

## Minutes for Workgroup #174 – Informed Delivery APP

Session 22: 12:00 noon – 1:00 p.m. EST WebEx

Following our general workgroup routine, Carrie reviewed the meeting agenda. Review of session 21 items: the suppression survey, response rate issue log and open issues/thoughts.

On the suppression survey: Sent out week of February 29th/March 1st. A reminder was sent last week. So far we have 25 responses. Will send out another reminder next week & close out the survey on March 17th. Carrie asked if there was anyone on the call who didn't get the survey to let her know.

Carrie reviewed the issue log related to the subgroup work product. In general, the larger workgroup understood the sub-workgroup product; they did not identify anything missing & agreed on the need for campaign testing. We will continue the sub-workgroup product review while we finish up that recommendation.

Steve Belmonte asked if we were glazing over the unfair competition issue that he originally raised on 2/19. Carrie had documented the issue in the issue log. Steve went on to say, "I think that a mailpiece image should be shown to the consumer. What you're doing is great but you're going too far. "

Phil Thompson says it can be seen as alternative to print or compliment to print. The part I have a problem with, if you're going to do this and make it compliment to print, there's got to be a price for this.... Everyone in the mail stream shouldn't pay for our own demise. You're describing a real scenario under the premise of this being free, which is baloney.

Steve says that's right. Now the creativity out there is squashed. Carrie pointed out interactivity is based on mailer wanting to participate. Steve emphasized the competitive nature of the informed delivery program threatening the whole print industry. We want the consumer to experience that physical presence of mail. I am trying to prevent you from exploding the industry but it's upsetting that you are continuing the discussion and taking it with a grain of salt.

Carrie said from the beginning we identified these issues. If we think a mitigating factor is to have a cost associated with the program; that should go on the resolution document. Do we throw away the work of the subgroup work product? Should we take a survey of the group? I don't feel its representative of everyone in the workgroup. We need some way to address this other than having the same person talking about the same issue every single week.

Steve said, 'I'm not saying cancel the workgroup, just rollback the informed delivery program to black and white only images.' He feels that when we add urls that we are jeopardizing the mail and competing unfairly.

Jody pointed out this isn't new; the first interactive content test was done in fall of 2014. Steve yelled back, 'you are making mail irrelevant'. Carrie said we need to share some of the information from the customer surveys. Consumers don't feel it makes mail irrelevant. Yes, mail is declining and it is likely this will continue. Steve asks – which class of mail has declined the most. Carrie said 1st class and Steve

says, 'Digital killed 1st class mail and that's exactly what you are going to do with standard mail if you do this...'

Carrie says we started that survey in January and that when the information is compiled and vetting internally it can be shared with the workgroup.

Phil says you hit nail on head. Way to support opt-in or opt-out is to put a fee to it. As a mailer – with it free – everyone is paying for it. If an advertiser wants to do it – they are all for it. They are best suited on knowing how to mix electronics.

Steve said we are setting precedence with offering it free from day one. If you charge anything for it - it will drop off ... nobody would pay for it. Dave Lewis disagreed – in pilot program it's free – many would expect USPS to charge for those enhanced services... after the pilot.

Platform comments >

Dave Lewis – the marketplace will offer opportunity for vendors. There are plenty of opportunities for companies to help interpret data – USPS would need vendors out there. I am excited about this.

Talked to the fact that if this is a competitive vs. monopoly product/service that we may have differences in our recommendations.

Dave Lewis says he envisions USPS staying with email and private sector would come in to build the Ads etc.

Phil says there are lots of ways private sector could come in... should be a competitive product. Could be in addition to a campaign. I disagree with Steve – we can create a competitive product even if USPS is scanning it – but private sector can't compete with free. It's got a ways to go.

Carrie stated that USPS is looking to support Omni channel, with the USPS creating a digital bridge. To proceed past this weekly and repetitive discussion, we need to figure out what the survey questions will be. We need to talk about some of the factors that could be mutually beneficial. A fee structure discussion would need to be added to schedule/agenda. What would fee based look like? Annual? Pay per click?

If you charge for it, USPS can't also make it available as a product for free. Right, so our recommendation is that it should not be free. What can we do in an operational pilot vs. market test before a fee structure is considered/analyzed?

Steve provided some other examples of unfair competition. Such as we/they pay for AIS data but the USPS provides the same service through the IMSB tool for free. So you charge us for it and you provide the service free. Carrie could not comment as she was not familiar with the IMSB tool.

A franchise owner says why should we use your presort software, we are just going to use postal service small business tool. Steve says, I don't want this to go – we can't compete with no cost. Now we are losing business.

At this point, Carrie asked what we wanted to do with the remaining 15 minutes of the meeting as we got off topic from our subgroup work product review.

“I am just trying to save the industry – I want to promote this industry & this is important to the world.”  
said Steve.

Some thoughts from others in the group: How does postal service provide/gather enough information to charge a fee with regard to the response rate piece? We looked briefly at the subgroup work product again. What else are we missing that would encourage a business to proceed with testing? Carrie talked to the challenges due to privacy issues, that USPS can't return information at the customer level. She hasn't stopped pushing for additional levels of information.

We closed out asking the workgroup to consider new survey questions. And look at the tests we identified in the subgroup work product – considering the USPS restrictions – is what is being proposed at customer key level a good solution?