



a unique voice. Yours.

The Joint Cargo Team

Air France - KLM

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Best practice of a Data Migration project
[SOGETI event - December, 12th 2006]



Agenda

- **KLM, carrier in transition**
- **Air France - KLM**
- **Context**
- **Roadmap**

- **Phase 1 program**
- **Implementation strategy**
- **Data Migration**

- **Conclusions / Questions**

KLM, carrier in Transition

KLM

- Founded October 7, 1919 - KLM by Albert Plesman
- 24 million passengers & 580,000 tons freight
- 29,000 employees
- Amsterdam Airport Schiphol is worldwide hub

Today KLM is part of Air France KLM

- Largest airline by turn-over
- Part of the SkyTeam alliance, fastest growing global airline alliance!
- In the process of merging our activities

Air France – KLM

Total Turnover Air France-KLM 2005/06: ~ € 21 billion

- Air France and KLM integrating their Businesses
 - Passenger business
 - Cargo Business
 - Engineering & Maintenance

- Largest Cargo Carrier in the world

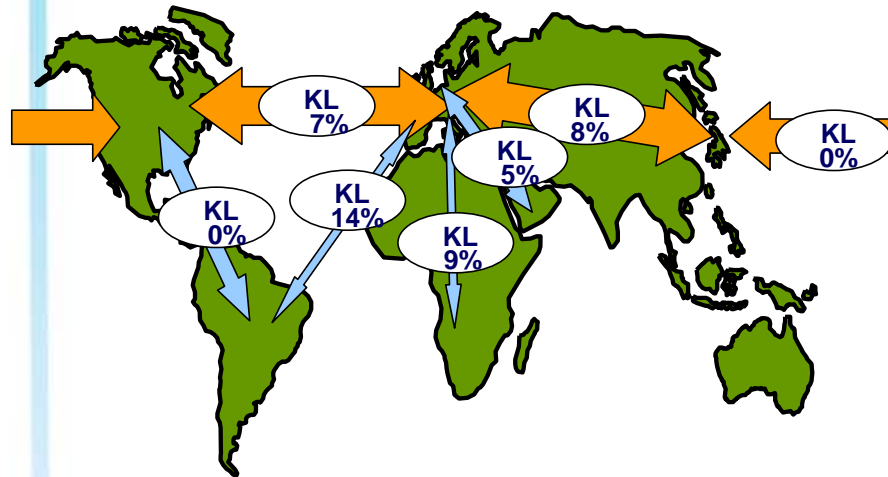
Year 2005/2006	AF/KL	AF	KL
➤ Turnover → billion	2.9	1.7	1.2
➤ Tons → million	1.28	0.7	0.58
➤ FTE's	5.600	3.200	2.400
➤ Freighters	15	12	3 (17 Combi's)

Integration of Cargo started October 2005

Market position

Relevant players in relevant markets

- Top 10 worldwide ranking
- On short list of major customers
- As a AF/KL group → the largest



Europe - NorthAmerica

Europe - Asia-Pacific

1. Lufthansa	11.9%	1. Lufthansa	13.3%
2. British AW	10.5 %	2. KLM	7.8 %
3. FedEx	9.4 %	3. Cargolux	7.5 %
4. KLM	7.1 %	4. Air France	7.4 %
NWA	2.2 %	5. Cathay Pacific	6.1 %
5. American AL	6.8 %	6. Singapore AI	5.8 %
6. Air France	6.2 %	7. Korean Air	5.4 %
7. Delta AI	5.9 %	8. China AI	4.9 %
8. Cargolux	5.8 %	9. EVA Air	4.8%
9. United AL	4.9 %	10.JAL	4.8%
10. UPS	4.6 %		
		NCA	2.9%
		Malaysia AI	2.6%
		Martinair	1.6%

Estimates based on IATA, AEA, DoT and OAG data for 2004

Cargo key drivers

“Balancing money-making & smart moving.....”

Market dynamics

B-2-B, buying power forwarders

Cyclical, thin margins

Part of supply chain

Clustering in transition

Key Success Factors

Financial Performance

Customer preference

One Voice to the customer

Operational Excellence

People & Execution

Connectivity

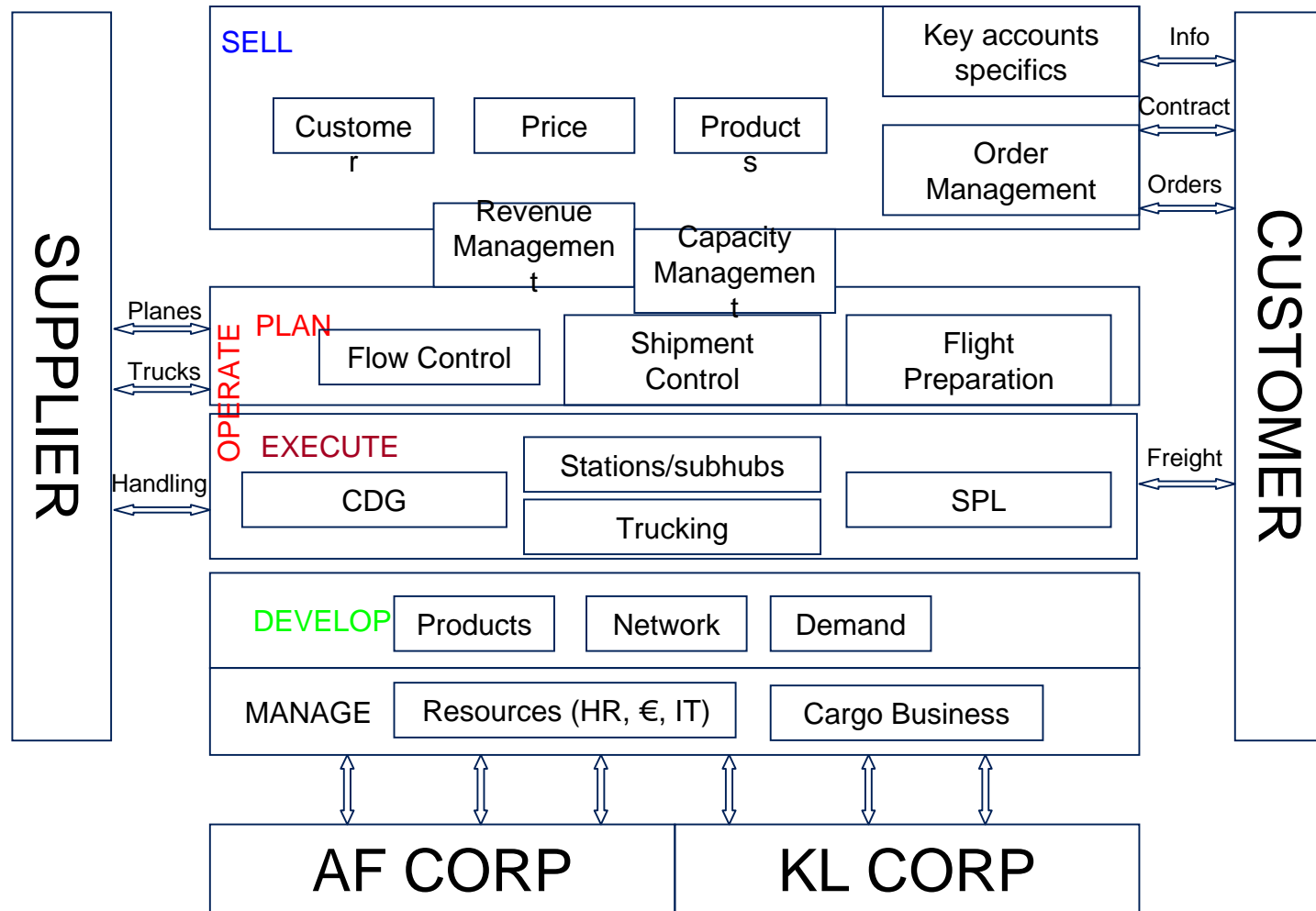
“ICT is crucial.....”

Ambition is the starting point

- **The JCT project was started to help to define the target and the way**
- Vision
 - The leading European Air Company
 - Provider of intercontinental air cargo “plus” services to/from Europe
 - Providing smart solutions to improve performance in world supply chains
 - Leading partner in leading cargo alliance
- Building blocks
 - Network-products-services
 - Fleet mix
 - Alliances
 - Partnerships
 - Infrastructure
 - Unified management body
 - People&execution
- Approach
 - Commercial focus (customer satisfaction)
 - Operational excellence (performance)
 - Personal development (capabilities)

The high level business map

VALIDATED



Main Architecture principles

Service Oriented Architecture to be implemented both :

- at the Business Architecture level
- at the IT Architecture level

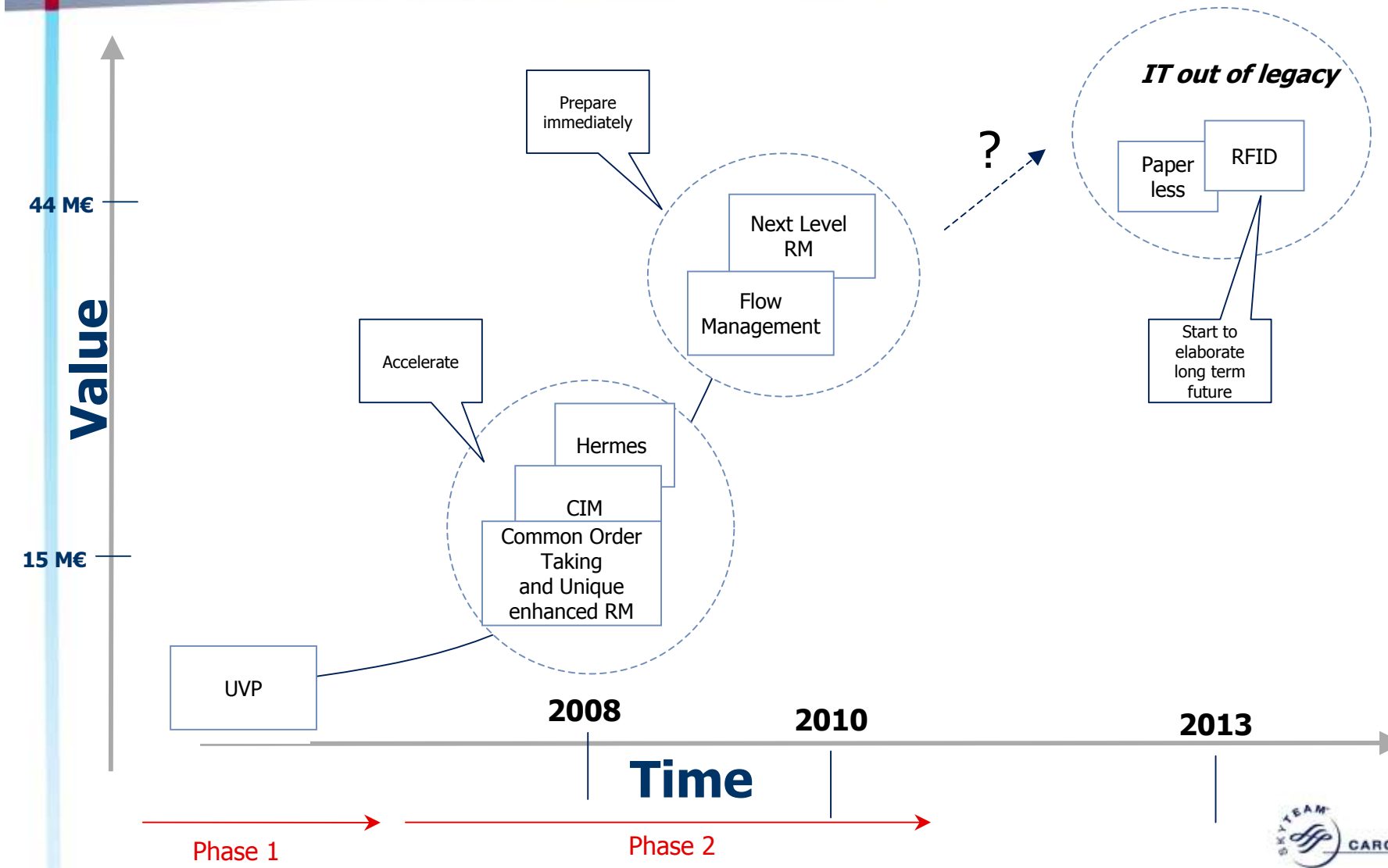
Data architecture

- Conform Joint AF/KL Data management domain principles
- Operational data is separated from informational data
- One authoritative source, no copies

Technology

- On Open systems (Unix/Linux), J2EE and RDBMS
- Based on KAOJAI project results / implementation choices
- Coloring / balancing → dark blue (Air France-ICT)

Roadmap towards future



The UVP application

One Solution, many alternatives

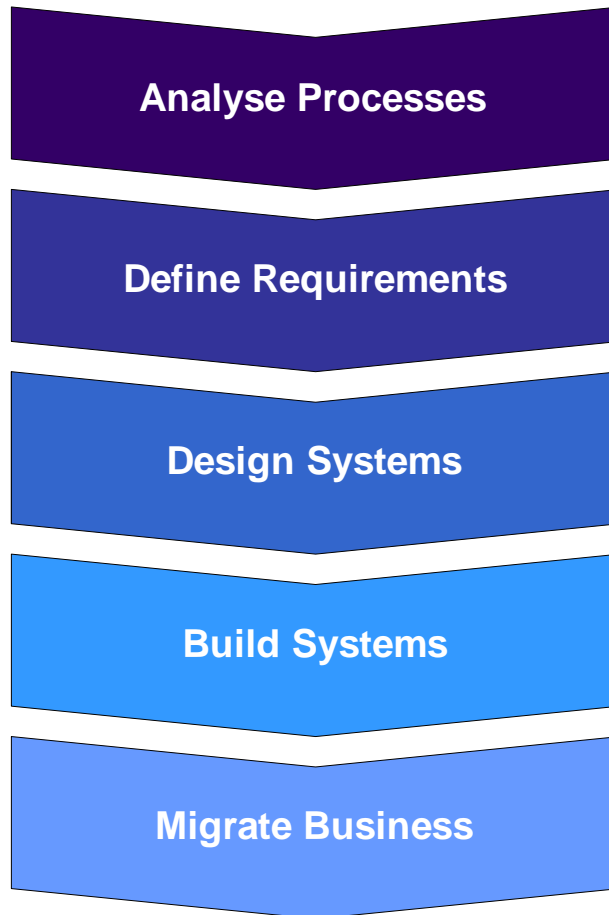
The screenshot displays the Unique Voice Portal (UVP) application interface, which is used for searching and booking cargo flights. The main window shows the 'Search for Availability' section with search criteria: Origin: BOG, Destination: LHR, Departure Date: 29SEP06, Weight: 150, Volume: 1, Product Label: DIMENSION. Below this, an 'Availability List' table is shown with columns for Flight, Origin, Dest., Departure, Arrival, Aircraft Type, Class 1 Weight, Class 1 Volume, HI, LI, CI, Class 2 Weight, and Class 2 Volume. The table lists several flight options, including Air France (AF) and KLM flights.

A secondary window titled 'Allotment Details' is also visible, showing details for an allotment with Reference: 00224433001005, Origin: AMS, Destination: PEK, and Product Label: DIMENSION. It includes fields for Flight, Origin, Destination, Days of Week, Commodity Code (COCONSOLIDATI), Commodity Description, Contract Status, and Special Handling Codes (SIG).

The interface includes navigation tabs for CUSTOMER INFORMATION, AVAILABILITY REQUEST, ALLOTMENT SEARCH, MARKET & CA RATES, and SPOT RATES. The bottom of the screen shows the Windows taskbar with the Start button and several open applications, including 'Inbox - Micro...', 'UNTITLED.PP...', 'Microsoft Off...', 'Unique Voice...', and 'SnagIt Captu...'.

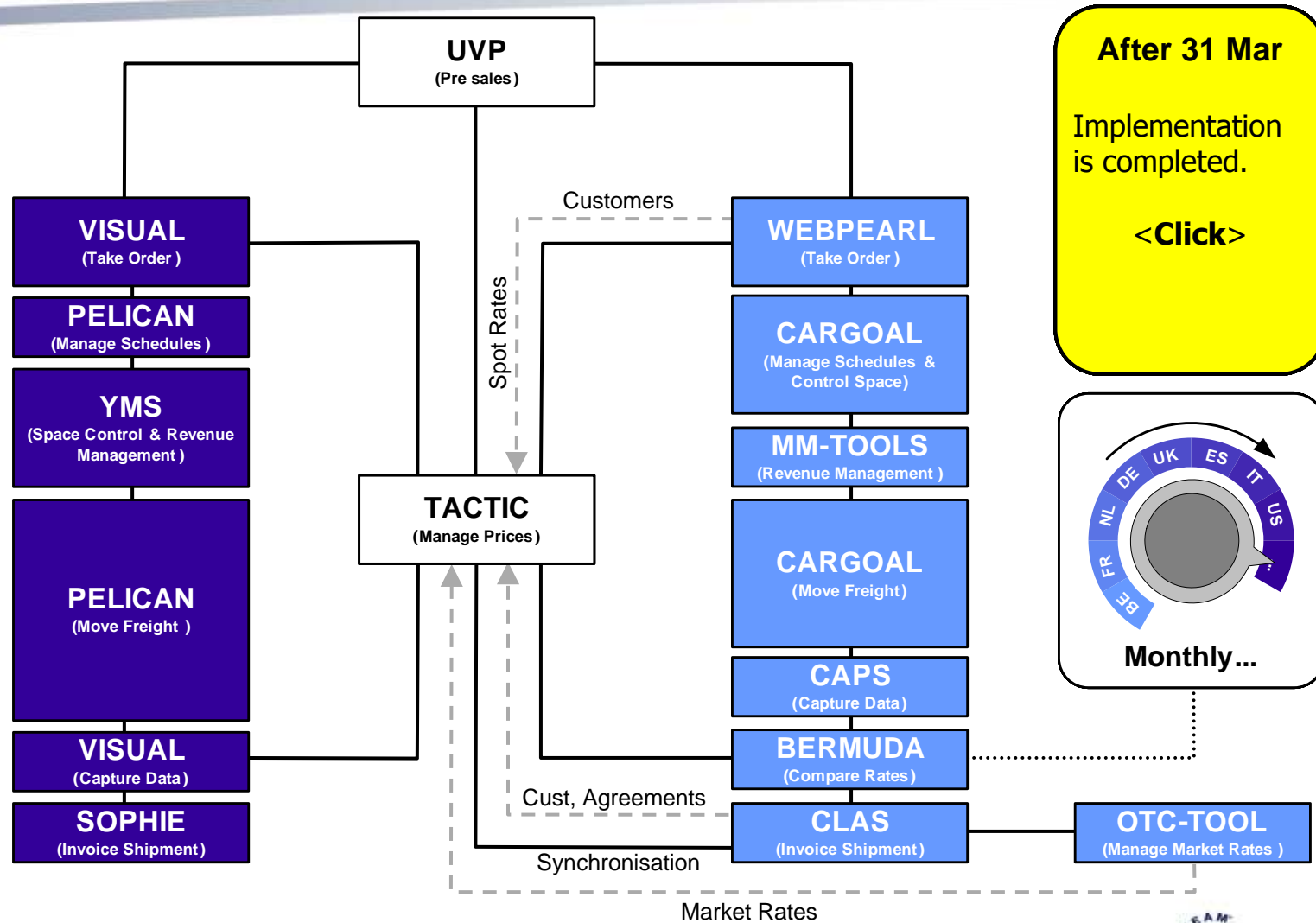


Phase 1

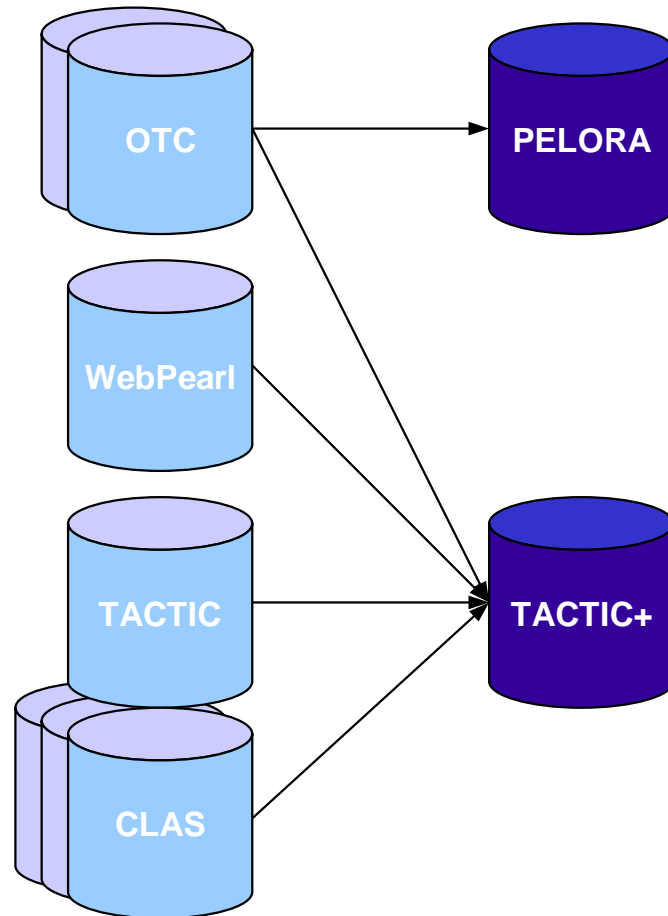


- New joint processes for 'Take Order' and 'Manage Prices'
- Requirements defined using war room engineering.
- Two new systems (UVP, BERMUDA) and one upgraded system (TACTIC+) designed.
- UVP build by Unisys, Bermuda by KL_IT, TACTIC+ build by AF IT.
- Implementation plan, Data Migration → enter Sogeti

Implementation strategy



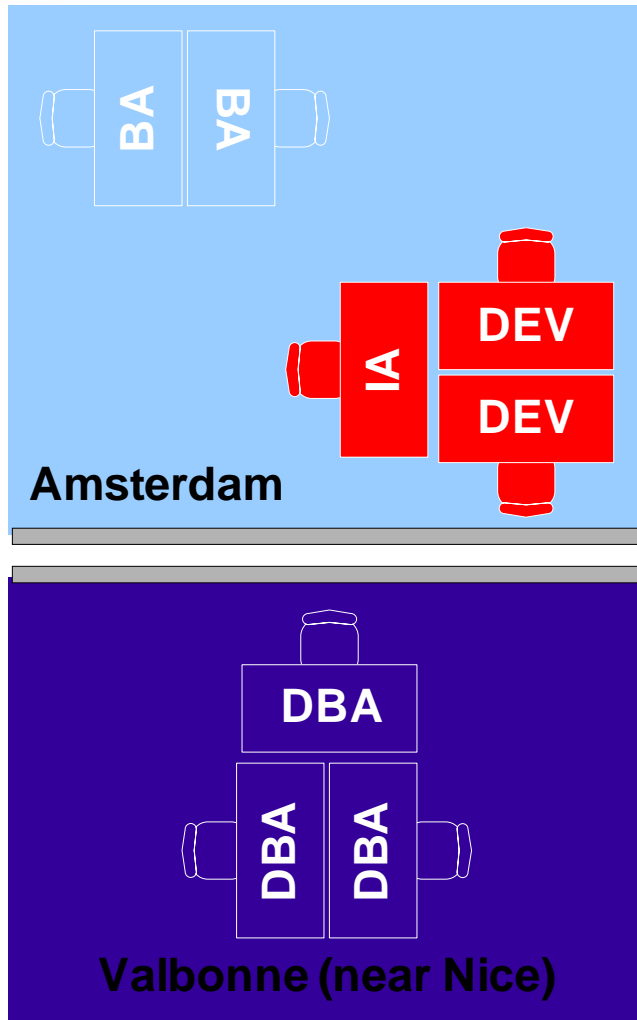
Overview Data Migration



Migrate Transaction Data

- 15.000 Spot Rates from WebPearl to TACTIC+
- 200.000 Product Network entries from OTC-Tool to PELORA.
- 150.000 (KLM) + 350.000 (AF) Market Rates from OTC-Tool to TACTIC+
- 42.000 KLM Agreements from CLAS to TACTIC+
- 30.000 AF Agreements from TACTIC to TACTIC+

Data Migration Team



Business Analysts

- Manage Relation with Business
- Quality Master & Source Data
- Analysis & Functional Design

Information Analyst

- Day-2-Day Relation Valbonne
- Coordinate Development
- Translate Designs

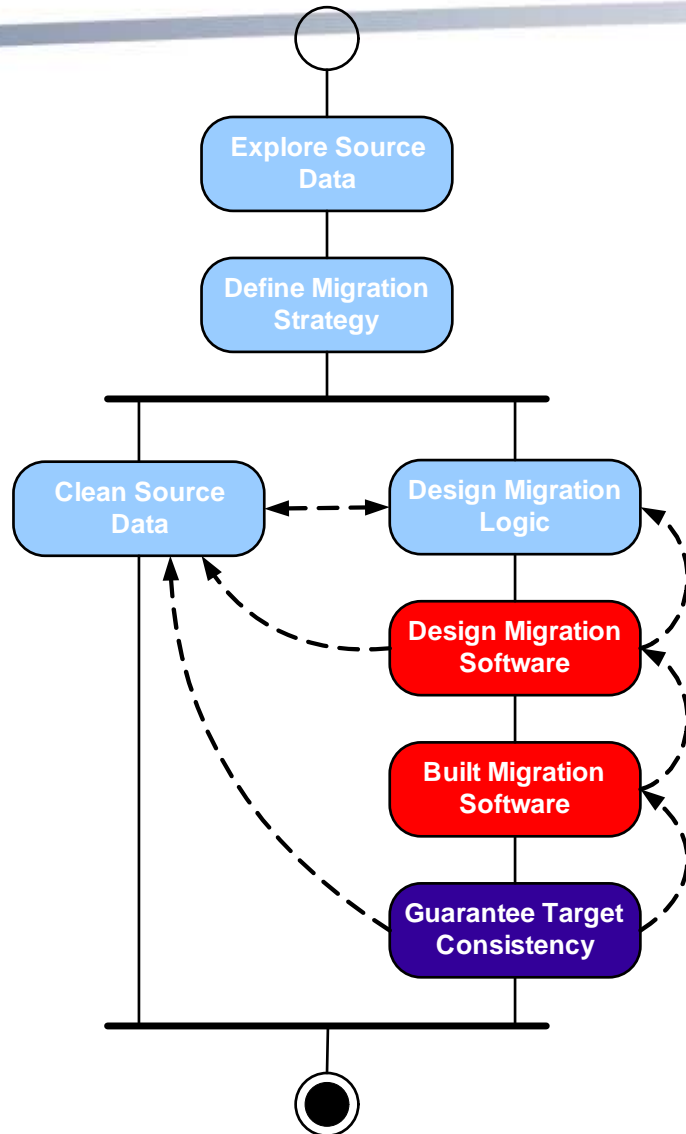
Developers

- Development of Software

Database Administrators

- Quality Target Data

Data Migration Process



Pre stage

- Business Analysts only..
- Initial Cleaning & Design

Actual stage

- Yes, There is a process
- Lot's of feedback loops
- War-room engineering

Prerequisites

- Cut content into subject area's
- Manage skill balance within teams

Conclusions / Questions

Qualities

- Plan / Focus / Commitment
- Teaming / Competencies / Skilled people

Improvements

- Cultural / Business differences → language
- Trust / Principals of engagement (AMO / BDO / AF & KL- ICT)
- Availability of Business users

Questions?