

Living on the Edge

Why collaboration matters?



Dale Herzog

Customer Solutions Manager

UPS



care®

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

Forecasting – Planning – Relationships

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

