

	AC.b SHARES ON THE TSX		
	May 17:	\$1.98	↓ \$0.11
	OTP RESULTS	TARGET	MONTH-TO-DATE
	83%	86%	↓ 78%
	CSI MONTH-TO-DATE	TARGET	VARIANCE
2.5	2.3	↑ 0.2	
WTI CRUDE OIL ON THE NYMEX (US)			
\$70.08	↓	\$1.53	

May 18, 2010

AIR CANADA NEWS

Air Canada becomes first airline to track cargo and mail shipments at piece level associated to ULD; testing RFID for cargo shipments on YUL-LHR route. Air Canada Cargo has developed a partnership with RFID solution provider Franwell Inc. and Motorola to use RFID to help track shipments real-time and at the piece level. Beginning June, the RFID team will launch a pilot project that will track cargo and mail shipments between Air Canada's Montreal and London operations real-time.

Radio Frequency Identification (RFID) is a generic term that is used to describe a system that transmits the identity (in the form of a unique serial number) of an object wirelessly, using radio waves. RFID is designed to enable readers to capture and transmit data directly to a computer system.

"We are the first airline to have designed workable software that will track cargo and mail shipments at the piece level associated to a ULD," said **Barb Johnston**, General Manager of Postal Affairs for Air Canada Cargo. "The data we will be able to capture with RFID will be invaluable to helping us improve cargo documents and mail tracking. There is no other technology that will let us capture this level of detailed data with minimal disruption to our normal workflow and processes."

How it works will be simple: Motorola forklift readers and Franwell hands-free wearable scanners will be utilized by Cargo employees during the export container build-up phase, and this build-up status information will be captured in the system. When the pallets are built, Motorola overhead readers will then automatically send messages to the system regarding pallet build-up status, while door portals will automatically detect and send messages regarding movement to and from the ramp. Cargo employees will utilize hands-free wearables during pallet breakdown, once again automatically sending breakdown messages to the system.

"We fully expect to improve our processes throughout our operation by tracking real time down to the piece level. This will also increase accuracy and improve shipment visibility and information collection through automated processes. Future possibilities include further automation of cargo messaging which would result in improved service, enhanced billing integrity and improved communication to customers," concluded Barb.

IN OUR COMMUNITIES

Kids' Horizons teams up with Breakfast Clubs of Canada to launch new breakfast programs at First Nations schools across Canada. Breakfast Clubs of Canada (BCC), a main Kids' Horizons partner is working with First Nations communities at five provinces across Canada to launch new breakfast programs.

"Kids' Horizons is delighted to continue working together with Breakfast Clubs of Canada to help children at school," said **Micheline Villeneuve**, Kids' Horizons Manager. "Collectively, we are helping promote beneficial partnerships between the schools and community. Helping kids get a good start to their day with a healthy breakfast also helps kids ultimately do better at school and makes a positive impact on kids and education, two of Kids' Horizons cornerstone goals.

Air Canada Kids' Horizons provides gift-in-kind of airline tickets to accommodate BCC's travel. Last year, Air Canada Kids' Horizons donated to BCC a record 5 million Aeroplan miles. Individuals can also donate their Aeroplan miles to Air Canada Kids' Horizons to help BCC reach kids in remote communities.

A portion of BCC's National fundraising initiatives and campaigns is directed toward First Nations and Aboriginal school breakfast programs. It costs an average of \$60,000 annually to operate a program in First Nations & aboriginal communities. In addition, it costs between \$15,000 - \$25,000 initial investment from BCC for kitchen appliances and supplies. BCC adapts its breakfast program standards to local requirements. Hence, BCC's menus respect Canada's Food Guide and include traditional foods such as bannock. At this point, BCC does not receive any kind of funding from any government agencies. More information can be obtained at: <http://www.breakfastclubscanada.org>

EMPLOYEE DISCOUNTS

Wyndham Hotels. Wyndham Hotel Group is offering Air Canada employees 15% off of the "best available rate" (BAR) at their 'core brand' hotels, and 10% off BAR at Wyndham Hotels and Resorts. For further details on properties and how to book, go to the Portal > MyHR > Employee Discounts > Hotels and Vacations Packages.

STAR ALLIANCE NEWS

Star Alliance awarded World Gold Medal at the New York Festivals of International Television & Film Awards. The win was within the International Television and Film Awards category for their branded content series Undiscovered: Business Entrepreneurs. Star Alliance commissioned Bertie Films Ltd to produce the series, in collaboration with its media and communication agencies MEC and DDB, as part of an exclusive partnership with Forbes.

The series of five episodes follows business journalist Yasmine Chinwala and portrait photographer James Stroud on an assignment to discover the world's most unexpected and burgeoning new businesses. In just a matter of weeks they visited unique business owners in the UK, US, Brazil, India and China. A challenge made possible by the reach and efficiency of the Star Alliance network supporting its claim of being "the way the Earth connects". Please [click here](#) to watch the films

Targeting a much sought after audience of high value international travellers, the series was distributed on Forbes.com with promotional teasers placed on several other partner sites driving traffic to staralliance.com. (Source: **Star Alliance**)

INDUSTRY NEWS

Jet Airways partners with SBI credit cards to offer easy payment option for purchase

of air tickets. Jet Airways, announced a tie-up with SBI Card –the joint offering from State Bank of India and GE Capital, to offer its guests a unique travel option. This arrangement is aimed at making air travel more affordable for guests across India. Jet Airways’ guests can now opt to convert their air tickets purchased on www.jetairways.com, using an SBI Credit Card into a zero per cent equated monthly installment (EMI). Under this offer, SBI Credit Cardholders would be able to choose an option to convert their ticket purchases on jetairways.com into a zero percent EMI with tenure of 6 months. This scheme is expected to help a family undertake visits to tourist spots and encourage domestic tourism. (Source: **Air Transport News/Jet Airways**)



Best Flight Attendants in North America
Best In-Flight Services in North America
Best North American Airline for Business Class Service
Best North American Airline for International Travel



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