

# **Delivery & Processing Operations and Enterprise Analytics Focus Group**

**USPS VPs: Colin, Barber, Johnson  
Industry Lead: Adam Collinson**

**Wednesday, March 31, 2021**



# Proposed Topics for All – Service Performance & Delays

Industry requests a robust discussion regarding Service Performance and the impact of the operational and organizational changes announced by the PMG. The concern from mailers is that when sweeping operational changes have been made in the past, the negative impact to Service Performance was dramatic. Mailers would like to understand the analysis and planning behind these changes and how Postal will protect and improve Service Performance.

On 3/4 industry asked for an update of mail delivery and processing in TX due to the recent storm. Postal response was there were no reported delays yet industry is experiencing completely different service. Remittance mailers in Dallas are experiencing delays and First Class mail leaving TX to the Northeast area is tracking over 1 week for delivery. Disturbing as it seems headquarters does not have a clear view of actual on the ground delays

Deliver delays are expected when natural disasters hit similar to the recent ice storm. In the past, however, the postal service had been quick to issue alerts and updates of hard hit areas and functions. The most recent event in TX and then moving up through the southwest however was significantly different (slow to no impact information). Are these delays related to recent reorganization in that individuals are not aware they need to communicate?

Jan action item: Mailers requested to know where the USPS stood on backlog, problem areas, and when it would be back to normal. Removing areas hit by the ice storm, delivery was expected to be normal no later than end of Feb yet many areas are still experiencing Significant delays (example - Cleveland).

Still seeing delay - what is the plan to get back to the service standards?

Industry requests an update on late deliveries and when we can expect the backlog to be cleared. In addition, we would like an update on why mail/Priority Mail was not handled FIFO. Industry requests a weekly breakdown by P&DC by P&DC % processing and by class of mail. How much mail is sitting in trailers. How many days is Postal behind? Also an update on hot spots including Cleveland and Baltimore.

Industry requests a discussion of the recent weather incidents including the Texas/southern ice storms and the impact to service performance for destination and remittance mail.

After the recent winters storms in Texas and across the South, it has been difficult to get a holistic view of mail logistics, processing, and delivery. Industry is seeing continued delayed mail in the region, but determining what is happening and how to fix is challenging as each group only reports on their own piece of the puzzle and there seems to be minimal coordination or understanding of what's happening in other parts of the organization.

Which locations are still underwater as far as performance ? (Example Richmond SCF) - stop the clock but still haven't moved, when will mail be cleared by location and classification of mail???



# Proposed Topics for All – After Action Review / Post-Peak

Request for immediate data dump by MID of current backlog of mail not delivered and expected processing timeline to resolve

Request to include the following items in the after-action review:

- All classes and shapes – as well as remittance and UAA
- Impact & performance on all classes of mail (how much late and by how much)
- Why all classes and shapes impacted when many had lower volume than SPLY

Request for USPS to partner with industry for case studies of mailer “Peak” experience to coincide with USPS after-action-review; share lessons learned, real-time adjustments, and after-action review findings

Industry would like to have a robust discussion of Peak Season. There are serious concerns regarding the mail delays, impact to service performance, etc.

Industry would like a summary of lessons learned from the after action reviews resulting from embargoes, backlogs, and delays that occurred during peak season. (Relates to several action items from January.)

# Proposed Topics for All – Communication / Other

Provide defined hierarchy for issue escalation and consistent/accurate messaging (current mailer experience not matching data reported by operational sites); per Dale, start with BSN/Sales

Request to establish Task Team for industry to provide input on the USPS Industry Connect Dashboard

Request for weekly industry call to discuss processing/logistics conditions; provide current status and projection for upcoming week with open dialog

Locale Key: Need communication with details and updates including:

- Confirm IV-MTR scans will remain as existing processing facility locale key - Steve Dearing from MEPT FG]
- Clarify if/how NASS codes will be impacted with the creation of the new logistics facilities and locale keys

[From MEPT FG] Ensure operations and MEPT are partnering for FAST enhancements and provide update at next MTAC

[from MEPT FG] Evaluate the ability to contact mail owner if not processed/delivered within 45 days to determine the handling of the mail (deliver, dispose, return, etc.)

Rewriting of Premium Forwarding Service Commercial. Can we get an update on when they plan to test it and go live. We use this product for several clients and want to make sure we are ready.



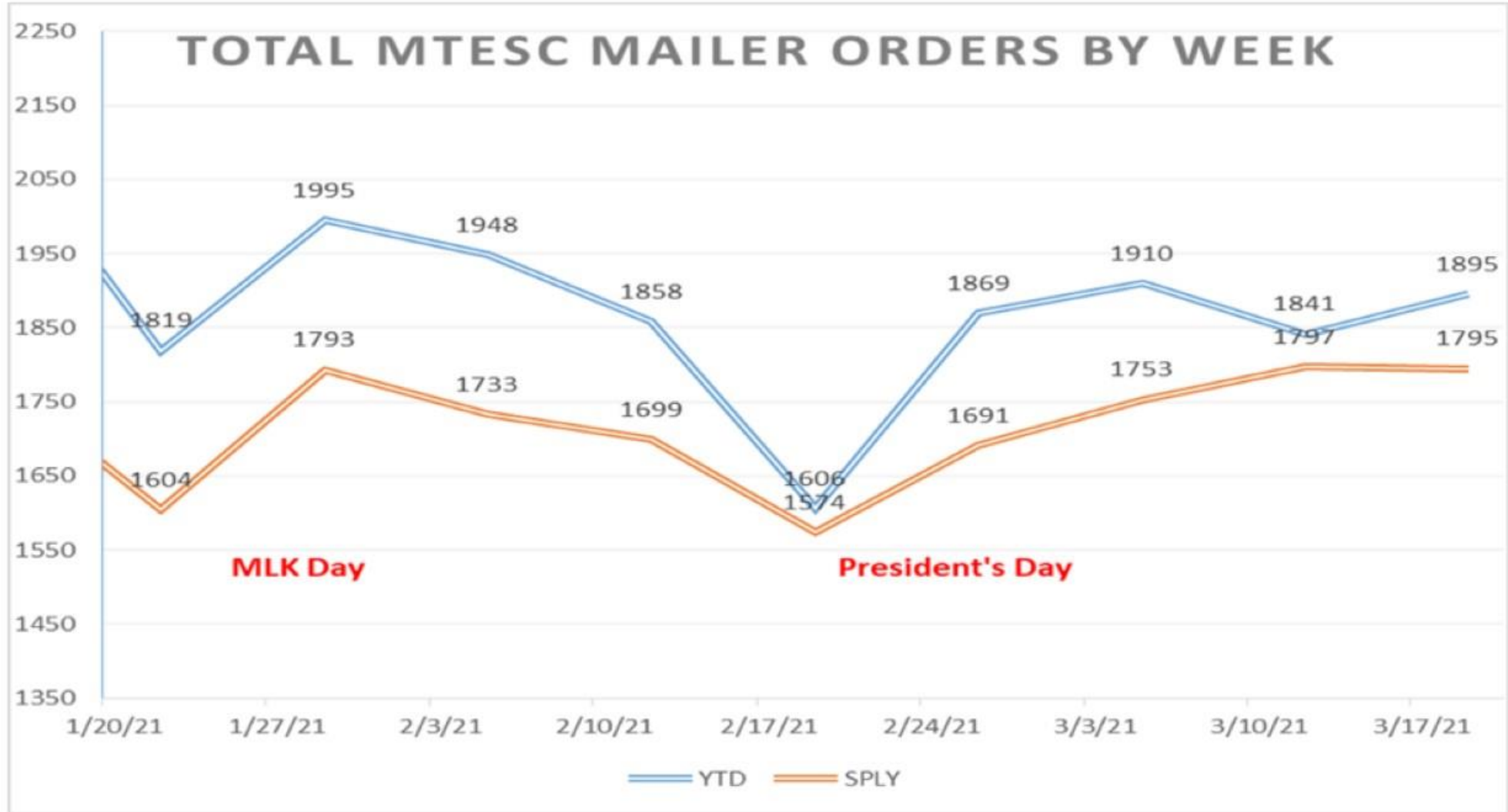
# Proposed Topics for All - MTE

At next MTAC, for over peak and in general, provide stats on MTE cancelled/adjusted orders

At next MTAC, provide an update of the audit process and findings

- In a recent OIG audit, the OIG found that one of the major contributors to misdirected mail within the USPS system was the lack of the USPS hygiene on MTE/Tray Labels and not clearing old labels from their trays. The OIG recommended the USPS put in place hygiene practices on MTE and further audits in this area.
- This is exactly what is also needed with MTE provided to mailers. USPS should have in practice a process in which MTE tray labels are removed, and tray label holders are ensured attached, prior to presenting to mailers for use.
- There is interest from FCM to hear about what additional training, education, and audits the USPS has established to ensure MTE presented to mailers is acceptable and ready for use.

# Weekly Mailer Orders at MTESCs



# MTE Inventory Status

## Sufficient sleeves, trays, pallets, and sacks have been procured

As of 03/17/2021	Current MTESC Inventory on hand	1-Week Safety Inventory	Pieces Above / Below Safety	Percent Above / Below Safety	Weekly Demand Var to SPLY	% Var Inventory to SPLY
PALLETS	799,605	550,000	249,605	45%	6%	-58%
EMM TRAY	3,332,256	1,400,000	1,932,256	138%	-15%	92%
1/2 TRAY	568,230	1,100,000	(531,770)	-48%	17%	-72%
MM TRAYS	3,190,950	2,500,000	690,950	28%	-4%	-48%
MM SLEEVE	2,555,442	3,400,000	(844,558)	-25%	8%	-18%
EMM SLEEVE	4,681,899	2,000,000	2,681,899	134%	-5%	14%
1/2 SLEEVE	1,869,543	1,400,000	469,543	34%	6%	-7%
FLAT TRAY (Cardboard & Plastic)	514,290	750,000	(235,710)	-31%	6%	-73%
FLAT TRAY LIDS	695,808	420,000	275,808	66%	3%	-33%
#1 SACK	4,454,500	1,700,000	2,754,500	162%	14%	114%



## MTE Updates

**Is there a process in place to improve MTE availability when USPS can't turn equipment quick enough due to volumes and capacity issues?**

- Increased request above plant opportunity will be requested through the MTEsCs by the plant
- MTE Inventory reported weekly by each plant

**Mailers request an update on tray quality efforts**

- MTE SOP revision inclusive of Delivery and Processing
- Returns to the MTEsC's for hygiene and stacking to flow to all customers
- Score card created for plants to audit deficient returns from Delivery to Plant prior to being sent to Mailers or MTEsCs



# MTE Hot Line Calls

## Mailer Call Log Information

Metric	December Calls	January Calls	February Calls	Notes
Key metric one description (December Calls)	571	484	433	Total Calls to MTE Hotline
Key metric two description (Information, change or cancel order)	333 (58%)	257 (53%)	240 (55%)	Adjusting order to increase, decrease or cancel
Key metric three description (MTE pick-up from plant/customer)	161 (28%)	156 (32%)	130 (30%)	Requesting unscheduled MTE pick-up

# Proposed Topics for All - Addressing

Provide additional info/discussion on open items and schedule for Address Quality Cycle O - CASS and NCOA Link which need to follow the same timelines

Request to establish MTAC group on GAA-UAA (Good As Addressed – Undeliverable As Addressed) mail

Some mailers are reporting an increased rate in UAA starting in February, with no changes in their processes. What is the USPS seeing

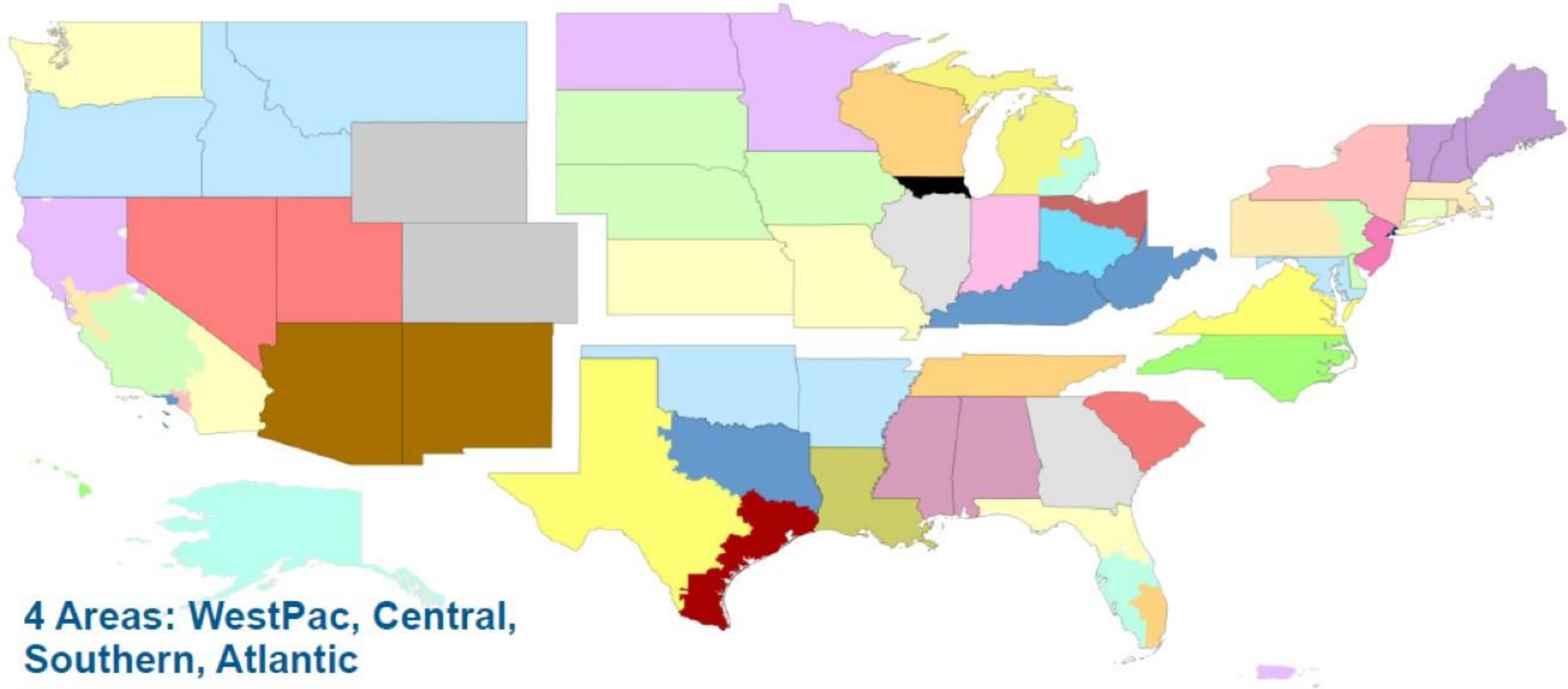


## Proposed Topics for All - Reorg

Reorganization changes: USPS needs to continue to right size and make appropriate changes to reduce costs. What is the plan to manage possible "brain drain" as a result of VER acceptance?

Industry requests further information on recently announced organizational changes. The USPS seems to be creating more silos. How will the separate networks communicate/cooperate with each other? How will industry gain a holistic view of USPS operations?

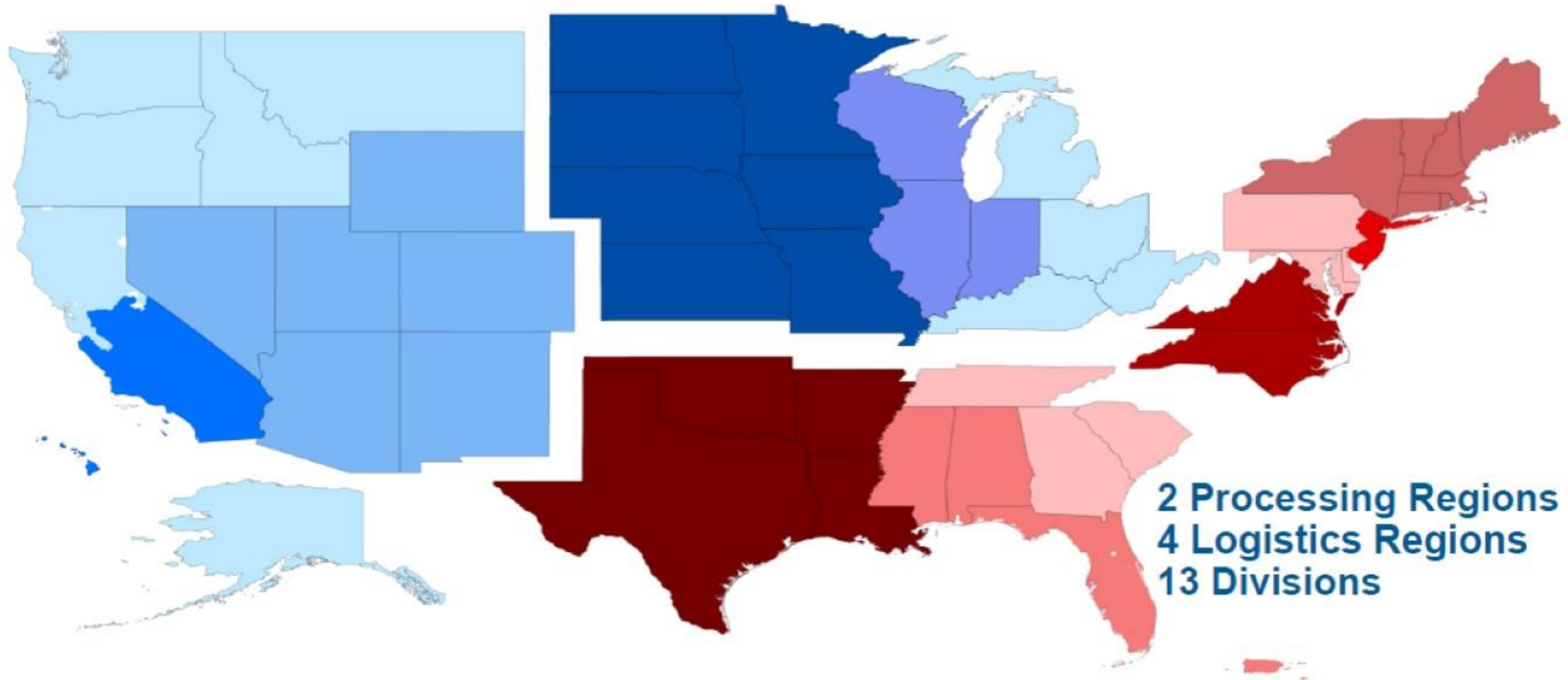
# 50 District Retail and Delivery Structure



**4 Areas: WestPac, Central,  
Southern, Atlantic**



# 50 District Logistics and Mail Processing Structure



# Processing Operations Leadership



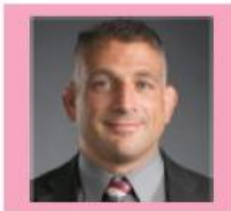
Dane Coleman – Regional Vice President



Larry Munoz – Regional Vice President



Christine Young  
New England



Stephen Humin  
New York Metro



Dave Webster  
Chesapeake



Scott Tosch  
South Atlantic



Chuck Scirba  
Westshores



Todd Hawkins  
Lakeshores



Rick Pivovar  
Midwest



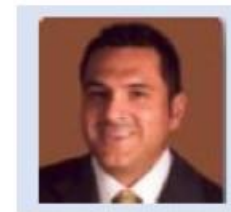
Sharon Young  
Southeast



Mark Dahlstrom  
Gulf Atlantic



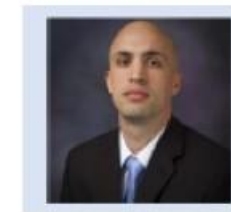
Larry Wagener  
Southwest



Felipe Flores  
Western



John DiPeri  
Pacific Northwest



Britton Soto  
Southern California



# Logistics Leadership



Scott Raymond – Regional Director Atlantic



Richard Gaudet (A)  
New England



Chris Johnson (A)  
New York Metro



James Drummer  
Chesapeake



Frank Veal  
South Atlantic



Mike Melendrez – Regional Director Southern



Barbara Murph  
Southeast



Juan Gonzalez (A)  
Gulf Atlantic



John Darden  
Southwest



Larry Belair – Regional Director Central



Elizabeth Wulf  
Westshores



Kenn Messenger  
Lakeshores



Tracie Hill-Sandifer  
Midwest



Karlett Gilbert – Regional Director WestPac



Erika Ramirez  
Western



Marc Kersey  
Pacific Northwest



Pedro Ortiz  
Southern California

# Packages

**Industry Lead:  
John Medeiros**



# Proposed Topics for Packages

Develop plan to provide better communication to package shippers for future DDU redirects during Peak to Annexes

Investigate issues reported by Glen Swyers of PMOD getting lost in system; Glen to provide specific cases/examples

[from MEPT FG] Provide processing/delivery procedures for handling e-cigarettes found in the mail

New USPS program for some international mail fulfillment, the Outbound Commercial Provider Initiative (OCPI):

- A commercial invoice would also be required.
- According to the notice, this service will replace Priority Mail Express International® (PMEI®), Priority Mail International (PMI), and First-Class Package International Service® (FCPIS®) to the as-yet-to-be-announced countries with a commercial service.
- The USPS planned timeline to initiate doesn't allow much time for adjustments to software, forms, labels, tags, and processes. Proposed implementation date changed to April 30, 2021, in the February 9th Federal Register Notice. (Still not enough time to prepare...)
- This service is reminiscent of a foray about 20 years ago by USPS into using a commercial package service for international delivery that was not a success.

# Flats

**Industry Leads:  
Steve Smith, Carol Kliever**

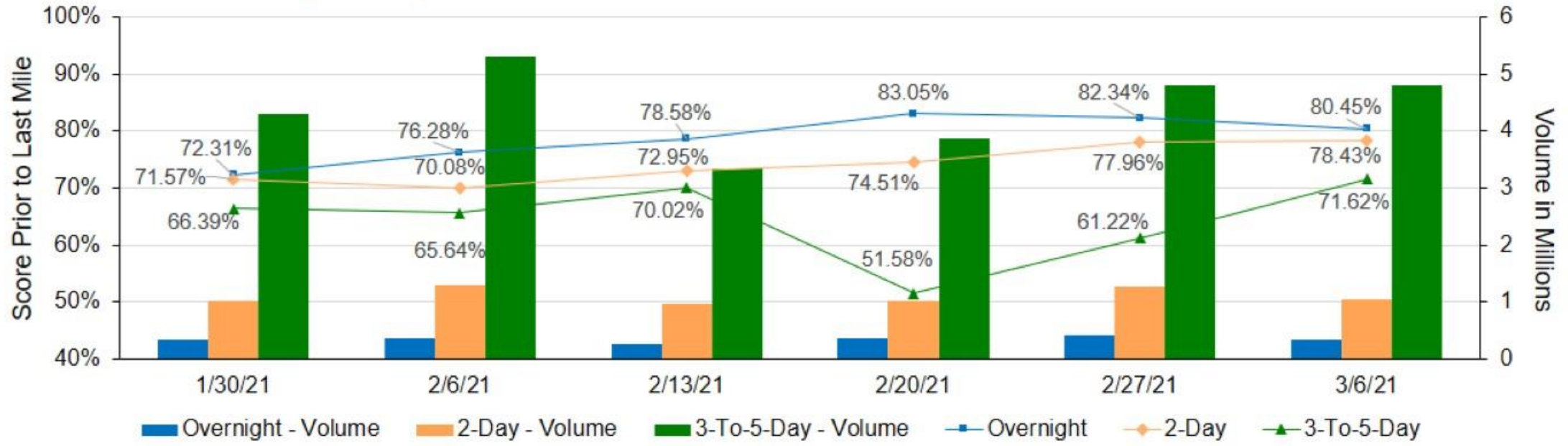


# Proposed Topics for Flats

Provide status update on Marketing Mail Flats and BPM delivery performance.

What is the current count for undelivered Marketing Mail Flats , Periodicals and BPM at this time?

# First-Class Mail® (Flats) – Score Trend



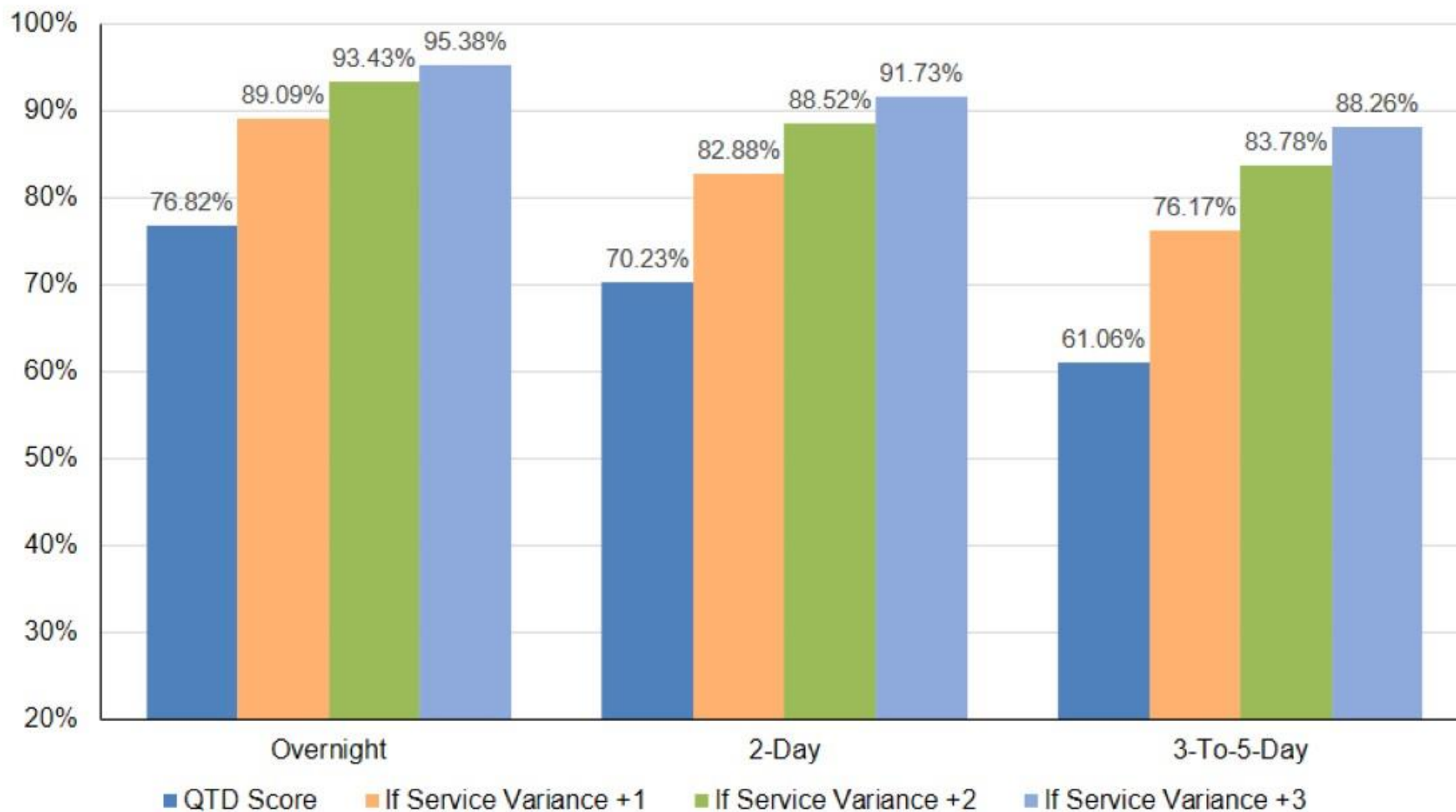
FY2021 Q2TD	Total Pieces Measured	Processing On-Time	Last Mile Impact	Overall Score	Target Score	SPLY Pieces Measured	Volume Change	SPLY Overall QTD Score	SPLY Change
Presort Overnight	3,616,373	76.82%	-7.53%	69.29%	96.80%	4,125,186	-12.33%	83.08%	-13.79%
Presort 2-Day	11,391,556	70.23%	-7.74%	62.49%	96.50%	13,297,138	-14.33%	80.51%	-18.02%
Presort 3-to-5-Day	43,910,317	61.06%	-6.12%	54.94%	95.25%	46,000,099	-4.54%	79.71%	-24.77%
3-Day	43,722,373	61.02%	-6.13%	54.89%	91.80%	45,778,660	-4.49%	79.67%	-24.78%
4-Day	184,375	70.41%	-4.55%	65.86%	91.80%	216,043	-14.66%	87.98%	-22.12%
5-Day	3,569	55.51%	-3.24%	52.26%	91.80%	5,396	-33.86%	93.59%	-41.33%
<b>Presort Total</b>	<b>58,918,246</b>			<b>57.28%</b>	<b>96.00%</b>	<b>63,422,423</b>	<b>-7.10%</b>	<b>80.10%</b>	<b>-22.82%</b>

Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.



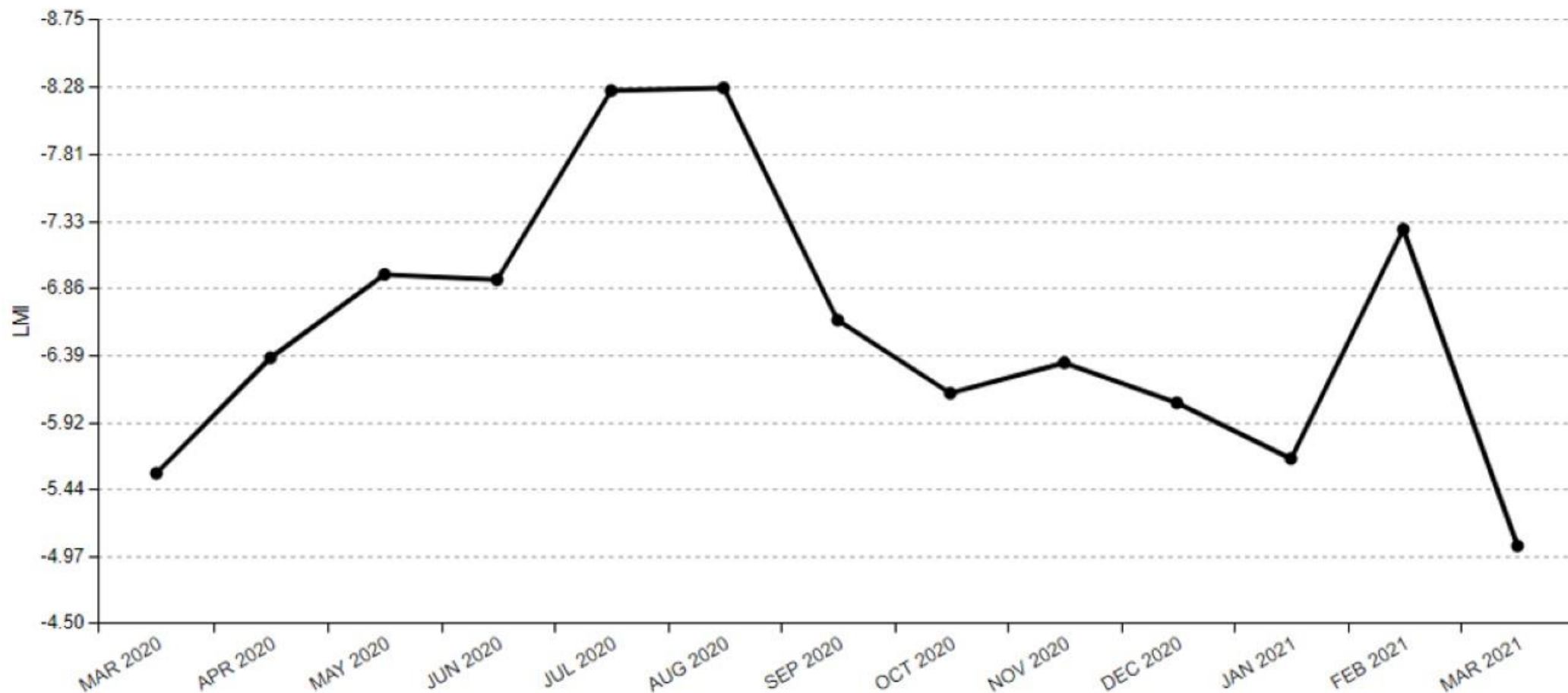
# First-Class Mail® (Flats) – Service Variance

All FY2021 Q2 FCM Flats scores would be above 76.17% (prior to last mile),  
if pieces that failed by 1 day passed



Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.

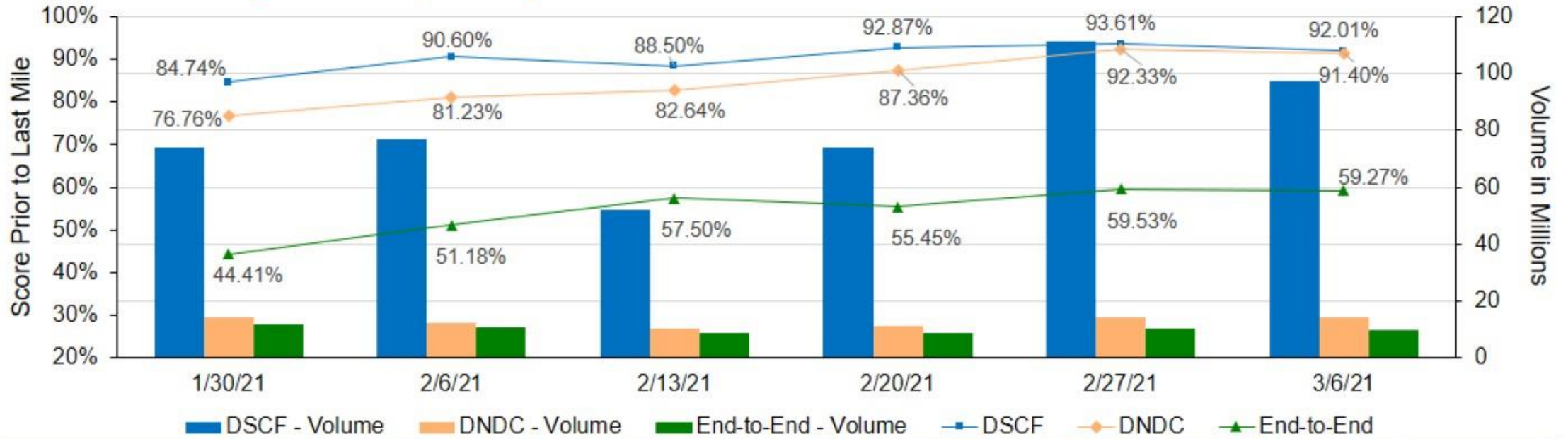
# Last Mile Impact Trend – First-Class Presort Flats



Note: March 2021 results through 3/19/2021.



# USPS Marketing Mail®(Flats) – Score Trend

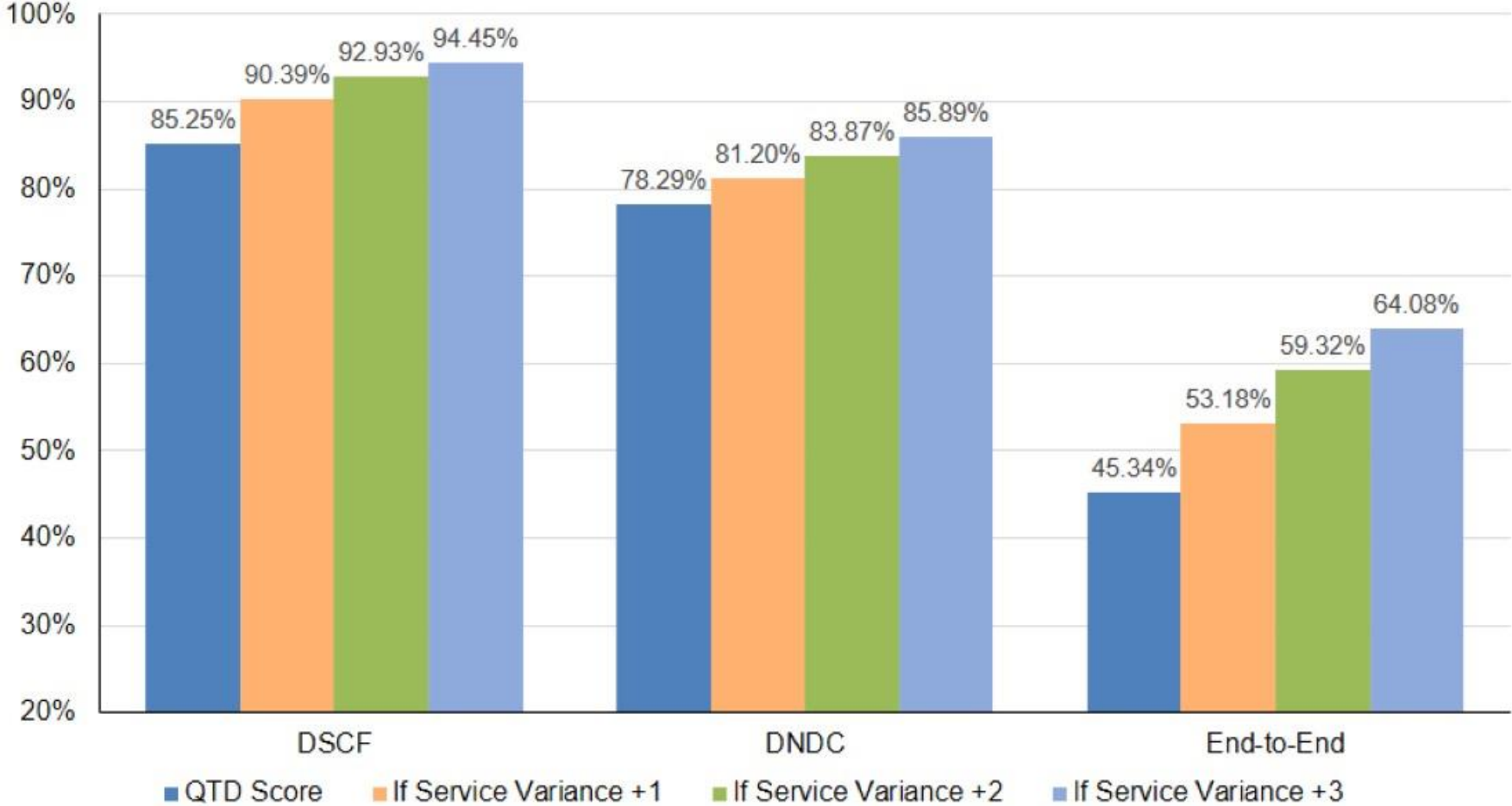


FY2021 Q2TD	Total Pieces Measured	Processing On-Time	Last Mile Impact	Overall Score	Target Score	SPLY Pieces Measured	Volume Change	SPLY Overall QTD Score	SPLY Change
SCF Flats	864,707,466	85.25%	-5.63%	79.62%	91.80%	1,215,034,915	-28.83%	93.32%	-13.70%
NDC Flats	142,122,417	78.29%	-3.63%	74.66%	91.80%	213,094,791	-33.31%	93.08%	-18.42%
E2E Flats	109,737,156	45.34%	-2.73%	42.61%	91.80%	136,081,695	-19.36%	66.30%	-23.69%
3-Day	554,202,740	83.99%	-5.17%	78.82%	91.80%	689,723,906	-19.65%	93.72%	-14.90%
4-Day	325,527,457	86.59%	-6.35%	80.24%	91.80%	553,165,171	-41.15%	92.33%	-12.09%
5-Day	155,323,534	76.90%	-3.62%	73.28%	91.80%	229,599,437	-32.35%	92.00%	-18.72%
6-10 Day	78,013,603	36.92%	-2.19%	34.73%	91.80%	86,725,851	-10.05%	58.06%	-23.33%
11+ Day	3,499,705	73.44%	-6.26%	67.18%	91.80%	4,997,036	-29.96%	73.69%	-6.50%
<b>Total</b>	<b>1,116,567,039</b>			<b>75.35%</b>	<b>91.80%</b>	<b>1,564,211,401</b>	<b>-28.62%</b>	<b>90.94%</b>	<b>-15.59%</b>

Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.

# USPS Marketing Mail®(Flats) – Service Variance

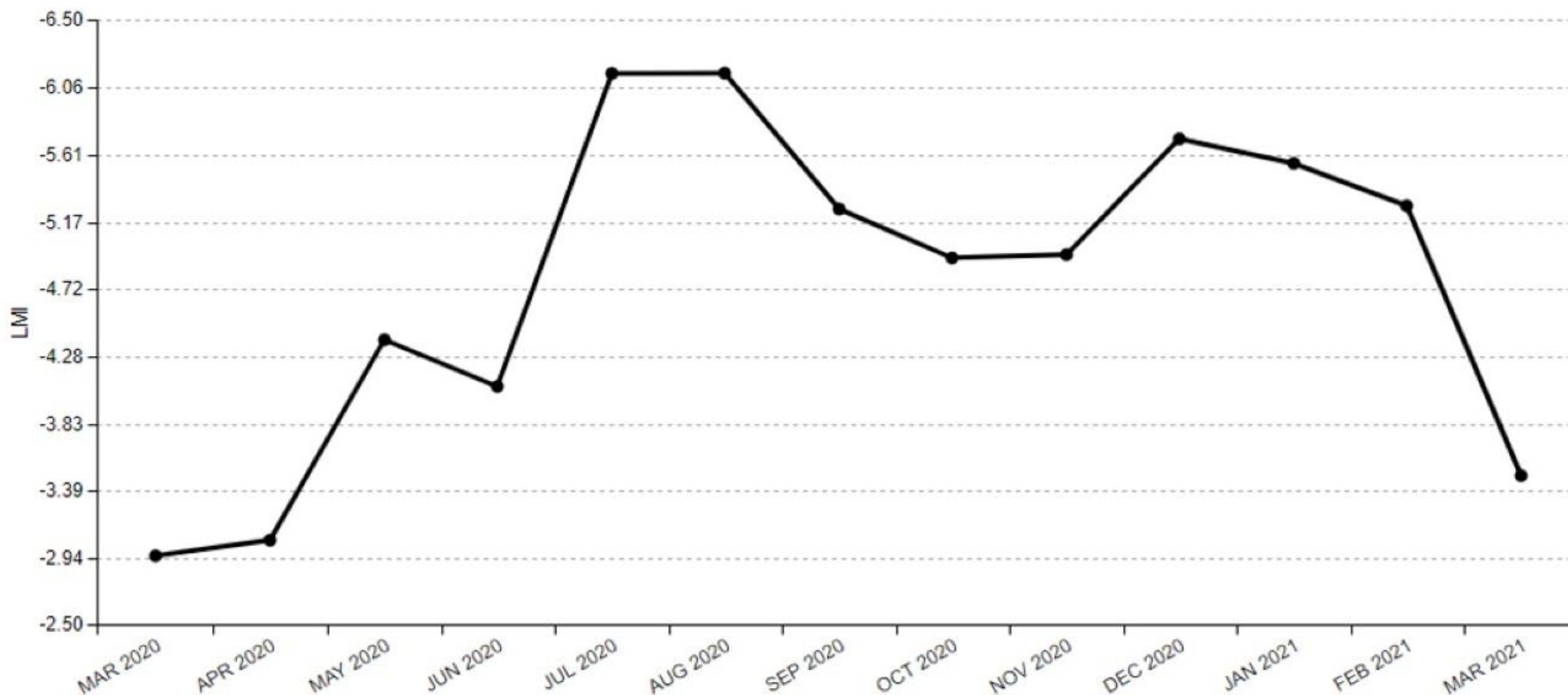
FY2021 Q2 DSCF and DNDC Marketing Flats scores would be above 81.20% (prior to last mile), if pieces that failed by 1 day passed



Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.



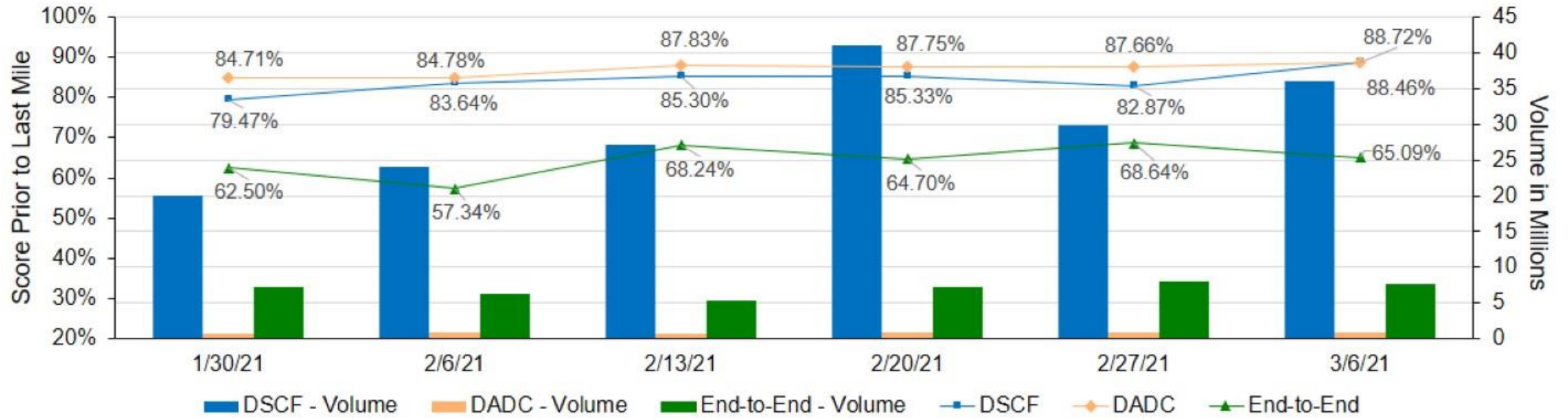
# Last Mile Impact Trend – USPS Marketing Mail Flats



Note: March 2021 results through 3/19/2021.



# Periodicals – Score Trend



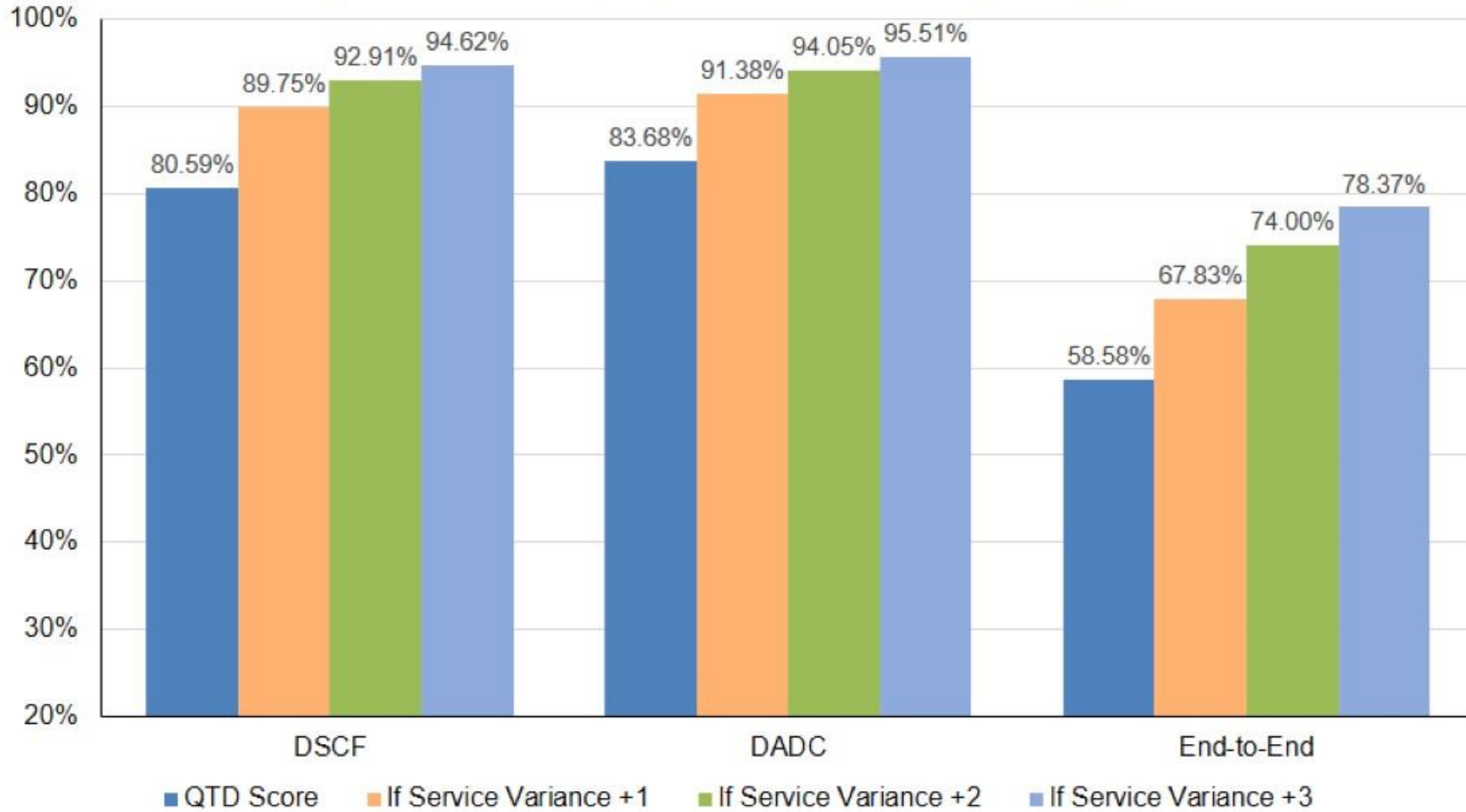
FY2021 Q2TD	Total Pieces Measured	Processing On-Time	Last Mile Impact	Overall Score	Target Score	SPLY Pieces Measured	Volume Change	SPLY Overall QTD Score	SPLY Change
SCF Flats	307,945,272	80.59%	-7.17%	73.42%	91.80%	332,318,995	-7.33%	89.41%	-15.99%
ADC Flats	8,089,849	83.68%	-5.86%	77.81%	91.80%	7,859,689	2.93%	89.28%	-11.46%
E2E Flats	70,703,408	58.58%	-3.32%	55.26%	91.80%	88,830,438	-20.41%	80.64%	-25.38%
2-Day	14,630,151	82.58%	-5.96%	76.62%	91.80%	16,036,327	-8.77%	89.26%	-12.64%
3-Day	45,260,992	80.25%	-4.37%	75.88%	91.80%	51,636,704	-12.35%	90.99%	-15.11%
4-Day	49,063,352	60.55%	-4.08%	56.47%	91.80%	62,511,703	-21.51%	84.73%	-28.26%
5-Day	3,636,493	74.43%	-3.54%	70.89%	91.80%	4,694,233	-22.53%	88.04%	-17.14%
6+ Day	13,456,525	49.55%	-2.06%	47.49%	91.80%	17,949,568	-25.03%	67.02%	-19.53%
<b>Total</b>	<b>386,738,529</b>			<b>70.19%</b>	<b>91.80%</b>	<b>429,009,122</b>	<b>-9.85%</b>	<b>87.59%</b>	<b>-17.40%</b>

Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.



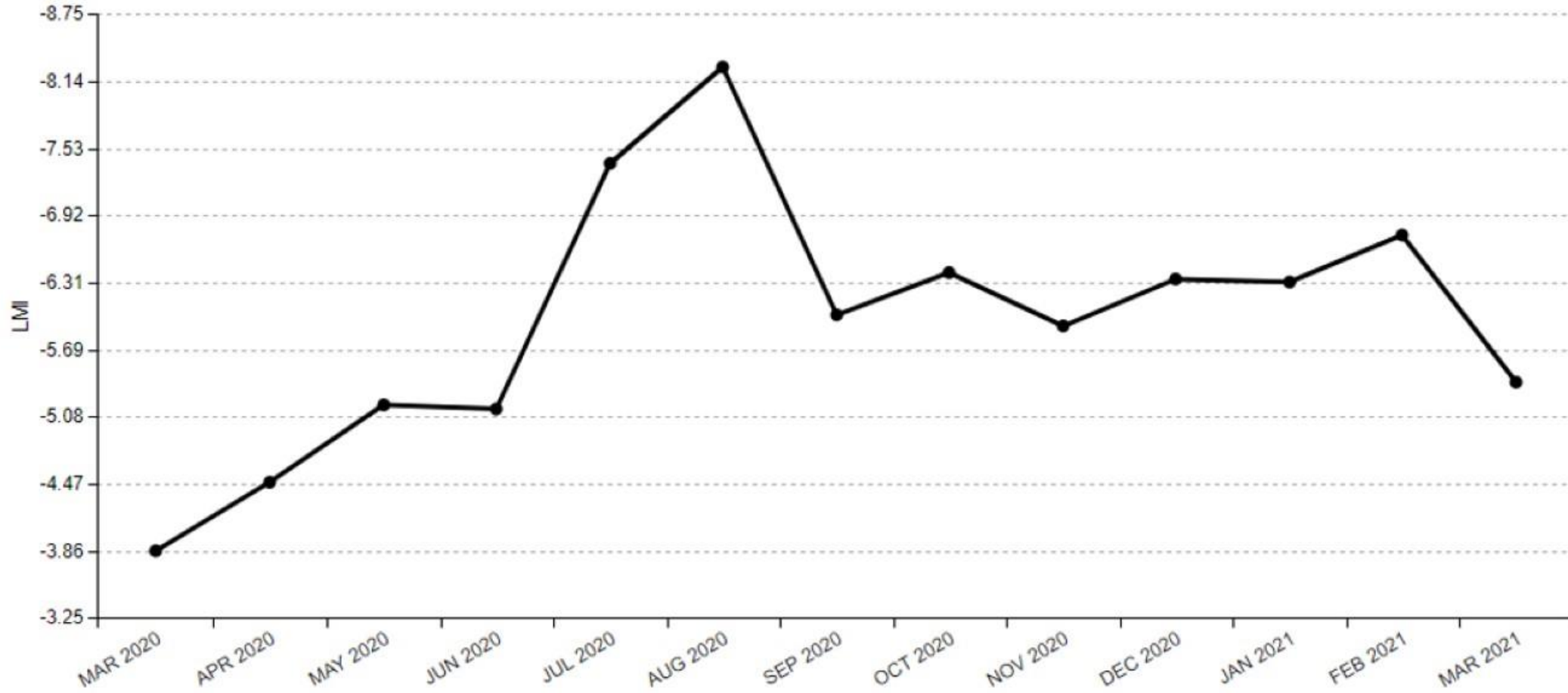
# Periodicals – Service Variance

FY2021 Q2 DSCF and DADC Periodicals scores would be above 89.75% (prior to last mile), if pieces that failed by 1 day passed



Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.

# Last Mile Impact Trend – Periodical Flats



Note: March 2021 results through 3/19/2021.



# FY2021 Q2 Through February Commercial Mail Volume – Mail In Measurement

In FY2021 thru February, ~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	Compared to SPLY
First Class Presort	Letter/Card	15,265,591,570	14,747,719,731	14,047,078,656	10,193,248,740	72.56%	-2.04% ↓
First Class Presort	Flat	264,560,302	238,403,337	216,583,594	138,671,708	64.03%	-4.69% ↓
USPS Marketing	Letter	19,962,153,142	19,538,498,839	18,820,292,684	15,576,594,521	82.76%	-0.34% ↓
USPS Marketing	Flat	7,263,207,127	5,345,963,174	4,924,032,883	3,392,980,167	68.91%	-7.57% ↓
Periodicals	Flat	1,399,889,858	1,352,235,219	1,281,469,747	848,947,129	66.25%	-0.82% ↓
<b>Total</b>		<b>44,155,401,999</b>	<b>41,222,820,300</b>	<b>39,289,457,564</b>	<b>30,150,442,265</b>	<b>76.74%</b>	<b>-2.04%</b> ↓

Metrics are for Mailing Dates 10/01/2020 – 02/28/2021  
Commercial and Full-Service Eligible Volumes sourced from PostalOne!

# Letters

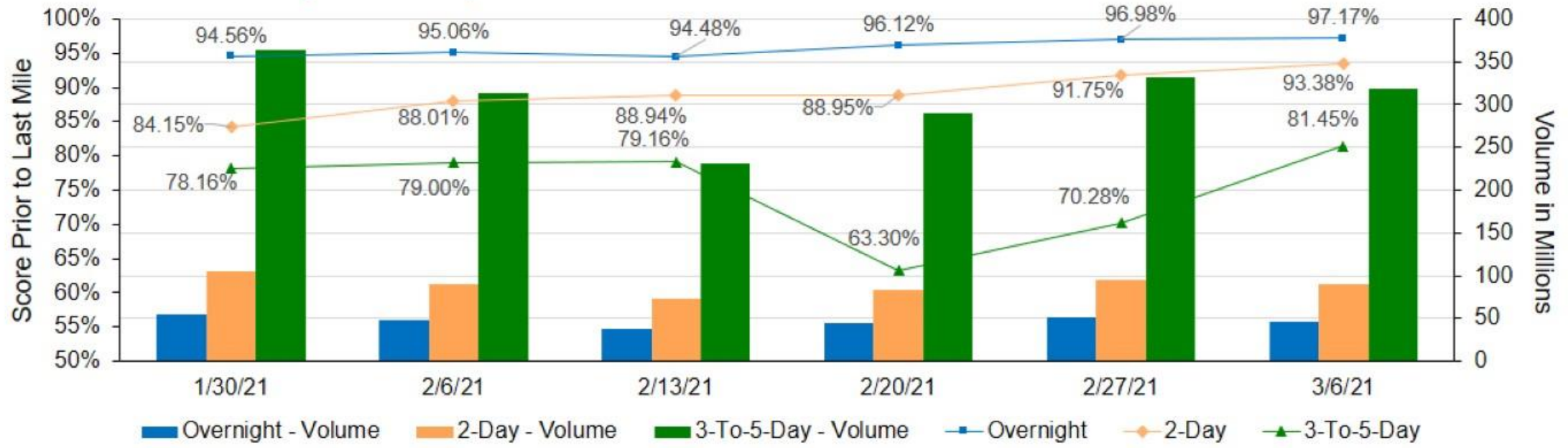
**Industry Leads:  
Dave Marinelli, Kurt Ruppel**

# Proposed Topics for Letters

Request to establish Remittance Mail user group; proposal already submitted to MTAC leadership, but need USPS support



# First-Class Mail® (Letters) – Score Trend

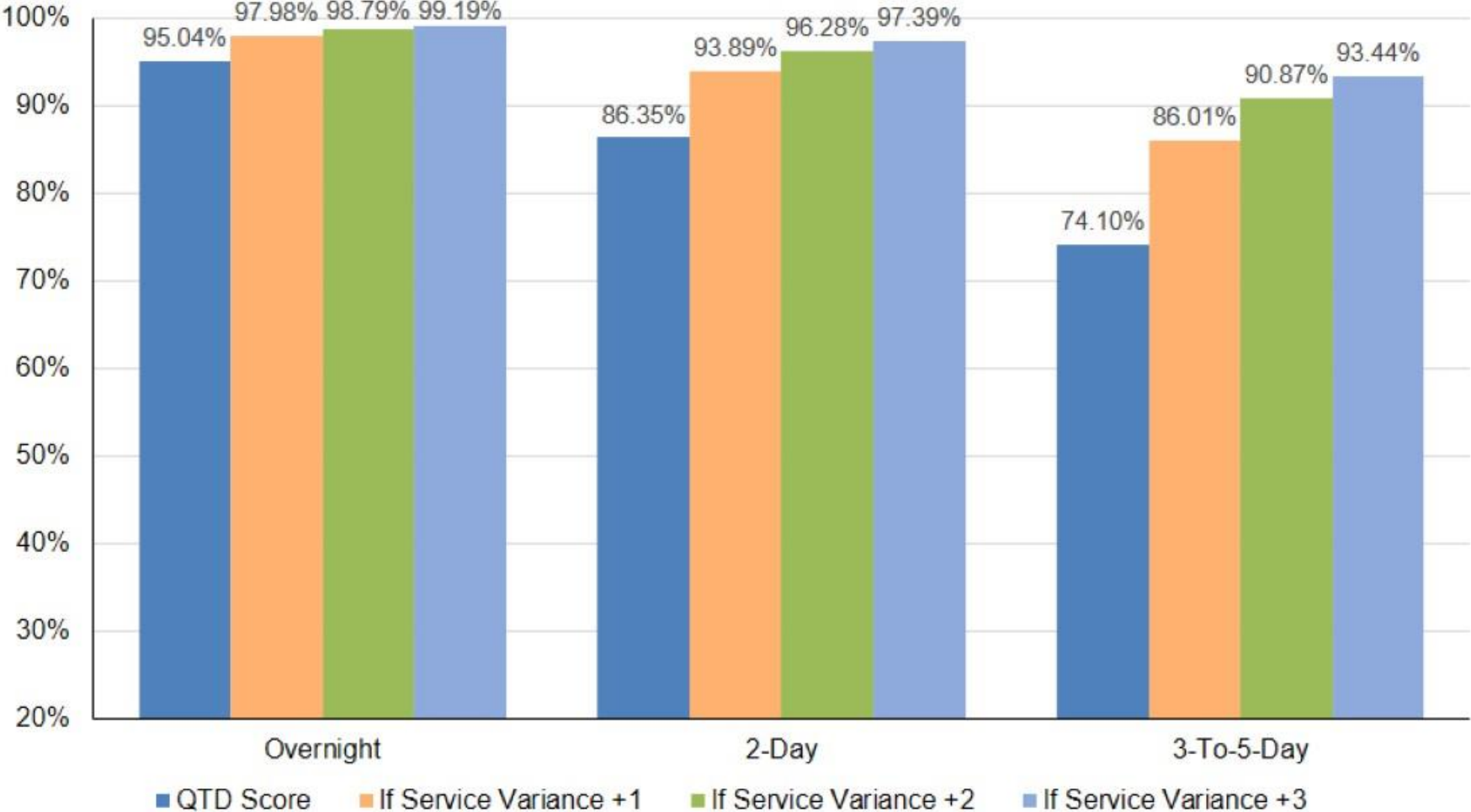


FY2021 Q2TD	Total Pieces Measured	Processing On-Time	Last Mile Impact	Overall Score	Target Score	SPLY Pieces Measured	Volume Change	SPLY Overall QTD Score	SPLY Change
Presort Overnight	489,513,985	95.04%	-2.48%	92.56%	96.80%	539,449,064	-9.26%	96.06%	-3.50%
Presort 2-Day	938,968,865	86.35%	-2.87%	83.49%	96.50%	1,067,301,205	-12.02%	94.58%	-11.09%
Presort 3-to-5-Day	3,412,617,622	74.10%	-2.24%	71.86%	95.25%	3,709,425,396	-8.00%	92.63%	-20.78%
3-Day	3,393,574,371	74.07%	-2.24%	71.82%	91.80%	3,689,491,385	-8.02%	92.63%	-20.80%
4-Day	18,284,473	81.12%	-1.53%	79.59%	91.80%	19,063,104	-4.08%	94.63%	-15.04%
5-Day	758,778	38.71%	-5.53%	33.17%	91.80%	870,907	-12.87%	81.64%	-48.47%
<b>Presort Total</b>	<b>4,841,100,472</b>			<b>76.21%</b>	<b>96.00%</b>	<b>5,316,175,665</b>	<b>-8.94%</b>	<b>93.37%</b>	<b>-17.17%</b>

Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.

# First-Class Mail® (Letters) – Service Variance

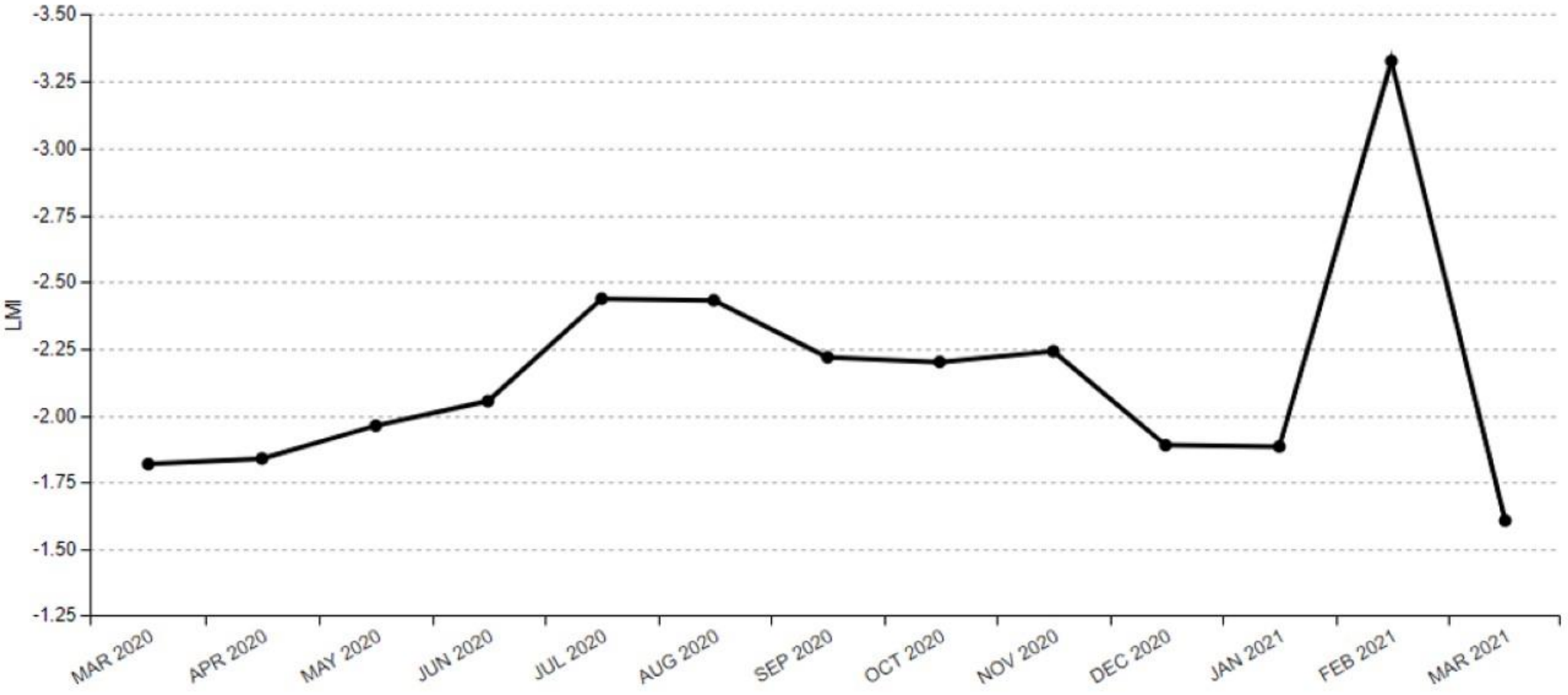
All FY2021 Q2 FCM Letters scores would be above 86.01% (prior to last mile), if pieces that failed by 1 day passed



Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.



# Last Mile Impact Trend – First-Class Presort Letters

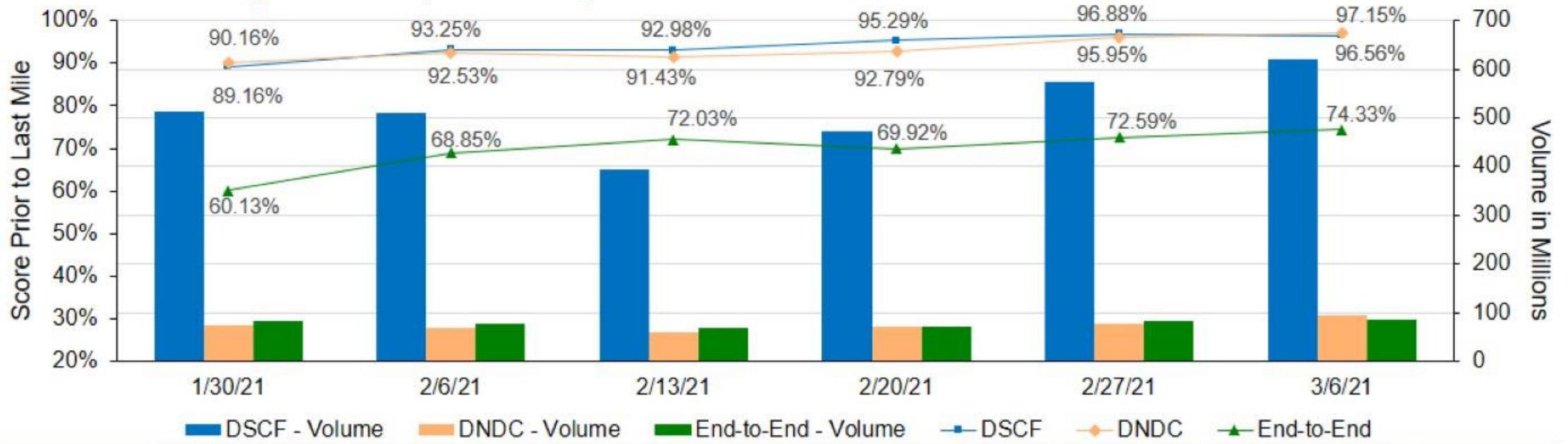


Note: March 2021 results through 3/19/2021.





# USPS Marketing Mail® (Letters) – Score Trend



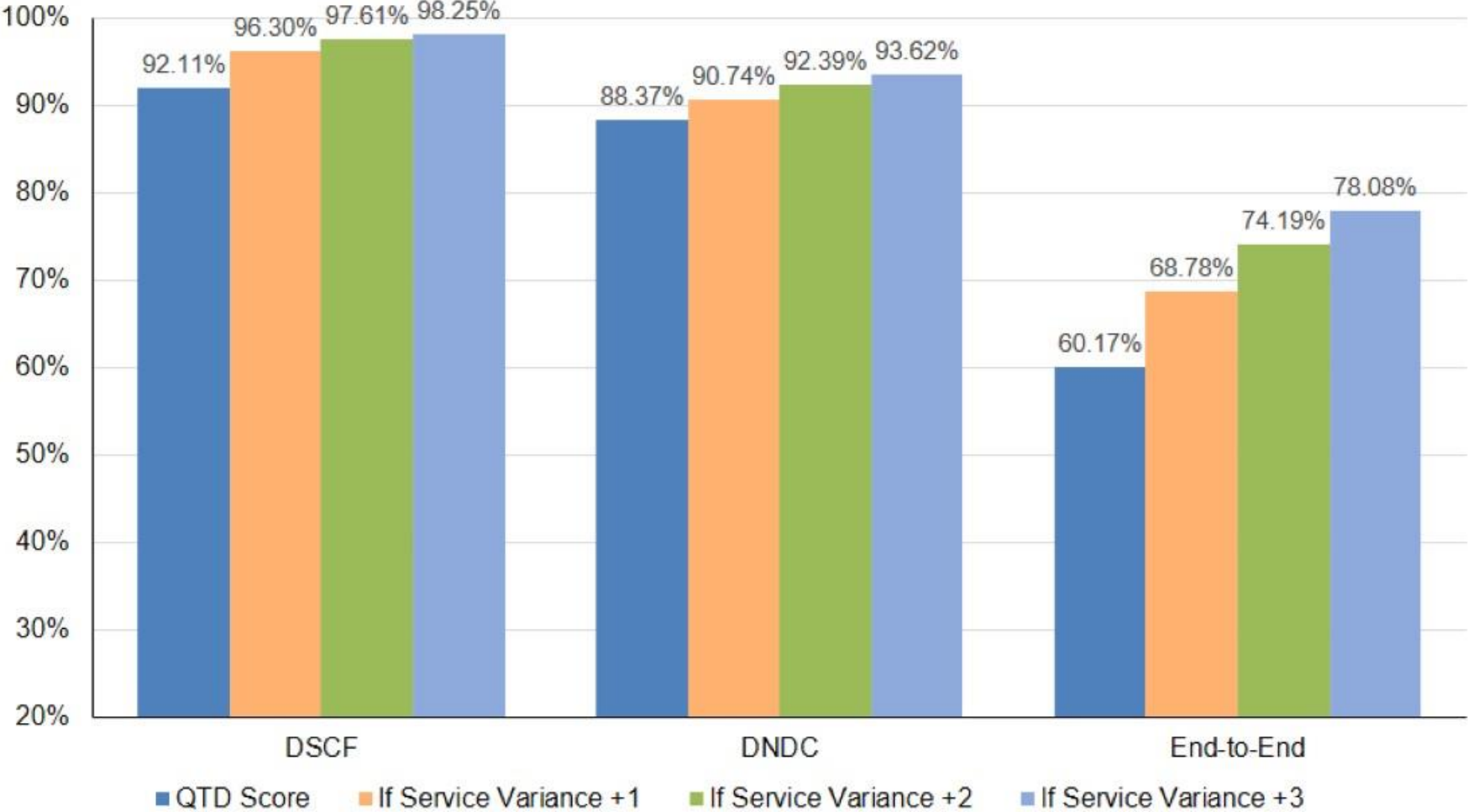
FY2021 Q2TD	Total Pieces Measured	Processing On-Time	Last Mile Impact	Overall Score	Target Score	SPLY Pieces Measured	Volume Change	SPLY Overall QTD Score	SPLY Change
SCF Letters	5,176,757,131	92.11%	-1.68%	90.43%	91.80%	6,101,005,281	-15.15%	94.93%	-4.50%
NDC Letters	760,308,100	88.37%	-1.04%	87.33%	91.80%	881,396,945	-13.74%	95.90%	-8.58%
E2E Letters	800,680,974	60.17%	-0.97%	59.20%	91.80%	894,623,809	-10.50%	74.94%	-15.73%
3-Day	3,675,980,058	92.10%	-1.41%	90.69%	91.80%	4,186,646,973	-12.20%	94.71%	-4.01%
4-Day	1,627,172,925	91.65%	-2.28%	89.37%	91.80%	2,093,234,106	-22.27%	94.72%	-5.34%
5-Day	869,705,470	87.57%	-1.04%	86.53%	91.80%	1,009,910,780	-13.88%	94.95%	-8.42%
6-10 Day	542,426,395	49.66%	-0.86%	48.80%	91.80%	559,487,733	-3.05%	68.11%	-19.31%
11+ Day	22,461,357	62.56%	-0.64%	61.92%	91.80%	27,746,443	-19.05%	71.99%	-10.07%
<b>Total</b>	<b>6,737,746,205</b>			<b>86.37%</b>	<b>91.80%</b>	<b>7,877,026,035</b>	<b>-14.46%</b>	<b>92.77%</b>	<b>-6.40%</b>

Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.



# USPS Marketing Mail®(Letters) – Service Variance

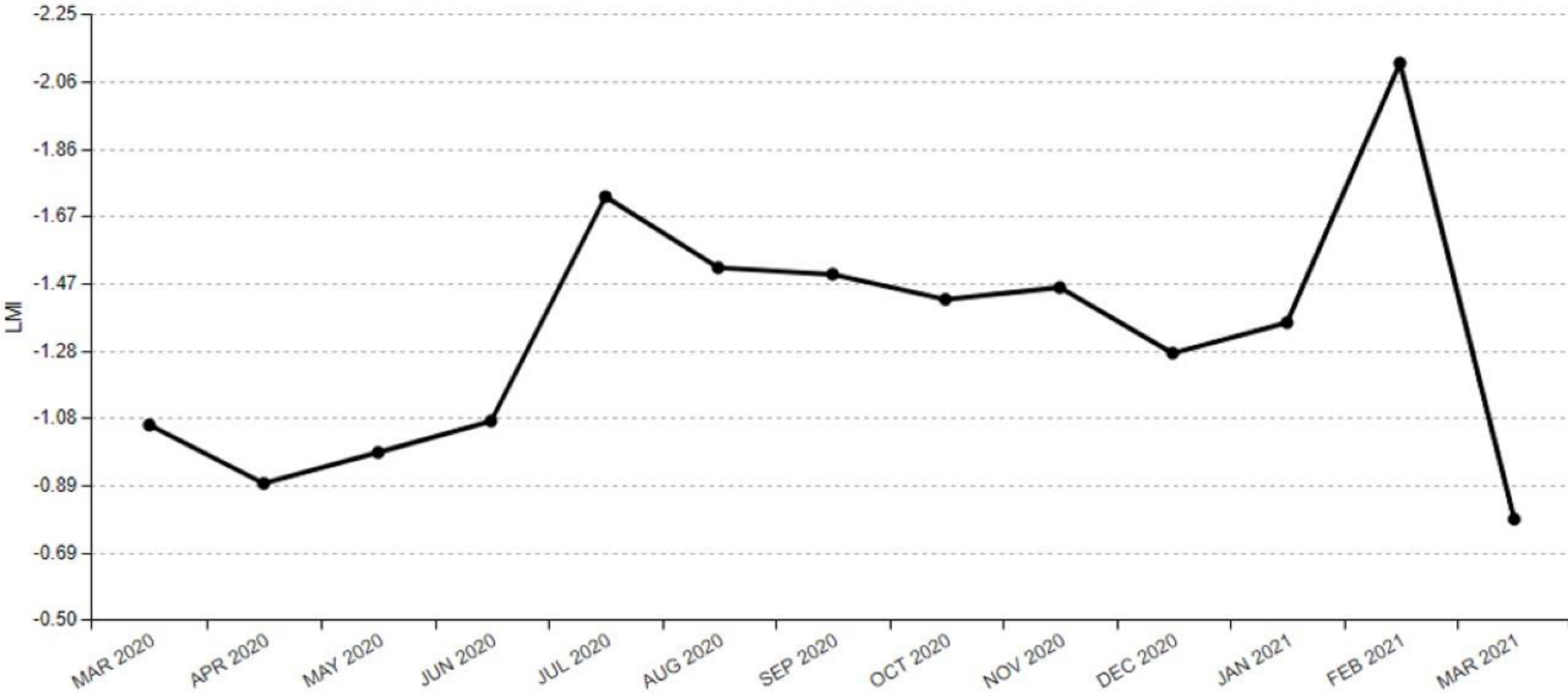
FY2021 Q2 DSCF and DNDC Marketing Letters scores would be above 90.74% (prior to last mile), if pieces that failed by 1 day passed



Note: Preliminary FY21 Q2 results through March 12, 2021. FY21 data sourced from Internal SPM.



# Last Mile Impact Trend – USPS Marketing Mail Letters



Note: March 2021 results through 3/19/2021.





# FY2021 Q2 Through February Commercial Mail Volume – Mail In Measurement

In FY2021 thru February, ~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	Compared to SPLY
First Class Presort	Letter/Card	15,265,591,570	14,747,719,731	14,047,078,656	10,193,248,740	72.56%	-2.04% ↓
First Class Presort	Flat	264,560,302	238,403,337	216,583,594	138,671,708	64.03%	-4.69% ↓
USPS Marketing	Letter	19,962,153,142	19,538,498,839	18,820,292,684	15,576,594,521	82.76%	-0.34% ↓
USPS Marketing	Flat	7,263,207,127	5,345,963,174	4,924,032,883	3,392,980,167	68.91%	-7.57% ↓
Periodicals	Flat	1,399,889,858	1,352,235,219	1,281,469,747	848,947,129	66.25%	-0.82% ↓
<b>Total</b>		<b>44,155,401,999</b>	<b>41,222,820,300</b>	<b>39,289,457,564</b>	<b>30,150,442,265</b>	<b>76.74%</b>	<b>-2.04%</b> ↓

Metrics are for Mailing Dates 10/01/2020 – 02/28/2021  
Commercial and Full-Service Eligible Volumes sourced from PostalOne!