



NPES Member Report – MTAC 2016Q1

February 29, 2016

Exigent rollback scheduled to happen on April 10, 2016

- What does this mean to you, your operation or customer’s operations?
 - o Average postage will decline by 4.3%.
 - o The Postal Service has submitted a notice that it intends to remove the exigent surcharge on Sunday, April 10, 2016, absent action by Congress or the courts
 - The Postal Service has deployed price changes on Sundays in order to minimize the risks associated with the transition to new prices. Because Sunday is one of the lightest mailing days, and mailer and consumer usage of Postal Service systems is reduced, there is minimal pressure on Postal Service and mailer systems to perform at optimal levels
 - o Market Dominant Products and Services are affected
 - First-class and Standard mail
 - If you induct 1,000,000 first-class mailpieces per month, by April 2017 you could save about \$200,000, if most of your pieces qualify as 3-digit or AADC

Monthly Volumes	Monthly Savings	Annual Savings
500,000	\$ 8,500	\$ 102,000
1,000,000	\$ 17,000	\$ 204,000
2,000,000	\$ 54,000	\$ 648,000
3,000,000	\$ 96,000	\$ 1,152,000

Table 1 – Sample Savings at the 3-digit or AADC rates

Big Data is certainly affecting the USPS now

- They are gathering all sorts of stats on various market segments and delivery times
 - o statistically speaking there is very little overnight mailings; 2-days or more is more likely, so plan accordingly
 - o 94% of mail is delivered in 2 days

Get your stuff together the Mailer Scorecard is coming

- What does this mean to you, your operation or customers’ operations?
 - o The Postal Service has four key initiatives to streamline the acceptance, induction, and verification of commercial mailings that may result in a postage assessment:
 - Full-Service Intelligent Mail
 - Move Update
 - eInduction
 - Seamless Acceptance
 - o Each of these initiatives evaluates mail quality and mail preparation against established thresholds.

NPES MTAC Meeting Report – 2016 – Q1

- For each of the initiatives a mailer is enrolled in, the Mailer Scorecard provides a dashboard view of all mailings submitted in a calendar month
- This aggregated data is updated daily, measured against established thresholds, and displayed in five tabs:
 - Mailer Profile
 - Electronic Verification
 - eInduction
 - Seamless (Seamless will verify what Merlin is doing today)
 - SPM Exclusions
- Verifications continue to be performed and errors are calculated on the mailings submitted during that month up until the 10th day of the following month.
 - **If there are errors you will be “assessed” and fined**
- The Guide to the Mailer Scorecard can be found here:
https://ribbs.usps.gov/intelligentmail_guides/documents/tech_guides/GuideToMailerScorecard.pdf

Plan early for promotions

- First-class mail (FCM) is still declining at a slow rate but there are going to be some good promotions / savings opportunities for mailers if they prepare
- Standard mail has not been left out
 - Check out the promotions schedule here:
https://ribbs.usps.gov/mailingpromotions/documents/tech_guides/2016PromotionsCalendar.pdf



Figure 1 – USPS 2016 Promotions Calendar

The promotions would include things like:

- Reply envelope usage – Earned Value
- Color transpromo documents
- Emerging Technology - augmented reality and near field communications within mailpieces
- Mobile Engagement

Earned Value Reply Mail Promotion

- As technology continues to disrupt the mail volume, the Postal Service would like to ensure reply mail remains a relevant part of the First-Class Mail marketing mix by encouraging mailers to continue providing Business Reply Mail® (BRM) and Courtesy Reply Mail™ (CRM) enclosures in their outbound mailings.
 - o If you put the BRM or CRM in the outbound envelope and the customer uses it, you will receive a credit (money)
 - BRM and CRM pieces that customers return to the mailer and have a valid Intelligent Mail® barcode (IMb®) with a registered MID will be counted.
 - Once the mailer accepts their credits in the Business Customer Gateway (BCG), they will be applied to the Permit accounts.
 - o \$11.3 M in promotions savings in 2015 – get a piece of that this year!

Color Transpromo

- Over \$8.8M in discounts in 2015 – get a piece of that this year!

Secure Destruction (SD) for Undeliverable as Addressed Mailpieces

- What is it?
 - o A cost effective, secure, and convenient way to manage mail with personal protected information.
 - The program securely shreds and recycles letter-size pieces of Undeliverable-As-Addressed (UAA) First-Class Mail® with personal protected information that would otherwise be returned to the sender (RTS)
 - Secure Destruction is an opt-in service that operates under the protection and supervision of the United States Postal Service.
- How does USPS do it?
 - o Undeliverable Letter-size First-Class Mail requesting Secure Destruction is processed using Postal Automated Redirection System (PARS) software on Combined Input-Output Sub-System (CROSS) mail processing equipment.
 - o UAA First-Class Mail identified by PARS is labeled and isolated.
 - o The SD mail is then trayed and sent for individual piece verification by USPS employees.
 - o Once verified, the mail is fed into an industrial cross-cut shredder at the USPS facility.
 - o The destroyed and shredded paper material is then recycled.
- Mailers that enroll in the program will receive Daily Electronic Notice of the mailpieces sorted for Secure Destruction is generated and provided to registered mailers through the USPS Electronic Product Fulfillment website.
- ACS notices are also generated and provided separately.
- The Secure Destruction Electronic Notification documentation will guide you through the Secure Destruction process, mailer requirements; data file formats, and sample data.
 - o More information can be found here:
 - https://ribbs.usps.gov/securedestruction/documents/tech_guides/SDeNotification.pdf