



UNITED STATES TRANSPORTATION COMMAND

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Personal Property Forum (PPF) Meeting Minutes

Date: 18 December 2018

Meeting Name:	Personal Property Forum (PPF) Main Session		
Date of Meeting: (DD/MMM/YYYY)	25 September 2018	Location:	Four Points Sheraton Fairview Heights, IL
Minutes Prepared By:	Chuck Hansen, Ericka Richardson, Luke Rheaume, & Neal Ryan; Contractor Support, USTC J4-HP	Meeting Time:	0800-1200 CDT

1. Purpose of Meeting

Discussion of current Personal Property issues with members of the moving and storage industry.

2. Meeting Notes

A. Opening Remarks (Slide 4):

RDML Peter Clarke, Director, United States Transportation Command, Strategic Plans, Policy, and Logistics

Thank you all for attending. It is not a surprise to anyone in this room that there were a lot of moves this peak season – many good – some bad and those bad moves had high visibility with social media. I am looking to put this program on the right track with “radical” ideas, significantly adding quality capacity. I understand that Industry business models make it difficult to provide a significant military surge capacity for only 9% of the calendar year.

There are three bins to why bad moves happen: pre-move, day of move, and post move. Each bin is within the control of both Industry and Government. There are ways to improve all three move aspects such as improvements to the IT system to include providing an app of MilMove. At one time, QA inspectors were more prevalent and provided customer service and education of how a move was supposed to look. During the post move, customer expectations need to be set that damage may occur and what tools the service member can do to execute their claim properly.

Questions:

Q: Why not take a look at the Civil Reserve Air Fleet (CRAF) program and create a similar model for the Household Goods (HHG) program?

A: The CRAF program involves commercial air carriers that, on activation, commit a certain number of cargo and passenger aircraft to provide surge capacity for military use during times of war. The CRAF program exists because the DoD doesn't have enough organic strategic airlift capacity to meet wartime requirements. That model doesn't really work with Personal Property since the Government has no organic Personal Property shipping assets - 100% of capacity always comes from Industry.

Q: Has there been any consideration to giving incentives to members to move during winter time? There used to be the option to refuse shipments during the summer, but now with refusals come suspensions. Could unlimited refusals be considered?

A: The Government has created a convoluted system that isn't easy to fix. Winter moves are on the table for consideration. There is a meeting scheduled for 28 September 2018 with the staffs of the Under Secretary of Defense for Personnel & Readiness (USD(P&R)), the Assistant Secretary of Defense for Logistics and Material Readiness (ASD(L&MR)) and other key Pentagon stakeholders on how to attack the problem of too many moves during Peak Season. It is important to remember that this is a military system that needs a full complement of people during mission-critical times; however, quality of life perspectives will also be taken into consideration.

B. DP3 Initiatives (Slide 5)

COL Ralph Lounsborough, Chief, Personal Property Division (TCJ4-H):

There have been a number of initiatives in the program over the past year, including a new governance structure. Peak Season 2018 began with about 5,000 people booked earlier in the season than in years past; unfortunately, overall customer satisfaction scores are actually down 1-2% from prior years. The driver shortage and the fact that the unemployment rate is at its lowest point in years has made it difficult for Industry to obtain quality laborers.

Training Plan (Slide 6)

One of the GOSC outcomes was a joint training plan with all the Services. The goal is to provide a universal curriculum that trains all Services to the same standards.

Quality Assurance (Slide 7)

Quality Assurance (QA) has diminished over the years and a bad move can leave the service member feeling like the Government doesn't care. Junior service members turn to social media for fact finding and it is important that we make sure people have the correct facts. There has been a DTR change that now defines a standard of a 50 percent inspection rate of personal property shipments.

DPS FY18 Systems Change Highlights (Slide 8)

With the development of the prototype, DPS has been moved to a security and stability posture, which has been successful. Maintenance outages will continue to keep DPS secure and stable. Even with the prototype, DPS will continue to be around for years.

Defense Personal Property System Updates (Slide 9)

MilMove is being developed with a new GSA authentication using Login.gov. The authentication is also going to be adopted within DPS during the fall. While the focus is on security and stability, there is a continuing effort to upgrade and replace the existing commercial off-the-shelf systems.

Peak Season Demand Smoothing (Slide 10)

Graph depicted the demand by Service for Peak Season 2018. In the upcoming meeting with P&R and L&MR there will be discussion on Peak Season demand smoothing and how to potentially shift moves that don't necessarily have to happen during the summer.

Claims Reduction Initiative (Slide 11)

My team pulled data which shows that shipments that are crated statistically have less damage due to less handling. You will hear more about this in the breakout session this afternoon, but we are looking at doing a pilot which will require the use of code 2 over a set number of shipments going into storage for one channel with a phased domestic rollout expected. The leading cause of customer dissatisfaction is broken and damaged items. Some USTRANSCOM TCJ4 efforts include increased code of service (COS) 2 usage, best value score (BVS) changes, and volume distribution. A radical idea being thrown about is channeling places with low demand – what would happen if all shipments were awarded to one TSP only?

Questions:

Q: What do proposed BVS changes entail?

A: The BVS change will change the weight of the origin services (packing) question in the customer satisfaction survey.

Q: Do you have a correlation between claims filed and the CSS score received?

A: Yes, any claim greater than \$3500 or more receives a CSS score of 0.

C. MilMove Demo (Slide 12, led to separate slide presentation)

Jeff Clark, Defense Digital Services (DDS) provided an update on MilMove.

Some of the goals of MilMove are not to make the service member the moving expert and to make it easy to be smart while simultaneously proving that the leadership does care about each service member. Communication, access and awareness can overpower the need for everything to go perfectly.

MilMove pilot moves took place on 1 June 2018 with 13 personally procured moves (PPM) being performed. DDS concentrated efforts on PPM moves once the scope of moving a shipment in its entirety was understood. Jeff provided some of the good news stories that took place during the pilot rollout from Eglin AFB, FL to Schriever AFB, CO.

MilMove received positive feedback such as “This is like Turbo Tax” and “My family and I are confident this will work well for us and others.”

Of the 13 moves that were performed, DDS has been able to take the lessons learned and begin agile development for the next phase of the household goods (HHG) pilot, which is scheduled to begin moving shipments in October 2018. The HHG pilot program is looking to begin with 10 service members and will process the move from scheduling the pickup to TSP payment. The goal of the initial HHG rollout is to target a quality move process for the service member.

MilMove targets several audiences such as the transportation service provider (TSP) and transportation personnel. With MilMove, TSP benefits include safe, secure, reliable transactions; easy access to the system; easy upload capabilities with all supporting documentation stored in one location; simplified invoice approvals; and multiple SCACs per a single login. MilMove benefits to transportation personnel includes better information for the customer, reduced processing time, increased customer involvement, and allows the team to focus on doing the job rather than managing the system.

DDS will continue to provide MilMove support and development through Peak Season 2019. Through the duration of the project, DDS will build, test, deploy, monitor and repeat as continuous deployments will be necessary as features are added to improve MilMove.

Questions from floor:

Q: Will the TSP be able to view requested pickup dates in the same mobile fashion as the service member?

A: No development in the works for the TSPs at this time.

Q: Is there a way to see the daily changes made to MilMove without issuing a release?

A: More information to come at the breakout session in the afternoon.

Q: Has the counselor role been developed?

A: Yes. DDS is hand-picking a small group of individuals for the approval process. For the time being, the counselor process will remain unchanged and DDS will adapt as needed.

Q: Why are OCONUS moves not being done?

A: Easiest moves were prioritized first.

D. Peak Season Review - Metrics (Slide 15)

Mr. Daniel Martinez, (TCJ4-HB) highlighted the results of Peak Season 2018.

2018 Peak Season Summary (Slide 17)

There were an additional 5,612 additional shipments booked in April & May of 2018 than were booked in the previous year during the same timeframe. The majority of those moves shifted from June and July into earlier months as June/July 2018 saw similar major decreases in booking counts. Unfortunately while these shifts represented earlier bookings, actual pickup dates changed very little. Special recognition given to the JPPSOs for queue management as well as Industry for blackout management.

Analysis of Advanced Booking (Slide 18)

With the collaboration of Industry and Government, the Peak Season was able to book 4,800 more shipments in April rather than June. The advance bookings helped influence short fuse and blackouts. We also noted that the average CSS score was higher earlier in the season than in prior years.

Yearly Pickups by Week (Slide 19)

Yearly pickup trends appear to be consistent from year to year. While 2018 had 4,500 fewer pickups than previous years, note that Weeks 22 and 28 were higher than the previous two years.

Short Fuse Overview (Slide 20)

Peak Season 2018 was at all-time lows for short fuse percentage, staying at or below 10%. We saw the usual spike during the short fuse expansion window. Industry asked why SF numbers are so high during off peak and we indicated that keeping the numbers down remains a year round goal.

Code 2 Summary (Slide 21)

Code of service (COS) 2 utilization increased in 2018 over previous two years. Special recognition give to the Army for booking COS 2 shipments earlier within the year and in large numbers.

Mr. John Becker, AMSA noted that increasing Code 2 shipments can take away from agent capacity as crates in the warehouse take up space, commit materials, and require different line haul equipment.

Availability Measures (Slide 22)

The unavailability ratio is made up of the blackouts and suspensions that take place during the year. The curve for unavailability is primarily driven by the blackouts. The ratio for suspensions is miniscule and represents nearly no impact to TSP availability across the entire program (ratio is less than 1 suspended TSP per award where the ratio could go as high as 600; compared to a peak blackout ratio of 15 TSPs blacked out per award).

Peak Season Blackout Usage by Type (Slide 23)

Peak Season 2018 was comparable to 2015 in the sheer number of blackouts; however, you can see that the strategy used by industry shifts year to year and the blackout types employed each year tends to evolve as capacity changes.

No Capacity: Geographic Distribution (Slide 24)

Visual heat map depicts no capacity reports from the JPPSOs. These reports are heavily relied on to find areas of opportunity throughout Peak Season. Areas such as New Mexico and New York are being reviewed to see if baseline rates can be adjusted for upcoming years. We are looking to increase line haul factors for those areas and expect to make military shipments more attractive versus commercial.

Required Delivery Date (Slide 25)

Transit times are being reviewed by USTRANSCOM TCJ4-HB. Missed required delivery dates (RDD) for 2018 increased over the three year average.

Delivered Shipments/SIT (Slide 26)

Storage in transit (SIT) percentage hovered around 60 to 70% overall.

Peak Season Trends (Slide 27)

Advanced booking of shipments into April and May from June appeared to be beneficial.

E. Peak Season Review – Industry (Slide 28)

Chuck White, International Association of Movers (IAM)

Labor issues

The H-2B and J-1 visa programs were used in the past to bring guest workers to the US to work in the moving industry. The use of these programs was stopped for two main reasons: it wasn't deemed safe to work in the moving industry and it wasn't truly a cultural experience, which is a requirement for use of the J-1 visa program.

Industry asked if USTRANSCOM could assist with getting senior leadership involved in support of reviving these two programs in an effort to bring laborers into the personal property program during Peak Season.

Refusals

Industry requested that allowing refusals be reviewed by USTRANSCOM TCJ4-H. SCR 6975 was developed but not fully implemented within DPS. This SCR would diminish the negative impact of allowing refusals and also allow TSPs to provide limited additional capacity during Season.

John Becker, American Moving and Storage Association (AMSA)

Social Media

There needs to be a strong push for proactive communication. If unrealistic customer expectations are being set at the very beginning of the move, then customers may be displeased when their move doesn't go as planned. One bad move can destroy a company's reputation in spite of hundreds of good moves.

Demand Smoothing

Industry supports the efforts being made by USTRANSCOM and the Services. Squeezing so much into the six-week "peak of the peak" makes it challenging for Industry to keep qualified labor on staff.

John Johnson, National Defense Transportation Association (NDTA)

Upcoming Peak Season

Communication is key between all parties – Government, TSP, and service member.

Thomas McCarthy, National Council of Moving Associations (NCMA)

Base Access

Base access continues to be a challenge. Different installations are interpreting the requirements of the Real ID Act differently, which creates confusion and frustration throughout the program.

Warehouse Capacity

The cannabis industry is dominating warehouse spaces in parts of the country due to large profit margins and the ability to pay more to lease space.

Suppliers

Material price increases may cause TSPs to increase pricing for the upcoming year.

Driving Fleet

Drivers are having to learn and adopt to the new rules associated with electronic logging devices (ELDs). This is causing a lot more coordination from drivers and crews for packing, loading and unloading.

Dan Bradley, International Association of Movers (IAM)

International Line Haul Tables

The pressures and timing of the rate cycle makes it critical that the Government update the tables. We are working on a proposed solution to bring to Government rather than just registering complaints.

Additional Industry comments:

Jeff Coleman, Coleman World Group (audience participant)

With respect to ELD restrictions on driving hours, there has been a big success working with DOT to allow trucks to be classed as personal conveyances to get the driver home or to a hotel when hours run out at the end of the work day. This prevents a truck from getting stranded on base without a driver.

Quality capacity comes from labor and, without demand smoothing, there will continue to be a constrained labor environment. A drug free labor environment is ideal, but is more difficult now that nine states allow recreational marijuana usage.

Would like to see a return of the J-1 visa program in the industry. Workers were typically college-educated, motivated, and hard-working.

Working with DOT, the Solider for Life program, could focus on starting an apprenticeship program that trains former soldiers to become truck drivers. We've tried this but it hasn't been very successful.

The recent Dynamex ruling will make the labor market in California more challenging, with the requirement to reclassify independent contractors as employees in most cases. This will have an impact on the entire nation and entire industry and we are watching this closely and concerned.

PPA HQ: From the Air Force perspective on demand smoothing, we need to remember that the mission still comes first. Peak Season will still exist although we hope to potentially spread over June to August. Air Force is reviewing operational assignments earlier, but it is important to know that expectation management is vital and we won't be able to spread this outside of peak altogether.

Suggestion made for Class B licenses to be extended so that 18 year olds could travel across state lines.

AMSA: There is an existing pilot program for qualifying military-trained drivers under the age of 21. An additional thought: many labor markets offer training and apprenticeship programs for individuals younger than 21. The practical effect to this industry is that potential drivers have already committed to a different career path before reaching an age where they would be allowed to drive commercially.

F. DP3 Operational Topics (Slide 29)

Safeguarding PII (Slide 31)

Ms. Jill Smith stated several incidents of PII breaches have occurred over the past few months. With the incidents that have occurred, all the TSPs and agents reported correctly to the necessary agencies.

The covered contractor information system (IS) stores, transmits, and processes covered defense information systems.

There are two types of controls: basic and controlled unclassified information (CUI).

In the event of a compromise, the TSP, agent, or third party service provider is responsible for contacting the DoD Cyber Crime Center (DC3) hotline or the Defense Industrial Base Network at <https://dibnet.dod.mil>.

Questions from floor:

Q: Industry was unsure if they were exempt from National Institute of Standards and Technology (NIST) requirements.

A: All organizations, whether operating under tender or contract, need to review (NIST) requirements and guidance.

NTS Market Expansion (Slide 32)

Mr Danny Martinez stated NTS Market expansion notifications were sent out to current NTS providers within the DoD program. USTRANSCOM is looking to expand capacity to NTS approved vendors in some locations as mentioned on the no capacity heat map.

USTRANSCOM to provide training, tentatively scheduled 23-24 October 2018 (now scheduled for 4-6 Dec 18).

Tender of Service Rewrite (Slide 33)

Barriers to entry can be difficult within the personal property program. In an attempt to streamline processes, the tender of service is being simplified in coordination with both Services and Industry. At this point, there have been seven pages eliminated and we are reviewing industry comments for consideration.

Customer-focused changes are being incorporated into the tender of service which will also allow industry to use processes already in place for commercial customers. Some new requests are in the tender such as inconvenience claims for delays in shipments being released out of storage as well as letting customers know about an anticipated delivery time the day prior to delivery.

USTRANSCOM Instruction 24-11 (Slide 34)

The new USTRANSCOM Instruction 24-11 will be combining information from the SDDR 15-1 and SDDR 55-4.

Some noteworthy changes include the key changes to the novation process and TSP disclosure of officials and third party representatives within ETOSSS. You can expect to be able to comment on this in the next month or two.

Claims and Liability Rule Proposals (Slide 35)

Mr. Dave Jones highlighted the increase to maximum liability to \$6.00 which is an increase from the \$4.00 in place since 2007. In addition to maximum liability, the right of the TSP to salvage will terminate once the claim is transferred to the MCO. All the changes have been shared with industry and we look forward to comments.

2019 Tariff/Tender Changes/Updates (Slide 36)

Ms. Rosia Lindsey highlighted USTRANSCOM is reviewing line haul factors for potential increase for hard to service areas in the Domestic market and we're also looking at increasing line haul rates for International markets. Additional compensation is also being given for bulky items, now including riding lawnmowers, and a large increase was applied to the Key West Service charge.

Annual Battle Rhythm –Tentative (Slide 37)

Graphical depiction displayed of the upcoming battle rhythm for 2019 and stated schedule is tentative and will be announced in an advisory in November.

On the Horizon (Slide 38)

Lt Col Ryan highlighted upcoming dates and made special mention of the 2019 PPF dates for a spring and fall forum.

G. Introduction to Breakouts (Slide 39)

Lt Col Ryan explained the afternoon breakout session and the format that would be utilized.

Rules of Engagement (Slide 40)

Lt Col Ryan explained that participants would not be able to attend each breakout session so it will be imperative to plan accordingly and maximize time.

Breakout Session Rooms (Slide 41)

The breakout room diagram was displayed.

Topics of discussion for each breakout room were then introduced along with each room's Government facilitators:

DP3 Systems (Slide 42)

Ms. Jill Smith and DDS to lead the systems discussion.

Session 1 & 3 to be Industry-focused and session 2 to be DoD-focused.

Program Capacity (Slide 43 & 44)

TCJ4-H leadership and contract support to lead the discussion.

Session 1 & 3 to focus on capacity within the program.

Session 2 to focus on COS 2 initiative.

Claims (Slide 45)

Ms. Beth Holloway and the Military Claims Office (MCO) representatives to lead the discussion.

Customer Service (Slide 46)

Ms. Sherri Snow and Ms. Debbie Teague to lead the discussion.

Business Rules (Slide 47)

Ms. Rosia Lindsey to lead the discussion.

PPF – Day 2 Overview (Slide 48)

Lt Col Ryan explained Day 2 format.

D. Personal Property Forum General Session Closeout (Slide 49)

4. Action Items		
Action	Assigned to	Due Date
None		