



UNITED STATES
POSTAL SERVICE

MTAC

Mail Prep & Entry Focus Group

Nashville

March 23, 2016

- FSS Update
- Quarter 2 Plant Conditions
- FAST Update
- Remittance Update
- Pre-Peak Planning Strategy
- Data Analytics and Visibility Tools
- Newspaper Update
- Political Mail Season
- Exigent Rollback
- Open Discussion

FSS Update

- FSS volumes are declining
- Exploring opportunities to increase FSS volumes
- Utilizing analytics to reduce last mile failures and FSS leakage
 - Bundle visibility
 - Bundle breakage
 - Reject handling
- Also using improved analytics to evaluate FSS zones
- Utilizing top–down approach to identify new candidate zones
- Exploring opportunities to combine zones, reduce pallets and bypass bundle sortation

High Speed Flats Feeder



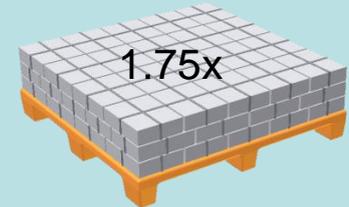
Enhancement

Two 20k per hr. feeders, VM2 runs at full speed

- Benefit to USPS**
- 15-20% more volume in same processing time
 - 2-4% increase in Accept Rate
 - Reduce 1 operator
 - Less runs per day, less overhead (~80% VM2)

Benefit to Mailers

Larger FSS Scheme Pallet



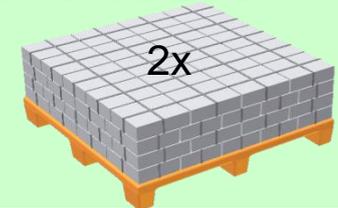
HD Staging



Stacked trays in staging --> nearly 2x increase in staging capacity

- All VM2 runs
- All run sizes fit
- Enables VM1 runs
- Less runs per day, less overhead

Larger FSS Scheme Pallet



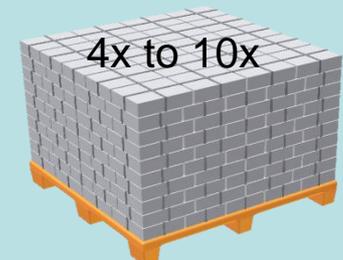
Multi-Scheme SAMP



SAMP processes multi-scheme pallets in one pass operation

- Bundles removed from APPS/APBS
- Significant reduction in damage

Larger FSS Scheme Pallet

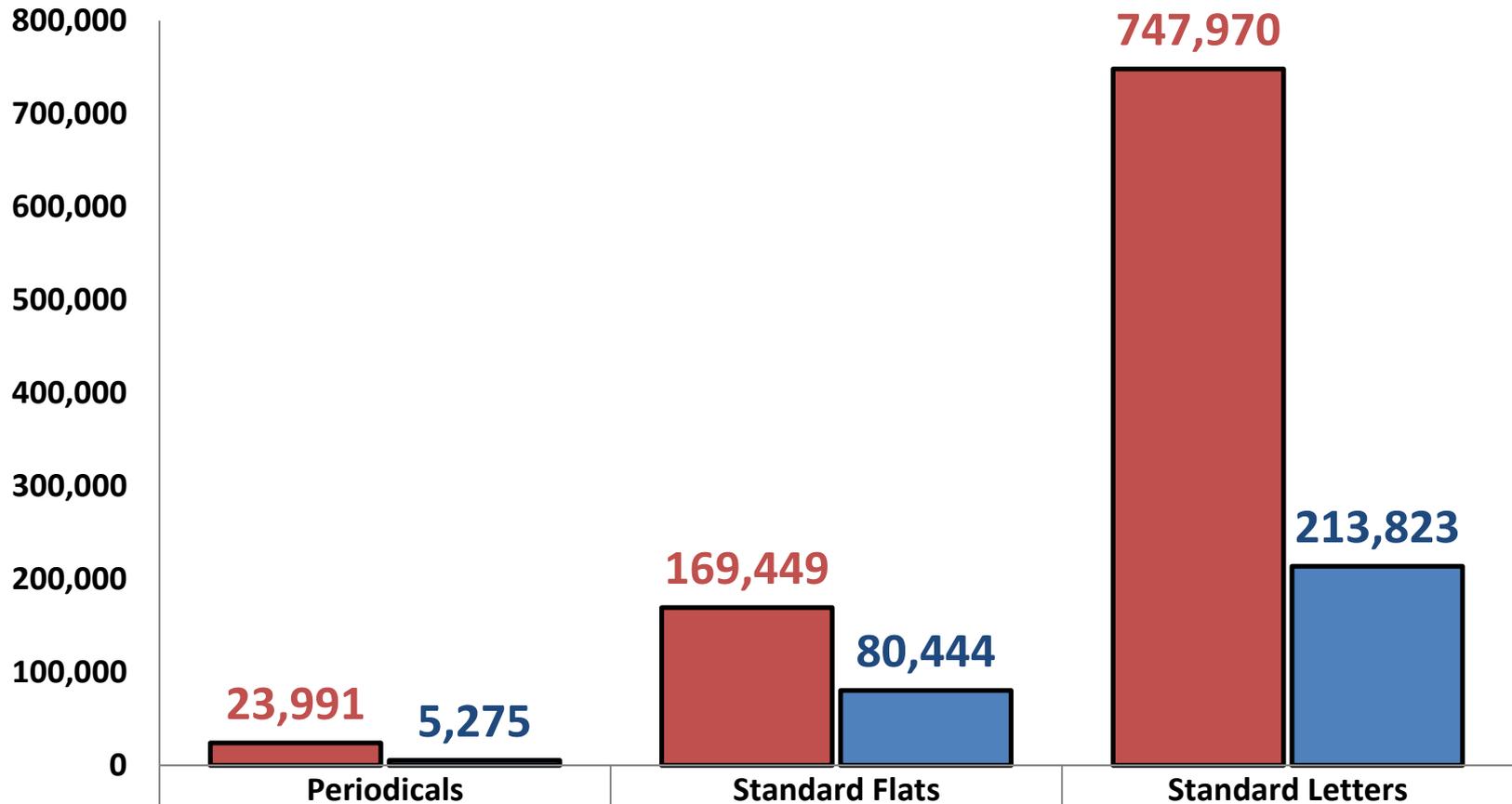


Damage Reduction

Quarter 2

Plant & NDC Mail Conditions

Plant and NDC Conditions: 1/9/16 – 3/16/16



DP/DMF SPLY (000)	23,991	169,449	747,970
DP/DMF Current (000)	5,275	80,444	213,823
DP/DMF % to SPLY	-78.01%	-52.53%	-71.41%

FAST Update

1. FAST questions email at FAST@usps.gov
2. FAST, eInduction, or CSA issues Call FAST Help Desk at 1-877-569-6614,
 - Option 2 during normal hours Mon-Fri 7:00am-7:00pm, central time
 - Option 7 after normal hours, weekends, or holidays for after hours support
3. Local Facility Drop Shipment Issues
 - Call facility coordinator in FAST Facility Profile page
 - Call 24 hour facility number in FAST Facility Profile page
 - Call FAST Help Desk at 1-877-569-6614, option 2 normal hours, and option 7 after hours
 - FAST Help Desk has been provided additional emergency contact numbers for Plant Managers and will assist if local issues are not resolved through local contact

Facility Changes since 1/1/2016

- Expansion
 - Changed profile in 14 facilities
 - Expanded FAST facility constraints in 16 facilities

Change Type	Capital Metro (K)	Eastern (C)	Great Lakes (J)	Northeast (B)	Pacific (F)	Southern (G)	Western (E)	Grand Total
No changes	22	82	59	38	23	94	142	460
Profile change	5	1			1	2	5	14
Expanded Constraints	4	5	1	2		3	1	16
Grand Total	31	88	60	40	24	99	148	490

3/14/2016

Area	Sites	New/ Change	No Change	% New/ Change
Capital Metro	30	9	21	30.0%
Eastern	86	6	80	7.0%
Great Lakes	60	1	59	1.7%
Northeast	40	2	38	5.0%
Pacific	24	1	23	4.2%
Southern	99	5	94	5.1%
Western	148	6	142	4.1%
Total	487	30	457	6.2%

Fast Facility Constraints

- Review facility default constraints
- Graphical review to identify drop shipment hour outliers
- Adjust constraints as appropriate

Slots:
4 results

Appointment Type	Hour																							
	00	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Pallet						7	4	6	5	5	5	4	6	7	4	6	5	2	5	3	3			
Speedline						7	7	7	7	7	7	7	6	7	7	7	7	7	7	7	4	4		
Bedload						4	4	4	2	2				2	2	1	1							
Drop and Pick						4	4	4	4	4	4	2	4	4	4	4	4	1		1	1			

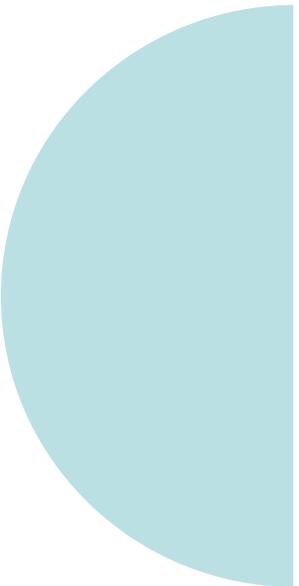
4 results

***Daily Volume (piece count):**
1 result

	Letters	Flats	Machinable Parcels	Non-Machinable Parcels	Irregular Parcels
Daily Volume	999999999	999999999	999999999	999999999	999999999

1 result

Remittance Update



Remittance Mail Re-Direct (RMR) is a fee based service designed to capture mail destined to a caller service in one location, and re-route it to another designated location without changing the address on the mail piece.

Customer Needs

- The need to process customers' mail cost effectively in an optimal location without alienating customers.
 - New York Yankees season tickets being processed in Boston
- The need for Flexibility and Speed in mail re-direction in the event of emergency or natural disaster
 - Hurricane; where ops need to be re-directed to another location
 - Bank customers' payments being rerouted because of a processing plant evacuation so there is no delay
- The Mailers need for seasonal processing consolidations

USPS Solutions

- Piece is identified using its unique bar code
- AMS database flags pieces for re-direction
- Mail re-direction is done seamlessly on automation to the new/preferred address location
 - Nation-wide capability
 - Delivery at same service levels



Key Market Opportunities

Industries:

- **Financial**
- **Telecommunications**
- **Remittance Mail Processors**



Use

- Seamless re-direction of payments
- Reduce time in transit for payment and reduce Float
- Disaster Contingency Planning

Market Pilot Test Conducted

(2013-2014)

Original Site

1. Woburn

2. Philadelphia

3. Atlanta



USPS Re-Direct

Pittsburgh

Newark

Dallas



RMR re-directs both wholesale and retail mail

1M pieces re-directed without errors

Open Items

- **Speed of Activation**
- **Inclusion of Flats (RMR is letters only)**
- **Pricing**
 - **MMA Mtg; Nat'l Postal Forum- Nashville**
 - **Wednesday March 23, 2016**
Room- Washington A
- **Customer Feedback re: volume projections for program**

Pre Peak Planning Strategy

Air Transportation

- Peak planning is underway for both the air and surface network
- Repeat of Extended Peak Season – mid-November through mid-January
- Air Capacity Plan being established and will be finalized in early July

Additional Capacity Plans

- Additional Charter aircraft in key high-volume markets
 - LAX, SFO, EWR, HNL-GUM, PHL, OAK, MCO, ONT
- Additional Capacity available via bed-loaded trucks into the Network hub
- Additional facility space for Terminal Handling Service (THS) activities
- Headquarters Operations team members deployed to key markets
- Area and National telecons daily to review / modify current processing and network strategies

Surface Transportation

- Post Peak meeting held in Jan
 - Network successes and challenges reviewed and opportunities for service improvement planned
 - Peak Annexes to be identified, procured and opened earlier to reduce transportation delays and minimize start up issues
 - Highway Contract Route (HCR) supplier deficiencies addressed
 - HCR stand-by go-anywhere contracts to be expanded
 - Key Network facilities identified and awarded contracts
 - Team drivers report to facility ready to operate
 - Eliminate volume delays

Surface Transportation

- Current State Planning
 - Surface network transportation being developed
 - Air to Surface Diversions
 - Start / end dates
 - Lane by lane analysis
 - Peak leased trailer deployment and drayage schedule being developed
 - Expansion of GPS tracking for HCR's and leased trailers

Data Analytics and Visibility Tools

- **Service Pair Analysis**
 - Provides diagnostic data for key processes and transportation nodes from origin entry plants to destinating processing plants
- **First-Class Mail on-hand at 1500 hrs.**
 - Provides visibility of inventories at a critical hour of our processing window
- **Priority & First-Class Mail Processing Profile**
 - Graphical depiction of parcel volume and service scores by each hour that mail is processed throughout the 24-hour clock
- **First-Class Mail Delayed at Origin**
 - Provides data for mail that is processed at originating (entry) plants after intended transportation has departed

- **Package Platform Utilization**
 - Measures percent of utilization vs. capacity of our package processing equipment

- **Political Mail Conditions and Service Performance**
 - Provides visibility for Political Campaign Mailings

- **Originating & Destinating Enroute Scanning**
 - Provides visibility for enroute processing scans of packages at Originating and Destinating Plants

- **Percent of Advanced Standard Mail**
 - Indicates the percent of Standard Mail committed for Monday delivery that is advanced into Saturday delivery

Newspaper Update

- Joint workshop conducted at USPS Headquarters with NNA March 16th
- Based on learning from Kaizen events
- Best Practices were highlighted
- Strategy for increased visibility being developed
- Establishing communication vehicles via USPS / NNA websites moving forward
- Looking for opportunities to replicate success with other Industry segments

Political and Election Mail

- Lead and Functional Political and Election Mail Coordinators designated for every Area and District
- Extensive Documentation, Guides and Collateral Available



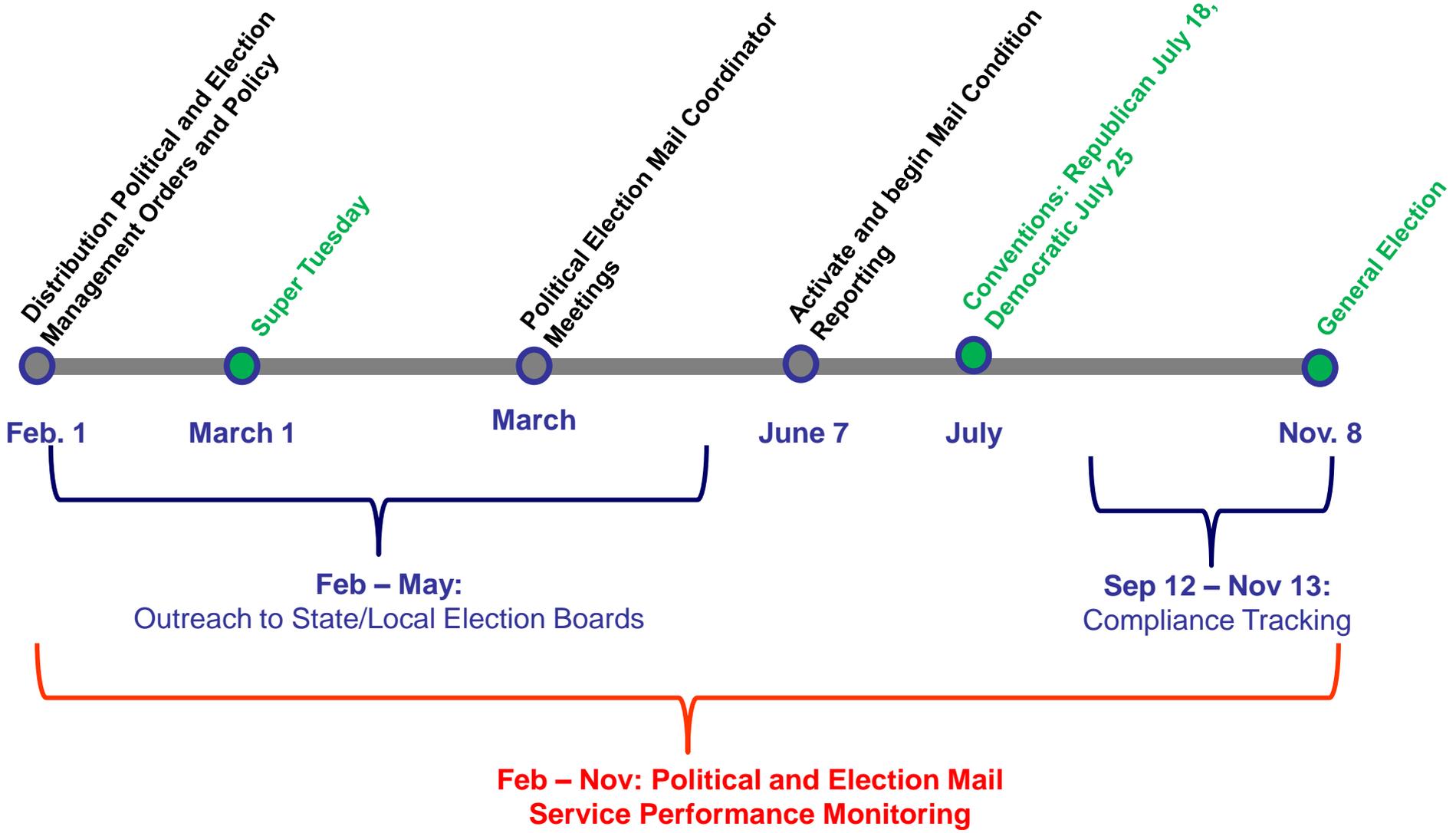
Political and Election Mail Resources

- Official Election Mail Program Kit
- Local Mailpiece Design Analysts - http://pe.usps.com/mpdesign/mpdfr_mda_lookup.asp
- External Election Mail - [usps.com/electionmail](https://www.usps.com/electionmail)
- External Political Mail - <https://www.usps.com/business/political-mail.htm>
- Deliver the Win / Political Mail site - <http://www.deliverthewin.com/>
- Green Tag 191 Fact Sheet and Sample Tag – *How to Increase Visibility for Official Election Mail*
[usps.com/election-mail/tag-191-election-mail-kit.pdf](https://www.usps.com/election-mail/tag-191-election-mail-kit.pdf)
- Special Procedures APO/FPO Absentee Ballots Fact Sheet
[usps.com/election-mail/apo-fpo-election-mail-kit.pdf](https://www.usps.com/election-mail/apo-fpo-election-mail-kit.pdf)
- Publication 631—Official Election Mail – Graphic Guidelines and Logos
<http://about.usps.com/publications/pub631.pdf>
- Publication 632—State and Local Election Mail User's Guide
<http://about.usps.com/publications/pub632.pdf>
- Domestic Mail Manual (DMM) 703
<http://pe.usps.com/cpim/ftp/manuals/dmm300/703.pdf>
 - 703.1.3 — Qualified Political Committees and State and Local Voting Registration Offices
 - 703.2 — Overseas Military Mail
 - 703.5 — Free Matter for the Blind and Physically Handicapped Persons
 - 703.8 — Absentee Ballot

District Lead Political Election Mail Coordinators

- Lead role State and Local Officials Outreach
- Educate Election Mail Community on USPS Processes, Capabilities and Resources
- Resource Alignment –
 - Sales
 - Mailpiece Design Analysts
 - Mailing Prep and Entry
 - Coordinate Delivery and Pickup Activities
- Main Point of Contact for Information and Escalation

Political and Election Mail: Key Milestones



■ USPS Commitment:



- Partnership with Political and Election Mail Community
- Maintain sufficient MTE inventory
- Plants will handle all political mailings properly & expeditiously
- Ensure all employees are alert for Tag 57 (even though it is optional by mailers)
- Track performance of political campaign mail
- Plants will not delay other mail to process political campaign & ballot mail



Exigent Rollback

- Exigent is rolling back April 10th
- We have seen historical behavior changes in anticipation of price adjustments
- We expect volume to drop prior to the price decrease and increase after the rollback and will adjust as necessary
- We'd like to hear from you in terms of potential volume shifts

Open Discussion