



TCR supplies a wide range of GSE to airports around the world

Partnership in times of Covid

Kristof Philips, chief operating officer of Brussels, Belgium-headquartered TCR, believes that in these pandemic-impacted times it is critical for the different elements of the airside industry to work more closely together than ever, and to put their faith and trust in each other

TCR is a globally active provider of GSE rental solutions and services, including full service rental, maintenance and ramp assistance, as well as GSE fleet services. It supplies GSE to airports, airlines, ground handlers and cargo handlers, and currently has a presence at more than 150 airports around the world.

Philips says that TCR's strategy is to work with airports and their stakeholders to optimise fleet size and equipment use for safer, sustainable and more efficient

airport operations. This includes providing optimal equipment and maintenance packages, technology-driven management systems and strategic advice to meet varied GSE needs.

The aviation industry has suffered hugely both this year and last, of course, as passenger numbers have plummeted. The evolution of the aviation sector has been one of pretty much continuous growth over the decades since the early 20th Century, but being confronted

with something as disruptive as Covid-19 has pushed many airside stakeholders into what might be regarded as 'survival mode'. In fact, the contrast with the many years of 'good times' has made the current precipitous downturn that much more of a shock, Philips believes.

The typical effect is that people and businesses alike tend to become defensive and feel they have to fight for their own survival, often seemingly necessarily – they believe – at the



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expense of others, including perhaps their suppliers and customers. However, says Philips, if stakeholders sincerely look for solutions that address their customers' needs while at the same time adhering to their company's own long-term vision, business success can

be achieved – if partners work together and trust each other, he argues.

In fact, it is vital that partners in the industry collaborate and have faith in each other: if they do, deals can still be struck even in these tough times, Philips says.

How can that trust be secured? By talking with each other and by the parties involved genuinely understanding each other's needs, Philips insists. That is how he and his colleagues at TCR have approached the issues thrown up by the collapse in the aviation industry.

Indeed, he remarks: "TCR is extremely proud that – thanks to the customer relationships it has – we have been able to act as a true partner and enter into agreements that have delivered cost reductions and increased flexibility for our customers."

Ramping up

The challenge the pandemic poses for the airside industry is now twofold, Philips suggests. At the outset of the Covid outbreak last year, there was a need for almost all those active airside (and for those that supply them) to revise business models and cut costs drastically in response to the collapse in

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TCR is seeing an ever-increasing trend towards 'greenification' in the GSE market

passenger numbers and – consequently – airside operations.

But, says Philips, today there is another issue that also needs to be addressed. “Now we see that there is a need to start thinking about the ramp-up of flight operations. Here, the challenge is that the recovery will be slow and uncertain, and that the process will probably feature many hiccups along the way.

“So, in order to support our customers in the latter, we have developed what we call the ‘Triple R’ model: Reserve – Ramp up – Rent. The model starts from a joint commitment to work together with our customers when it comes to GSE leasing but without any initial commitment on final volumes.

“This means customers can reserve assets from our inventory list (Reserve). When activity picks up, an extremely flexible invoice model is applied until a more stable run rate is achieved (Ramp up).

“Once a certain level of normality is achieved, this fleet will be incorporated into a long-term partnership agreement which incorporates clauses to deal with future flexibility requirements resulting from seasonality, business loss, mothball requirements and so on (Rent).”

This process is a fairly complex one and involves a change in mindset for TCR as well as for its customers and their normal acquisition procedures. Getting GSE back into operation that has been laid up for some time takes a little bit of time; there are safety issues to be addressed, for example. Operators may need some refresher training on more complex types of powered GSE (tugs, for example), while equipment that has been in store for some time needs to be carefully checked over and carefully brought back to full working efficiency: TCR offers a ‘deep service’ for just this reason.

Whatever the GSE, every TCR customer – whether handler, airline or airport operator – will have different requirements in terms of their ‘ramp up’ of GSE, and once again in this regard Philips reiterates the importance of working closely with its customers in order to fully understand their needs and how these requirements can best be met.

“It is all about thinking about how we can get through this and about how we can grow together with our customers,” Philips summarises. In fact, he says, the industry’s collapse has actually led, in some cases, to strengthened relationships. As in any crisis, you tend to find out who you can trust when the chips are down, he observes.

Greenification

As well as customers needing to ‘ramp up’ as and when the recovery gathers pace, TCR is also seeing in the market an ongoing increase in GSE operators’ focus on more environmentally friendly equipment – part of the process that Philips describes as ‘greenification’.

“We recognise that the world is changing, and we face new and emerging challenges and increased expectations from stakeholders and global communities,” he says. “We are committed to continually evolving and ensuring we operate and grow our business, as well as those of our customers, responsibly and sustainably.”

TCR has a business model that informs the way it approaches the subject of sustainability with its customers. Its ‘Apron Trilemma’ has, as the name suggests, three elements, namely: continuity of operation, affordability and sustainability.

In terms of continuity, Philips emphasises that in an airport environment everything must run smoothly and continuously. Affordability is about achieving objectives in an affordable way for all stakeholders. Finally, TCR’s focus on sustainability aims to ensure that the apron as an ecosystem is safe as well as environmentally friendly.

He adds: “As most of our operations take place inside airports, our ambition is to collaborate with our partners – airports, airlines and handlers – in addressing sustainability issues such as noise, air quality, biodiversity and water management, and also more global environmental issues – particularly the aviation industry’s greenhouse gas and carbon emissions.”

As with the Triple R model, the Apron Trilemma concept is primarily an issue of mindset and about how TCR goes about interacting and consulting with its customers. In this case, it’s about discovering how the process of ‘greenification’ can be made to benefit all: to more than compensate the GSE procurer for the additional cost of electric equipment, for example.

TCR expects to partner with major airports, airlines and infrastructure companies to further develop various sustainable solutions. Critical to these projects will be to keep in mind the Trilemma and how TCR delivers customer solutions that are “affordable, sustainable and ensure business continuity”, Philips concludes.