

News You Need to Know from the Mailers Technical Advisory Committee

November 18, 2021

Presented by: Dina Kessler, Neal Fedderman Mark Fallon, Rob Hanks, and Glen Swyers

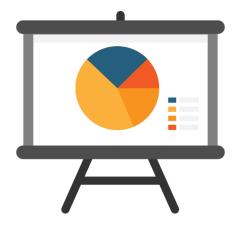
Katrina Raysor, USPS





You may unmute yourself and ask questions at any time, or you may use the Chat box for your questions.





PPT presentation along with the recording will be posted on Postal Pro.



Please ensure you are muted when you are not asking questions or participating with the presentation.



MTAC and PCCAC

MTAC - Mailers' Technical Advisory Committee

MTAC is a venue for the United States Postal Service to share technical information with mailers, and to receive their advice and recommendations on matters concerning mail-related products and services, in order to enhance customer value and expand the use of these products and services for the mutual benefit of Mailing Industry stakeholders and the Postal Service.

PCCAC - Postal Customer Council Advisory Committee

Their role is to function as an oversight body, providing guidance on PCC best practices and bringing PCCs together for mutual gain in accomplishing the Mission.

- Mailing Address:
 - MTAC Program Manager
 - Marketing
 - US Postal Service 475 L'Enfant Plz SW
 - Washington DC 20260-4411
- Email Address: MTAC@USPS.GOV
- Web Site: postalpro.usps.com/mtac
- PCC Email: PCC@usps.gov







Open Session (Tuesday) November 2:

- PMG Remarks
- Cyber Security Update
- Pricing Highlights
- Operations Update
- Customer Experience, Product Solutions, Business Technology
- Business Mail Entry & Payment Technology
- Processing & Delivery Operations, Enterprise Analytics
- Vice Chair Election Update, Task team Closeout

Focus Groups (Wednesday) November 3:

- Processing & Delivery Operations, Enterprise Analytics
- Business Mail Entry & Payment Technology
- Customer Experience, Product Innovation, Business Technology

Session Contributors

Dina Kessler, Neal Fedderman, Mark Fallon, Rob Hanks & Glen Swyers



MTAC Open Session



PMG Update

- Update of 10 year Delivering for America Plan
- The why of mail slowing and raising of prices
- 3 tenets of the Delivering for America plan
- Update on the DFA

Retail and Delivery Peak Readiness

As we plan for a peak like no other, our focus has been in four main areas to ensure a flawless execution of our operational plays.

- People
- Product
- Process
- Technology





Improving and stabilizing service performance

Since the second quarter, we have seen service performance steadily improve across all mail categories. These service improvements have been, in part, the result of strategic diversification of volume traveling across the air network among additional air carriers and more reliable surface transportation providers, as well as new service standards that went into effect Oct. 1.

FIRST-QUARTER SERVICE PERFORMANCE FOR October 1 THROUGH October 15 INCLUDED:

First-Class Mail

91.2%

Delivered 91.2 percent of First-Class Mail on time against the USPS service standard, an improvement of 3.2 percentage points from the fourth quarter. Marketing Mail

92.2%

Delivered 92.8 percent of Marketing Mail on time against the USPS service standard, a slight decrease of 0.3 percentage points from the fourth quarter. **Periodicals**

84.3%

Delivered 84.4 percent of Periodicals on time against the USPS service standard, an improvement of 2.2 percentage points from the fourth quarter

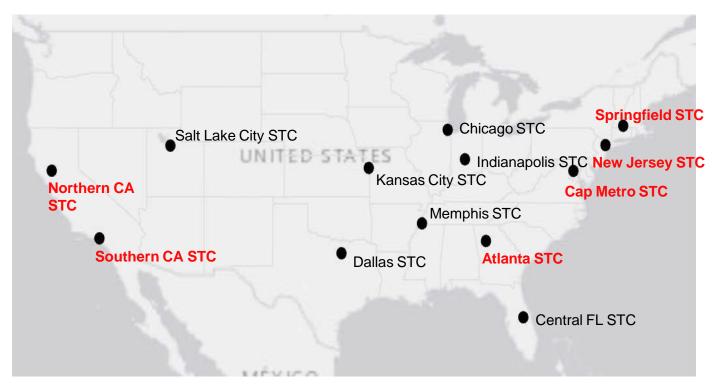


Expanding Surface Transfer Center Capacity

Deploy new Surface Transfer Centers, which will resolve bottlenecks, improve utilization, reduce the number of trips and improve the flow of mail and packages across the surface network

1.6 million sq. ft. additional space deployed in 6 new separate facilities adding 315 additional dock doors improving cycle time in and out of STCs

600k sq. ft. of additional space and 207 dock doors gained in 6 previously co-located processing facilities where we experienced major backlogs and delays



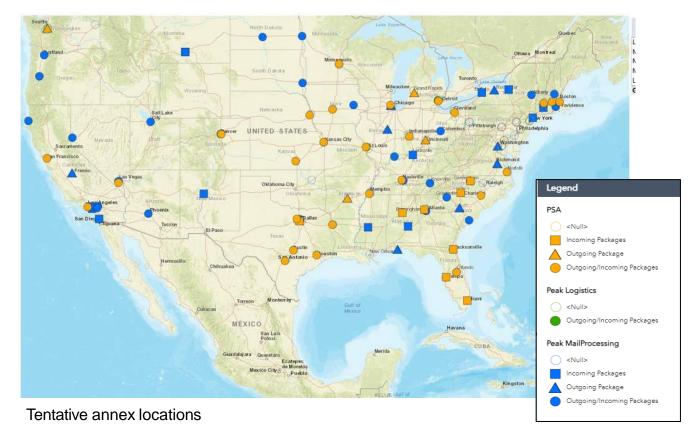
Expanding Facility Footprint

Leasing annexes to create more space, which will resolve bottlenecks and improve the flow of mail and packages into and out of our facilities, and within our facilities

7.5 million sq. ft. of additional space has been leased across 40+ multiyear annexes where we are experiencing year-round space constraints due to parcel growth

Working to acquire an additional

4+ million sq. ft of processing and
logistics space where our
operations require additional
space during peak season



Deploying a best-in-class package:

- processing
- equipment

Since last peak season, we have made great strides in improving our package processing capabilities. 112

Package Sorters procured to expedite the handling and sortation of increasing package volumes.

80

Sorters have been installed to date (of the 112 sorters) including 23 package sorters deployed at delivery units.

30+

Additional package systems capable of sorting large packages expected to be deployed prior to December



4.5M

Additional packages we can sort each day utilizing newly deployed package sortation equipment

Stabilizing and Expanding our Workforce

Two main focuses of the year have been stabilizing our workforce through improved retention and non-career to career conversions as well as amplifying our hiring efforts to fill every available position and ensure an adequate employee base for peak season

33,000 current non-career employees will be converted to career status by peak season.

40,000 – the number of seasonal employees we plan to hire for peak season. Seasonal employees will begin work earlier than last year, allowing more time, training, and experience on the job prior to volume increases.

Reducing Workload – reducing the number of employees working over 50 hours per week and more than 7 days in a row. Encouraging employee leave prior to peak season.



Current NGDV Program Status

- Replacing our aging delivery vehicle fleet is a cornerstone in our strategic plan, <u>Delivering for America</u>
- NGDV contract actively underway; includes ICE* and BEV**
- Features expanded cargo capacity, adjustable shelving, side cargo door, adjustable mail tray, and advanced safety features
- Engaged large group of carriers and mechanics for early hands-on review and feedback
- Initiated planning for EV charging infrastructure buildout
- USPS will place first delivery order in early 2022
- NGDVs hitting the streets in late '23!

Next Generation Delivery Vehicle



^{*} ICE: Internal Combustion Engine **BEV: Battery Electric Vehicle

Additional Vehicle Purchases

- Purchased 825 dry van trailers to augment fleet
- Finishing deployment of current ProMaster purchase in CY21 (total 7,160)
- Additional purchase of 5,770 Metris RHD
 - This brings total planned to 30,608







High Output Package Sorter (HOPS)

- Next state of the art package sorter for USPS
- Sorter being designed to run at 10,000 pieces/hour more than doubling current machine throughputs
- First four machines Los Angeles Processing and Distribution Center
- Improved singulation
- Capable up to 300 separations



Singulation System

Mobile Delivery Devices (MDDs): Features

TC-77 Handheld Computer 4G Technology

Used by Carriers to perform daily duties

~ 290K devices are deployed as of Oct 2021

Allows for pivot and route optimization

E-911 calling feature with voice capability (In Testing)

Increased GPS accuracy from 10 meters to 3 meters

Edge Computing for Safety Analytics in Real-Time

Ability to update edit book on the MDD

Ability to eliminate paper-based processes and leverage MDD to collect data

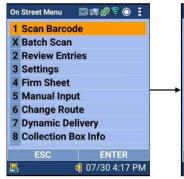




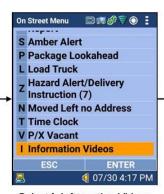


Direct Communications to the Front-Line

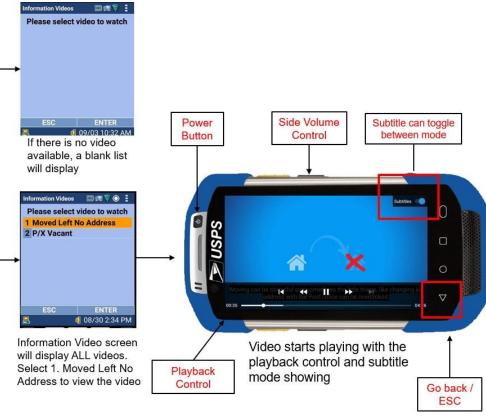




Begin on the On Street Menu



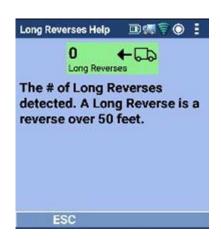
Select I. Information Videos to view all the videos





How Am I Doing?

- Quick snapshot of Carrier's daily activities
- Real-time information
- Carrier can get additional information on metric by clicking on it







performance metrics is displayed to the carrier.

Screen at Start



Screen During The Day

Autonomous Vehicles to Move Packages and Letters

- The Postal Service currently has over 300 Automatic Guided Vehicles (AGVs) in operation
- The next generation equipment can operate in an autonomous swarm
- The enhanced obstacle avoidance and omni-directional movement allows this generation of vehicles to operate effectively, even in crowded hybrid environments full of people, mail, and conventional fork trucks



Modernized Retail Post Office Network

- USPS's 10-Year Plan contains a broad range of ambitious retail goals. Correctly prioritized and executed, it will transform the Post Office.
- Expand Services and Increase Post Office Accessibility to Better Serve Local Communities
 - Streamline and draw customers to Self-Service through contactless, rapid label printing and package drop-off
 - Leverage Label Broker, offering additional print services
 - Expand identity services (Passport, fingerprint capture, and in-person proofing)
 - Revamp Parcel Lockers for customer ease of use and convenience
 - Emphasize solutions for small to medium businesses such as micro-warehousing and shipping
 - Draw customers in with strategic marketing on new Retail innovations







Customer Experience, Product Solutions, Business Technology Marc McCrery*, Gary Reblin, and Tom Foti

Contacting Your BSN

Contact your BSN by Phone or Email

As a BSN Customer, you are provided with direct contact information for your dedicated BSN Rep or Specialist.

Your BSN is your *One-Stop* resource for your service needs. Inquiries are acknowledged within 24 hours.

Electronically thru MyBSN

From your computer or mobile device at mybsn@usps.gov

Manage Service Requests Online with eService

Some benefits of eService include:

- Access to the system 24 hours a day, 7 days a week
- Automatic issue routing
- A Live Agent service so you can chat live with your BSN Representative
- Password-protected security for your company's account
- The ability to track the progress of your service issue
- An updated log of the past service requests that enables you to find a resolution quickly
- · A direct line to provide feedback on the service you received

Within eService, you can also receive updates on the progress of your request online, check your company's eService log for similar requests, update your contact information, and change your password

Get Quick

Results with a Simple Process BSN eservice

has a fast, straightforward, and secure process to manage your service requests.

To Get Started:

Contact your BSN Representative. They will send you a Promo Code, CRID, and instructions for registration.





Customer Experience, Product Solutions, Business Technology Marc McCrery*, Gary Reblin, and Tom Foti

Staying Connected ...

Peak Season Network Update Webinars

Joining Webinar Series allows BSN's to hear what our customers hear

- Monday, Wednesday, Friday
- Processing, Delivery, Logistics, and weather-related impacts
- Customer inquiries via Chat and Q&A
- · Insight for issue resolution

Outreach to ensure customer awareness

https://usps.zoomgov.com/webinar/register/WN lwOJ9S LTlqWM2KqMvCkvw





Customer Experience, Product Solutions, Business Technology Marc McCrery*, Gary Reblin, and Tom Foti

- E-Cigarettes in the Mail
 - Final Rule published 10/21/2021
 - Further understanding of demand for exceptions requests
- Promotions Updates
 - Growth in most of the 2021 Mailing Promotion
 - Not quite the levels of 2019, but positive growth
- Informed Delivery Promo- Validation Issues
- Direct Effects Update





(A) VP Technology Applications Dir. Logistics & Vis Tech Services

ics ch Dir. Retail & Delivery Tech Services

Dir. Enterprise Tech Services Dir. Human Resources Tech Services Dir.
Commerce &
Marketing
Tech Services

Dir. Pricing & Acceptance Tech Services Dir. Finance & Payment Tech Services

Garrett Hoyt



Alison Turner Reilly Mitchell



Judy Adams



Leonetta Jackson



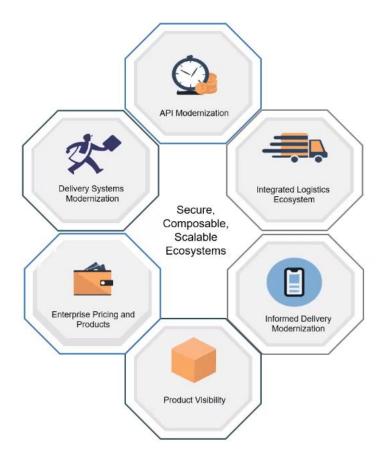
Angela Dyer



Vicki Bosch



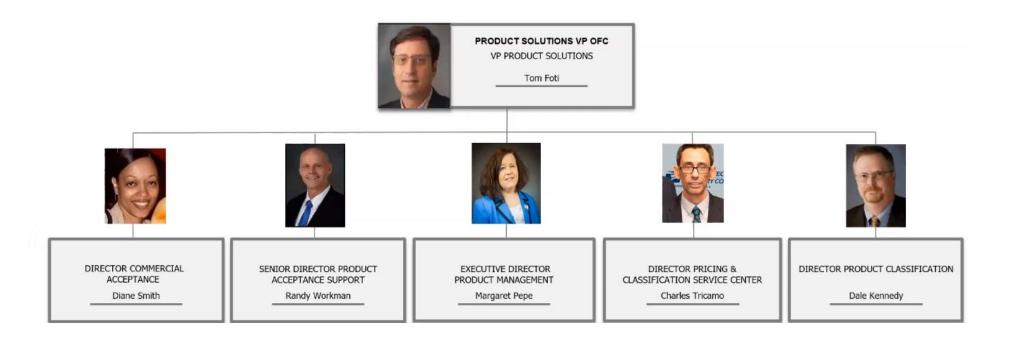
John Byrne







Product Solutions Reporting Structure







- CAPS-EPS Migration Update
 - CAPS is considered closed
 - Not yet migrated? Loss of permit use and will be assisted on EPS migration or local trust

CAPS Data Retrieval Dates:

Now until January 31st, 2022

CAPS data is available through the CAPS website until

January 31st, 2022 - September 30th, 2022

Mailers can send a request to MSSC to obtain CAPS account data

October 1st, 2022

CAPS account data will no longer be available.





MSSC Issues

- Increase in Wait time
 - Increased avg queue time from 18 secs to 15min
 - Primary call topics- CAPS/EPS migration and August system release
- Actions to mitigate wait time
 - Adding 3 additional PostalOne! Resources
 - Part of restructure- Sr. MDA training (10/18)
- Software upgrade for new ticket mgmt.
 - 10/29 C360 launch (reduction in process time)
 - Visibility to email traffic wait times

FAST Helpdesk to MSSC Migration

- Anticipated launch date 11/15/2021
- Contact information same as current FAST contact
- Working on software for direct call routing to an agent
 - Currently not enabled
- Currently, no changes to:
 - Staffing
 - Management





Processing & Delivery Operations, Enterprise Analytics Angela Curtis, Mike Barber, Jeff Johnson

"A Peak Like No Other"

- Ensuring a timely process around:
 - Hiring
 - Vehicle rentals (if needed)
- Execution of the Parcel Plays
 - 15% or greater by 9am
- FIFO practiced for every station
- Discussion around contingencies
- Carrier and Clerk Action Plans





Processing & Delivery Operations, Enterprise Analytics Angela Curtis, Mike Barber, Jeff Johnson

"We are Ready"

- Operations Improvement Strategies
 - Employee Complement
 - Proactive approach to stabilizing and expanding
 - Operational Space
 - Procuring and expanding peak season space (annex buildings long-term)
 - Package Processing Capacity
 - Expanded STC (Surface Transfer Center) Capacity



Tuesday

Processing & Delivery Operations, Enterprise Analytics Angela Curtis, Mike Barber, Jeff Johnson "We have the visibility"

OUR PLANNING

DEPLOY SCANNING EQUIPMENT

Assess volume, new processing equipment, peak annexes to deploy scanning devices and printers

PREDICT VOLUME

Leverage machine learning to predict volume for all products, all locations, all entry points to plan for any capacity issues

REVIEW LAST PEAK SEASON

Review hot wash, work with Operations to determine gaps in visibility



DEPLOY ACTIONABLE INSIGHTS

Deploy solutions with leading indicator KPIs to understand the state of operations at every level to enable rapid resolution

COORDINATE

Share best practices through BlueTube® and bring together new solutions to allow the organization to quickly identify pinch points for focus

AREAS OF INCREASED VISIBILITY

Enterprise Analytics focused on actionable application of data insights to internal decision makers. Areas of enhanced or achieved greater precision include:



Volume PREDICTIONS

Enhanced predictions leveraging customer volume, historical volume, market conditions, and what-if analysis



Insight PRECISION

Enhanced status and movement of product, containers, trailers to identify any pinch points



Operations PULSE

Key Performance Indicator visibility compared to normal Operating Conditions to measure health of each facility





Task Team #32 – Larger Size Commercial FCM Postcard Elke Reuning-Elliott, Rose Flanagan

Industry Leaders: Rose Flanagan, Delivery Technology Advocacy Council (DTAC)

David Marinelli, National Postal Policy Council (NPPC)

Postal Leaders: Elke Reuning-Elliott, Director Product Mgmt (Mailing Services)

Verdonna Hudson, Principal Product Mgmt Specialist (Mailing Services)

Purpose of the Task Team

Increase volume of First-Class Mail by creating a marketer-friendly mail piece size for non-ppi information to be sent at a faster delivery service schedule.

Results and Conclusion

In-depth interviews followed by survey research resulted in the task team recommending an increase of the maximums size of machinable presort or automation First-Class Mail postcards H 6" x L 9". This change would not include mail entered through USPS Retail channels (i.e., single-piece FCM postcards).



Task Team Closeout and Special Recognition Tuesday Steve Monteith, and Bob Schimek

New MTAC Members

NEW ASSOCIATION EXECUTIVES

- Kenneth Greene, National Association of College & University Mail Services (NACUMS)
- Danielle Coffey, News Media Alliance (NMA)

NEW MEMBER REPRESENTATIVES

- Lina Glazer, American Catalog Mailers Association (ACMA)
- Pat Ring, National Association of College & University Mail Services (NACUMS)
- Susan Pinter, American Forest & Paper Association (AF&PA)
- Deborah Damore, Continuity Shippers Association (CSA)
- Brett Doyle, American Forest & Paper (AF&PA)

Retirement Announcement - Sharon Harrison, AT&T

Best of Luck, Sharon!



MTAC Focus Area Groups



MTAC Focus Groups

- Processing & Delivery Operations,
 Enterprise Analytics
- Business Mail Entry & Payment
 Technology
- Customer Experience, Product Innovation, Business Technology



Focus Groups

Letters – Concerns / Discussion Points

MTE Issues continue

- "almost like a Tax on our business to clean up the trays and fix holders..."
- A Formal Contingency Plan will be established so if a major issue does arise we have a plan that is consistent system wide.
- USPS is seeing main issue in Pallets, Industry is reporting a shortage in trays and sleeves as well.
- Joseph McPherson reported that they began shipping MTE direct from Plants to MSP.

Proposed Network Changes impact on Peak

- Is there lock down?
- No Marketing Mail Entry changes until January 2022 and will notify as soon as possible
- Will dial down changes during Peak.
- New 24-hour Clock already being implemented
- A weekly call has been established with Industry



Letters – Concerns / Discussion Points

Service Performance Measurements

- Requesting a "Logical" start-the-clock events, similar to what we have for logical delivery events. Suggesting that we could leverage GPS tracking of mail to show departure from a mailer facility and/or arrival at USPS facility is still an open issue.
- A "Joint Approach" was the theme with the suggestion of finding way s to get more mail in measurement.



Letters – Concerns / Discussion Points

Image Sharing – as relates to Undocumented

- Industry
 - Diane Smith reported that we are making headway and are in a better place but could not confirm a timeline.
 - They met this month with Privacy and Inspection Service.
- Postal
 - James Duffy received approval from Privacy to have USPS Analysts view images
 - Implementation is Pending IT to build an interface.
 - Timeline January is what is talked about... and will happen ASAP



Letters – Concerns / Discussion Points

FAST Helpdesk Update

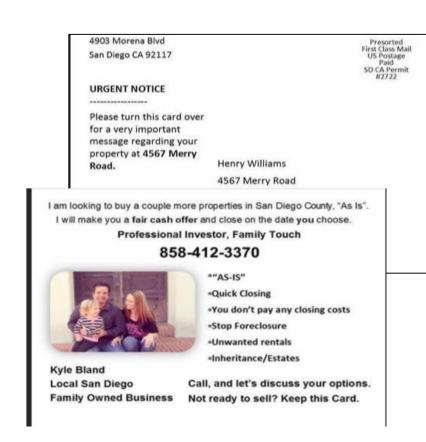
- When will we get a live person?
 - Internal was given priority to a person to help with stuck mail that are on a dock.
- Nov 15th
 - Migrate to Genesis system to facilitate ALL call will be live
 - No change to current staffing coverage.
 - They are in Memphis in Jim Wilson Group.

NOTE - Contingency mode requires a 48 Flag to stay in place just in case. Which

Large Sized Postcard Update

Increase Maximum Allowable Size for First Class Presort Postcards

- Currently the maximum size of a postcard is 4 ¼" height by
 6" length
- MTAC Task Team #32 worked with USPS Product Management to develop business case
- Propose to increase allowable size dimensions for all commercial First-Class Mail (presort and automation) postcards to a maximum of 6" height by 9" length
- Requires a change within our Mail Classification Schedule (MSC) and Domestic Mail Manual (DMM)
- Large Size FCM Presort Postcard was filed with the PRC on 6/23 for their approval





Flats

- Informed Delivery for Flats
- Mail Entry and Payment Technology
- Customer Experience, Product Solutions & Innovative Business Technology
- Delivery and Processing Operations & Enterprise Analytics



Flats

Data on Flat-Size Mail Pieces and Campaigns

- Flat-size mail pieces make up 12% of all interactive campaigns.
- 32,467 Dual Campaigns with 7,166 being Flats and 25,296 being Letters

DIFFERENCES BETWEEN MAILPIECES

Below are the differences between flat-size mailpieces and letters and cards in Informed Delivery®:

FLAT-SIZE MAILPIECES

- Not scanned by USPS automation equipment
- No images provided to consumers
- Eligible for dual campaigns only
- Image below is displayed when basic campaign is submitted for flats mailings:



LETTERS AND CARDS

- Scanned by USPS automation equipment
- Eligible for both types of campaigns
- If no interactive campaign is applied, users will see a grayscale image:







Flats

Mail Entry and Payment Technology

- Periodicals 3526 Issue Update
- Pending Periodicals FRN
- DOA Mail Policy Update





Flats

Customer Experience, Product Solutions & Innovative Business Technology

- Discussion on estimated 2022 density adder calculation and 2022 rates and impact on new twice a year increases.
- MTE Workarounds
- Market Mail Flats and BPM FAST Information Updates.
- Update on BPM move to competitive



Flats

Delivery and Processing Operations & Enterprise Analytics

- MTE
- Service Performance for Periodicals
- Informed Delivery for Flats and Periodicals
- Service Transparency for Flats
- Mailers Scorecard for Flats



Packages

Mail Entry and Payment Technology

 Cover new DIM requirements in upcoming WG 182 meetings (Package Acceptance & Payment Improvements)





Packages

Customer Experience, Product Solutions & Innovative Business Technology

 Request to possibly separate structural changes from price changes to allow programming time. In general, corporations will not begin programming until final specifications are issued.



Packages

Delivery and Processing Operations & Enterprise Analytics

- Provide communication policy/process to ensure redirections (especially local agreements) are communicated timely to the industry and shared across postal systems so mailers are not incorrectly penalized for misships; when redirections occur, validate which facility will show first scan and how to avoid misships at SCF and DDUs
- Request to add delivery time impacts from redirects to industry alerts
- What changes/enhancements does the international industry need to prepare for? – Industry asked the USPS to over-communicate during peak, more than a weekly update



Additional Information

- For additional information on topics please go to PostalPro
 - Find the Industry Forum (PCC/MTAC/AIM) menu
 - Look for MTAC Meeting Presentations
- MTAC@usps.gov
- https://postalpro.usps.com/
- https://postalpro.usps.com/mtac
- PCC@USPS.gov



PCC

Postmaster General In-Person Events

☐ WESTPAC Postal Customer Councils

Saturday, November 20, 2021

8:00 AM-12:00 PM PST

Marriott Anaheim, 700 W Convention Way, Anaheim, CA 92802

Register: http://www.socalpcc.org/westpac.html

☐ Greater Charlotte Postal Customer Council

Friday, December 3rd, 2021

11:00 AM - 1:30 PM EST

Charlotte Motor Speedway, 5555 Concord Pkwy S., Concord, NC 28027

Register: https://charlottepcc.com/2021-holiday-luncheon-172/register

Partnership

USPS – Industry Collaboration Opportunities



☐ MTAC – Meet Quarterly
January 11-12, 2022

https://postalpro.usps.com/mtac

PCCAC News You Need to Know – February 3, 2022

■ NPF 2022 – Phoenix, AZ – May 15-18, 2022 http://www.npf.org

GROWING TOGETHER

Areas Inspiring Mail
https://postalpro.usps.com/AreasInspiringMailing/Calendar

☐ Postal Customer Council Events (Monthly Lists)
https://postalpro.usps.com/pcc#anchor-9









For Joining Us