

Critics say Air Force rule creates shipping headaches

Contributed by Roxana Tiron
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A package sent by the Air Force from a depot in Corpus Christi, Texas, to a National Guard Unit in Lexington, Okla., traveled 2,243 miles before reaching its destination, even though the two cities are only 576 miles apart.

The reason? A complicated Air Force rule that is sometimes interpreted as a requirement that a shipment be flown for at least one leg of the delivery route. The result, according to congressional critics, is that military shipments cost taxpayers millions of dollars more than they should.

The package from Corpus Christi was first driven by truck to Houston International Airport. From there it was flown to Fort Wayne, Ind. Then it was flown back to Dallas, Texas, before finally being driven to Lexington.

The freight company hired to do the job could have driven the package in one day. Instead of paying about \$400 for delivery, the government ended up paying twice that amount.

Lawmakers are befuddled by the process. Rep. Solomon Ortiz (D-Texas), chairman of the House Armed Services Readiness subcommittee, has been investigating the inefficiencies that result from the Air Force's regulation for more than a year.

Ortiz recently asked the Government Accountability Office to review the Pentagon's transportation policies and assess how much money has been wasted by the Air Force's rule.

Ten years ago, the Pentagon amended its transportation regulations to operate more like a company in the private sector would. The new "mode-neutral" rule no longer dictated the means of transporting a package. Instead, shipping decisions should depend on when the customer needed the package.

But the Air Force's Air Mobility Command operates under the Air Freight Traffic Regulation Policy No. 5, which is still mode-specific instead of mode-neutral.

The complications arise when the Air Force applies the rule to so-called "air freight forwarders." Not to be confused with air carriers, airfreight forwarders do not own their planes but have access to planes, trucks and other means of transportation. They usually pick the mode of transportation that would get a shipment to its destination by a required date for a lower rate than an air carrier would charge.

Other services allow air freight forwarders to ship by truck only. But under Air Force rules, companies that deliver a package by truck without flying the shipment by air can face stiff fines, said Brandon Fried, the executive director of the Airforwarders Association .

Complicating the process is that airlines now fly smaller regional airplanes that are too small to deliver some military packages. That change has made it harder to find the appropriate plane or airport for air delivery, Fried said.

A carrier shipping a 462-pound package from the air base in Dover, Del., to the military depot in New Cumberland, Pa., had to fly it from Philadelphia to Fort Wayne, Ind., then fly it back to Baltimore, and then drive it by truck to New Cumberland.

After some prodding from lawmakers, Gen. Norton Schwartz, the head of the U.S. Transportation Command, which oversees shipping for all the military services, said last year that the Air Force's regulation was not meant to require air freight forwarders to use the air to transport a shipment.

But congressional sources said the clarification has not resolved the issue. Transportation officers still choose air for next-day delivery because they think it's the most efficient method of delivery, the sources said.

Ortiz and Rep. Randy Forbes (R-Va.), the subcommittee's ranking member, pointed out in a recent letter to John Young, the Pentagon's acquisition chief: "It appears that there is confusion between the term 'air carrier' and the term 'air freight forwarder,' leading many in the [Department of Defense] to erroneously assume that by selecting an air freight forwarder" the Air Force's one-leg-by-air regulation applies.

"This confusion is generated by lack of clear guidance (including no definitions of the terms) and poor training and is resulting in inefficiency and unnecessary cost to the taxpayer," the lawmakers added.

Schwartz responded that the transportation command is in the process of overhauling its freight system and developing a request for industry to offer mode-neutral transportation and rates by this summer.