Living on the Edge

Why collaboration matters?

Dale Herzog
Customer Solutions Manager
UPS
UPS Humanitarian Outreach

Domestically
- UPS has been and will always be actively engaged in relief efforts
- UPS foundation – $100 million in philanthropy
- UPS employees – $52 million to United Way
- UPS Employees log over 1 million hours in volunteer service

Internationally
- 2007 CARE requests logistical help
- 2009 UPS Foundation launches a 2 year $9 million dollar initiative
  - Enhance preparedness, strengthen collaboration and build capacity building for disaster relief and recovery
  - CARE
  - UNICEF
  - American Red Cross
  - World Food
UPS Corporate Vision

- Leverage UPS Intellectual Capital
  - Logistics – 3PL – Brokerage
- Engage all 5 functions within UPS as contributors
- *Become the driving force in motivating other corporations / foundations to join us as we strive to improve humanity*
- Asked as a partner / donor to come in and **LOOK**
- Observed that efficiency drives inefficiency
  - NGO’s chase a range of 88% to 92%
  - Limits capacity building, training, propositioning
    - Unrestricted funding needed
Why CARE Approached UPS?

- Atlanta based Organization
- Logistics – Core business
- Global Operations (over 200 countries)
- Significant warehousing and transport capability
- Established relationship in supporting CARE’s emergency operations for several years
Assessment Process

- 3 CARE Country office visits
  - Honduras, Sudan, Indonesia
- Field perspective received - 4 Country Directors
  - Peru, Ghana, Somalia, Sri-Lanka
- Interaction with 34 Emergency Team Leaders
  - Bangkok workshop
- CARE International Global Conference on Poverty
  - Johannesburg, South Africa
Response Plan

- Identified 25 various sized projects to be implemented in phases
- Phase 1 – (Structure)
  - 13 projects
  - Immediate start / implementation
- Phase 2 – (Planning)
  - 4 projects, medium term (19 to 24 months)
- Phase 3 – (Accountability)
  - 8 projects, long term (25 to 36 months)
Phase 1 Projects

- Commodity Tracking System
- Supply Chain Unit
- Inventory and Warehouse Management Processes
- Prepositioning of Relief Supplies
- Access to partner logistics capabilities through Consortium partnerships

Tracking – Structure – Processes – Supplies - Movement
Phase 2 Projects

- Demand forecasting
- Supply planning
- Transport planning
- Leverage a deeper relationship with Aidmatrix
  - Gifts In Kind (GIK) policy linked to web portal
Phase 3 Projects

- Logistics performance review
- Vendor performance review
- Establish feedback mechanism
- Implement training programs
- 4 additional related projects

Review – Accountability – Training - Preparation
Major Benefits for CARE

- Monitoring & Oversight of supply chain functions
- Standardized processes & procedures
- Commodity visibility & accountability
- Improved timeliness & quality
- Economies of scale
Major Benefits for UPS

- Introduces / Identifies UPS Brand to / within the humanitarian-relief world
- Opens up potential marketing opportunities
- Opens up opportunities for UPS international employees to support humanitarian causes
- Assures UPSers we are actively affecting change on a global basis