cargo's representative agent on Guam — and attractive rates. Twe come up with some rates for them out of Hawaii off of the mainland U.S. that [Ambyth] can sell and be competitive with the other air freight companies that come in here," Mastrogiuseppe said. "I'm not saying that we're the cheapest, but we go above and beyond and that quality adds to the service."

Hawaii Air Cargo operates offices in Honolulu and Los Angeles, and has "an agent network throughout the U.S.," Mastrogiuseppe said." Los Angeles is the big consolidation for us because there are more flights from LA. to Honolulu and to Maui than there are from any other city." By contracting out its agency in most cities, HAC reduces its overhead, he said.

While the company ships on, and has favorable relationships with, most major airlines, it also relies often on a daily 747 freighter from Los Angeles to Honolulu
operated by Pacific Air Cargo. "The service is
great using Pacific Air Cargo into Honolulu
because it gets transferred over to
Continental the same day," Mastrogiuseppe
said."If we make the transfer early enough, it
will be on the afternoon flight into Guam."

HAC has been a customer of Ambyth's for years and Mastrogiuseppe noted Ambyth's experience in the Guam market and its ability to provide the service its customers require. "Whenever we would send anything into Guam they would handle our customs clearance and delivery," he said. "They're very accommodating. [For example] we're bringing in a shipment of chocolate. They're going to do the overtime to clear it; because of the heat, it can't sit there. Ambyth is going to keep it in their temperature-controlled facility until the following

morning and then deliver it."

While the company will not have an office on Guam, its toll-free phone number can be used from the island, and customers can use the HAC Web site to access rate information, dispatch pick up and the company does purchase order followup."If a customer here places an order on the mainland and if they send us a copy of their purchase order we'll do a followup and get back to them about where it is."

The company also plans to offer levels of service — standard and deferred — which is less expensive and may be preferred for less urgent shipments.

A product that the company offers in Hawaii and may expand to Guam involves Internet shopping. Customers have their orders shipped to HAC's Los Angeles office, and "we consolidate it in Los Angeles — a lot of companies ship free within the 48 states — and then we send it on to Honolulu and the rate is much cheaper." The service also solves the problem of companies who do not process orders outside of the mainland.

Current HAC customers include a number of construction companies, meaning that the company is well aware of the role it play in construction projects. "When everything's being held up, you can't wait 18 to 21 days to get something in from the states." Mastrogliuseppe said. "We can have it here, depending on where it originates and the size, in three to seven days." INSI

