

**MTAC Focus Group Sessions  
May 16, 2012**

**Standard Mail**  
Focus Group Session Notes

**Wanda Senne, MTAC Industry Leader for Standard Mail**

*USPS Industry Engagement & Outreach Facilitator: Tonya Dodson*

**FG 3: Payment / Acceptance 9:00 am – 10:30 am**

**Pritha Mehra, VP, Mail Entry and Payment Technology, USPS**

**Dale Miller, MTAC Industry Leader for Acceptance**

**Angelo Anagnostopoulos, MTAC Industry Leader for Payment**

*USPS Industry Engagement & Outreach Facilitator for Payment/Acceptance: Anthony Frost*

Agenda / Discussion:

1. **CRID / 9-Digit MID Acquisition:** Brenda Crist (for USPS) described the three methods to acquire CRIDs (carrier route identification) and/or 9-digit MIDs (mailer identification), and a method to validate CRIDs and/or 9-digit MIDs. (Slides 3 and 37)
2. **TEM Process / Vendor Certification Process:** Beth Bigelow (for USPS) described the simplified TEM (Test Environment for Mailers) process and Vendor Certification process that is being coordinated with input from MTAC and MSDG (Mailing Software Development Working Group). (Slides 13 – 14)
3. **eInduction:** Garrett Hoyt (USPS) presented observations from the in progress eInduction Pilot, described the Multi-Stop Appointment scenario, and eInduction next steps. (Slides 16 - 18)
4. **2012 Mobile Barcode Promotion:** Uni Han-Norton (USPS) presented details regarding the 2012 Mobile Barcode (QR Barcode) Promotion (Slides 31 – 35)
5. **Mail Anywhere:** Pritha Mehra described the Participation Criteria and Participation Authorization process for Mail Anywhere. (Slides 20 – 22)

**Action items:**

1. **MID/CRID Task Team:** Create MID/CRID Task Team to work with industry to review existing documentation and training and identify gaps.
2. **eInduction:** Share eInduction Process Documents/Reconciliation Process Documents with industry via WG #138. Discuss possibility to access eInduction data via push rather than through *PostalOne!*.
3. **2012 Mobile Barcode Promotion:** Validate how many hours it takes to register a QR Barcode.
4. **Mail Anywhere:** Determine need and topics for proposed Mail Anywhere training.

**FG 6: Visibility/Service Performance Measurement** 10:45 am – 12:15pm**Jim Cochrane, VP, Product Information, USPS****Lisa Bowes, MTAC Industry Leader for Service Performance***USPS Industry Engagement & Outreach Facilitator, Visibility/Service Performance: Paula McCollum***Discussion Notes:**

1. USPS measures by presort level. FSS is outperforming AFSM 100 for Standard mail. Now getting tray data and pallet data
2. Piece-to-bundle will be available in the IMb tracing environment in June 2012.
3. Periodicals are less than 15%; PDR 95% FC; Standard Flats is 45%; PBC is only 2% - have to grow that.
4. PostalOne! – continuing to invest in this technology. USPS wants to be able to give data back to industry. Advance notice would allow industry to work with transportation
5. Have not run this tool in the fall mailing season. 40 hours may work for June, but may not be the correct threshold for October
6. Working on a dashboard that not only will show the medians, but also will identify outliers. It will show when things are getting out of control in a certain area (i.e., transportation)
7. DSCF is 80% of Standard mail
8. Need to proactively share the data with industry as Fall gets closer. USPS needs an entire Fall mailing season to understand the data. May end up with different medians for letters and flats
9. BSN reps are giving information that is a week late. Cycle time is 24 hours. If USPS gives a discount for 50 million standard pieces of mail, then want to be able to track 50 million pieces of mail
10. There are mailers in Full Service who don't know why they are not in measurement. Apparently there are filters preventing them from getting into measurement. This is being addressed.

**Action Items:**

1. Industry asked if there is a location they can go to see facility conditions. Some industry members have put together their own Facilities Database report
  2. USPS needs to better communicate, and host webinars around full service measurement
  3. Commingle operations when Mail Service Provider (MSP) is paying postage. Industry wants to limit mail owner's ability to see postage payments. Suggest mail owners and MSPs discuss. USPS is sensitive about sharing data. **Wanda Senne** (Industry) will follow up to see if there is a need for a Task Team or User Group on this.
  4. User Group formed to share information with Industry of all FS in measurement
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**FG 9: Preparation & Entry (Operations)** 2:30 pm – 3:25 pm**Dave Williams, VP, Network Operations, USPS****Todd Black, MTAC Industry Leader for Entry and Preparation***USPS Industry Engagement & Outreach Facilitator for Prep & Entry: Margaret Pepe***Update on action items from last meeting**

- Structured release schedule webinars were held on March 13 and May 2, 2012. Presentation is posted on RIBBS.
- Posted web-based service standards maps on RIBBS on March 30, 2012.

- Mail Transport Equipment (MTE) informational webinar conducted on May 14, 2012. Presentation is posted on RIBBS.
- Joint USPS/Industry Steering Committee is being established to explore efficiencies, costs, and value-added opportunities for mail preparation and entry. Representatives for all classes of mail will be included.

#### **Service performance update:**

- Overview of service performance indicators, trends show significant improvements.
- Field has put steps in place to reduce cycle time (work in process) to improve service performance.
- Diagnostic data generated through IMb Full Service contributed to overall service performance improvements.
- Further explanation needed on “stop the clock” rules for service performance measurement.
- Using the web-based diagnostic tool, USPS can drill into the data and identify site-specific problems to be addressed; this type of analysis improves service performance.
- List of issues provided to Industry/Postal chairs:
  - MTE inventory: some areas still have shortages in specific types of equipment.
  - FAST appointments – available, but shipments not accepted for various reasons. USPS is adding more appointments, but industry is not always making current appointment times. USPS is adding more controls to address appointment and volume constraints.
  - Address issues on documentation with drop shipment redirects (NDC to SCF, and vice versa). Specific sites should be provided to **Frank Neri** (USPS).

#### **Status of network rationalization**

- Received 101 written comments in response to the Proposed Rule on Revised Service Standards for Market-Dominant Products published on December 15, 2011, in the *Federal Register*.
- PMG expected to make a Network Rationalization announcement on May 17, 2012; an *Industry Alert* will be sent as follow-up.
- Final business rules will include Critical Entry Times (CET) and point-to-point Service Standard directory. *Federal Register* is expected to publish the Final Rule on Revised Service Standards for Market-Dominant Products during the week of May 21, 2012.
- Standard Mail Business Rules not changing for contiguous US; non-contiguous US will be realigned to match network capability.
- Thorough implementation plan developed with input from Industry.

#### **Additional discussion**

- MTE availability and repositioning plans, including USPS efforts to increase plastic pallet inventories.
- Some DDUs refusing to accept wood pallets.
- FSS design 2 is still in operation (Lancaster, PA) and performance is being monitored. Decision will be based on opportunity, available capital, and return on investment (ROI).
- FAST System enhancements will reduce appointment availability and volume capacity constraints. Appointment times and number of slots will be reviewed by HQ.
  - System will now reflect NJ NDC Sunday appointments.
- Handle non-palletized containers by identifying the courtesy label on the container, which should speed up the verification process. When PS 8125 identifies the number of units, USPS must count each one.
- SCF will accept co-palletized PS 8125 with NDC mail that is identified and charged accordingly.

**Action items**

1. **Frank Neri** (USPS) will develop a strawman for customers to provide feedback on service issues and anticipated concerns as USPS moves forward with network rationalization implementation.
2. Industry should identify specific delivery units that will not accept wood pallets to **Dean Granholm** (VP, Delivery & Post Office Operations USPS) for follow-up.

**FG 16: Product Development 3:15 pm – 4:45 pm****Gary Reblin, VP, Domestic Products, USPS****Rose Flanagan, MTAC Industry Leader for Mail Pc Design/Prod Devel***USPS Industry Engagement & Outreach Facilitator for Product Development: Jamie McHenry***Discussion Notes:****1. Mail Works Guaranteed**

(Cliff Rucker, VP Sales)

- Project started over a year ago - How to get people in the mail at no risk?
- Current spend could not be more than 3.6% of total advertising spend in mail – looking for large mailers. Program is not about *existing* customers in the mail.
- List of 20 companies – received letter from PMG. Two companies decided to work with USPS, which is assist with mailpiece development.
- Agreed on metrics and if that if companies did not meet the agreed ROI, USPS would refund up to \$250,000 of their cost.
- Changes to the program: 5 different tiers, partner with printers, need to present to USPS Executive Leadership Team then to Board of Governors.

**2. Full Service IMb Implementation (Postnet Retirement)**

(Gary Reblin, Tom Foti)

- Postnet in 2013: problem for mailers. Why are they still struggling to get to basic IMb?
- Industry: sunsetting this in phases is fine.
- Large number of smaller mailers may not know about this. Going to basic IMb by January doesn't appear to be an issue.

**3. Picture Permit Update**

(Gary Reblin, Tom Foti)

- Will be implemented on June 24, 2012. A lot of market research was conducted. Value created by uniqueness. Not for small mailings.
- NSAs can be discussed with mailers who have new uses and grow the business.
- Will be working on different pricing – 20% of mailers surveyed said that they would be willing to spend 1 - 2 cents for Picture Permit.
- Might be an opportunity to negotiate the price on repositionable notes.
- Issue with approval process: needs to be streamlined. Printing requirement (500 pieces) is a problem.

**4. 2012 / 2013 Promotional Calendar**

(Reblin)

- Move forward with promotions; they are designed to encourage innovation
- Increase awareness, share best practices, acquire new customers
- Want to drive long term value – relevant, effective/responsive, engaged
- July – August 2012: Mobile commerce and Personalization promotion
- November 2012: Mobile shopping promotion
- Several promotions will be sent in the CY 2013 calendar to the PRC (Jan 2013)

**2013 Promotions Calendar**

- Announce with Fall 2012 price change
- Potential 2013 Promotional Calendar
  - Feb-Mar 2013 – coupons (Social Platform/Mobile redemption)
  - May-July 2013 – earned value CRM/BRM Promotion
  - Aug-Sept 2013 – samples, NFC, augmented reality, authentication, Picture Permit
  - Nov-Dec 2013 – Buy It Now (purchase directly from the phone)

**5. Industry Feedback Needed**

- Build more flexibility in pricing (both process and infrastructure)
- Need ability to respond to market by altering pricing by: a. time of year (seasonal pricing), day, week, time of day; b) geographic location, and c) industry, customer, and products.
- Lowering the price for the summer promotion is not popular – customers are not buying during in the May-July period

**Action Items:**

1. Feedback and agenda item for next time (**Wanda Senne, Rose Flanagan, Gary Reblin**)
2. Need pricing feedback from industry