

Aviation Services Firm Operating Cargo Screening Facility at LAX

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[Mercury Air Group](#), a diversified aviation services firm based in Los Angeles, that is also the first independent air cargo screener certified by the federal government, is finding plenty of demand for its screening services and is considering opening up similar services elsewhere, a company official tells TR2.

Mercury Air's Independent Cargo Screening Facility (ICSF) is based at Los Angeles International Airport (LAX), giving the firm an advantage in providing screening services versus off-Airport screening facilities, says David Herbst, executive vice president for Corporate Strategies at the company.

Mercury Air is the longest continually operating tenant at LAX and provides a range of services such as fueling and cargo handling. With its 200,000 square foot cargo handling facility, which is the Transportation Security Administration certified ICSF, the company is the second largest cargo handler by volume at LAX. Only [FedEx Corp.](#) [FDX] handles more cargo there.

Being on the airport and knowing the way around the facility is a competitive discriminator as an ICSF, says David Herbst, executive vice president of Corporate Strategies at [Mercury Air Group](#). Some freight forwarders, who typically are located anywhere from a mile or more from the airport, don't want to become Certified Cargo Screening Facilities (CCSF) because of the costs associated with purchasing screening equipment and also for ensuring a secure chain of custody between their facility and the airline that will carry the cargo, he says.

"Being on airport allows us to benefit from that security zone that an airport has," Herbst says.

So far TSA has over 225 CCSFs in its air cargo screening program, including at least 180 air forwarders. The rest are a mix of shippers and ICSFs.

TSA began certifying air forwarders' facilities last year for the Certified Cargo Screening Program, which is mandated by Congress. As of Feb. 1 of this year TSA had to ensure that at least 50 percent of all cargo being carried on passenger planes in the U.S. was screened for explosives. That goal was met relatively easily. By Aug. 2010 all cargo that will be carried on passenger planes departing from U.S. airports must be screened for explosives.

While Congress directed TSA to carry out the cargo screening mandates, TSA put the ultimate onus on the airlines to ensure that cargo is screened. However, the agency realized through a series of pilot tests that the airlines themselves couldn't be expected to screen all the cargo without creating logjams at the airports, which would seriously hinder the flow of commerce. So in establishing CCSP the agency is pushing cargo screening down the supply chain to include the freight forwarders, manufacturers and even allowing for the creation of third party screeners, the ICSFs.

The Next 50 Percent

Getting the final 50 percent of cargo screened in the next 16 months is considered a tougher challenge than the first 50 percent. Brandon Fried, executive director of the **Airforwarders Association**, says TSA is doing a good job getting CCSFs certified.

There still needs to be different types of screening technologies brought into the program to better accommodate certain types of cargo and to meet overall demand, Fried says. He also says that the global economic slowdown has probably made it easier to meet the first phases of the screening mandate. He says TSA will need to maintain its ambitious rollout of CCSFs to meet the Aug. 2010 deadline.

"We think that [demand] is going to spike significantly by 2010," says Herbst. "There's no leeway after that...and we're talking to some other airports about duplicating what we've done at LAX elsewhere. And having that on airport capability is really going to be an advantage come 100 percent."

Herbst says that Mercury Air's cargo facility and personnel easily met TSA's security requirements under the CCSF program. That's because being on the airport Mercury Air employees already go through the Security Identification Display Area background check and badging process and the facility has over 80 video monitoring cameras, he says.

"So we had a lot of the security bells and whistles that were even over and beyond what TSA required," Herbst says.

To do explosives screening Mercury Air purchased equipment from both [General Electric](#) [GE] and [OSI Systems](#)' [OSIS] Rapiscan division. Herbst says he can't be specific as to which equipment his company acquired but says it runs the "full spectrum of technology that TSA has certified."

Mercury Air's ICSF customers are freight forwarders who are forwarding cargo from shippers to get to a certain destination. Mercury Air receives the consignment at its front dock along with the necessary paperwork, accepts custody of the cargo, moves it into the facility for screening, and then out the rear dock which is actually on the airport and onto one of its trucks for delivery to an airline.

The company handles everything from aircraft engines to shovels and even perishables, Herbst says. According to its Web site, Mercury charges customers 10 cents per kilogram to screen and delivery cargo.

"We are finding, at least with our business model, that we are able to provide the service to those where timing is an issue, where there are those that don't want to invest in the equipment and the process and that sort of thing," Herbst says.

According to Mercury Air, LAX is the nation's busiest origin and destination airport and ranks eleventh worldwide in tonnage of air cargo handled.