

Ups hits the road with technology

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In 1907, there was a great need in America for private messenger and delivery services. Only a few homes had private telephones, and luggage, packages and personal messages had to be carried by hand. The U. S. Postal service did not yet have the parcel post system. To help meet this need, an enterprising 19-year-old, James E (" Jim") Casey, borrowed 8100 from a friend and established the American Messenger Company In Seattle, Washington. Despite stiff competition , the company did well, largely because of Jim Casey strict policies on customer courtesy, reliability, round the ? clock service . ND low rates. These principles, which guide UPS even today are summarized by Jims slogan: " Best Service and Lowest Rates. Obsessed with efficiency from the beginning , the company pioneered the concept of consolidated delivery - combining packages addressed to certain neighborhoods onto one delivery vehicle. In this way , manpower and motorized equipment could be used more efficiently. The 1 ass's brought more growth. By this time UPS provided delivery services in all major west coast cities, and a foothold had been established on the other coast with a consolidated delivery service in the New York City area.

Many innovations were adopted, including the first mechanical system for package sorting. During this time, accountant George D. Smith joined the firm and helped make financial cost control the corner-stone of all planning decisions. The name united Parcel Service was adopted-united" to emphasize the unity of the company's operations in each city, " Parcel" to identify the nature of the business, and " Service" to indicate what was provided to customers. In 1952, UPS resumed air service , which has been

discontinued during the depression, offering two day service to major cities on the East and West coasts.

Packages flew in the cargo holds of regularly scheduled airlines. Called UPS Blue Label Air , the service grew , until by 1978 it was available in every state , including Alaska and Hawaii. The demand for air parcel delivery increased in the sass's and federal deregulation of the airline industry created new opportunities for UPS. But deregulation caused change, as established airlines reduced the number of flights or abandoned routes altogether. To ensure dependability, UPS began to assemble Its own Jet cargo fleet-the largest In the Industry. With growing demand for faster service .

UPS entered the overnight alarm delivery business , and by 1 985 UPS Next Daily Air service was available in all 48 contiguous states and Puerco Rice . Alaska and air package and document service, linking the united States and six European nations UPS TODAY In 1988, UPS received authorization from the Federal Aviation Administration (FAA) to operate its own aircraft, thus officially becoming an airline. Recruiting the best people available. UPS merged a number of different organizational cultures and procedures into a seamless operation called UPS Airline.

UPS Airline was fastest growing airline in FAA history, formed in little more than one year with all the accessory technology and support systems. UPS airline has become one of the 10 largest airlines in the United States. UPS Airlines features some of the most advanced information systems in the world to support flight planning , scheduling and load handling. Today, the

UPS system moves more than 13.3 million packages and documents daily around the globe. UPS picks up from 1.8 million customers per day and delivers to 6 million customers per day. Packages are processed using advanced information technology and are transported by the company's own craft, chartered aircraft, and a fleet of delivery vehicles. U.S. And international package delivery operations constitute a substantial segment of UPS's business. Another growing and important segment is the company's nonappearance unit, which focuses on supply chain solutions for UPS customers. Today, UPS emphasizes its customer service orientation with the advertising slogan: "What can brown do for you? INNOVATION AT UPS". Known for its technological innovations, UPS keeps its package delivery and non-package operations on the cutting edge. Tom Widener, chief operating officer, says that UPS likes to take the really long term view about investments in its infrastructure. Technology at UPS spans an incredible range, from specially designed package delivery vehicles to global computer and communications systems. Information processing pipeline for international package processing and delivery.

Upset, which has more than 500,000 miles of communications lines and a satellite, links more than 1,300 distribution sites in 46 countries. The system tracks 821,000 packages daily. UPS Worldliner is the latest example of technology being used to increase efficiency and quality in the company's package operations. Located in Louisville, Kentucky, Worldliner is a 4 million square foot facility outfitted with overhead cameras to read smart labels and process documents, small packages, and irregular shaped objects with astounding speed.

Equipped with more than 17000 high speed conveyors, Worldier is capable of processing some 84 packages some every second and can be expanded to handle nearly 140 packages per second - or more than 500, 000 packages per hour . Worldier can also consolidate more volume than a single location , thereby enabling the company to use larger and more efficient aircraft and streamlining sorting at regional hubs throughout the world. UPS Supply Chain Solutions-the company's nonappearance operation-is targeted limited to helping customers in managing overseas suppliers, post-sales servicing of parts logistics and order processing.

This operation also coordinates transportation, vendors, contracts and shipments and simplifies international trade and regulatory compliance UPS Supply Chain Solutions relies on a physical and virtual infrastructure for managing the flow of goods , information and funds for different customers. For example, UPS developed an integrated supply chain with advanced automation to enable Honeywell to provide efficient and rapid order processing and delivery to the North American automotive aftermarket.

Another supply chain solution was provided to Desecrater , thereby enabling it to better manage the transportation and distribution of supplies from Asian and U. S. Vendors. UPS designed a comprehensive inbound distribution system for Desecrater that improved inventory management and provided for weekly restocking of the chain's retail stores . Still another supply chain challenge was solved for Tokyo Electron America. UPS implemented a field restocking network that provided realities inventory management .

In all these cases , and many others UPS uses its own technologies expertise in the transportation and distribution of documents and packages to help other companies achieve efficient, rapid and low-cost solutions for all stages of their supply chains. Frederick Smith of Fed, a UPS competitor , identifies three trends driving the package delivery business: globalization , cost cutting , and internet commerce. While DHAL Worldwide Express is a major player in the international market , UPS and Fed Ex are expanding at a rapid pace.

Cost cutting among customer firms-primarily by cutting inventory - fits into the packages firms' delivery systems. UPS and Fed are competing fiercely in using technology to facilitate cost cutting efforts. Package delivery companies hope to capture the lion's share of the internet commerce shipping business.