

Mail Prep and Entry Steering Committee Session Notes

Tuesday, January 12, 2016

DISCUSSION TOPICS

- Committee Members
 - Formalized the names of committee members
 - Established quarterly meeting for the committee
 - Meetings will align with MTAC meetings

- Five Digit Scheme for First Class Flats
 - Reviewed the request for 5 Digit Schemes for First Class Mail. USPS looking for Industry support to give 5 Digit Scheme numbers to assist with modelling the feasibility of using a 5 Digit Scheme
 - USPS asked Industry to provide volume numbers that USPS would then use as a data exercise in place of assumption volumes in order to determine a more realistic model to determine 5 Digit Scheme feasibility.
 - Industry proposed that USPS instead offer a test promotion in order to obtain real volumes and determine feasibility.
 - Two objections came from within Industry against the test promotion proposal; citing software and other start-up cost to implement the promotion. USPS agreed with Industry, and both USPS and Industry decided that the data exercise is more cost effective and sufficient to determine feasibility; and then a promotion or other ideas could be discussed.

- Discussed reviewing the current standard flats mailing requirements.
 - Discussed that there will be a need for strong collaboration between USPS and Industry.

- Optimize Work Share Signals
 - Industry emphasized – and USPS agreed – that the focus would be on “price structures” versus “actual prices”.
 - Group agreed on the need to address exactly what the Flat structure would be
 - Group acknowledged that for large mailers this makes sense

- Group acknowledged that the benefit for small mailers would be questionable; citing how their prices could fluctuate dramatically based upon each mailing occurrence.
 - Group agreed that this would be a intensive effort that would require intensive collaboration with USPS by the Industry
 - Group agreed that this would ultimately need to be evaluated by Pricing
 - Optimization would be similar – but not identical – to the Periodicals structure
 - USPS and Industry agreed on moving forward with further committee review and discussion on this proposal.
 - Node Based Prep and Entry Rules
 - Discussion on operational flexibility and how USPS needs it
 - Node-based means that mailers would induct mailings based upon the specific induction or processing capabilities that exist at each USPS facility. The “Bollingbrook Rule” was cited as an example.
 - Industry cited that this proposal could both advantage and also disadvantage Industry simply because some are physically located near preferable induction locations and some are not.
 - Group acknowledged that Labeling Lists fulfill some of this intent already.
 - Industry asked about the potential of developing a scorecard and asking for other information so they could decide how they would prepare their mail for different facilities. Industry used Bundle Breakage as an example.
 - USPS and Industry agreed on moving forward with further committee review and discussion on this proposal.
 - Ideas Log
 - #74 – Removal of Origin Sack Mail
 - Request for Standard Mail only.
 - Request to readdress & not close
 - Committee did not approve closing this item
 - USPS and Industry agreed on moving forward with continued committee review and discussion on this proposal;_but modifying this proposal to be a discussion of Standard Mail flats.
 - #91 – Explore Pricing methods

- Waiting to see pricing changes in April and USPS will continue to monitor
- Request to review the idea submitted by Max Heath (NNA)
 - Eliminate minimums at ADC and SCF sorts for those that wish to take advantage of them. Magazines that do not want to produce low-volume containers would of course be permitted to continue their practices as they desire under the current or future rules.
- Open Discussion
 - Next meeting (webinar) is Thursday, March 17, 2016 at 2:00 PM the week before NPF

ACTION ITEMS

- Are the HUBS currently SV Sites?? Also, will DMU's be included as SV Sites??
- #74 – Removal of Origin Sack Mail will not be removed. The issue will be modified to standard flats
- Sack minimums on ADC and SCF be reviewed before next meeting