

MTAC Virtual Open Session

March 30, 2021

Attendees: 679

Topic: March MTAC Open Session
Start Time: March 30, 2021 1:33 PM

Meeting Recording:

<https://usps.zoomgov.com/rec/share/6ZZPMbLyzEpOeqPD8EHRWrwkG7b4X6a8gXJPrvoJmRuj7uD35t4CdGQzQVWuv2ky>

Access Passcode: 9.dA^1Bj

CHAT BOX

Cathy Rupard to All Panelists: 01:30 PM

Thank you, Steve for another engaging MTAC. Hope all is well.

From Jun Yuan to All Panelists: 01:31 PM

Hi, does it have the customer privacy act topic this meeting? if it doesn't, I will leave the meeting. If you can tell when will hold that meeting to know, it is very appreciated. Thank you.

From Stephen Kearney to Everyone: 01:40 PM

Mr. DeJoy, you left two large elements out of your plan—employee pay and benefits concessions and government subsidies for all the unfounded mandates you have from Congress. Why leave these out? You plan to take from mailers \$44 billion. And you and Mr. Bloom have said all stakeholders need to contribute.

From Jason Kiefer to All Panelists: 01:48 PM

What does the USPS intend to do to help facilitate publishers and mailers using the mail? How do we keep more mail from dropping out of volumes?

From Dave to All Panelists: 01:49 PM

If letter revenue per cubic foot is more than 80 percent higher than package revenue per cubic foot, why are you optimizing for packaging? Why wouldn't we lower postage to increase demand for letters?

From Betsy to All Panelists: 01:50 PM

Mr. DeJoy, do you plan to re-install the equipment that you dismantled in order to meet the processing demands? If not, what is your plan to increase service to the levels we experienced prior to your takeover?

From Lauren T. (she/her) to All Panelists: 01:51 PM

The public trust in the USPS has decayed drastically since the election mail scandals that involved removing blue boxes and decommissioning mail sorting machines, as well as significant increase in lost mail and delivery delays. How do you think your 10yr plan will restore some of that trust? The USPS is a service for the people, not a profit center. Increasing costs and delaying delivery even further do not seem congruent to restoring trust.

From Kathy Siviter to All Panelists: 01:57 PM

What will the USPS do in terms of its strategic plans if Congress or something else prevents the proposed service standard changes?

From Anthony to All Panelists: 01:57 PM

Deliverability issues currently with first class mail even taking weeks upon weeks to deliver. Standard mail taking months. Even priority mail packages taken months since Christmas to be delivered or not yet received. Mail Service Providers struggling with their clients with their mailings not being delivered in a timely fashion for events and other sensitive dates. It is not just about costs of the services, it is about the reliability of the service.

From Kathy Siviter to All Panelists: 01:57 PM

The USPS in its request for a workshare waiver at the PRC said it plans to file for a price change on May 28...can you elaborate?

From Cathy Rupard to All Panelists: 02:01 PM

Very excited to hear more about the small business initiative and "Main Street!"

From Dave to All Panelists: 02:06 PM

Aren't you causing a negative feedback loop on pricing? As pricing goes up, less mail gets delivered, which causes prices to go up more?

From Greg to All Panelists: 02:07 PM

Hello Mr. DeJoy - How does this new 10-year plan correspond to recent newspaper articles that stated, 'USPS Chief DeJoy cuts post office hours, lengthens delivery times in new 10-year plan'?

From LR to Everyone: 02:12 PM

Is there a schedule for regular revalidation of the projected loss? What would be done if the total decreases, or increases? What additional cost controls or rate increases would be considered? When would it be time to ask for a Congressional appropriation?

From David Marinelli to Everyone: 02:14 PM

Can you address the fact that the Worksharing Calculations in RM2021-4 states that the plan is to file a rate case in May? When will we get more information on this and the rates you intend to file?

From Michele Saranovich Verizon to Everyone: 02:15 PM

Hi, is the \$2 billion for IT in addition to the amounts the USPS usually spends?

From Rick Kropski to All Panelists: 02:17 PM

packages 8 billion
mail pieces 120 billion

From David Marinelli to Everyone: 02:19 PM

Title 39 does require Postal to deliver mail:

"The Postal Service shall have as its basic function the obligation to provide postal services to bind the Nation together through the personal, educational, literary, and business correspondence of the people. It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal services to all communities. The costs of establishing and maintaining the Postal Service shall not be apportioned to impair the overall value of such service to the people."

And on the transportation front, Title 39 also states:

"In selecting modes of transportation, the Postal Service shall give highest consideration to the prompt and economical delivery of all mail. Modern methods of transporting mail by containerization and programs designed to achieve overnight transportation to the destination of important letter mail to all parts of the Nation shall be a primary goal of postal operations."

From James Koo to All Panelists: 02:24 PM

Mr. DeJoy, could you please clarify the 20% customers that will see a 1 day increase in the SLA and the 10% of customers that will see a 2-day increase? Is that change impactful to customers in rural areas, distance based, or both?

From Cathy Rupard to All Panelists: 02:35 PM

Is there a way to become involved in the USPS connect program? We would love to be able to support our new micro and small mailers.

From Tonda Rush to All Panelists: 02:36 PM

Please explain more about the improved access for business customers. What is USPS Connect?

From Tammy Patrick to All Panelists: 02:48 PM

There have been a couple statements around delivering to "all addresses" as well as review of "underserved communities" & "route coverage"—is this meaning that there will be a reduction in addresses without current service (the R777 addresses)? (Particularly interested in the issues in rural areas & Indian Country/Tribal Lands.)

From Betsy to Everyone: 02:48 PM

Is that 6 CALENDAR days? or 6 WORKING days?

From Greg Holowicki to All Panelists: 02:50 PM

We have not yet heard when concerns we have NEED to be submitted and to WHOM....

From Rafe Morrissey to All Panelists: 02:51 PM

Is USPS open to the possibility of delivering mail to addresses that would receive packages on the 7th day?

From Lauren T. (she/her) to Everyone: 02:52 PM

You can't be serious.

From Betsy to Everyone: 02:53 PM

You understand that it is extremely difficult to believe that removal of equipment and reduction of hours was not a contributing factor, right?

From Lauren T. (she/her) to Everyone: 02:53 PM

+1 yes, Betsy.

From Erin Taylor to Everyone: 02:55 PM

The 10-year plan detailed on page 13 that “Despite record election and peak holiday volumes in the past year, our utilization rate of mail sorting machines has fallen below 50 percent, as mail volumes have continued to decline.

From Steven Jacobs to All Panelists: 02:56 PM

Yes, but 95% of new degraded service standards

From David Marinelli to Everyone: 02:58 PM

Will changing the service standards be the model moving forward? If say 3 years from now, Postal is unable to achieve 95% SP, will you look to change the measure (slow delivery) again?

From Betsy to Everyone: 02:59 PM

Erin - that's not the information I have from postal workers. You understand the problem.

From Michelle Zalewski to All Panelists: 03:04 PM

Isaac, how do these changes impact Marketing Mail Flats and Letters if at all?

From Angelo to All Panelists: 03:04 PM

Can we get an O/D Pair list of current and proposed First Class standard changes so we can determine delivery impact for planning purposes?

From Kathy Siviter to Everyone: 03:05 PM

Why use hours vs. miles driven to determine the service standards? Will the USPS provide a set of 3d-3d ZIP pair data under the new proposed standards compared to today so we can see the specific ZIP pairs that change?

From Hamilton Davison to All Panelists: 03:05 PM

What percentage of the total projected cost savings comes from Isaac's responsibility, from Kristin's responsibility and from everything else? (As a rough cut.)

From Jason Kiefer to All Panelists: 03:05 PM

Did I hear correctly with the new regional split if you are seeing results and able to pinpoint areas of concern. Why is when we reach out saying we have a customer experiencing extreme delays we get very little in response to that? We even requested this escalated to headquarters but still no good updates for our customer.

From rsobieri to All Panelists: 03:06 PM

This is listing impact for MAIL... what is happening with FC Parcels

From Rose to Everyone: 03:06 PM

If you need to change service standard yet there are mailers which require that service standard, is there a reason the postal service continues to not consider allowing First Class mail to be drop

shipped, especially since your desire is to pull all of it off planes? Or is that a plan in an upcoming price change? In general industry has proven to be able to move mail efficiently around the country.

From David Marinelli to Everyone: 03:06 PM

So the plan is that 39% of First Class Mail will be delivered slower than the current standards. 30% of FCM would be delivered >3 days with a 95% target.

From Bob Fisher to Everyone: 03:07 PM

I think Isaac's approach to getting plants back on track is right on target. Fixing current operations to previous levels is the place to start. Recognizing that establishing a 'winning culture' is just as important as getting the operating plan back to proper performance. I don't agree with the service standard changes.

From Kathy Siviter to Everyone: 03:08 PM

The USPS and industry collaborated to establish the service standards put in place in 2007 from PAEA...why not collaborate again to determine new standards that work for both sides?

From LR to Everyone: 03:10 PM

If the implication is that air carriers aren't performing to contract terms, or that the current process isn't working, is turning to surface transportation, with lower service standards, the only (or best) option? Even if the cost is higher, mailers may be more willing to pay more if the service is at a level they want.

From Betsy to Everyone: 03:10 PM

Making sure I understand ... NO air delivery, all surface. Is that correct? Does surface delivery include Rail?

From Rose to Everyone: 03:11 PM

You're proposing changing NDC's to RDC's. What happens to drop ship market dominant mail to NDC? Does that mean we have only origin or SCF entry?

From Betsy to Everyone: 03:13 PM

I am really trying hard to find the benefits for my organization. So far my take-away is: It will take longer and cost more. Is that correct?

From Jason Kiefer to All Panelists: 03:13 PM

What is the plan to get some of the P&DC to process and move mail efficiently with this change. We have some in our area that are an absolute nightmare to send mail through we prefer to use the NDC and SCF?

From Lauren T. (she/her) to Everyone: 03:13 PM

+1

From Shanta Mohamed to All Panelists: 03:13 PM

What's the plan to hire more people we don't get our packages most days until noon and have to pay employees overtime

From rsobieri to All Panelists: 03:13 PM

Any timeline for 7 days a week delivery?

From David Marinelli to Everyone: 03:13 PM

Will Postal be addressing the impact of service standards given that that many First-Class Mailers are legally required to send certain documents and notices via USPS with specified time frames. Slowing 39% of FCM and pushing 30% of FCM beyond 3 days will have serious repercussions for mailers including leading to significant fines from our regulators.

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From Betsy to Everyone: 03:14 PM

+1

From Mark Fallon to Everyone: 03:16 PM

Also, the USPS needs to address the economic impact millions of payments arriving a day later.

From Todd Black to All Panelists: 03:16 PM

If you begin to manage mail flows by shape, it will reduce the pinchpoint DSCF entered Periodicals experience at the bundle sorting phase that currently compete with packages. If that pinchpoint is mitigated, why would you need to change the current 1-day service standard for DSCF entered Periodicals?

From Shanta Mohamed to All Panelists: 03:17 PM

we need some experience people come into the local post office and see how daily operations is and the waist of overtime
we need experience supervisor also

From David Marinelli to Everyone: 03:22 PM

Hey Steve - How many days until NPF? :-)

From Mark Perodeau, Peraton to All Panelists: 03:22 PM

thank you!

From David Marinelli to Everyone: 03:22 PM

Thank you!

From Bill LeVoir to All Panelists: 03:22 PM

do you have a link for the sign up?

From Rose to Everyone: 03:24 PM

Steve could you please refresh my memory of how the notice for April 6 was sent out. I think I'd like to just double check as no appointment is on my calendar yet

From Mark Fallon to Everyone: 03:30 PM

Rose - Industry Alert sent on March 23rd - <https://postalpro.usps.com/node/9455>

From Merry Law to Everyone: 03:31 PM

https://about.usps.com/what/strategic-plans/delivering-for-america/?utm_source=deliveringforamerica&utm_medium=print&utm_campaign=uspscominternal

From Shanta Mohamed to All Panelists: 03:33 PM

We need help in winter garden post office in Florida.

From Kurt Ruppel to All Panelists: 03:38 PM

In the past, BSN reps could be based at either the district or area level, with area reps covering larger clients. Is this changing?

From Shanta Mohamed to All Panelists: 03:46 PM

How about regular express from 12 to 3?

From Rose to All Panelists: 03:46 PM

This one befuddled me so just a private comment. Why change a product so it no longer competes with other suppliers who offer the 10 am service?

From Joe Hillyer to Everyone: 03:49 PM

Tom Foti - what about catalogs collated into multi-component shrink-wrapped and strapped Firm BPM Parcels, as no competitor can currently process them so there is no competition?

From Cathy Rupard to Everyone: 03:50 PM

Great survey Rose and Elke!

From Katherine Versteegh, A.B. Data to All Panelists: 03:57 PM

Steve, Rose and Mark - The April 6 meeting registration link was, in fact, published in an Industry Alert on March 23rd, but when you register using the link, there is no response, no registration confirmation, and no login information sent to the registrant via email or otherwise. Just a "thank you for registering" returned on screen.

From Lisa Wurman to Everyone: 04:02 PM

So, any issues with DMUs, clerk hours , etc. now reports up through Randy's group?

From Randy Workman to All Panelists: 04:04 PM

No issues. It is business as usual except the Manager, Business Mail Entry positions report directly to our team along with everyone under their district structure.

From Thomas Foti to Joe Hillyer, All Panelists: 04:15 PM

Joe- They will still be able to be shipped using BPM Parcels. If there are concerns with that there could be more flexibility with other options (i.e., NSAs) that can be explored.

From Derek Kaighin to All Panelists: 04:26 PM

What are the remaining agenda topics? Also, will the recording or presentations be shared in any way?

From PKovlakas to All Panelists: 04:34 PM

Can you share what elements drive the perfect package performance metric Dr Colin mentioned?

From Todd Black to All Panelists: 04:46 PM

As you migrate to a shape-based mail flow strategy, will the APPS and APBS be dedicated or more dedicated to flat bundles?

From mike plunkett to All Panelists: 05:05 PM

Hear, hear!

From Kathy Siviter to Everyone: 05:06 PM

Won't be the same without you, John! Best of luck!

From Mark Fallon to All Panelists: 05:06 PM

Good luck John!

From Wendy Smith to All Panelists: 05:06 PM

Thank you, John! You've done an awesome job advocating for parcel concerns!!!!

From Todd Black to Everyone: 05:06 PM

You have been a great mentor. Thank you for all the knowledge sharing!

From Carol Kliewer to Everyone: 05:07 PM

Congratulations John !

From Cathy Rupard to All Panelists: 05:07 PM

I will miss you John. You have always been such a wonderful resource during the in-person events

From JuliaannHess to All Panelists: 05:07 PM

Ditto! All the best to you John, Always!!!

From jim cochrane to Everyone: 05:07 PM

John is a legend and he will be missed by all who ship, and all who worked with him.

From Anna Pascarella to All Panelists: 05:07 PM

I always enjoyed hearing your comments. You really added a lot to the table. Congrats John.

From mike plunkett to All Panelists: 05:07 PM

Huge void being created...

From Anna.Ameduri to All Panelists: 05:07 PM

Congratulations John! Happy Retirement

From Randy Stumbo to All Panelists: 05:08 PM

Well done John!!

From Kimberley Waltz to Everyone: 05:08 PM

Thanks for your dedication and contributions to the Mailing Industry, enjoy, you will be missed.!

From Carol Kliewer to Everyone: 05:08 PM

the guidance you have provided has made us all better

From Melissa Scheidler to All Panelists: 05:08 PM

Congratulations John! Best Wishes. It was a pleasure to work with you!

From Carol Kliewer to Everyone: 05:08 PM

get me off mute so I CAN WOOHOO HIM

From Kate Muth to All Panelists: 05:08 PM

Standing ovation.

From Ann Daley to All Panelists: 05:08 PM

Congratulations John!! Enjoy your next chapter!!

From Glen Swyers to All Panelists: 05:08 PM

Congrats!

From Steve Colella to All Panelists: 05:08 PM

Congrats John, all the best

From John Callan to Everyone: 05:08 PM

Congratulations, John! Be careful of those alligators!!

From David Robinson to All Panelists: 05:09 PM

Congratulations John! You've been such a blessing for the industry!

From Mark Fallon to Everyone: 05:09 PM

Congrats John! Enjoy!

From Steven Jacobs to All Panelists: 05:10 PM

Can you send tomorrows agenda please?

From Cathy Rupard to Everyone: 05:10 PM

Thank you for the amazing content. Many good take-aways.

Q&A BOX

Jun Yuan 01:33 PM

Hi, does it have the customer privacy act topic this meeting? if it doesn't, I will leave the meeting. If you can tell when will hold that meeting to know, it is very appreciated. Thank you.

Anonymous Attendee 01:39 PM

Our business has experienced a lot of significant shipping delays getting packages delivered to our customers. This got worse during the holiday season and has persisted since. What is being done to streamline the process, so these delays don't keep happening?

mgoldstone 01:44 PM

HELP!!!! After decades of trusting the USPS, we are facing a pivotal moment. The top ScanMyPhotos.com customer question now is where is my order? Why is it delayed? How are you resolving this problem for Priority Mail flat-rate deliveries?

Steven Jacobs 01:48 PM

The PRC rate increase proposal is unfortunately a catch 22. The more you raise prices, the more volume will drop. The more it drops, the higher you can raise rates. This is a formula that can kill the USPS. Do you plan on taking the full increase under the new ruling?

Anonymous Attendee 01:53 PM

Reducing the First-Class Mail standard (which was missed by only a few percentage points in the past, not the high double digits of recent months) does NOT meet the needs of CUSTOMERS and has only modest cost savings in the scheme of all operations. So, two questions: (1) With customers satisfied more with pre-pandemic svc than what the 10-Yr Plan outlines, what do you see as the "value" to customers and how does this encourage rather than discourage mail volume retention? (2) Do you realize that when the very profitable remittance mail is diverted online, the mail that encloses those reply pieces ALSO goes away?

Anonymous Attendee 02:01 PM

Why do you feel the USPS should be run like a private entity (self-sustaining). When it's a constitutionally protected entity, designed to ensure safe, secure, & timely movement of critical business, & to sustain the rest of the US economy & govt? The post office's differentiator is that with gov't backing, you can ensure all shippers are never squeezed by the other big US national parcel carriers through direct rate card pressure and historically stellar TnTs.

Larry Graves 02:23 PM

What do you think the price of 1st class postage stamps will be at the end of the 10 years and do you plan a stamp price increase this year?

Anonymous Attendee 02:29 PM

Did these questions come in during the presentation?

Justin Crowe 02:34 PM

Hi Kristin! Thanks for all your efforts. A question specific to death care industry businesses: Shipping cremated remains costs an average of \$100 per shipment, which is putting significant financial strain

on the grieving families we work with. Additionally, the regulations on remains have made shipping a major cost to our company - 25% of our revenues goes to shipping (which makes it incredibly hard for us to grow). Are there any cost reductions planned for death industry retailers shipping cremated remains and solidified remains? Thank you! – Justin

Michele Saranovich Verizon 02:42 PM

Is the \$2 billion for IT in addition to current spending? Thanks.

Anonymous Attendee 02:46 PM

How much of the plan relies on contracting out some or all of the process?

Arthur Veress (Academy Sports and Outdoors) 02:49 PM

Hi. Mr. DeJoy stated that USPS is committed to deliver 6 days a week. Are the Sunday package delivery services suspended? Or will they continue in the future?

Michelle Zalewski 03:05 PM

Isaac, how do the transportation changes impact Marketing Mail Flats and Letters if at all? What do you see as the timing for Marketing Mail and do you see a change to the color coding system used today?

Anonymous Attendee 03:09 PM

I would like to understand more about what was left out of the plan and the reasoning. For example, a big opportunity is the investment of retirement assets. This seems like a great opportunity that is being overlooked.

Anonymous Attendee 03:10 PM

Right now there is a Plus One day build into Priority and First Class. Are the new times going to be with the already day plus one built into our service scores?

Rich Domagala 03:12 PM

Will drop shipments (proposed) go to the STCs and P&DCs when NDCs are eliminated. Will the cost to process at the STCs be less than the NDCs now ... will the workshare discounts therefore increase for STC entry?

Anonymous Attendee 03:13 PM

The strategic plan does not acknowledge that ground transportation has its issues including a shortage of drivers. How does the USPS plan to overcome these issues? It seems that ground transportation will create a different set of challenges.

Todd Black 03:16 PM

If you begin to manage mail flows by shape, it will reduce the pinchpoint DSCF entered Periodicals experience at the bundle sorting phase that currently compete with packages. If that pinchpoint is mitigated, why would you need to change the current 1-day service standard for DSCF entered Periodicals?

Greg Holowicki 03:19 PM

Eastern

Rich Domagala 03:19 PM

If trucks are running only 30-40% full, is it now time for the USPS and Industry to work together and have Industry trucks pick up mail at plants to transport pallets to the next drop on the Industry load?

Anonymous Attendee 03:20 PM

We need experienced supervisors

Anonymous Attendee 03:43 PM

What will be done at the Retail locations regarding enhanced customer service? This seems to lack with my experience.

Anonymous Attendee 03:45 PM

With many businesses closing at 5pm why was the PM Express delivery time expanded to 6pm and not 5pm?

Larry.graves 03:56 PM

To improve the customer experience in the postal lobbies our company could supply you with debit/cash cards to support the cashing of savings bonds instead of waiting on cash to build up in the drawer which I understand is a problem at times.

Anonymous Attendee 04:17 PM

I guess I missed something said during the last break. Why was there no report from Gary? Thanks.

Rose 04:25 PM

We had a lot to cover from both Kelly and Tom so Gary's area we left for the focus meeting tomorrow. 30 minutes goes by quickly.

Todd Black 04:47 PM

As you migrate to a shape-based mail flow strategy, will the APPS and APBS be dedicated or more dedicated to flat bundles?