

In conversation with the Crystal Group's Joël Glusman and Qualitair & Sea's Eric Hennet

Three answers to project questions

The Crystal Group, which is headquartered at Charles de Gaulle airport in Paris, shows how a medium-sized enterprise can successfully work with the complexities of the project cargo business. Two of its leading lights described the model.

Mr Glusman, Mr Hennet, how would you define the strengths of the members of Crystal Group?

Joël Glusman: This is primarily the strength of a team that has committed itself to joint values, such as proximity to customers, dedication, ingenuity and growth. Our ability to adjust to new markets while structuring our activities is also one of our trump cards. The founding

of what we have called The Aerospace Logistics Alliance (Tala) last January (see *ITJ* 07-08/2013, page 18) is a vivid example of this. The development of our project cargo business fits very well into this framework. In the group we've created Altus France, which deals exclusively with oil and gas activities and is based on Altus Singapore. In the final analysis we decided to concentrate on a few key markets, where we'd like to be considered absolutely essential, in the best case, but want to be perceived as very strong as the minimum.

Which markets are you assessing?

Eric Hennet: Initially, geographic niche markets, such as Brazil. We're set to take over a company there shortly. Then there are Turkey and Japan and finally China. Over and above this there are Morocco and the United Arab Emirates, where we have promising branches.

«Transporting components for oil platforms or heavy individual parts of up to 1,000t each requires special expertise.»

But I am also thinking about industry-specific niches, such as the aviation industry (via the company Tala, in which Qualitair & Sea is one the four founding members), the auto industry, the pharmaceuticals sector, as well as the project cargo business in the oil and gas trade.

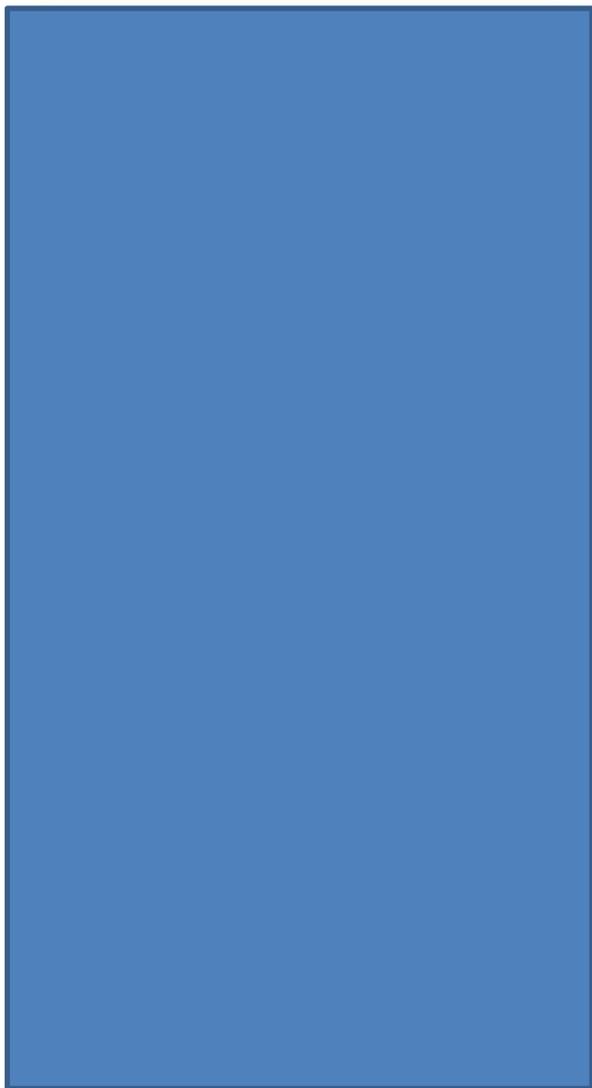
What funds have you earmarked for the project cargo business, which is a rather complex market?

Hennet: It's a sector in which we have invested a lot in the past few years. We've created very professional teams, established an international network with high added value, and have made a name for ourselves by carrying out many technically-demanding operations in sensitive markets. Our project cargo work now runs along three axes. Oil and gas, with Altus France, the transport of helicopters or heavier parts for the aviation industry, with Tala France, and the general industry sector, with Qualitair & Sea.

What are their activities in detail?

Hennet: In the oil and gas sector our subsidiary Altus France operates from three platforms, in Marseille, Le Havre and Paris Charles de Gaulle airport. In this sector even classic freight forwarding tasks require a comprehensively technical and highly-specialised approach. It is easy to load a container, but transporting components for oil platforms or heavy individual parts weighing up to 1,000t each requires special expertise regarding safety regulations, handling the cargo mass, its centre of gravity, etc.

The management of the supply base takes us to the core expertise of Altus France. This is a question of man-





The Crystal Group's executive team with Joel Glusman (second from the left) and Eric Hennet (at the back, orange tie).

aging the logistics bases for oil projects. Basically, that includes supply and general maintenance options, with everything else that comes with the day-to-day operations on a drilling rig, even personnel training.

What is your approach in the other two sectors?

Glusman: Our approach in the aviation industry is entirely based on Tala. This structure allows us to offer an integrated service with a high added value – and in doing so to retain the flexibility of a medium-sized enterprises. Our experience with aviation project logistics goes very far back. We can't even count the number of helicopters of every size, for civilian or military use, for whose transport we've been responsible. We've usually had them hauled by large full-freighters, such as Antonov AN-124s, Ilyushin Il-76s or the Boeing B747Fs, but also by sea. Our range of aviation industry services is very competitive, as we know all of the legal requirements and loading regulations, etc.

«Our customers often prefer a company with the human touch.»

Industry projects, finally, are the third axis in our range of logistics services. Our ability to manage oil and aviation activities, which are very demanding when it comes to technology and regulations, serves as a guarantee for the companies who entrust us with transport or logistics for their heavy individual parts or even for their entire projects.

How can a medium-sized enterprise guarantee that it can successfully manage the entire supply chain for project logistics and heavylift cargo?

Hennet: We depend on practical and integrated networks, such as Altus or Tala, but also on local partners. This may be surprising, but it can work out much better than an international network such as those run by our multinational competitors, because we have to set much higher standards in terms of technology, communications and adaptability. This human face has been received particularly well by our customers.

What goals have you set yourself for the next few months?

Hennet: In the aviation sector, we want to make Tala even better-known, and are therefore in talks with main-

tenance companies. These talks make us optimistic for the future. In the oil and gas segment, we've got an eye on explorations off the coasts of South America and Africa, in Europe, in the Mediterranean and the Middle East. Our base in Dubai is an ideal intermediary for these activities.

You recently attacked airlines that calculate their fuel and security fees according to the taxable weight (see ITJ Daily of 9 September). Can you please comment more on this?

Glusman: The new approach could look like an arranged price increase, and the EU Commission and the US Department of Transportation could easily look at this more closely. It's not acceptable that up to eight different fees must be paid, when prior to 9/11 but one item on the relevant list! The administrative input, the investment of time required to manage these fees, without deriving even the tiniest commercial benefit from it – we're simply working for free for the airlines. You have to watch out that business relationships aren't reversed.

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