

Con-way.

Con-way.
FREIGHT
Menlo.
WORLDWIDE LOGISTICS
Con-way.
TRUCKLOAD

DTCI

Program Management Review

26 August, 2008

United States District Court
For the District of Columbia
Civil Action No. 10-1482 (HLHK) ECF
Case: 1:10-cv-01482-HHK Document 20
Filed 09/12/11

Released under USTRANSCOM FOIA 09-70
FOIA Exemption (b)(4) Applies



MENLO DTCI 000584

Current State



- Schedule [REDACTED] (b)(4)

- Savings strong

- Small biz solid

[REDACTED] (b)(4)

- Phase II: GFM testing progressing well

- Focus areas

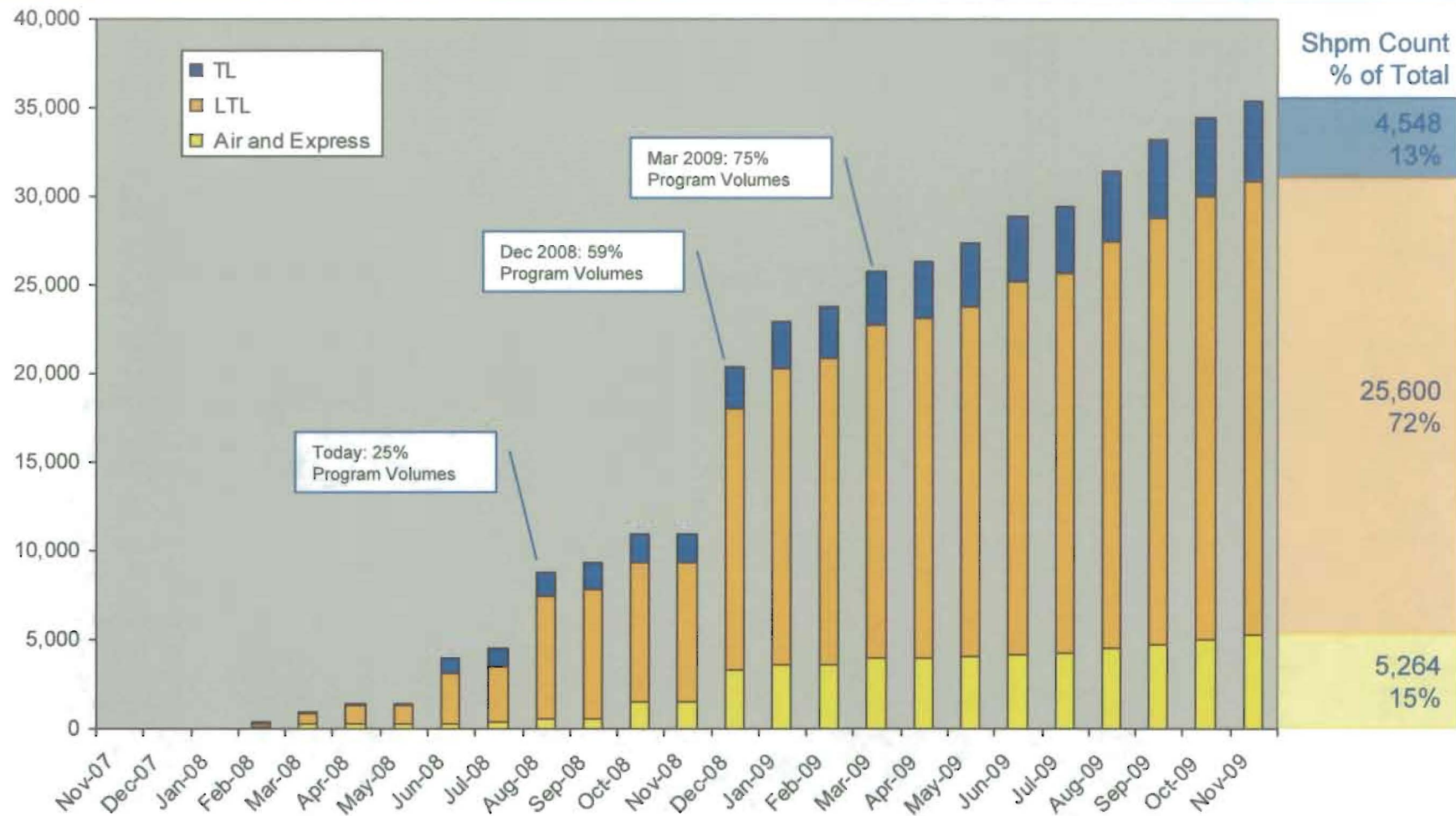
[REDACTED] (b)(4)

Implementation Schedule (CY 2008)



- Jun 2008 to present: All sites activated to desired schedule
 - Forecast same for balance of program
- Phase II begins Sep 2008 at NAS Corpus

Program Volumes (Monthly Shipment Count)



Program to Date Performance



Target	Goal	April	May	June	July	PTD	Status
1st 3 Sites by 15 April 2008	3	1	---	---	---	1	
Remaining Sites Implemented by Desired Date	2	---	---	1	1	2	
Carrier Bids - routing guides with carrier cost below NTE	>=0%	27%	29%	18%	18%	19%	
Small Business	>20%	57%	55%	52%	54%	53%	
OT Pick Up %	96%	92.1%	97.9%	89.1%	90.1%	91%	
OT Delivery %	96%	86.2%	90.0%	90.0%	93.6%	91%	
OS&D %	2%	0%	0%	0.03%	0.04%	0.03%	
Claims Cycle Time	< 120 days	---	---	---	---	---	
System Up Time (A0 metric)	99%	99.4%	99.7%	99.5%	99.4%	99.4%	
Deliver Savings	19.1%	22%	30%	22%	19%	21%	

31 Mar - 31 Jul

Program to date volumes

- 18 weeks of live operations
- Gross weight = 52.5MM
- Shipment count = 9407
- Freight spend = \$9.2MM





Implementation

MENLO DTCI 000589

Implementation – Current Status



● Requirements

[REDACTED]

(b)
(c)

● Training

[REDACTED]

(b)
(c)

● Support

[REDACTED]

(b)
(c)

4

Implementation – Changes since May PMR



● Requirements

[REDACTED]

(b)(4)

● Testing

[REDACTED]

(b)(4)

● Training

[REDACTED]

(b)(4)



Implementation - Schedule

- **September – Begin Phase II**
 - NAS Corpus – 15th
 - Kingsville – 22nd
- **October**
 - FISC Everett, WA – 6th
 - DDOO, Keyport & Silverdale – 14th
 - NAS Whidbey Island – 20th
 - Ft. Lewis & Camp Murray – 27th
- **November**
 - DDHU, Miramar – 10th
 - SPAWAR, FISC North Island – 17th
- **December**
 - DDSP – 8th

Implementation – Suggestions & Challenges



- Requirements



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- Testing



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- Training



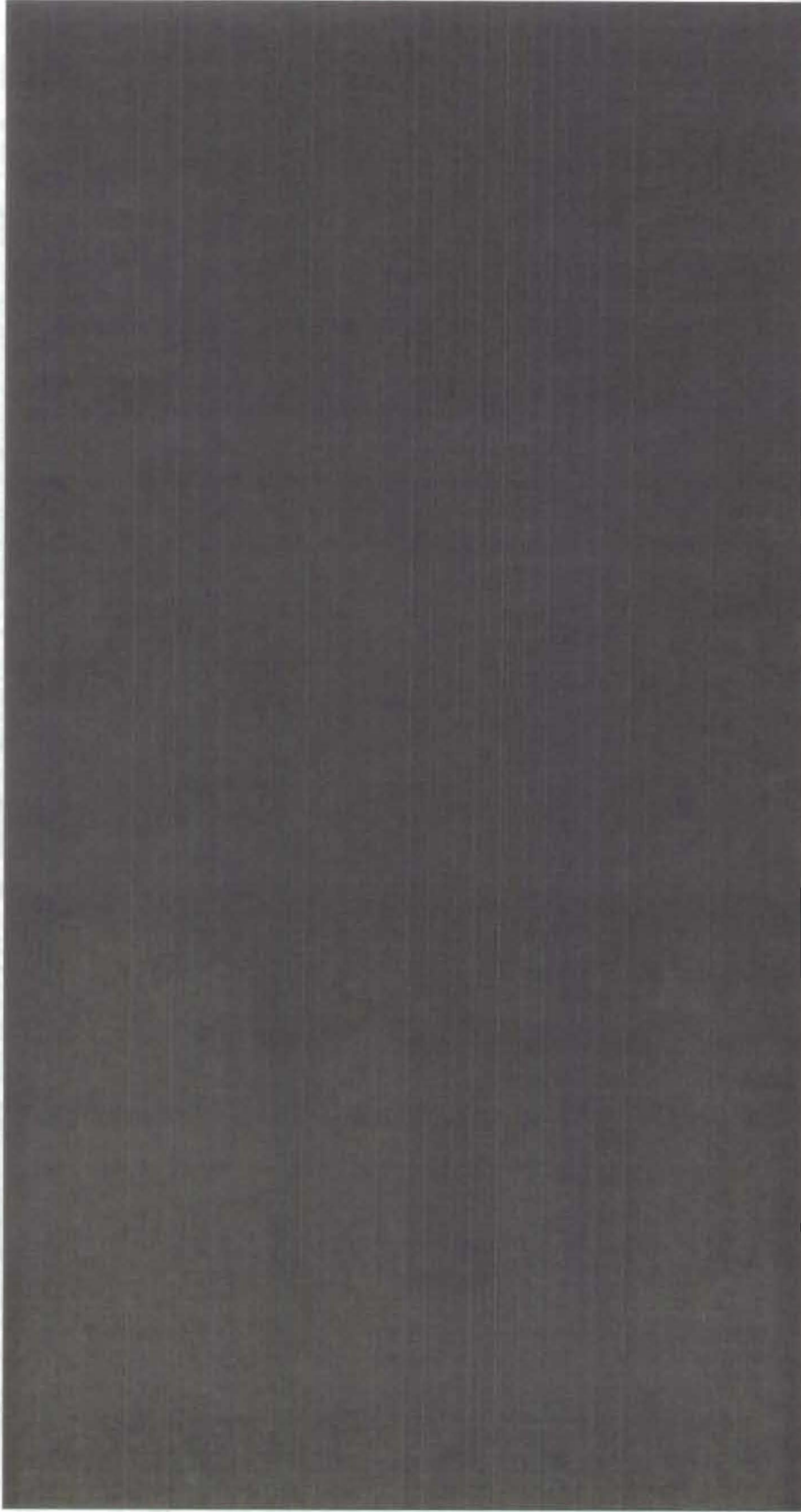
(b)(4)

- Support



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PIRS in the Pipeline





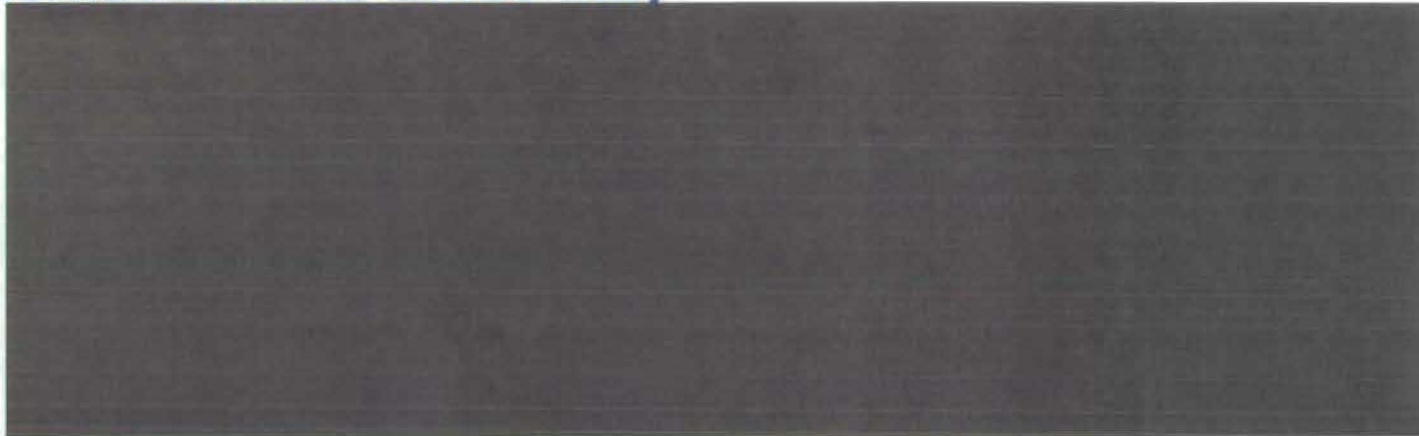
Information Technology

MENLO DTCI 000595

Information Technology



- Achievements Since May



(b)
(c)(4)

- DDRT Issues and Resolutions



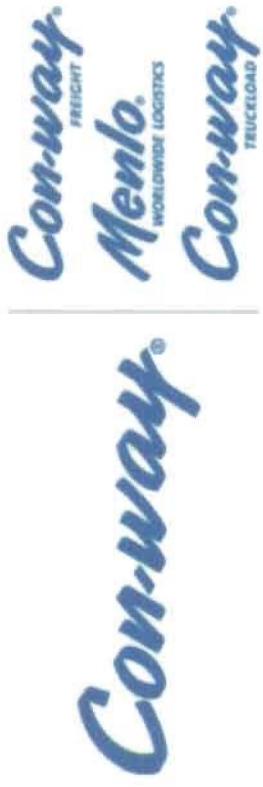
(b)(4)

- Upcoming Milestone Events



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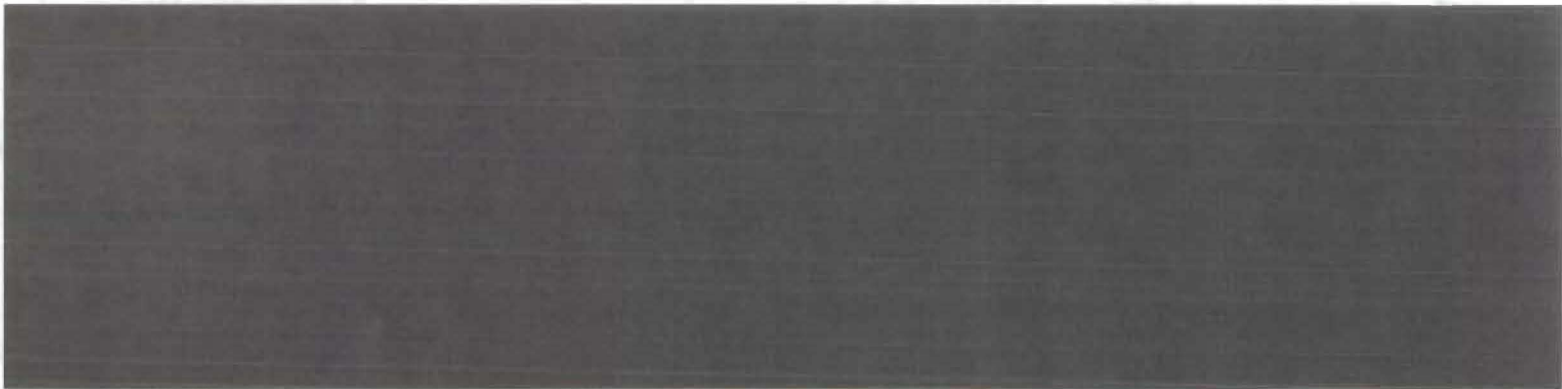
Contracting

MENLO DTCI 000597

Contract Modification



- Contract Mod P00004

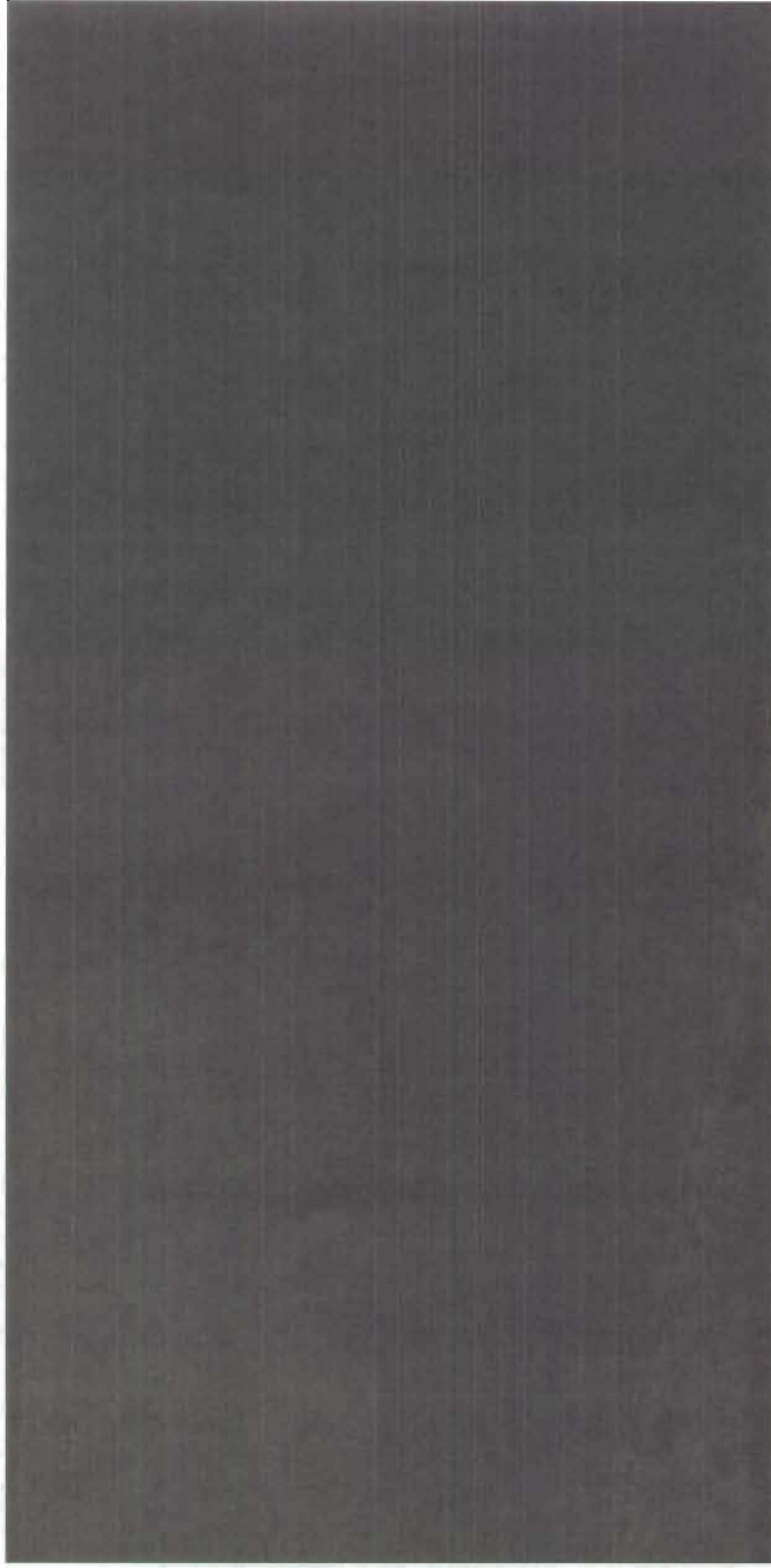


(b)
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Award Fee Plan



- Award Fee Plan Changes (Mod 00005)



DCAA / DCMA Interactions



- CPSR 07 July – 18 July



(b)
(u)

- ICQ and Request for Data



(b)
(u)

Audit & Payment Status



- DCAA currently reviewing [REDACTED]

(b)(4)

[REDACTED]

(b)(4)

- NTE requests

[REDACTED]

(b)
(4)

Audit & Payment Status



- PWS requirement: pay carriers in 3 – 5 days
- Aging begins upon 2 gating items:
 - Confirmed delivery status
 - Carrier invoice receipt
- Menlo carrier payment history

Transaction Type	Invoices processed	Avg. Days
Invoices	7571	
Open carrier <i>ebills</i>	104	
Unmatched government transactions	460	
Unmatched carrier transactions	204	

(b)
(4)

Small Business Subcontracting Goals



- **Overall Purchased Transportation Weeks 14 - 33**

- Goal – 20% Actual - [REDACTED] (b)(4)

- **Total Small Business**

- Goal – 20% Actual - [REDACTED] (b)(4)

- **Subcategories from Small Business Plan**

	Goal	Actual/Purchased	Actual/Total
● WOSB	1.7%	[REDACTED]	(b)(4)
● VOSB	1.6%		
● SDVOSB	1.6%		
● SDB	5.5%		
● HUBZone	1.2%		

- **Greater challenge as LTL increases**



Metrics & Operations

MENLO DTCI 000604

Program to Date Performance



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31 Mar - 31 Jul

Program to date volumes

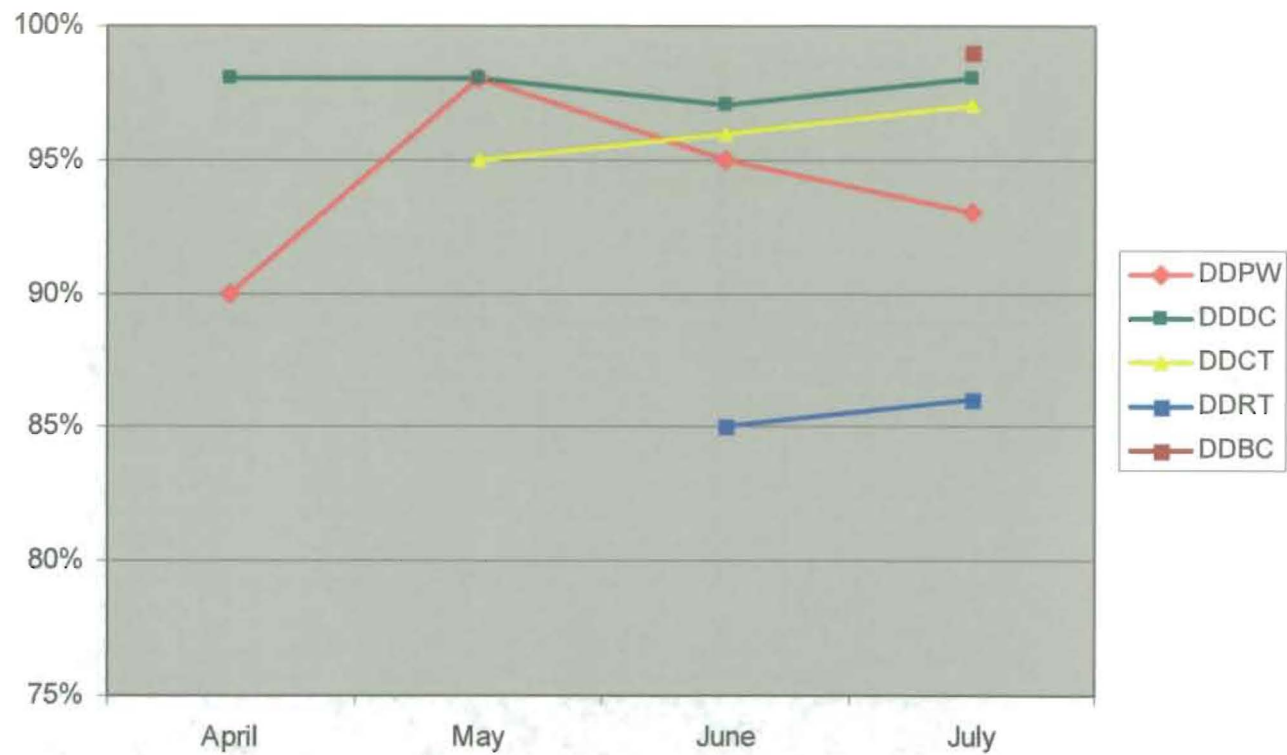
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On Time Pick Up



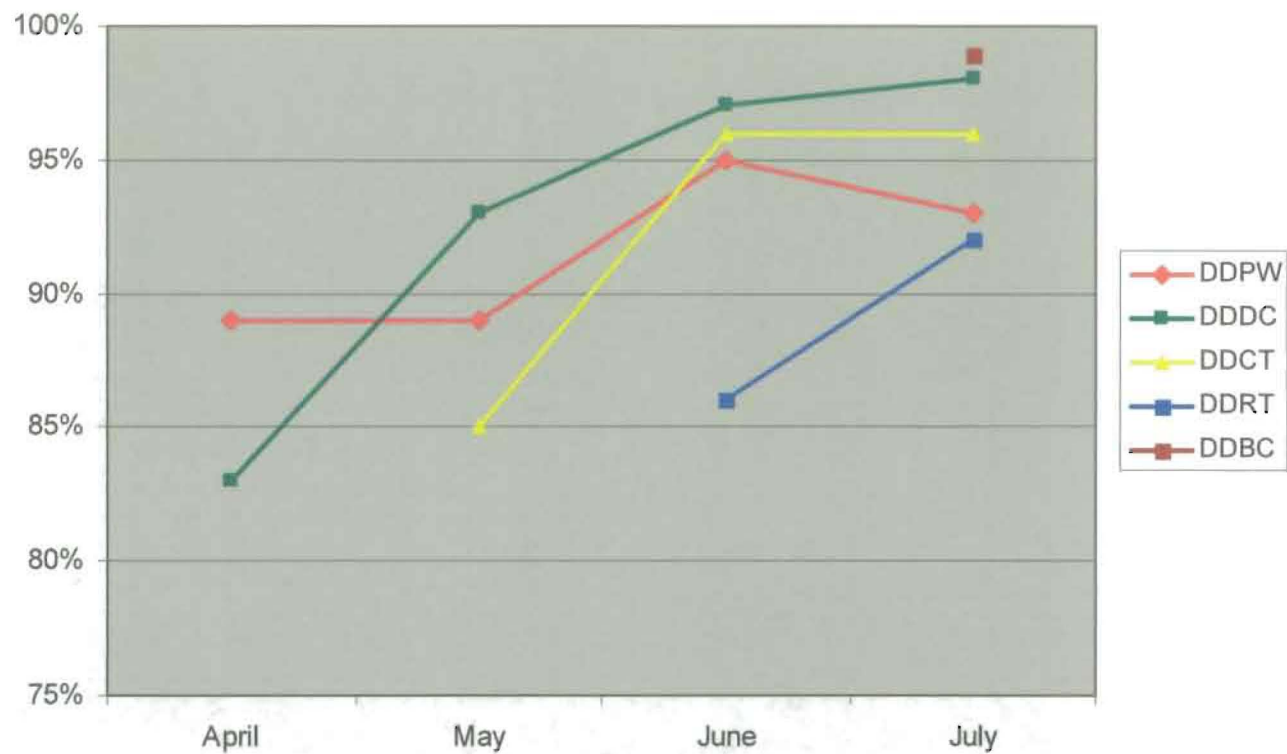
On Time Pick Up Performance



On Time Delivery



On Time Delivery Performance



Metrics – Background Info



- Single Source of Truth

- Due Dates

[Redacted] (b)(4)

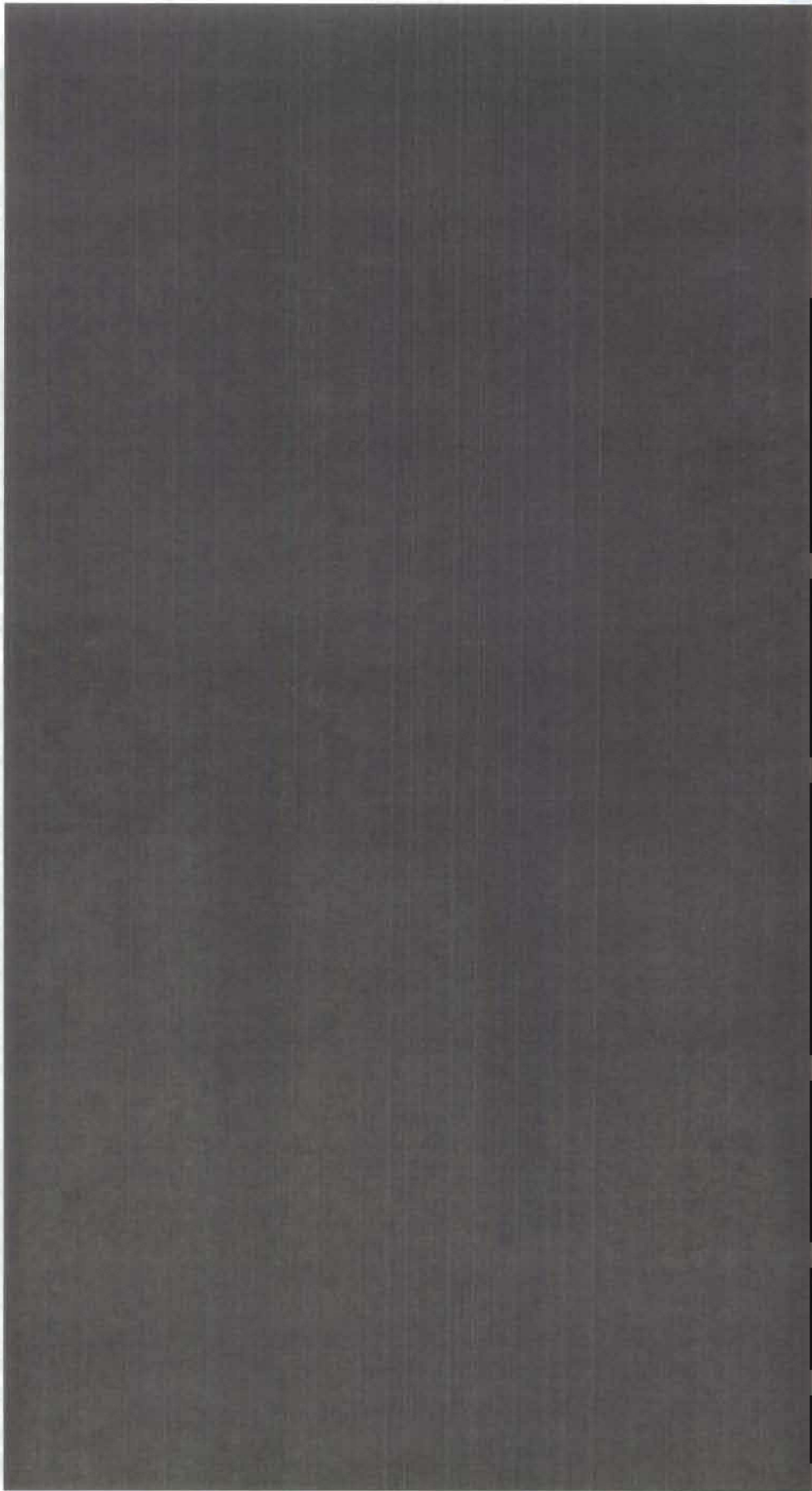
- Common Thread

[Redacted] (b)(4)

- Transactional Database

[Redacted] (b)(4)

Metrics - Process



(b)(3)

Metrics – Process



- Staging



(b)(4)

- Initial Extraction



(b)(4)

- Final Extraction



(b)(4)

- Publish

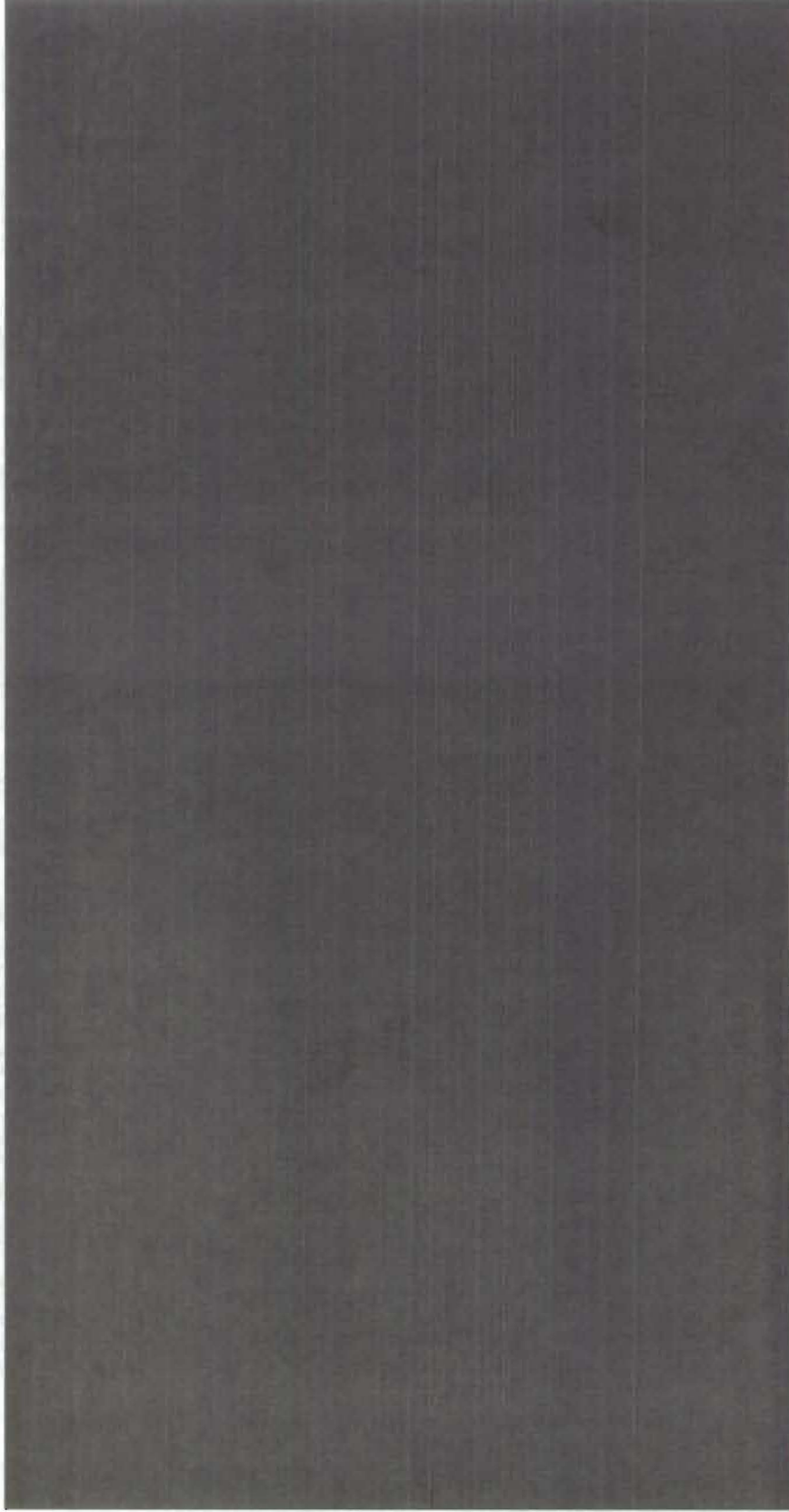


(b)(4)

Program Savings



67
C-7



44

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Program Savings – Methodology



- **Baseline Data**

[Redacted]

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- **Develop Standards**

[Redacted]

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- **Actuals**

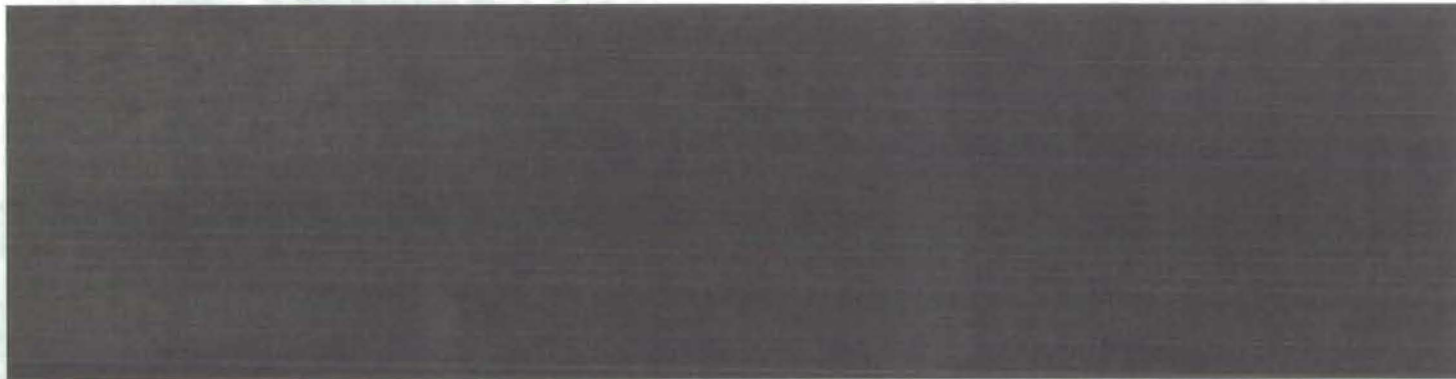
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Program Savings – Next Steps



- Value Engineering



cb)(4)

- Collocated Sites



cb)(4)

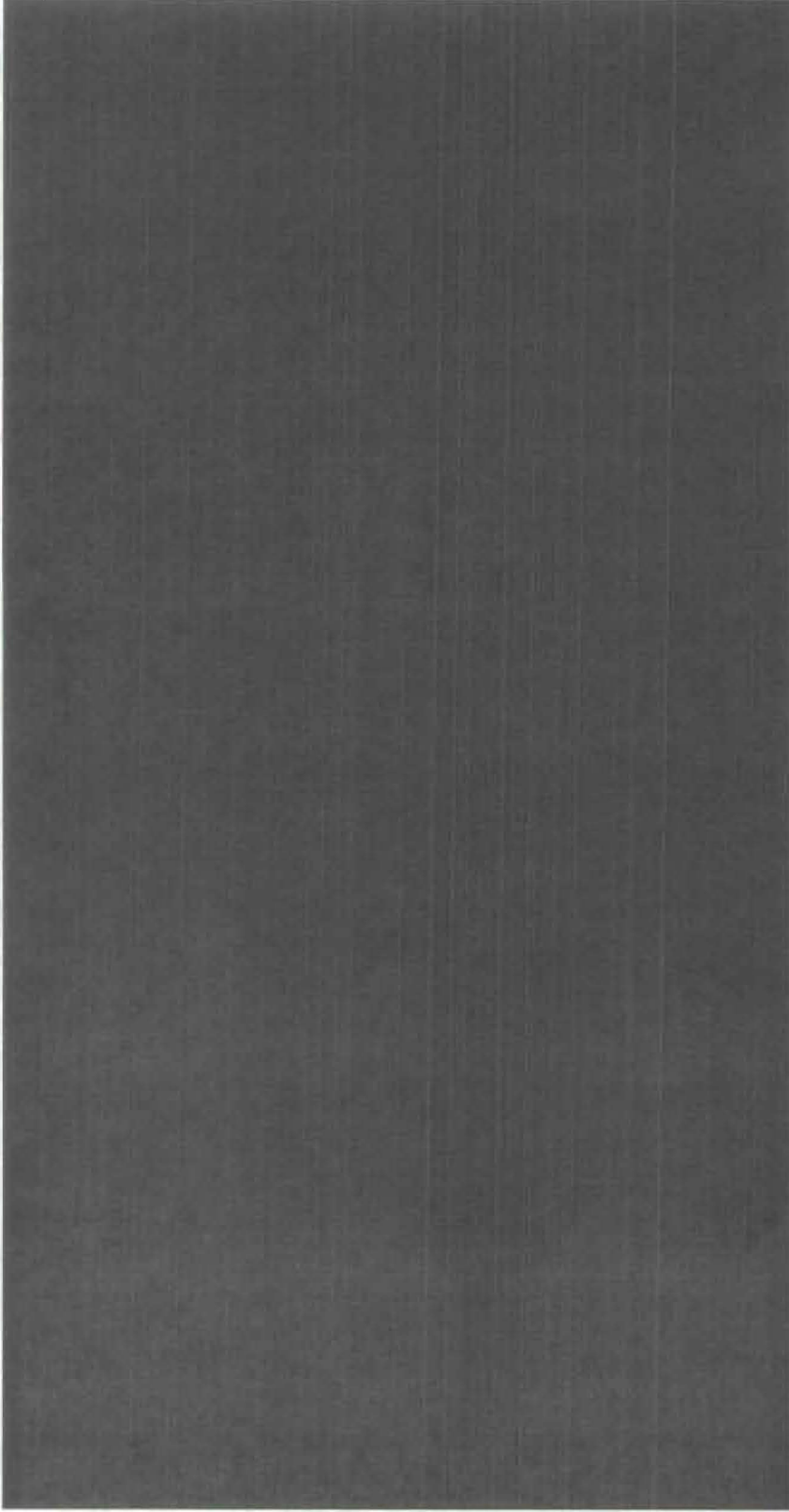
- Continuous Improvement



cb)(4)



Incident / Issues

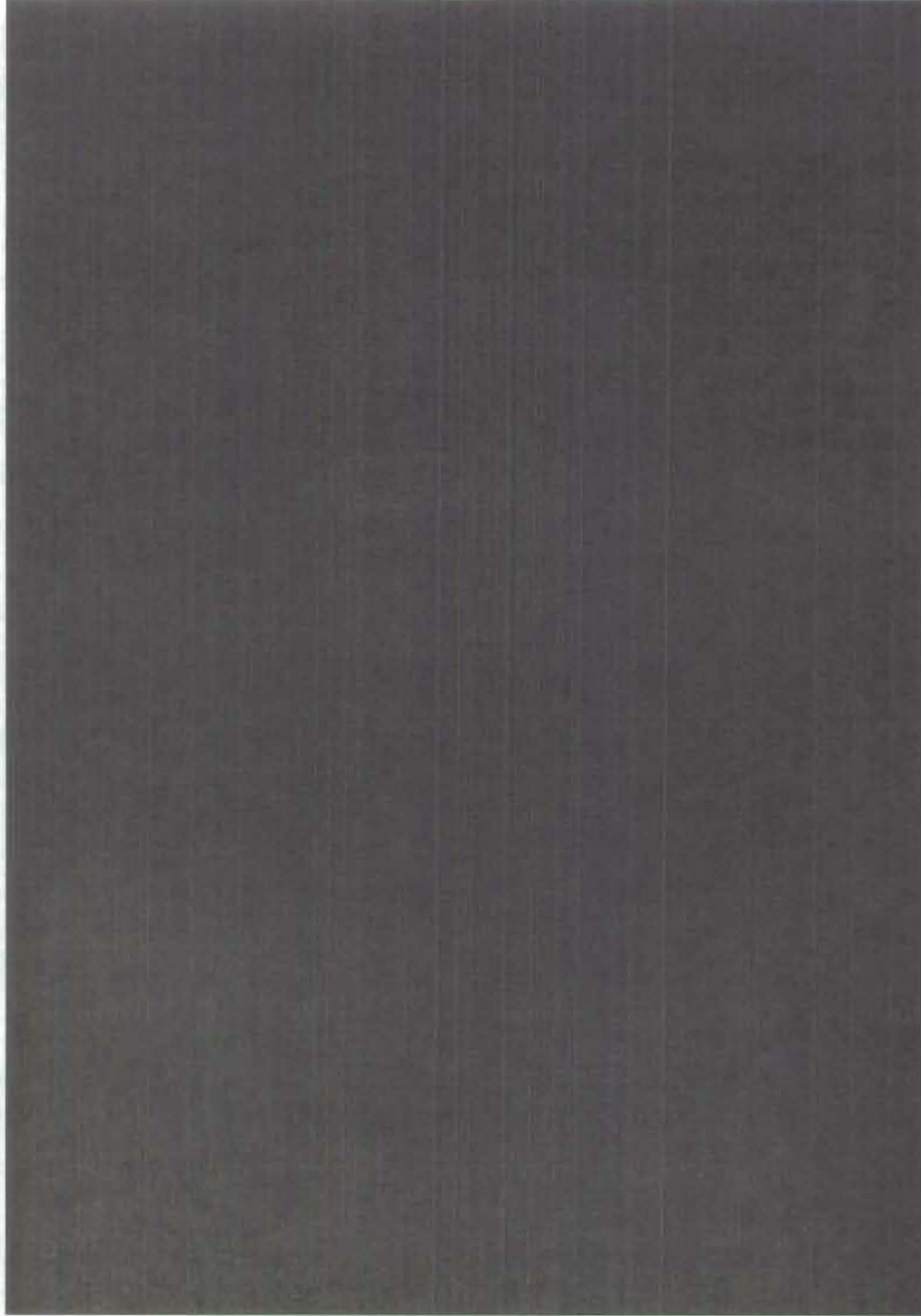


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Incidents / Issues



(b)(7)(D)



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TRANSPORTATION

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Incidents / Issues



(b)(4)

Modal Analysis



• Next Day and Next Day AM

- As a percentage of total shipments, [REDACTED] (b) (4)

- Greatest impact at DDPW and DDJC


Depot	Baseline			Program to Date		
	Total	ND Air	% ND Air	Total	ND Air	% ND Air
DDPW	3,963	54	1.4%	1,419	309	21.8%
DDCT	4,981	156	3.1%	1,350	92	6.8%
DDDC	7,615	1,284	16.9%	2,104	277	13.2%
DDRT	31,258	9	0.0%	6,552	168	2.6%
DDBC	6,652	1,185	17.8%	545	44	8.1%
DDJC	50,079	301	0.6%	867	179	20.6%
Totals	104,548	2,989	2.9%	12,837	1,069	8.3%



Modal Analysis

• DDRT – Air Freight by Service Level

- Previous to DTCL – ND and 2D freight was < 3%
- Program to date 96%

Service	Carrier Data - Jan - 07 - Jun -08		Program to Date	
	Shipments	% of Total	Shipments	% of Total
Next Day	25	1.3%		
2nd Day	31	1.6%		
3rd Day	1917	97.2%		
Total	1973	100.0%		

(b)(4)