UNITED STATES POSTAL SERVICE®

ENTERPRISE ANALYTICS

MTAC
Marketing Mail

October 2018

UNITED STATES POSTAL SERVICE®

CASS / MASS
Cycle 'O' Highlights

Extended DPV® Code

Extended DPV Codes	Description
Y	Address was DPV confirmed for both primary and (if present) secondary numbers
D	Address was DPV confirmed for the primary number only, and the secondary number information was missing but required
S	Address was DPV confirmed for the primary number only, and the secondary number information was present but invalid (valid secondary information required)
P	Address was DPV confirmed for the primary number only, and the secondary number information was present but not required
R	Address confirmed but USPS delivery not provided
T	Address was DPV confirmed for the primary number only by dropping the trailing alpha
N	Address failed to DPV confirm, primary number missing or invalid
Blank	Address not presented to DPV

Industry feedback expressed concerns with modifying the Original DPV codes. The Original DPV code will remain the same and a new Extended DPV Code will be created.

Significant Milestones

Milestone	Date	
CASS Cycle "O" Pre-Meeting	*January 23 2018*	✅
Partnership In Tomorrow (PIT) Meeting	*May 31 2018*	✅
Review & Comments Deadline	June 29 2018	✅
Official Rules Release	July 31 2018	✅
Send Static Data	February 2019	←
Stage I Release	March 2019	
Stage II Release	May 2019	
MASS Test Decks Available	August 2019	
CASS Developers Certification Completed	December 2019	
MASS Manufacturers Certification Completed	January 2020	
Software Released to End-users NLT	March 2020	
Expiration of CASS™ Cycle N	July 31 2020	
Implementation of CASS Cycle O	August 1 2020	

Background

COA Support group in Memphis TN established in 2004

- Responds to and investigates COA-related questions from customers, Post Offices, and the US Postal Inspection Service®. Requests range from "Where's my mail" to reports of suspicious COA.

In FY 2017:

- 36.8 million changes-of-address processed (https://facts.usps.com/table-facts/)
- 46.2 thousand COA-related contacts handled by COA Support
  - 92.3% resolved as valid after discussion with the customer
  - Remainder treated as "unauthorized COA" and directed to US Postal Inspection Service

Only 0.010% (one one-hundredth of 1 percent), or 0.0001 of all Changes-of-Address filed in FY17, were reported by customers as not being valid

Enhancements in Security Initiatives

USPS® cross-functional workgroups enhancing existing security, COA validation procedures, and fraud prevention methods.

Additional precautions implemented:

- Further pattern analytics
- Business Partner addresses added to the COA Watch List
  - USPS Business Alliance alerted if COA detected for local review
- Improved College/University address list to prevent COA entry by students

Activities in progress:

- Demographic analysis, mail volume fluctuations, etc.
- Improvements in the timeliness of COA entry
- Revised MVL production and mail entry timeliness

Enhancements in Security Initiatives, Cont.

Additional security measures being considered include:

- Requirement for all Business COA to use Mover's Guide Online
  - Establish Minimum Lead Time (Example: 30 days prior to move effective date)

- Enhanced identity validation
  - In-person proofing of hardcopy COAs
  - Leverage external identify validation services

Deep Dive of Production Print Process

- ✓ Analyzed transportation modes for Move Validation Letters (MVL)

  - 19 destinations were updated from surface to air (Aug 11, 2018)

  - Service performance improved by 6% for these destinations

- ✓ Include additional 12 hours of MVLs per day. Additional adjustments being reviewed.

- ✓ Monitored dispatch integrity and provided feedback (Immediate abatement)

  - Outbound dispatches departing earlier than scheduled

- ☐ Multiple pallets shrink-wrapped together; not clearly placarded

- ☐ Reviewed end-to-end process with Printer to identify opportunities for improvement

  - Prioritizing the MVL print process

  - Adjusting print schedule to include Sundays

Business Change of Address/Hold Mail

MTAC WG Issue Statement:

- Workgroup to focus on two USPS® features/initiatives that may impact business customers; review needs, features, capabilities; provide recommended improvements for:
  - Change-of-Address (COA) for business customers
  - Hold Mail for business customers

Change-of-Address for business customers:

- Review current process and potential risks for business COA.
- Brainstorm ideas for business customer authentication and support for COA.
- Collaborate and develop improvements.
- Establish automated processes for improvements.
- Develop improved communication to share with employees about COA.
- Share results and recommendations with business customers.
- Collaborate with Informed Delivery® business customer authentication.

Change-of-Address Updates

COA Address Improvements

Continue to improve the quality of addresses provided by our moving customers.

- Rapid Key technology added to ICOA.
- Customers sent email to advise them of invalid address information. Customer is directed to https://managemymove.usps.com to make corrections.

Electronic Uncoded Address Resolution Service (eUARS)							
Q4 FY 2017			Q4 FY 2018			SPLY	
COA Volume	eUARS Records	ICOA Records	COA Volume	eUARS Records	ICOA Records	Total % Change	ICOA % Change
10,333,759	46,104	17,756	10,331,811	29,292	8,973	-36.47%	-49.46%

Current ICOA Initiatives

	Total COA Volume	Hardcopy 3575	% Hardcopy	Internet COA	% ICOA
FY17	36,860,444	20,716,074	56.2%	16,144,370	43.8%
FY18	36,747,642	20,399,319	55.5%	16,348,323	44.5%

Adhesive posters placed in 5,000 post offices during peak move season (May-July)

Change-of-Address Retail Kiosk

"Relocation Station"

*expected pilot QTR II FY19

Customers Are Encouraged to Notify Mailers Directly

Mover's Guide FAQs:

What else do I need to do to get my mail?

Notify mailers directly of your new address. Many companies (financial, health, insurance, etc.) will not change your address unless you contact them directly. Failure to notify these companies directly may result in a loss of important services.

MoversGuide.usps.com

Remember: You can ensure a smooth, change of address transition if you do some legwork up front, and notify anyone who sends you mail of your new address and your move date.
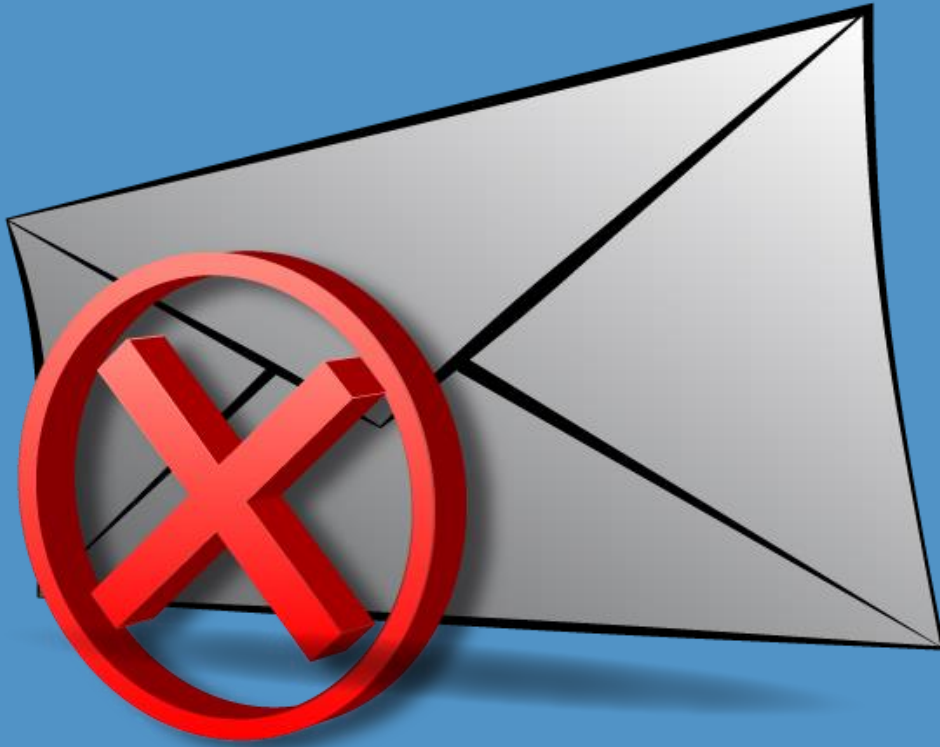
Customer Notification Letters & Welcome Kits:

Notify Correspondents Who Send You Mail

Mail forwarding may be available for up to 12 months and covers only certain classes of mail. To ensure delivery of all your mail and to avoid forwarding delays, you should notify everyone who sends you mail.

Undeliverable-As-Addressed

Good As Addressed Subgroup

- Kicked off 8/14/2018
- Collaboration with mailing industry to analyze ACS™ and Package Scan data to gain better understanding of UAA Mail
- Increase mailer understanding of UAA causes
- Identify opportunities for improvement for USPS® and mailing industry

UAA Validation Processes

Controls used to identify issues with mail sent in as UAA.

In FY18:

- USPS® returned 7.8M pieces back to the delivery unit for review
  - No record
  - Current Resident
  - COA not effective
  - Temp expired
- USPS converted 22.5M Nixie transactions to COA transactions
  - Attempted Not Known
  - Unable to Forward

ACS™ Billing
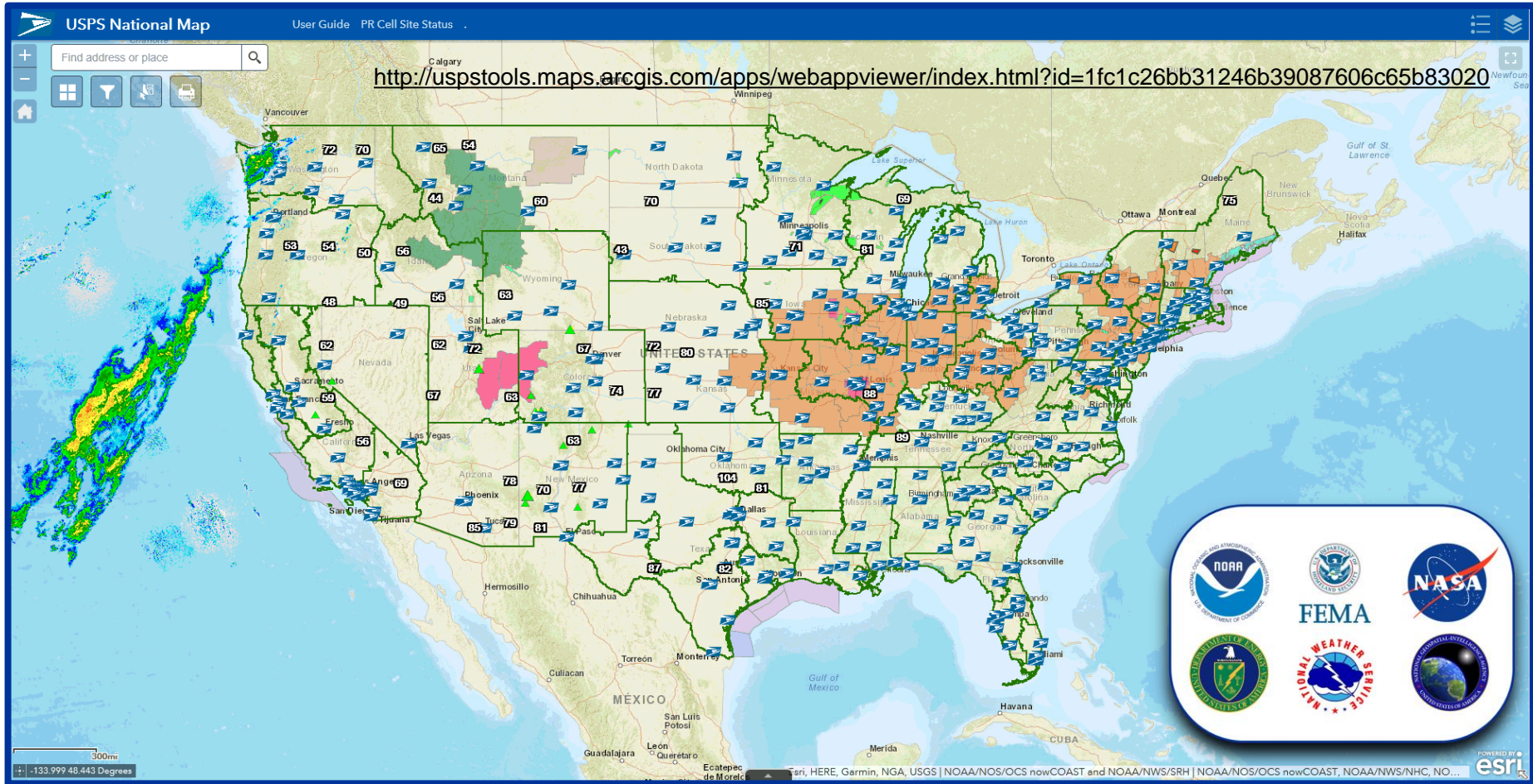
Where We Are Today

Industry Alert published September 27th
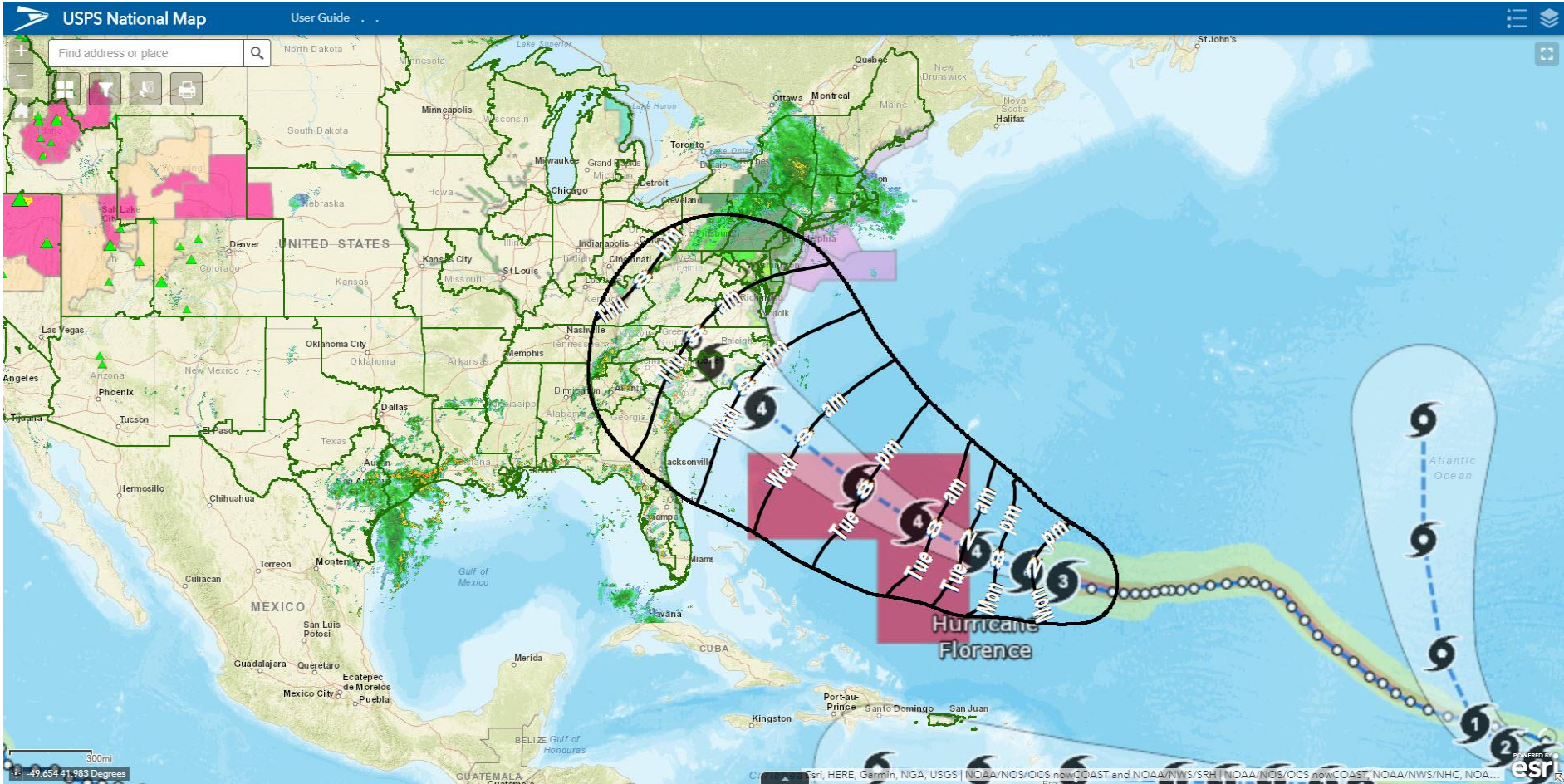
https://postalpro.usps.com/node/3419

Geospatial Technology Analytics

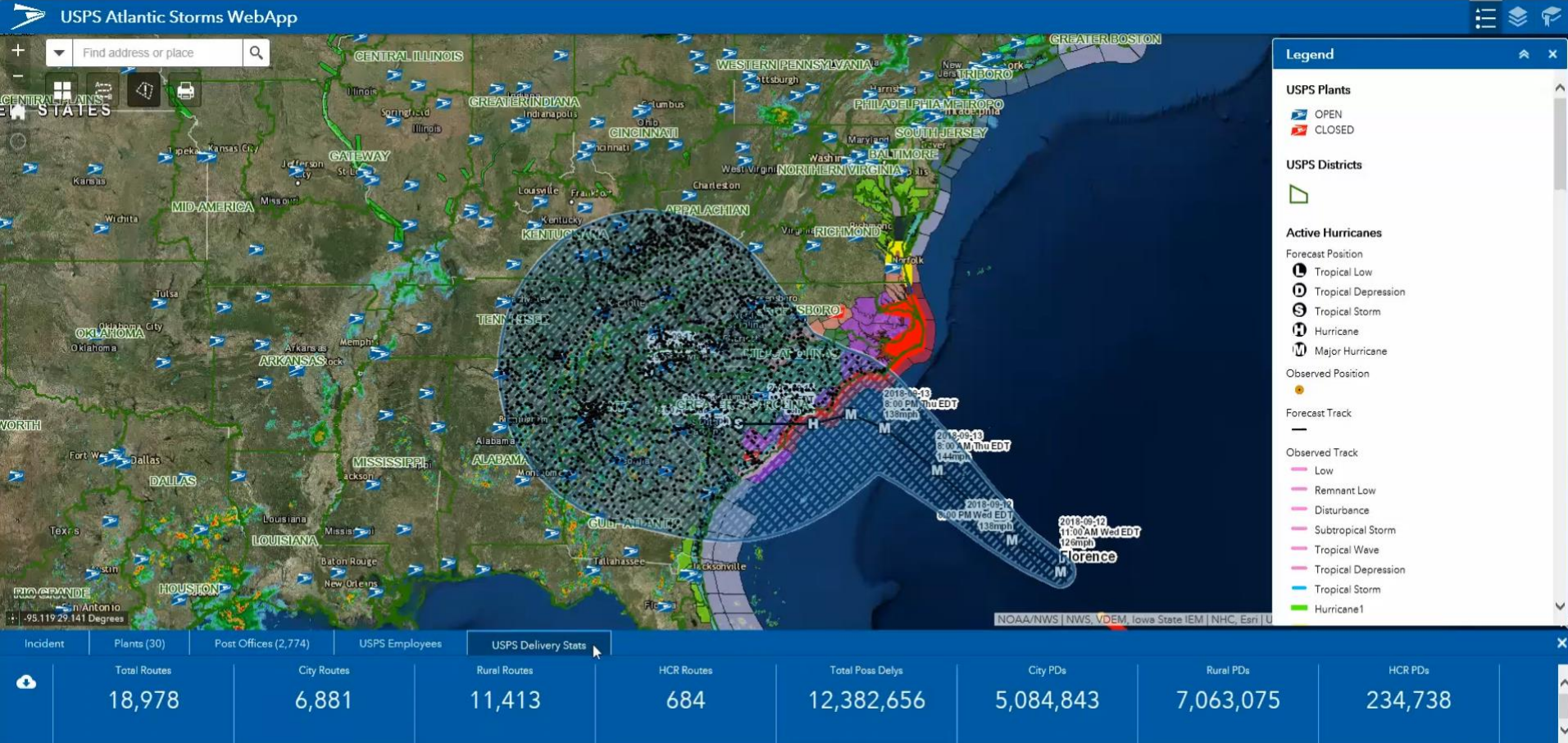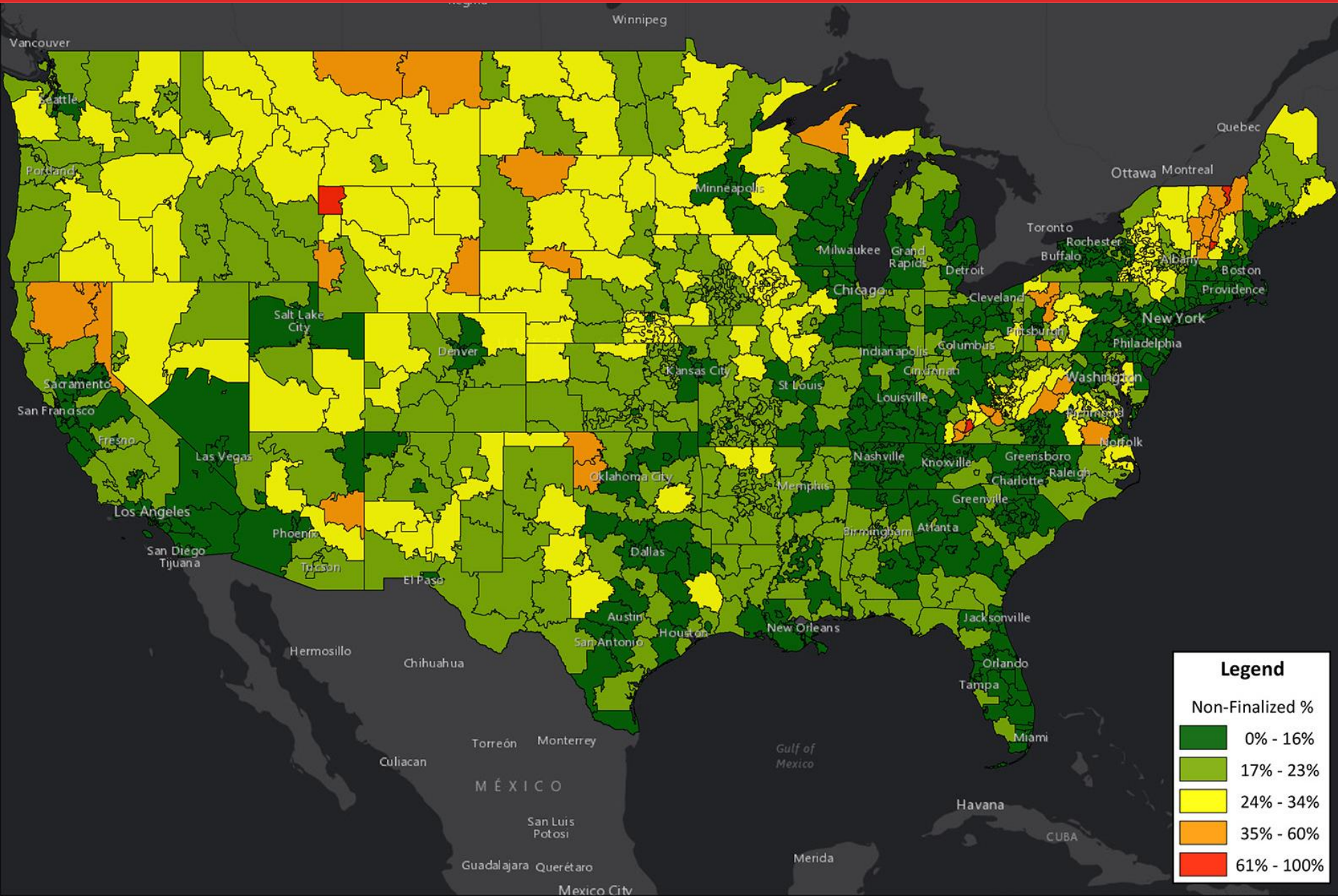http://uspstools.maps.arcgis.com/apps/webappviewer/index.html?id=1fc1c26bb31246b39087606c65b83020

Corporate Reporting
Marketing Mail

Full Service mailpiece data is used to perform the analysis for Finalized vs Non-Finalized Mail. Mail pieces are categorized as Finalized if the mailpiece met one of the below criteria:

- The last processing scan on the mailpiece occurred on a Destination Sequenced Carrier Sortation.
- The mailpiece was destined to a Non-DPS ZIP code and last piece scan occurred on Destination Secondary Processing.

The mailpiece was nested in a Carrier Route bundle and the last scan was the Bundle Visibility Operation Code 870.

Machine Type	Operation Code	Equipment Description	Mail Phase
DBCS	896	DBCS/DIOSS BCS INCOMING SECONDARY	Phase 3a - Destination Secondary Processing
FSS	538	FSS DPS	Phase 3c - Destination Sequenced Carrier Sortation
DBCS	898	DBCS/DIOSS BCS SEC/SEG, 1ST PASS	Phase 3c - Destination Sequenced Carrier Sortation
DBCS	899	DBCS/DIOSS BCS SEC/SEG, 2ND PASS	Phase 3c - Destination Sequenced Carrier Sortation
ALPS	916	DBCS/ALPS BCS DPS, 1ST PASS	Phase 3c - Destination Sequenced Carrier Sortation
ALPS	917	DBCS/ALPS BCS DPS, 2ND PASS	Phase 3c - Destination Sequenced Carrier Sortation
DBCS	918	DBCS/DIOSS BCS DPS, 1ST PASS	Phase 3c - Destination Sequenced Carrier Sortation
DBCS	919	DBCS/DIOSS BCS DPS, 2ND PASS	Phase 3c - Destination Sequenced Carrier Sortation
IMDAS	870	99M / 99P Container Distributed at DU (IMDAS)	Phase 4c - Delivery

If the mailpiece did not meet the above requirements or did not receive a scan, it was categorized as Non-Finalized.

Visibility in mail falling out of measurement

- IV-MTR will provide the piece level information when mail is not included in service measurement

- Data will be provided based on the following

    - Develop an API for mailers to call and retrieve piece level data based on MID/CRID for whom they have delegation

    - Data feed option will be available for those who do not utilize API

    - There will be latency in the provisioning of the data. Within internal systems, we can take as much as 14 days after last operation scan to update the include/exclude of mail pieces

    - Exclusion reason will be included with data

    - Follows order of precedence for reason code

    - Will provide a data dictionary on reason code

    - The provisioning of the data and precedence of reasons will be shared with User Group 4 members

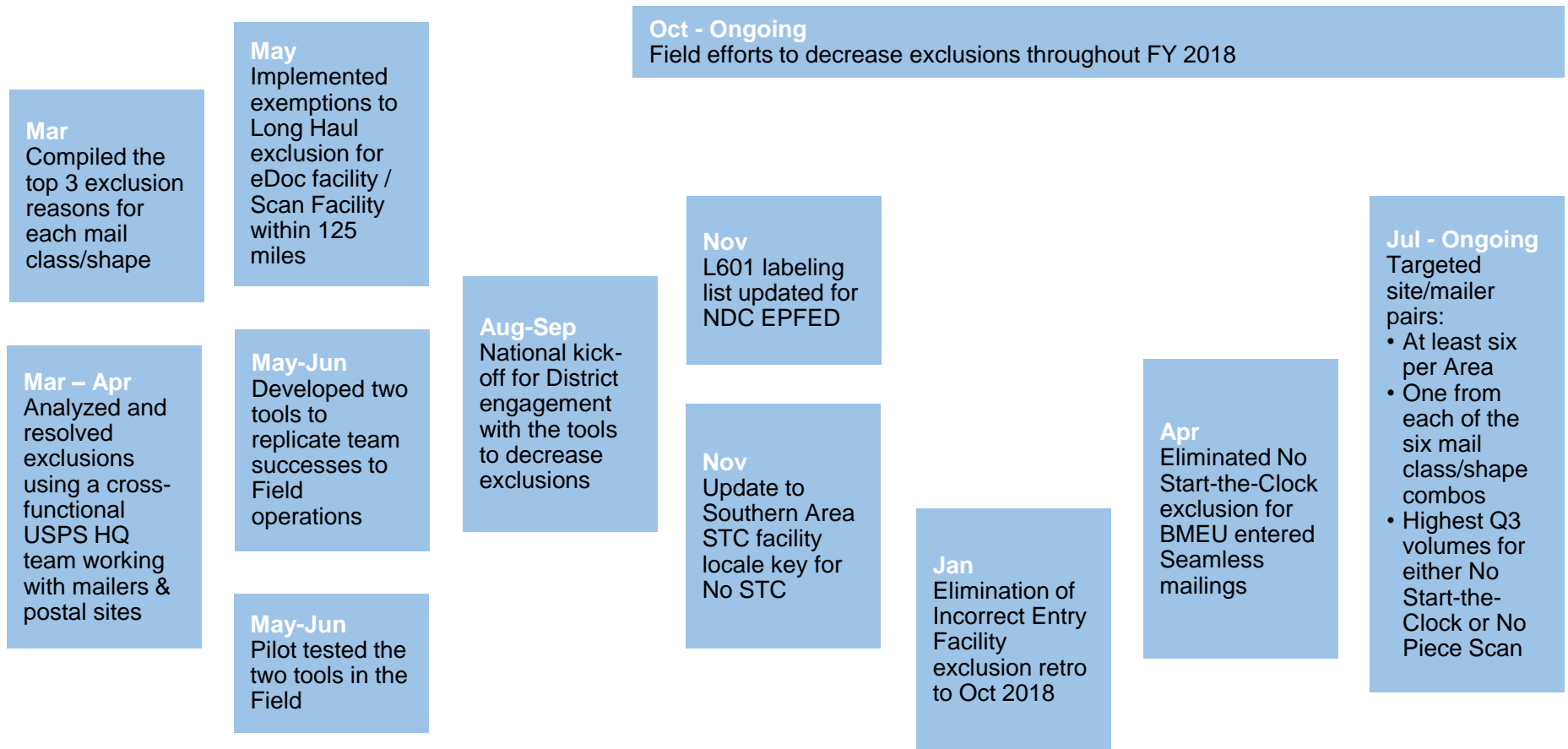# In July 2018, 93% of Commercial mail eligible for Full-Service was Full-Service

Note: Below graph depicts FS Adoption % as an avg. for the quarter; Slide title depicts the % for the latest month.
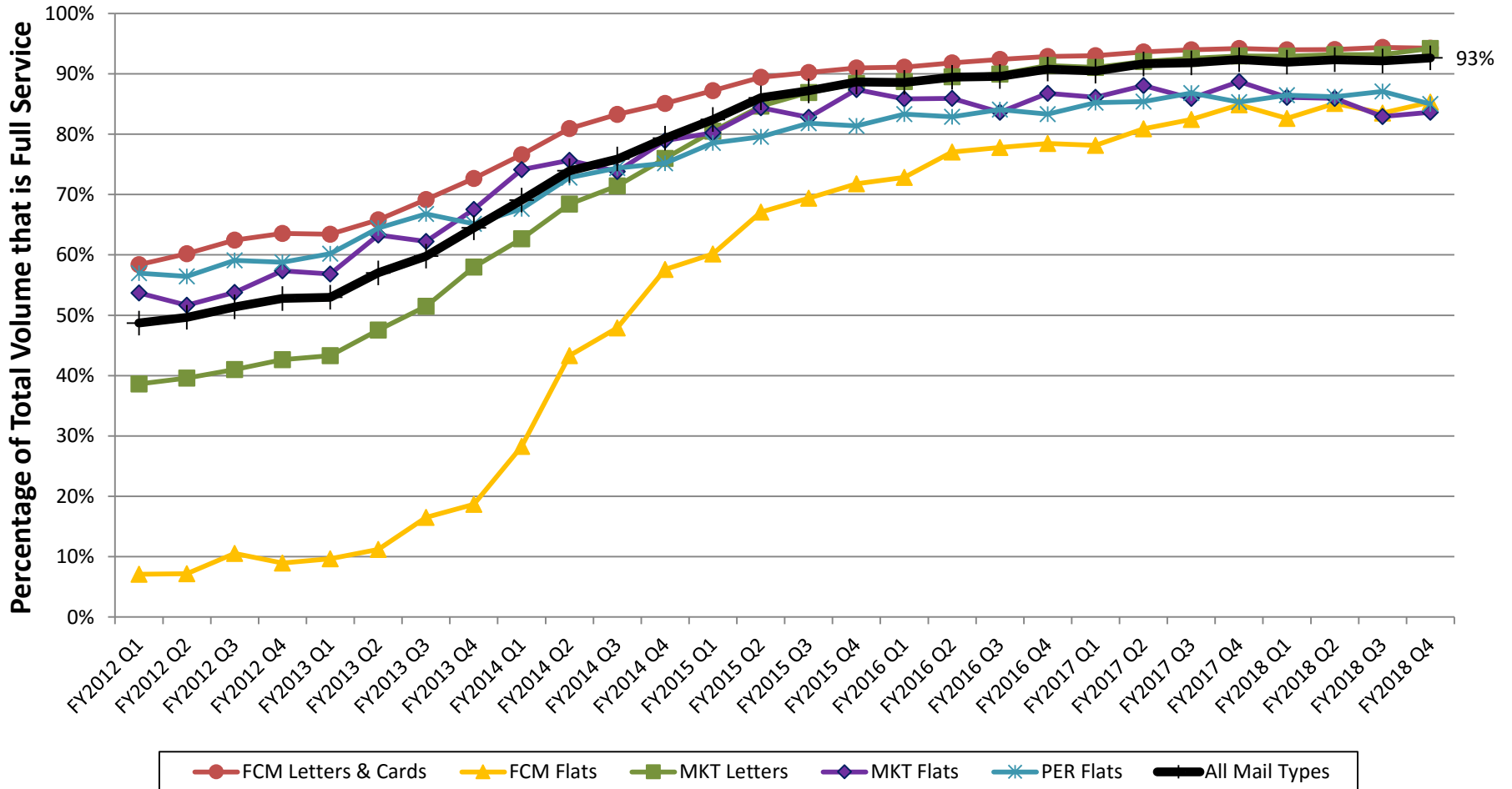
In FY18 Q4TD, about 77% of Full-Service mail was in Measurement

Mail Class	Mail Shape	Commercial	Full-Service Eligible	Full-Service	In Measurement	% of Full-Service In Measurement
First Class Presort	Letter/Card	3,074,627,134	2,956,730,039	2,855,136,761	1,983,250,586	69.46%
First Class Presort	Flat	46,322,936	41,993,957	36,516,264	23,011,459	63.02%
USPS Marketing	Letter	4,281,075,105	4,200,812,858	3,984,707,646	3,334,066,294	83.67%
USPS Marketing	Flat	1,508,279,792	1,016,562,182	850,109,494	636,768,923	74.90%
Periodicals	Flat	320,200,803	308,579,253	289,639,685	187,709,659	64.81%
Total		**9,230,505,770**	**8,524,678,289**	**8,016,109,850**	**6,164,806,921**	**76.91%**

February 2018

Metrics are for Mailing Dates 07/01/2018 – 07/31/2018
Commercial and Full-Service Eligible Volumes sourced from PostalOne!

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Mail in Measurement by FY: FY16 = 71.73%, FY17 = 74.88%, FY18 YTD = 77.90%

Mar
Compiled the top 3 exclusion reasons for each mail class/shape

Mar – Apr
Analyzed and resolved exclusions using a cross-functional USPS HQ team working with mailers & postal sites

May
Implemented exemptions to Long Haul exclusion for eDoc facility / Scan Facility within 125 miles

May-Jun
Developed two tools to replicate team successes to Field operations

May-Jun
Pilot tested the two tools in the Field

Aug-Sep
National kick-off for District engagement with the tools to decrease exclusions

Oct - Ongoing
Field efforts to decrease exclusions throughout FY 2018

Nov
L601 labeling list updated for NDC EPFED

Nov
Update to Southern Area STC facility locale key for No STC

Jan
Elimination of Incorrect Entry Facility exclusion retro to Oct 2018

Apr
Eliminated No Start-the-Clock exclusion for BMEU entered Seamless mailings

Jul - Ongoing
Targeted site/mailer pairs:
• At least six per Area
• One from each of the six mail class/shape combos
• Highest Q3 volumes for either No Start-the-Clock or No Piece Scan

Mar 2017	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2018	Feb	Mar	Apr	May	Jun	Jul	Aug

All Classes, Shapes — % Included in Measurement — +3.02% > FY17

First Class Letters — % Included in Measurement — +2.43% > FY17

Marketing Mail Letters — % Included in Measurement — +3.54 > FY17
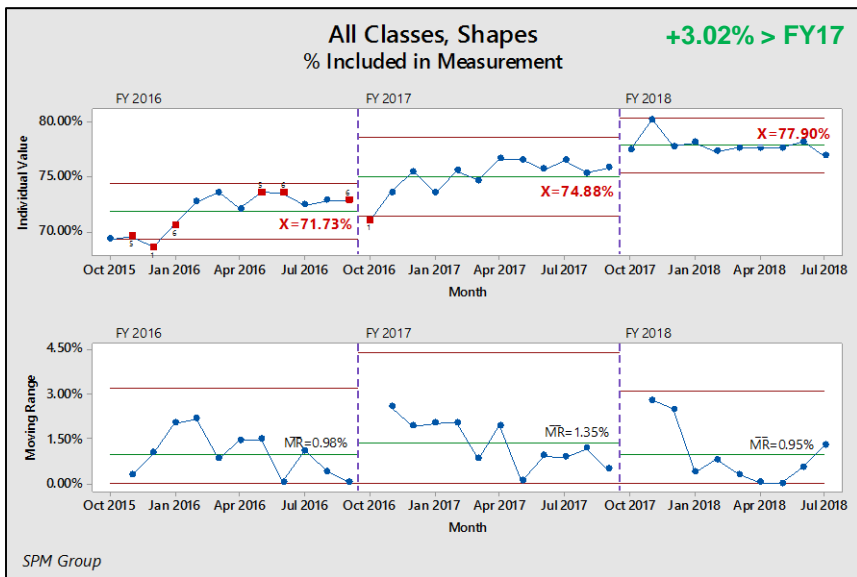
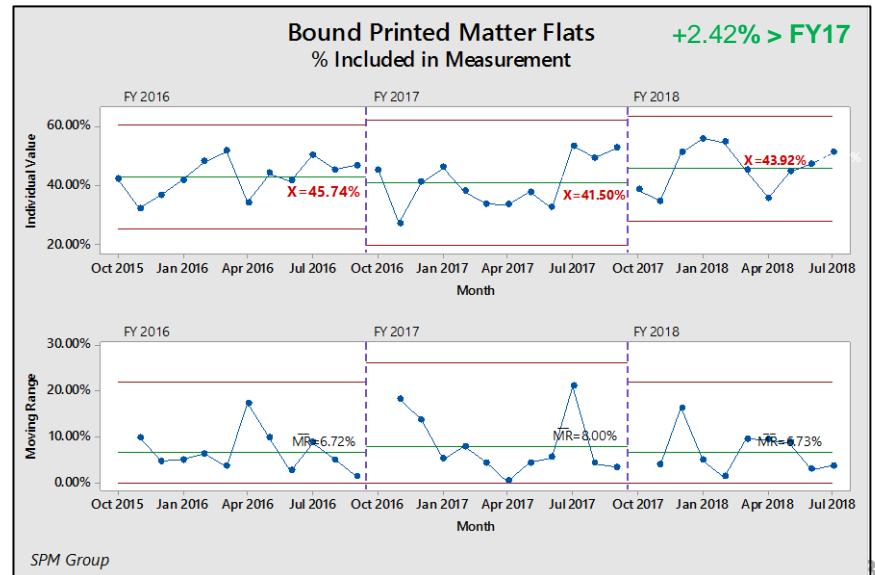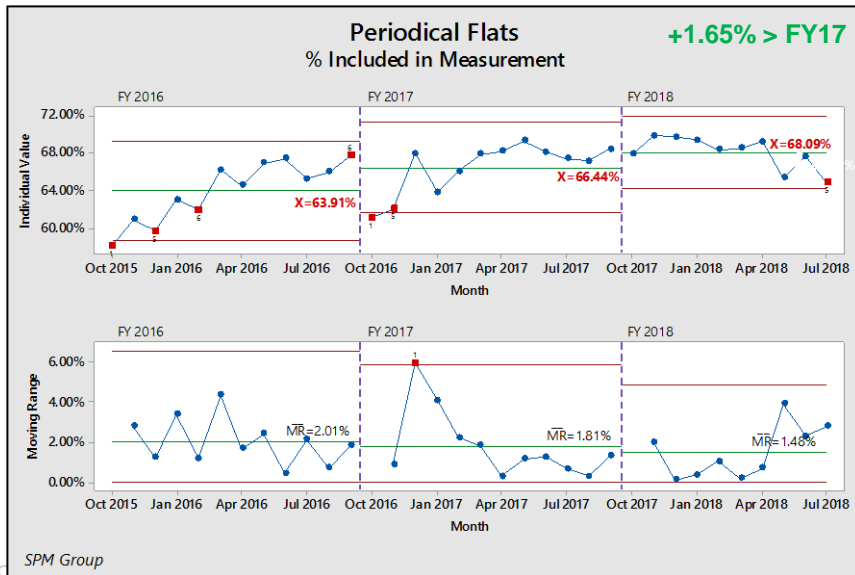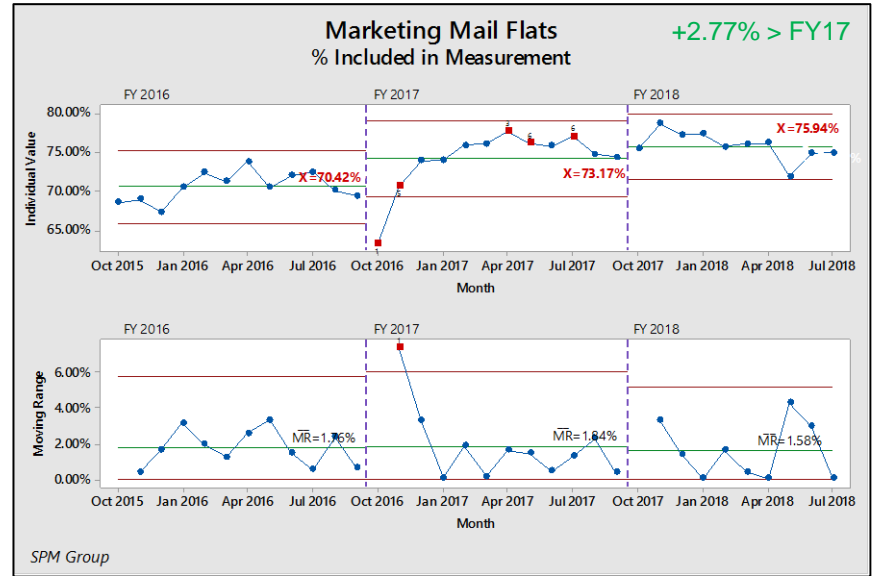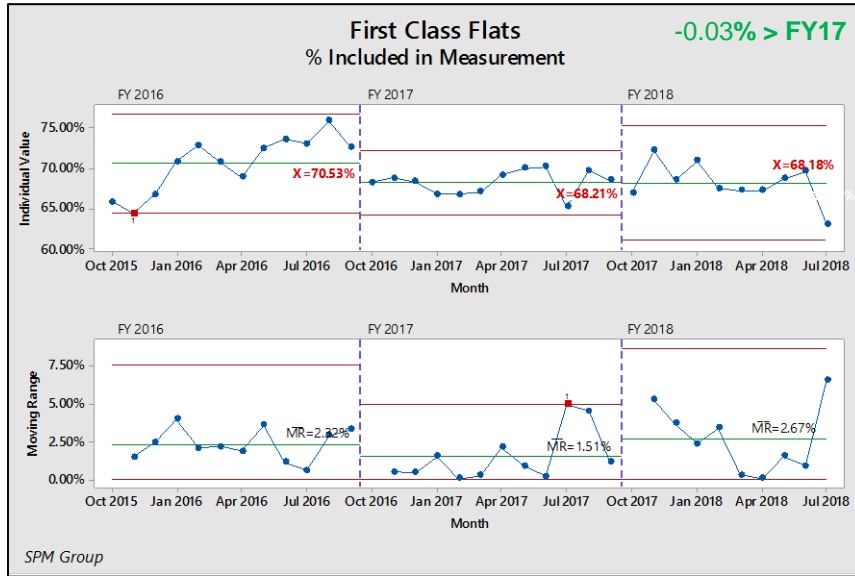## Acronyms & Symbols

I = Individual Values (top chart)
MR = Moving Range (bottom chart)
$\overline{X}$ = average I for the period
$\overline{MR}$ = average MR for the period
UCL = upper control limit
LCL = lower control limit

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First Class Flats — % Included in Measurement — -0.03% > FY17 — X=70.53%, X=68.21%, X=68.18%, MR=2.32%, MR=1.51%, MR=2.67% — SPM Group

Marketing Mail Flats — % Included in Measurement — +2.77% > FY17 — X=70.42%, X=73.17%, X=75.94%, MR=1.76%, MR=1.64%, MR=1.58% — SPM Group

Periodical Flats — % Included in Measurement — +1.65% > FY17 — X=63.91%, X=66.44%, X=68.09%, MR=2.01%, MR=1.81%, MR=1.48% — SPM Group

Bound Printed Matter Flats — % Included in Measurement — +2.42% > FY17 — X=45.74%, X=41.50%, X=43.92%, MR=6.72%, MR=8.00%, MR=6.73% — SPM Group

Bundle Irregularity data distribution through IV

- Currently working with Idealliance to review business rules for Bundle Irregularity. Upon confirmation of the business rules, bundle irregularity data will be made available in IV-MTR. The release date will be communicated to the mailers via UG4.

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Thank You!