

Mail Prep and Entry Steering Committee Webinar

January 15, 2015

- **Welcome**
- **Bundle Breakage**
- **Proposed MTAC Work Groups**
- **Creating Fuller Letter Trays**
- **Bundle Processing**
- **Updates since 11/18/2014**
 - **Idea Log**
- **Review B&E Matrix**
- **Next Steps and Wrap Up**

- **FSS Multi-scheme Pallets**

Work Group Issue Statement:

The Joint USPS and Industry Flats Strategy group and a Lean Six Sigma effort with industry Mail Service Providers identified an opportunity to reduce the quantity of low volume scheme pallets resulting from the 250lb minimum under FSS preparation rules. Modifications to the FSS Stand Alone Mail Prep (SAMP) are being tested by USPS Engineering which would facilitate sorting and prepping multiple schemes from a single pallet. This appears promising; therefore, impacts and opportunities must be evaluated from all perspectives to ensure successful implementation.

- Refining Machinability Standards

Work Group Issue Statement:

Some mail currently qualifying as machineable is not compatible with processing on USPS automated equipment. The lack of compatibility results in manual handlings which drive up costs attributed to these products. All shapes and classes will be reviewed (sequentially) and the requirements for machinability will be refined to reflect only mail which can be successfully processed on USPS automation

- **Bundle Breakage**
 - Working jointly with Industry to address the issue
 - USPS LSS project on target to understanding the issue through data
 - Visits to various Mail Service Providers to better understand the process as well as opportunities

- Item # 96 - High Priority
- Issue: Creating fuller trays reduces the total number of trays to be handled by both the mailer and the USPS and reduces overall cost.
- Resolution: Use of 1 Ft MM Trays may be used in order to minimize the number of letter trays
- Working with Industry a DMM Revision was published in Postal Bulletin #22406 – 1/8/15
 - Recommendation: Completed item

- Item # 26 - Medium Priority
- Issue: Need for APPS alternative such as AFP to process bundles and not share equipment with packages.
- Discussion: Better direct pallet (5 digit and FSS schemes) pricing incentives to bypass bundle handling. Inability to minimize number of bundles due to APPS 6-inch bundle tumbling problem.
- Actions: Low cost Bundle Sort equipment, possibly the 'Super SAMP'. Solicitation prepared, bids received. – Making solution cost prohibited. USPS will review 'in house' solution.
- Recommendation: Close and link to #85

- **Item # 85 - Low Priority**
- **Issue:** Current SAMP operation is not capable of inducting facility pallets. The majority of FSS volume is prepped onto facility pallets. As a result, a majority of FSS prepped bundles require an additional bundle sort before reaching the SAMP, creating additional USPS transportation, processing costs, and puts service standards at risk.
- **Discussion:** With improved SAMP operations to include induction of Facility pallets, mail flow would no longer require bundle sorting, reducing USPS transportation costs, processing costs and improving their ability to meet service standards.

- Item # 85 - Low Priority
- Actions: Low cost Bundle Sort equipment, possibly the 'Super SAMP'. Solicitation prepared, bids received. – Making solution cost prohibited. USPS will review 'in house' solution. MTAC Work Group developed.
- Recommendation: Maintain in log

- High Priority
 - 6 Items
- Medium Priority
 - 5 Items
- Low Priority
 - 4 Items

Item / Suggestion	Current Resolution
Issue 12: Clear authority and responsibility of management of CSA's are not clearly defined.	Master Degree Black Belt Project (Nadya) continues to work this project. Will provide an update at next MTAC meeting
Issue 43: Study and determine if move to more cost based rates is beneficial	(Suspend) USPS Pricing is reviewing.
Issue 79: Bundle & Container prices should signal 5D prep and DSCF entry	Proposed for change in 2015.
Issue 80: Container and Pound prices should signal the entry of 5D pallets to the DSCF and DDU	Under review by Operations and Pricing.
Issue 95: DMM vs. CSA sortation & prep requirements as it relates to above items, as well as review and increase of internal USPS understanding of current DMM	Master Degree Black Belt Project (Nadya) continues to work this project. Will provide update at next MTAC meeting
Issue 96: Explore options for creating fuller trays	Recommendation - Completion

Item / Suggestion	Current Resolution
Issue 21: Eliminate 3-digit CR prep level for STD and Periodical letters	USPS will start to elevate this issue to the next level.
Issue 23: Origin Entry Separation. Origin entry (local mail) separation requirements are not aligned across class / shape.	USPS will start to elevate this issue to the next level.
Issue 26: Bundle processing bottleneck and problems. Need for APPs alternative such as AFP to process bundles and not share equipment with packages.	Link with #85 – Recommendation - Close.
Issue 74: Removal of Origin Sack Mail	USPS LSS project on sacks.
Issue 81: Ensure MDF facilitate all 5D containers to the deepest possible Dest Facility. With the exception of the FSS scheme pallets, redirects are limited to 3D movements. This constrains the mail direction process from ensuring all 5D pallets are directed to the DSCF.	Hubs will partially address this issue. MTAC WG 159 (Hubs) working on this issue.

Issue 84: Re-evaluate non-machineable barcoded rates (PER & BPM over 20oz)	OIS will need to review. Need to jointly review automation compatibility standards.
Issue 85: USPS enhance DPS bundle prep operation (currently SAMP) to be capable of processing facility pallets. (today limited to scheme pallet)	<p style="text-align: center;">Update today.</p>
Issue 91: Explore pricing methods to strengthen or create uniform signals for FSS prep across each class	<p style="text-align: center;">Proposed for 2015.</p>
Issue 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.

- Next Face to Face Meeting
 - February 17, 2015 9AM – 12PM EST
- Wrap up