



The **INTERSTATE**TM WORLDWIDE RELOCATION SERVICES

News

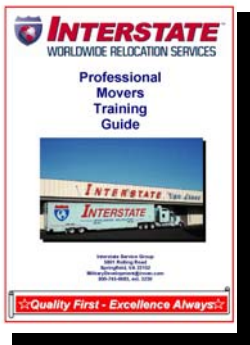


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Interstate News

Military Affairs reports that our military customer satisfaction surveys show a continuing trend upward in the number of military customers that would use our service again. For the first quarter of 2009 we have a 42% survey return rate, and of those, 85% of our customers would use our service again (this compares to 80% for same time last year.) Early reports for April and May indicate that 89% of our customers would use us again. This positive trend is the direct result of our “Book with the Best” (BWB) program—the award of bookings and SIT based upon customer satisfaction rating.

Under the DPS Program there is a new Tender of Service; there are changes in the way we must service military shipments under this Program. All service providers should have a copy of the TOS and be familiar with its contents. If you do not have a copy, contact the Military Affairs department to receive a copy.



Reminder: We have published the Interstate Training Guide, which can be found on our website under “Reference Material” once you log on. This publication was developed from the materials used to train our own employees and modified for use by our Service Providers. It was written specifically for the handling and servicing of military shipments.

(continued on page 2, column 1)

DP3 News and You

At the June 4, 2008 General Officers Steering Committee (GOSC) meeting with Service Headquarters, the Services shared some of the same concerns that the Industry has had during the implementation and current use of the domestic and international DP3 program. The purpose of the meeting was to provide Service representatives with an update on “the way ahead” and to get their direct feedback. As a result of this meeting, SDDC has announced the following intentions:

- Remove short fuse shipments from DPS (a significant percentage of the total shipments, 22%) for at least one month.
- Make several adjustments to the system to improve system response and access, and effectively decrease timeouts, kickouts, and error messages.
- Per Service Headquarters, suspend the use of DPS for non-temp storage and DPM shipments through peak season.
- Hold off on moving additional shipment types (PPM, OTO, etc) in DPS until the system demonstrates it can handle current user load.

Based on the above, we should not see an increase in the percentage of shipments moving in DPS until system response and access issues are addressed. With the switch of certain shipments to TOPS, the percentage of DPS shipments will actually be reduced for a time.

B-W-B

BWB is our “Booking with the Best” program—which means we book shipments with and send SIT to the best service providers in each transportation office market. It is important that all of our service providers and hauling partners understand that BWB is now Interstate’s basis for distribution of traffic. Our business is SERVICE, and in order to guarantee the best service we must determine and use only the best Service Providers.

Over the past four years we have developed and utilized the ICARE Program (Interstate Carrier Agent Review and Evaluation) to provide adequate data for determining the service quality of agents and haulers. We look at three service areas: origin agent, hauler and destination agent. We identify the best within those groups and distribute traffic accordingly. Each month we provide performance data to our service providers. To date we have used a one-year rolling evaluation period; we will now add a report on the most current 6-month period. This will provide managers with long-term and short-term performance information. As stated in our last bulletin and newsletter, service providers must achieve a minimum 4.01 rating to qualify for DPS bookings.

All of us in the industry must recognize that DPS presents a major challenge. It requires a critical examination of our procedures to ensure that they provide a superior moving experience to each and every military customer.

(continued on page 2, column 2)

Interstate News (continued)

(continued from page 1)

We recognize Atlantic Relocations (HQ Atlanta) for their aggressive program to maximize service to our military customers. AR's management has thoroughly reviewed the Interstate procedures with their drivers and staff. Their responsiveness and attention to detail show their commitment to providing superior service.

By the Numbers

Source: SDDC

18,883

Number of DP3 shipments in May, compared to the total of 85,759 shipments. DP3 is 22% of all DOD moves.

28%

DP3 percentage of the 8,655 shipments moved through Air Force PPSOs in May.

17%

DP3 percentage of the 6,383 shipments moved through Army PPSOs in May.

22%

Percentage of DP3 shipments since November 2008 that were "short fuse" shipments.

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DP3 News and You (continued)

(continued from page 1)

TQAP Winter

- Originally all indications were that the TQAP Program would cease to exist by the end of the summer, thus many carriers had abandoned efforts to develop military bookings through the TQAP Program and devoted their resources to the new DPS Program. Recent developments indicate the possibility of TQAP bookings continuing into the upcoming Winter Cycle, and we are now faced with devoting our efforts to TQAP booking development as well as DPS for the winter. Now is the time to review your carriers, replace those with less than a 100 score, and work to achieve a first booking on a new "90 carrier." Keep in mind that the cutoff for scores for the winter cycle is August 15.

Survey Results

- Your performance level is based on all surveys received from military customers. We receive the surveys from four sources: on line, mailed, SDDC, and by telephone. Traditionally a passive survey system obtains surveys from roughly 14% of the customer base; as a result of our aggressive program, we have achieved a response level of 42% for the first quarter of 2009. This enables us to obtain a high volume of data, which gives us a good picture of our level of service.

Many service providers take ownership of their move participation—they make every effort to provide the best service and actively encourage the military customer to complete either the SDDC survey or Interstate's. They recognize that doing a superior job is the goal, but the challenge is ensuring that those efforts are recognized and recorded by the customer. Make it part of your mission, your daily program, to motivate and encourage our military customers to complete a survey. Many of our service providers have a formal program to accomplish this and it clearly shows in the statistics we have compiled. If you have questions on how to get a higher return rate of surveys, give us a call and we will be glad to help you.

Scores and Ratings

– Under the TQAP Program, an agent's poor service impacted only its installation score and did not affect any other agent. Now under the DPS Program, the carrier has one NATIONWIDE rating, based upon customer satisfaction. Poor service on one shipment at one base has a tsunami effect across the country and impacts all agents. As a carrier we have an obligation to our quality-minded agents to work only with like-minded agents to ensure continued success in our military bookings. Our mutual success in the new program requires that we all have to rethink our business practices and make decisions which will ensure our business development.

Some of our haulers and agents have perfected the technical skills—proper packing, loading, and storage—needed to transport the customer's property and deliver it free of loss and damage, which results in a low claims ratio.

Unfortunately, they have not invested equal time in "people skills"—customer satisfaction and interaction basics. This is an area that warrants our immediate attention and is just as important as our transportation skills. A review of our on-line training materials will provide a solid basis for developing a customer service standards program for your employees that will set you apart from the rest. If you have any questions or would like additional assistance, please give us a call.

Bookings & SIT for You

- In our last Newsletter, we advised that Interstate will book DP3 shipments only with those agents maintaining a 4.01Q Rating or better, and at
- installations where we have multiple agents on the LOI, we are booking only with the agents maintaining a minimum 4.01 rating. Your carrier-generated bookings (JOLT and DP3) are determined by your ICARE Rating. All service providers should be familiar with their ICARE Rating for Origin and SIT; these are published and distributed monthly. Please contact our Military Affairs department if you are not receiving your monthly ratings report.

Interstate Standard					
Rating Scale	5.00 - 4.40 Excellent	4.39 - 4.30 Very Good	4.29 - 4.01 Meets Standards	4.00 - 3.00 Needs Improvement	2.99 - 0.00 Unsatisfactory

Customer Service Multipliers

The following is a list of actions we can take to enhance customer experience. Our objective: customers who are not just satisfied, but glad they moved with us.

- Be professional, courteous and helpful
- Smile and maintain a cheerful attitude, especially when speaking
- Always make eye contact when speaking to the customer
- Use titles when addressing customers (Mr., Mrs., Sgt., etc.)
- Keep conversations related to the job
- Do not use cell phones for personal calls while on the job
- Do not sit down to pack items
- Handle all items gently and professionally
- When communicating with customers, avoid slang or industry terms they may not know (for example: APU, 4.5, etc.)
- Do not talk “down” to customers; this may be their 20th move and they understand the process very well; on the other hand, this may be their first move.
- Take time to let customers know what is taking place, this reduces stress.
- If a customer brings you concerns, suggestions, or instructions, do not insensitively brush them off by boasting about your skills. Carefully consider both the customer’s comments and feelings before responding.
- Remember: It’s the customer’s perception that matters.

Peak Season Hauling Policy

The 2009 peak season will be unique. In all lines of business there is uncertainty in how much business there will be and how long it will last.

In the past we have taken proactive measures to maximize our summer capacity and efficiency for everyone in our network. However, this year there are strong indications that capacity could be greater than the actual demand for services, as each business entity attempts to seize any available revenue opportunity. We understand the situation, and will provide as much latitude as possible on self-haul requests.

We will continue to require origin service providers to self-haul shipments moving under 650 miles and shipments moving to adjacent states. This policy is still in effect for the entire 2009 summer booking cycle.

To request self-haul on shipments over 650 miles, at the time of registration, select “Y” in the drop-down menu in the SELF-HAUL field on the shipment registration screen. This will send an automatic e-mail to Dispatch@invan.com. Upon receipt of your email, Van Line Operations will respond via email within 24 hours to approve the self-haul. **Entering a self-haul request in REMARKS will NOT ensure a response.**

To ensure proper dispatch and coordination, service providers should log-on to the Interstate website and verify the shipment status under “Loading Assignments”. Once a shipment has been approved for self-haul, the shipment assignment will be listed under the designated carrier authority.

Any questions should be directed to Glenn Begg, 800-336-4533 ext. 3170, (glenn.begg@invan.com) or, Bobby Driggers, 800-336-4533 ext. 3171 (bobby.driggers@invan.com).

As always, we appreciate the support and continued hard work of all service providers.

The Importance of Weight Accuracy

One key to successful traffic management is having the correct shipment information to properly design loads, which is critical to ensuring efficiency and cost-effective dispatching of our fleet. Correct shipment information is a factor throughout the year, but reaches critical importance in the summer months. It is during this time that all resources are taxed and load capacity is vital to our dispatch system.

Pre-move surveys

A thorough survey is the first step in accurate weight determination. With shipments 4700 lbs. and greater, a visual on-site survey is required. Shipments under 4700 lbs. have the option of an on-site or phone survey.

Change in shipment weight – If an estimated shipment weight is found to be incorrect, the service provider must update the information on Interstate’s website. From the “Information Center” link, enter your log-in name and password. Click on “Update Registration” and select the appropriate shipment, then make changes as necessary. We ask that you DO NOT phone in the changes. Making changes on the website is quick, efficient, and ensures the data is accurate.

Upon completion of a pre-move survey, if the weight is not the same as the estimated or registered weight, this information must be updated **immediately**.

We ask that you make weight accuracy a priority. Your cooperation will help make 2009 a success for all!

“One Stop Shopping”

Our Agent Operation Information Center (OIC) has served us well over the years, allowing agents to input shipment information directly into the system, which eliminates faxing, emailing, calling and the potential for data error, as well as giving our agents access to bulletins and other useful information. We will continue to upgrade this system to provide more functionality, ease of data flow and access to all Interstate information and programs. Recently we added the “DPS/DP3” tab, providing an interface for agents to input shipment data required for the DP3 program. We are getting valuable feedback from our agents as to how we can improve this new feature; these suggestions are most useful and will be pursued to ensure that we provide you with an effective and easy-to-use system. As always, we welcome your input.

The Best Of The Best

Interstate Carrier Agent Review and Evaluation

ICARE is not only an acronym, but an accurate description of how we feel about our customers. When superior customer service is performed, every individual says "I care."

We have used the ICARE program effectively for over 3 years, but the value of the program is increasing. 2009 will be a challenging year. No longer can we merely give lip service to **quality** and **customer satisfaction**— they must be included in each and every move.

Interstate, as announced in the last newsletter, follows "BWB," or Booking With the Best, which includes distribution of SIT. We appreciate the efforts made by our service providers to improve service to our military customers and we look forward to another successful year.

The Interstate Standard

Rating Scale	5.00 – 4.40 Excellent	4.39 - 4.30 Very Good	4.29 – 4.01 Meets Standards	4.00 – 3.00 Needs Improvement	2.99-1.00 Unsatisfactory
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Top 3 Interline Carriers

	<u>Q Rating</u>
Graebel Van Lines	4.45
Stevens Van Lines	4.45
Wheaton Van Lines	4.35

Origin Service Top Five

SIT Delivery Top Three

Division A

	<u>Q Rating</u>
Leek Van & Storage Co. (Ft. Campbell)	4.62
First Class Moving Sys (JPPSO SAT)	4.48
A-1 Freeman N. Amer. (JPPSO SAT)	4.32
Admiral Mvg & Stg (FISC Norfolk)	4.27
Interstate Moving Sys. (JPPSO WA)	4.22

	<u>Delivery</u>
Pacific Movers (JPPSO Anchorage)	4.64
La Mesa Transfer & Stg (FISC San Diego)	4.38
First Class Mvg & Stg (JPPSO SAT)	4.37

Division B

Mitchell Mvg & Stg (JPPSO Ft. Lewis)	4.68
Interior Transportation (JPPSO Anchorage)	4.54
ABC Moving & Storage (FISC Puget Sound)	4.53
Atlantic Relocation (JPPSO SAT)	4.51
Jobbers Moving & Storage (JPPSO COS)	4.50

Morrison Mvg & Stg (JPPSO Lewis)	4.78
Metropolitan Movers (JPPSO Lewis)	4.54
Leek Van & Storage (Ft Campbell)	4.51

Division C

Ocean City Express (JPPSO NJ)	4.85
Reliable Van & Stg (NPPSO Northeast)	4.83
Steedle Mvg & Stg (JPPSO NJ)	4.80
TKL&L Mvg & Stg (FISC Jacksonville)	4.75
Taylor Transfer (JPPSO Northeast)	4.74

AAA Pro Mvg & Stg (JPPSO COS)	5.00
Daly Movers Inc (FISC SD at Seal Beach)	4.75
Ambassador Worldwide (JPPSO WA)	4.68

Division D

Pacific Movers Inc. (JPPSO Anchorage)	5.00
Marysville Van & Stg (JPPSO COS)	4.80
Ace Worldwide Mvg & Stg (JPPSO WA)	4.80
Mr D's Moving Co (JPPSO SAT)	4.80
Merchants Mvg & Stg (JPPSO COS)	4.79

A Plus Van & Stg (FISC Norfolk)	5.00
A-1 Bestway Inc (Ft Gordon)	4.87
Blanchette Mvg & Stg (JPPSO NE)	4.85

Legend

Division A = 90+ shipments

Division B = 50-89 shipments

Division C = 26-49 shipments

Division D = 5-25 shipments

January-
December 2008
28% responses

January-
April 2009
35% responses

Data represents April 2008 - April 2009

Divisions based on amount of shipments serviced by provider

Q rating = average of 25% of the survey score and 75% of the packing score