

DoD Freight Transportation Services (DFTS) 101

Why DFTS?

- OSD directed DTCI Contract and fully supported expansion efforts
 - Commissioned and approved the studies used to roll out the program
 - GAO affirmed program and cost structure
- Needed enterprise-wide vision
 - Cargo requirements
 - Available assets
 - Data
- 3PLs particularly effective in commercial world
 - Commercial transportation management systems (TMS) link movement requirements with available assets
 - Used by numerous corporations such as Ford and Wal-Mart
- DLA & DCMA determined they wanted a 3PL contract
- Contract awarded to Crowley Logistics in Aug 2017

Key Government Stakeholders

- OSD
 - OSD(AT&L/TP)
 - OSD(DPAPSS)
- DLA
 - HQ
 - DDC
- DCMA
- SDDC
- Supporting orgs
 - DFAS, GSA, SBA



Mission and Site Locations

- DFTS Mission: Partner with a world-class transportation service provider to manage CONUS distribution of Freight All Kinds for DoD shipping locations to leverage best commercial practices achieving efficiencies in distribution and cost avoidance
- 28 DLA Distribution Sites (CONUS)
- 10 DCMA Site (CONUS & One in Canada)

Expected Outcomes

- Reduced transportation costs
- Consistent performance objectives
 - 98% on-time pickup/delivery
 - 95% by site and mode
 - 98% loss and damage free shipments
 - 28% small business subcontracting goals
- Streamlined shipment process
 - Enterprise wide view of requirements
 - Movement requests via EDI messages vice manual process (e.g. dialing for diesel)
 - Key change management challenge
 - Single POC for all shipment requests and issues

What does the 3PL do?

- Establish contracts with their own network of carriers
 - Not required to use DOD approved carriers
- Manage carrier quality and performance
- Arrange, coordinate, monitor, and control freight shipments
 - From initial offer to final delivery
- Utilize state-of-the-art Transportation Management System
 - Link to Government Shipper Systems (DSS, GFM)
 - Execute government shipments; capture data; and measure performance
- Assist in the ID and delivery of astray freight
- Facilitate loss/damage claims

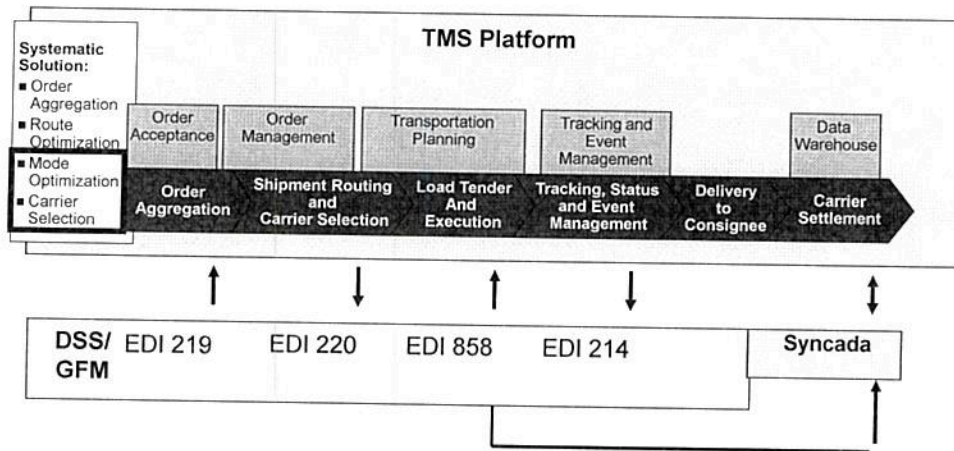
Included Freight

- Freight All Kinds (FAK)
- CONUS Unit Moves
- Vendor Shipments
- FEMA Support
- FMS
- Most Haz Mat

DFTS Cargo Exclusions

- Cargo we **don't move** falls in the below categories:
 - OCONUS Freight movements beyond POE
 - OCONUS Unit Moves
 - Universal Services Contract and Regional Domestic Contract ocean carrier contracts
 - Household goods to include Direct Procurement Method shipments
 - Movements using DoD Organic equipment
 - Shipments under on-site local drayage contracts
 - Bulk and Missile fuels
 - Shipments moved under other existing Small Package/Parcel contracts
 - POV's moved via any conveyance
 - Sensitive and/or classified shipments
 - AA&E
 - Cash/collect on Delivery (COD) shipments

Life of an Order



Performance Mitigation

- Key in our assessment of 3PL's performance is TO feedback
 - Customer Surveys and Incidents in TMS
- Quality Assurance Surveillance Plan (QASP)
 - Quarterly review of KPI performance

