



# Presentation to the Canadian Association of Movers

Major Jean Claude Collard  
Department of National Defence  
Director Transportation 3  
18 September 2006



# OUTLINE

- Domestic Contract review
- International Contract review
- VI Results (Industry)
- Questions



# Contractors

HGRS Contract – effective 1 April 2006

Period of Contract – 4 years ( till 31 Mar 10)

- 3 one year option

Share of business resulting from the RFP:

<u>Contractors</u>	<u>% Business</u>
Atlas	47.0%
SIRVA	29.0%
United	24.0%



# Domestic Contract Major Changes

- No more target of 100% electronic inventories
  - 100% in 2007
  - 80 % actual contract
- No SWL as basis of payment



# Domestic Contract Major Changes

- Replacement Cost Protection
  - 0 to 10,000 lbs = 100,000\$ coverage
  - moves over 10,000 lbs; \$10 per lb based on actual weight.



# Domestic Contract Major Changes

- Ferries and Remote Areas
  - « ...determine the value that ferriage and surcharges represent as a percentage of the transportation or line haul charges for the movement of household goods »



# Ferries and Remote Areas Findings

- **Many ferriage and remote surcharges were out-of date.**
- **Many surcharges could be decreased as a result of improved road conditions, increased backhaul opportunities and increased frequency of scheduled ferries.**
- **Several surcharges required increases to compensate for longer wait times for ferries or deteriorating backhaul opportunities in certain communities.**



# Ferries and Remote Areas Methodology

- Total line haul costs (A)
- Surcharge costs (B)
- $A / B =$  surcharge to line haul ratio (C)
- Increase the transportation tables by C% to reflect the adjusted values of the ferriage and remote surcharges to be integrated in the overall transportation costs.



# Domestic Contract Major Changes

- Appliance servicing
  - Same methodology than Ferries and Surcharges
  - Packing/Unpacking rates includes appliance preparation and certification as well as crating/uncrating.



# Domestic Contract Major Changes

- Fuel surcharge now applies on Local and Long Haul moves.



# Domestic Contract Major Changes

- PMV: Contractor to get three quotes for each vehicle moved.
- Car carriers' TTG apply.
- Contractor responsible to brief shipper, ETA, origin/destination contact and paperwork required



# Domestic Contract Major Changes

- Cross Border Moves TTG calculation will be based on Calendar days.
- The price structure per lb includes
  - Origin, destination services, packing, crating if required, transportation, unpacking, & documentation.
- SIT not include anymore



# International Contract

HGRS Contract – effective 1 November 2006

Period of Contract – 3 years ( till 31 Oct 09)

- 3 one year option

Share of business resulting from the RFP:

<u>Contractor</u>	<u>Business</u>
SIRVA	100%



# Value Index

**Carrier Compliance**

**Customer Satisfaction**

**Claims Satisfaction**

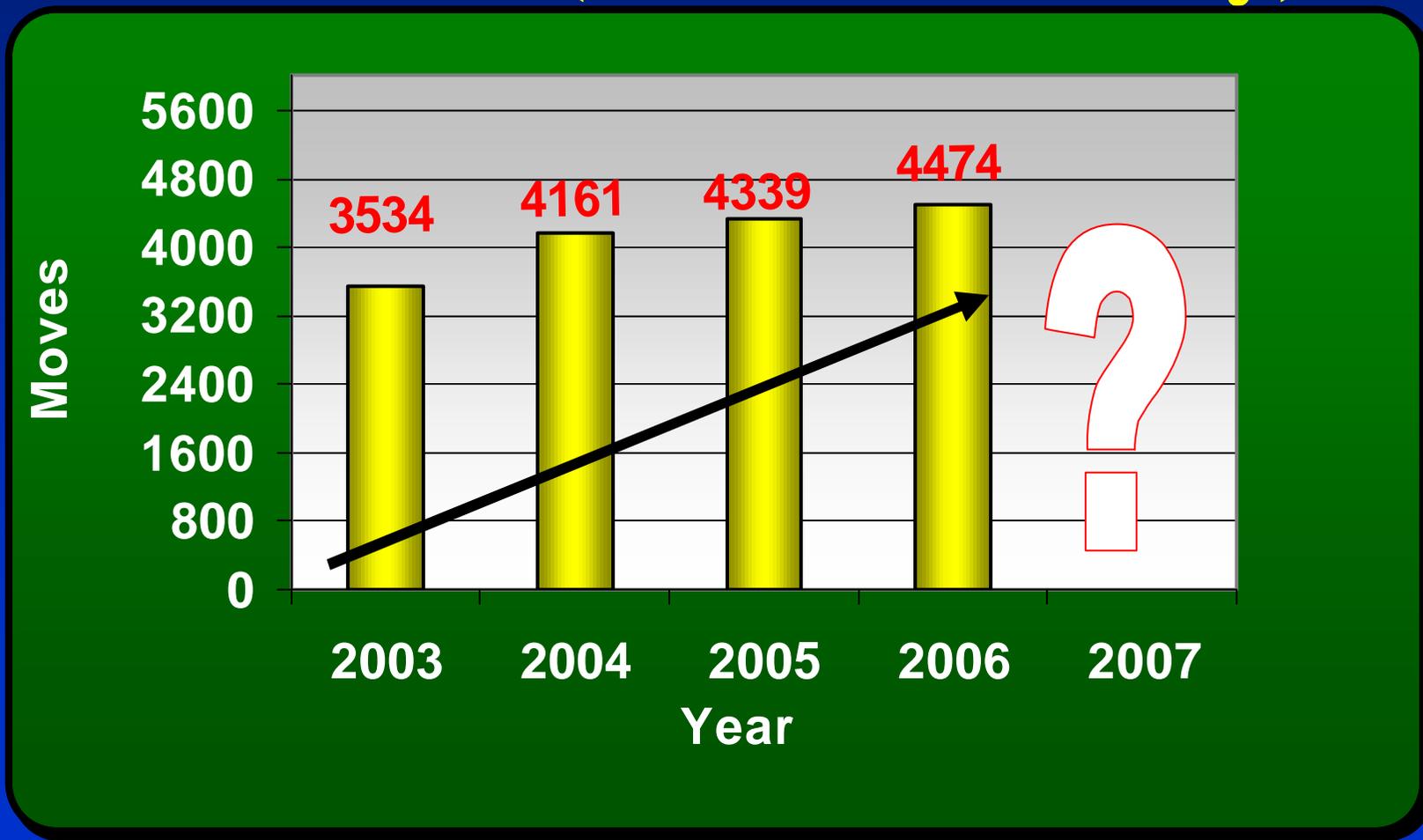


# Carrier Compliance





# Peak Period (21 June-21 July)





# QCI Results

Year	2003	2004	2005	2006
QCI	5563	6120	5300	6142
Satisfactory	4822	5459	4617	5182
Unsatisfactory	741	661	683	960
<b>Satisfactory level</b>	86.68%	89.20%	87.11%	<b>84.37%</b>



# Customer Satisfaction





# GESS

## Average satisfaction score (scale of 1-5):

<i>1 September - 31 March (Spring VI)</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>
Number of survey responses	739	649	652
Overall	3.98	3.99	3.96
Pre-move briefing	4.03	4.10	4.07
Packing	4.12	4.16	4.09
Loading	4.27	4.31	4.22
Unloading	4.02	4.06	4.00
Unpacking	3.66	3.75	3.58
Destination assistance	3.78	3.85	3.81



# GESS

## Breakdown of "Yes"/"No" responses

<i>1 September - 31 March (Spring VI)</i>	2005			2006		
	Yes	No	DNK/DNA	Yes	No	DNK/DNA
Satisfied with courtesy at origin	95.1%	2.9%	2.0%	92.5%	3.8%	3.7%
Satisfied with courtesy at destination	92.6%	5.1%	2.3%	90.6%	7.2%	2.1%
Picked up on schedule	89.7%	8.2%	2.2%	86.2%	11.7%	2.1%
Delivered on schedule	80.7%	16.2%	3.1%	81.9%	15.8%	2.3%
Filed claim or intend to	32.4%	65.2%	2.5%	31.3%	66.1%	2.6%
Would use same mover again	79.8%	18.6%	1.5%	80.7%	17.3%	2.0%



# Average claims satisfaction score (scale of 1-5):

<i>1 September - 31 March (Spring VI)</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>
Overall	3.21	3.31	3.45
Destination advice and assistance	3.13	3.19	3.23
Courtesy	3.76	3.72	3.80
Timeliness of response	3.36	3.33	3.54
Value of settlement	3.49	3.58	3.57



## Claims Survey - Breakdown of "Satisfied"/"Dissatisfied" responses

<i>Breakdown of "Satisfied"/"Dissatisfied" responses 1 September - 31 March (Spring VI)</i>	<i>Satisfied</i>	<i>Dissatisfied</i>	<i>Satisfied</i>	<i>Dissatisfied</i>
Overall	48.8%	26.4%	53.4%	23.5%
Destination advice and assistance	45.7%	28.3%	44.2%	29.0%
Courtesy	63.6%	12.8%	69.2%	13.4%
Timeliness of response	53.5%	27.1%	57.9%	22.0%
Value of settlement	50.4%	16.7%	59.8%	22.0%



# QUESTIONS

