



Dear Colleague:

On March 31, 2002, with the retirement of the Government bill of lading, the Federal Government officially converted to commercial business practices for acquiring transportation and transportation related services. The direction to change how Federal agencies procure, manage, control, pay for, and audit transportation is included in Federal Management Regulations, 41 CFR 102-117 and 41 CFR 102-118. These regulations provide the flexibility for each agency to design, modify, or adopt from another source, an electronic method to communicate their shipping requirements to a transportation service provider (TSP) and retain control of their shipments from origin to destination.

Several agencies (e.g., the Department of Energy, Department of Defense, National Aeronautics and Space Administration, among others) have taken advantage of this opportunity and have successfully set in motion their own transportation programs. Pleased with the Government's new direction, various TSPs also modified their systems to attract and accommodate the transportation manager/shipper in making the transition to commercial practices. Many TSP systems are capable of electronic ordering and confirmation, distinguishing a Government shipment from other type shipments, incorporating the Government's unique terms and conditions, referencing agency billing and payment information, providing tracking devices, and most importantly, simplifying the responsibilities of the transportation manager.

We do recognize that some agencies continue to struggle with updating old systems that are plagued with recurrent problems or creating new systems that fall short of their intended goals. Our office will work with your agency to help make your system operable using existing commercial methodology. We also ask you to consider using a TSPs or another agency's program. Please have your staff contact Mr. Ted Bembenek at (202) 208-7629 to discuss these programs or to confirm that your system is operable.

Sincerely,

A handwritten signature in black ink that reads "G. Martin Wagner".

G. Martin Wagner
Associate Administrator