



UNITED STATES
POSTAL SERVICE

MTAC

Mail Prep & Entry Focus Group

August 20, 2014



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Mail Prep & Entry Focus Group

Periodicals Track

August 20, 2014

- Periodicals Track
 - Action Items from Last Meeting
 - PER Start-the-Clock in SCFs with FSS
 - 250 pound requirement for FSS scheme pallets
 - Bundle Breakage
 - FAST Appointments
 - FSS LSS SAMP Project
 - Open discussion

- Action Items from Last Meeting
 - Report out difference between pre/post implementation of APPS SEM
 - Schedule facility visit for bundle breakage observation
 - Share initial results from SAMP LSS projects
 - Look into non-machineable matter subject to label lists
 - Look into the process/procedure for nesting of tubs
 - Scan data on bundles/pieces worked manually

Periodicals Start-the-Clock

- Periodicals receive a Critical Entry Time (CET) based on the following information provided in mailer electronic documentation.
 - the container make-up (3 digit vs. 5 digit)
 - the container destination ZIP (FSS vs. Non-FSS)

	Bundle Sort Required	No Bundle Sort Required
FSS	0800	1100
Non-FSS	1600	1700

- Rules for determining FSS are based on validating the 3 digit or 5 digit container destination ZIP against the L006 FSS Label List
 - For example: for 3 digit containers, if any of the 5 digit ZIPs that **could be** prepared within that container are in the FSS Label List, then that container is identified as FSS and receives a 8AM CET

FSS 250 Pound Pallet Requirement

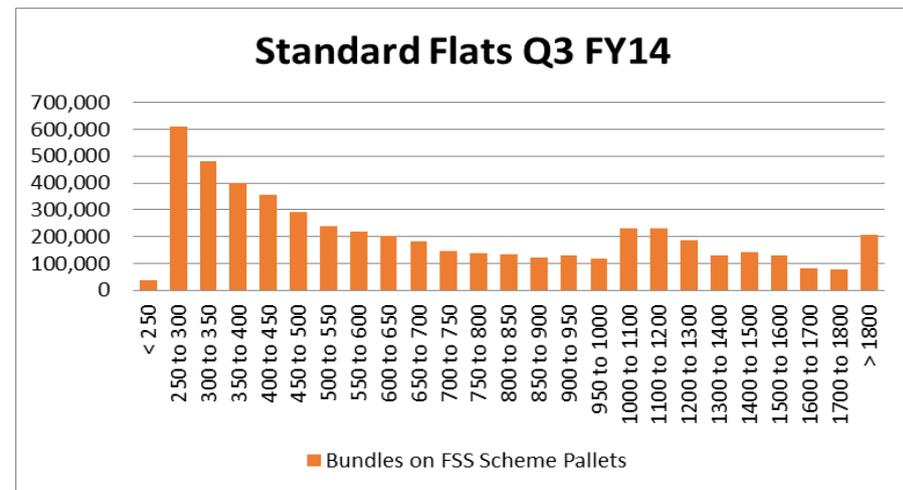
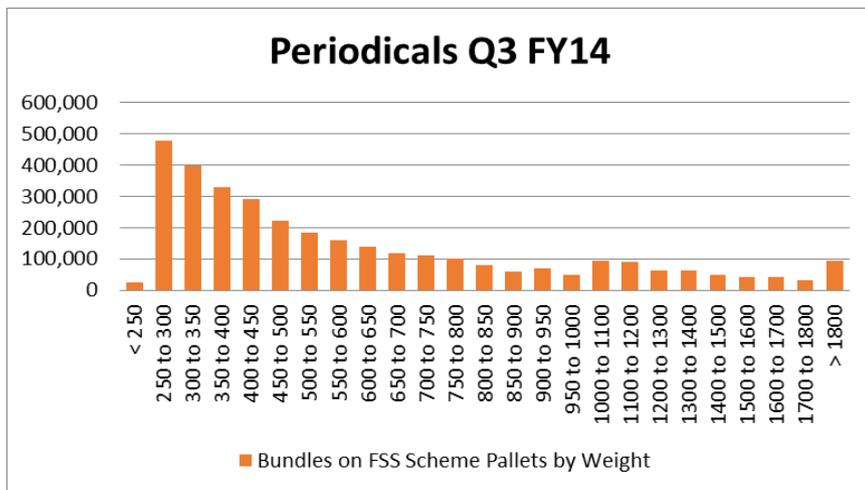
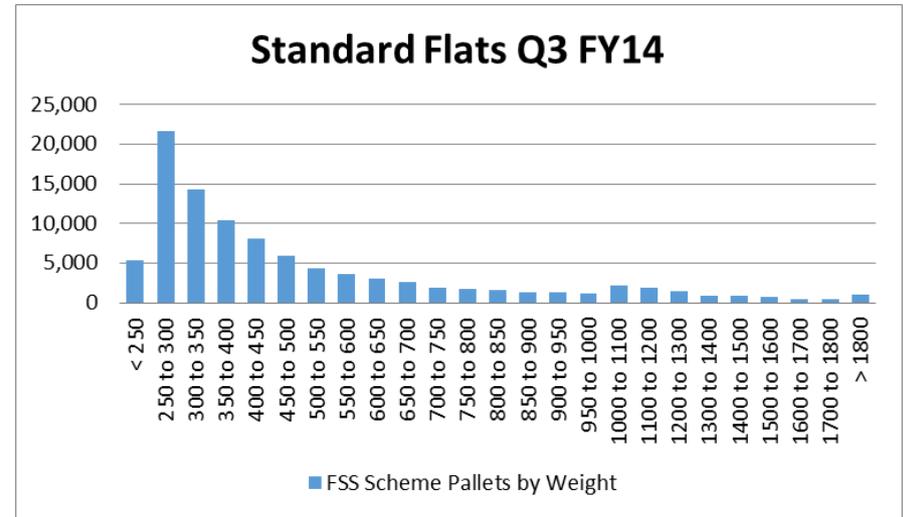
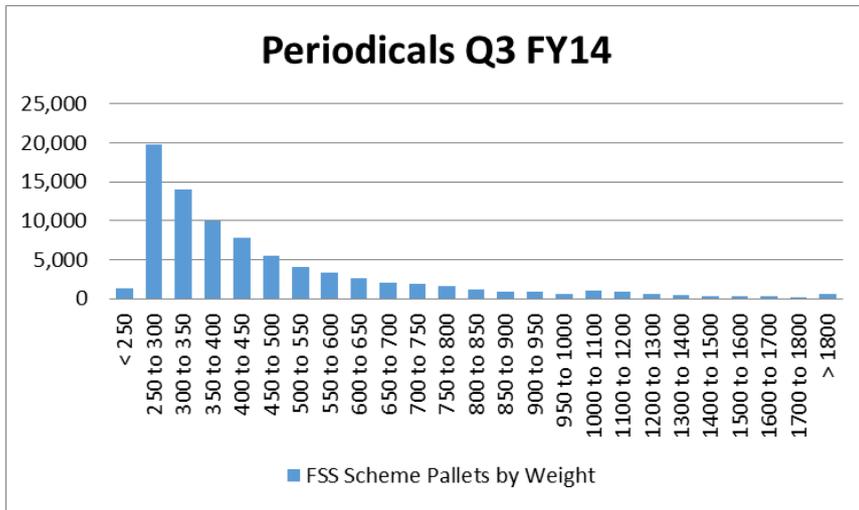
Benefits of FSS Scheme Pallets:

- Later CET for Mailers
- Bypass bundle distribution
- Flows directly to prep operation (FSS SAMP)
- Improved cycle time
- Reduced potential for bundle breakage
- **Higher Service Performance:**
 - FSS scheme pallets entered at the DFSS versus FSS scheme bundles on SCF pallets at DSCF entry
 - Standard Mail improves **0.50%**
 - Periodicals improve **7.69%**

FY2014 Q3 Data:

- In Q3 2014 – **69%** of FSS scheme pallets entered weighed less than 500 pounds (PER 71%, STD 67%)
- Overall increase in pallets entered for Periodicals and Standard Mail has increased **2.2%** over SPLY (in all zones, not just FSS)
- The percentage of **Periodicals** FSS scheme pallets entered at the DFSS has increased each month with June at **77%**
- The percentage of **Standard Flats** FSS scheme pallets entered at the DFSS has increased to **71%**
- Adjusting the requirement from 250 pounds to 500 would shift **1.3M** bundles back to the APPS/APBS monthly

Q3 FY14 Data:



Short Term Solution:

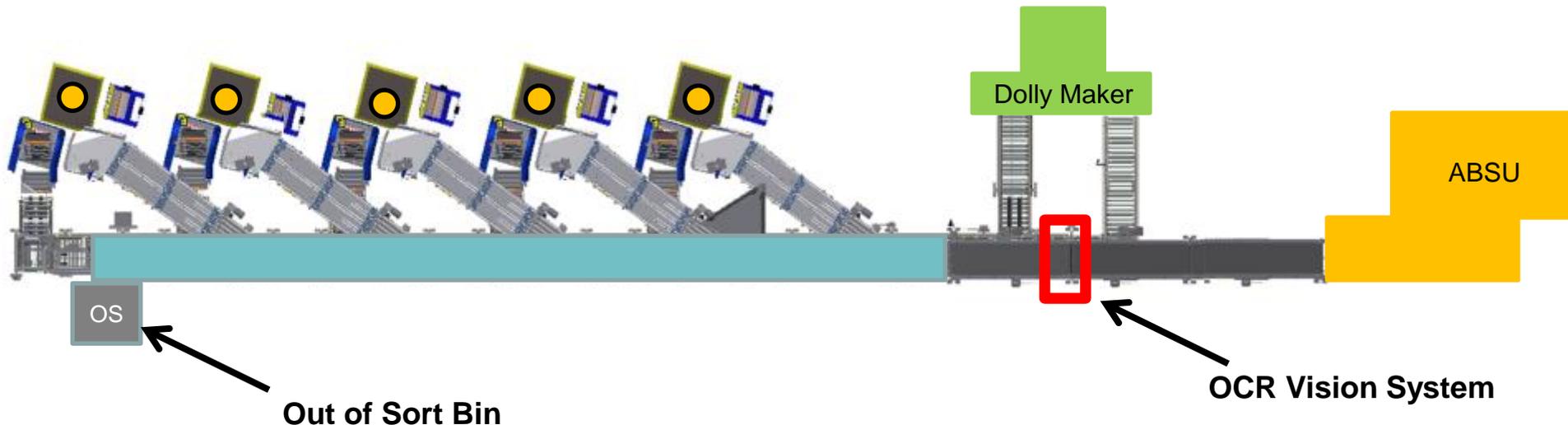
- Mailings over 1M pounds present greatest challenges for preparing FSS Scheme pallets
- Industry may request exception from 250 pound pallet requirement for these mailings
- Send request to Chuck Tricamo, Cathy Moon and Dave Williams
- Request must include breakdown of FSS scheme pallet count by weight. Include alternative counts if adjusted to 300, 350 and 400 pounds
- Flats not on FSS scheme pallets cannot be entered at DFSS site
- Mail owner needs to agree to loss of discounts & service improvements associated with DFSS entry

Longer-term solution: “Sort to Prep” SAMP Sorter

- SAMP modification
 - Permit 4-5 FSS schemes to be combined onto one SAMP pallet
 - If viable, could eliminate 250 pound requirement
 - Timeline
 - Concept testing fall 2014
 - If payment systems require programming changes to accommodate this scheme mix, earliest implementation would be January 2016

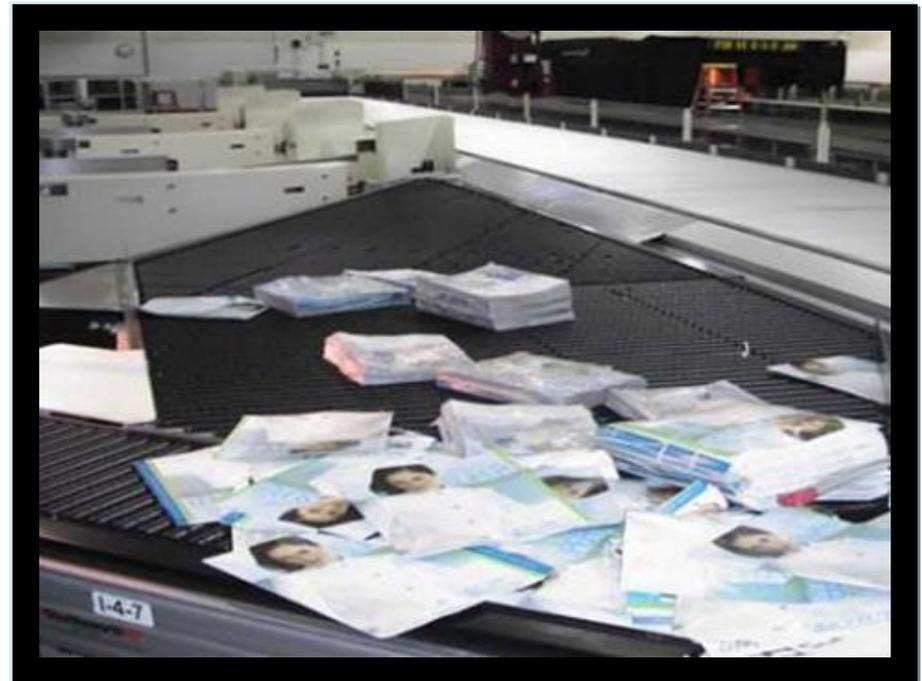
“Sort to Prep” SAMP Sorter

- Add OCR vision system
 - Provided a demo of prototype system in Linthicum
 - Needed for Out-of-Sort-Plan task
 - Sort bundles to prep stations
 - Add Out of Sort “bin”



Bundle Breakage

- **#1 cause of machine stoppage** on the APPS/APBS is due to single pieces loose in the machine
- The impact of reducing bundle breakage will be felt in downstream operations at the P&DC and DUs as more mail is kept in the automation stream



Lost Productivity – Manual Handlings – Rework

- Exploring IMb scan data as method for identification of bundle breakage
 - Isolating data from Full-Service IMb mailings where IMb scans occurred on the APPS/APBS on flats *nested within* bundles (per the submitted eDoc). This either indicates bundle breakage on the APPS/APBS or eDoc nesting errors. Reported bundles have two or more piece scans on APPS.

Nested IMb scans on the APPS/APBS

Three Snapshots 2014	# Bundles Scanned on APPS	# Bundles With 2 or more Piece Scans	% of Overall Bundles Breakage/ Nesting Errors	% PER with Breakage or Nesting Errors	% STD with Breakage or Nesting Errors	Range of Errors (>5K bundles scanned)
*Jan 1-16	21M	4.4M	21.17%	20.11%	21.90%	9% to 82%
May 20 - June 20	37M	3.1M	8.50%	3.72%	11.35%	0.23% to 75%
July	35M	2.9M	8.36%	3.37%	10.75%	0.24% to 80%

*January data prior to SEM installation on APPS and prior to FSS prep requirements

Variation is the enemy of quality

- Effects of bundle breakage
 - Service performance for bundles with nested scans is **-1.9%** lower for Standard flats and **-9.7%** lower for Periodicals (June 14 – June 27, 2014)
 - Expense to manually gather, face, containerize, transport and sort loose flats is attributed to the **piece** costs of flats (not bundle costs)

Preliminary estimates in excess of \$9M monthly

- Further analysis of the data is necessary to review factors which may impact the data or compromise the integrity of bundles:
 - Nesting errors
 - Container type (sacked bundles)
 - Machine type (APPS vs. APBS)
 - Bundle height/ weight/ piece count
 - Co-mail of multi-sized pieces
 - Combination of # of straps & polywrap (thickness of polywrap matters)
 - Transit distance / # of handoffs
 - Other???

FAST Appointments

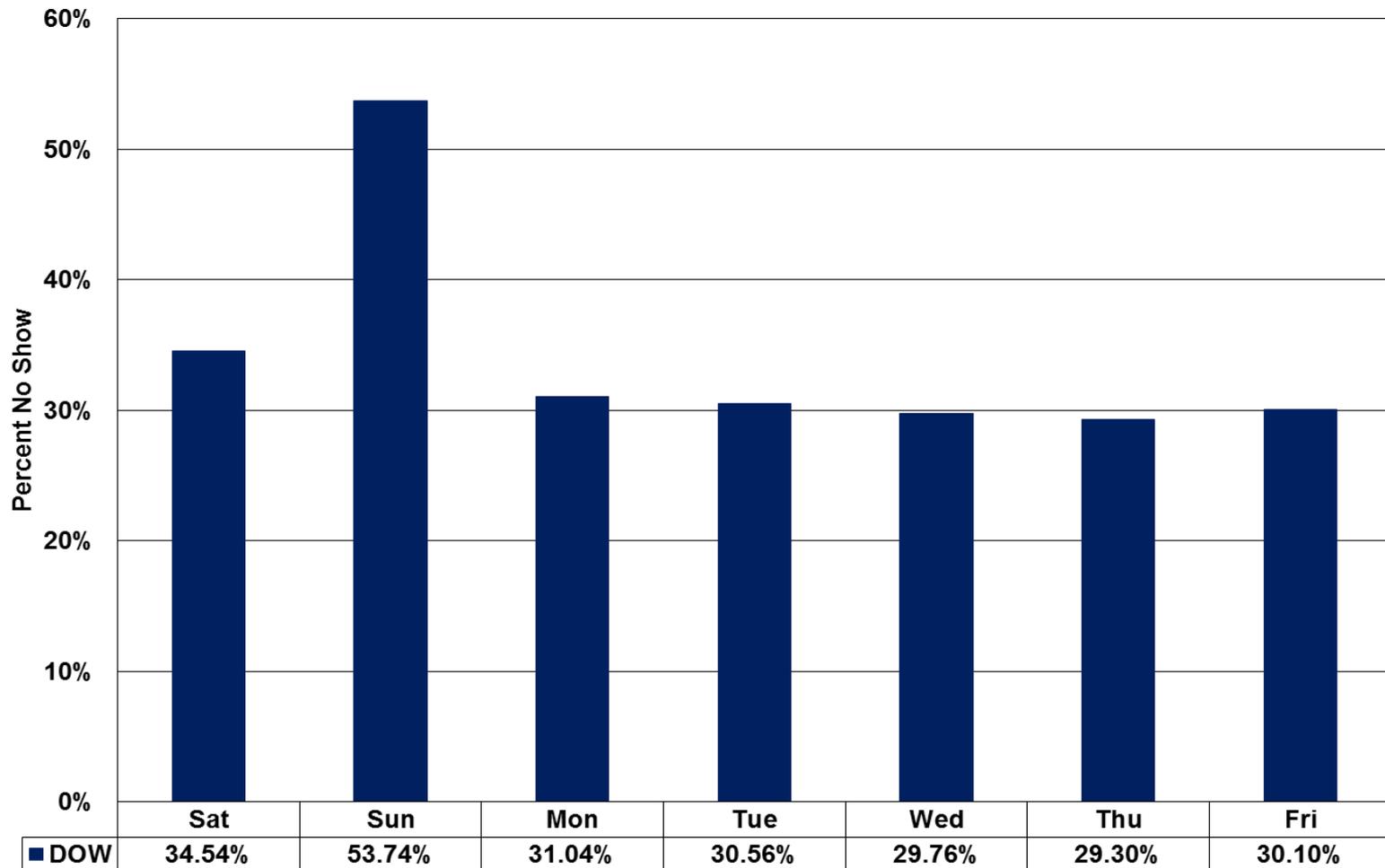
June 1 through August 17, 2014:

- Total National No-Show – 31.66% (95,845)
 - Equates to 1,229 daily no-shows
- Total National Late Arrival – 26.63% (80,592)
 - Equates to 1,033 daily late arrivals.

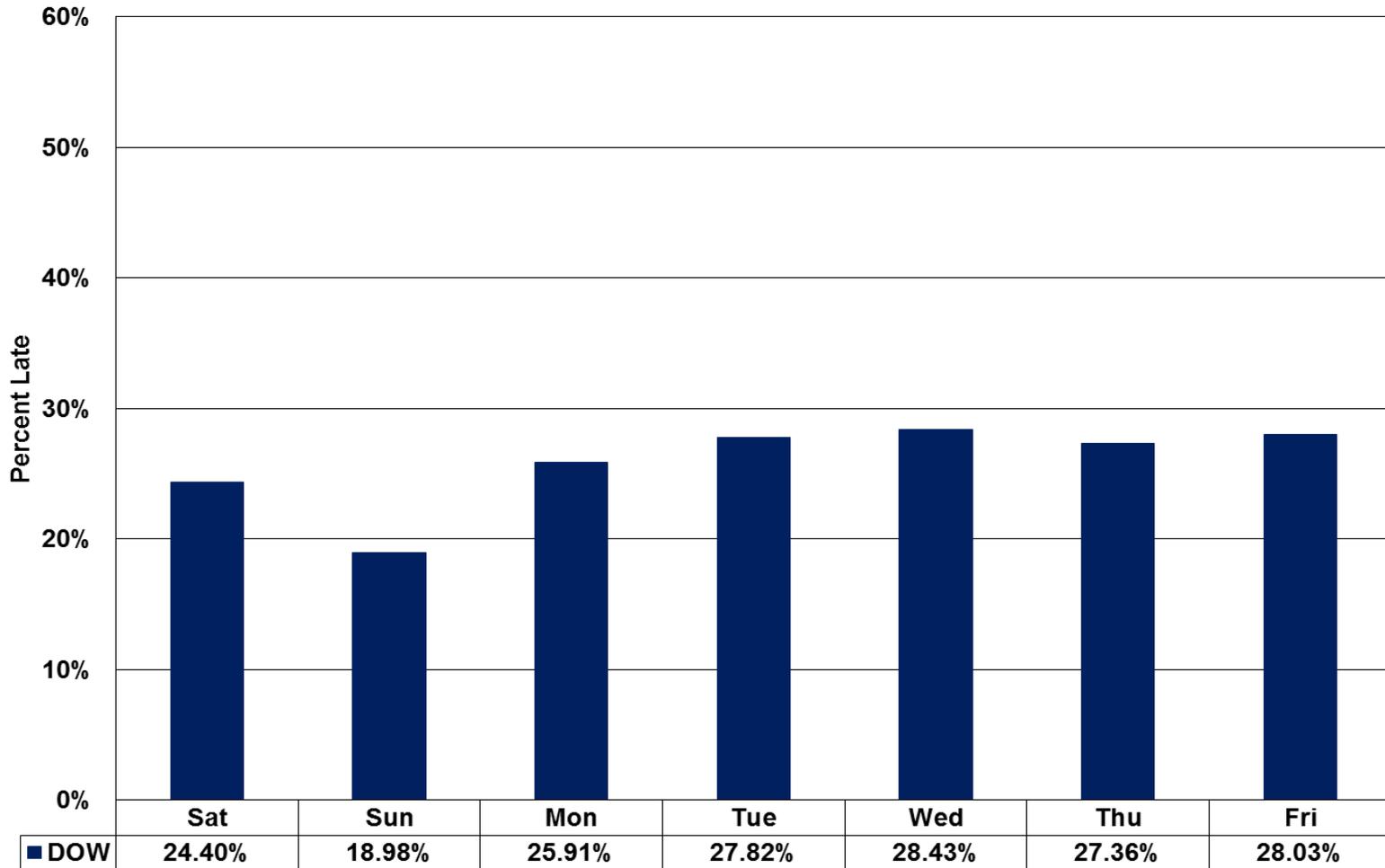
Facility Type	Total Sched. Appts.	No-Show		Late Arrival	
		Count	%	Count	%
Annex	27,887	8,767	31.44%	7,250	26.00%
Plant	228,879	71,756	31.35%	62,004	27.09%
NDC	45,919	15,322	33.37%	11,338	24.69%
Total	302,685	95,845	31.66%	80,592	26.63%

Source: FAST Appointment Summary Report

**FAST No Show Appointments by DOW
for 08/01/01-08/14/14**



**FAST Late Appointments by DOW
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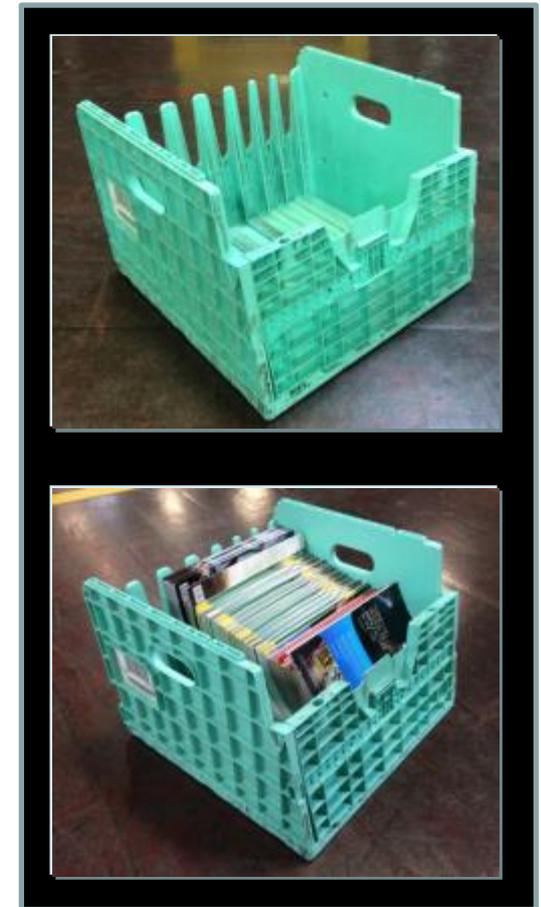
FSS SAMP LSS Project

Problem:

- With the January 2014 changes in mailer preparation requirements, additional flats are expected to flow to the FSS operation, while bundles will be larger.
- SAMP (Stand Alone Mail Prep) productivities must be improved to ensure all available flats can be prepped within the given operating window.

Goal:

- Improve the SAMP productivity of ACTs per hour



Status

- Team validated issues with productivity
 - Multiple site visits with observations and data collection
 - Data Analysis of SAMP performance reports (End Of Prep)
 - Addressed local maintenance opportunities

- Team identified issues with the Automated Bundle Separation Unit (ABSU) cycle time in terms of bundle volume flow
 - Software change on SAMP (ABSU)
 - Adjust light sensors (more mail at workstation)

- Team developed ideas / concepts for improvement in the SAMP operations.
 - Ensure that methods guide are being followed
 - Local management and communication process
 - Share “Best Practices” with all sites

Pilot Program:

- Implemented operational improvements with ABSU operations.
- Addressed maintenance opportunities.
- Tested SAMP Operations with:
 - Productivity with 4 prep operators
 - Productivity with 3 prep operators
- Identified ideal number of operators to maximize the productivity with current mail volume for the SAMP operations
- Developing tools for local management for “Just In-Time” prepping to the number of FSS operators for National Roll Out

Open Discussion



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Standard Track

August 20, 2014

- Standard Track
 - Action Items from Last Meeting
 - 250 pound requirement for FSS scheme pallets
 - Bundle Breakage
 - FAST Appointments
 - Open Discussion

- Action Items from Last Meeting
 - Follow-up on penalty for utilization of wrong labeling list and MDF
 - Start monthly Label List update on September 1, 2014 (August 1 is the date to publish data; July will be a regular quarterly update):
 - Send out Industry Alert and host Webinar to update the mailing industry
 - Establish new MTAC User Group to explore options for Labeling List and mail directional files (L606 mismatch still not resolved)
 - Send to mailers Megan Brennan's slide regarding DSCF Standard Mail Load Leveling update

FSS 250 Pound Pallet Requirement

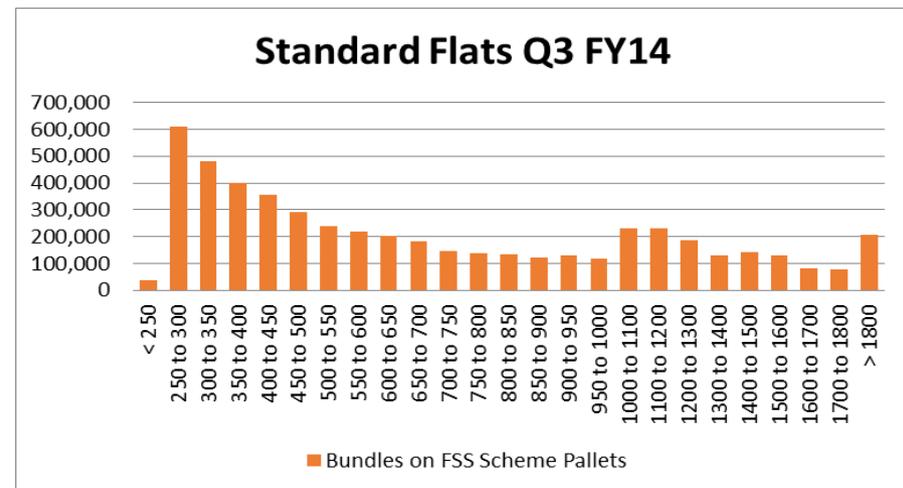
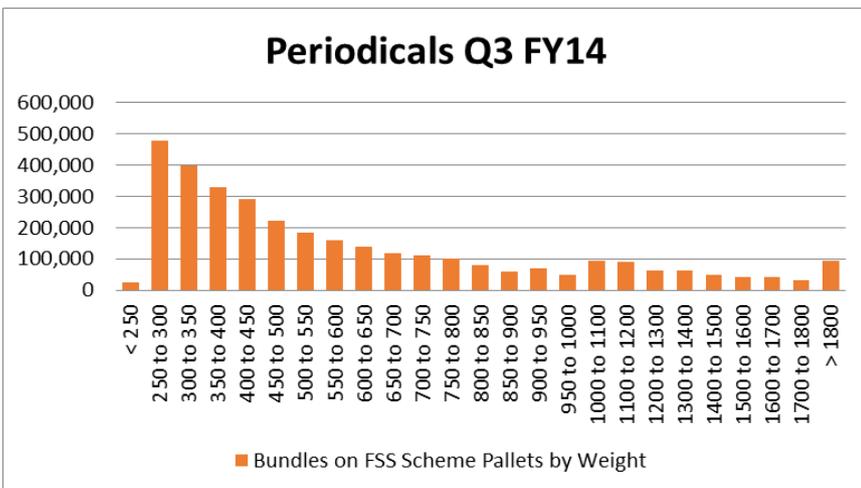
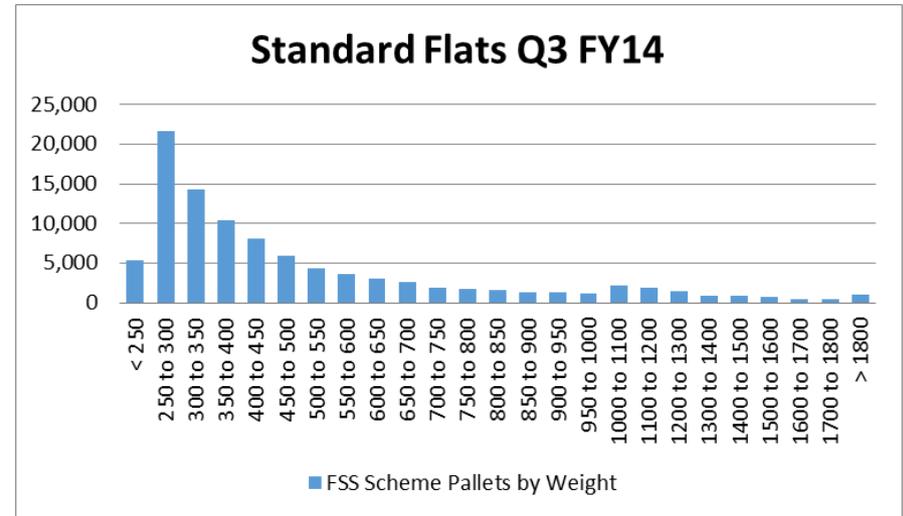
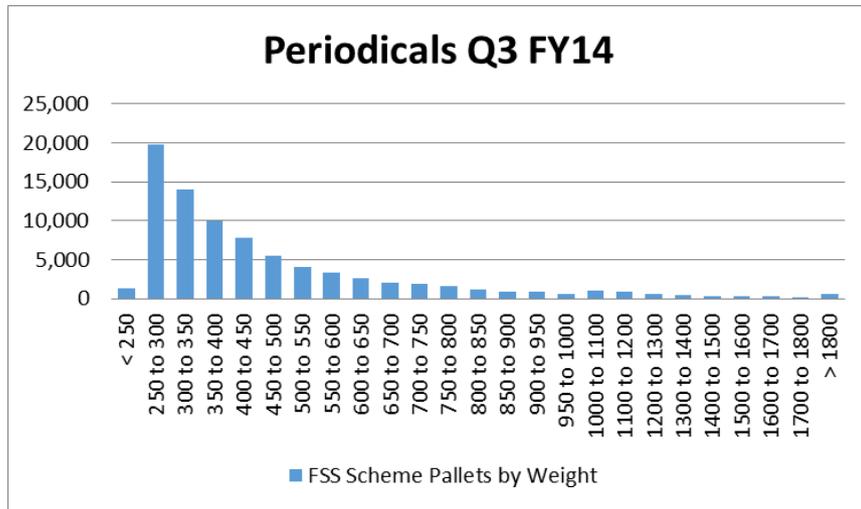
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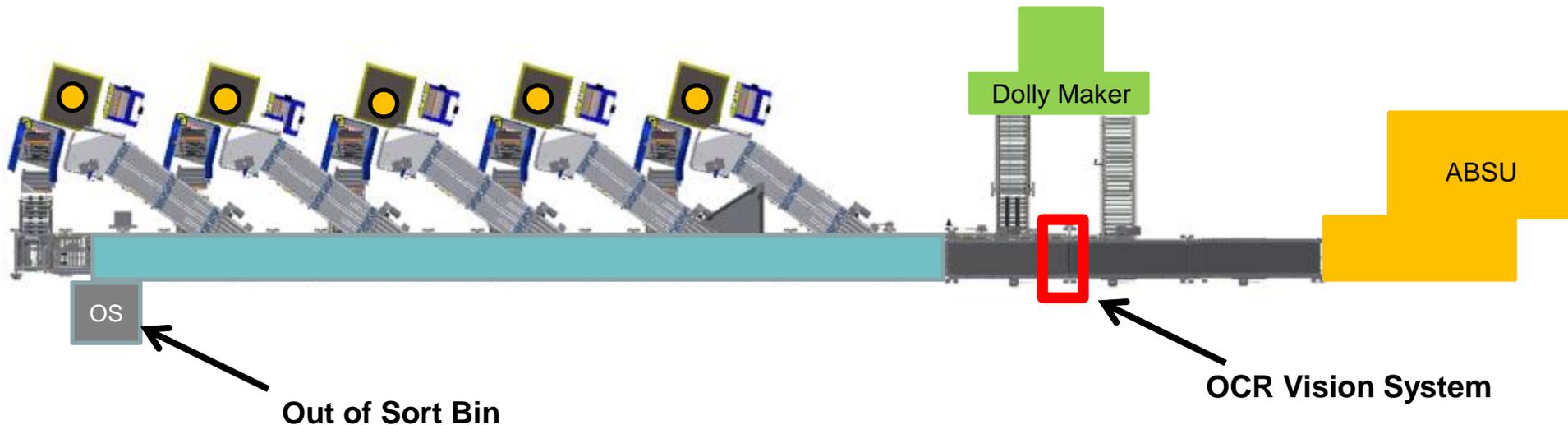
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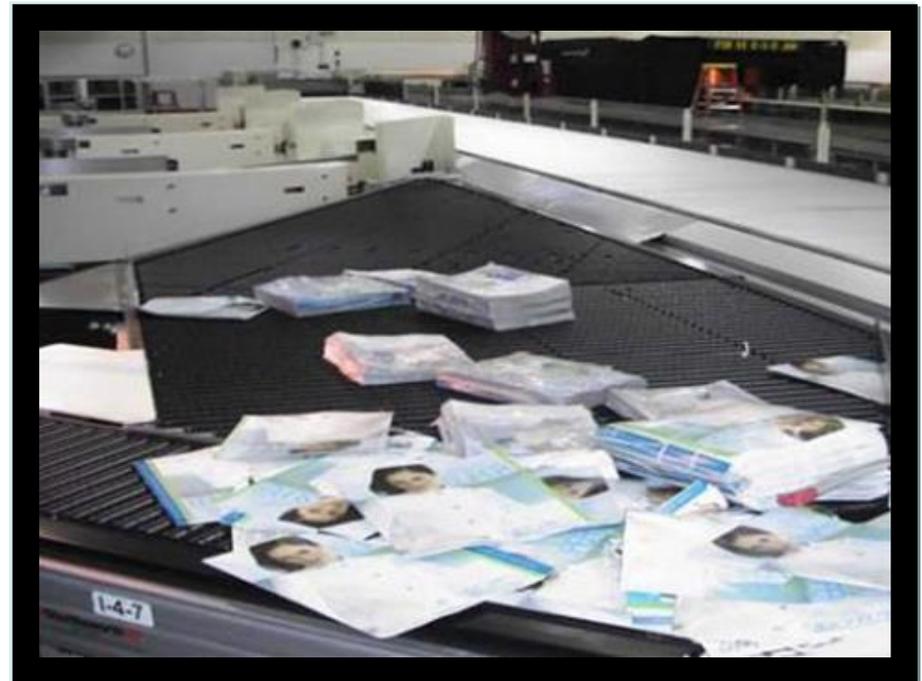
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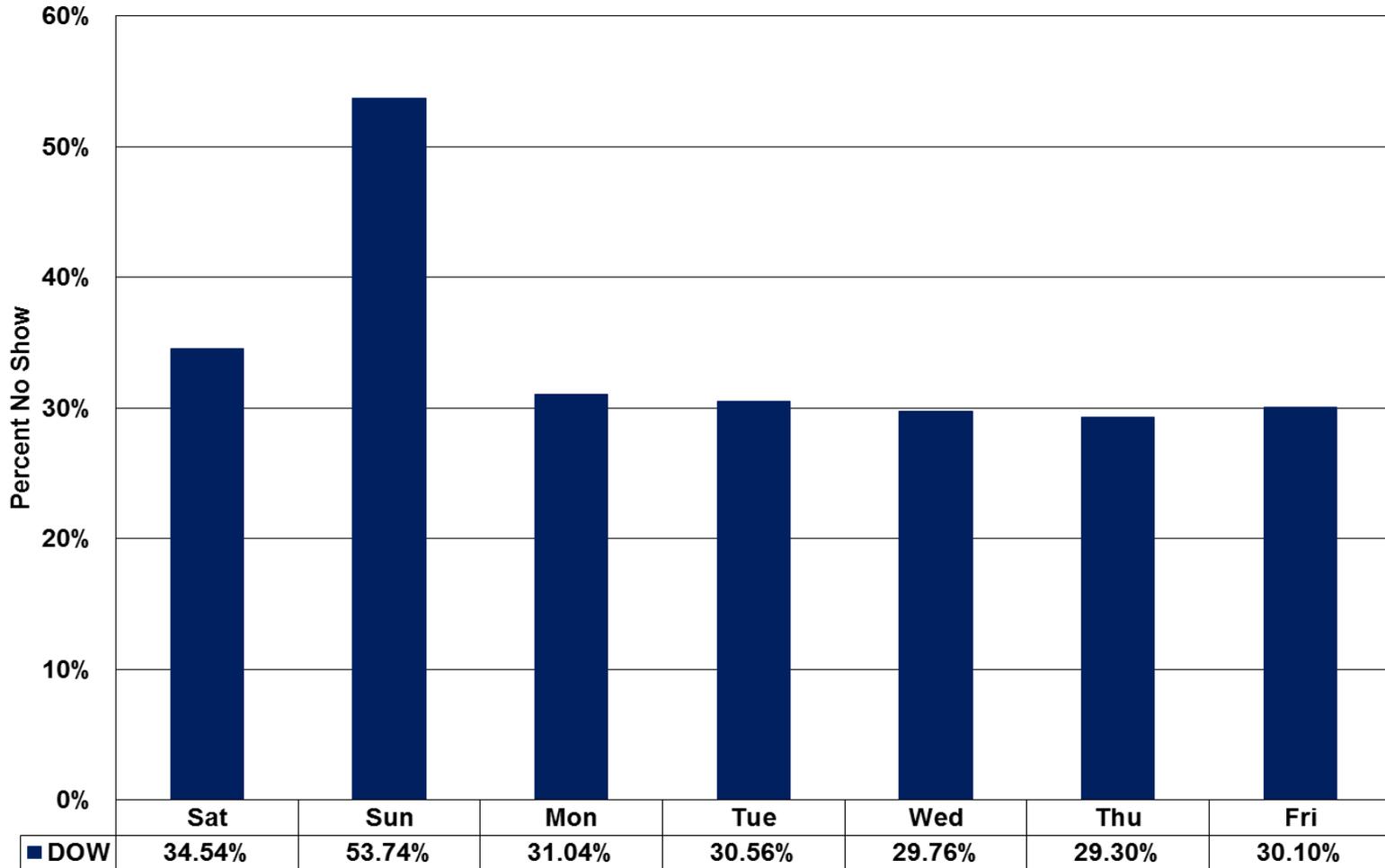
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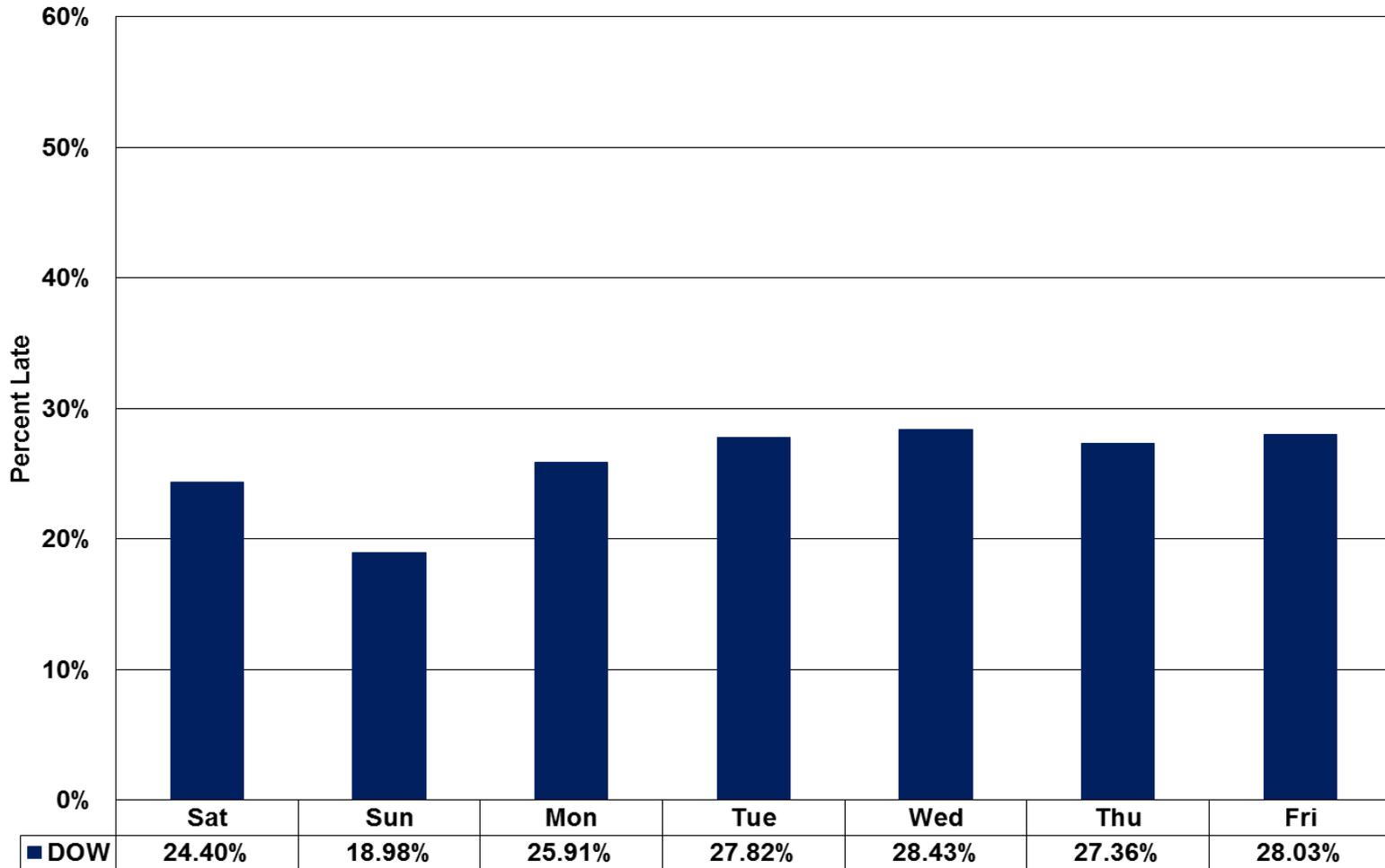
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Open Discussion



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Packages Track

August 20, 2014

- Packages Track
 - Action Items from Last Meeting
 - FAST Appointments
 - Open Discussion

- Action Items from Last Meeting
 - Present out no-shows for FAST appoints by types, etc.
 - Expansion of number of appointments
 - Determine if Parcel Select is to be excluded from HUBs.
 - Clarify SOP for SCF Parcel Select drop shipment (5-digit versus 3-digit).

FAST Appointments

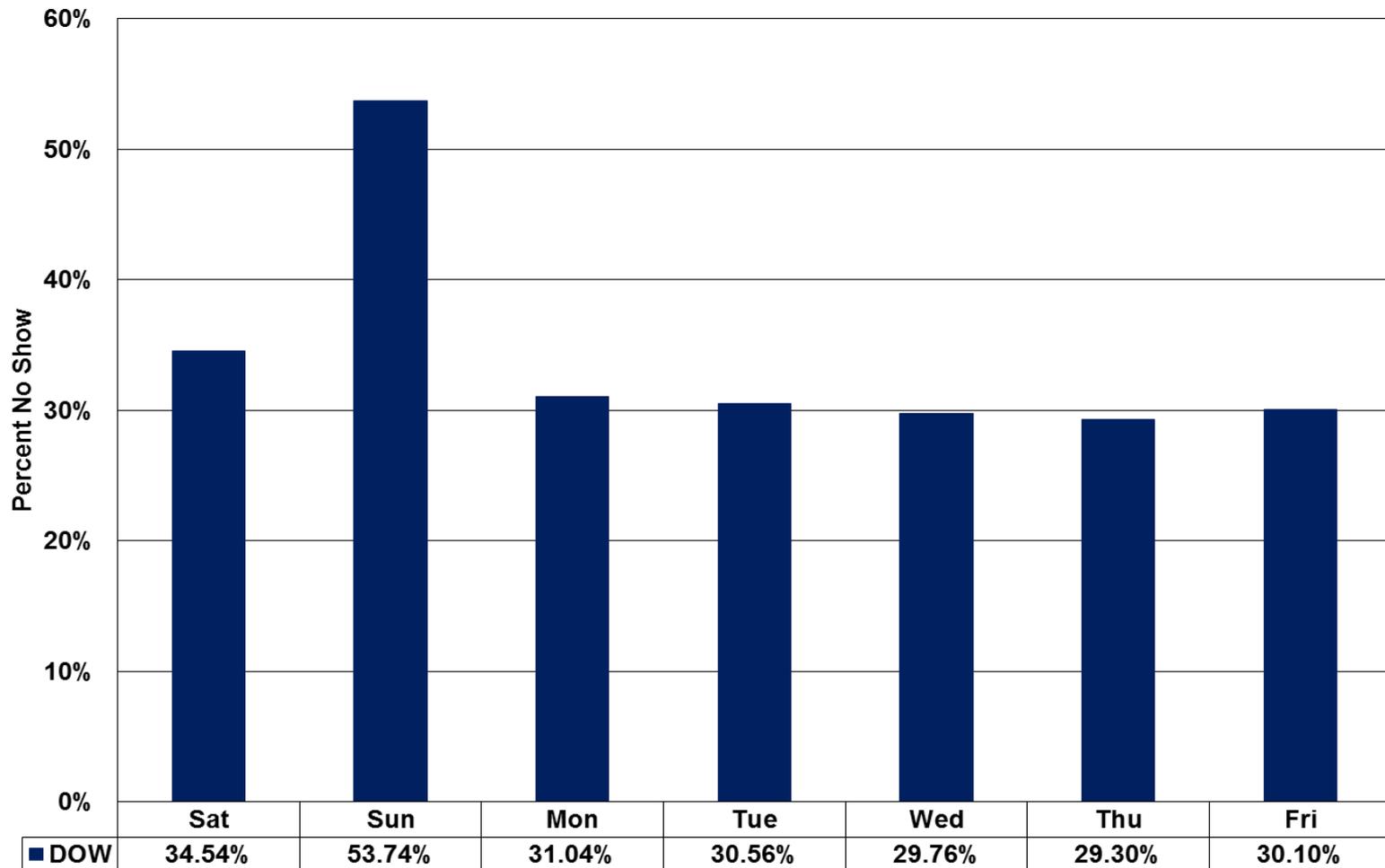
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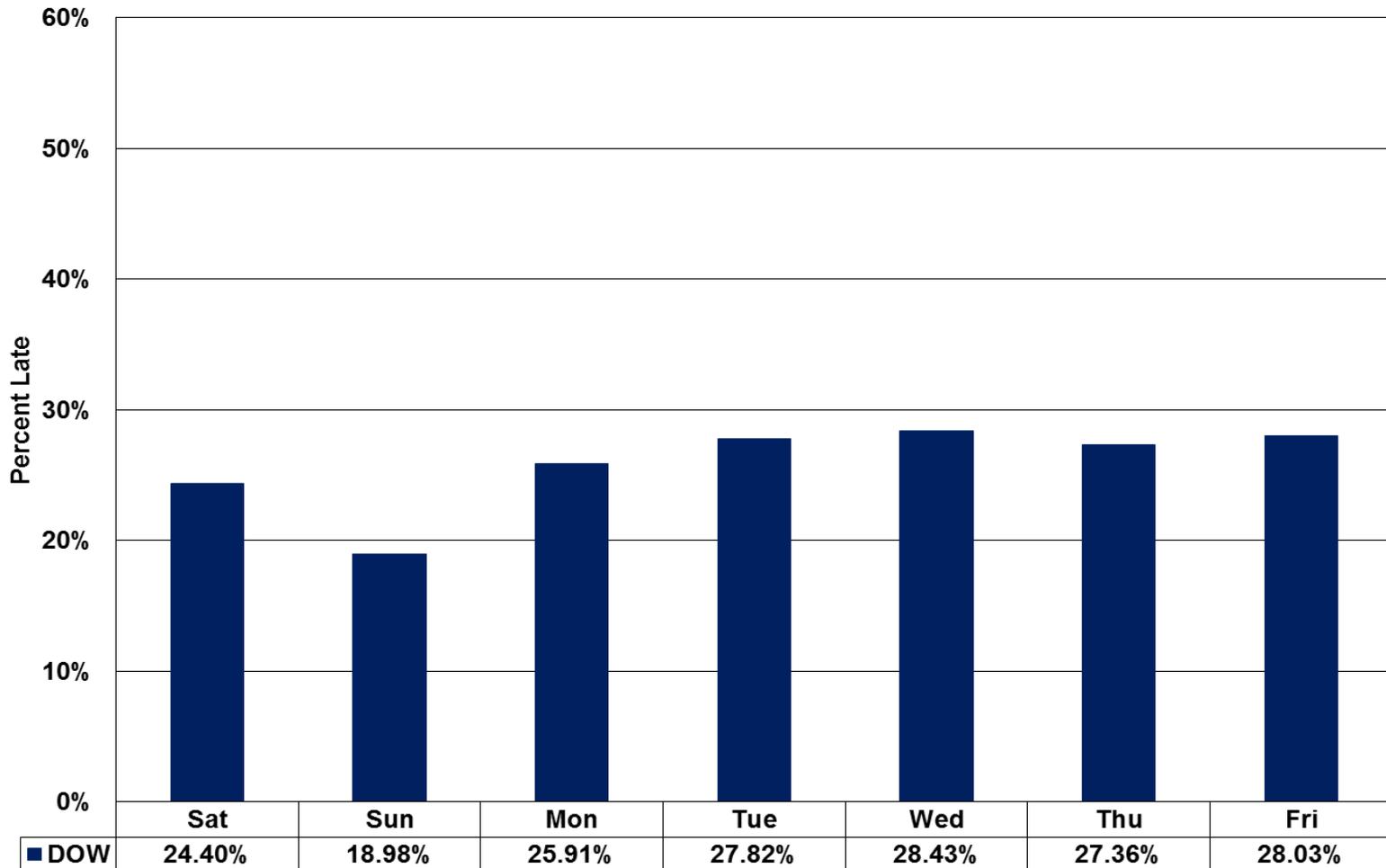
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Open Discussion



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First-Class Track

August 20, 2014

- **First-Class Track**
 - Action Items from Last Meeting
 - Flats 5D & 3D schemes for FCM
 - Open Discussion

- Action Items from Last Meeting
 - Follow-up on First-Class Mail palletization rules
 - Schedule site visit to explore label holder issues for trays
 - Coordinate AT&T Black Belt work with Postal Service (Reference: DMM palletization)
 - Provide list of Secure Destruction sites (current & planned)

Open Discussion