

Logistics News: Great Package Race 2009 Wraps Up – DHL First to Mongolia, While USPS Takes Opp, Alabama

Annual Contest from Georgia Tech Challenges Parcel Carriers

SCDigest Editorial Staff

Once again, The Supply Chain & Logistics Institute at Georgia Tech has conducted its annual **Great Package Race** for 2009, a student-managed project in which parcels are sent by leading express providers to hard to reach locations around the globe. The goal is to see who can best “deliver” on time and cost.

The project is the brainchild of **Dr. John Bartholdi**, who has been running the contest since 2003. The event is usually held in the Spring, but was moved to the Fall for 2009.

This year, two destinations were chosen:

- **Ulan Bator**, capital city of Mongolia
- **Opp**, Alabama, USA, a small town (population 6,000) in southern Alabama

This year, the school did not pre-announce the start, so that competitors (DHL, FedEx, UPS, and the USPS) could not anticipate and plan for the race.

As usual, the packages were “anonymously sent”, this year using a local store in Atlanta (Kwik Copy) that feeds UPS, FedEx, and DHL. The ship date was October 5.

Kwik Copy could not handle the USPS shipments because after 9/11 all large packages to be mailed through the postal service must be presented for inspection at a postal facility. As a result, the students immediately drove to a nearby post office to mail the remaining packages via the postal service.

For most carriers, visibility diminished as the package got closer to Ulan Bator, which is presumably near the edges of their networks. It was not unusual to go 2-3 days between updates to the tracking system, and one gap was 5 days.

Interestingly, the group says that “In both Kwik Copy and the post office the clerks seemed quite matter-of-fact about accepting parcels to Ulan Bator, but they expressed some incredulity about whether Opp is a real place.”

The packages contained Georgia Tech-logoed materials; in addition, the packages sent to Mongolia had some food and other supplies for local charities.

DHL was not a participant in the parcels sent to Opp, as the company dropped its US domestic service in early 2009.

We will note it is not exactly clear what class of service for UPS and FedEx was used for the Opp shipment, but it appears to be standard ground.

And the Winners Are...

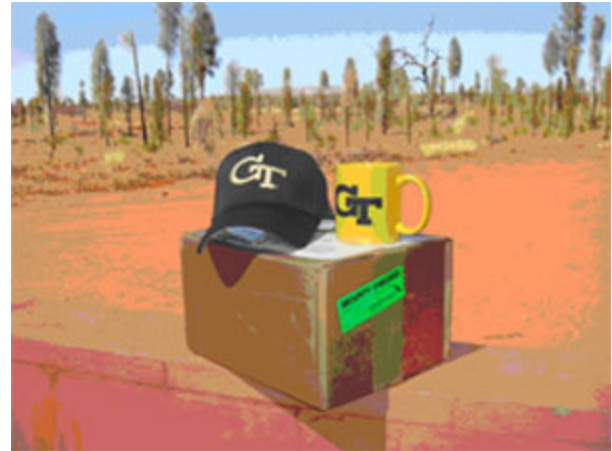
- USPS priority mail, the cheapest (\$6.95), was first to Opp. UPS arrived a few hours later (\$16.82); and FedEx (\$17.58) 24 hours after that.

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- DHL was first to Ulan Bator, on October 12. UPS phoned the same day to ask for directions, but did not deliver until the next day, despite being only 500 meters away. FedEx delivered on Oct. 14. As of this writing, the USPS package had still not been delivered. Apparently, the final pricing was dependent on final delivery for all carriers other than the USPS. FedEx charged the students \$227 for Ulan Bator delivery, versus \$68.25 for the USPS. Final UPS and DHL prices are not yet available.

Other observations from the students:

- For most carriers, visibility diminished as the package got closer to Ulan Bator, which is presumably near the edges of their networks. It was not unusual to go 2-3 days between updates to the tracking system, and one gap was 5 days. USPS provided no meaningful visibility. DHL seemed best of the group in this regard, with the most frequent updates.
- While the tracking systems displayed the actual day of delivery, several listed times that were hours earlier than reported by the recipients.



Perhaps the packages are marked as delivered when they are loaded on local trucks.

- The tracking systems of two of the four carriers (USPS and DHL) were nonoperational for at least part of the time.
- A regular source of problems is the transcription of paperwork to the carrier's IT system, when the destination may be garbled

As always, a fun event.

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