



LOOKING FOR A FLEXIBLE ALTERNATIVE TO AIRFREIGHT?

COVID-19 and measures undertaken by governments to combat it continue to severely disrupt supply chains all over the world. Smart Australian businesses are rising to the challenge and implementing flexible freight solutions to get their goods into stores particularly in sectors where demand remains high.

STOCK-OUTS OR ERODED MARGINS?

With the reduction in airfreight space due to restrictions on passenger travel, importers with airfreight requirements have seen a significant surge in rates to levels not previously seen.

Rates from China hit a peak of over USD10.00/kg, not only due to the sharp reduction in flights but also the high volumes of PPE products coming into Australia. There does not seem to be an end in sight to the volatility as we see the wearing of face masks by the general public either mandated or recommended across the country.

From Europe, there are still very limited services and no direct flights. At the time of writing airfreight rates are still more than EUR8.00/kg.

Long seafreight transit times from Europe to Australia mean that for many importers, especially those with urgent delivery requirements, airfreight has been the only viable option. Until now that is.

With direct air services from Europe all but non-existent, importers unaware of air/sea and other tailored alternatives are stuck with a Sophie's choice between unsustainable transit times and crippling freight rates; stockouts or eroded margins.

Air/Sea services are not commonly offered by forwarders as they require specialist airfreight knowledge and strong partnerships at origin to create bespoke solutions that meet an importer's particular need.

Not all forwarders are set up this way.

SAVE TIME AND LOWER COSTS

Magellan has many solutions for the cost-effective movement of cargo.

An Air/Sea option will suit non-urgent airfreight or urgent seafreight and can reduce your overall transportation costs by at least 50% and cut your transit time in half too.

Air/Sea is more cost-effective than airfreight and provides better transit times than ocean freight. It retains all the value-added services standard to our airfreight service with substantial savings on the overall transportation costs, whilst maintaining a fast transit time.

Our clients benefit from flexible routing options, global coverage via strategic Air/Sea hubs and end-to-end visibility across all modes.

An indication of the reduced transit times and cost savings can be seen on the page over.



Transit times ex-door Italy to Australia			Saving on airfreight only
	Seafreight	Air/Sea	
Melbourne	42 days	26 days	50%
Sydney	40 days	24 days	50%
Brisbane	50 days	29 days	50%

Transit times ex-door Germany to Australia			Saving on airfreight only
	Seafreight	Air/Sea	
Melbourne	50 days	26 days	50%
Sydney	53 days	24 days	50%
Brisbane	49 days	29 days	50%

A flexible, hands-on approach to solving European origin challenges is critical, especially for urgent turnarounds. Our exclusive, partnerships with boutique, Europe-based Australia trade-lane specialists give you the advantage of a local contact uniquely placed to understand your specific needs.

As one of Australia's leading airfreight forwarders we have the deep operational experience and expertise to develop the right range of services to meet your requirements.

Full end-to-end supply chain management, including customs clearance and transport, allows you to realise the speed-to-market benefits of airfreight in this challenging time.

CASE STUDY:

AN AIR/SEA SOLUTION THAT WON THE BID

A frustrated importer of packaging machinery approached us with a problem they had been unable to solve. A large contract would be won contingent on meeting a tight delivery deadline and they were unaware of a freight solution that would allow them to meet it without eating into the profit margin.

The deadline could not be met via seafreight ex-Italy to Brisbane and airfreight was just out of the question.

Our solution saw the cargo of 2x40ft HC containers delivered to our client's Brisbane warehouse in half the normal transit time at 1/7th of the quoted airfreight after being routed from Milan via Moscow to Singapore. The high original quote was mainly due to the very large-sized shipment, oversized crates, and the scarcity of cargo-only flights servicing Brisbane, coupled with the current COVID-era rates.

Our freight solution enabled our client to win the tender and the promise of more to come.

Your supply chain is one of the most critical parts of your business – you should always be looking for ways to improve it.

Choosing a logistics partner you can trust to navigate in this uncertain environment is essential if you want to get ahead and stay there.

Visit us at
www.magellanlogistics.com.au

Contact our team on 1300 651 888 if an Air/Sea solution could be the answer you're looking for.