

MOVING *forward*

2015 Peak Season No Shipment Refusals?

In an effort to alleviate the burden that shipment refusals impose on PPSOs, SDDC issued a message (click [here](#) to read) announcing they are departing from their longstanding (4 year) practice of allowing shipment refusals during the Peak Season. The industry is concerned this change will have a dramatic effect on the ability of TSPs to provide service on DOD shipments this summer.

By way of background, SDDC began allowing shipment refusals after the very difficult summer of 2010 when some TSPs were not able to service the shipments awarded to them. Many shipments were turned back to the PPSO and, worse yet, were left in origin residence after the pickup date. The reaction was to blackout in order to avoid the award of shipments which could not be serviced. That made it very difficult for PPSOs to get shipments booked. The service failures and difficulty booking shipments was the focus of discussion at the 2010 Peak Season Hot Wash. Everyone agreed that corrective measures were in order.

In light of this experience, SDDC allowed TSPs to refuse shipments in the 2011 Peak Season. TSPs were thereby allowed to assess currently available capacity and accept shipments that they knew could be serviced and refuse those they could not so refused shipments could be offered to TSPs who did have the capacity. As a result, the 2011 Peak Season was relatively successful. There were fewer severe service failures and the PPSOs did not have as much difficulty booking shipments. The Peak Season Hot Wash of 2011, 2012, 2013, and 2014 all indicated that allowing TSPs to refuse shipments made more capacity available for military shipments during peak demand. There has been serious discussion about allowing shipment refusals year round.

It is no coincidence the steadily increasing Industry average Customer Satisfaction Score coincides with this time period. More shipments were booked, there were fewer service failures, and Customer Satisfaction Scores increased. As far as the industry is concerned, this was a true “win-win” situation.

It should be noted that the DPS blackout functionality has been improved greatly, allowing TSPs to target them with much more specificity. That functionality is itemized in SDDC’s message. However, the fact still remains that entering them and, just as importantly, removing them, is a time consuming process making it impractical to address rapidly changing conditions in a timely manner.



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IN THIS ISSUE

Shipment Refusals.....	1	Someone you should know.....	5
400NG Tariff Changes.....	3	NVL International.....	5
Tips for Peak Season.....	4	Agent Kudos.....	6
How to Transport Specialty Mattresses...4		Company News.....	7

2015 Peak Season No Shipment Refusals continued

More importantly, blackouts will not give TSPs enough flexibility to service shipments to their fullest extent because a TSP needs input from its agents as to the capacity that they have available, and it changes on a moment's notice when the agent's workload changes. Agents have diverse operations with everything from office and industrial moving, to local moves, to COD and corporate shipments, records storage, etc. Agents also work with many TSPs, not just a few. It is not possible or practical for an agent to keep all of the TSPs it works with informed on a real time basis when capacity opens up. No amount of blackout granularity can compensate for that.



The major drawback to shipment refusals in the Peak Season is the impact it has on PPSO operations. DPS was designed under the assumption that shipment refusals were not allowed. When a shipment is refused, DPS does not simply offer it to the next TSP because that was never contemplated. The PPSO has to manually rebook refused shipments. In light of the number of TSPs that might refuse shipments, the process can become very burdensome, especially for PPSOs with very high volume. In order to address that, SDDC adopted a short term fix in changing the short fuse criteria from 5 days to 10 during the Peak Season. Since all TSPs can "look" at short fuse shipments, any TSP can take them without PPSO intervention. This has provided some modest relief but it is not an effective solution.

Extending the short fuse rules was intended as a short term fix until Software Change Request (SCR) #6975, which would allow refused shipments to automatically flow to the next TSP in line on the TDL, could be implemented. This SCR was approved by the Functional Review Board (FRB) and was highly prioritized. But it has not been put in place because of budget issues, other highly prioritized SCRs and the transition to the new DPS contractor. We had hoped that it would be in place for the 2015 Peak Season, but it still has not yet been completed.

If we can't refuse shipments this summer, we probably will not see a replay of 2010 when many shipments were turned back or missed pickups occurred on a mass scale. TSPs are better prepared now. However, we will see an increase in service failures over last year and we will see more "protective" blackouts, especially since this change was announced after rates had been filed. We are afraid that PPSOs will have much more difficulty booking shipments under these circumstances.

Our solution and our editorial comment is to follow the procedures in place for the last four Peak Seasons (allow refusals and extend the short fuse criteria from 5 days to 10) but to recognize the impact of shipment refusals on the PPSO and to engage with industry to come up with a way to lessen that burden. Together we can come up with a short term solution for the 2015 Peak Season. Removing the ability to refuse shipments in Peak Season will reduce available capacity, make it more difficult for PPSOs to book shipments and result in service failures. The long term solution is to implement SCR #6975.



P.S. The ArmyTimes also recently published an article *Movers Concerned about 2015 peak PCS Season*. You can read it by clicking [here](#).

400NG & IT-15 Changes

May 15th will mark the beginning of the 2015 fiscal year in the DPS Program. The 2015 400NG Tariff (400NG-15) and 2015 International Tender (IT-15) will then take effect with very minor changes being implemented by SDDC. Provided below is a breakdown of both tariffs and the notable changes that can be expected come May 15th.

400NG-15

The most impactful change to the 400NG-15 was the General Price Increase (GPI) of 2.45% for all rates listed in the baseline rates tables that drive calculations in the tariff. The 2.45% increase is the largest increase seen since 2012's 2.5% increase. Other GPI increases included: 2.2% - 2011; 1.55% - 2013; 1.57% - 2014.

Minor changes were made to the shuttle services text. The changes reinforce the importance that all shuttles must be preapproved prior to the service being performed. Detailed notes/remarks explaining why the shuttle service is required must be included in the preapproval request that is submitted.

Additional clarification has been provided for Item 130E - Bulky Article - Boats greater than 14 feet including dinghies, sculls, skiffs or row boats are under the umbrella of items that must meet length restriction. In addition to the clarification of which items meet length restrictions, the 400NG-15 also adds text under Item 130.2.d. that will provide bulky article compensation when a TSP does agree to take a jet ski, windsurfer, canoe, dinghy, kayak, scull, row boat or boat over 14 feet with bulky article compensation.



IT-15

Changes observed in the IT-15 were fewer than seen in the 400NG-15. The only notable changes were rate related. The rate changes in the IT-15 however were not across the board as seen on the domestic side. The linehaul schedules had increases to schedules A, C and F. Most all of the CONUS Installations saw increases to labor (Item 502) and their SIT rates (Item 518 and 520). Additional increases included: shuttle vehicle (Item 501); reweigh (Item 505); extra pickup and extra delivery (Item 509); partial delivery weighing (Item 532); long carry (Item 532A).

The changes noted above highlight what we believe to be the most notable and impactful changes. If you have any questions about the changes noted or if you have questions about changes that you recognized that were not noted, please contact National Forwarding Co., Inc. and ask to speak to Michael Wilson.

Tips for the Peak Season

- ❖ Advise NFC of any date changes – DPS must be updated in a timely manner.
- ❖ All shipments need a light and a heavy weight. The gross, tare, net and progear weight must be called in to our office no later than 3 days after load day.
- ❖ The driver must return weights and inventories to the origin agent within 3 days so they can be submitted to the base within 7 workdays.
- ❖ It is the driver's responsibility to inventory the entire shipment – no box shall be packed by a military customer or listed as PBO.
- ❖ The driver should make sure all hardware is placed in a hardware/parts box or securely attached to the item – it should also be notated on the inventory if it has been boxed separately or attached.
- ❖ Mold – never take anything that has mold on it or smells of mold. Once we accept a moldy item we are liable for cleaning costs – contact NFC immediately for advice on how to proceed.
- ❖ Bugs – they can infect the entire shipment. Contact NFC immediately on how to proceed.
- ❖ ProGear must be annotated on the inventory with a description and weight.
- ❖ Contact our office ASAP if you think there might be an overflow. This gives sufficient time to secure the local agent's service.
- ❖ NTS shipments need a new weight and a rider taken – unwrap brown paper from International shipments to check for condition of HHG.
- ❖ Call us if there are any bulky items.
- ❖ Make sure the military customer signs all documents and is left with a copy.
- ❖ Do not give the military customer an ETA – advise them to contact NFC.
- ❖ Keep NFC updated with your ETA – we can advise you if a shipment needs a re-weight or will be going to SIT or residence (some re-weights are requested as 'witnessed', be prepared).
- ❖ Contact our office when you arrive at destination and are ready to deliver.
- ❖ All military customers are entitled to a full unpack and debris removal on the day of delivery.

How to Transport Specialty Mattresses

Concerns with protocol involving specialty mattresses (memory foam, gel, and Sleep Number) have been an ongoing issue. In preparation for another busy summer season, please review these procedures on shipping and storing such items.

1. Please be advised that per tariff, crating is not authorized for shipping any mattress type via any domestic code of service. Mattress cartons should be used for packing (exception Sleep Number as it disassembles into multiple parts).
2. Memory foam and gel mattresses must be shipped and stored flat, with nothing placed on top-they should only be on their side long enough to move through a doorframe, then laid flat immediately.
3. Specialty mattresses should be specified on the inventory (i.e. Tempurpedic, Sleep Number, etc.).

If you have questions or concerns please contact our Pre-Approvals Department at 800-722-9144.

Someone you should know...

Many of you know Natasha Yalovay, our Domestic Operations Manager. We caught up with her and asked her a few questions about work and life.

When did you start at NFC?

I started as a dispatcher in Domestic Operations in June 2001. This was before DPS, so registrations were faxed in by our origin agents. Our primary role in Operations was to find haulers or crate the shipments and then follow up on ETA and deliveries. I was promoted in January 2003 to Domestic Operations Manager. I am a working manager, meaning I have my own dispatching work load in addition to overseeing the overall tasks of the department. Our roles in Operations certainly have changed since I started. There is a high volume of data entry, and extensive interaction with Transportation Offices. Since our business is focused on making certain our customers are satisfied throughout the move, Operations plays a key role by choosing the right agents and haulers to fit the specific needs of the customer along with working closely with our Move Management Department.



How has work changed since you first started?

Many technological advancements have occurred. The fax machine was a real source of communicating data back then. The scanner and email is much more efficient now. Our department has many added daily responsibilities with DP3. The Operations Department works well together with maintaining a balance of tasks to complete daily.

Do you have a unique work story/memorable experience to share?

About 3 years ago in the month of January, I was working with Kevin Anda early one morning and a mouse appeared. Kevin was on the phone with Randall at Lone Star in Fort Worth, TX. The mouse was about 3 feet from me staring at me while I looked at my monitor. When I realized it was a live mouse, I screamed loudly for help, Kevin dropped the phone down not knowing what happened. Randall heard everything happen, laughing uncontrollably and did not let me live that down for quite a while. An exterminator was called and none of Mickey's friends have visited since.

What do you like to do for fun in your spare time?

My immediate family lives in Chicago and surrounding suburbs. I get together with them often. I do enjoy travelling; most recently I went with my daughter to Georgia last fall to see Luke Bryan in concert.



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-Origin Agent: American Way Van & Stg, Vandalia, OH

-Hauling Agent: American Way Van & Stg, Vandalia, OH under NVL authority

The crew that packed, loaded and delivered did an amazing [job] and anyone would be lucky to have them as movers.

-Origin Agent: All County Storage, Inc., Jacksonville, FL

-Hauling Agent: Baymeadows Moving & Stg, Jacksonville, FL

Despite adverse weather conditions and the fact that he [customer] has a sharp incline driveway that is narrow in which they were unable to use an 18 wheeler to deliver his household goods. They overcame and adapted by using shuttle service to deliver his household goods they did an outstanding job.

-Origin & Hauling Agent: Rockey's Van Lines, LLC, Killeen, TX

The truck driver and unloading crew did an excellent job and they were very courteous, nothing but nice things to say about them.

-Origin & Hauling Agent: Quality Services Moving, Lorton, VA



COMPANY NEWS

Happy Anniversary

March 3	Tony Ruiz	7 years	Dispatcher
March 6	Debbie Johnson	1 year	Move Manager
March 19	Petra DeFrance	8 years	Shipment Coordinator
March 20	Jennifer Farrell	8 years	Dispatcher
March 22	Jamie Garrett	4 years	Move Manager
March 22	Cindy Iorfida	20 years	Administrative Assistant
March 27	Pam Johnson	19 years	Claims Manager
March 30	Tracie Tagney	15 years	Accounts Payable

Twitter

Follow us on Twitter @NFC_Inc. We provide daily tweets on happenings at NFC, the DOD Personal Property Program, SDDC and more!

