

2009 SURVEY OF CORPORATE RELOCATION MANAGERS

A Independent Survey Performed by Trippel Survey & Research, LLC

Budd Van Lines Is Proud To Once Again Be Ranked Top In The Industry:

- **HIGHEST NET RESULTS FOR “SATISFACTION WITH PRICE STRUCTURE AND BILLING”**
- **HIGHEST NET RESULTS FOR “ABILITY TO DELIVER MAXIMUM EMPLOYEE SATISFACTION”**
- **GREATEST REPUTATION FOR OVERALL QUALITY SERVICE**
“Budd Scored the Highest in Overall Satisfaction and Willingness to Recommend”
- **BUDD: “EXCEEDED INDUSTRY AVERAGE AND NET SATISFACTION FOR OVERALL CORPORATE SATISFACTION”**



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**SEVENTH ANNUAL
RELOCATION PROGRAM MANAGERS' SURVEY
on the HOUSEHOLD GOODS INDUSTRY**

BACKGROUND

Trippel Survey & Research, LLC conducted this survey to obtain evaluations from corporate relocation managers regarding their level of satisfaction with the household goods carriers utilized in transferee relocation.

METHODOLOGY

This is the seventh annual Relocation Managers survey on the HHG industry. Relocation managers received one email message with a reminder notice a week after the survey's launch. Each recipient was encouraged, but not required, to provide the company name; there was no way to identify anonymous responses.

The survey was launched in late-January and closed February 7, 2009. Of the 816 initial invitations sent via email 42 were undeliverable. From the 774 delivered survey invitations 243 survey responses were received, a 31.4% response rate.

Survey responses are presented in this report as reported by *Zoomerang*, the web-survey service firm used in this endeavor. When appropriate, comments are made throughout the report regarding survey responses.

CONFIDENTIALITY

Only firms participating in the survey receive this complimentary report. Trippel Survey & Research, LLC maintains strict confidentiality of the corporations who participated; your name and participation will not be revealed.

Please do not distribute the report to any person or organization outside your company. Survey reports can be purchased by non-participants; this is the primary means of financial income available to Trippel Survey & Research, LLC for this endeavor.

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KEY INSIGHTS FROM SURVEY

1. More than one-half of companies realized lower transfer volume in 2008 versus 2007. Further, nearly one-third of companies reported volume down over 10% from the prior year. *The recession is taking its toll on this industry.*
2. No one dominant structure, regarding contract and program administration, exists between the three key stakeholders – Corporation, HHG carrier(s) and Relocation Management Company (RMC). *Multiple parties are involved in selection and administration – true, wide spread outsourcing does not exist in this industry.*
3. Corporations rely on their own judgment in deciding which carriers are authorized to handle employee moves rather than using the judgment of RMCs. *Corporations believe they are best suited to select carriers.*
4. Corporations are reducing the number of HHG suppliers used to handle transfers. *Consolidation from many-to-few carriers is taking place among corporate clients. The number of suppliers contracted by corporations shrank for the third consecutive year.*
5. Most corporations rely on a philosophy of “equal volume” among multiple carriers for selection of a move, rather than performance or quality or cost. *Rewarding high performance is not the prime driver in assigning carriers to moves.*
6. Nearly three-quarters of corporations still maintain the rate structures found in the “old” tariff 400N. *Most corporations rely on old pricing structures.*
7. Over 50% of corporations are paying the same fee/cost as a year ago, another 25% are not sure what they are paying compared to a year ago. *Many corporations are not benefitting from productivity improvement or leveraging volume to lower costs for the services paid for.*
8. United remains the largest player in the relocation of household goods. Further, the largest carriers continue to dominate the industry and market-share is consistent with other industries where each competitor is approximately 33% larger than the next lowest competitor. *Suppliers are not growing market share.*
9. The industry competitors perform at levels of corporate client satisfaction measuring an average of 8.0 on a 10-point scale with net satisfaction at 35%. *These levels of satisfaction are slightly higher than the past two years indicating moderate industry improvement in quality. Arguably, however, the industry is not meeting “excellence” performance metrics.*
10. Over one-quarter of relocation managers state the biggest gripe they have with the industry is related to billing structures: lack of transparency and excessive complexity. *The industry continues to experience the same problems year after year – when will the suppliers get it?*

EXECUTIVE SUMMARY

1. Two hundred forty three (243) corporate relocation managers participated of which 26% of respondents move less than 100 employees annually, another 26% move over 500 annually and the balance, 48%, move from 100 to 500 annually.
2. While 27% of companies stated the annual relocation volume in 2008 remained the same as the prior year, 54% stated 2008 volume decreased from 2007. In fact, nearly one-third (30%) stated volume decreased by over 10% from the prior year.
3. There is a wide array of contractual and administrative relationships between company and carrier. Approximately 30% of companies use a middle-man and contract with the relocation management company (RMC) for household goods, 29% of companies contract with the HHG carriers directly but utilize the RMC for administration of household goods shipments and 28% of companies contract with the HHG carrier and administer the shipment process internally bypassing a middleman.
4. Over 60% of companies rely on the internal relocation department for the selection of which carriers go on the preferred/approved carrier list. Another 14% of companies use the RMC to determine approved suppliers.
5. Most corporations use multiple carriers. A 23% minority of the 243 survey participants have only 1 carrier on the approved list (up from 22% last year). On the flip side only 17% of companies have 4 or more carriers on the approved list. There is very little direct correlation of increase in domestic volume to increase in the number of approved carriers: when companies begin to move over 100 employees per year they are as likely to have 3 or 4 carriers as a firm moving over 1000 employees per year.
6. The 243 corporate relocation managers have an average of 2.22 carriers on the approved list. This is a decrease from the prior year's survey average of 2.55 carriers per approved list and is the third consecutive year companies are using few carriers.
7. The most frequent method of selecting a carrier for a particular transferee move, used by 41% of companies, is based on *alternating choice to promote equal volume*. The next two methods of supplier utilization are (a) based on performance metrics (17% of companies use this method) and (b) based on location (also 17%).
8. On the topic of HHG industry tariff (since the end of the collective rate making, or 400N), companies in this survey:
 - a. 76% pay the same rate/discount/fee if they use multiple carriers, whereas 24% have different rate structures among multiple carriers.
 - b. 70% maintain the 400N tariff as the basis for the rates/discounts they pay. Otherwise, 21% established a new structure with the carrier(s) independent of the 400N. The remaining companies use a hybrid structure. A year ago 80% of respondents believed they would keep the current tariff structure – and 70% have followed through!
 - c. 52% state the per-move fee/cost of a move is approximately the same as a year ago, 13% have realized higher per-move fees/costs and 9% have realized lower per-move fees/costs. Approximately 27% are not sure if fees/costs have changed over the last year.

9. There are two key measurements determining size in the HHG industry: *client-share* (percentage of clients under contract with a carrier versus number of all clients) and *market-share* (percentage of customers moved versus all customers moved). This survey evaluates the first metric: *client-share* (could also be called *contract-share*). United remains, as they were the past four years, the largest carrier – United has the largest share of clients with *client-share* of 63% (153 contracts among the 243 surveyed companies). United’s *client-share* is slightly higher than last year. Atlas, the second largest carrier, has 43% *client-share* of companies (up 1 point from last year). Allied and Graebel have switched the third and fourth *client-share* positions: Graebel, now in third position with 26% *client-share* (up from last year) and Allied has 17% *client-share* (down from last year).
10. Regarding performance, the survey indicates the Atlas organization leads in quality performance on two primary measured attributes: “*Overall Satisfaction*” and “*Willingness to Recommend.*” Among the 5 firms with significant sample sizes of 15% or higher *client-share* Atlas earned the highest relocation manager ratings on both attributes; Budd earned the second highest score on *Willingness to Recommend* and Allied earned the second highest score on *Overall Satisfaction*.
11. Overall, the HHG Industry has improved performance slightly over the past year. Among the five suppliers with the largest *client-share* Atlas clients recognized the greatest improvement in performance, followed by Allied clients. Most carriers demonstrate improving performance over the last year, 4 carriers demonstrate deteriorating performance over the last year.
12. Nearly 71% of relocation managers do not plan on making any changes to the mix of HHG suppliers used in relocation in the foreseeable future; 13% said they do plan on making changes to the approved supplier list and 16% responded “maybe.”
13. Approximately 73% of corporate relocation managers state if they were to make a supplier change they would manage the process internally; while 12% would use the services of the RMC to manage the change process. The remaining survey participants would use a hybrid of responsible stakeholders to manage change.
14. Regardless of which carriers the corporate relocation manager use 30% of managers believe United has the greatest reputation for overall quality of service, followed by 15% of managers believe Atlas has the greatest reputation and 14% believe Budd has the best reputation.
15. The 4 issues generating the most relocation manager comments are (1) Billing – expressed in different ways as *transparency* and *excessive complexity*, (2) Cost/Price – mentioned by participants with comments related to a *tariffs* or *pricing* (3) Labor – mentioned by participants in forms of *good drivers*, *enough drivers*, and (4) Quality of services – issues related to *poor quality*” or “*not bagging small items.*”
16. By a substantial margin, corporate relocation managers state the two greatest needs among 13 listed for choice are “*maximum transferee satisfaction*” and “*meeting the employee moving schedule.*” This is the fourth consecutive year these two needs dominate relocation managers’ concerns. Conversely, the least important need is “*web based tools for transferee and client relocation manager.*”

PRESENTATION OF CHARTS AND SURVEY OUTCOMES

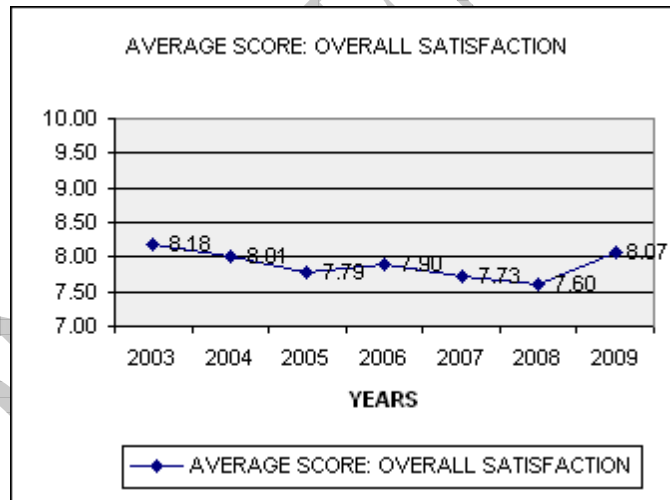
Throughout this report charts show all HHG carriers; emphasis placed on carriers with large sample sizes. Charts, as the example below indicates, list the HHG carrier, the number of corporate relocation managers providing feedback, the average score (on the 10-point scale with 10 a high score), the percent of top-block scores (a 10 or 9), percent of bottom-block (scores of 1 through 6) and “net satisfaction” percent (difference between top-block and bottom-block). Carriers are listed in alphabetical order.

EXAMPLE ONLY

	# of Contracts	Average Score	Top Block %	Bottom Block %	Net Satis. %
A.Arnold	8	6.93	35%	25%	10%
Allied Worldwide	59	7.27	47%	29%	19%

OVERALL HISTORICAL INDUSTRY PERFORMANCE

The following chart shows the HHG industry performance, as measured in the Relocation Managers’ survey, for the last seven years. The data is the average score on a ten-point scale (10 high, 1 low).



The HHG industry earned an average score of 8.07 (10 high scale) in this year’s survey. This is the first year in the last five the industry competitors collectively exceeded the 8.0 satisfaction metric and reflects a 6% improvement in quality from the prior year.

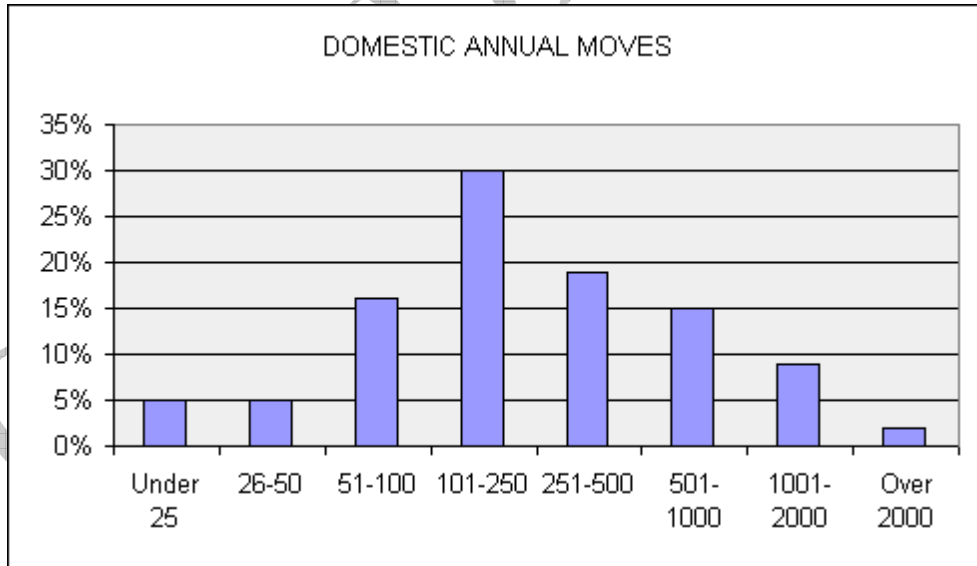
COMPANY PROFILE AND ADMINISTRATION OF HHG

Question – “What was your domestic transfer volume over the past year?”

Select your domestic annual move range (all moves, homeowners and renters)?

Under 25	5%
26-50	5%
51-100	16%
101-250	30%
251-500	19%
501-1000	15%
1001-2000	9%
Over 2000	2%
Total	100%

Over one-quarter of survey participants move over 500 domestic employees each year while one-quarter move less than 100 per year. This chart shows the ranges of volume and % of companies.



Question – “Over the past year how has your domestic transfer volume changed?”

Over the past year how has your domestic relocation volume changed?	
Increase exceeding +10%	7%
Increase in range of +5% to +10%	6%
Increase in range of +1% to +4%	6%
Remained the same	27%
Decrease in range of -1% to -4%	9%
Decrease in range of -5% to -10%	15%
Decrease exceeding -10%	30%
Total	100%

Over 54% of companies realized lower volume in 2008 compared to 2007, while less than 20% realized an increase.

Question – “How are contractual relationships managed?”

How are your contractual relationship(s) established for household goods shipment?	
My company contracts directly with the van line/carriers and the HHG process is managed internally	28%
My company contracts with Relocation Management Company who has contracts with the van line/carriers	30%
My company contracts directly with the van line/carriers while the HHG process is managed by the Relocation Management Company	29%
My company contracts directly with the van line/carrier and the HHG process is managed by the same van line/carrier	10%
Another contractual relationship other than the four types noted above.	4%
Total	100%

No dominant method of managing the contractual relationship exists between the three stakeholders: corporation, relocation management company and HHG carrier.

Question – “Who chooses which van lines go on your approved list?”

Who chooses which van line(s) go on your "approved list" of carriers?	
Relocation department	61%
Another internal department (such as Traffic, Sourcing, Traffic, etc.)	6%
Relocation Management Company	14%

Move Management firm	2%
Combination of stakeholders	22%

The internal relocation department is the dominant player and decision maker in choosing the approved van lines carrier.

Question – “How many carriers are on your approved list?”

How many domestic (USA) carriers are on your approved list?	
1	23%
2	28%
3	31%
4	10%
5 or more	7%
Total	100%

The most common mix includes 3 carriers on the corporations approved list. There was no direct correlation between volume and number of carriers: corporation moving low volume of 100 or less annually was just as likely to have only 1 or 2 carriers as firms moving over 1000 per year. Further, more than 50% of corporations use only 1 or 2 carriers – this is the first time in the past 7 surveys 1 or 2 carriers exceeded 50% of the mix.

The average number of carriers on the approved corporate list was 2.22 carriers. This is lower than past years and reflects a three-year trend of reducing the number of carriers used by corporate clients.

Question – “What is the primary criteria for selecting a carrier to move an employee’s household goods?”

If there is more than one van line on your approved list what is the primary criteria used to select which carrier is used on a particular move?	
Based on performance using established key performance indicators	17%
Based on the carriers bidding on a particular move	3%
Based on a fee/price or discount rate	0%
Based on (departure or destination) location	17%
Based on alternating choice intended to promote equal volume	41%
Not sure what criteria is used	3%
A criteria other than the first 5 listed above	19%
Total	100%

Corporations strive to achieve equal balance in assigning moves to multiple carriers. Performance-based selection accounts for less than 20% of criteria and fee, price or

discount rate is not the criteria for any selection (principally because multiple carriers price the product the same).

TARIFFS & PRICING STRUCTURES

Question – “How do rates/fees differ if you use multiple carriers?”

If you have two or more carriers on your approved carrier list are the fees/rates/discount rates the same between each carrier or different? If you have only one carrier please skip to the next question.	
The fees/rates/discount we pay are the same among our multiple carriers	76%
The fees/rates/discount we pay is different among our multiple carriers	24%
Total	100%

Corporations pay the same price among multiple carriers used in the shipment of household goods.

Question – “Are you maintaining the prior collective rate tariffs or new pricing structures with your carriers?”

Are you maintaining HHG pricing according to the prior collective tariffs (400N or 400M) OR have you and the RMC, Move Management or carrier(s) developed an agreed pricing structure different from the prior collective tariffs?	
Maintaining former collective tariff structure (discount rate might be different however)	70%
Created a pricing structure between my company and RMC/Move Manager/Carrier(s) which, to some degree, is different than the former structure Tariff-based structure.	21%
Other, please specify	10%
Total	100%

Over 70% use the prior collective rate formula as the pricing structure; while only 21% have developed a new price structure.

Commentary: The irony of this statistic is the largest gripe/complaint corporate users have with the HHG industry is the complex pricing structure and lack of transparency (see last question below). It is not understood why the corporate clients have not demanded change now that the collective rate structure is no longer the primary driver of industry pricing.

Over 20% of corporations have developed a new pricing structure and are demonstrating leadership.

Question – “How have your fees/prices changed from a year ago?”

A year has elapsed since the collective Tariffs were rescinded. Over the last year how has your per-move HHG fees changed? Consider only the rates/fees you pay, not changes to moving patterns, weight of shipments or other variables. If you are not sure select the "not sure" answer.

Our per-move fees have increased	13%
Our per-move fees have decreased	9%
Our per-move costs have stayed the same as a year ago	52%
Not sure	27%

A small majority of corporations are paying the same for services as a year ago.

SUPPLIERS’ CONTRACTS, MARKET SHARE

Questions – “Which carriers are on your approved list?”

The survey results indicate most responding companies split their business among multiple carriers. The average number of carriers, per each of the participating companies, is 2.22 carriers on each approved list. This is a 13% decrease from last year (2.55) and 23% lower than two years ago.

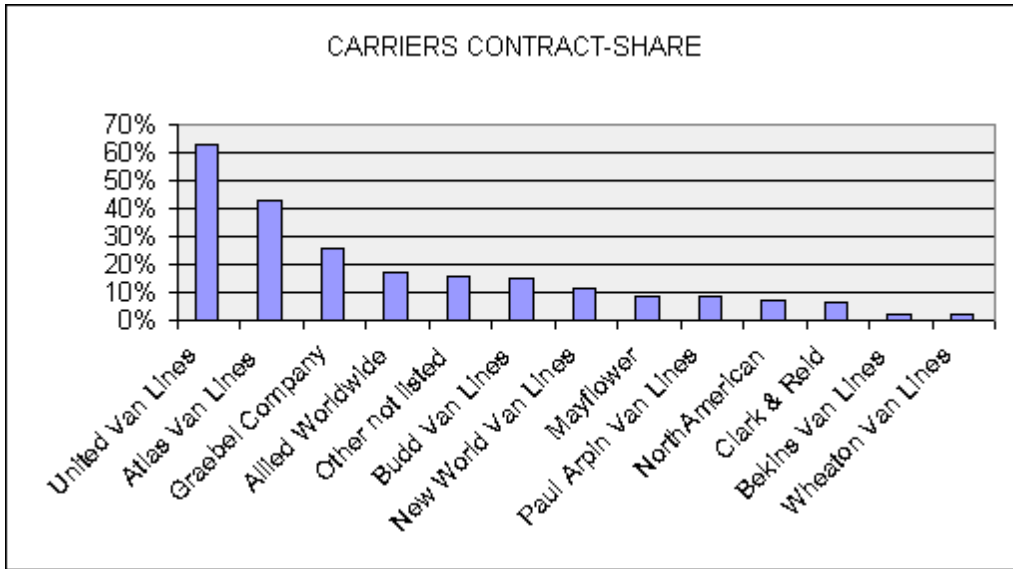
The following chart shows the carriers’ rank based on number and percentage of contracts with the 243 corporations. The percentage *corporate share* exceeds 100% due to the multiple contracts condition. Percentage *corporate share* represents the number of contracts the carrier reported by the survey participants divided by total number of participants.

	<u>Corporations Using Carrier</u>	<u>Corporate Share (%)</u>
1. United	153	63%
2. Atlas	105	43
3. Graebel	63	26
4. Allied	42	17
5. Budd	36	15
6. New World	24	11
7. Mayflower	23	9
8. NorthAmerican	18	7
9. Paul Arpin	18	9
10. Clark & Reid	16	6
11. Wheaton	7	2
12. Bekins	7	2
12. all other carriers	27	16
TOTAL Contracts:	539 (Averaging 2.22 carriers per corporation)	9

Comment: The largest share of business contracts is United Van Lines – 62% of the corporations in this survey use United’s services (153 companies of 243 survey participants).

Further, among corporate participants who have only 1 firm under contract United is the carrier chosen most often as the sole supplier; approximately 40 companies awarding them 100% of the moves. Atlas has 7 such awards and Allied 6.

The chart below shows the % of corporations using a particular carrier. All carriers with less than 3 clients are shown below as “Other (carriers) not listed.”



[CORPORATE CLIENT SATISFACTION](#)

Due to the mix of participating companies and the carriers they use for HHG services many carriers had a limited number of relocation manager participate in the survey. The charts on the following pages show the 12 firms with 7 or more clients participating in the survey. Further, the report highlights the five largest firms each with 35 or more participating clients: United, Atlas, Graebel, Allied and Budd.

Two metrics are used throughout the report to show successful performance. Using a 10-point scale, 1 low to 10 high, the primary reporting metric is Average Score. The other metric is “Net Satisfaction” which is simply calculated by taking the percentage of scores of 10 and 9 (“top block” on the ten-point scale) and subtracting the percentage of scores in the 1 to 6 score range (“bottom block”). Most quality and customer satisfaction studies indicate a Net Satisfaction score of 70% or higher or an average score of 9 or higher are excellent performance indicators.

Question – “What is your level of satisfaction with the overall performance of the carriers you currently use?”

The survey respondents’ scores generated an industry net satisfaction score of 35% and an average score of 8.07 – both are higher than last year’s outcomes.

The following chart shows the largest 12 carriers.

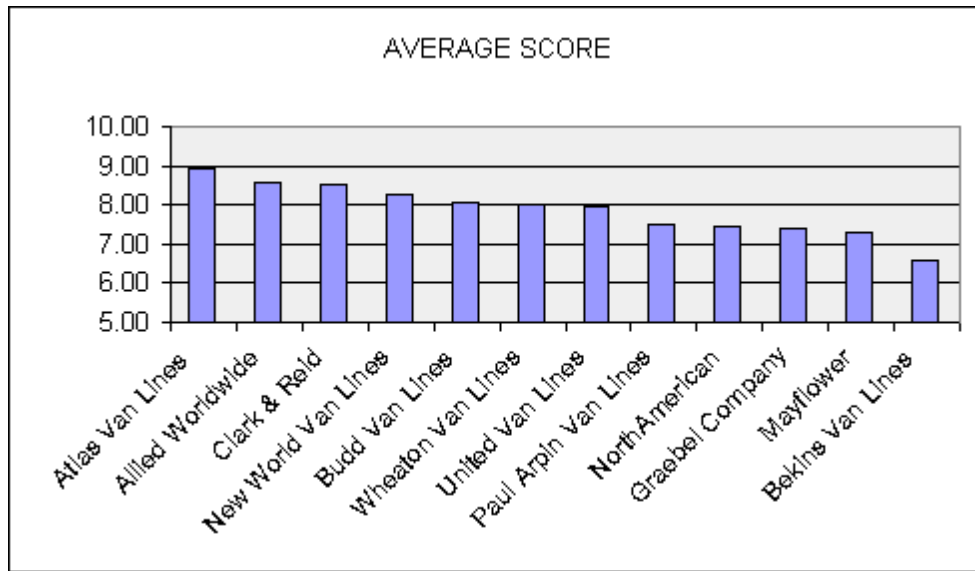
	# Clients Answering	Average Score	Top Block %	Bottom Block %	Net Satis. %
Allied Worldwide	42	8.57	64%	14%	50%
Atlas Van Lines	105	8.90	65%	3%	62%
Bekins Van Lines	7	6.57	0%	43%	-43%
Budd Van Lines	36	8.06	64%	25%	39%
Clark & Reid	16	8.50	63%	0%	63%
Graebel Company	63	7.38	37%	32%	5%
Mayflower	22	7.32	41%	27%	14%
NorthAmerican	17	7.47	24%	24%	0%
New World Van Lines	23	8.26	39%	9%	30%
Paul Arpin Van Lines	18	7.50	39%	28%	11%
United Van Lines	151	7.93	51%	16%	35%
Wheaton Van Lines	7	8.00	57%	14%	43%
Other not listed	27	7.74	56%	22%	33%
HHG INDUSTRY>	534	8.07	52%	17%	35%
AVERAGE SCORE		8.07			
TOP BLOCK			52%		
BOTTOM BLOCK				17%	
NET SATISFACTION					35%

Among the five largest firms in the survey:

<u>Carrier</u>	<u>Net Satisfaction</u>	<u>Average Score</u>
Atlas	62%	8.90
Allied	50	8.57
Budd	39	8.07
United	35	7.93
Graebel	5	7.38
INDUSTRY	35%	8.07

Many firms exceeded industry average and net satisfaction for overall corporate client satisfaction: Atlas, Allied, Budd; and with smaller sample sizes: New World Van Lines and Clark & Reid.

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Question – “How willing are you to recommend the HHG carrier you currently use to a relocation manager or associate?”

	# Clients Answering	Average Score	Top Block %	Bottom Block %	Net Satis. %
Allied Worldwide	41	7.80	41%	15%	27%
Atlas Van Lines	103	9.13	79%	4%	75%
Bekins Van Lines	5	5.60	0%	40%	-40%
Budd Van Lines	33	9.00	70%	15%	55%
Clark & Reid	15	9.00	73%	0%	73%
Graebel Company	59	7.15	36%	36%	0%
Mayflower	21	7.29	38%	29%	10%
North American	15	7.60	33%	27%	7%
New World Van Lines	23	8.30	57%	9%	48%
Paul Arpin Van Lines	17	7.53	53%	35%	18%
United Van Lines	150	8.17	60%	15%	45%
Wheaton Van Lines	6	8.33	50%	17%	33%
Other not listed	24	6.21	21%	50%	-29%
HHG INDUSTRY>	512	8.11	56%	18%	38%
AVERAGE SCORE	8.11				
TOP BLOCK	56%				
BOTTOM BLOCK	18%				
NET SATISFACTION	38%				

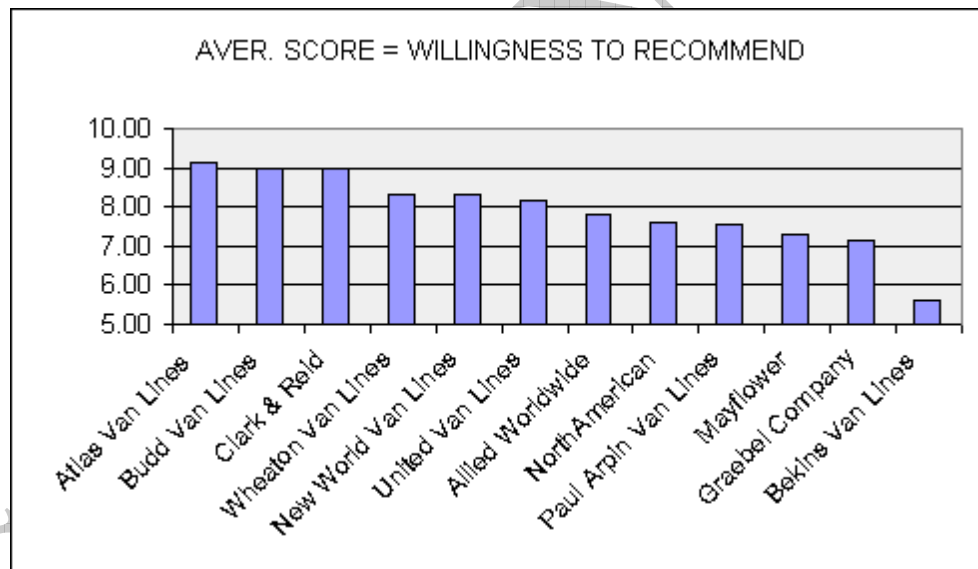
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The respondents' scores generated an industry net satisfaction score of 38% and an average score of 8.11 – both are higher than last year's outcomes.

Among the five largest firms in the survey:

<u>Carrier</u>	<u>Net Satisfaction</u>	<u>Average Score</u>
Atlas	75%	9.13
Budd	55	9.00
United	45	8.17
Allied	27	7.80
Graebel	0	7.15
INDUSTRY	38%	8.11

Among the larger firms, Atlas achieved “excellent” ratings for both metrics. Many firms exceeded industry average and net satisfaction for overall corporate client satisfaction: Atlas, Budd, United; and with smaller sample sizes: Clark & Reid, New World Van Lines and Wheaton. Clark & Reid, allowing for a relatively small sample size, achieved “excellent” performance.



Question – “How has the performance level of the carriers you currently use or recently used changed over the last 12 months?”

For this question a five-point scale was used with 5 indicating “*strong performance improvement*,” 4 indicating “*moderate performance improvement*,” 3 indicating “*no change from a year ago*,” 2 indicating “*moderate decrease in performance*,” and 1 indicating “*strong decrease in performance*.”

The survey respondents' scores generated an industry average score of 3.17 indicating very slight improvement in performance from year ago. The following chart shows the degree of change expressed as a score over/below the median score of 3.00 ("no change"). A HHG carrier with a score above 3.00 indicates relocation managers perceive improved performance from one-year ago, a score below 3.00 indicates performance deterioration over the last year.

	# Clients Answering	Average Score
New World Van Lines	24	3.46
Atlas Van Lines	101	3.44
NorthAmerican	17	3.41
Allied Worldwide	41	3.39
Budd Van Lines	35	3.26
Clark & Reid	15	3.20
Wheaton Van Lines	7	3.14
Mayflower	22	3.14
United Van Lines	147	3.03
Graebel Company	62	2.97
Bekins Van Lines	7	2.86
Paul Arpin Van Lines	17	2.65
HHG INDUSTRY >	495	3.18

Participants' results indicate New World Van Lines is perceived to have made the greatest improvement in quality over the last year. Nearly all evaluated firms show an improvement from year earlier, and six firms are above the industry average for improvement: New World, Atlas, NorthAmerican, Allied, Budd and Clark & Reid. Three firms are perceived to have experienced deteriorating performance over the last year.

Among the five largest firms in the survey:

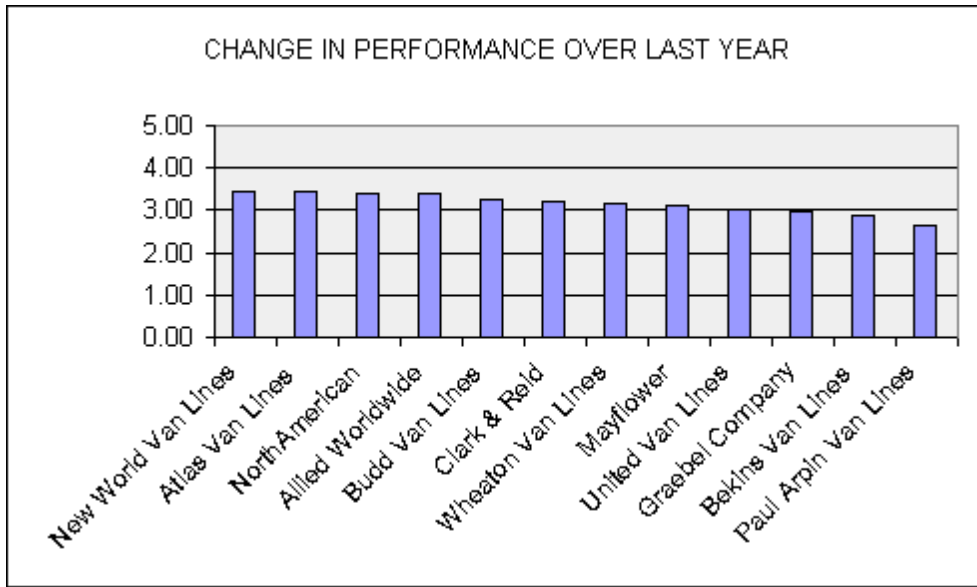
<u>Carrier</u>	<u>Average Score</u>
Atlas	3.44
Allied	3.39
Budd	3.26
United	3.03
Graebel	2.97
INDUSTRY	3.18

(Note: Scores above 3.0 reflect improved performance over last year)

This outcome is consistent with the improvements in *overall satisfaction* and *willingness to recommend*.

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The graph indicates which firms are over 3.00 (improved performance) and which firms are below 3.0 (worse performance).



As corporations reduce the number of HHG suppliers they are likely to keep the high performing firms and eliminating the poorer performers from the company's approved carrier list.

Question – “Do you anticipate making a change to your approved carrier list during 2009, and if you were how would you make the selection?”

In 2009 do you anticipate making a change to your approved carrier list (adding or deleting) or changing the contractual relationship with a so-called "move manager?"	
Yes	13%
No	71%
Maybe	16%
Total	100%

Nearly three-quarters of corporations do not plan on making a change the company's supplier list during the coming year.

This is also consistent with improving performance in the industry.

The chart on the next page indicates the methods corporations would likely use if they were to make a change in HHG suppliers.

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If you anticipate making a change to your approved supplier list how will the selection be made?

RFP or selection process managed internally	73%
RFP or selection process managed by the Relocation Management company	12%
RFP or selection process managed by the Move Management firm	3%
Other method	12%
Total	100%

The vast majority of companies would manage the process internally rather than rely on the relocation management company or a move management firm.

Question – “Which carrier has the greatest reputation for overall quality service to the customer regardless of whether you use the firm or not?”

There were 193 responses and United earned the most “nominations.”

	# Clients Answering	Percent of clients answering
United Van Lines	61	31.6%
Atlas Van Lines	31	16.1%
Budd Van Lines	28	14.5%
Graebel Company	21	10.9%
Allied Worldwide	18	9.3%
Clark & Reid	10	5.2%
Paul Arpin Van Lines	9	4.7%
New World Van Lines	8	4.1%
Mayflower	2	1.0%
NorthAmerican	1	0.5%
Bekins Van Lines	0	0.0%
Wheaton Van Lines	0	0.0%
Other not listed	4	2.1%
TOTALS >	193	100.0%

There is a degree of inconsistency between the firms earning the highest *overall satisfaction* and *willingness to recommend* scores with this *best reputation* outcome. Although Atlas and Budd scored the highest in *overall satisfaction* and *willingness to recommend*, for this question on *reputation for quality* United outscored the competitors.

Question – “What are the five most important needs you have for HHG carriers?”

The list below shows the eight common needs ranked from the need receiving the most nominations to the need receiving the least nominations (that is, high to low)

CHART ON NEXT PAGE

Meeting your needs as the corporate client is important. Listed below are common attributes associated with the needs of relocation managers. Please select the top 5 needs/requirements - in order of importance - you have of your carriers, move management or RMC firm.

	#1 need	#2 need	#3 need	#4 need	#5 need
Maximum transferee satisfaction	66%	13%	1%	4%	15%
Meeting employee/customer moving schedule	29%	24%	16%	9%	22%
Minimal employee/customer complaints	18%	18%	18%	20%	27%
Quality of the carrier's "move coordinator"	16%	22%	14%	14%	33%
Minimal cost of the HHG program to my company	14%	28%	29%	17%	12%
Staffing and successfully handling moves during the peak "summer" volume	12%	9%	15%	24%	39%
Fixing mistakes or errors quickly	12%	23%	15%	23%	27%
Minimal claims frequency	10%	22%	12%	37%	20%
Useful web-based tools for me and my transferees to use	10%	30%	30%	10%	20%
Minimal claims cost	9%	16%	25%	25%	25%
Accurate and easy-to-understand billing	6%	25%	19%	12%	38%
Responsiveness to any unusual or exception requests I make	3%	26%	12%	21%	38%
Another need not listed above	0%	33%	0%	0%	67%

The most important relocation manager's need is *Maximum transferee satisfaction*. This goal was rated the top need by two-thirds of survey participants.

The second most important needs of corporations is *Meeting the employee's moving schedule* mentioned by 53% of respondents as top or second most important need.

Question – “How satisfied are you with your carrier(s) ability to deliver maximum employee satisfaction?”

Customer (employee) satisfaction is the dominant need corporate relocation managers have. HHG suppliers were evaluated on this important attribute. The survey respondents' score generated an industry average score of 8.14 and net satisfaction score of 36%. Both these industry metric outcomes are higher than last year.

	# Clients Answering	Average Score	Top Block %	Bottom Block %	Net Satisfaction %
Atlas Van Lines	104	8.60	53%	2%	51%
Clark & Reid	13	8.54	62%	8%	54%
Bekins Van Lines	4	8.50	50%	0%	50%
New World Van Lines	23	8.39	48%	9%	39%
Mayflower	21	8.38	43%	5%	38%
Budd Van Lines	32	8.38	63%	9%	53%
Allied Worldwide	40	8.30	63%	13%	50%
United Van Lines	151	8.29	48%	9%	40%
Wheaton Van Lines	6	8.17	33%	0%	33%

NorthAmerican	16	7.75	31%	25%	6%
Paul Arpin Van Lines	16	7.31	44%	50%	-6%
Graebel Company	51	6.80	31%	39%	-8%
Other not listed	21	7.52	43%	19%	24%
HHG Industry>	498	8.14	49%	13%	36%
AVERAGE	8.14				
TOP BLOCK	49%				
BOTTOM BLOCK	13%				
NET SATISFACTION	36%				

Among the five largest firms in the survey:

<u>Carrier</u>	<u>Net Satisfaction</u>	<u>Average Score</u>
Atlas	51%	8.60
Budd	53	8.38
Allied	50	8.30
United	40	8.29
Graebel	- 8	6.80
INDUSTRY	36%	8.14

Many firms exceeded industry average and net satisfaction for achieving maximum employee satisfaction: Atlas, Budd, Allied, United and many smaller (sample size) HHG carriers.



Question – “How satisfied are you with the price/fee and the overall pricing structure of your current carrier(s)?”

The survey respondents’ score generated an industry average score of 8.06 and a net satisfaction score of 28%. Both these industry outcomes are lower than last year.

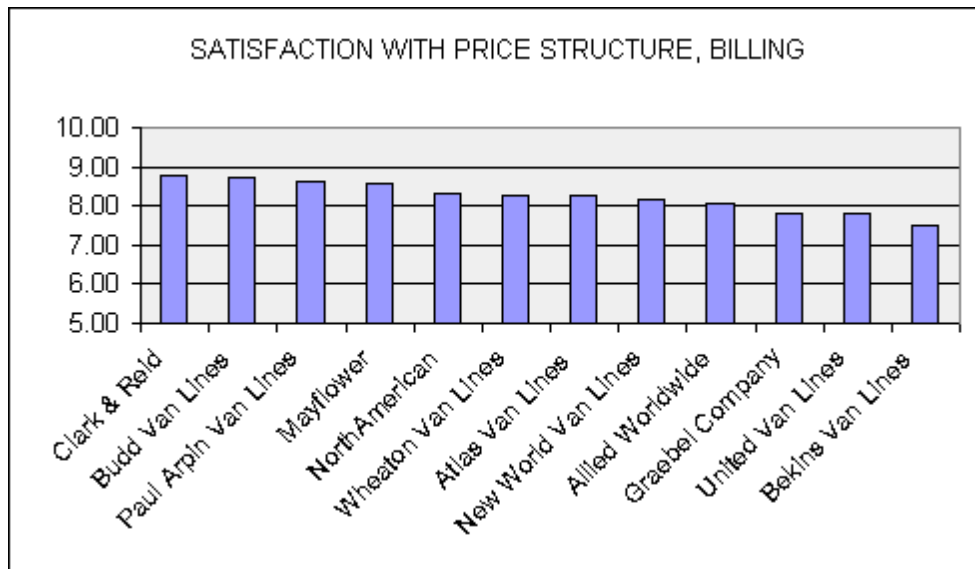
	# Clients Answering	Average Score	Top Block %	Bottom Block %	Net Satisfaction %
Clark & Reid	14	8.79	57%	0%	57%
Budd Van Lines	30	8.73	63%	0%	63%
Paul Arpin Van Lines	16	8.63	50%	0%	50%
Mayflower	20	8.55	55%	10%	45%
NorthAmerican	15	8.33	53%	7%	47%
Wheaton Van Lines	4	8.25	25%	0%	25%
Atlas Van Lines	99	8.24	44%	11%	33%
New World Van Lines	20	8.15	35%	0%	35%
Allied Worldwide	38	8.05	34%	21%	13%
Graebel Company	52	7.83	35%	21%	13%
United Van Lines	140	7.82	39%	17%	21%
Bekins Van Lines	4	7.50	25%	25%	0%
Other not listed	21	6.86	14%	29%	-14%
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HHG INDUSTRY >	473	8.06	41%	14%	28%
<hr/>					
AVERAGE SCORE	8.06				
TOP BLOCK	41%				
BOTTOM BLOCK	14%				
NET SATISFACTION	28%				

Among the five largest firms in the survey:

Carrier	Net Satisfaction	Average Score
Budd	63%	8.73
Atlas	33	8.24
Allied	13	8.05
Graebel	13	7.83
United	21	7.82
INDUSTRY	28%	8.06

A few firms exceeded industry average and net satisfaction for pricing and price structure satisfaction: Budd, Atlas and many smaller carriers including, notably, Clark & Reid and Paul Arpin.

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SINGLE BIGGEST ISSUES WITH HHG INDUSTRY

Question – “What is your biggest issue with the industry?”

There were many different statements but there was a pattern of statements falling into three categories. The issues generating the most relocation manager comments are (1) pricing structure, billing and invoicing mentioned by 19%, (2) quality of services mentioned by 14% of participants and (3) issues related to labor mentioned by 14% of participants.

Among the first 50 responses were these 35 statements (70% of all gripes). These 35 issues are indicative and reflective of the entire list as typed by participants.

RATE STRUCTURE, INVOICING, BILLING

Billing issues...each carrier having a different billing format.

Knowing that I am paying what I should be

zero transparency

billing complexity from larger carriers

How difficult they make understanding the tariff's and pricing

Transparency of fees and charges. Complexity of auditing and verification of services being charged.

still not understanding pricing and true cost to the company. Intentionally Very Complex

Tarriffs and complexity

The detailed costs for each particular service, i.e. weekend labor, special equipment, availability on trucks, etc.

Invoicing/claims

complexity of invoices

All the different rate structures.

Invoicing

Bad reputation for pricing structure

Understanding the invoicing with the discounts, surcharges, taxes, third party charges, etc.

foggy explanations of the process and the billing. Tough to explain to my managers who are relocating employees.

tariffs
Understanding the pricing
The complex pricing structure

QUALITY OF SERVICES

Not delivering what they say they will deliver.
service
Ability to leave customer with overall satisfied feeling.
Damage of goods.
Incorrect surveys leading to surprises on moving day.
Customer Service translated from business office to packers and drivers.
Numerous claims and discounted pricing affect on the quality of the move
There is still inconsistencies in service levels amongst agencies and the industry needs to consolidate.
Not being able to maintain consistent quality service at any price

LABOR

Drivers to handle the business
The ability to staff a move correctly during busy season.
Keeping quality employees who can handle customer issues effectively.
Challenge in identifying good drivers
Getting quality team members to pack, load and unload.
ability to retain quality personnel
Not enough good drivers and packers.

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