

MTAC Update

Western Area Mailing Industry Focus Group Meeting
February 25, 2014



Postmaster General's Mailers Technical Advisory Committee

- ▶ **An association of associations**
 - Representatives of the industry – not companies
 - Currently 52 Association members
 - One Association Executive and up to Three Association Representatives per Association
- ▶ **Focused on sharing information between the USPS and Mailing**
 - Quarterly Meetings at USPS Headquarters in Washington, DC
 - Industry elected leadership
- ▶ **2014 Focus Areas – defined by PMG**
 - Preparation and Entry
 - Visibility/Service Performance and Address Quality
 - Mail Piece Design and Product Development
 - Payment and Acceptance
- ▶ **4 industry and USPS leaders for each focus area**
- ▶ **4 industry leaders representing mail classes**

MTAC – 48 Years of Technical Leadership

▶ **Address Quality**

- Barriers to 100% delivery point barcoding
- Implementing CASS cycle L (DPV, LACS^{Link})
- Move Update implementation

▶ **Mail Preparation**

- Product Reclassification in 1996
- FSS Sortation and Implementation
- Mixed class commingling

▶ **Entry and Payment**

- Drop Ship Appointment System and now the Facility Access and Shipment Tracking (FAST)
- PostalOne!

▶ **Intelligent Mail barcodes**


- From 2-state (POSTNET) to 4-state to Full Service IMb

2008 NPF Partnership for Progress Award



MTAC received the NPF Partnership for Progress Award at the 2008 National Postal Forum

MTAC Executive Committee Members

Industry	U. S. Postal Service
<p>Christopher G. Lien -- Industry Chair (2014-2015) Bell and Howell 585-341-3306 Cell: 585-698-9891 chris.lien@bhemail.com</p>	<p>Jim Nemec -- Postal Chair Vice President, Consumer & Industry Affairs 475 L'Enfant Plaza RM 4016 Washington DC 20260-4016 202-268-4910 james.a.nemec@usps.gov</p>
<p>Erv Drewek-- Industry Vice Chair & Treasurer (2014-2015) Manager, Postal Affairs Brown Printing Company 2300 Brown Ave Waseca MN 56093-0517 507-837-4772 erv.drewek@bpc.com</p>	<p>Sharon Owens -- Postal Co-Vice Chair Manager, Industry Engagement & Outreach Consumer & Industry Affairs 475 L'Enfant Plaza SW RM 4541 Washington DC 20260-5006 202-268-7304 sharon.d.owens@usps.gov</p>
<p>Phil Thompson -- Immediate Past Industry Chair (2012-2013) Manager of Postal Operations Quad/Graphics Inc N61 W23044 Harry's Way Sussex WI 53089-3995 414-566-4731 phil.thompson@qg.com</p>	<p>Lauren Zalewski -- Postal Co-Vice Chair Manager, Operations Industrial Engineering Network Operations 475 L'Enfant Plaza SW RM 3626 Washington DC 20260-5006 202-268-8504 lauren.zalewski@usps.gov</p>
 <p>MAILERS TECHNICAL ADVISORY COMMITTEE UNITED STATES POSTAL SERVICE®</p>	<p>Debbie (Branagan) Goldman -- Program Manager Customer Outreach Specialist Consumer & Industry Affairs 475 L'Enfant Plaza SW RM 4411 Washington DC 20260-5006 202-268-7738 deborah.l.branagan@usps.gov</p>

MTAC Industry Leadership

Industry Leaders: Classes of Mail	Industry Leaders: Focus Areas
<p>Sharon Harrison / First-Class Mail / Major Mailers Association AT&T Services Inc: VP, Postal Strategy Finance 3900 Channel Dr West Sacramento CA 95691-3432 916-376-2040 sh3157@att.com</p>	<p>Angelo Anagnostopoulos / Payment / Edison Electric Institute GrayHair Software Inc: VP Postal Affairs 124 Gaither Dr Ste 160 Mt Laurel NJ 08054-1719 856-924-2208 angelo@grayhairsoftware.com</p>
<p>John Medeiros / Package Services / Parcel Shippers Association DHL Global Mail: Director, USPS & Domestic Networks 10790 Lee Vista Blvd Ste 201 Orlando FL 32829-8073 407-563-1076 Cell: 954-804-7728 jmediros@dhlglobalmail.com</p>	<p>Lisa Bowes / Service Performance / Natl Alliance of Standard Mailers & Logistics Intelisent: Manager, Account Services 240 Hartford Ave Newington CT 06111-2077 860-577-8077 lisa.bowes@intelisent.com</p>
<p>Wanda Senne / Standard Mail / Natl Assn of Advertising Distributors World Marketing: Director, Corporate Postal Affairs & Strategy, 1961 S Cobb Industrial Blvd Smyrna GA 30082-4915 770-431-2591 wsenne@worldmarkinc.com</p>	<p>Bob Schimek / Preparation & Entry (Operations) / IDEAlliance Senior Director - Postal Affairs Satori Software Inc. 1301 5th Ave Ste. 2200 Seattle WA 98101-2672 608-799-0465 bschimek@SatoriSoftware.com</p>
<p>John Stark / Periodicals / IDEAlliance Condé Nast: Executive Director of Distribution Operations, 1166 Avenue of the Americas 19th Fl New York NY 10036-2708 212-790-6917 john_stark@condenast.com</p>	<p>Steve Colella / Mailpiece Design & Product Development / Association of Marketing Service Providers (AMSP) VP- Postal Affairs The Calmark Group 6755 S. Sayre Ave Bedford Park, IL 60638 708-552-8265 scolella@calmarkgroup.com</p>

Types of Committees

Group Type	Intended Function	Primary Sponsor / Oversight	Group Participants	Approval of Participants	Timeframe
User Group	Broad, topical “Think Tank” discussion	MTAC Focus Area Leader (postal and/or industry)	Anyone	User Group Leaders	Open - No specific end date
Work Group	Address defined issue, achieve specific results	MTAC Focus Area Leader (postal and/or industry)	Primarily MTAC Members and industry experts	MTAC Focus Area Leader	Concludes when desired results are achieved (per the issue statement)
Task Team	Quickly address very narrow issue, “fast track” results	MTAC Executive Committee (may also be delegated to Focus Area Leader if subject is specific to an Area)	Selected by MTAC Leadership and Executive Committee	MTAC Executive Committee	Concludes when desired results are achieved (per the issue statement)

Current User Groups

- ▶ **User Group 1 - PostalOne!, SASP, Intelligent Mail**
 - Weekly Meeting
- ▶ **User Group 2 - eVS/Product Tracking System**
 - Monthly
- ▶ **User Group 3 - FAST User Group**
 - As needed
- ▶ **User Group 4 – Visibility (CONFIRM)**
 - Somewhat dormant right now
- ▶ **User Group 5 – Addressing**
 - Biweekly
- ▶ **User Group 6 – Product Sampling**
 - Just getting started
- ▶ **User Group 7 – MTEOR**
- ▶ **User Group 8 – USPS Promotions (new)**
 - Monthly

Current Open Workgroups

- ▶ **138 – eDrop Ship**
 - Ongoing with active discussions. Need more industry feedback in this workgroup.
- ▶ **143 – Seamless Acceptance**
- ▶ **151 – Streamlined Weight & Ad percentage**
 - Finalizing the concluding report (expected late February 2014)
- ▶ **159 – Evaluation/Recommendation entering product at Hubs**
 - March 2014
 - Identify group of mailers interested in testing HUB concept
 - July 2014
 - Implement HUB concept
 - Develop list to identify 5-digits associated with HUB
 - Mailers can continue to use existing labeling lists
 - Identify HUB locations in drop ship product file (via FAST)
- ▶ **160 – Mail Owner & Nonprofit Identification in eDoc**
 - Draft of concluding report being reviewed
- ▶ **161 – Full Service Single Source ACS Chargebacks**
 - Close to finalizing

Currently Open Task Teams

- ▶ **TT 17 – Shipping Services File for Full Service**
 - To determine the feasibility of creating a solution for mailers who currently send files for eVS that would allow them to use the same file structure for Full-Service mailpieces.
- ▶ **TT 19 – IMpb Compliance and Thresholds**
 - The Task Team will recommend equitable, graduated thresholds for each of the three major elements of IMpb requirements (barcode use, shipping services file format, and content of ZIP+4 or destination delivery address) and methods to measure and assess compliance
- ▶ **Task Team participation is selective and must be approved by the MTAC Executive Committee**

Payment & Acceptance Track

▶ **First Class**

- Incentives
 - Post “Incentive Clarifications” table on Incentives webpage
- Single Piece Documentation
 - Publish the Single-Piece eDoc modification for permit imprint DMM change (<200 pieces).
- Full Service Outreach
 - USPS to work with MTAC associations to conduct Educational seminars
- Mail.xml changes in July
 - USPS will confirm w/DST that new linkage with postage statements is being addressed for their Mail.xml submissions.
 - Outreach all mailers and MSDG to ensure readiness for Mail.xml changes in July.

Payment & Acceptance Track

▶ Periodicals

- Polybag
 - Investigate solution for 2 Periodicals mailed in 1 Polybag (UG1 item)
- Mail Anywhere: Update Mail Anywhere Fact Sheet
 - Clarify how the USPS calculates the 90% of Full Service requirement in a multi-permit MSP environment
 - How will USPS validate eligibility for a permit that is at 90% but being presented for the first time at MSP location not at 90% threshold?
- Air Box
 - Can any other class (other than Periodicals) use Air Boxes?
- FSS and eInduction
 - Flats Sequencing System (FSS). Need to resolve “sacks on pallets’ (courtesy pallet) issue as related to eInduction & FSS Rate Eligibility

Payment & Acceptance Track

▶ Standard

- January Price Change/FSS
 - Distribute exception process for mailers that are unable to meet the FSS mail prep requirements on Jan 26.
- Full Service
 - Clarify requirements re: container placards for residual portion of large mailings.
- eInduction
 - Provide date for IMDAS solution for NON-SV sites
- Mail Anywhere and Permit Fee Retirement
 - Reinforce training at BME relating to the new programs. Reach out to clerks to ensure in-depth understanding.

Report Out Items from January 2014 Meeting

Payment & Acceptance Track

▶ Packages

- Conduct a User Group (eVS) meeting a week after the Release to see if there are any issues
 - Ensure functionality is working and resolve any issues. Feb 3, 2014 at 3:30 PM EST
- Confirm with Operations when HUB information
 - Available in the Mail Direction File to identify when eVS can use this for the destination entry validation logic
- Evaluate the creation of a new report in eVS
 - Displays the MID belonging to one MSP but another mailer is using it (pieces manifested by the wrong parent MID)
- Share the complete set of duplicate data
 - With mailers to get feedback on identifying the root cause of the duplicates.

Discussion Items: Payment and Acceptance

- ▶ **Full Service IMb is not required for automation rates**
 - USPS withdrew that proposed requirement on November 29, 2013
- ▶ **Mailers that are currently entering Full Service IMb or plan to present mailings as such will face new requirements**
 - USPS is moving forward with expanded eDoc verification in July 2014
 - Errors exceeding the thresholds will result in loss of Full Service IMb discounts of \$.001 and \$.003 per piece for STD and FCM respectively.

Full-Service Electronic Verification				
Mail Error Type	Threshold	Level		
		Container	Handling Unit	Piece
Barcode Uniqueness	2%	X	X	X
By/For*	5%			X
By/For Matching	5%			X
By/For Mail Owner Identified as MSP*	5%			X
Copalletization	5%		X	
Entry Facility	5%	X		
Mailer ID	2%	X	X	X
Service Type	2%			X

Discussion Items: Payment and Acceptance

▶ Package Services – Competitive Products

Category	Jan 2014	July 2014	Jan 2015
Unique trackable barcode (legacy or IMpb)	98%	99%	99%*
ZIP+4/destination delivery address in file	93%	95%	98%**
Shipping Services file v1.6 or higher, including required data elements	90%	95%	97%

- * IMpb only by Jan 2015
- **Must contain street address/11-digit DPV code by Jan 2015

▶ Non-compliance fee – Competitive Products

(Priority Mail Express, Priority Mail, First-Class Package Service and Parcel Select)

- Fee assessed for non-compliant pieces effective Jan 27, 2014
- IMpb non-compliance fee = \$.20 to pieces below the threshold
- Exceptions may be requested and active exceptions will be honored

Report Out Items from January 2014 Meeting

Visibility/Service Performance Measurement Track

▶ **First-Class**

- Need a “Stop” scan event for continuous mailers added to measurement
 - Stop scans are being observed before Start-the-Clock; resulting in non-measured data in PostalOne
- Add working on an understanding of the decision impacts regarding “SA” indicator to User Group 5
- Add new UAA page on RIBBS as planned

Report Out Items from January 2014 Meeting

Visibility/Service Performance Measurement Track

▶ **Periodicals**

- Follow-up on how to scan Overnight PER bundles dropped at DDUs (typically newspapers) and get them into SPM

▶ **Standard Mail**

- USPS will perform an “initial” analysis to identify/investigate “mail exclusion” percentages to Service Performance Measurement

▶ **Package Services**

- Add RSS to the Update tab on RIBBS
- Add a Packages tab on RIBBS

Prep & Entry (Operations) Track

▶ **First-Class Mail**

- DMM Simplification and communication approach
- Industry concern with organizational responsibility/integration
- PARS mail flow diagram by mail class (Linda Malone)
- Education on FCM palletization rules:
 - Webinars
 - Work with Mailing Standards
- Communicate facility consolidations that could be implemented without overnight service standard change

Prep & Entry (Operations) Track

▶ **Periodicals**

- Determine if software can handle backup procedure for sending electronic data of address information (Engineering)
- HUB list published outside of FAST
- Scan data on bundles being worked manually

▶ **Standard Mail**

- CIN codes – FSS Facility and FSS Scheme Pallets
- Load Leveling – Explore options for obtaining better visibility data (work with Product Information (CIO))
- Obtain list of sites for load leveling
- FAST for FSS: FSS Sacks/Facilities

Prep & Entry (Operations) Track

▶ **Package Services**

- More lead time (at least 14 days) with announcing webinars
- Make change to verbiage with Structure Release Cycle (Definition of Major)
- Industry is looking for a list that identifies consolidations not service standard changes dependent – Is there a specific advanced notification required?
- Define what mail classes/subclasses (Shapes are part of load leveling)
- Are HUBs included in load leveling?
- USPS will look into capability to open FAST appointments

Discussion Items: Mail Preparation and Entry

Mail Preparation and Entry

▶ Flats Sequencing System (FSS) Concerns

- Software vendors in varying state of support due to confusion on requirements and open questions
 - Must submit a written request to the PCSC
- Example: January 23, 2014 Postal Bulletin for Jan 26 implementation
 - “Additionally, we are revising DMM 343 to clarify that nonautomation Standard Mail® flats not eligible for carrier route or 5-digit prices and correctly placed in FSS scheme bundles are eligible for 3-digit prices. New DMM 343.5.4c states this, but we are revising item 343.5.6 to more clearly agree with 343.5.4c.”

▶ Labeling Lists

- Moving to monthly distribution effective July 2014
 - Presents a 90-day rolling window for software vendors and users to manage
 - Trigger date will likely be Mailing Date with the USPS tying any potential assessments to Induction Date
- Taking a more top-down review process on all labeling lists
 - Responds to the L006 and L012 errors from the December 15, 2013 errors
 - Major update first month of a quarter and minor changes only to 5-digit with others

Discussion Items: Mail Preparation and Entry

- ▶ **Workgroup 157 – “Load Leveling”**
 - Workgroup began in April 2013
 - Met semi-regularly with input from various companies in the mail supply chain
 - USPS filed a PRC Advisory Notice on December 27, 2013
 - Webinar presented to MTAC workgroup members on Jan 10, 2014
 - Clarified the USPS position relative to Load Leveling
 - Workgroup leaders have presented a Resolution Statement to MTAC Executive Committee to officially conclude the workgroup
 - No clearly agreed upon direction to resolve the issue (i.e. Agree to Disagree)
- ▶ **Commentary Period to Advisory Notice ends 2/3/2014**
- ▶ **Final FRN notice to be published by 2/28/2014**
- ▶ **Implementation change no earlier than 3/27/2014**

Product Development Track

▶ **First-Class**

- Industry to participate with USPS in research to show results of using paper invoices vs. email invoices (similar to the Danish Company research results which were reviewed today) and were favorable to hardcopy.
- Looking for way for USPS to provide sale sheet for industry to help sell upcoming promotions to mail owners (for Promotions (User Group # 8).

▶ **Periodicals**

- USPS to set up industry call to discuss Periodical advertiser promotion ideas for 2015
- USPS to follow up internally about revising CSR covering interactive links in magazines
- USPS to take work group 158's recommendations to see if/when any of them can be implemented.

Product Development Track

▶ Standard Mail

- USPS to check if there is a way to identify MSPs associated with eligible mail owners for the saturation and high density promotion. Then USPS can contact MSP with mail owners contact information so MSP can follow up.
- Full Service requirements – USPS to check to see if residual mail can be on the postage statements
- Pricing Issue (USPS will discuss).
 - Is there chart for heavy mail because initial USPS filing provided only a formula which is difficult to consistently use?
 - There are anomalies in the destination entry discounts.

Product Development Track

▶ **Package Services**

- How does USPS communicate to package recipient that the Scheduled Delivery Day displayed on internal guaranteed products shipping labels is no longer valid?
- If Industry determines there are gaps in NPF session offerings for package services USPS will provide more sessions at NPF in specialized track with the goal of attracting additional package shipping attendees

Action Items from November 2013 Meeting

Product Development and Mail Piece Design

▶ Promotions for 2014

- First Class Mail
 - Earned Value Promotion April – June.
 - Color Print in First-Class Mail Transactions Promotion August – December (5 months).
- Promotions Standard and First-Class Mail
 - Branded Color Mobile Technology Jan – March.
 - Mail and Digital Personalization Promotion May – June.
 - Premium Advertising Promotion April – June (new Business Class category – working with Pritha Mehra’s group on details of how USPS handles these pieces).
- Standard Mail Promotion
 - Near Field Communication (NFC) Promotion: July – September.
 - Mail Drives Mobile Commerce Promotion: November – December.
- • EDDM Coupon Program: running all of 2014.

MTAC Leadership Focus

▶ **Mail Class Specific**

- First-Class Mail
- Periodicals
- Standard Mail
- Package Services

▶ **Focus Area Specific**

- Preparation and Entry
- Visibility / Service Performance Measurement
- Payment and Acceptance
- Mail Piece Design & Product Development

Next MTAC meeting is May 20 – 21, 2014 in Washington DC

MTAC Leadership Goals for 2014

- ▶ **Clarify roles and responsibilities for committee members**
 - Workgroup leaders should be facilitators not scribes
 - Notes should be posted on MITS within 7 days from the meeting
 - Meeting dates, times, and locations should be on the MTAC Calendar
 - Resolution statements should be done collaboratively, in a timely manner and approved by the Leadership Sponsors

- ▶ **Leverage the MTAC Open Session**
 - This is now an official part of the MTAC meeting
 - Provides an opportunity for presentation topics that span multiple focus areas and are applicable to MTAC members and guests

- ▶ **Encourage more participation**
 - There are open MTAC representative positions that should be filled
 - Contact the Association Executive to attend as an invited guest or to become their next MTAC Representative

Questions?

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MTAC Minutes and Presentations available at:
<https://ribbs.usps.gov/index.cfm?page=mtac>

