



May 22, 2025

Major General Lance Curtis

PCS Task Force Commander

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MG Curtis,

On behalf of the International Association of Movers (IAM), we congratulate you on your new role as PCS Task Force Commander. We know your time is limited, so we'll get straight to it.

Bottom Line Up Front: Despite ongoing industry efforts to secure drivers and labor, the domestic DoD market is struggling to gain quality capacity due to rate constraints this peak season. We raised this concern with the previous Director following Round One of the DP3 rate filing earlier this year. Additionally, we respectfully urge you to consider including industry expertise as part of your PCS Task Force. We believe the inclusion of industry expertise would greatly benefit task force discussions and outcomes. With over 63 years of advocacy in the DOD military space and a global membership of more than 2,200 companies, the International Association of Movers is uniquely positioned to understand the challenges ahead and to serve as a vital conduit for bringing industry perspectives to U.S. TRANSCOM.

Discussion:

Regardless of constraints at this stage, IAM members are committed to supporting service members. However, based on what we're hearing from our members and the broader industry, the current environment is not sustainable long-term—nor beneficial to PCSing service members and families. DP3 tender shipments are already showing early signs of strain this peak season.

Recommendation:

Some adjustment to DP3 domestic tender rates appears necessary to attract additional capacity for summer moves. After being told for over a year that the Global Household Goods Contract (GHC) would fully cover domestic shipments this peak season, DP3 providers had to make staffing and equipment decisions with incomplete and often inaccurate projections. A targeted rate adjustment would send a positive signal to capacity providers.

Justification:

Secretary Hegseth's peak season memo acknowledged that DoD's government constructed costs had fallen behind by over 30%, leading to service members paying out of pocket when they choose to

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move themselves. Compounding this, TRANSCOM compressed DP3 rates this year in an attempt to drive movers into the GHC. But with GHC expected to cover less than 10% of domestic volume this summer, it's clear those rates are not viable. Thousands of GHC shipments have already been pushed back to DP3, which is now absorbing the volume without the necessary support.

We're hearing directly from DP3 providers who are struggling to find sufficient labor and driver capacity. The rates movers filed in Round One (and which were rejected) give a window into what they believed was needed to meet demand. Furthermore, the recent change in how the fuel surcharge is calculated—out of step with other SDDC freight programs and other moving markets—has further hampered driver recruitment.

There are other tools available. During COVID, for instance, TRANSCOM added a temporary surcharge to help movers compete for capacity. A similar measure might be worth revisiting now.

To be clear, this isn't just about asking for more money. The moving industry is under strain. Years of uncertainty around GHC implementation have eroded stability. What's needed now is a course correction to stabilize the system, build resiliency, and attract the quality capacity the DoD and its service members deserve.

IAM Background:

IAM has engaged with DoD on service member moves since 1962. In that time, our members have served the DoD mission faithfully in both its domestic and international programs. We want to be part of the solution and offer our expertise and support in any way that helps advance this critical quality of life mission.

We appreciate the challenging and important task you've been assigned, and the impact you will have on service members and this important quality of life issue. We're here to support you however we can.

Respectfully,

Brian Limperopulos
President
International Association of Movers

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