



**UNITED STATES**  
**POSTAL SERVICE**

# MTAC

## Mail Prep & Entry Focus Group

May 21, 2014



**UNITED STATES**  
**POSTAL SERVICE**

# **MTAC**

## **Mail Prep & Entry Focus Group**

### **Standard Track**

**May 21, 2014**

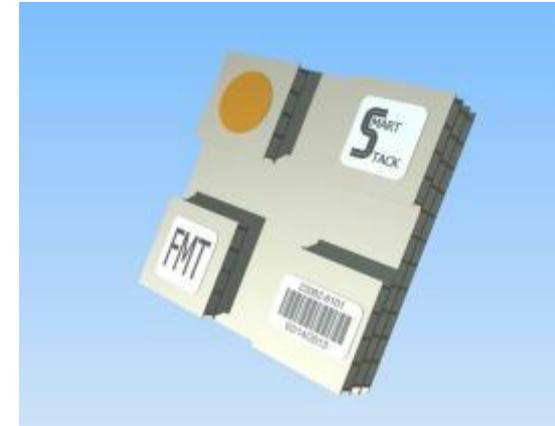
- Standard Track
  - Action Items from Last Meeting
  - Engineering Technology Update
  - Workgroup Updates
  - MTEOR Updates
  - Mail Prep & Entry Steering Committee Update
  - Flats Strategy & FSS Prep
  - Network Rationalization Phase II Status
  - Open Discussion

- Action Items from Last Meeting
  - CIN codes (FAST & MDF) – FSS Facility and FSS Scheme Pallets
  - Load Leveling – Explore options for obtaining better visibility data: Robert Cintron’s group will cover
  - Obtain list of sites for load leveling
  - FAST for FSS: Need ability to drop FSS scheme/Facilities sacks at FSS sites

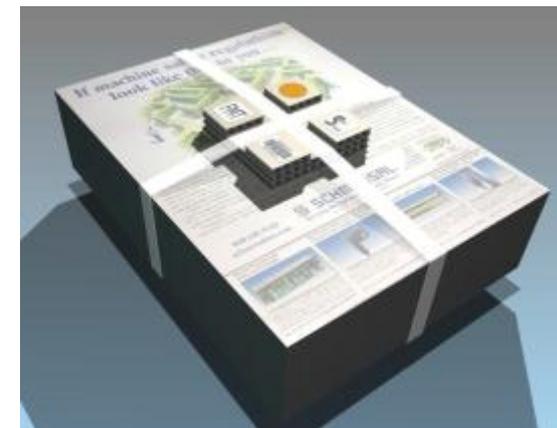
# Engineering Technology Update

- **Development Effort**

- Two RFI's released (Fed Biz Ops)
  - Smart Stack Bundle Making System
  - Smart Stack Loading and Unloading System
- Smart Stack Bundle Making System
  - Received two responses
- Smart Stack Loading and Unloading System
  - Received ten responses
- Evaluation completed
- Additional RFI's planned for Pallet Unloading and Flats Bundle Sorter



Smart Tag



Smart Stack Bundle with Strapping and Smart Tag

- APPS Singulation Enhancement Module (SEM)
  - **Current status**
    - 130 kits deployed in approximately 8 weeks (Deployment completed in March 2014)
    - Installation completed early May 2014
  - **Next steps**
    - Developing data collection on bundle breakage
- Bundle Dumping Process Improvement – New Tool

- **Current Tool**



- **New Tool**

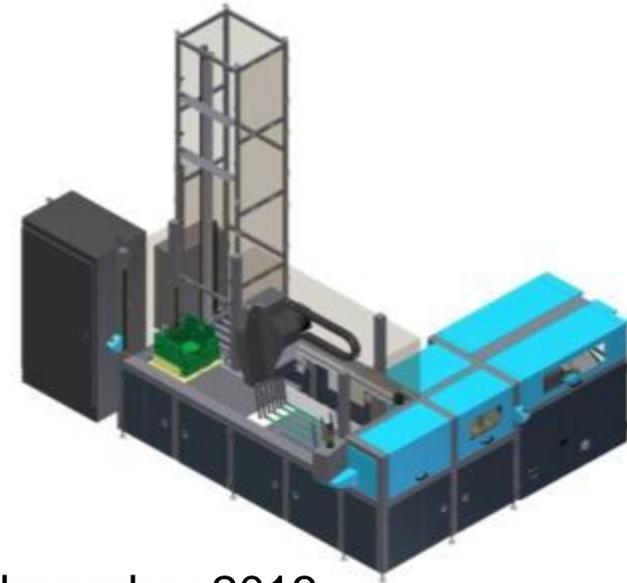


- Pictures from Dulles P&DC



## HSFF FY14 Plan Forward

- Continue processing mail at the Dulles P&DC
  - Reduced on-site Engineering Support to one Tour
  - Provided HSFF maintenance training
- Production Support
  - Assembled two additional HSFF's
    - Includes design updates
    - Completed TDP Parts Drawing Comparison – November 2013
    - Installation activities at Linthicum IMF – January 2014
      - Supporting Installation Manual
    - Testset Development
      - Supports Production Quality Control
  - Expect to install two additional HSFF's in “live” environment
    - Site - TBD
    - Summer 2014



- **New Separation Belts & Additional Mod planned for July 2014**
  - New Belts are ready for deployment.
  - New welder tool is ready for deployment
  - Additional major mod in the same area is being merged with deployment plan
    - This mod would require another set of 4 belts
  
- **Mail Stack Quality at Feeders Deployed**
  - Adding 3 HW mods at feeder to better control stack quality and have gentler pick off of Low “Run Stiffness” Mail
  - Production First Articles have been delayed and now have been received and approved.
  - Deployed and installed on all machines
  
- **Infeed Line Injector planned for May/June 2014**
  - Adding 2 HW mods at Infeed Line for better injection into Carousel of Low “Run Stiffness” Mail to minimize flipped mail
  - Deployment with specialized field teams – 20 machines to date; completion by mid-June

- **Updated Procedure for Carousel Track Alignment planned for June 2014 – 85% complete**
  - Updated Procedure will reduce major carousel maintenance downtime
  
- **Carousel Improvement Modifications planned June to Aug 2014**
  - Completed field testing at several sites
  - MTSC evaluating installation procedures
  - 4 machines currently installed with Mods
  - Modifications will reduce AFSM100 downtime and spares consumption
  
- **In-feed Injector Improvement planned for Aug 2014**
  - Developing improvement to the injector to reduce carousel and in-feed jams
  - Developing tools for easier and better maintenance of the injector
  - Field test planned June of 2014.

- **Critical Design Review**
  - 10/28/2013-11/1/2013
  
- **FPARS First Article Test**
  - 1/5/2015-2/2/2015
  
- **Deployment Schedule**
  - 2/19/2015 - 4/28/2015
  
- **18 FPARS Sites**
  
- **22 AFSM100's will be modified for PARS processing**

- **Printing on Polywrap translucent “white space” leads to “No Read”**
  - Polywrap may not remain “flat” as mailpiece is processed
  - Background printing may cause interferences with address and barcode



- **USPS Team of Engineers met with Donnelly Team at Lancaster PA (and over Teleconference) – 5/15 to 5/16**
  - Visited the East and West Facilities on Production of Bundles on Pallet
  - Open Dialogue on the challenges of the 250lb FSS Scheme Pallet
  - Generated several ideas and actions items
  - Planned for additional meetings and visits in the near future

# Workgroup Updates

- WG 159 – HUBs
- Labeling Lists & MDF
- UG 7 – MTEOR & Update

# WG 159 – HUBs

- Service Hubs
  - Timeframe
    - Pilot – July 2014
    - Phase I Implementation – August 2014
  - Cross-dock Containers only
    - 5-Digit ZIP, 5-Digit CRRT pallets, bundles, sacks or containers of
      - Standard
      - Periodical
      - Bound Printed Matter
      - Parcels (excluding Parcel Select)

- Service Hubs (cont.)
  - Will qualify for DSCF rate
  - CET will be 1600 for all Hubs
  - Hours of Operation will vary by facility
    - Hours published in Hub list and posted on FAST and RIBBS
    - Hours also available in mail direction file
  - FAST appointments will be required
  - FAST will be ready to accept appointments for July 2014

# Labeling Lists & MDF

- **New Structured Release Cycle**
  - Monthly Update of ALL USPS Product Files
  - **NEW:** 45-Day Notification Period
  - **Continue:** 30-Day Transition Window

	AIS Files, Publish City State Files*** (date available on EPF)	Publish Date of Labeling List, Zone Matrix and Drop Ship Product, Files**	City/State, Label List, Delivery Stats, Drop Ship Product, and Zone Matrix Begin Usage Date	City/State, Delivery Stats, Label List, Drop Ship Product, and Zone Matrix Mandatory Usage Date	City/State, Delivery Stats, Label List, Drop Ship Product, and Zone Matrix Expiration****	Accept 8125 of Old Address	Release Cycle Types*
1	11/11/13	12/15/13	1/1/14	2/1/14	4/30/14	5/30/14	ALL
2	12/16/13	1/15/2014**	1/26/14				FSS Labeling List/Drop Ship
3	2/10/14	3/15/14	4/1/04	5/1/14	7/31/14	8/30/14	ALL
4	5/12/14	6/1/14	7/1/14	8/1/14	8/31/14	9/30/14	Major
5	6/16/14	7/1/14	8/1/14	9/1/14	9/30/14	10/30/14	Minor
6	7/14/14	8/1/14	9/1/14	10/1/14	10/31/14	11/30/14	Minor
7	8/11/14	9/1/14	10/1/14	11/1/14	11/30/14	12/30/14	Major
8	9/15/14	10/1/14	11/1/14	12/1/14	12/31/14	1/30/15	Minor
9	10/13/14	11/1/14	12/1/14	1/1/15	1/31/15	3/2/15	Minor

- Planning (Mailing Industry)
  - Provide mailing industry 60 days end to end planning
- Major versus Minor Releases
  - Align release types to labeling lists
    - Major – Quarterly, 3-digit and 5-digit labeling lists
    - Minor- Outside of quarter, 5-digit labeling list changes **ONLY**
- Induction date versus verification date
  - Mailers will be expected to **induct** mail according to “begin usage date” (effective October 2014)

- New MTAC User Group for Labeling Lists and Mail Direction File
  - Create and discuss efficient communication, deployment and accuracy of USPS presort reference data
    - Label List Data
    - Mail Direction Files
    - Zone Charts
    - Delivery Statistics File
    - City/State File

- New MTAC User Group for Labeling Lists and Mail Direction File (Cont.)
  - Work through transition and implementation of monthly presort data updates
    - Industry deployment of data and software
    - USPS delivery of data, system and business requirements to ensure publication of accurate data
    - Additional documentation requirements
    - Communication of issues in the field and resolution with mailers
    - Industry education regarding usage, notification period and transition window

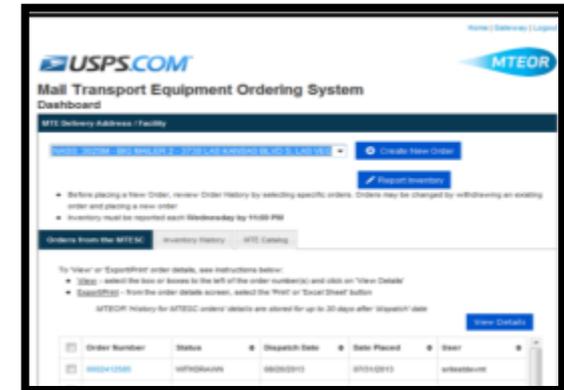
- Top down approach used to populate data in L007 labeling list
  - Updated labeling lists published June 1
    - Effective July 1
- L007 statistics

	<b>L007</b>	
	July 1	April 1
Scheme Entries	2,196	1,735
ZIPs Included	6,326	5,009

# MTAC User Group 007

## ■ MTEOR Enhancements

- Auto-registration
- Dashboard sorting and filters
- Replicate requests
- Order history expanded to 30 days



MTEOR Dashboard

## ■ MTEOR RIBBs Page Updates

- Informational Videos for Local Mailers
  - Registering for MTEOR
  - MTEOR Dashboard Overview
  - Placing a Request



MTEOR RIBBs Page

- Visit the MTAC User Group 007 Resource Center for all meeting materials and meeting minutes
  - <https://ribbs.usps.gov/mteor/mtac007.htm>
- Next Meeting: June 24, 2014
  - Contact the MTEOR Help Desk at [MTEOR@usps.gov](mailto:MTEOR@usps.gov) or 1-866-330-3404 to join the MTAC User Group 007



**Mail Transport Equipment Ordering System**

 Welcome to the MTAC User Group 007 Resource Center!

**Who are we?**  
This group brings together MTEOR users to identify and recommend opportunities for future enhancements to Phase 1 MTEOR-Mailer. As a part of this working group, members are responsible for:

- Gaining an understanding of any MTEOR program constraints and ease of use issues from the user perspective.
- Recommending future enhancement initiatives for the MTEOR program that will improve the user experience, including communications, ease of use, and reporting.
- Reviewing and building upon the recommendations from MTAC Work Group #153: "Mailer MTE Inventory Tracking and Reporting Process".

 Did not attend the meeting? Review the meeting minutes and presentations posted below!

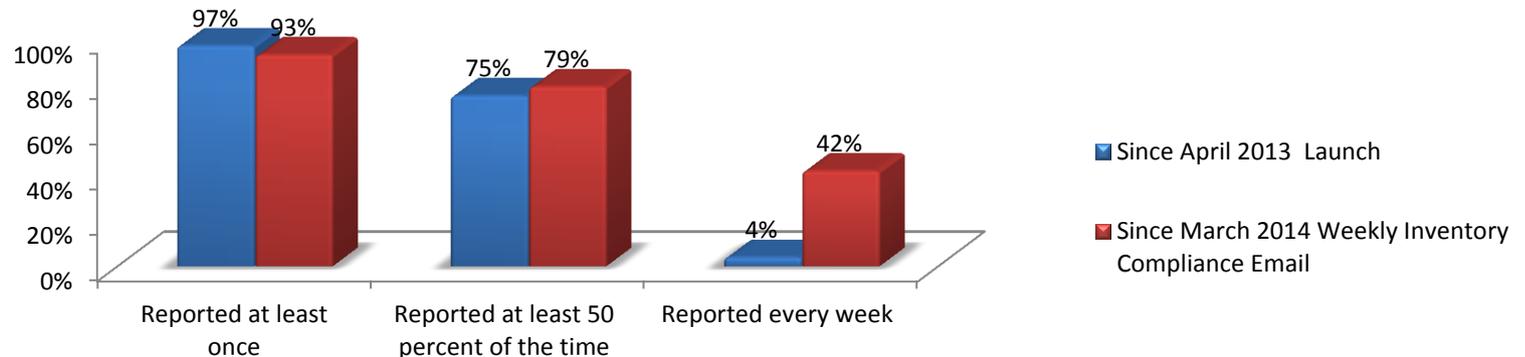
- April 29, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- March 25, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- February 18, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- January 28, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- December 03, 2013
  - [Presentation](#)
  - [Meeting Minutes](#)

# Mail Transport Equipment Online Ordering (MTEOR) Update

- **MTEOR for Local Mailers allows Mailers to request MTE from local plants online**
- **It is launching throughout 2014 in a phased approach**
  - Southern Pacific Area – February 3, 2014 (Complete!)
  - Northern Pacific Area – March 3, 2014 (Complete!)
  - Eastern Area – April 7, 2014 (Complete!)
  - Great Lakes Area – May 5, 2014 (Complete!)
  - Southern Area – June 2, 2014
  - Northeast Area – July 7, 2014
  - Capital Metro Area – August 4, 2014
  - Western Area – September 8, 2014

**So far over 1300 Mailers have placed over 6000 requests worth over \$1 billion through MTEOR!**

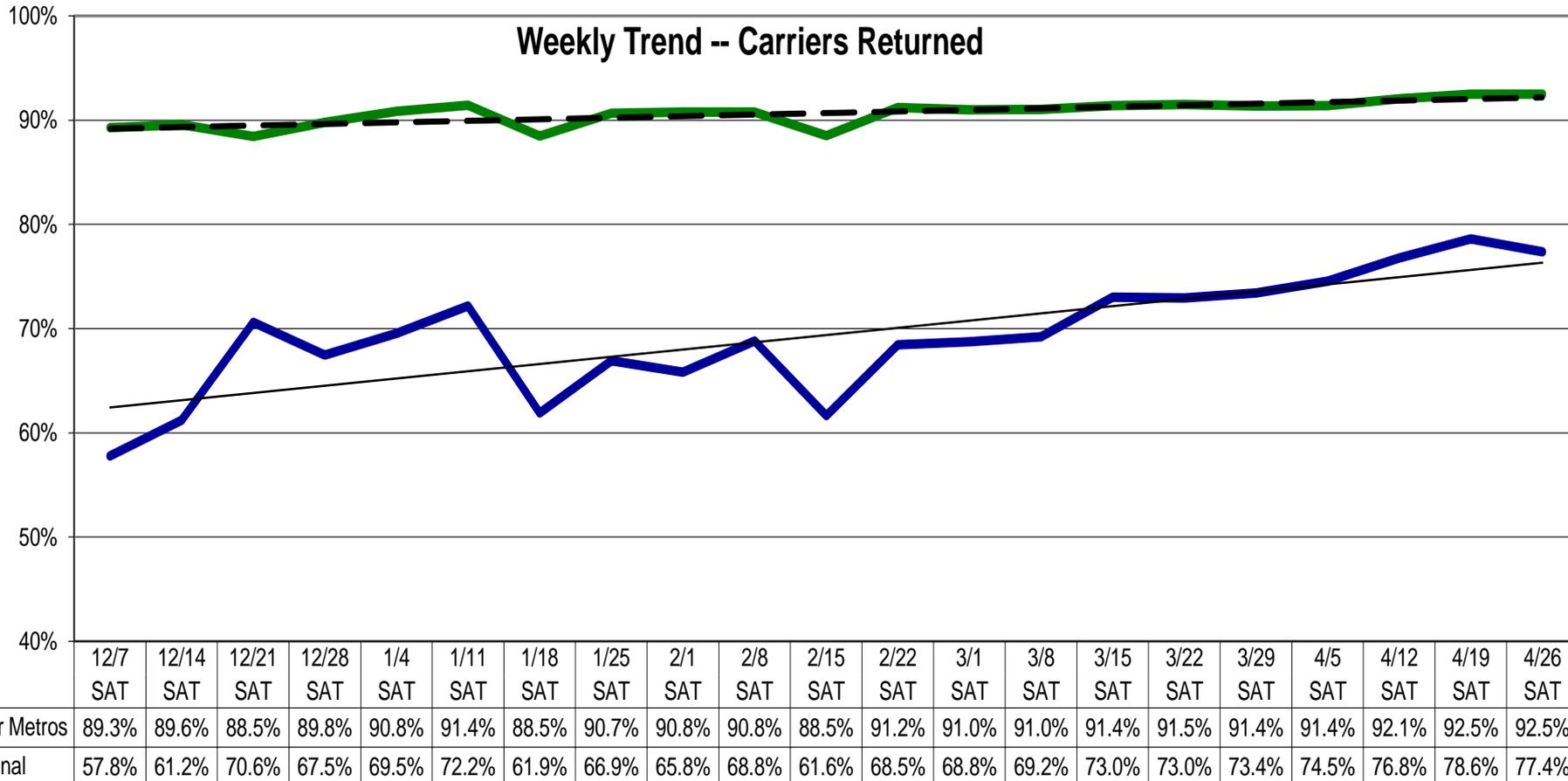
- **MTE inventory reporting launched April 2013 and provides the Postal Service visibility into where MTE is in the system**
  - It is required by ALL Mailers who request MTE from an MTE SC to be completed by Wednesday at 11:59 PM local time
- **To improve MTE inventory reporting compliance, MTEOR implemented the following enhancements:**
  - Reminder pop-up windows in MTEOR beginning every Tuesday until users complete the inventory report for that week
  - A reminder email to all MTE SC Mailers and an inventory compliance email to identified BSAs every Wednesday morning



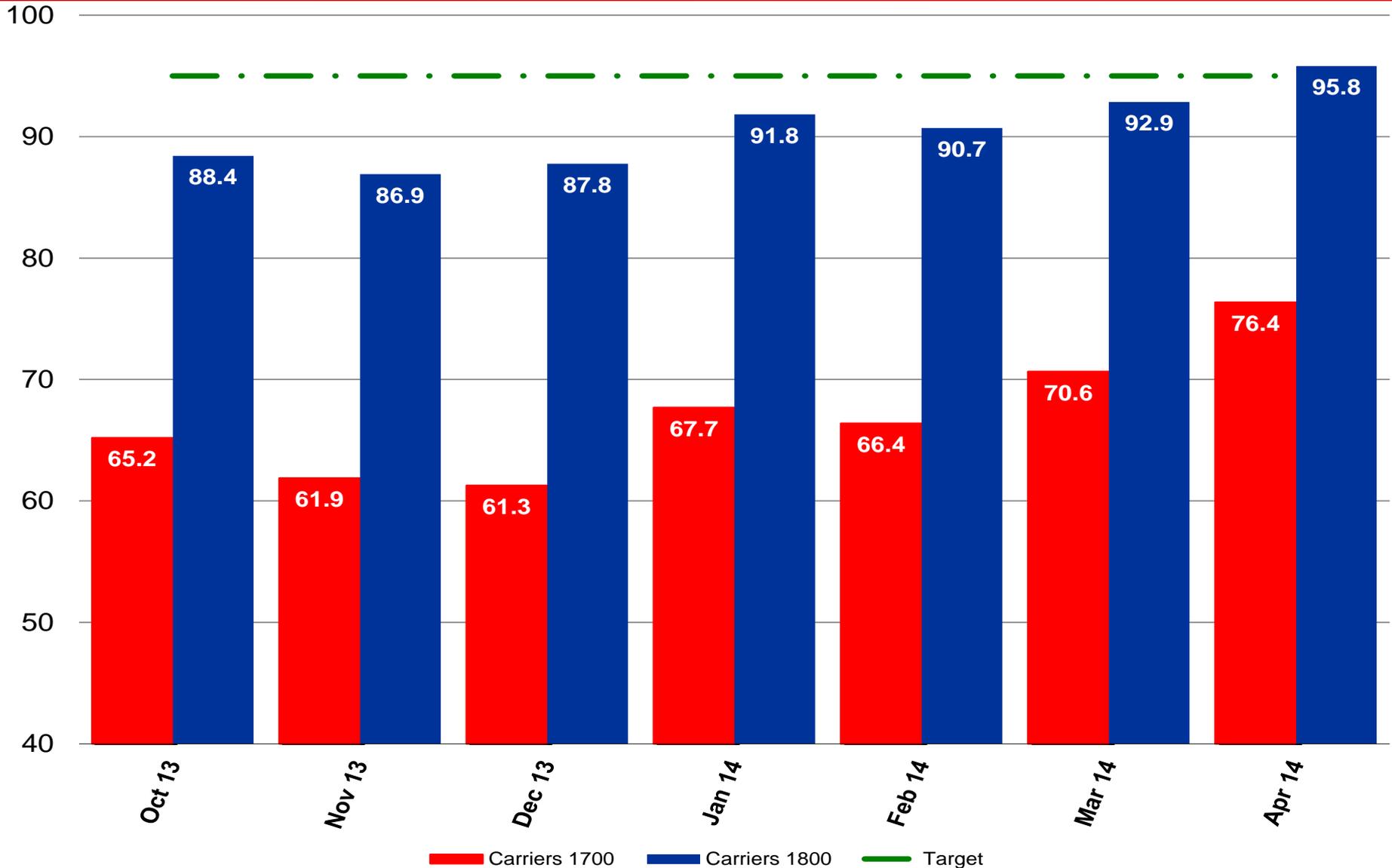
# Load Leveling Update



## Carriers Returned by 1700



# Carriers by 1700 & 1800



# Mail Prep & Entry Steering Committee Update

- 116 ideas submitted to date
  - 63 closed
    - Out of scope, withdrawn or re-assigned
    - 25 were closed because of a need for Change / Improvement template submitted or idea withdrawn.
  - 22 completed
    - Postal Bulletin articles and DMM revisions announced
  - 31 remaining in Benefit/Effort matrix

- High Priority
  - 9 Items
- Medium Priority
  - 16 Items
- Low Priority
  - 5 Items
- Pending Further Review (B&E Matrix)
  - 1 Item

High Priority	Status
Issue 10: FCM Palletization Requirements via labeling lists are not clear.	<b>OIS is reviewing. Would like further clarifications from Industry</b>
Issue 12: Clear authority and responsibility of management of CSA's are not clearly defined.	<b>Master Degree Black Belt Project Linked with Item 95</b>
Issue 13: Allow Commingled BPM Auto Flats with Standard Mail Flats	<b>Extensive programming and coding required to make the change for .06% of flats volume. Not on list of priorities for 2015</b>
Issue 43: Study and determine if move to more cost based rates is beneficial	<b>USPS Pricing is reviewing.</b>
Issue 76: Low volume pallet entry	<b>OIS is continuing to work this issue. Meeting next week. See DMM 705.8.10.1</b>
Issue: 79: Bundle & Container prices should signal 5D prep and DSCF entry	<b>USPS Pricing is evaluating through Flats Strategy group.</b>
Issue 80: Container and Pound prices should signal the entry of 5D pallets to the DSCF and DDU	<b>USPS Pricing is evaluating through Flats Strategy group.</b>
Issue 95: DMM vs. CSA sortation & prep requirements as it relates to above items, as well as review and increase of internal USPS understanding of current DMM	<b>Master Degree Black Belt Project Linked with Item 12</b>
Issue 96: Explore options for creating fuller trays	<b>OIS is reviewing.</b>

Medium Priority	Notes
Issue 8: There is a 500 piece rule for manifest requirements, which results in some smaller jobs not qualifying for discounts and having to be re-qualified for Single Piece mail.	<b>USPS will review. Issue is cost occurred for 500 pieces versus 200 or another number.</b>
Issue 11: Non-Automation / Presort Mail rules are not clearly defined.	<b>OIS is investigating. RIBBs provides a guide to all discounts, but will need more clarification from the Industry on what is specifically being requested.</b>
Issue 21: Eliminate 3-digit CR prep level for STD and Periodical letters	<b>No input form the Industry in terms of impact, USPS will start to elevate this issue to the next level</b>
Issue 23: Origin Entry Separation	<b>No input form the Industry in terms of impact, USPS will start to elevate this issue to the next level</b>
Issue 26: Bundle processing bottleneck and problems	<b>SEM module has been installed. USPS looking for cost effective solution. Additional discussions with OIS and Engineering.</b>
Issue 36: Incentive / Promotions Impacts to FCM	<b>2014 Promotions calendar is available. Allows for more than one incentive.</b>
Issue 44: The requirement to re-qualify mail should be further explored to be consistent across mail classes/types.	<b>Full Service issue. Mailer scorecard available at this time.</b>
Issue 62: Carrier Management of UAA has a gap in the process and not all UAA mail is managed back through an automated process to capture electronic notifications for mailers of NIXIE information.	<b>In accordance with UAA, no gap in policy. First Class Mail can never be destroyed unless an ACS record is produced and only PARS and CFS can produce the ACS record.</b>

Medium Priority	Notes
Issue 66: Presort verification for flats in DMUs	<b>Seamless entry. USPS will continue to follow up.</b>
Issue 74: Removal of Origin Sack Mail	<b>USPS LSS project on sacks.</b>
Issue 81: Ensure MDF directs all DSCF and 5D containers to the deepest possible Dest Facility	<b>Hubs partially address this issue.</b>
Issue 82: Industry and USPS develop a strategy to increase the % of flats that comail	<b>Link with item #92.</b>
Issue 93: Evaluate opportunity to improve scheme design, including communication around usage, alignment of lists with processing, use of and minimum requirements for pallets and trays	<b>Label List L012 addresses this issue.</b>
Issue 94: Label lists - alignment with processing locations, documentation & structure, communication around usage, upcoming and planned changes	<b>Label List L012 addresses this issue.</b>
Issue 101: Review NDC non-machineable parcel pricing and eliminate higher pricing at deeper sort levels, align pricing to encourage more destination entry and presorting of non-machineable parcels	<b>OIS has researched with Pricing. Provided in depth answer with April Webinar. Recommend closing.</b>
Issue 102: Label lists - alignment with processing locations, documentation & structure, communication around usage, upcoming and planned changes	<b>Delivery has responsibility for parcel Label List. Will review.</b>

Low Priority	Notes
<p>Issue 83: If the address label of non-CRRT flats also included the CRRT designation, non CRRT mail that flowed to the DDU could be cased and backflowing could be eliminated.</p>	
<p>Issue 84: 218 UFSM 1000's have been removed from service and only 36 remain as of July 2013. With the equipment fleet nearly sunset, a review should be conducted to determine if any obsolete standards or prices remain which were related to utilizing that equipment</p>	
<p>Issue 85: The current SAMP operation is not capable of inducting facility pallets. The majority of FSS volume is prepped onto facility pallets. As a result, a majority of FSS prepped bundles require an additional bundle sort before reaching the SAMP, creating additional USPS transportation, processing costs, and puts service standards at risk.</p>	
<p>Issue 87: A significant portion of the FSS ROI relies upon 100% of mail destined for FSS zones is prepped into both FSS bundles and pallets. Today a majority of mail destined for the FSS zones is not prepped onto FSS containers but needs to be in order to realize an ROI.</p>	
<p>Issue 91: Although the preparation rules for all DPS flats are the same, the price structures are all different. As a result, pricing signals are weakened as a vehicle to reach DPS ROI.</p>	<p><b>More robust pricing for FSS under review for 2015.</b></p>
<p>Issue 104: Presort options for parcels are somewhat limited. Additional cost savings and efficiencies could be gained by exploring additional presort options for parcels.</p>	<p><b>Needs Further evaluation</b></p>

# Flats Strategy Update

## Flats Strategy Development and Document Release

### ❑ Collaborative effort with Industry Association leaders

- Awaiting final clearance to post
- Costing sub-group explore additional opportunities
  - Update on small group - Hamilton
- Seek industry volunteers for other teams
- Collaborative efforts will continue through 2014



## Strategies Specific to FSS

- ❑ High Speed Flats Feeders
- ❑ LSS Projects
  - ❑ SAMP Productivity Improvement (Measure phase)
- ❑ FSS Prep Fine Tuning – proposed for 2015
  - ❑ Proposal for more robust pricing structure including incentive for DFSS entry for BPM
  - ❑ Require prep for HD & HD+ if FSS compatible
  - ❑ Permit sacks and tubs at DFSS sites
  - ❑ Permit Facility Pallets to enter at DFSS sites
- ❑ Low Volume Sort Plan / Zone Packing
- ❑ Investigating a low cost and streamlined bundle sorter solution to co-locate with FSS

## Strategies Impacting All Flats

- ❑ Increase profitability of flats
  - ❑ Grow volume through promotions / incentives
  - ❑ Reduce costs
- ❑ FPARS
- ❑ LSS Projects
  - ❑ Sack Reduction (Charter phase)
- ❑ Date of induction rather than date of acceptance will apply to Labeling List and MDF utilized as of October 2014
- ❑ Structured Release Cycle moving to monthly

## Strategies Impacting All Flats

- ❑ Proposal for Incenting 5-D scheme pallets or pure CRRT bundles for a single DDU – proposed for 2015
- ❑ Bundle Assist Technology (simulation testing)
- ❑ Requested Marketing design an advertising piece to promote the use of co-pal and co-mail. Recommended distribution through BSN, Area Focus Groups, PCC's, Industry Alert and other avenues.
- ❑ Work with industry on refining flat mail characteristics for automation
- ❑ Work with MSPs on co-mail bundle breakage

# **FSS Prep – 250 lb. Pallet**

## ***Deltas:***

- Mail Service Provider automated production lines are impacted by 250lb pallets
- FSS requires more robust pricing
  - Some classes were excluded from incentives (BPM)
  - Some incentives regarded as too small for effort involved
  - Majority of FSS flats prohibited from entering at DFSS sites

## **Pluses:**

- Fewer bundles made in FSS zones
  - Reduces costs for Periodicals mailers
  - Reduces APPS bundle processing
- Uniform bundles are easier to stack on pallets
- Uniform pallets stack easier
- Pallet fee waived for DFSS entered FSS scheme pallets
- Standard flats 1/10<sup>th</sup> cent discount for DFSS entry

## ***Effects in USPS Operations:***

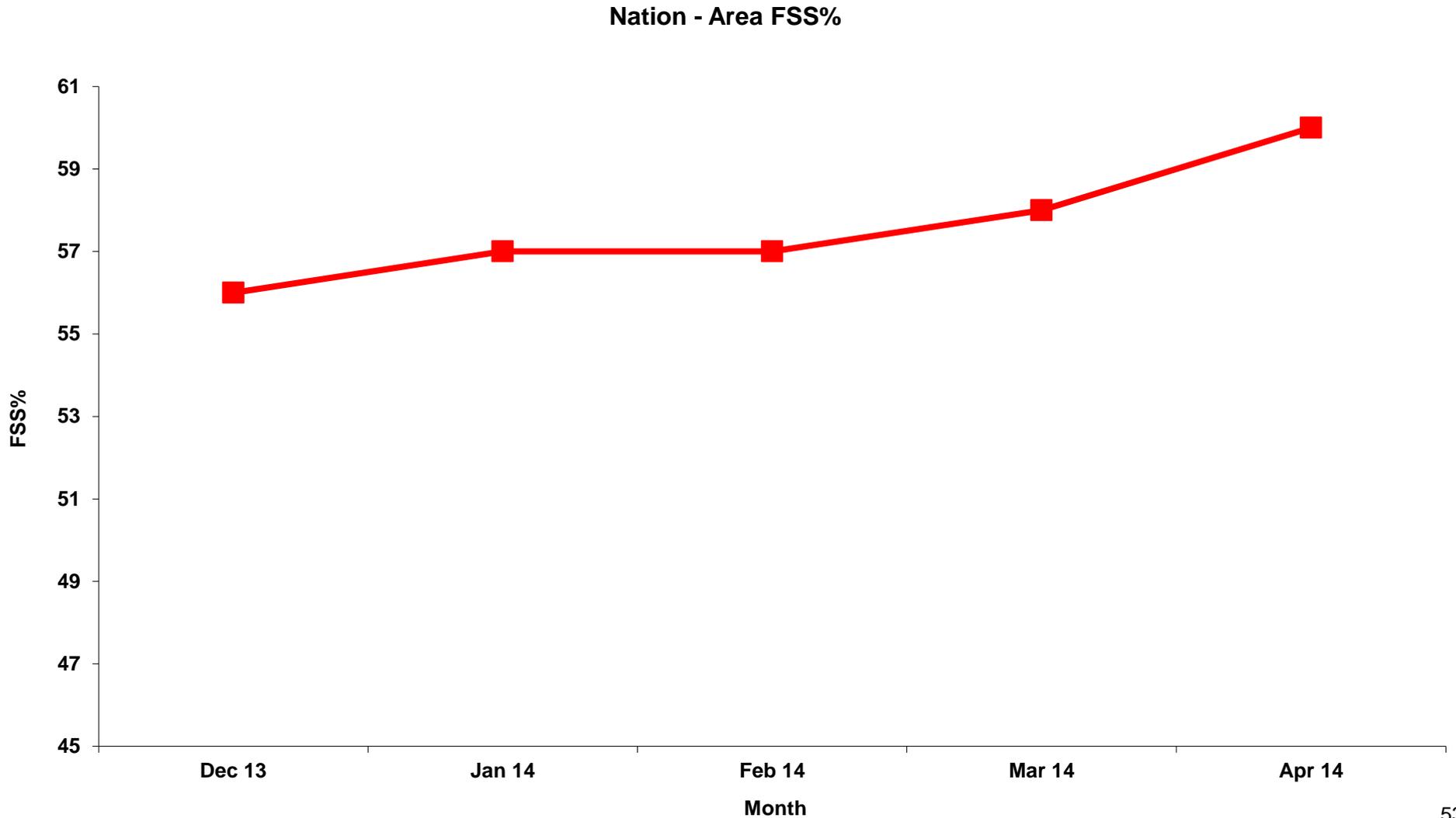
### **□ FSS Preparation Requirements Drive Needed Change**

- Larger bundles, fewer bundles
- FSS scheme pallets required at 250lbs
- Bundles on scheme pallets bypass bundle sort operation
  - Fewer handlings reduce damage, improve cost coverage & service
- Combined with bundle reductions, eliminates a total of 47% of bundles from APPS/APBS operations for FSS zones

## ***250lb Pallet Requirement:***

- Both FSS scheme and facility pallets were required under optional FSS prep. Offered concession in that facility pallets moved to optional at all weights for required prep in 2014.
- USPS increased pallet stack limit from 4 to 6 pallets high to facilitate drop shipments (Oct 2013)
- USPS forecast overall 7% increase in total pallet volume for flats based on January 2014 FSS label list
  - FSS zones only 21% of total zones
  - Saturation flats represent 26% of flats in FSS zones
  - HD/HD+ represent 6% (FSS prep is optional today)
  - First Class represents 5% (no FSS prep requirement)
  - Simplified address flats represent 3% (cannot sequence)
  - In-county newspapers (no FSS prep requirement)
- USPS MTE pallet inventories are strong and pallet demand is below SPLY

## *FSS Preparation Effects:*



## DFSS Entry Volume Trend

Mailing Week	DNDC/DADC	DSCF	DFSS	DDU	Grand Total
1/11/2014	4.95%	95.03%	0.00%	0.02%	100.00%
1/18/2014	4.15%	95.85%	0.00%	0.01%	100.00%
1/25/2014	4.35%	94.55%	0.99%	0.11%	100.00%
2/1/2014	4.11%	92.83%	3.03%	0.03%	100.00%
2/8/2014	4.28%	89.59%	6.11%	0.01%	100.00%
2/15/2014	3.49%	90.66%	5.84%	0.02%	100.00%
2/22/2014	3.76%	85.60%	10.58%	0.06%	100.00%
3/1/2014	4.14%	84.49%	11.32%	0.05%	100.00%
3/8/2014	4.10%	87.61%	8.26%	0.02%	100.00%
3/15/2014	3.72%	86.87%	9.40%	0.01%	100.00%
3/22/2014	4.09%	86.85%	9.00%	0.06%	100.00%
3/29/2014	4.16%	84.85%	10.91%	0.08%	100.00%
4/5/2014	4.41%	84.54%	11.05%	0.00%	100.00%
4/12/2014	3.94%	86.13%	9.89%	0.03%	100.00%
4/19/2014	3.90%	85.01%	11.06%	0.03%	100.00%
4/26/2014	4.07%	81.79%	14.09%	0.06%	100.00%
5/3/2014	4.59%	84.39%	11.01%	0.00%	100.00%

**Full Service IMb Flats in FSS Zones by Destination Entry Location**

# Network Rationalization Phase II Status

# Open Discussion



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## **Mail Prep & Entry Focus Group**

### **Packages Track**

**MAY 21, 2014**

- Packages Track
  - Action Items from Last Meeting
  - Workgroup Updates
  - MTEOR Update
  - Mail Prep & Entry Steering Committee Update
  - Network Rationalization Phase II Status
  - Open Discussion

- Action Items from Last Meeting
  - More lead time (at least 14 days) needed to announce webinars
  - Make change to verbiage regarding Structure Release Cycle
  - Industry is looking for a list that identifies 2014 consolidations without service standard changes
  - Define what mail classes/subclasses & shapes are part of load leveling
  - Are HUBs included in load leveling?
  - Look into capability to open additional FAST appointments as it relates to Load Leveling

# Workgroup Updates

- **WG 159 – HUBs**
- **Labeling Lists & MDF**
- **UG 7 – MTEOR & Update**

# WG 159 – HUBs

- **Service Hubs**
  - **Timeframe**
    - Pilot – July 2014
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  - **Cross-dock Containers only**
    - 5-Digit ZIP, 5-Digit CRRT pallets, bundles, sacks or containers of
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      - Bound Printed Matter
      - Parcels (excluding Parcel Select)

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# Labeling Lists & MDF

- **New Structured Release Cycle**
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  - **NEW:** 45-Day Notification Period
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1	11/11/13	12/15/13	1/1/14	2/1/14	4/30/14	5/30/14	ALL
2	12/16/13	1/15/2014**	1/26/14				FSS Labeling List/Drop Ship
3	2/10/14	3/15/14	4/1/04	5/1/14	7/31/14	8/30/14	ALL
4	5/12/14	6/1/14	7/1/14	8/1/14	8/31/14	9/30/14	Major
5	6/16/14	7/1/14	8/1/14	9/1/14	9/30/14	10/30/14	Minor
6	7/14/14	8/1/14	9/1/14	10/1/14	10/31/14	11/30/14	Minor
7	8/11/14	9/1/14	10/1/14	11/1/14	11/30/14	12/30/14	Major
8	9/15/14	10/1/14	11/1/14	12/1/14	12/31/14	1/30/15	Minor
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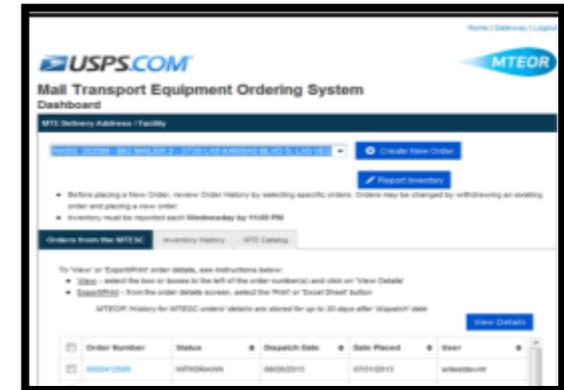
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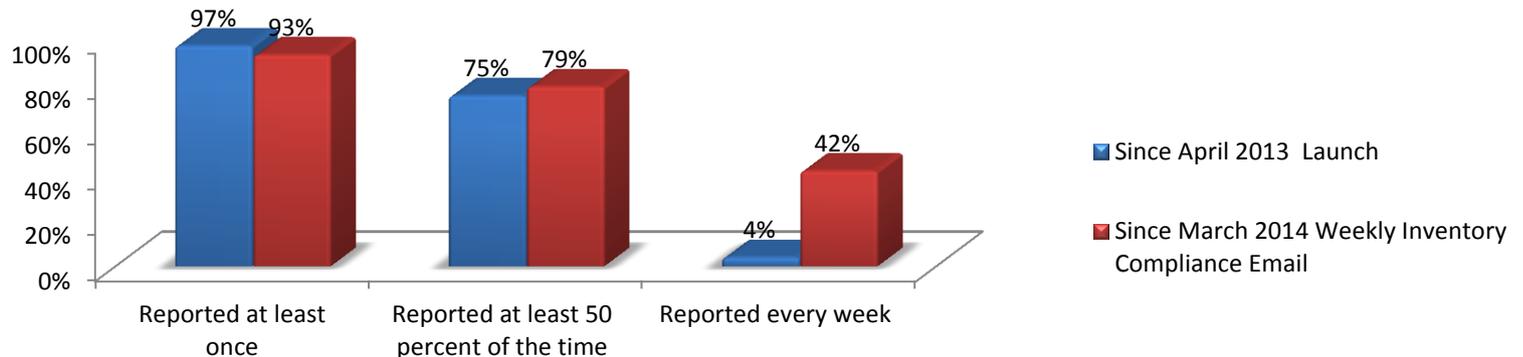
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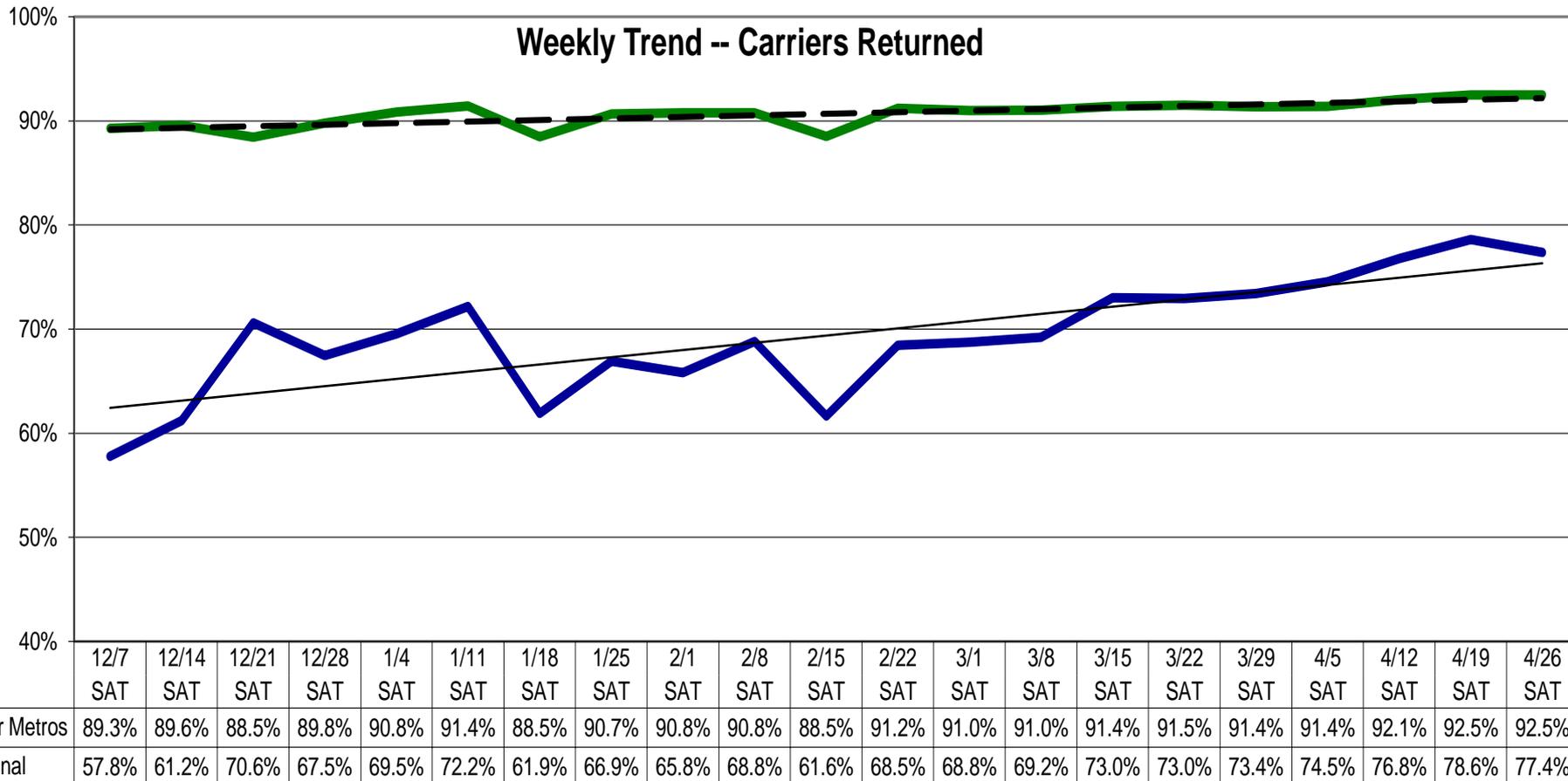
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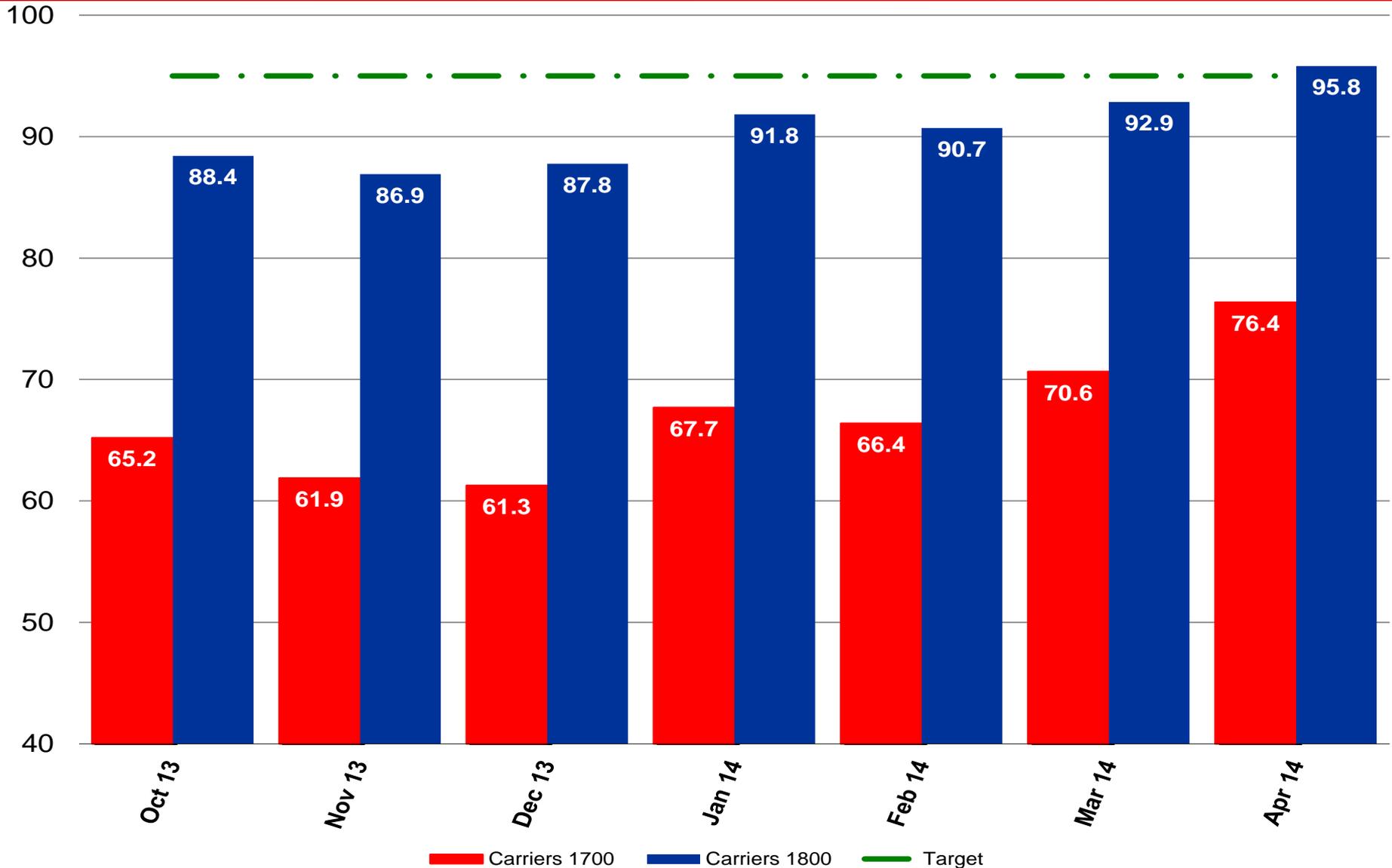
# Load Leveling Update



## Carriers Returned by 1700



# Carriers by 1700 & 1800



# **Mail Prep & Entry Steering Committee Update**

- 116 ideas submitted to date
  - 63 closed
    - Out of scope, withdrawn or re-assigned
    - 25 were closed because of a need for Change / Improvement template submitted or idea withdrawn.
  - 22 completed
    - Postal Bulletin articles and DMM revisions announced
  - 31 remaining in Benefit/Effort matrix

- High Priority
  - 9 Items
- Medium Priority
  - 16 Items
- Low Priority
  - 5 Items
- Pending Further Review (B&E Matrix)
  - 1 Item

High Priority	Status
Issue 10: FCM Palletization Requirements via labeling lists are not clear.	<b>OIS is reviewing. Would like further clarifications from Industry</b>
Issue 12: Clear authority and responsibility of management of CSA's are not clearly defined.	<b>Master Degree Black Belt Project Linked with Item 95</b>
Issue 13: Allow Commingled BPM Auto Flats with Standard Mail Flats	<b>Extensive programming and coding required to make the change for .06% of flats volume. Not on list of priorities for 2015</b>
Issue 43: Study and determine if move to more cost based rates is beneficial	<b>USPS Pricing is reviewing.</b>
Issue 76: Low volume pallet entry	<b>OIS is continuing to work this issue. Meeting next week. See DMM 705.8.10.1</b>
Issue: 79: Bundle & Container prices should signal 5D prep and DSCF entry	<b>USPS Pricing is evaluating through Flats Strategy group.</b>
Issue 80: Container and Pound prices should signal the entry of 5D pallets to the DSCF and DDU	<b>USPS Pricing is evaluating through Flats Strategy group.</b>
Issue 95: DMM vs. CSA sortation & prep requirements as it relates to above items, as well as review and increase of internal USPS understanding of current DMM	<b>Master Degree Black Belt Project Linked with Item 12</b>
Issue 96: Explore options for creating fuller trays	<b>OIS is reviewing.</b>

Medium Priority	Notes
Issue 8: There is a 500 piece rule for manifest requirements, which results in some smaller jobs not qualifying for discounts and having to be re-qualified for Single Piece mail.	<b>USPS will review. Issue is cost occurred for 500 pieces versus 200 or another number.</b>
Issue 11: Non-Automation / Presort Mail rules are not clearly defined.	<b>OIS is investigating. RIBBs provides a guide to all discounts, but will need more clarification from the Industry on what is specifically being requested.</b>
Issue 21: Eliminate 3-digit CR prep level for STD and Periodical letters	<b>No input form the Industry in terms of impact, USPS will start to elevate this issue to the next level</b>
Issue 23: Origin Entry Separation	<b>No input form the Industry in terms of impact, USPS will start to elevate this issue to the next level</b>
Issue 26: Bundle processing bottleneck and problems	<b>SEM module has been installed. USPS looking for cost effective solution. Additional discussions with OIS and Engineering.</b>
Issue 36: Incentive / Promotions Impacts to FCM	<b>2014 Promotions calendar is available. Allows for more than one incentive.</b>
Issue 44: The requirement to re-qualify mail should be further explored to be consistent across mail classes/types.	<b>Full Service issue. Mailer scorecard available at this time.</b>
Issue 62: Carrier Management of UAA has a gap in the process and not all UAA mail is managed back through an automated process to capture electronic notifications for mailers of NIXIE information.	<b>In accordance with UAA, no gap in policy. First Class Mail can never be destroyed unless an ACS record is produced and only PARS and CFS can produce the ACS record.</b>

Medium Priority	Notes
Issue 66: Presort verification for flats in DMUs	<b>Seamless entry. USPS will continue to follow up.</b>
Issue 74: Removal of Origin Sack Mail	<b>USPS LSS project on sacks.</b>
Issue 81: Ensure MDF directs all DSCF and 5D containers to the deepest possible Dest Facility	<b>Hubs partially address this issue.</b>
Issue 82: Industry and USPS develop a strategy to increase the % of flats that comail	<b>Link with item #92.</b>
Issue 93: Evaluate opportunity to improve scheme design, including communication around usage, alignment of lists with processing, use of and minimum requirements for pallets and trays	<b>Label List L012 addresses this issue.</b>
Issue 94: Label lists - alignment with processing locations, documentation & structure, communication around usage, upcoming and planned changes	<b>Label List L012 addresses this issue.</b>
Issue 101: Review NDC non-machineable parcel pricing and eliminate higher pricing at deeper sort levels, align pricing to encourage more destination entry and presorting of non-machineable parcels	<b>OIS has researched with Pricing. Provided in depth answer with April Webinar. Recommend closing.</b>
Issue 102: Label lists - alignment with processing locations, documentation & structure, communication around usage, upcoming and planned changes	<b>Delivery has responsibility for parcel Label List. Will review.</b>

Low Priority	Notes
<p>Issue 83: If the address label of non-CRRT flats also included the CRRT designation, non CRRT mail that flowed to the DDU could be cased and backflowing could be eliminated.</p>	
<p>Issue 84: 218 UFSM 1000's have been removed from service and only 36 remain as of July 2013. With the equipment fleet nearly sunset, a review should be conducted to determine if any obsolete standards or prices remain which were related to utilizing that equipment</p>	
<p>Issue 85: The current SAMP operation is not capable of inducting facility pallets. The majority of FSS volume is prepped onto facility pallets. As a result, a majority of FSS prepped bundles require an additional bundle sort before reaching the SAMP, creating additional USPS transportation, processing costs, and puts service standards at risk.</p>	
<p>Issue 87: A significant portion of the FSS ROI relies upon 100% of mail destined for FSS zones is prepped into both FSS bundles and pallets. Today a majority of mail destined for the FSS zones is not prepped onto FSS containers but needs to be in order to realize an ROI.</p>	
<p>Issue 91: Although the preparation rules for all DPS flats are the same, the price structures are all different. As a result, pricing signals are weakened as a vehicle to reach DPS ROI.</p>	<p><b>More robust pricing for FSS under review for 2015.</b></p>
<p>Issue 104: Presort options for parcels are somewhat limited. Additional cost savings and efficiencies could be gained by exploring additional presort options for parcels.</p>	<p><b>Needs Further evaluation</b></p>

# Network Rationalization Phase II Status

# Open Discussion



**UNITED STATES**  
**POSTAL SERVICE**

# **MTAC**

## **Mail Prep & Entry Focus Group**

### **First-Class Track**

**May 21, 2014**

- **First-Class Track**
  - Action Items from Last Meeting
  - Workgroup Updates
  - MTEOR Update
  - PARS Mailflow Diagram/RTS Process
  - CSA / DMM label list – FCM Palletization Status
  - Secure Destruction Update
  - Mail Prep & Entry Steering Committee Update
  - Flats Strategy
  - Remittance Mail Update
  - Network Rationalization Phase II Status
  - Open Discussion

- Action Items from Last Meeting
  - DMM Simplification (covered at Tues Stakeholders meeting)
    - Communication approach
    - Industry concern with organizational responsibility/integration with DMM changes
  - PARS mail flow diagram by mail class
  - Education on FCM palletization rules
    - Webinar
    - Work with Mailing Standards
  - Communicate facility consolidations that could be implemented without overnight service standard change

# Workgroup Updates

- **WG 159 – HUBs**
- **Labeling Lists & MDF**
- **UG 7 – MTEOR & Update**

# WG 159 – HUBs

- Service Hubs
  - Timeframe
    - Pilot – July 2014
    - Phase I Implementation – August 2014
  - Cross-dock Containers only
    - 5-Digit ZIP, 5-Digit CRRT pallets, bundles, sacks or containers of
      - Standard
      - Periodical
      - Bound Printed Matter
      - Parcels (excluding Parcel Select)

- Service Hubs (cont.)
  - Will qualify for DSCF rate
  - CET will be 1600 for all Hubs
  - Hours of Operation will vary by facility
    - Hours published in Hub list and posted on FAST and RIBBS
    - Hours also available in mail direction file
  - FAST appointments will be required
  - FAST will be ready to accept appointments for July 2014

# Labeling Lists & MDF

- **New Structured Release Cycle**
  - Monthly Update of ALL USPS Product Files
  - **NEW:** 45-Day Notification Period
  - **Continue:** 30-Day Transition Window

	AIS Files, Publish City State Files*** (date available on EPF)	Publish Date of Labeling List, Zone Matrix and Drop Ship Product, Files**	City/State, Label List, Delivery Stats, Drop Ship Product, and Zone Matrix Begin Usage Date	City/State, Delivery Stats, Label List, Drop Ship Product, and Zone Matrix Mandatory Usage Date	City/State, Delivery Stats, Label List, Drop Ship Product, and Zone Matrix Expiration****	Accept 8125 of Old Address	Release Cycle Types*
1	11/11/13	12/15/13	1/1/14	2/1/14	4/30/14	5/30/14	ALL
2	12/16/13	1/15/2014**	1/26/14				FSS Labeling List/Drop Ship
3	2/10/14	3/15/14	4/1/04	5/1/14	7/31/14	8/30/14	ALL
4	5/12/14	6/1/14	7/1/14	8/1/14	8/31/14	9/30/14	Major
5	6/16/14	7/1/14	8/1/14	9/1/14	9/30/14	10/30/14	Minor
6	7/14/14	8/1/14	9/1/14	10/1/14	10/31/14	11/30/14	Minor
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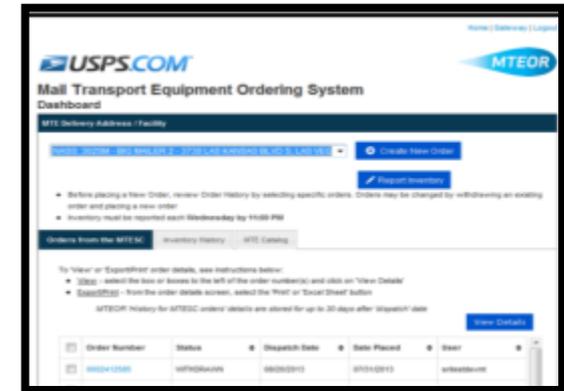
- Top down approach used to populate data in L007 labeling list
  - Updated labeling lists published June 1
    - Effective July 1
- L007 statistics

	<b>L007</b>	
	July 1	April 1
Scheme Entries	2,196	1,735
ZIPs Included	6,326	5,009

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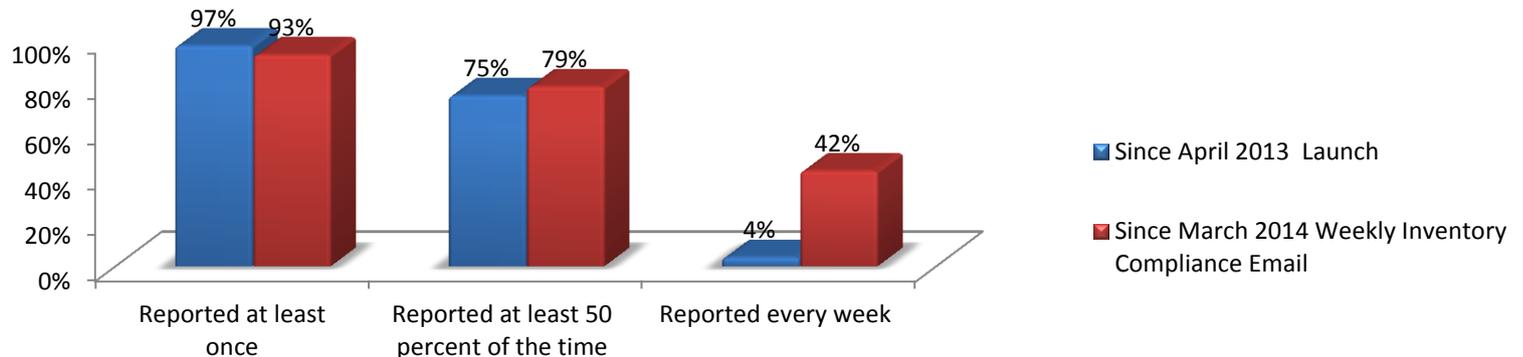
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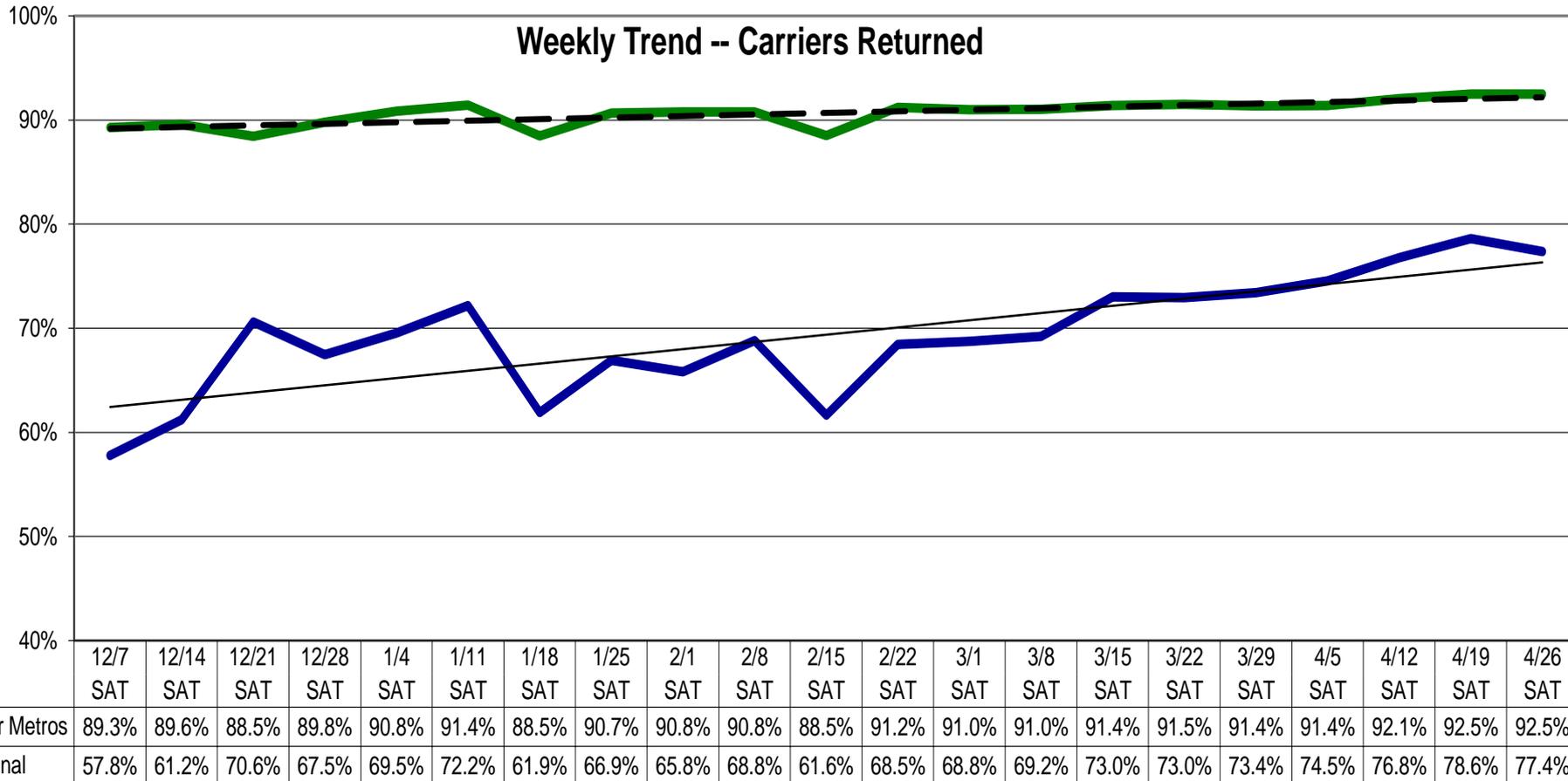
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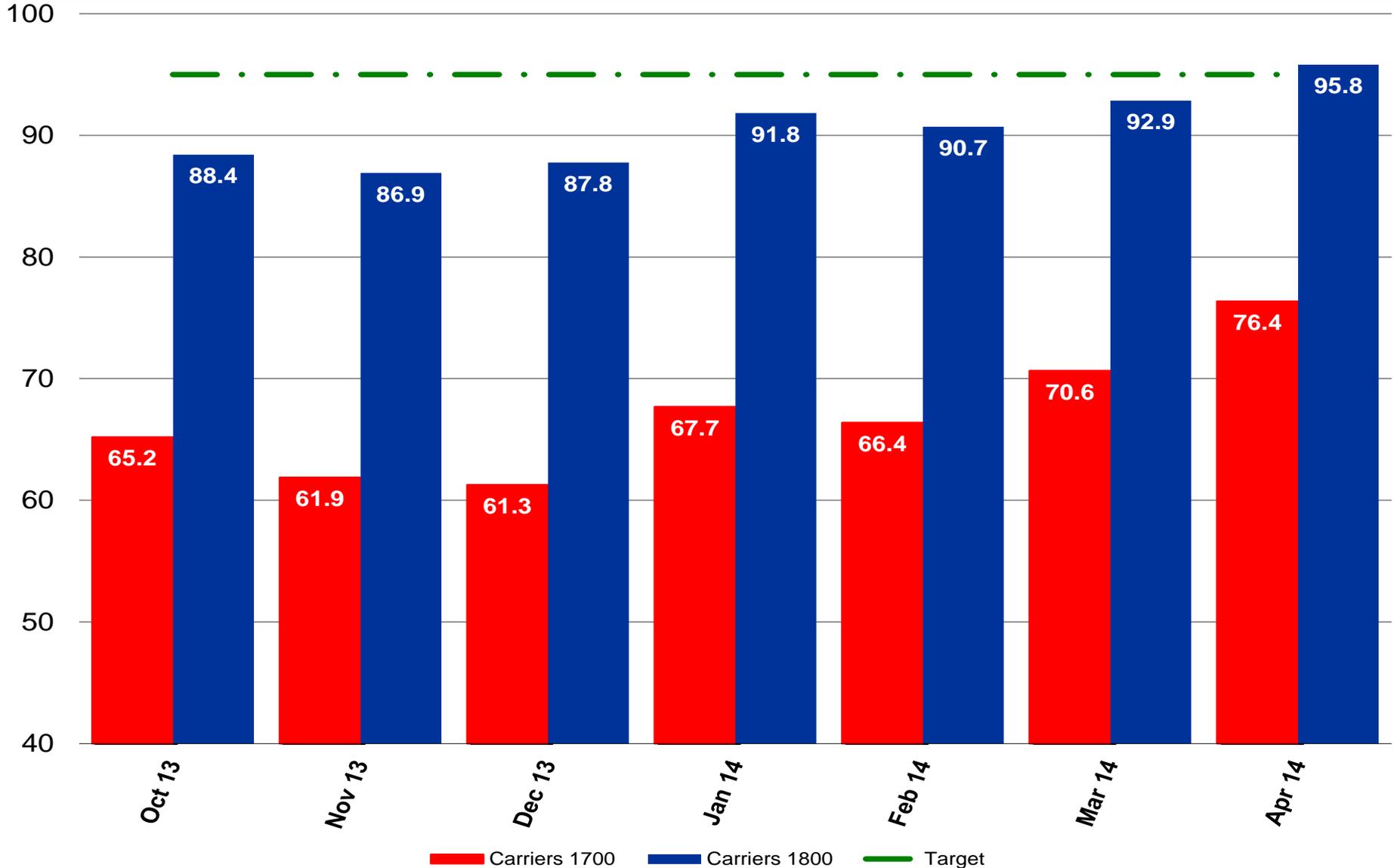
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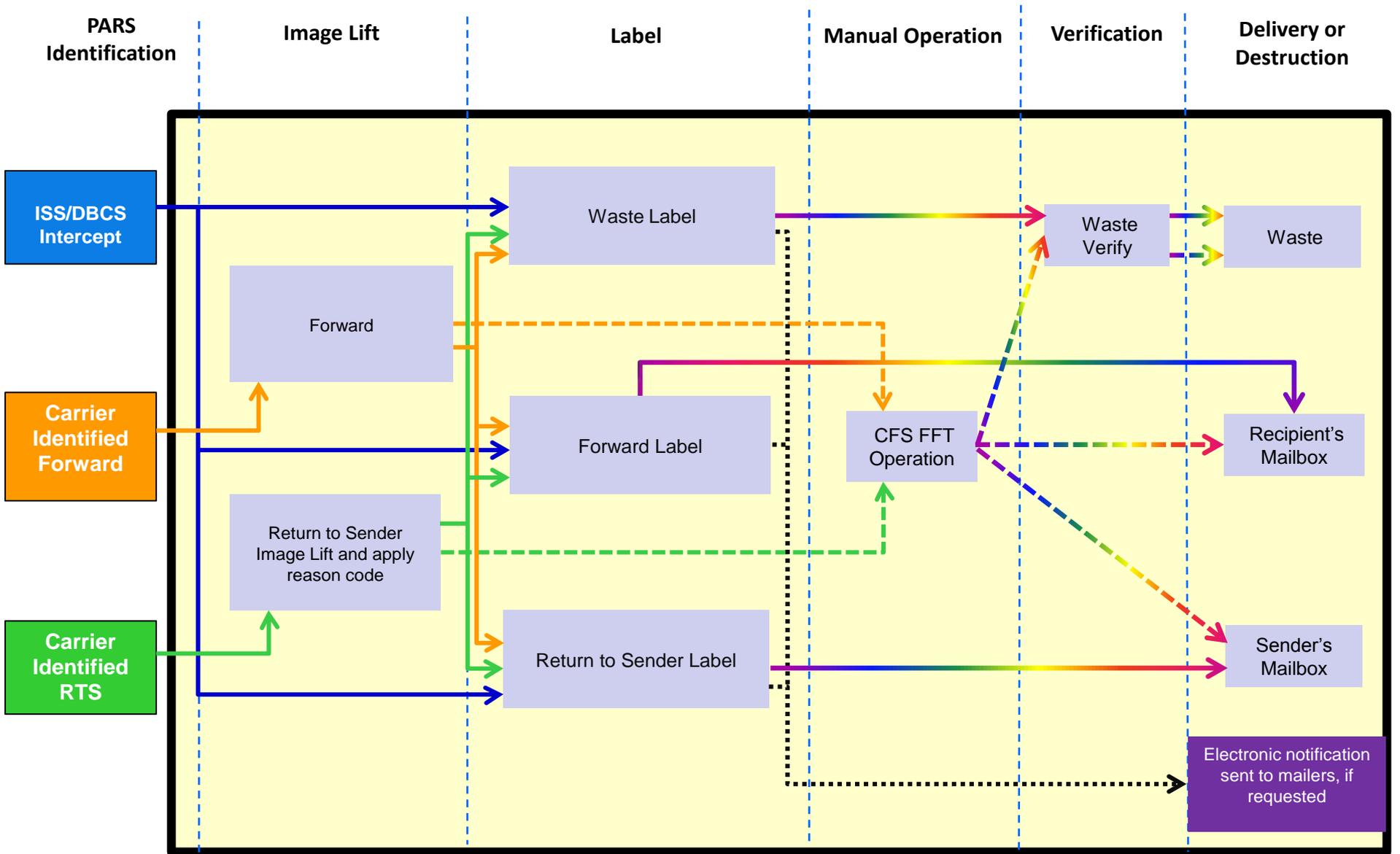


# Carriers by 1700 & 1800



# PARS Mailflow Diagram

# PARS Mail Flow with ART ID



- Carrier or box clerk identifies RTS that is:
  - Undeliverable as addressed
  - No current matching Change of Address order
  - Eligible for return processing based on mailclass and Ancillary Service Endorsement (ASE)
  
- Delivery unit prepares mail for PARS processing
  - Mail is separated by RTS reason type
  - RTS separator card inserted before each reason type
  - Trays are labeled with RTS tags
  - Mail is containerized with placard identifying it as RTS mail and directing it to the designated PARS CIOSS processing plant

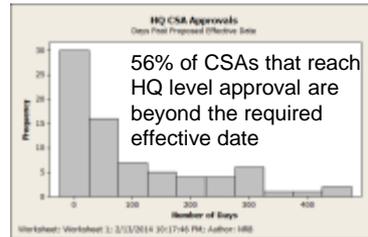
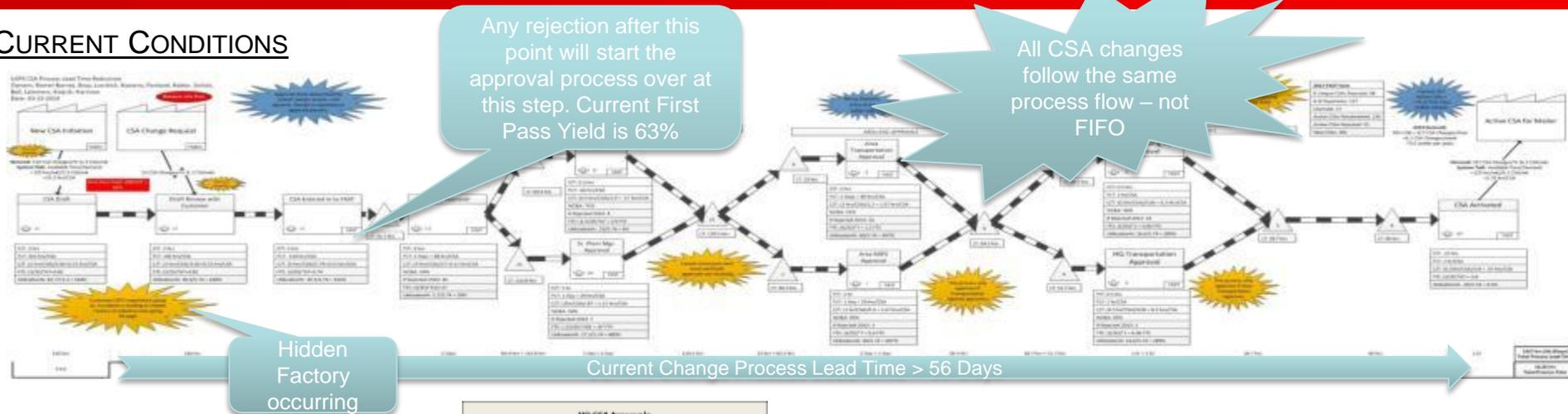
- Disposition of letter is determined during PARS processing based on:
  - Mailclass
  - Ancillary Service Endorsement (ASE)
  - Service Type Identifiers in Intelligent Mail Barcode
  
- Possible dispositions include:
  - Return piece to mailer
  - Electronic Address Change Service notification
  - Hardcopy Address Change notification
  - Waste piece

- PARS rejects flow to a manual operation
  - Letters with an Ancillary Service Endorsement (ASE) and First Class letters with an Intelligent Mail barcode (IMb) go to CFS for additional processing
  - Disposition of remaining letters is determined based on mailclass
  - Letters eligible for return are stamped with the reason for return and processed in the manual letter stream

# CSA/DMM Label List

# Customer Supplier Agreement (CSA) Process Lead Time Reduction

## CURRENT CONDITIONS



Number of days past proposed effective date for current CSAs in Approval status (as of 12-21-13)

- Max is 449 days

## PROBLEM STATEMENT

The CSA approval process is currently taking more than 2 months [HQ requirement is 15 days] and in 2013 of CSAs that made it to final approval, 56% of the time extended beyond the original CSA effective date. The current First Pass Yield is 63%, causing tremendous rework and inflated demand on the system. In addition, the approval chain is not dynamic. In 2013 8.5% of CSAs required a HQ override approval creating a hidden factory of escalation to obtain approval.

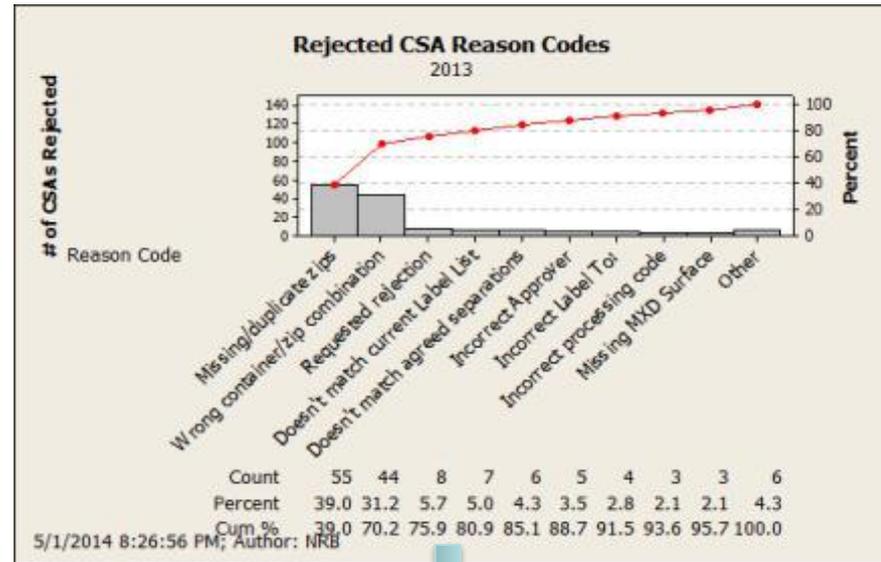
## S.M.A.R.T. GOALS

Increase the system First Pass Yield from 63% to 80% by August 1, 2014

Reduce Approval Process Lead Time from 56 days to less than 30 days by August 1, 2014

# Customer Supplier Agreement (CSA) Process Lead Time Reduction

## ANALYSIS



### Validated Root Causes of Long Approval Lead Time Effecting both Quality + Speed

No input data validation by system (missing/duplicate zips) – manual process

Every approver must conduct the same analysis

Mailer export doesn't match verbal agreement

System does not highlight changes to approvers

Approver tied to person not to position

Approver is not notified when they are the bottleneck



# Customer Supplier Agreement (CSA) Process Lead Time Reduction

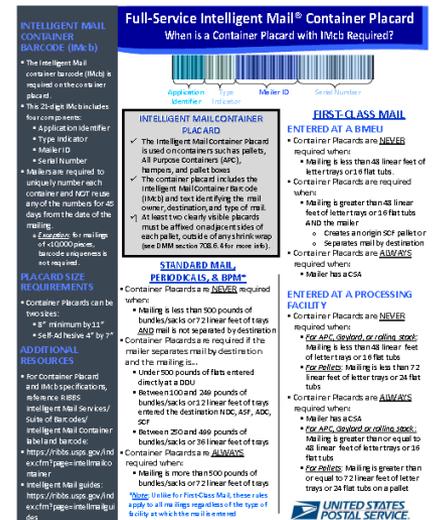
## IMPROVEMENTS – QUICK WINS

Description	Expected Benefit	Status
HQ Approver updated to accurate department	Correct department review will increase accuracy of approvals	Complete
Changes to user display of data in FAST	Reduce review time of CSA	In process
Provide NDS visibility to CSA impact with network changes	Longer lead time on notice to mailers of impact – possible factor in network redesign decisions	In process

## NEXT STEPS:

Description	Expected Benefit	Status	Due Date
fVSM Pre-work	Defining “What is the purpose of a CSA? What really needs to be in CSA”?	Complete	May 16
Future State VSM Workshop	All stakeholders develop future state review process	Pending	May 19-20
Project update to USPS Mailers	External stakeholder progress update report out	Pending	May 20
Workshop: Standard Work with BME Managers	Longer lead time on notice to mailers of impact – possible factor in network redesign decisions	Complete	May 15
Create Tactical A3 – CSA Review Process Cycle Time Reduction	Improve the review process	In process	May 30
Brainstorm Countermeasures, create B+E Matrix, FMEA	Develop potential solutions, stratify by benefit/effort and identify potential failure modes	In process	May 30

- Mailers may palletize First-Class Mail according to a local customer/supplier agreement (CSA) or under DMM 705.8.10.1.
- DMM states that First-Class Mail palletization is optional,
- However, conflicts exists when / if - FCM palletization is required for Full Service.
  - DMM 705.23.0 refers back to 705.8.0 (optional)
  - Full Service Container Placarding (required)
- Planning to meet with the key stake holders to discuss this issue next week



**Full-Service Intelligent Mail® Container Placard**  
When is a Container Placard with IMb® Required?

The infographic details requirements for three mail classes:

- INTELLIGENT MAIL CONTAINER PLACARD (IMb):**
  - The Intelligent Mail container barcode (IMb) is required on the container placard.
  - The 25-digit IMb includes four components:
    - Application Identifier
    - Type Indicator
    - Mailer ID
    - Serial Number
  - Mailers are required to uniquely number each container and not reuse any of the numbers for 45 days from the date of the mailing.
  - Example: For mailings of 10,000 pieces, barcodes in excess are not required.
- STANDARD MAIL, PERIODICALS, & RPM:**
  - Container Placards are **ALWAYS** required when:
    - Mailings are less than 500 pounds of bundles/sacks or 21 linear feet of trays AND mail is not separated by destination.
    - Container Placards are required if the mailer separates mail by destination and the mailing is...
      - Under 500 pounds of flats embedded directly in a DDU.
      - Between 500 and 240 pounds of bundles/sacks or 21 linear feet of trays entered the destination DDU, ASR, ADP, SCP.
      - Between 250 and 400 pounds of bundles/sacks or 36 linear feet of trays.
  - Container Placards are **ALWAYS** required when:
    - Mailings are more than 500 pounds of bundles/sacks or 21 linear feet of trays.
- FIRST-CLASS MAIL ENTERED AT A BIREFUL FACILITY:**
  - Container Placards are **NEVER** required when:
    - Mailings are less than 48 linear feet of letter trays or 16 flat tubs.
    - Container Placards are required when:
      - Mailings are greater than 48 linear feet of letter trays or 16 flat tubs AND the mailer:
        - Creates an origin SCP pallet or
        - Separates mail by destination.
    - Container Placards are **ALWAYS** required when:
      - Mailer has a CSA.
  - ENTERED AT A PROCESSING FACILITY:**
    - Container Placards are **NEVER** required when:
      - For **ASR**, **ADP**, or **online sort**: Mailings are less than 48 linear feet of letter trays or 16 flat tubs.
      - For **SCP**: Mailings are less than 72 linear feet of letter trays or 24 flat tubs.
    - Container Placards are **ALWAYS** required when:
      - Mailer has a CSA.
      - For **ASR**, **ADP**, or **online sort**: Mailings are greater than or equal to 48 linear feet of letter trays or 16 flat tubs.
      - For **SCP**: Mailings are greater than or equal to 72 linear feet of letter trays or 24 flat tubs on a pallet.

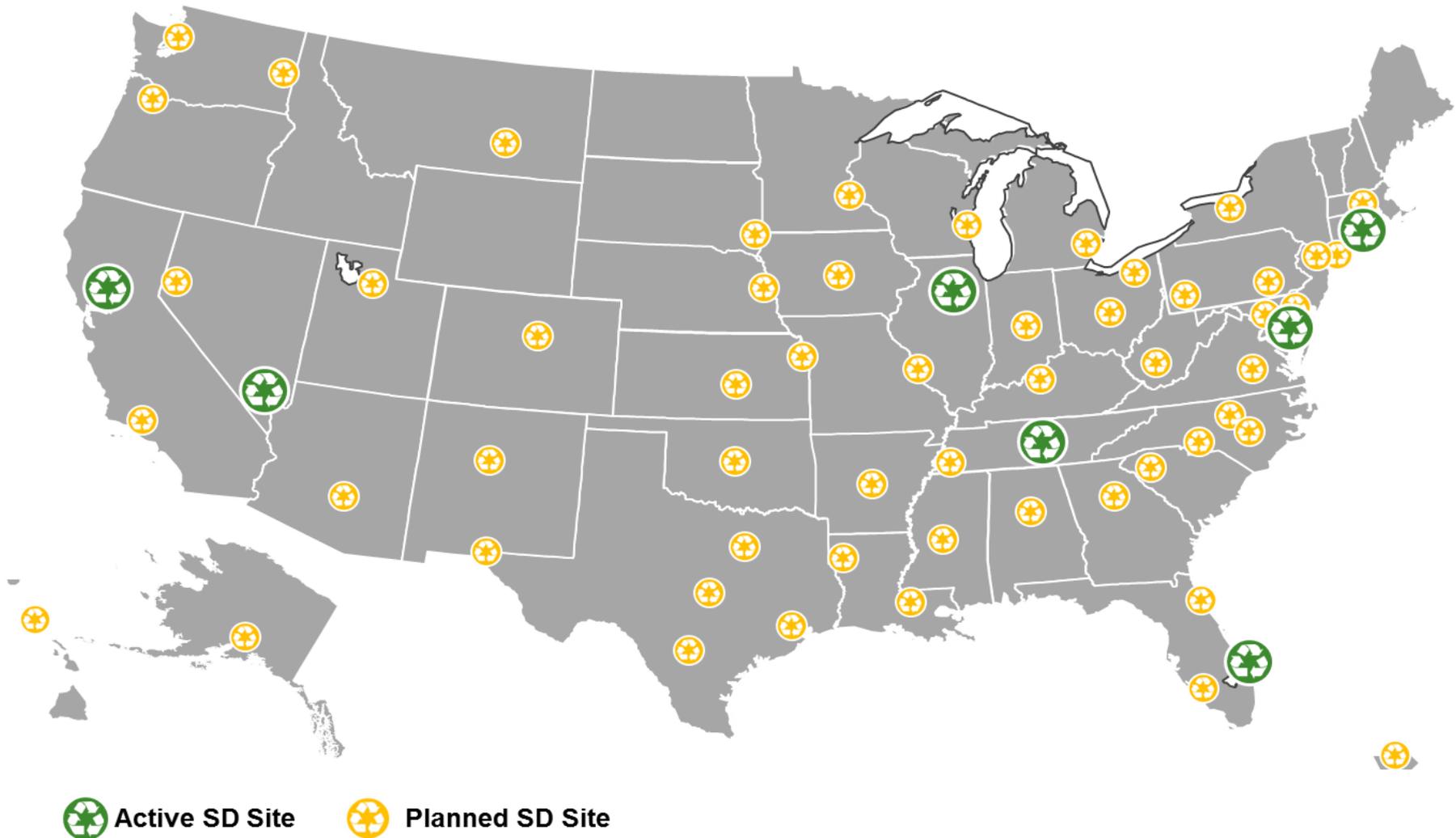
Notes: Unlike for non-CSAs that, these rules apply to all mailings regardless of the type of facility at which the mail is entered.

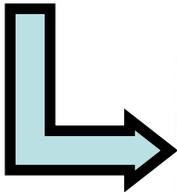
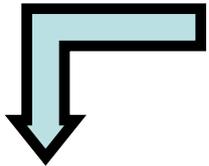
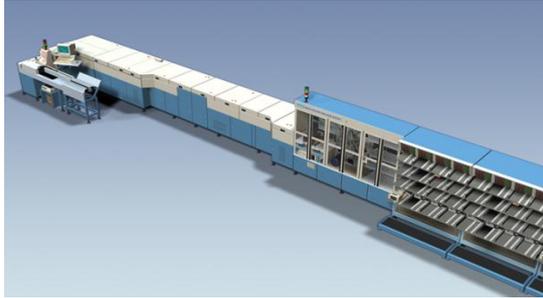
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# Secure Destruction Update

- SD is directed at First Class letters containing Privacy Protected Information (PPI) which are normally returned at the mailer's request
- The Secure Destruction pilot test has concluded
  - Seven pilot plants, one in each Area
  - Limited number of mailers, limited volume
- Pilot sites will continue to process SD mail
- National deployment to all PARS CIOSS processing plants planned for November 2014

There are currently seven Secure Destruction pilot sites.  
National deployment will activate 54 additional sites.





- SD letters identified on CIOSS through use of STID in IMb during PARS processing
- SD letters are verified in a separate operation to ensure they are correctly labeled for Secure Destruction
- SD letters are destroyed at a shredder at the CIOSS processing plant
- Electronic report identifying the SD letters provided for mailers

# Mail Prep & Entry Steering Committee Update

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  - 63 closed
    - Out of scope, withdrawn or re-assigned
    - 25 were closed because of a need for Change / Improvement template submitted or idea withdrawn.
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<p>Issue 85: The current SAMP operation is not capable of inducting facility pallets. The majority of FSS volume is prepped onto facility pallets. As a result, a majority of FSS prepped bundles require an additional bundle sort before reaching the SAMP, creating additional USPS transportation, processing costs, and puts service standards at risk.</p>	
<p>Issue 87: A significant portion of the FSS ROI relies upon 100% of mail destined for FSS zones is prepped into both FSS bundles and pallets. Today a majority of mail destined for the FSS zones is not prepped onto FSS containers but needs to be in order to realize an ROI.</p>	
<p>Issue 91: Although the preparation rules for all DPS flats are the same, the price structures are all different. As a result, pricing signals are weakened as a vehicle to reach DPS ROI.</p>	<p><b>More robust pricing for FSS under review for 2015.</b></p>
<p>Issue 104: Presort options for parcels are somewhat limited. Additional cost savings and efficiencies could be gained by exploring additional presort options for parcels.</p>	<p><b>Needs Further evaluation</b></p>

# Flats Strategy Update

## Flats Strategy Development and Document Release

### ❑ Collaborative effort with Industry Association leaders

- Awaiting final clearance to post
- Costing sub-group explore additional opportunities
  - Update on small group - Hamilton
- Seek industry volunteers for other teams
- Collaborative efforts will continue through 2014



## Strategies Specific to FSS

- ❑ High Speed Flats Feeders
- ❑ LSS Projects
  - ❑ SAMP Productivity Improvement (Measure phase)
- ❑ FSS Prep Fine Tuning – proposed for 2015
  - ❑ Proposal for more robust pricing structure including incentive for DFSS entry for BPM
  - ❑ Require prep for HD & HD+ if FSS compatible
  - ❑ Permit sacks and tubs at DFSS sites
  - ❑ Permit Facility Pallets to enter at DFSS sites
- ❑ Low Volume Sort Plan / Zone Packing
- ❑ Investigating a low cost and streamlined bundle sorter solution to co-locate with FSS

## Strategies Impacting All Flats

- ❑ Increase profitability of flats
  - ❑ Grow volume through promotions / incentives
  - ❑ Reduce costs
- ❑ FPARS
- ❑ LSS Projects
  - ❑ Sack Reduction (Charter phase)
- ❑ Date of induction rather than date of acceptance will apply to Labeling List and MDF utilized as of October 2014
- ❑ Structured Release Cycle moving to monthly

## Strategies Impacting All Flats

- ❑ Proposal for Incenting 5-D scheme pallets or pure CRRT bundles for a single DDU – proposed for 2015
- ❑ Bundle Assist Technology (simulation testing)
- ❑ Requested Marketing design an advertising piece to promote the use of co-pal and co-mail. Recommended distribution through BSN, Area Focus Groups, PCC's, Industry Alert and other avenues.
- ❑ Work with industry on refining flat mail characteristics for automation
- ❑ Work with MSPs on co-mail bundle breakage

# Remittance Mail Update

- **COMMUNICATIONS**

- RMAC
- MTAC Remittance Group
- RIBBS – RMAC Section
- BSN Customer Gateway

- **NEW PRODUCTS – COMMITTEE**

- Remittance Mail Redirect
  - Program is ready
  - Awaiting data from potential customers
  - Receiving inquiries from Bank's customers

- **OPERATIONAL PERFORMANCE COMMITTEE**

- Spring Phoenix Hecht survey completed last week; awaiting results
- Key emphasis
  - Align mail availability with customer pickup times
  - Local District Remittance Mail Advisory Committee

# Network Rationalization Phase II Status

# Open Discussion



**UNITED STATES**  
**POSTAL SERVICE**

# **MTAC**

## **Mail Prep & Entry Focus Group**

### **Periodicals Track**

**May 21, 2014**

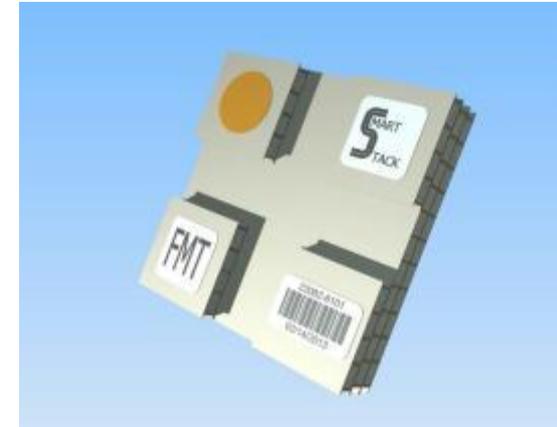
- Periodicals Track
  - Action Items from Last Meeting
  - Engineering Technology Update
  - Workgroup Updates
  - MTEOR Update
  - Mail Prep & Entry Steering Committee Update
  - Flats Strategy & FSS Prep
  - Network Rationalization Phase II Status
  - Open Discussion

- Action Items from Last Meeting
  - Determine if software can handle backup procedure for sending electronic data of address information
  - HUB list published outside of FAST
  - Scan data on bundles being worked manually

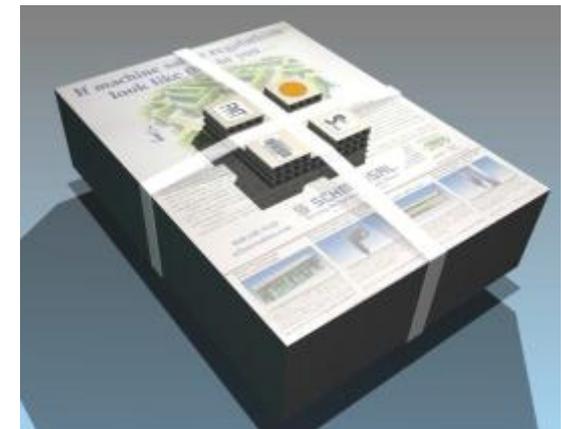
# Engineering Technology Update

- **Development Effort**

- Two RFI's released (Fed Biz Ops)
  - Smart Stack Bundle Making System
  - Smart Stack Loading and Unloading System
- Smart Stack Bundle Making System
  - Received two responses
- Smart Stack Loading and Unloading System
  - Received ten responses
- Evaluation completed
- Additional RFI's planned for Pallet Unloading and Flats Bundle Sorter



Smart Tag



Smart Stack Bundle with Strapping and Smart Tag

- APPS Singulation Enhancement Module (SEM)
  - **Current status**
    - 130 kits deployed in approximately 8 weeks (Deployment completed in March 2014)
    - Installation completed early May 2014
  - **Next steps**
    - Developing data collection on bundle breakage
- Bundle Dumping Process Improvement – New Tool

- **Current Tool**



- **New Tool**

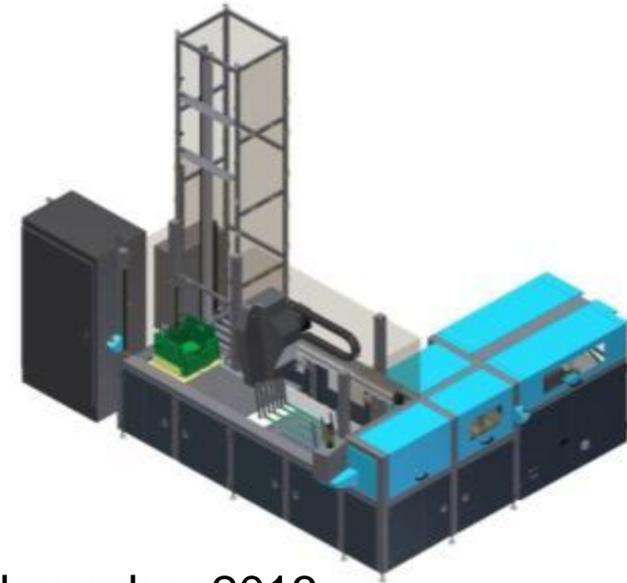


- Pictures from Dulles P&DC



## HSFF FY14 Plan Forward

- Continue processing mail at the Dulles P&DC
  - Reduced on-site Engineering Support to one Tour
  - Provided HSFF maintenance training
- Production Support
  - Assembled two additional HSFF's
    - Includes design updates
    - Completed TDP Parts Drawing Comparison – November 2013
    - Installation activities at Linthicum IMF – January 2014
      - Supporting Installation Manual
    - Testset Development
      - Supports Production Quality Control
  - Expect to install two additional HSFF's in “live” environment
    - Site - TBD
    - Summer 2014



- **New Separation Belts & Additional Mod planned for July 2014**
  - New Belts are ready for deployment.
  - New welder tool is ready for deployment
  - Additional major mod in the same area is being merged with deployment plan
    - This mod would require another set of 4 belts
  
- **Mail Stack Quality at Feeders Deployed**
  - Adding 3 HW mods at feeder to better control stack quality and have gentler pick off of Low “Run Stiffness” Mail
  - Production First Articles have been delayed and now have been received and approved.
  - Deployed and installed on all machines
  
- **Infeed Line Injector planned for May/June 2014**
  - Adding 2 HW mods at Infeed Line for better injection into Carousel of Low “Run Stiffness” Mail to minimize flipped mail
  - Deployment with specialized field teams – 20 machines to date; completion by mid-June

- **Updated Procedure for Carousel Track Alignment planned for June 2014 – 85% complete**
  - Updated Procedure will reduce major carousel maintenance downtime
  
- **Carousel Improvement Modifications planned June to Aug 2014**
  - Completed field testing at several sites
  - MTSC evaluating installation procedures
  - 4 machines currently installed with Mods
  - Modifications will reduce AFSM100 downtime and spares consumption
  
- **In-feed Injector Improvement planned for Aug 2014**
  - Developing improvement to the injector to reduce carousel and in-feed jams
  - Developing tools for easier and better maintenance of the injector
  - Field test planned June of 2014.

- **Critical Design Review**
  - 10/28/2013-11/1/2013
  
- **FPARS First Article Test**
  - 1/5/2015-2/2/2015
  
- **Deployment Schedule**
  - 2/19/2015 - 4/28/2015
  
- **18 FPARS Sites**
  
- **22 AFSM100's will be modified for PARS processing**

- **Printing on Polywrap translucent “white space” leads to “No Read”**
  - Polywrap may not remain “flat” as mailpiece is processed
  - Background printing may cause interferences with address and barcode



- **USPS Team of Engineers met with Donnelly Team at Lancaster PA (and over Teleconference) – 5/15 to 5/16**
  - Visited the East and West Facilities on Production of Bundles on Pallet
  - Open Dialogue on the challenges of the 250lb FSS Scheme Pallet
  - Generated several ideas and actions items
  - Planned for additional meetings and visits in the near future

# Workgroup Updates

- **WG 159 – HUBs**
- **Labeling Lists & MDF**
- **UG 7 – MTEOR & Update**

# WG 159 – HUBs

- Service Hubs
  - Timeframe
    - Pilot – July 2014
    - Phase I Implementation – August 2014
  - Cross-dock Containers only
    - 5-Digit ZIP, 5-Digit CRRT pallets, bundles, sacks or containers of
      - Standard
      - Periodical
      - Bound Printed Matter
      - Parcels (excluding Parcel Select)

- Service Hubs (cont.)
  - Will qualify for DSCF rate
  - CET will be 1600 for all Hubs
  - Hours of Operation will vary by facility
    - Hours published in Hub list and posted on FAST and RIBBS
    - Hours also available in mail direction file
  - FAST appointments will be required
  - FAST will be ready to accept appointments for July 2014

# Labeling Lists & MDF

- **New Structured Release Cycle**
  - Monthly Update of ALL USPS Product Files
  - **NEW:** 45-Day Notification Period
  - **Continue:** 30-Day Transition Window

	AIS Files, Publish City State Files*** (date available on EPF)	Publish Date of Labeling List, Zone Matrix and Drop Ship Product, Files**	City/State, Label List, Delivery Stats, Drop Ship Product, and Zone Matrix Begin Usage Date	City/State, Delivery Stats, Label List, Drop Ship Product, and Zone Matrix Mandatory Usage Date	City/State, Delivery Stats, Label List, Drop Ship Product, and Zone Matrix Expiration****	Accept 8125 of Old Address	Release Cycle Types*
1	11/11/13	12/15/13	1/1/14	2/1/14	4/30/14	5/30/14	ALL
2	12/16/13	1/15/2014**	1/26/14				FSS Labeling List/Drop Ship
3	2/10/14	3/15/14	4/1/04	5/1/14	7/31/14	8/30/14	ALL
4	5/12/14	6/1/14	7/1/14	8/1/14	8/31/14	9/30/14	Major
5	6/16/14	7/1/14	8/1/14	9/1/14	9/30/14	10/30/14	Minor
6	7/14/14	8/1/14	9/1/14	10/1/14	10/31/14	11/30/14	Minor
7	8/11/14	9/1/14	10/1/14	11/1/14	11/30/14	12/30/14	Major
8	9/15/14	10/1/14	11/1/14	12/1/14	12/31/14	1/30/15	Minor
9	10/13/14	11/1/14	12/1/14	1/1/15	1/31/15	3/2/15	Minor

- Planning (Mailing Industry)
  - Provide mailing industry 60 days end to end planning
- Major versus Minor Releases
  - Align release types to labeling lists
    - Major – Quarterly, 3-digit and 5-digit labeling lists
    - Minor- Outside of quarter, 5-digit labeling list changes **ONLY**
- Induction date versus verification date
  - Mailers will be expected to **induct** mail according to “begin usage date” (effective October 2014)

- New MTAC User Group for Labeling Lists and Mail Direction File
  - Create and discuss efficient communication, deployment and accuracy of USPS presort reference data
    - Label List Data
    - Mail Direction Files
    - Zone Charts
    - Delivery Statistics File
    - City/State File

- New MTAC User Group for Labeling Lists and Mail Direction File (Cont.)
  - Work through transition and implementation of monthly presort data updates
    - Industry deployment of data and software
    - USPS delivery of data, system and business requirements to ensure publication of accurate data
    - Additional documentation requirements
    - Communication of issues in the field and resolution with mailers
    - Industry education regarding usage, notification period and transition window

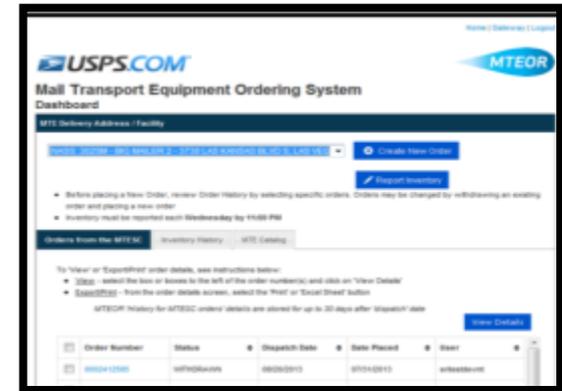
- Top down approach used to populate data in L007 labeling list
  - Updated labeling lists published June 1
    - Effective July 1
- L007 statistics

	<b>L007</b>	
	July 1	April 1
Scheme Entries	2,196	1,735
ZIPs Included	6,326	5,009

# MTAC User Group 007

- **MTEOR Enhancements**

- Auto-registration
- Dashboard sorting and filters
- Replicate requests
- Order history expanded to 30 days



*MTEOR Dashboard*

- **MTEOR RIBBs Page Updates**

- Informational Videos for Local Mailers
  - Registering for MTEOR
  - MTEOR Dashboard Overview
  - Placing a Request



*MTEOR RIBBs Page*

- Visit the MTAC User Group 007 Resource Center for all meeting materials and meeting minutes
  - <https://ribbs.usps.gov/mteor/mtac007.htm>
- Next Meeting: June 24, 2014
  - Contact the MTEOR Help Desk at [MTEOR@usps.gov](mailto:MTEOR@usps.gov) or 1-866-330-3404 to join the MTAC User Group 007



**Mail Transport Equipment Ordering System**

 Welcome to the MTAC User Group 007 Resource Center!

**Who are we?**  
This group brings together MTEOR users to identify and recommend opportunities for future enhancements to Phase 1 MTEOR-Mailer. As a part of this working group, members are responsible for:

- Gaining an understanding of any MTEOR program constraints and ease of use issues from the user perspective.
- Recommending future enhancement initiatives for the MTEOR program that will improve the user experience, including communications, ease of use, and reporting.
- Reviewing and building upon the recommendations from MTAC Work Group #153: "Mailer MTE Inventory Tracking and Reporting Process".

 Did not attend the meeting? Review the meeting minutes and presentations posted below!

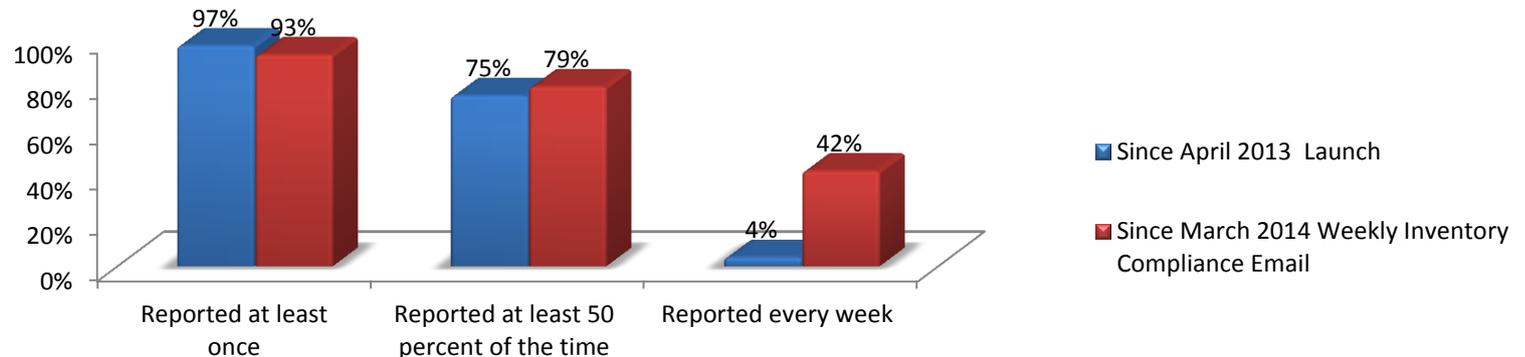
- April 29, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- March 25, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- February 18, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- January 28, 2014
  - [Presentation](#)
  - [Meeting Minutes](#)
- December 03, 2013
  - [Presentation](#)
  - [Meeting Minutes](#)

# Mail Transport Equipment Online Ordering (MTEOR) Update

- **MTEOR for Local Mailers allows Mailers to request MTE from local plants online**
- **It is launching throughout 2014 in a phased approach**
  - Southern Pacific Area – February 3, 2014 (Complete!)
  - Northern Pacific Area – March 3, 2014 (Complete!)
  - Eastern Area – April 7, 2014 (Complete!)
  - Great Lakes Area – May 5, 2014 (Complete!)
  - Southern Area – June 2, 2014
  - Northeast Area – July 7, 2014
  - Capital Metro Area – August 4, 2014
  - Western Area – September 8, 2014

**So far over 1300 Mailers have placed over 6000 requests worth over \$1 billion through MTEOR!**

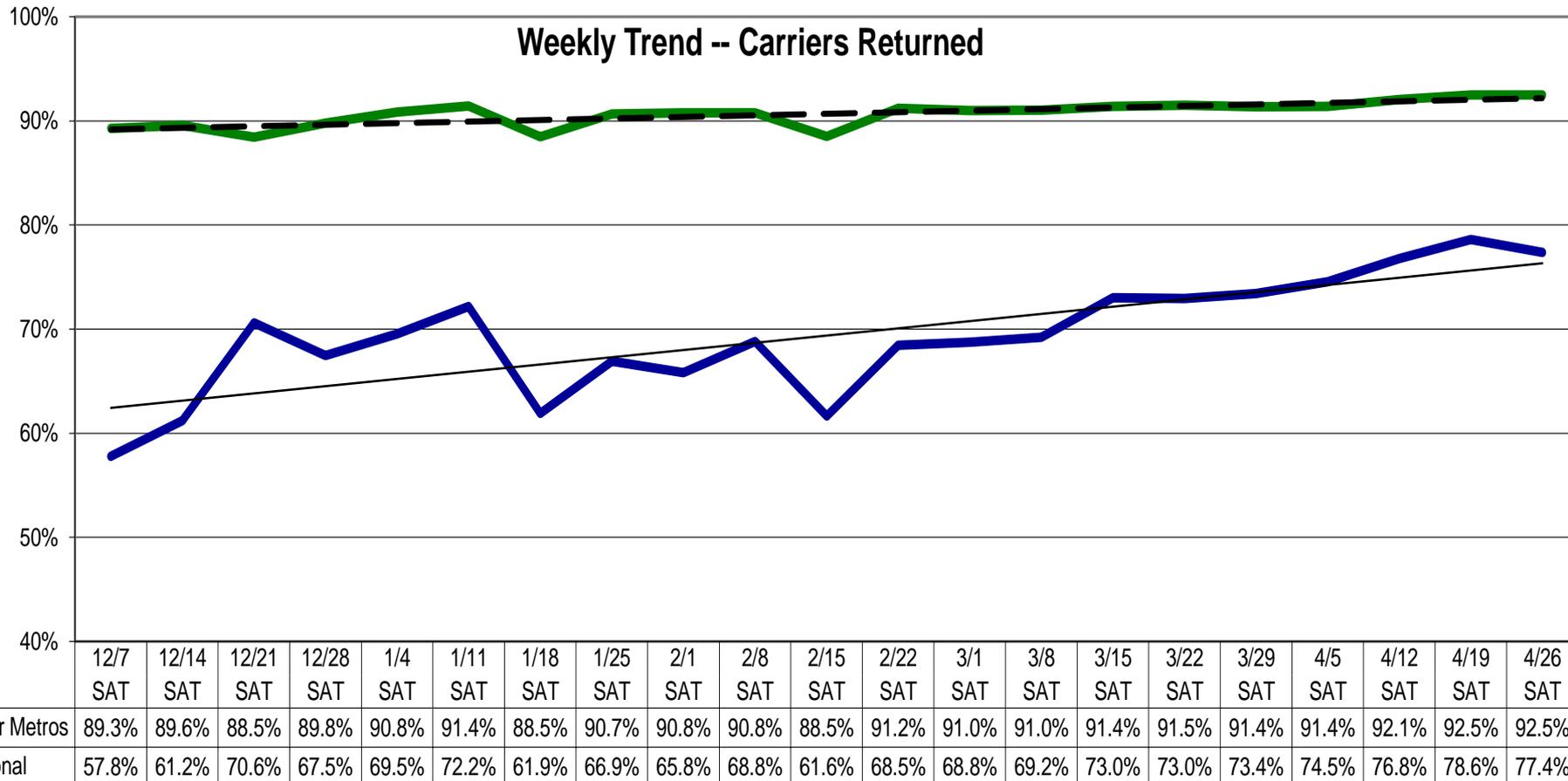
- **MTE inventory reporting launched April 2013 and provides the Postal Service visibility into where MTE is in the system**
  - It is required by ALL Mailers who request MTE from an MTE SC to be completed by Wednesday at 11:59 PM local time
- **To improve MTE inventory reporting compliance, MTEOR implemented the following enhancements:**
  - Reminder pop-up windows in MTEOR beginning every Tuesday until users complete the inventory report for that week
  - A reminder email to all MTE SC Mailers and an inventory compliance email to identified BSAs every Wednesday morning



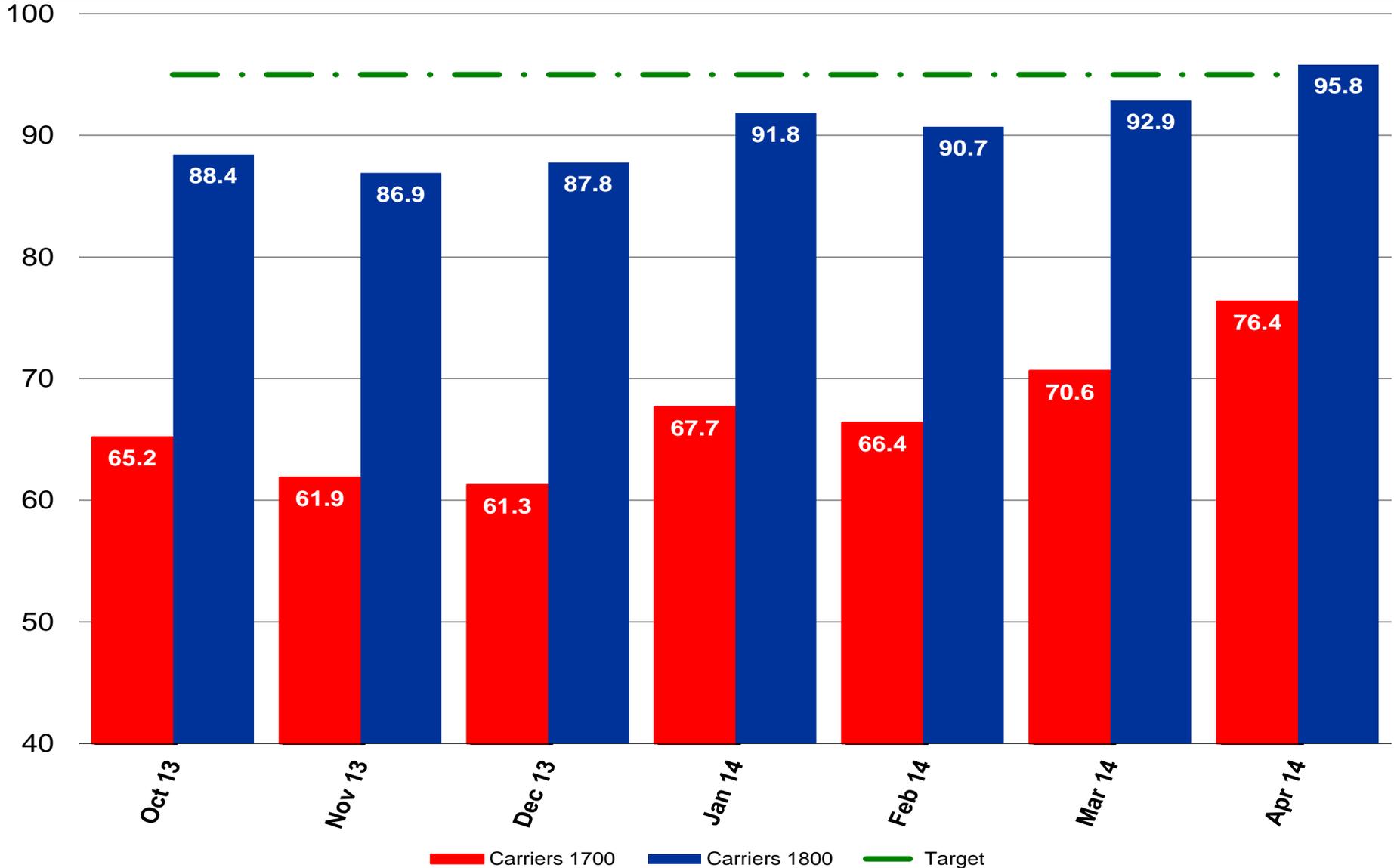
# Load Leveling Update



## Carriers Returned by 1700



# Carriers by 1700 & 1800



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<p>Issue 83: If the address label of non-CRRT flats also included the CRRT designation, non CRRT mail that flowed to the DDU could be cased and backflowing could be eliminated.</p>	
<p>Issue 84: 218 UFSM 1000's have been removed from service and only 36 remain as of July 2013. With the equipment fleet nearly sunset, a review should be conducted to determine if any obsolete standards or prices remain which were related to utilizing that equipment</p>	
<p>Issue 85: The current SAMP operation is not capable of inducting facility pallets. The majority of FSS volume is prepped onto facility pallets. As a result, a majority of FSS prepped bundles require an additional bundle sort before reaching the SAMP, creating additional USPS transportation, processing costs, and puts service standards at risk.</p>	
<p>Issue 87: A significant portion of the FSS ROI relies upon 100% of mail destined for FSS zones is prepped into both FSS bundles and pallets. Today a majority of mail destined for the FSS zones is not prepped onto FSS containers but needs to be in order to realize an ROI.</p>	
<p>Issue 91: Although the preparation rules for all DPS flats are the same, the price structures are all different. As a result, pricing signals are weakened as a vehicle to reach DPS ROI.</p>	<p><b>More robust pricing for FSS under review for 2015.</b></p>
<p>Issue 104: Presort options for parcels are somewhat limited. Additional cost savings and efficiencies could be gained by exploring additional presort options for parcels.</p>	<p><b>Needs Further evaluation</b></p>

# Flats Strategy Update

## Flats Strategy Development and Document Release

### ❑ Collaborative effort with Industry Association leaders

- Awaiting final clearance to post
- Costing sub-group explore additional opportunities
  - Update on small group - Hamilton
- Seek industry volunteers for other teams
- Collaborative efforts will continue through 2014



## Strategies Specific to FSS

- ❑ High Speed Flats Feeders
- ❑ LSS Projects
  - ❑ SAMP Productivity Improvement (Measure phase)
- ❑ FSS Prep Fine Tuning – proposed for 2015
  - ❑ Proposal for more robust pricing structure including incentive for DFSS entry for BPM
  - ❑ Require prep for HD & HD+ if FSS compatible
  - ❑ Permit sacks and tubs at DFSS sites
  - ❑ Permit Facility Pallets to enter at DFSS sites
- ❑ Low Volume Sort Plan / Zone Packing
- ❑ Investigating a low cost and streamlined bundle sorter solution to co-locate with FSS

## Strategies Impacting All Flats

- ❑ Increase profitability of flats
  - ❑ Grow volume through promotions / incentives
  - ❑ Reduce costs
- ❑ FPARS
- ❑ LSS Projects
  - ❑ Sack Reduction (Charter phase)
- ❑ Date of induction rather than date of acceptance will apply to Labeling List and MDF utilized as of October 2014
- ❑ Structured Release Cycle moving to monthly

## Strategies Impacting All Flats

- ❑ Proposal for Incenting 5-D scheme pallets or pure CRRT bundles for a single DDU – proposed for 2015
- ❑ Bundle Assist Technology (simulation testing)
- ❑ Requested Marketing design an advertising piece to promote the use of co-pal and co-mail. Recommended distribution through BSN, Area Focus Groups, PCC's, Industry Alert and other avenues.
- ❑ Work with industry on refining flat mail characteristics for automation
- ❑ Work with MSPs on co-mail bundle breakage

# **FSS Prep – 250 lb. Pallet**

## ***Deltas:***

- Mail Service Provider automated production lines are impacted by 250lb pallets
- FSS requires more robust pricing
  - Some classes were excluded from incentives (BPM)
  - Some incentives regarded as too small for effort involved
  - Majority of FSS flats prohibited from entering at DFSS sites

## **Pluses:**

- Fewer bundles made in FSS zones
  - Reduces costs for Periodicals mailers
  - Reduces APPS bundle processing
- Uniform bundles are easier to stack on pallets
- Uniform pallets stack easier
- Pallet fee waived for DFSS entered FSS scheme pallets
- Standard flats 1/10<sup>th</sup> cent discount for DFSS entry

## ***Effects in USPS Operations:***

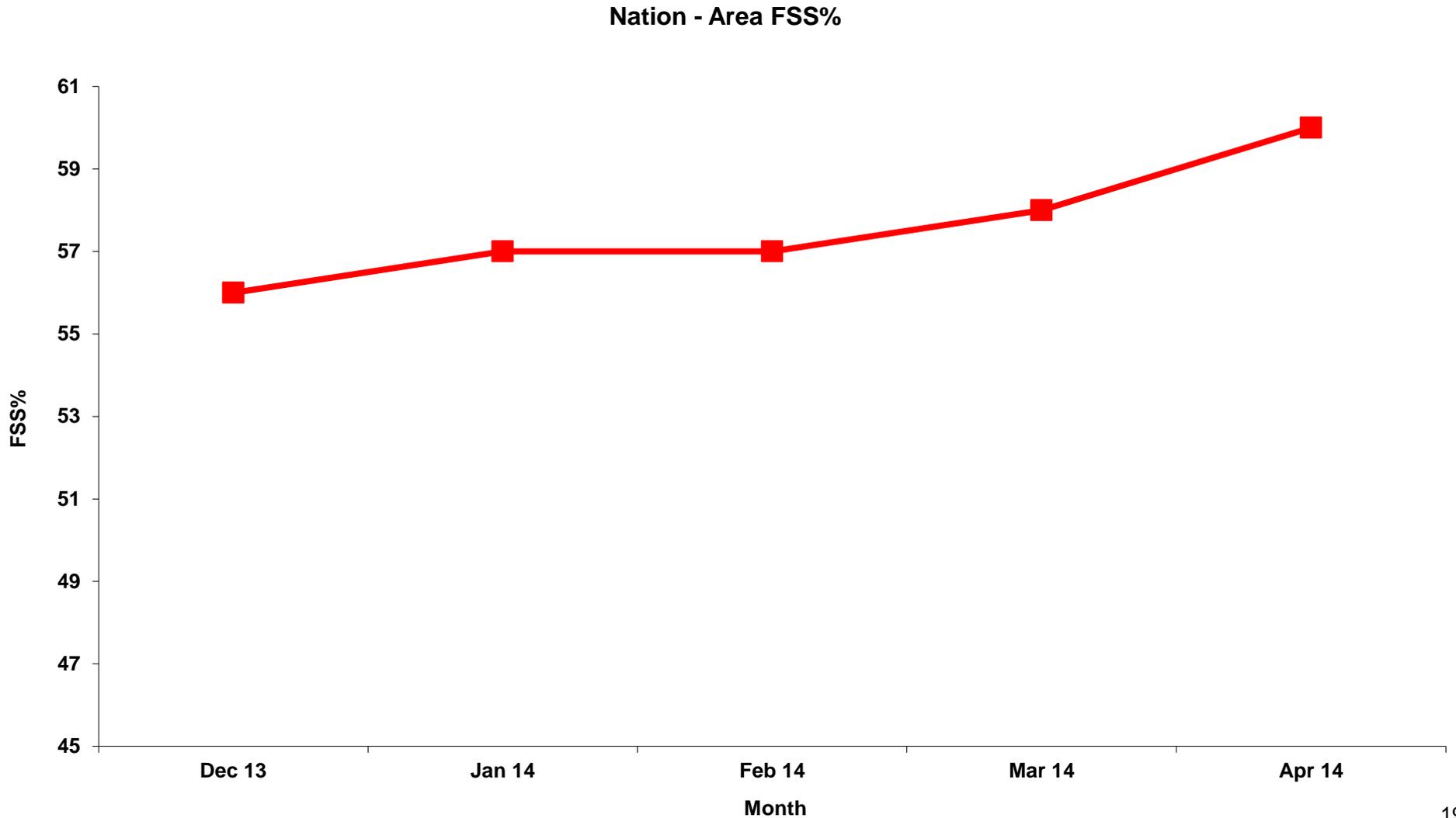
### **□ FSS Preparation Requirements Drive Needed Change**

- Larger bundles, fewer bundles
- FSS scheme pallets required at 250lbs
- Bundles on scheme pallets bypass bundle sort operation
  - Fewer handlings reduce damage, improve cost coverage & service
- Combined with bundle reductions, eliminates a total of 47% of bundles from APPS/APBS operations for FSS zones

## ***250lb Pallet Requirement:***

- Both FSS scheme and facility pallets were required under optional FSS prep. Offered concession in that facility pallets moved to optional at all weights for required prep in 2014.
- USPS increased pallet stack limit from 4 to 6 pallets high to facilitate drop shipments (Oct 2013)
- USPS forecast overall 7% increase in total pallet volume for flats based on January 2014 FSS label list
  - FSS zones only 21% of total zones
  - Saturation flats represent 26% of flats in FSS zones
  - HD/HD+ represent 6% (FSS prep is optional today)
  - First Class represents 5% (no FSS prep requirement)
  - Simplified address flats represent 3% (cannot sequence)
  - In-county newspapers (no FSS prep requirement)
- USPS MTE pallet inventories are strong and pallet demand is below SPLY

## *FSS Preparation Effects:*



## DFSS Entry Volume Trend

Mailing Week	DNDC/DADC	DSCF	DFSS	DDU	Grand Total
1/11/2014	4.95%	95.03%	0.00%	0.02%	100.00%
1/18/2014	4.15%	95.85%	0.00%	0.01%	100.00%
1/25/2014	4.35%	94.55%	0.99%	0.11%	100.00%
2/1/2014	4.11%	92.83%	3.03%	0.03%	100.00%
2/8/2014	4.28%	89.59%	6.11%	0.01%	100.00%
2/15/2014	3.49%	90.66%	5.84%	0.02%	100.00%
2/22/2014	3.76%	85.60%	10.58%	0.06%	100.00%
3/1/2014	4.14%	84.49%	11.32%	0.05%	100.00%
3/8/2014	4.10%	87.61%	8.26%	0.02%	100.00%
3/15/2014	3.72%	86.87%	9.40%	0.01%	100.00%
3/22/2014	4.09%	86.85%	9.00%	0.06%	100.00%
3/29/2014	4.16%	84.85%	10.91%	0.08%	100.00%
4/5/2014	4.41%	84.54%	11.05%	0.00%	100.00%
4/12/2014	3.94%	86.13%	9.89%	0.03%	100.00%
4/19/2014	3.90%	85.01%	11.06%	0.03%	100.00%
4/26/2014	4.07%	81.79%	14.09%	0.06%	100.00%
5/3/2014	4.59%	84.39%	11.01%	0.00%	100.00%

**Full Service IMb Flats in FSS Zones by Destination Entry Location**

# Network Rationalization Phase II Status

# Open Discussion