

## **MTAC Work Group 152: Explore Moving to 5-Digit File Structure**

### **Agenda – December 17<sup>th</sup>, 2012 – Second Post Kickoff Meeting**

#### **15:00 – 15:05 Attendance**

List of attendees for this meeting:

Alexandra Robleto - USPS - Postal Lead  
Bob Schimek - Bell and Howell - Industry Lead / Software Vendor  
Bob Weismiller - USPS - Solutions Center  
Dane Coleman - USPS - Operations Integration and Support  
Gail Milton - USPS - Address Management  
Nina Yeh - USPS - Pricing & Classification  
Rachel Devadas - USPS - Product Classification  
Triveni Shenoy - USPS - FAST  
Angelo Anagnostopoulos - GrayHair Software - Software Vendor  
Charley Howard - Harte-Hanks - Mail Service Provider/Logistics  
Cindy Terwilliger - AT&T - Mail Owner/Software Developer  
David Propst - Pitney Bowes Software - Software Vendor  
Jennifer Anderson - RR Donnelley - Printer, MSP, Logistics  
Jim Morton - Quad/Graphics - Mail Service Provider  
Joe Bailey - Monticello Software - Software Vendor  
John Sexton - Pitney Bowes Presort Services -  
John Whittington - Time Inc - Mail Owner/Software Developer  
Kimberly Mauch - Satori Software - Software Vendor  
Linda Gustason - Quad/Graphics - Printer, MSP, Logistics  
Lisa Bowes - Intelisent - Software Vendor  
Lisa Wurman - Vertis Communication - Mail Service Provider  
Michelle Zalewski - ALG Worldwide Logistics - Logistics  
Randy Randall - AT&T - Mail Owner  
Rhonda Mitchell - Vertis Communication - Mail Service Provider  
Rose Flanagan - Data-Mail, Inc. -  
Shawn Baldwin - Bell and Howell - Software Vendor  
Steve Krejcik - Pitney Bowes Presort Services, Inc - Mail Service  
Provider/Software Developer  
Tom Glassman - NPI Sorters - Software Vendor  
Ty Inman - MidSouth Technologies/NPI Sorters - Software Vendor

#### **15:05 – 15:10 Agenda Review**

#### **15:10 – 15:20 Review Minutes**

When reviewing the Background section of the minutes from the last meeting, Alexandra explained there had been a small mistake. Feedback on a DPS comment was requested (offline) from the wrong person: Steven Krejcik. Steve

expressed his concern (which we wrote about on the minutes) related to 3-Digit schemes. However it was John Sexton we should have contacted to capture his comment on possible benefits of a 5-Digit structure on DPS sort programs. There are cases that have existed for years where a 3-digit DPS sort includes 5-digits from outside the 3-digit area. In those situations the 5-digit mail from outside the 3-digit DPS are included in the DPS sort. Going to a 5-digit based labeling list would allow the industry to better prepare the mail to align with how it is going to be sorted on USPS processing equipment. The FSS mail entry issue has similar situations so there are valid scenarios for both letters and flats.

### **15:20 – 15:30 Brainstorming (how to quantify cost and benefit)**

A comment was made that we should request feedback from other groups such as the IDEAlliance MSDG group. It was agreed it would be an interesting conversation and one we may want to keep on the table, but first we need to have alignment with this Working Group before expanding the audience for input. There was another comment about there being only costs and no benefit for some that will be involved with a change like this, for example software vendors will have very little benefit other than possibly a more standardized set of labeling list formats to work with. It was noted that there would have to be huge cost for the Postal Service when considering making a change like this.

The group was asked to bring the conversation back to “how do we measure and compare costs and benefits.” For example, do we use dollars? Time? Service? Someone said we could use man hours as well as elapsed time (timeframe for implementation). There was a recommendation on categorizing impacts under buckets such as mailer, vendor, transportation, operational labor, etc.

We asked: “what about benefits?” There was discussion around how service standards could be more accurate since they would more accurately reflect reality (in terms of actual processing capacity and network design per afforded flexibility). If 5-Digits were used, the Postal Service would not need to assign the “worst case scenario” to the whole 3-Digit. It was noted that the Zone Chart could be more precise as well if it were changed to be 5-digit based.

### **15:30 – 15:40 Zone Chart Discussion**

A question was raised regarding what impact would there be if the zone chart went to 5-digits. What would happen to the size of the data? (It would become a grid of a 100,000 by 100,000 instead of what it is now which is 1,000 by 1,000). There was an attempt to do the size calculation, currently the zone table is about 2 Meg, if it were expanded to 5-digit, using the same format, it would expand to Gigs. There was a suggestion that for zones, we could continue to use the first 3-digits and live with the inaccuracy. There was some discussion around using only valid pairs of 5-digits to limit the size, but for that to work it would require changing the format of the table.

For labeling lists, all 3-digits would be defined as 5-digit ranges (311 would be defined as: 31100-31199) even if they are not split.

It was noted that the OMX labeling list has a similar format as the zone chart (extra column for label to) so that table would need to be looked at more closely if a 5-digit approach were to move forward.

A question was asked if we had considered combining all the labeling lists if they were all 5-Digits? This question is being added to the parking lot to be addressed in the near future.

### **15:40 – 15:50 Survey (action required for all members)**

Bob and Alexandra proposed sending out a survey to solicit feedback from all members of the group. The draft of the survey was shared on the screen. Everyone on the call agreed that it was a good idea and that it was reasonable to request feedback and have the results ready for the next meeting, despite the holidays. A suggestion was made that the survey should ask for pros and cons and have a way of noting if there is no benefit for or no cons for some groups. For example the discussion earlier regarding software vendors having all cost to make this change but little to no benefit.

There was a question: “are we taking into account how useful having 5-Digits would be for consolidation efforts?” The answer was that it would have been very useful to have this already in place and it would have made the plan and the transition a lot easier to deal with because it would have been possible to consolidate a 3-Digit into 2 different plants for example if we had been able to split that 3-Digit (in case 1 plant couldn’t take the whole 3-Digit). Since it’s currently all or nothing, some consolidation may have cost more (maybe expansion costs for certain gaining facilities) than they would have under a 5-Digit architecture, and some may not have been feasible when they could have been if splitting 3-Digits was an option. However, we are holding off on including such benefits because most consolidation will be done before we have a chance to finish this exploration and implement (if we do implement).

### **15:50 – 15:55 Next Agenda and Meeting Schedule**

We will try to have the survey out by the end of this week so that all group members can respond by January 10 and we can have results for our next meeting which will be on Monday, January 14<sup>th</sup>, 2013.

### **15:55 – 16:00 Adjourn and Attendance Update**

## Action Required

List of action items in the format shown below.

Action item – owner – due date – status

- Put together a survey and send it out – Bob Schimek and Alexandra Robleto – **12/21/13** – Assigned
- Fill out the survey that will be sent out – All Members of the Work Group – **01/10/13** – Assigned
- Compile survey results – Bob Schimek and Alexandra Robleto – **01/14/13** – Assigned
- Find out if we can calculate service standards without changing the rules – Alexandra Robleto – **01/14/13** – 30%
- Find out how we can quantify the potential benefit of network flexibility – Alexandra Robleto – **01/14/13** – 50%

## Parking Lot

List of topics to be discussed later, offline, or elsewhere so as to keep this Work Group's meeting on task.

From 12/17/12:

Could we combine all labeling lists if they were all 5-Digits?

From 11/20/12:

Should we consider labeling lists by mail class and mail shape instead of going to 5-Digits?

If we do this, would all labeling lists be transformed to 5-Digits?

From 11/13/12:

There was some discussion towards the end of the meeting regarding being able to be more targeted regarding where mail is entered into the system. For example if you have a 5-digit pallet that has all Carrier Route bundles on it and the 5-digit is not an FSS zone, instead of directing that pallet to the location of where the bundle sorting occurs (currently what Mail Direction file does), instead be able to take it directly to the SCF where it will only need a cross dock movement to get it to the DDU (this example assumes the bundle sorting operations are not co-located which happens in a number of facilities). In a way it is another scenario that is similar to the solution for FSS Facility vs. FSS Scheme pallets which allows FSS Scheme pallets to go directly to the FSS site rather than the bundle sorting site when they are different (this FSS scenario will be supported in the December update of the Mail Direction file). Given the Issue Statement and Desired Results, this topic falls outside the domain of Work Group 152. While an interesting idea, running with this could be a Work Group of its own.