

MTAC Focus Group Meetings
February 15, 2012

Visibility/Service Performance
Key Comments and Questions

Jim Cochrane, VP, Product Information, USPS

Lisa Bowes, MTAC Industry Leader for Service Performance

USPS Industry Engagement & Outreach Facilitator for Visibility/Service Performance: Paula McCollum and Neena Dhuria

FG 10: Periodicals 12:20 pm – 1:15 pm

John Stark, MTAC Industry Leader for Periodicals

USPS Industry Engagement & Outreach Facilitator: Ernie Harris

Discussion Notes:

1. Demonstration of the IMb Service Performance Diagnostics report – an internal USPS tool that provides value to ensure those facilities performing below standard are identified for corrective action. Heavy usage by plant managers, AVPs and management. Mail history tracking system provides not only *what* is happening, but *how* and *why*. System was built for sampling but needs to go to real time and provide incentives tiered for full service vs. basic; floor supervisors need to use it as a daily tool. It has business value for both USPS and Periodicals mailers. Tool is not available for mailers' use; USPS will share relevant information.
2. Discussion around how to get more people on full service through increased incentives. By 2013, only full service chart will be left.
3. Update on poor service measurement scores and Tiger Team results –
 - a. Huge issue for time sensitive publications
 - b. More critical when considering eliminating Saturday delivery
 - c. Problems with processing work flow/staging causing long service delays
4. Increased industry interest in Alternate Delivery to get better service
5. IMb Data
 - a. Update on USPS using data to identify problems and improve service
 - b. Interest from industry to use IMb Tracking – how best to use.
6. Hard Copy ACS
 - a. How to get USPS to scan IMb or use ACS participant code for electronic returns

- b. Publishers do not want to process manually and pay for cost
7. USPS noted the coming change for ACS threshold (on April 1 going from 70% to 75 % to qualify for 100% discount allowance), the reconciliation report, and that enhancements have made eMIR more solid than before.

Action Items:

1. **Industry asked to be able to use the IMb Service Performance Diagnostics report .**
2. **A mailer asked if any 6-digit mailer IDs are left (need to get into full service).**

FG 6: Standard Mail 1:25 pm – 2:20 pm

Wanda Senne, MTAC Industry Leader for Standard Mail

USPS Industry Engagement & Outreach Facilitator: Kathy Kamen

Discussion notes:

1. Detailed overview/demonstration of Service Performance Diagnostics tool. Nationally have 33% of standard mail in measurement – if not in full service, not being measured. Industry interested in seeing aggregate data (by region) – currently quarterly reporting is the norm, need to change this. Also, currently a one-week delay in reporting. Experimenting with providing industry glimpse of scores.
2. Issues with poor delivery were caused by process issues (lost FIFO, retrofitting sorters, process problems, 46 new FSS machines, etc.). However, standard mail delivery has substantially improved over last few weeks/months as data from Service Performance Diagnostics tool is used to improve performance – was always reported, but can now tell plants what/why/how to fix issues. Everyone has been trained on using this tool; Lean Six Sigma processes are being used.
3. Scan rate on letters is 96%, and 20% on flats – only 20% of flats are PDR/IMR. PBC (piece bar code) is better as carrier bundles can be included and scanned. Industry needs to get to PDR but PBC will be better.
4. In-home dates problematic – data on in-home dates is a band-aid for bad service. As better/more consistent service is provided, in-home dates will become less important. Can potentially use Service Diagnostics Tool to let printers know if they should include more time/days in their process.

Action Items:

- **USPS requested ideas from industry to help with adoption of full service.**
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FG 10: Package Services 2:30 pm – 3:25 pm

John Medeiros, MTAC Industry Leader for Package Services

USPS Industry Engagement & Outreach Facilitator: Ruth Southworth

Discussion notes:

1. Importance of tracking and knowing where packages are at all times – appreciate USPS progress and improvements in this area. Package visibility is one of USPS' few areas of capital expenditure.
2. March 25th launch of Parcel Tracking System / EVS with a 90-day release schedule. Goal of scans will be to post product information within minutes – initially, scans will be produced in approximately 15-minute intervals. Investing in scanners unwise since technology keeps changing; plan is to use “attrition method” of purchasing to keep pace with technology changes.
3. DPS sequencing – how will that differ for parcels? Organization will become more automated; network will be leaner and more efficient; supply chain costs for mailers will decrease as delivering to fewer plants; more visibility for monitoring; not getting away from an NDC environment.
4. International – growth of e-Packets. International inbound parcels are processed through barcodes as domestic and adopt standards of USPS services.
5. Packages not yet part of the Service Performance Diagnostics tool.
6. Looking for newer technology; a third of parcels processed weigh less than 1 pound – need better machines to sort through these.
7. Starting January 2013, parcels must have barcodes. Value of IMPb is minimal to businesses where tracking is not important, but still significant to USPS to allow tracking of packages to delivery point.

Action Items:

- **Bound Printed Matter – still a challenge for file format. Work through with mailers.**
 - **Unique Barcode or IMPb for destination discounts and appropriate file formats for January 2013 – work with mailers.**
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FG 14: First-Class Mail 3:35 pm – 4:30 pm

Sharon Harrison, MTAC Industry Leader for First-Class Mail

USPS Industry Engagement & Outreach Facilitator for First-Class Mail: Lewis Johnson

Discussion overview:

- Live demonstration and discussion of the Service Performance Diagnostics tool.

3/21/2012

Discussion notes:

1. Most of the session was devoted to a live demonstration of the IMb Service Performance Diagnostics system. Group was impressed with the system. Customers would like access to some of the data.
2. FCM group shared their frustration with the PO Box Alternative Address [Post Office Box Street Addressing] issues, which were worked on and communicated outside of the MTAC Address User Group and did not engage the Address User Group leadership.
3. Plan is 100% product visibility.
4. Product tracking system to be reengineered during spring 2012 (on schedule)
5. Effort underway to simplify the process for small / medium-size mailers to participate in full service.
6. Sunset POSTNET eligibility for automation rates by January 2013.

Action Items:

- Question: In the Service Performance Diagnostics tool, is it possible to tell which pieces were excluded from measurement and why? USPS will review and respond to mailers so they can address what may be the root cause.
- Look into industry concerns around PO Box Street Addressing.