



*Greater Portland*



Strengthening our Mailing Community through  
Education, Networking and Industry Enrichment

**USPS:**

**Where Are We Now,**

**Where Are We Going?**

# PCC OF THE YEAR AWARD



**USPS:**

**Where Are We Now,  
Where Are We Going?**

# Agenda:

- **The State of the USPS**
- Plant Consolidation
- Delivery Standards
- Intelligent Mail Package Barcode
- Full Service Intelligent Mail Barcode
- Secure Destruction
- Rate Change

# The State of the USPS

- New Postmaster General, Megan Brennan.



# The State of the USPS

## Legislative Reform:



- Greater control over the way we manage our workforce
- Healthcare benefits
- Fully managing our infrastructure
- Having greater pricing and product development flexibility
- The ability to solve problems and pursue opportunities without irrational mandates and legislative requirements.

# The State of the USPS

**First** – we need to acknowledge the reality that the mailing and shipping marketplace is changing... rapidly.

- First-Class Mail volumes have declined by 35 percent in the past ten years.
- E-commerce is driving big demand for delivery services.
- Location-based technology is enabling tremendous new ways of adding value to delivery
- Integrating mail with digital technologies is creating powerful strong business opportunities for the senders of mail.

# The State of the USPS

**Second** - Congress needs to take a broader, long-term view of the organization.

- America needs a strong Postal Service.
- Our customers need a Postal Service that will continue to:
  - drive the economy,
  - help businesses grow
  - provide continually improving products and services



# The State of the USPS

**Third** - The Postal Service needs the authority and the flexibility to manage the organization more like a business.

- Streamlined governance
- Fewer constraints on pricing and products
- Workforce flexibility
- Freedom from irrational mandates

# The State of the USPS

**Fourth** - I would encourage Congress to view the Postal Service as a test bed or laboratory of change that might be applied to the rest of the federal government.

- Look at the workforce we'll need in 20 or 30 years, what we are doing today will have to evolve.
- Most young people aren't looking for a single employer over the course of their careers.
- Postal Service's financial issues are similar to those facing the federal government.

# The State of the USPS

## Improvements:

- Significantly upgraded our product development and marketing strategies .
- We offer date-specified delivery, free insurance and free tracking for our Priority Mail offerings.
- We are upgrading our technology and tracking systems.
- We've worked hard to put a strong data and technology platform in place to drive future innovation.

# The State of the USPS

- We've developed a culture of risk-taking and experimentation.
- We're delivering groceries in San Francisco;
- We're doing same-day deliveries in New York;
- We're delivering on Sundays in many markets;
- We're doing some small scale warehousing services.



# The State of the USPS

- **Every Door Direct Mail** is a digital tool designed to bring small businesses into the mail – it was an experiment that’s now driving almost a billion dollars in annual revenue for us.



# The State of the USPS



- We've also invested in our product development and marketing strategies.
- We've revitalized our sales operations.
- We will keep working on growth opportunities.

# The State of the USPS

## Cost Reductions:



- Since 2006, we reduced our cost base by almost \$16 billion.
- We consolidated 305 mail processing facilities.
- Our Post Plan optimized the window hours at 13,000 Post Offices.
- We eliminated 23,000 delivery routes.
- We've reduced the size of our workforce by 212,000 positions.

# The State of the USPS



## Holiday Season 2014

- We saw package deliveries increase by over 18 percent.
- In the month of December we delivered 524 million packages.
- Our on-time performance was the best ever.
- Our employees were delivering in some tough weather conditions – as they always do – and....on Sundays for the past eight weeks in all the major markets.



# The State of the USPS

## 7-Day Package Delivery

- Seven day package delivery played a big role in making sure that we got everything delivered.
- Over 20 million packages were delivered on the five Sundays leading up to Christmas.
- The final Sunday before Christmas we delivered 6.2 million packages.

# The State of the USPS

## Christmas Day 2014

- We delivered 118,000 packages on Christmas Day.
- That is double what we have done before.
- Our customer appreciated it.



# The State of the USPS

**December 22, 2014**

- We had 28 million packages delivered.
- The most packages delivered in the history of the postal service.
- 500 million pieces of mail were delivered.

# The State of the USPS

## Portland District Holiday Season 2014

- The Portland District finished #1 in performance Nationally during the holiday season.

# Agenda:

- The State of the USPS
- **Plant Consolidation**
- **Delivery Standards**
- **Intelligent Mail Package Barcode**
- **Full Service Intelligent Mail Barcode**
- **Secure Destruction**
- **Rate Change**

# Processing Consolidation

## **Dates of Consolidation are:**

- April 2015 - Bend and Pendleton
- July 2015 – Eugene
- The Medford Plant will remain open

# Delivery Standards

- Only the EXCF First-Class Mail delivery standards have changed.
- Overnight First-Class Mail has been eliminated effective 01/05/15.
- Delivery standards for all other mail classes will remain the same.

# Delivery Standards


**Service Commitments**

Enter ZIP Codes      From ZIP Code       To ZIP Code       [ZIP Code Lookup](#)      [Post Office Locator](#)

Enter Shipping Date      Date        Time

**Priority Mail Express** Scheduled Delivery Day

Priority Mail Express - Money Back Guarantee	Sat, Jan 24 by 3:00 PM
Priority Mail Express Hold for Pickup - Money Back Guarantee	Mon, Jan 26 by 3:00 PM

Drop-Off By	Facility Type	Address	Guarantee
Fri, Jan 23 by 7:15 PM	EXPRESS MAIL COLLECTION BOX	715 NW HOYT ST, PORTLAND, OR 97208	Money Back Guarantee
Fri, Jan 23 by 6:30 PM	POST OFFICE	715 NW HOYT ST, PORTLAND, OR 97208	Money Back Guarantee

[Additional Drop-Off Locations](#)

**Priority Mail** Expected Delivery Day

Priority Mail	Sat, Jan 24
Priority Mail Hold for Pickup	Mon, Jan 26

Drop-Off By	Facility Type	Address	Guarantee
Fri, Jan 23 by 6:30 PM	POST OFFICE	715 NW HOYT ST, PORTLAND, OR 97208	No Guarantee

[Additional Drop-Off Locations](#)

**First-Class Mail** Expected Delivery Day

First-Class Mail	Mon, Jan 26
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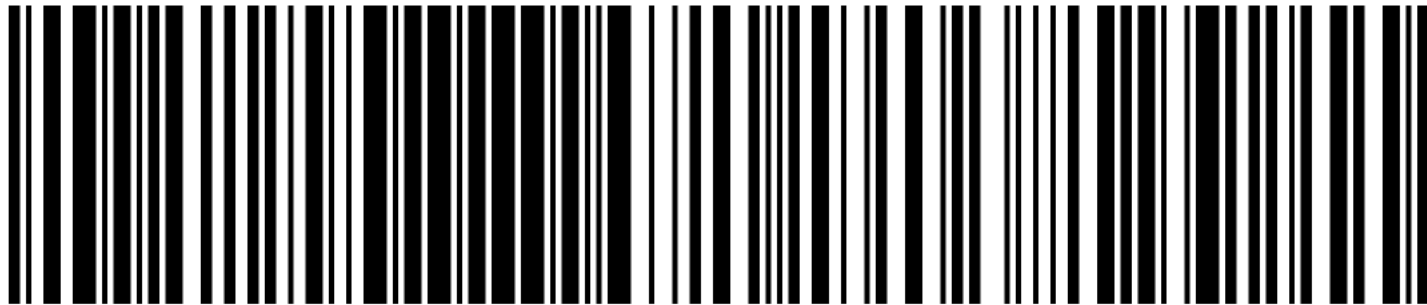
**Package Services** Expected Delivery Day

Package Services	Mon, Jan 26
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# Intelligent Mail Package Barcode

**USPS TRACKING #**



**9205 5912 3456 7803 2394 01**

# Intelligent Mail Package Barcode

- We implemented the IMpb requirement for packages on **January 26, 2014**.
- We provided exceptions to the IMpb requirement to Metered Mailers and mailers using Library Mail, Media Mail, and Bound Printed Matter services until **January 25, 2015**.
- The IMpb is now required on all classes of mail for all packages as of **January 25, 2015**.

# Intelligent Mail Package Barcode

Failure to put the IMpb barcode on your packages and provide a Shipping Service File will result in a \$0.20 surcharge per piece for business mailers getting commercial based or commercial plus pricing.

Metered mailers not using the IMpb barcode on their mail pieces and providing a Shipping Service File (SSF) will not get Commercial Base pricing and will have to pay full retail rates and be required to use a Label 400 on their packages.

# Full Service Intelligent Mail Barcode



The Intelligent Mail Barcode (IMB) is currently required for Automation rates on letters and flats. Mailers can choose one of two options: Basic IMB and Full Service (FS) IMB.

In the near future, FS IMB will be required for Automation rates. When this happens, Automation price eligibility using the Basic IMB will be discontinued.

# Full Service Intelligent Mail Barcode

## **Full-Service Intelligent Mail combines the use of:**

- A unique barcodes on each mail piece
- A unique barcodes on each tray label
- A unique barcodes on each container label
- Electronic submission of your postage statement and documentation is required.

Information about the Intelligent Mail Barcode can be found on the RIBBS webpage at: <http://ribbs.usps.gov>.

# Secure Destruction



# Secure Destruction

- Secure Destruction (SD) began on November 18, 2014.
- Mailers who use the Secure Destruction (SD) option and the correct SD Service Type Identifier (STID) will have all UAA mail “securely shredded and recycled”.
- Secure Destruction event data will be captured for each piece of First-Class Mail (FCM) when it is routed to the unique secure destruction bin. This data will be sent to the mailer electronically.

# Secure Destruction

## Secure Destruction (SD) Requirements:

- First-Class Letter Mail ONLY
- MUST Register for Secure Destruction
- There is NO COST
- MUST use an Intelligent Mail Barcode on each mail piece
- MUST use a special SD Service Type Identifier (STID) in the IMB
- MUST have an ACS account (One Code ACS, Full Service ACS, or Single Source ACS)
- Complete and submit the EPF Web Access Request Form



# Secure Destruction

- Secure Destruction WILL NOT be offered for Flat Sized mail pieces.
- First-Class Mail bearing an IMB does NOT require a printed endorsement.
- IMB Tracing is an available option but is NOT required.

We will be offering a Webinar on Secure Destruction on Thursday, February 19, 2015 at 11:00 a.m.

Register on the GPPCC webpage as [www.gppcc.com](http://www.gppcc.com)

# Rate Change

The Postal Service believes strongly in the value of mail and maintaining relevance for today's customers.

We do this by offering:

- Reasonable pricing,
- Work share incentives,
- Product tracking
- Meeting our obligation to the American public to strengthen our financial condition.

# Rate Change

- November 2014 – the USPS filed for the transfer of First-Class Mail Parcels to a competitive product and the elimination of Return Receipt for Merchandise as a special service. These matters are still pending with the PRC.
- January 15, 2015 - the USPS filed with the Postal Regulatory Commission (PRC) a Market Dominant price change based on a Consumer Price Index (CPI) cap authority of 1.966%.

# Rate Change

Rate changes will become effective **April 26, 2015.**

- The First Class Forever Stamps will remain at 49 cents.

Our **Retail** product changes include:

- The First Class Letter additional ounce will increase to 22 cents.
- The First-Class Mail Global Forever Stamp will increase to \$1.20.
- Postcards will increase to 35 cents.

# Rate Change

**The key elements of the CPI case include the following:**

- Address PRC concerns about classes of mail not covering their own cost
- Special Services simplification
- Free Delivery Confirmation for several parcel products.
- Include four promotions (Earned Value Reply Mail, Color Transpromo, Emerging Technologies, Mail Drives Mobile)

# Rate Change

## What's New

- A new separate Flat Sequencing System (FSS) pricing structure.
- FSS High Density Plus price tier is introduced .
- Introduction of a separate Flats Sequencing System (FSS) pricing structure for Standard Mail and Periodicals.
- A new price for Standard Mail Flats (SMF) prepared in Carrier Route bundles entered on 5-Digit Pallet.
- Introduction of Carrier Route bundle and container pricing for non-FSS flats for Standard Mail and Periodicals.

# Resources:

Postal Explorer (PE) : <http://pe.usps.gov/>

Rapid Information Bulletin Board (RIBBS): <http://ribbs.usps.gov/>

Business Customer Gateway (BCG):  
<https://gateway.usps.com/eAdmin/view/signin>

USPS.COM: <https://www.usps.com/>

# Closing

## Reminder:

Check out the GPPCC website for:

- Membership information
- Sponsorship Opportunities
- upcoming webinars and classes
- National PCC Day

[www.gppcc.com](http://www.gppcc.com)



# QUESTIONS



THANK YOU!