

# cargo facts

*The air freight and express industry newsletter of record*

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PLANE TALK

**by Mark Solomon, Atlanta**

**FREIGHT FUTURES:** Financial futures markets exist for numerous commodities, so why not for airfreight capacity? That's the notion behind FutureFreight Corp. The brainchild of two high-tech exiles, Peter Miner and Pierre Laurent, FutureFreight aims to provide a tradable futures market where forwarders and carriers place financial bets on the outlook for lift and capacity. Under the model, shippers would provide their forwarder vendors with traffic forecasts. Forwarders, in turn, would use those reports to bid on future capacity needs. Miner, who spent more than 20 years in logistics at Hewlett Packard, and Laurent, who worked at Microsoft and Intel in non-logistics roles, believe their platform will offer airfreight users predictable capacity sources and price stability into an erratic market, provide carriers with a market for their supply, and enable buyer and seller to hedge their cost and revenue streams. Miner said FutureFreight's focus is not on load matching or optimization solutions found in other models, but on helping participants manage the financial risk associated with the business. The process is in its early stages, with shippers "generally receptive" to the model and forwarders "challenged" by it, according to Laurent. FutureFreight will first tackle the airfreight industry, and expand into ocean and land transport if the model gains traction. Miner hit on the idea in part because her years at HP left her frustrated with the unpredictability of cargo capacity and the volatility of pricing. Virtually every high-tech airfreight user, including Microsoft and Intel, has long expressed the same levels of frustration.