



UNITED STATES
POSTAL SERVICE

Mail Prep and Entry Steering Committee

March 17, 2016

- Welcome
- Recent Activities
 - National Newspaper Association Training
 - Carrier Rating System (Pre-MTAC webinar)
 - Posted to RIBBS
 - Update on FAST Changes
- Change / Improvement Templates
- Ideas Log
- Open Discussion
- Closing

Recent Activities

- National Newspaper Association Training
 - March 16, 2016
 - Postal Service Headquarters
- Carrier Rating System (Pre-MTAC webinar)
 - Slides are posted to RIBBS webpage
 - RIBBS / Industry Outreach / USPS Webinars
- Update on FAST Changes (Pre-MTAC webinar)
 - 24 Hour rule to 72 Hours
 - User Group 3 working this change
 - RIBBS / Industry Outreach / USPS Webinars

Change/Improvement Templates

Eliminate Minimums for ADC /SCF Sortation

Suggestion/Improvement (Name)	Eliminate mimimums for ADC/SCF sortation for service reasons	Suggestion (#)	
Submitted By	Max Heath & Brad Hill, NNA	Date Submitted	9/14/2015
Category / Area	Presort rules in DMM 207.25.4.d & f (auto sacks), 207.25.5 d & f (auto flats trays), DMM 207.22.6.d & f (non-auto sacks) and DMM 207.22.7.d & f (non-auto flats trays)	Class / Shape	Periodicals flats unbound auto/non-auto
Manufacturing/Production Method	Web offset printing presses	Volume Affected	Unknown. Small amount, but important for service

Problem Statement - Describe the issues, the impact to the USPS/Mailer, or other reasons for change.

As USPS has consolidated plants, delivery of newspapers has deteriorated far beyond the service standards. To help alleviate problems, and keep copies out of OMX/MADC sorts, we need to have more flexibility to create ADC or SCF containers below the 24 minimums now required to get service. With the flattening of the processing network, we note fewer stand-alone SCFs, and the territory is now often identical for ADC & SCF. Newspapers are increasingly using Flats Trays (tubs) for newspapers rather than sacks

Additional Issues/Concerns – List any other issues or concerns related to the problem.

Short-term Kaizen projects initiated by USP HQ Operations in cooperation with NNA found some required changes to make on a very large one-pound or more title. Revisions to presort with our vendor while trying to get all copies out of origin ADC residual sort revealed difficulty in redirecting all copies into containers direct to SCF/ADC Greensboro and Raleigh. The rules block copies under 24 for retention in Charlotte ADC for OMX or MADC processing. We want to move 100% of copies into direct APCs. Other titles could benefit from same change.

Potential Solution - Detail the ideas/suggestions for improvement or resolution to the problem.

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.

Considerations

- What would the recommended minimums be?
- Increases complexity of acceptance and verification procedures

Ideas Log

- #21 - Eliminate 3-digit CR prep level for Standard and Periodical Letters

Issue: This prep level requires unnecessary manual handling particularly for letters

Possible Resolution: Elimination of bundle and / or tray level for 3-digit CR letters

- Several internal discussions on this matter within USPS
- As a general rule, Industry is not prepping the mail this way
- Operations, Integration & Support has written a proposed DMM change on this matter
- The proposed DMM change will be posted shortly

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Possible Resolution: Elimination of bundle and / or tray level for 3-digit CR letters

Recommendation – Request Committee Close item

- #23 - Origin Entry Separation

Issue: Origin entry (local mail) separation requirements are not aligned across class / shape. This requirement allows for processing to start deeper in the system. May result in USPS cost savings and promote consistent and predictable service.

Possible Resolution: Require origin entry separation with minimums that avoid creating more trays and little volume.

Additional Information: Separations with a minimum volume requirement should allow MSP efficiencies. If you ask MSP to make separations (i.e., tier approaches or CSA's that did not work) not likely to happen. Consider remaining pieces to be working mail.

- Have researched the archives to find original submission
- Several internal discussions on this matter within USPS
- The idea as written is too vague and not clear for OIS to functionally work the concept.
- Originally submitted as a USPS idea

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Recommendation – Request Committee Close item

- #74 - Removal of Origin Sack Mail -

Issue: For Standard & Periodical Mail. The mail preparer produces bundles of flats. The bundles are placed in the sacks. The sack label is attached to the holder and the sack is tied. The USPS has to remove the ties, open the sack and remove bundles.

- Item discussed with Committee at the January meeting
- Committee requested to re-look at this item for Standard mail only
- Industry Data has been collected

2014 Periodical Flats:

Periodicals Flats									
Table A1: Outside County Sack & Pallet Counts By Entry Point & Container Presort (FY14)									
Container		Entry Point							Presort
Type	Presort	DDU	DSCF	DADC	DBMC	OBMC	OADC	OSCF/OAO	Totals
Sacks	MADC	0	0	0	2,778	15,045	2,554,467	217,152	2,789,442
	ADC	0	0	20,770	3,601	4,765	584,878	122,928	736,942
	3-D/SCF	0	805,785	75,719	14,337	10,739	2,488,984	625,089	4,020,653
	FSS Facility	0	9,455	1,048	245	743	39,482	3,364	54,337
	FSS Scheme	0	21,557	1,368	1,671	318	30,885	688	56,487
	5-d	41,655	219,288	17,337	2,437	4,442	550,072	210,494	1,045,725
	5-d CR	130,662	148,898	5,558	511	1,140	44,729	105,655	437,153
	CR	196,243	265,356	28,021	222	798	144,558	166,825	802,023
Entry Totals		368,560	1,470,340	149,821	25,801	37,990	6,438,057	1,452,193	9,942,762

2015 Periodical Flats:

Periodicals Flats										
Table A1: Outside County Sack & Pallet Counts By Entry Point & Container Presort (FY15)										
Container		Entry Point								Presort
Type	Presort	DDU	DFSS	DSCF	DADC	DNDC	ONDC	OADC	OSCF/OAO	Totals
Sacks	MADC	0	0	0	0	13,487	9,707	2,397,086	254,758	2,675,038
	ADC	0	0	0	15,077	3,383	5,246	464,920	54,455	543,081
	3-D/SCF	0	0	611,436	44,892	10,777	8,328	2,412,631	442,201	3,530,265
	FSS Facility	0	0	8,039	1,290	261	414	42,841	6,730	59,575
	FSS Scheme	0	265	20,249	1,921	1,071	6	37,109	3,238	63,859
	5-d	73,731	0	145,918	8,983	1,877	2,761	502,954	82,496	818,720
	5-d CR	75,902	0	106,861	2,954	270	280	206,451	56,177	448,895
	CR	222,053	0	210,616	12,038	103	206	224,830	77,219	747,066
Entry Totals		371,685	265	1,103,120	87,155	31,229	26,948	6,288,822	977,274	8,886,498

2014 Standard Flats:

Standard Flats										
Table A2: Standard Mail Flats Sack Counts By Entry Point & Container Presort (FY14)										
Container		Entry Point								
Type	Presort	DDU	DSCF	DFSS	DADC	DBMC	OBMC	OADC	OSCF/OAO	Presort Totals
Sacks	MADC	0	0	0	0	110,138	1,173,652	1,024,381	303,539	2,611,710
	ADC	0	0	0	58,675	338,145	1,528,226	1,012,027	297,159	3,234,232
	SCF	0	13	0	0	0	1	0	0	14
	3-DIGIT	0	1,700,808	0	57,689	1,814,221	1,178,162	1,052,078	323,354	6,126,313
	FSS Facility	0	95,794	0	1,302	186,179	48,668	52,868	9,087	393,899
	FSS Scheme	0	335,786	128	2,298	318,593	25,156	102,767	11,665	796,393
	5-DIGIT	27,811	1,429,693	0	21,398	986,196	205,193	368,068	92,977	3,131,338
Entry Point Total		27,811	3,562,095	128	141,363	3,753,472	4,159,059	3,612,190	1,037,781	16,293,897

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Standard Flats										
Table A2: Standard Mail Flats Sack Counts By Entry Point & Container Presort (FY15)										
Container		Entry Point								
Type	Presort	DDU	DSCF	DFSS	DADC	DBMC	OBMC	OADC	OSCF/OAO	Presort Totals
Sacks	MADC	0	0	0	0	97,886	1,299,421	1,019,338	287,542	2,704,187
	ADC	0	40	0	49,368	297,856	1,411,383	712,362	218,274	2,689,284
	SCF	0	154	0	0	0	0	0	0	154
	3-DIGIT	0	1,440,994	0	52,316	1,476,933	1,149,124	775,354	317,001	5,211,723
	FSS Facility	0	88,463	19,717	1,377	214,923	69,943	58,949	15,519	468,892
	FSS Scheme	0	311,953	75,218	3,125	256,034	28,815	74,425	17,462	767,033
	5-DIGIT	20,004	1,054,481	4	22,725	610,053	143,625	203,637	91,041	2,145,569
Entry Point Total		20,004	2,896,086	94,939	128,911	2,953,686	4,102,310	2,844,065	946,840	13,986,842

- Industry is currently using sacks
- With possible elimination of origin sacks, product would be placed on pallets
- In the absence of a new type of container, the sacks will have to be used
- May be service issues with the movement of the product from one facility to another
- We also know that not all USPS facilities have bundle sort capabilities
- Added cost for transportation for USPS

- #74 - Removal of Origin Sack Mail -

Issue: For Standard & Periodical Mail. The mail preparer produces bundles of flats. The bundles are placed in the sacks. The sack label is attached to the holder and the sack is tied. The USPS has to remove the ties, open the sack and remove bundles.

- Recommendation – Request Committee Close item

- #84 - Re-evaluate non machineable barcoded rates
(Periodicals & BPM over 20 ounces)

Issue: 218 UFSM 1000's have been removed from service and only 36 remain as of July 2013. With the equipment fleet nearly sunset, a review should be conducted to determine if any obsolete standard or prices remain which were related to utilizing that equipment.

- Internal discussions on this item
- Barcodes on Non-Machinables / Periodicals & Newspaper
- Further discussions are needed on this item

Change/Improvement Templates

- High priority
 - 0 items

- Medium priority
 - 6 items

- Low priority
 - 4 items

Issue/ Resolution	Current Resolution
#21: Eliminate 3-digit CR prep level for Standard and Periodical letters - This prep level requires unnecessary manual handling particularly for letters	Recommended Closing
#23: Origin Entry Separation - Origin entry (local mail) separation requirements are not aligned across each class/shape. This requirement allows for processing to start deeper in the system. May result in USPS cost savings and promote consistent and predictable service.	Recommended Closing
#74: Removal of Origin Sack Mail for Standard & Periodical Flats - The mail preparer produces bundles of flats. The bundles are placed in the sacks. The sack label is attached to the holder and the sack is tied. The USPS has to remove the ties, open the sack and remove bundles.	Recommend Closing
#118: First Class Flats - 5 Digit Scheme - FCM Flats do not enable 5 Digit Scheme sortations. It isn't clear why - since other mail classes offer the opportunity to optimize presentation of flats utilizing schemes. The USPS initially reviewed this but indicated they weren't planning to offer further discounts. This seems contrary to this team's efforts - since having FCM presented with schemes seems it would also benefit the USPS. Can we please investigate this further to align on what value there is with this approach?	Received data from Industry Received data from USPS Reviewing the information
#120: Optimize Work share Signals in Flats Price Structure - Price structure is as important as price itself to signal optimal work share. Since the USPS processes all flat mail on the same processing equipment, optimal work share could be attained if the price structure of all flats signaled the same prep and entry result. Today's price structures are not aligned in their signals increasing USPS costs.	New Issue
#121: Node Based Prep & Entry Rules - The processing capabilities of each USPS facility vary, yet the upstream preparation rules are "1 size fits all". As a result, a number of USPS facilities are presented mail that requires additional cost to transport, process and deliver. Node based presort would reduce the additional cost.	New Issue

Item / Suggestion	Current Resolution
#84: Re-evaluate non-machineable barcoded rates (PER & BPM over 20oz)	Requires Further discussion
#85: USPS enhance DPS bundle prep operation (currently SAMP) to be capable of processing facility pallets (today limited to scheme pallet)	MTAC Work Group #168 working this issue related to multi-scheme pallets
#91: Explore pricing methods to strengthen or create uniform signals for FSS prep across each class	Changes made with 2015 Price Changes. Continue to monitor.
#104: Explore new presort options for parcels, including 3-digit at DSCF and PSM schemes at DNDC	Discounts are provided today for machineables - 5 digit and NDC separations. Industry feels SCF separation is needed in order to generate growth in a competitive market

Open Discussion

- Next Meeting
 - Headquarters, USPS
 - Tuesday, July 12, 2016
 - Time - 9:00 - 12:00 PM EST

- Wrap-up

Closing