



**Defense Personal Property Program (DP3)
 Executive Working Group (EWG)
 Meeting Minutes
 30 March 2020**

NOTICE

United States Transportation Command (USTRANSCOM) organized the DP3 EWG on 30 March 2020 to conduct discussions in preparation for the 2020 Peak Season and share impacts of the Department of Defense (DoD) Stop Movement Order. The EWG's purpose is to foster meaningful dialog between Personal Property senior leaders within the DoD and Industry, as an expansion of USTRANSCOM's suite of EWGs for Surface, VISA (Voluntary Intermodal Sealift Agreement), and CRAF (Civil Reserve Air Fleet) programs. The DP3 EWG will gather annually as a non-decisional and non-contractual forum, with a goal to share information across the personal property enterprise. A complete list of meeting participants is at the end of this document.

COMPANIES REPRESENTED

<u>Organization</u>	<u>Telephone</u>
Aloha Worldwide Forwarders, Inc.	(425) 385-8345
Armstrong Transfer & Storage, Co.	(502) 491-2807
Atlas Van Lines	(206) 436-0130
Cartwright	(855) 210-5359
Coleman	(334) 983-6500
Conser Office Solutions, LLC	(904) 786-0242
Crown Moving and Storage	(910) 483-0117
Interstate Van Lines	(703) 569-2121
Jobbers Warehouse	(701) 222-1111
National Van Lines, Inc.	(708) 450-2900
Nedrac Inc.	(760) 345-9621
Pearl Forwarding	(858) 279-7760
Senate Forwarding, Inc.	(904) 278-0708
Sirva Inc.	(630) 570-3996
Suddath Companies	(954) 920-5445
Tier One Relocation, LLC	(401) 262-0327
Total Move Management	(904) 739-7856
Tri-Star International Port	(760) 752-1900
Unigroup	(636) 305-5000
Wheaton	(317) 842-8111
Metro Van & Storage (NTS)	(707) 745-1150
International Auto Logistics	(423) 914-3684



MEETING SUMMARY

1. Admin Remarks

- a. Lt Col Rayna Lowery, Chief, DP3 Strategic Engagements opened the session with a review of the EWG roles and limitations, as this forum is not to be used for contract negotiations and/or contract discussions, no dialog was permitted on the Global Household Goods Contract (GHC) as the contract was still in source solicitation. The group received the DP3 methodology for selecting EWG industry invitees and the agenda was shared.

2. Opening Remarks

- a. Meeting opened with remarks by VADM Dee Mewbourne, USTRANSCOM Deputy Commander. He welcomed members and shared thanks for their time to review what DP3 is doing well and what we can do better for our Service members and their families during this changing environment. On 27 March, three days prior to the DP3 EWG, the Secretary of Defense signed a memorandum referencing: we must protect troops, civilians, and their families, and support the Presidents response to the COVID-19 pandemic. VADM Mewbourne advised the group that, while there is a significant piece of the agenda dedicated to the DoD Stop Move Order, the intent of the discussions must also focus on looking forward and the necessary program actions that will take place when the Stop Movement Order lifts. He closed by thanking industry for their support to the members and their families, but also acknowledged that he is concerned about the people on the front line. He shared that he is plugged into multiple levels of the DoD, and offered all to call or write with the commitment that he will respond with what he knows or redirect, as appropriate.

3. Review of Fall DP3 EWG (17 Sep 2019) Action Items

- a. COL Marshanna Gipson, DP3 Deputy Director for Operations, presented a status of the 2019 Fall EWG action items. Completed action items are listed below. Appendix A to these minutes lists the remaining Fall 2019 and Spring 2020 action items.
 - (1) J9 performed cursory modeling analysis in reference to industry recommendation to increase the current minimum number of customer satisfaction survey (CSS) returns required or minimum performance score. J9 confirmed some actions may have a negative impact on quality, therefore decision is to hold the MPS for iHHG at 56, and increase the dHHG to 57.16 and iUB to 59.5 for 2020. **Completed.**
 - (2) Industry requested a review of the minimum weights for unaccompanied baggage (UB) shipments. Effective 15 May 2020, UB weights in the International Tender increased from 300 to 350 lbs. **Completed.**
 - (3) J9 implemented several measures to ensure industry and DoD customers remain informed: peak and non-peak calls, biweekly industry calls, and efforts with Public Affairs to publish customer-facing advisories. With the deliberate efforts in place to



ensure proper dissemination of program communications across the DP3 enterprise, the advisory distribution process review is finished. **Completed.**

- (4) Industry requested a review of shipments moving into/out of hard to service areas. J9 responded by adding 27 new groups covering 16 countries/rate areas to improve access to capacity. 22 of these new groups aimed to address capacity issues on UB shipments going into/out of hard to service areas. **Completed.**

In comparison to executive conversation with the Surface EWG industry stakeholders, VADM Mewbourne, asked OSD and group if installations could create base specific COVID-19 questions for drivers that would deny access or entrant pending response? The group discussion yielded a wide range exists between installations. Some were reporting a very low outbreak, while other installations had a higher outbreak. Installation commanders are the final authority to facilitate access according to conditions on the ground. OSD has reached out to the Under Secretary of Defense for Intelligence for additional understanding and further guidance in this area.

4. DoD Stop Movement Order Impacts

- a. Mr. Rick Marsh, USTRANSCOM DP3 Director, shared a summary of the DoD Stop Movement Order impacts to the DP3 enterprise. The current state of the Defense Personal Property System (DPS) shipment pickups or booking queue was 25% compared to historical averages. J9 continues to collect inputs from the services to analyze and refine the DP3 forecast for senior DoD leaders and Industry to make informed decisions on safety, capacity, risks, and shortfalls. As stop movement guidance evolves, USTRANSCOM in concert with the Services, will continue to publish advisories to best protect the force and our families while moving in the pandemic.

5. DP3 Congressional Update

- a. Lt Col Melissa Rativa, Legislative Affairs provided a high-level update on the J9 congressional posture. Since the EWG last September, USTRANSCOM has continued to work with Capitol Hill on DP3 Reform matters.

6. Peak Season Update

- a. Mr. Daniel Martinez, DP3 Branch Chief, Household Goods Operations presented a 2020 peak season update that will be effective 15 May.

(1) Several DoD customer initiatives including, background checks, better industry communication, claims enhancements, and intransit visibility are being implemented to provide greater quality at the curb for the DoD customer. Other program initiatives include, forbiddance of altering government documents, adding special solicitation channels, and increasing UB minimum weights. He further shared a forthcoming DP3 – DPS enhancement regarding refusals, auto re-offer, and manual booking.

- (a) A lengthy discussion ensued on stop movement “unknowns,” such as insight into how long the stop movement will go; options being considered for peak season; and what is the plan for pent up demand and backlogged moves? USTRANSCOM J9 and the Services responded that we all are assessing the situation and pulling known PCS data to fully understand what shipments need to continue, be delayed,



or be canceled. Across all of the DoD, this is a joint effort to control the bow wave, but we all recognize this is a continuously moving target. We will continue to recalibrate our forecast as conditions dictate. OSD P&R contributed they are leading discussions with the 1 (personnel) community to discuss what additional orders can be expected and which DoD customers need to report soonest.

- (b) Industry commented that the reduction in moves now (Spring 2020) is creating a big problem for cash flow. One concern is that the stop move will continue and that no peak season will occur. The summer months generate significant revenue that off-sets operations in non-peak season. Industry requested USTRANSCOM keep them informed so when the time comes they have the necessary assets in place.
- (c) VADM Mewbourne asked industry, “with the stop move order in place, what are the moving companies doing?” and “what is the status of the non-military sector?” Industry responded that commercial moves have not slowed down at this time. Commercial moves and freight were continuing, but there was a deep concern for agents and the economic hardship they could endure if this continued into peak season. VADM Mewbourne acknowledged that everyone in the DP3 enterprise is interconnected and that we will get through this together.

7. Privately Owned Vehicle Status

- a. Ms. Jill Smith, DP3 Branch Chief, Privately Owned Vehicles, delivered a POV program overview and discussed the stop movement order effects on vehicle processing center (VPC) personnel, operations, and POV transportation. International Auto Logistics (IAL), the responsible contractor, ships DoD-sponsored POVs to, from, and between 12 CONUS and 26 OCONUS VPCs to worldwide locations, and stores them at four vehicle storage facilities in the United States: Sparks, NV; Tracy, CA; Grapevine, TX; and Lavonia, GA. Since 1 Jan, DoD customers turned in 10,243 POVs for transportation and 7,654 for storage.
- b. Shortly after the stop move order was issued, six VPCs had to close (five in Italy and the one in Puerto Rico), and others began accepting POV turn-ins and drop-offs by appointment only. To close the gaps under this new operating environment, government and contractor VPC personnel started communicating each day to share information and support theater POV operations as needed. Simultaneously, Ms. Smith, the USTRANSCOM contracting officer, and IAL leadership began conducting daily teleconferences to identify logistics gaps and mitigate risks as they occurred.
- c. Mr. Doug Tipton, IAL Chairman of the Board, provided his assessment for the last two weeks of March where they achieved only 25 percent of the normal POV shipping volume. He further noted that the biggest issue at this time are the restrictions imposed within Level 3 CDC countries and military bases. Mr. Tipton acknowledged greater concerns relative to the future: ensuring IAL’s readiness for future surge capacity, addressing vessel competition after the stop move order is lifted, and missed sailings due to ship and container availability. He noted that IAL relies on 91 percent of small businesses and some will not make it through this economic crunch. Mr. Tipton closed



by mentioning that the more we can smooth out future demand for both POVs and HHGs, the better the outcome would be for all stakeholders.

8. Services and Government Perspectives

- (1) Office of the Deputy Assistant Secretary of Defense (Logistics). The Logistics team will continue to work with the Personnel and Readiness teams and the Services to define the necessary PCS requirements as we go forward.
- (2) Joint Staff. The J4 committed to continuing to work with the Services to mitigate all after effects of the stop move.
- (3) Army. G1 sited that Army senior leaders regard quality of life, timeliness, packing, and damage as key and high visibility parameters within their members' PCS moves. The Army Personal Property Lead Element thanked industry for continuing to communicate, confirmed that Army has incorporated several TSP recommendations, and urged industry to contact them if they run into any challenges with PPSOs.
- (4) Navy. Both N4 and N1 leaders responded that this environment led to initial confusion and a continuous learning environment, but both organizations are parallel today sending clear messaging. N1 encouraged all Services and the Coast Guard to communicate clear messaging to their PPSOs, members, and sailors. Through this experience, N1 is performing better regarding entitlement counseling and continuing to modernize their processes.
- (5) Marine Corps. Logistics Distribution Policy and Manpower members stated they are setting the conditions for PCS move decisions, adjusting to the right, and will continue working exceptions to policy as necessary.
- (6) Air Force. A4 and Personal Property Activity members thanked USTRANSCOM and industry for all efforts, and sited concerns about the small "mom and pop" companies that may not endure through this financial hardship.
- (7) Coast Guard. Personnel leadership cited the USCG would continue to flatten the curve, and push people out of peak to the right, as their authority enables them to do so.
- (8) GSA. Provided the members an appreciation for being able to participate in the productive discussions.

9. Industry Perspectives

- a. Industry leaders responded with a uniform message of appreciation for the invitation to participate and the recurring critical DP3 communications. Additionally, they cited the need for continued communications, more information on the international side, and echoed that the sooner they receive forecasted shipment data, the better industry as a whole can prepare.

10. DP3 on the Horizon, Open Actions, and Due Outs

- a. COL Gipson provided the members an overview of the recurring and forthcoming DP3 calendar of events, to include the DP3 industry calls, DP3 PPSO calls, DP3 governance



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calls, fall Personal Property Forum and NDTA meetings. She then gave a review of the new EWG action items, as listed in Appendix A.

11. DP3 EWG Wrap-up and Closing

- a. VADM Mewbourne thanked attendees for participating and offered all a chance for final thoughts. The collective assessment was that the DP3 EWG was a successful meeting and all attendees appreciated the opportunity to participate.

12. Way Ahead

- a. The next DP3 EWG is tentatively scheduled for April 2021. DP3 EWG invitations will go out to standing members from USTRANSCOM, the Services, GSA, and NDTA. USTRANSCOM will also select DP3 TSP representatives, some of whom may be new attendees or previous participants from former EWGs. Leaders can expect an invitation to this event early 2021 to facilitate individual travel planning.

13. DP3 EWG Adjourned

14. Updates and corrections - Please use the USTRANSCOM TCJ9-SE point of contact, Lt Col Rayna Lowery at Rayna.w.lowery.mil@mail.mil for updates or corrections to these minutes.



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Meeting Participants**USTRANSCOM**

VADM Dee Mewbourne TCDC
 CMSgt Jason France TCCC-SEL
 Rick Marsh TCJ9
 Tamara Thouvenot TCAQ
 COL Marshanna Gipson TCJ9-O
 COL Rick Lear TCJA
 Lt Col Rayna Lowery TCJ9-SE
 Lt Col Melissa Rativa TCLA
 Danny Martinez TCJ9-OH
 Jill Smith TCJ9-OP
 Rob Hauert TCJ9-OS
 Kim Johnson TCJ9-A
 Andre Kok TCPA

OSD/Joint Staff

COL Kevin Baird DASD (LOG)
 Dave Kapinos J44

USA

Derrick Candler DALO-OPT

USN

RADM Jeff Hughes NAVSUP N1
 William Bickert NAVSUP N4

USMC

Patrick Kelleher I&L LP
 David Edson MM DIV

USCG

CAPT Christopher Hulser CG-13

USAF

Lisa Smith HQ USAF/A4L
 Col Craig Panches PPA
 Leigh Method AMC/DA4

General Services Administration

George Thomas Director, Trans Audits

Industry

Kourtney Kono President, Aloha Worldwide Forwarders, Inc.
 Mike Hodges President, Armstrong Transfer & Storage, Co.
 Jim Gaw President, Atlas Van Lines International, Corp.
 Andy Cartwright President, Cartwright International, Inc.
 Lacey Brakefield President, Coleman American Moving Services
 Mark Chesser President, Conser Office Solutions, LLC
 Rhonda Smith President, Crown Moving and Storage
 J.D. Morrisette President, Interstate Van Lines, Inc.
 Walter Keller President, Jobbers Warehouse
 Tim Helenthal President, National Van Lines
 David Carden President, Nedrac Inc.
 Michael Lu Vice President, Pearl Forwarding
 Jeffrey Bell President, Senate Forwarding, Inc.
 Steve McKenna Vice President, SIRVA, Inc.
 Scott Kelly President, Gov't Business, Suddath Companies
 Matt Dolan COO, Tier One Relocation, LLC
 Matt Connell President, Total Move Management
 Kelley Kerscher President, Tri-Star International Port
 Bob McCabe Vice President, UniGroup
 Kevin Myers Director, Military Services, Wheaton Van Lines, Inc.
 Doug Tipton President and CEO, International Auto Logistics
 Dennis Paulley President and CEO, Metro Van & Storage (NTS)



Appendix A

DP3 EWG Action Items, as of 1 June 2020

The following list is the DP3 EWG action items, current status, and primary office responsible:

(1) Drive standardization efforts across Services (streamline expectations by focusing on counseling and key responsibilities for members) and work to standardize secretarial process across Services where possible.

Update: **Open.** J9 is leading reform efforts for the DP3 enterprise that will lead to a more standardized program, including the GHC, Government Management Framework Reform and the DP3 Training Program Reform, to name a few. Additionally, OSD developed a Personal Property Relocation Improvement Strategy, which has specific action items to drive additional standardization across the Services for the entire relocation process. OSD is in final staffing of the Improvement Strategy. OPR: J9; OCR: ODASD (Log)/Services.

2) Continuous review of code 2 (containerized) shipment requirements, refusal data, and other business rules seeking opportunities to ensure optimization across the DP3 enterprise.

Update: **Open.** TCJ9 performed an analysis between 2018 and 2019 peak season Code 2 and refusal data. Code 2 has shown a reduction in overall claims and decrease in the average severity (\$ claimed by customer) of 20% less than loose load shipments. Raw CSS score results improved as well. J9 will continue to monitor Code 2, the refusal initiative, and other business rule impacts and adjust as necessary. OPR: TCJ9.

3) Look at opportunities / risks of consolidated performance scores for move management companies.

Update: **Recommend Close.** Recommend closure of this action item based on the anticipated future DP3 GHC operational posture. OPR: TCJ9.

4) Base access (request standardization).

Update: **Open.** All the Services have implemented TWIC registration at installations, eliminating the requirement for repeat background checks. OSD will continue working across the Services to standardize disqualification standards for TSPs. OPR: ODASD (Log); OCR: Services.

5) Continue to assess DP3 process that do not add value to the overall customer experience. Look for ways to simplify business rules or modify to model after commercial like processes.

Update: **Open.** DP3 is working to fundamentally restructure its relationship with the household goods industry to 1) increase quality capacity, 2) better align responsibility and accountability, and 3) improve customer service and transparency. GAO recommendations, DP3 is working the



following actions; #1) collection and tracking data to more precisely determine DOD's program manpower needs and costs; #2) developing performance metrics for DP3 activities not part of the GHC contract, and #3) articulating the linkage between performance metrics and program goals. TCJ9 is currently working through #1&2, tracking initiatives for Code 2 and Refusal optimization to benefit the DoD customers' experience for peak season 2020. We are developing in-depth performance metrics, ensuring strong linkages to the overall program management. OPR: TCJ9; OCR: Services, Industry.

6) Develop small working groups focused on domestic and international enterprise challenges.

Update: **Recommend Close.** The 2020 DoD Stop Move Order presented TCJ9 with the opportunity to establish a process and develop small working groups focused on emerging DP3 challenges. These Small Working Groups were established to address capacity, transit times, and Code 6 / 8 (commercial air freight rate increases). The J9 will continue to utilize small working groups, as necessary, for enterprise changes. OPR: TCJ9.

7) Maintain clear messaging across and to the DP3 enterprise.

Update: **Open.** In 2020, TCJ9 created multiple resources which are published on Move.mil, such as the DP3 Quick Reference Guide for customers moving in 2020 and Moving in a COVID-19 Environment. We established a cadence of Industry Stop Movement Calls, Non-Peak Calls and Peak Calls, and PPSO/JPPSO calls. On the data front, J9 has produced a DP3 placemat and DP3 model providing an enterprise view on shipments. Additionally, the J9 leadership have participated on social media and DP3 Town Halls to maintain clear messaging on what's happening now and what to expect going forward. J9 will continue to produce informational resources as needed. OPR: TCJ9.

8) Continue to look for policy adjustments to bring quality to the curb.

Update: **Open.** TCJ9 implemented several Tender of Service changes, effective 15 May 2020, to include; background checks, better TSP communication, modified Claims business rules in alignment with commercial practices, inconvenience claim process for a missed pickup or delivery, and greater customer support. TCJ9 will continue to implement program changes, as deemed appropriate. OPR: TCJ9; OCR: Services.

9) Provide OCONUS base postures and challenges that they are seeing in the local areas, related to the DoD stop move.

Update: **Open.** This effort is ongoing. TCJ9 had previously scheduled multiple weekly meetings with the Services, shipping offices, and industry in order to collectively define and discuss geographic areas of restriction during the DoD Stop Move. Now that the DoD has shifted to a conditions based environment, J9 is continuing these collective discussions as simultaneously DoD is developing a system to provide shipping offices with up-to-date information on locations and their status. It is not yet available; but when completed it would most likely be accessed via a DoD CAC-enabled link. OPR: TCJ9; OCR: Services.



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10) Research if there is an avenue to provide relief for curbside providers.

Update: **Open.** Industry has received support from TCCC in the form of an advocacy memo sent to Armed Services Committee members. TCJ9 has instituted multiple avenues for TSPs that provide relief and support to agents at the curb. Specifically, TCJ9 approved a 10% adjustment for additional expenses caused by the DoD Stop Move Order in March 2020. Additionally, the TCJ9 supported a "waiting time" fee for commercial trucks delayed accessing an installation. Finally, TCJ9 has provided a reimbursement method for additional commercial air rates due to COVID-19. OPR: TCJ9; OCR: Industry.

11) Research if USTRANSCOM can assist in identifying the COVID 19 hotspots to the movers.

Update: **Recommend Close.** Serving as a communication portal, TCJ9 maintains awareness and shares information on COVID-19 impacts to DP3. OSD and CDC guidance is the authoritative source for program updates. TCJ9 facilitates routine calls to collect and communicate with the Services, shipping offices, and industry as the environment changes. Specific enterprise concerns are being addressed at both the shipping office area of responsibility and program level. OPR: TCJ9; OCR: Services, Industry.