



## 20<sup>th</sup> anniversary **Kiu System Solutions**

**T**his year, 2023, marks the 20<sup>th</sup> anniversary of Kiu System Solutions, a company that provides a robust and innovative PSS and suite of airline solutions. Our structure combines the best practices of both Legacy and Low-cost systems, therefore, we offer the only new generation hybrid and multi-hosting system that exists in the market today. Today, Kiu System Solutions sits amongst the top 10 PSS providers worldwide.

Kiu, or Knowledge in Use, was born from a lifetime of experience within the travel and tourism industry, with very specific experience gained from airline operations. Alberto Desimone, the CEO and joint Founder of Kiu, has spent a lifetime in travel and tourism which started in 1983, where he founded a wholesale and retail tour operator which rose to become amongst the top five tour operators in Argentina. This fascination with the industry extended and, in 1987, one of the largest tourist attractions in Argentina, 'Train to the Clouds' was acquired and operated. 1990 saw a further expansion with the formation of Dinar Airlines, a scheduled and charter air operator which established a wide route network to 40 destinations, both



domestic and international from its base in Buenos Aires. The airline operated a fleet of MD83 and Boeing 767 equipment and quickly commanded 25% of the scheduled air service market and 70% of the charter market operating over a hundred charter flights a week. At the time of its sale in 2002, Dinar Airlines had risen to rank as number 109 in the top rated companies of Argentina with an annual turnover of USD \$250 million and a staff complement of over 1,000 employees.

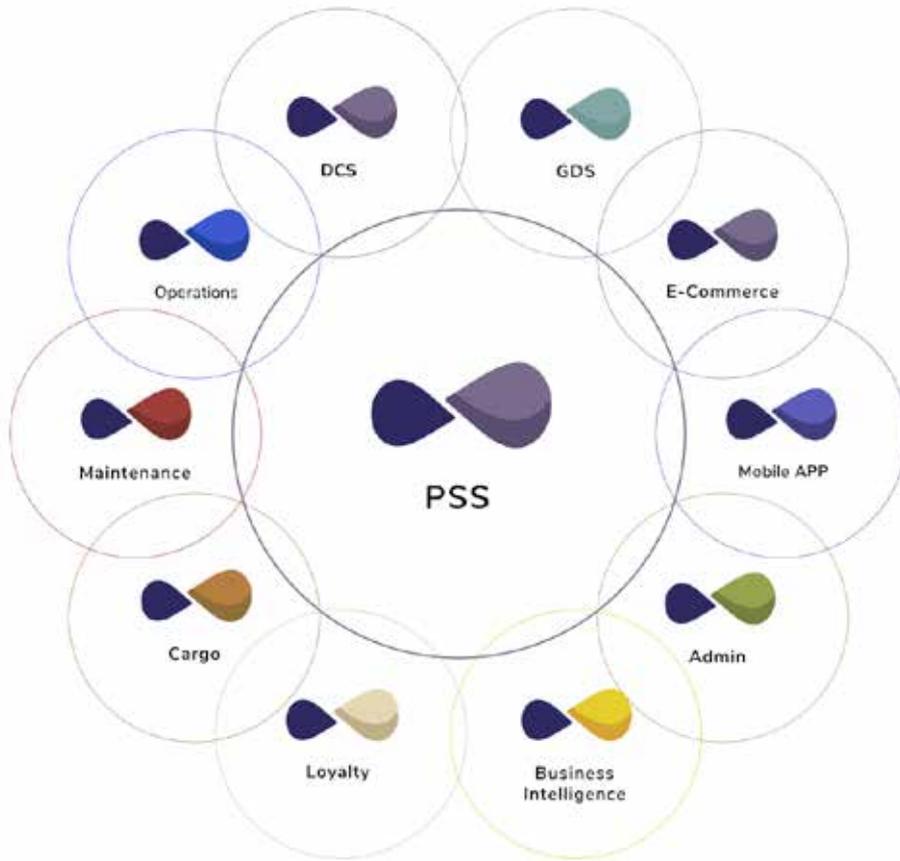
During the years of Dinar Airlines, Alberto Desimone, along with Walter Procofio 'who later went on to become the co Founder and COO of Kiu System Solutions' identified a gap in the market for an innovative PSS and additional suite of solutions for airlines. Its objective was to support the distribution and selling process of airline inventory while providing friendly tools to improve the passenger experience at all stages and touch points while at the same time cutting distribution costs for the operator. In 2003, Kiu was born and the journey of the business as we know it today commenced.

As of March 2023, Kiu hosts 7.13% of the world's airlines directly in the Kiu PSS across 33 countries on four continents. We operate our own GDS (code C1) which currently is used by 34,000 travel agencies in our key markets. Our reach across the globe is further enhanced with relationships with indirect distribution and ticketing solutions which enables us, through Kiu GDS, to maximise the presence of our customers globally and increase their sales without the use of legacy GDS systems which comes with all associated costs. Today, Kiu has a vision

to be 'a world leader in new generation systems' and to 'process five percent of the world passenger market'.

Kiu GDS is somewhat unique to our business essentially since we operate our own fully-fledged GDS system (C1). The GDS features the same system functionality as a traditional GDS with no compromise on system functionality. Currently Kiu GDS holds the inventory of 152 airlines in 80 countries. Our airline customers distributing through Kiu GDS have budget certainty that costs are understood and known in regards to GDS activity in that no costs are involved for the airline or the travel agency until a passenger boards a flight at which point a boarded passenger fee is applied – this makes our GDS a very low-cost distribution channel. Within our PSS and GDS we operate our own e-ticket server and EMD-S/EMD-A server and operate in full conformity with the IATA standard. In our low cost model of business, fares are held directly within the PSS or where a customer wishes to have wider distribution through other channels, the operator may fare files through ATPCO. Kiu PSS and Kiu GDS operate in two different interfaces. Firstly we offer the graphic user interface called Kiu-Click which is very simple to use and easy for non-experienced airline or travel agency staff and is very similar to the customer experience when booking online through an internet booking engine. The second interface is the cryptic interface where traditional GDS entries are used to book and issue tickets. The cryptic interface accepts both Amadeus and Sabre commands so individuals with experience on such systems can very quickly work in the Kiu environment with minimal training.

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The head office is situated in Buenos Aires, Argentina with a secondary office in Montevideo, Uruguay and customer support and representation offices in Venezuela, France, Spain, the UAE, Bangladesh, South Africa, Portugal, the United Kingdom, Burkina Faso, Peru and Bolivia.

While we offer a comprehensive PSS with over 3,000 functionalities, we complement this with a full suite of integrated solutions:

- Kiu E-Commerce
- Kiu DCS
- Kiu GDS
- Kiu Admin (Revenue Accounting)
- Kiu Cargo
- Kiu Loyalty
- Kiu BI (Business Intelligence)
- Kiu Maintenance
- Kiu Operations
- Kiu Mobile App
- Kiu Web3 (a new distribution platform based on blockchain infrastructure and crypto currency).

In selecting Kiu as a PSS provider, our customer can custom build the system that they need to meet the requirements of their business. As the business develops, additional functionality can be added or specific solutions can be added to suit their changing needs. Our PSS is able to support legacy, low cost, charter and startup operations – and we always believe that no company is ever too small for our suite of solutions. We fully support unilateral or bilateral codeshare and interline operations as well as distribution through the legacy GDS systems.

Our client base and footprint in the market was launched in South America and grew exponentially. There was a



Both interfaces are available to our customers but also to all travel agencies using Kiu GDS.

Over the years, Kiu has primarily been built on the extensive experience of its employees, ninety percent of which originate from the airline industry coupled with out-of-the-box thinking technical development staff managed by Walter Procofio, COO and joint Founder, who manages the development of functionality and maintains our leading edge hybrid system to ensure we are always current, stay a step ahead and bring innovation to the market while ensuring that we are always responsive to the needs of our customers and the industry. Kiu operates fourteen offices worldwide with a team of approximately 160 employees.

natural connection with Spain and thus our footprint organically reached Europe. This was followed by entry into Middle Eastern and Asian markets and an uptake of our PSS on the African continent. With increasing competition and rising costs, our multi-hosting hybrid system provides the necessary tools to airlines for commercial success. In the last three years, we have attracted 39 new clients which represents a 90% growth over 2019. It seems that the industry is tiring of the high cost associated with traditional distribution channels and seeks alternative solutions which offer excellent value and functionality propositions supported by excellence in customer service and support.

When COVID-19 arrived on our shores not only was the airline industry hit with catastrophic conditions, but this extended to its support partners. Our primary income is derived from the volume of flown passengers in our network in that the majority of our income is derived from boarded passenger fees and so needless to say with few passengers in the air, our revenue stream was significantly reduced. As we realised that COVID was not going to be a short-term hit, we made a decision that there was an opportunity during this period to further develop our products and thus deployed our teams on projects for the future. We continued with integrations for airlines however we could no longer travel and be on site for training and migrations as was always the norm in this industry. This forced us to explore online tools that would allow us to provide training and support in an effective way for our customers with the reassurance that there was no reduction

in overall quality of the product. Today, our customers tell us that they prefer this solution as it is flexible, allows larger numbers of people to attend training from multiple locations simultaneously and reduces the typical costs and logistics associated with training, those being staff travel, hotel and per diems and managing staff workloads for longer periods of time. We took this a step further and made significant investment in our online help platform. Today our help and support platform is extensive allowing not only operators using our PSS but also travel agents using our GDS to download manuals, chat in community groups, create tickets to report system issues and further track progress, but more importantly we developed a tool and increased staffing levels so that we now offer 24/7/365 human support. At any point while on the help platform, the travel agent or airline agent can request an immediate call back and in seconds, one of our customer service representatives will call in live time allowing a full discussion and in most instances an instant resolution of a problem is achieved. Customer support is multilingual. Today we believe more than ever that excellence in customer support and service is a differentiator for Kiu in our sector.

Another differentiator within our suite of solutions is Kiu BI or our Kiu Business Intelligence module. This is an information platform that allows the airline to see in real terms the performance of flights as far out as 330 days from departure in terms of sales, reservations and flown data. The system is updated every fifteen minutes. All sales channels are captured



and updated at this frequency so the airline has the real picture of performance and can make operational decisions based on robust data. Its robust and flexible database has the capacity to generate statistics according to individual operator needs.

Our revenue accounting solution, Kiu Admin, is very comprehensive and can work as a stand alone solution. We have clients hosted in legacy systems who have chosen Kiu Admin because of its comprehensive functionality and ability to integrate into other systems.

Some additional facts:

- Kiu PSS features over 3,000 different functionalities.
- Kiu is cloud based using Amazon Web Services with redundancy.
- There is minimal latency due to servers located in both North America and Europe.
- Customers receive updates of the system at no cost.
- The system requires minimum bandwidth requirements.
- We support a catalogue of over 400 different ancillary services all supported by ATPCO for the sale of ancillaries allowing an operator to

maximise revenues in creative and different ways. Ancillary services can be sold at all points in the travel experience both pre and post ticketing and during checkin and is achieved with the issuance of an EMD-A or EMD-S as may be applicable to the specific service or product.

- Our DCS is approved in common airport platforms (CUTE) SITA, ARINC, Ultra, Resa.
- We offer Interline Through Check-in (IATCI).
- We manage APIS or PNRGOV as required.
- Our PSS fully supports interline agreements, unilateral and bilateral codeshare, Interline Through Check-in (IATCI) and connectivity with other GDSs.
- We have developed a tool unique to Kiu to specifically manage hard and soft block sales in seamless fashion. This tool is called Kiu Allotment Manager (KAM).
- The operator manages the system back end so the operator is not dependent on Kiu when changes are required although we are always there to help – 24/7/365.

Going forward, there are a number of projects in development. Firstly, through our relationship with TravelX, Kiu will launch a new product, Web3, a product that works with crypto currency and blockchain technology allowing us to be the first PSS to offer distribution through this channel. Another project will be the release of Kiu GDS Direct to the market as a standalone product which will allow airlines using any PSS in the market to distribute their own product through our platform with immediate access to our network of travel agencies already using our system. 🌐

For a more comprehensive understanding of our system visit our website at [www.kiusys.com](http://www.kiusys.com) where you are also able to make contact with us. You are also welcome to contact our Commercial Director for Africa, Rodger Whittle, by e-mail at [rwhittle@kiusys.com](mailto:rwhittle@kiusys.com)