DOCUMENT RESUME

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[Test Involving Shipment of Unaccompanied Baggage as Space Available Mail on Commercial Airlines]. LCD-78-240; B-133025. August 4, 1978. 3 pp.

Report to Sen. Warren G. Hagnuson, Chairman, Senate Committee on Appropriations: by Elmer B. Staats, Comptroller General.

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In 1976, the Senate Appropriations Committee stated its belief that more than \$40 million could be saved annually if the regulations governing the shipment of service members unaccompanied baggage were amended to raquire that such baggage be shipped as space-available mail via he U.S. Postal Service. This shipping method seemed feasible sin or parcels of personal belongings as well as official material have been mailed by parcel post since World War II. The Committee asked the Department of Defense (DOD) to make a test to determine the feasibility and cost effectiveness on using space-available mail to move unaccompanied baggage. DOD conducted a 1-year test, completed on June 15, 1978, of unaccompanied baggage shipments from California, Texas, and North Carolina to Okinawa, Japan. During the first 9 months of the test, 1,587 baggage shipments totaling about 375,000 pounds were made from the three States to Okinawa. Only 31 shipments, slightly over 3,100 pounds, moved under the test concept. With only 2% of the shipments and 1% of the weight moving under the test program, a meaningful evaluation of the test was impossible. The only question answered by the test was the acceptability of the program. The service members overwhelming selection of the conventional method indicated that they rejected the test concept in its present form. The lack of interest can be attributed to the fact that service members have little incentive to use the space-available method. If the Committee wants DOD to retest the concept, incentives should be included. (RRS)



COMPTROLLER GENERAL OF THE UNITED STATES WASHINGTON, D.C. 20548

B-133025

AUGUST 4, 1978

The Honorable Warren G. Magnuson Chairman, Committee on Appropriations United States Senate

Dear Mr. Chairman:

In a February 4, 1977, letter, your Committee asked us to monitor a Department of Defense (DOD) test involving the shipping of unaccompanied baggage as space-available mail via commercial air carriers. We were to report to your Committee on the nature and results of the test.

While monitoring the test, we found that too few shipments were being made to allow a meaningful evaluation of the concept. Apparently, there was not enough incentive to make the use of space-available mail attractive to service members.

We recognized early in our evaluation that the low volume of shipments would make the test results inconclusive. So we met several times with Committee staff members and with DOD and Postal Service officials to voice our concern. However, the test procedures were not modified to provide any greater incentives.

BACKGROUND

In a report on the DCD Appropriations Bill, 1976 (S. Rept. 94-446), your Committee stated its belief that more than \$40 million could be saved annually if the regulations governing the shipment of service members' unaccompanied baggage were amended to require such baggage to be shipped as space-available mail via the U.S. Postal Service. This shipping method seemed particularly feasible inasmuch as parcels of personal belongings, as well as official material, have been mailed via parcel post since World War II. Since more information was necessary before this policy change could be implemented, your Committee asked DOD to make a test to determine the feasibility and cost effectiveness of using space-available mail to move unaccompanied baggage.

In response, the Department initiated a 1-year test which was completed on June 15, 1978. The test was limited to unaccompanied baggage shipments from California, Texas, and North Carolina to Okinawa, Japan.

Under guidelines for the test, service members making permanent change-of-station moves from these three States to Okinawa were given the option of participating in the test or sending their unaccompanied baggage by the conventional method, under which the Government makes arrangements for pickup, packing, transportation, and delivery. If the test concept was selected, the members had to buy packing material with their own funds, pack their own baggage, deliver the packed baggage to the nearest U.S. post office, buy insurance, and pay the cost of mailing the baggage to the postal gateway in San Francisco or Seattle. The members would file claims for reimbursement after arriving at their destinations.

Some of the questions the test was to answer were:

- -- Is the space-available method cost effective; that is, is it less costly than having the Government manage the shipment?
- -- Is the test concept acceptable to service members?
- -- Is it feasible to implement the concept worldwide?
- Are the postal system and commercial air carriers capable of handling large volumes of baggage?

TEST RESULTS

During the first 9 months of the test (figures for the final 3 months are not yet available) 1,587 baggage shipments, totaling about 375,000 pounds, were made from the three test States to Okinawa.

Only 31 shipments, slightly over 3,100 pounds, moved under the test concept. Obviously, with only 2 percent of the shipments and 1 percent of the weight moving under the test program, a meaningful evaluation of the test was impossible.

Unless a representative number of shipments moved under the test program, the full impact of baggage shipments on the postal sys 'm and the commercial airlines' ability to handle such shipments could not be measured. Also, potential problems, such as transit-time and loss and damage, would not surface.

The only question really answered was the acceptability of the program. The service members' overwhelming selection of the conventional method indicates that they rejected the test concept in its present form. Despite extensive DOD promotion of the test, the members expressed little interest.

We attribute this lack of interest to the fact that the service members have little incentive to use the space-available method. Not only do they have to do the work, but they are also asked to finance the shipment with their own furds until they reach their destination.

We believe that expecting service members to participate in a test of space-available shipping without adding some incentive was unreasonable. Therefore, if the Committee wants DOD to retest the concept, incentives should be included, such as providing (1) the necessary packing materials, (2) indicia labels to cover the cost of mailing, or (3) a cash advance to cover the cost of packing materials and mailing. Also the Committee may want to amend the DOD Appropriations Act to permit the member to share in any savings resulting from use of this method. The 1976 DOD Appropriations Act provides this incentive, but only when the personal effects are transported in privately owned or rental vehicles.

As arranged with your office, copies of this report are being made available to interested parties.

Sincerely yours,

Comptroller General of the United States