May 23, 2001

Transportation Management Services Solution (Future of CHAMP)

Vision: To expertly manage household goods transportation services and solutions, at best value, to enable Federal agencies to accomplish their missions.

Means to Accomplishment: To attain our vision in today's rapidly changing environment, we have embarked on a fast-track project labeled "Transportation Management Services Solution (TMSS)."

Background: To put into perspective the project we are undertaking, following is background on evolvement of the technology we plan to tap:

1957: Russia launched the first orbital satellite, “Sputnik”
- Only size of basketball
- Eisenhower extremely concerned for Nation’s security
- Directed DoD to undertake project to establish some sort of connectivity to protect National security
- Began development of what was to become the “Internet”

1994: Worldwide Web, coined “Information Super Highway” by Gore, came into homes and businesses

1997: GSA implemented ITMS

2000:
- Congress enacted P.L. 105-264 requiring prepayment audit of transportation bills
- ITMS installed on Worldwide Web

2001: When we view the length of time it took to develop and implement the Worldwide Web and make it available to homes and offices, then 1994 to the present really isn’t so long to wait for a web enabled transportation management solution.

Project Objective: To tap advanced technologies to create a state-of-the-art total transportation management services solution (TMSS) that will allow agencies to seamlessly integrate transportation procurement and payment functions.

TMSS Goals: We envision an ultimate transportation system that will:

?? Provide a complete seamless "end-to-end" web-enabled transportation solution;

- Allow customers/vendors to manage all transportation transactions in real time from receipt of shipping request to final delivery, including payment and settlement via the Internet; and
- Be flexible enough to allow choices for our customers as well as provide the capability for some customization.

First Step: FSS "Systems experts met with ITMS operational managers at the Heartland Region in Kansas City to prepare a "requirements document", i.e., to determine the requirements for a "total transportation system" capable of meeting both the freight and household goods needs of our customers in today's automated environment.

TMSS Highlights: We envision a transportation system that will totally integrate (within an electronic environment) a full composite of transactions required in shipping freight or household goods (including privately owned vehicles and unaccompanied baggage) from generation of a cost comparison for use in selecting a transportation services provider to the payment (and prepayment audit of) transportation charges and the furnishing of agency and transportation service provider required reports. Specifically, a new system must include at a minimum the following functions:

- Ability to collect transportation rates for services solicited from vendors.
- Ability to provide cost comparisons to customers that require transportation services.
- Ability to book transportation services on-line.
- Ability to electronically generate a bill of lading which can be printed out in hard copy.
- Ability to track the status of services requested and provided, including tracking and tracing of shipments in transit and proof of delivery.
- Ability to pay for services on-line.
- Ability to resolve service and billing disputes on-line.
- Ability to electronically file and settle loss and damage claims.
- Ability to perform prepayment and post payment auditing of transportation charges, or the ability to provide data to separate systems that perform audit functions.
- Ability to provide data analysis through on-line or batch queries and to provide reports.

Risk Assessment: We have awarded a contract to Arthur Andersen to perform a risk assessment, i.e., an assessment of the efficiency, effectiveness, and economy of the following alternatives for meeting both freight and household goods requirements and making a recommendation:

- Purchase/lease of an off-the-shelf total transportation system or of individual compatible software components that can be integrated into a total system; or

- Enhance the existing ITMS via in-house programming, purchasing compatible off-the-shelf software that can be integrated into the existing system, or a combination of the two.

Logistics at Internet Speed: New technologies and software tools drive optimization and enable increased efficiencies (lower cost) and effectiveness (higher levels of service) in logistics that would not have been remotely possible before.

B2B Evolution: A lot of new transportation systems have evolved, along with the rapid advances in technology, that offer (or are coming close to offering) seamless transportation solutions to shippers. However, there are:

- Wide disparities in cost; and
- Wide disparities in effectiveness.

Arthur Andersen: Arthur Andersen will fully explore this arena to identify how GSA may best satisfy our customers' current and future freight and household goods transportation needs. Will it be to stick with ITMS as it currently exists and add additional service enhancements, or will it be in our customers' best interest to tap into commercial off-the-shelf software to provide a "total" transportation system?

- Want to do what's best for our customers; and
- At a cost that won't cause the IFF to double or triple.

Project Timeline:

- July 20, 2001: Draft version of risk assessment due from Arthur Andersen.
- August 3, 2001: Final version of risk assessment due.

Summary: Our ultimate goal is to meet our customers' needs by providing best value, state-of-the-art household goods (and freight) transportation solutions at a reasonable cost.