

UPS Super Hubs And New Network Technologies Enabling Superior On-Time Delivery Performance

07-12-2018

UPS (NYSE:UPS) today announced the company has achieved superior on-time delivery performance this holiday season through its unprecedented capacity expansion and new technology deployment. UPS is able to deliver record volume in a timely fashion thanks to greater collaboration with customers, improved network resource utilization, new automated capacity and the dedication of UPS employees around the world.

“During this critical period, we are pleased to be in a position to help even more customers attain their growth goals,” said UPS Chairman and CEO David Abney. “Our transformation initiatives are enabling UPS to perform at high levels, even as we handle nearly double the average daily package volume as the rest of the year. We are confident we will sustain these high levels of service and we’re ready to take on even more customer shipments in the coming weeks.”

New Technologies Creating Operational Precision and Network Efficiencies

Ahead of the peak holiday season, UPS rolled out approximately 20 new technologies including:

The UPS® Peak Volume Alignment Tool (PVAT) uses advanced analytics to enable us to efficiently manage loads by synchronizing volume demands with capacity. Network Planning Tools (NPT) combines advanced analytics, artificial intelligence and operations research to help us coordinate tractor-trailer movements between sortation hubs and avoid bottlenecks. We are using new mobile tools to enhance on-road productivity and new delivery helper apps that speed seasonal employee onboarding and effectiveness.

Harmonized Enterprise Analytics Tool (HEAT) for Hub operations creates more accurate forecasts about the package volume that needs to be processed within UPS facilities. UPSNav, a significant update to UPS’s On-Road Integrated Optimization and Navigation (ORION). UPSNav provides UPS drivers with a new level of accuracy and precision, enabling them to operate at top efficiency while improving the customer experience.

Dynamic Sort Instruction (DSI) transforms a highly complex package sorting process into a simple scan, listen and sort process. DSI increases employee productivity and shortens the training time for UPS’s 100,000 seasonal workers.

New Capacity and Super-Hubs Are Super-Charging the UPS Network

UPS made significant investments to provide new capacity and network resources for the peak holiday season this year. The company has opened 22 new or retro-fit automated facilities globally with between 25% and 35% higher efficiency.

The company’s new Southeast Regional Hub in Atlanta, Georgia is part of a new “super hub” strategy with regional hubs opening in Dallas/Ft. Worth, Texas; Phoenix, Ariz.; Salt Lake City, Utah; and Indianapolis, Ind. Highly automated, high-capacity super hubs create

more options to manage peak volumes. Combined, these new facilities and retrofits have added more than 5 million square feet of capacity, increasing the flexibility and reliability of the UPS network. Additionally, UPS added more than 300 new package cars (UPS brown delivery trucks) to its delivery fleet.

In the past year, UPS added six 747-8s and three 767-300 aircraft that increase our International capacity and enable us to redeploy larger aircraft to serve key U.S. routes. During the peak season, UPS is also leasing 35 additional aircraft.

UPS also committed to hire 100,000 seasonal employees to support the anticipated increase in package volume, and the vast majority are already onboard.

“I want to thank our customers for their collaboration and commend our employees for their dedication. We are half-way through the peak shipping season. We’re pleased with the way our network is running and ready to handle the ramp of delivery demand as we enter in the final weeks of the year,” said Abney.

Source: [Deutsche Post DHL](#)