

**PACIFIC AREA REPORT:  
IMPROVEMENTS ON SERVICE PERFORMANCE FOR FIRST-CLASS MAIL**

**Postal Regulatory Commission  
Submitted 7/11/2019 4:29:09 PM  
Filing ID: 409683  
Accepted 7/11/2019**

**Introduction:**

The Pacific Area (Area) has approximately 64,800 career and non-career employees serving **16.7 million possible delivery points**. The Area strives to serve the **174,837 square miles of territory** that make up the eight districts spread across California, Hawaii and Guam with five different time zones. This document contains specific information on its current First-Class Mail service improvement efforts and action plans.

**SECTION I: Evaluation of FY 2019**

This section provides a synopsis of Pacific Area’s initiatives designed to improve on First-Class Mail (Single-Piece and Presort) service performance improvements. The information covers the service performance for FY 2018 and FY 2019 and the top two root causes of the service performance failures, provides a discussion of progress made to address each root cause, and includes a summary on root causes for which minimal or no progress has been made, along with an explanation.

The table shown below illustrates the overall service performance for First-Class Mail Presort in FY 2018 was 92.4 percent. FY 2019 through quarter 2 versus same period last year has improved .97 percentage points. First-Class Mail Single Piece declined 0.30 percentage points in FY 2019 through quarter 2 compared to same period last year.

Mail Category	Mail Product	FY 2018					FY 2019			FY19 vs SPLY YTD Q2
		Q1	Q2	Q3	Q4	Overall	Q1	Q2	Overall	
First-Class	Presort	90.9	91.0	94.0	93.7	92.4	91.3	92.6	92.0	0.97
First-Class	Presort Letters	91.4	91.4	94.2	93.9	92.7	91.7	92.8	92.3	0.91
First-Class	Presort Flats	78.6	80.0	83.5	84.8	81.5	79.5	83.0	81.3	1.97
First-Class	Single Piece	87.7	89.2	92.3	92.1	90.1	86.4	90.1	88.1	-0.30
First-Class	Single Piece Letters	88.5	90.0	93.1	92.8	90.9	87.1	90.9	88.8	-0.45
First-Class	Single Piece Flats	74.1	78.6	80.9	81.6	78.6	75.9	80.7	78.4	2.05

Data Through                      12/31/2017    3/31/2018    6/30/2018    9/30/2018    FY2018    12/31/2018    3/31/2019    3/31/2019                      3/31/2019

Data Source: IV Service Performance Dashboard.

**First-Class Mail One Day Letters (Presort)** - This indicator has improved from FY2018.

Top 2 Root Cause / failure types for Pacific Area

1. Last Mile
2. Dead on Arrival

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	Last Mile Failure	Letter	1	1.58	1
FY18 Q1	Pacific	DOA (Dead on Arrival)	Letter	1	0.78	2
FY18 Q2	Pacific	Last Mile Failure	Letter	1	1.63	1
FY18 Q2	Pacific	DOA (Dead on Arrival)	Letter	1	1.04	2
FY18 Q3	Pacific	Last Mile Failure	Letter	1	1.25	1
FY18 Q3	Pacific	DOA (Dead on Arrival)	Letter	1	1.08	2
FY18 Q4	Pacific	Last Mile Failure	Letter	1	2.47	1
FY18 Q4	Pacific	DOA (Dead on Arrival)	Letter	1	0.66	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Last Mile	Letter/Card	1	3.05	1
FY19 Q1	PACIFIC	Transit Late Secondary Scan	Letter/Card	1	1.31	2
FY19 Q2	PACIFIC	Last Mile	Letter/Card	1	2.29	1
FY19 Q2	PACIFIC	Transit Late Secondary Scan	Letter/Card	1	0.85	2

**Failures Root Cause # 1: Last Mile**

Causes of Last Mile failures are due to scanning “stale” mail, “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail and late delivery

**Improvement Action # 1: Last Mile**

Note: While the Area expects continuous improvement once these actions are implemented, a definitive date for completion of the various actions and expected improvements in this report cannot be determined at this time. Depending on results, these actions may continue for the foreseeable future as best practices.

- Prevent the scanning of “stale” mail through continuous training and using the Informed Visibility (IV) report that identifies employees who scan “stale” mail. Stale mail is defined as mail pieces that have previously been placed in a mail receptacle in which the addressee has not removed them from their mail receptacle and the carrier incorrectly scans these mail pieces.
- Reduce or eliminate the scanning of “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail. Delivery Units need to follow Management Instruction PO-420-2008-1 to monitor their 3M (missent, missorted and missequenced) mail volumes, as well as Hot Case mail (manually sorted Letters and Flats mail placed in a special box for carrier pickup just prior to going on the street), and “dog out” mail (mail being held because of a dog safety issue on the route). Delivery units must also work closely with Marketing and In-Plant sort to ensure accurate barcodes and ZIP Codes. When 3M mail is brought back to the office, it has the potential to be sampled the following day and may, therefore, not meeting the expected delivery day.
- Reduce or eliminate carriers out on the street past 2000 by meeting the Distribution Up Time (DUT), getting the carriers on the street on time, and reducing late arriving mail. DUT is the time of the day that the distribution of all the mail is complete and available for carriers or Post Office Box distribution. This includes mail received on scheduled trips and is committed mail for that day’s delivery.

### **Failures Root Cause # 2: Dead on Arrival**

Dead on arrival pieces are failed volume that receive an initial scan after 0800 on the expected delivery date. Common causes identified through reviews conducted at the plant are mail flow opportunities and lack of proper mail identification. In addition, pallet hygiene from commercial mailers has been found to be an issue.

### **Improvement Action # 2: Dead on Arrival**

In an effort to improve this indicator, the Area implemented a placarding process to clearly identify the First-Class One Day Presort mail. An "All Clear" process was instituted to ensure all committed mail is processed timely to make service commitments. Networks and Marketing groups are conducting mailer outreach to improve pallet hygiene.

**First-Class Mail Two Day Letters (Presort)** - This indicator has improved from FY2018.

Top 2 Root Cause / failure types for Pacific Area

1. Dead on Arrival
2. Last Mile

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	DOA (Dead on Arrival)	Letter	2	2.24	1
FY18 Q1	Pacific	DOA (Dead on Arrival)	Letter	2	2.09	2
FY18 Q2	Pacific	DOA (Dead on Arrival)	Letter	2	1.93	1
FY18 Q2	Pacific	DOA (Dead on Arrival)	Letter	2	1.89	2
FY18 Q3	Pacific	Last Mile Failure	Letter	2	0.94	1
FY18 Q3	Pacific	DOA (Dead on Arrival)	Letter	2	0.89	2
FY18 Q4	Pacific	Last Mile Failure	Letter	2	0.97	1
FY18 Q4	Pacific	DOA (Dead on Arrival)	Letter	2	0.91	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Last Mile	Letter/Card	2	2.41	1
FY19 Q1	PACIFIC	Transit Late Secondary Scan	Letter/Card	2	2.15	2
FY19 Q2	PACIFIC	Last Mile	Letter/Card	2	1.74	1
FY19 Q2	PACIFIC	Transit Late Secondary Scan	Letter/Card	2	1.30	2

### **Failures Root Cause # 1: DOA (Dead on Arrival)**

Dead on arrival pieces are failed volume that receive initial scan after 0800 on the expected delivery date. Common causes identified through reviews conducted at the plant are late clearance on outgoing operations, late trip departures and mail moving on the wrong truck. The destination Dead on Arrival failures were caused by late arriving mail.

### **Improvement Action # 1: DOA (Dead on Arrival)**

The Area has implemented a daily "All Clear Process" which is monitored and tracked daily by the Area Network Operations Control Center. In addition, the Informed Visibility (IV) dashboard tool, Managed Mail Program (MMP) Expected vs. Actual, is tracked daily to ensure committed volumes are processed timely. MMP is a distribution system where First Class Mail, for a specific ZIP Code span, is massed at an automated/mechanized facility for distribution and dispatch. Transportation is also working on ensuring mail is dispatched on the correct trip.

## **Failures Root Cause # 2: Last Mile**

Causes of Last Mile failures are due to scanning “stale” mail, “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail and late delivery.

## **Improvement Action # 2: Last Mile**

- Prevent the scanning of “stale” mail through continuous training and using the IV report that identifies employees who scan “stale” mail.
- Reduce or eliminate the scanning of “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail.
- Reduce or eliminate carriers out on the street past 2000 by meeting the DUT, getting the carriers on the street on time, and reducing late arriving mail.

**First-Class Mail Three-to-Five Day Letters (Presort)** - This indicator has improved from FY2018.

Top Root Cause / failure type for Pacific Area

### 1. Dead on Arrival

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	8.46	1
FY18 Q1	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	5.32	2
FY18 Q2	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	9.39	1
FY18 Q2	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	5.49	2
FY18 Q3	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	4.04	1
FY18 Q3	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	2.82	2
FY18 Q4	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	4.89	1
FY18 Q4	Pacific	DOA (Dead on Arrival)	Letter	3 to 5	2.63	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Transit Late Secondary Scan	Letter/Card	3 to 5	4.34	1
FY19 Q1	PACIFIC	Last Mile	Letter/Card	3 to 5	2.41	2
FY19 Q2	PACIFIC	Transit Late Secondary Scan	Letter/Card	3 to 5	4.09	1
FY19 Q2	PACIFIC	Last Mile	Letter/Card	3 to 5	1.96	2

## **Failures Root Cause # 1: DOA (Dead on Arrival)**

Dead on arrival pieces are failed volume that receive initial scan after 0800 on the expected delivery date. The main cause of the failures are air carrier failures and weather events. Common causes identified through plant reviews are late clearance on outgoing operations including scanning of mail. This caused late trip departures and missed flights. The destination Dead on Arrival failures were caused by late arriving mail for both air and surface and mail not being cleared at the freight houses.

## **Improvement Action # 1: DOA (Dead on Arrival)**

Continuous focus on MMP Expected vs Actual tracking and execution. Monitor compliance to the “All Clear” process at the freight house and mail processing facilities. Ensure compliance to the 24-Hour Clock and launching trips on time. In addition, weekly inter-Area touchpoints are being conducted to address high opportunity pairs. The Area is working with HQ Air Network Group on real-time routing around carrier issues and predicted weather events.

## First-Class Mail Two Day Letters (Single Piece)

Top 2 Root Cause / failure types for Pacific Area

1. Last Mile Failure
2. Late Incoming Secondary Processing

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	Last Mile Failure	Letter/Card	2	1.73	1
FY18 Q1	Pacific	Late Incoming Secondary Processing	Letter/Card	2	0.77	2
FY18 Q2	Pacific	Last Mile Failure	Letter/Card	2	1.68	1
FY18 Q2	Pacific	AADC/ADC Processing Delay	Letter/Card	2	0.67	2
FY18 Q3	Pacific	Last Mile Failure	Letter/Card	2	1.76	1
FY18 Q3	Pacific	Late Incoming Secondary Processing	Letter/Card	2	0.55	2
FY18 Q4	Pacific	Last Mile Failure	Letter/Card	2	2.06	1
FY18 Q4	Pacific	Late Incoming Secondary Processing	Letter/Card	2	0.38	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Last Mile	Letter/Card	2	2.71	1
FY19 Q1	PACIFIC	First Mile	Letter/Card	2	1.82	2
FY19 Q2	PACIFIC	Last Mile	Letter/Card	2	1.98	1
FY19 Q2	PACIFIC	First Mile	Letter/Card	2	1.21	2

### **Failures Root Cause # 1: Last Mile Failure**

Causes of Last Mile failures are due to scanning “stale” mail, “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail and late delivery

### **Improvement Action # 1: Last Mile Failure**

- Prevent the scanning of “stale” mail through continuous training and using the IV report that identifies employees who scan “stale” mail. Stale mail is defined as mail pieces that have previously been placed in a mail receptacle in which the addressee has not removed them from their mail receptacle and the carrier incorrectly scans these mail pieces.
- Reduce or eliminate the scanning of “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail. Delivery Units need to follow Management Instruction PO-420-2008-1 to monitor their 3M (missent, missorted and missequenced) mail volumes, as well as Hot Case mail (manually sorted Letters and Flats mail placed in a special box for carrier pickup just prior to going on the street), and “dog out” mail (mail being held because of a dog safety issue on the route). Delivery units must also work closely with Marketing and In-Plant sort to ensure accurate barcodes and ZIP Codes. When 3M mail is brought back to the office, it has the potential to be sampled the following day and, therefore, may not meet the expected delivery day.
- Reduce or eliminate carriers out on the street past 2000 by meeting the DUT, getting the carriers on the street on time, and reducing late arriving mail.

### **Failures Root Cause # 2: Late Incoming Secondary Processing**

The cause of Late Incoming Secondary Processing is the lack of compliance to the “All Clear” process by 1500.

## **Improvement Action # 2: Late Incoming Secondary Processing**

Continued focus on MMP expected volume processing and advanced mail capture.

### **First-Class Mail Three-to-Five Day Letters (Single Piece)**

Top 2 Root Cause / failure types for Pacific Area

1. AADC/ADC Processing Delay
2. Origin Processing Delay

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	AADC/ADC Processing Delay	Letter/Card	3 to 5	6.92	1
FY18 Q1	Pacific	Origin Processing Delay	Letter/Card	3 to 5	3.99	2
FY18 Q2	Pacific	AADC/ADC Processing Delay	Letter/Card	3 to 5	7.04	1
FY18 Q2	Pacific	Origin Processing Delay	Letter/Card	3 to 5	2.46	2
FY18 Q3	Pacific	AADC/ADC Processing Delay	Letter/Card	3 to 5	4.36	1
FY18 Q3	Pacific	Last Mile Failure	Letter/Card	3 to 5	1.56	2
FY18 Q4	Pacific	AADC/ADC Processing Delay	Letter/Card	3 to 5	4.44	1
FY18 Q4	Pacific	Last Mile Failure	Letter/Card	3 to 5	1.69	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Transit Missing Destination Primary Scans	Letter/Card	3 to 5	5.31	1
FY19 Q1	PACIFIC	Transit Late Destination Primary Scan	Letter/Card	3 to 5	4.20	2
FY19 Q2	PACIFIC	Transit Missing Destination Primary Scans	Letter/Card	3 to 5	4.32	1
FY19 Q2	PACIFIC	Transit Late Destination Primary Scan	Letter/Card	3 to 5	2.88	2

### **Failures Root Cause # 1: AADC/ADC Processing Delay**

The main cause of the failures are air carrier failures and weather events. Common causes identified through plant reviews are late clearance on outgoing operations including scanning of mail. This caused late trip departures and missed flights. In addition, the lack of clearing the freight house timely, failure to process the mail timely and adhering to the First-In, First-Out process are plant issues that have been identified.

### **Improvement Action # 1: AADC/ADC Processing Delay**

Continuous focus on MMP Expected vs. Actual tracking and execution. Monitor compliance to the "All Clear" process at the freight house and mail processing facilities. Ensure compliance with the 24-Hour Clock and launching trips on time. In addition, weekly inter-Area touchpoints are being conducted to address high opportunity pairs. The Area is working with HQ Air Network Group on real-time routing around carrier issues and predicted weather events.

### **Failures Root Cause # 2: Origin Processing Delay**

Common causes identified through plant reviews are late clearance on outgoing operations, including scanning of mail and not finalizing the mail on day zero.

### **Improvement Action # 2: Origin Processing Delay**

Daily focus on volume arrival profile, timely clearing of outgoing letter operations and on-time dispatch.

**First-Class Mail Two Day Flats (Single Piece)** - This indicator has improved from FY2018.

Top 2 Root Cause / failure types for Pacific Area

1. Origin Missent
2. Last Mile Failure

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	Origin Missent	Flat	2	3.83	1
FY18 Q1	Pacific	Last Mile Failure	Flat	2	3.21	2
FY18 Q2	Pacific	Origin Missent	Flat	2	5.25	1
FY18 Q2	Pacific	Last Mile Failure	Flat	2	3.54	2
FY18 Q3	Pacific	Origin Missent	Flat	2	4.95	1
FY18 Q3	Pacific	Last Mile Failure	Flat	2	3.34	2
FY18 Q4	Pacific	Origin Missent	Flat	2	4.04	1
FY18 Q4	Pacific	Last Mile Failure	Flat	2	2.84	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Last Mile	Flat	2	6.82	1
FY19 Q1	PACIFIC	Unable to Assign	Flat	2	4.03	2
FY19 Q2	PACIFIC	Last Mile	Flat	2	5.09	1
FY19 Q2	PACIFIC	Unable to Assign	Flat	2	3.31	2

*\*\*Unable to Assign - Failures did not fall into any known categories based on current business rules for root causes.*

**Failures Root Cause # 1: Origin Missent**

Common causes of Originating Missent failures are due to lack of Mail Transport Equipment Labeler (MTEL) and Sort Program alignment with the current Logistic Bulletin and AFSM machine malfunction resulting to double feeds and missorts.

**Improvement Action # 1: Origin Missent**

District focus on At-Risk indicators with cross-functional collaboration to identify opportunities for improvement. MTEL and Sort Program Validation by each facility to ensure alignment with the Logistic Bulletin.

**Failures Root Cause # 2: Last Mile Failure**

Causes of Last Mile failures are due to scanning “stale” mail, “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail and late delivery

**Improvement Action # 2: Last Mile Failure**

- Prevent the scanning of “stale” mail through continuous training and using the IV report that identifies employees who scan “stale” mail. Stale mail is defined as mail pieces that have previously been placed in a mail receptacle in which the addressee has not removed them from their mail receptacle and the carrier incorrectly scans these mail pieces.
- Reduce or eliminate the scanning of “held” (3M, Hot Case, dog out, mail box full, business closed, vacation hold) mail. Delivery Units need to follow Management Instruction PO-420-2008-1 to monitor their 3M (missent, missorted and missequenced) mail volumes, as well as Hot Case mail (manually sorted Letters and Flats mail placed in a special box for carrier pickup just prior to going on the street), and “dog out” mail (mail being held because of a dog safety issue on the route). Delivery units must also work closely with Marketing and In-Plant sort to ensure accurate barcodes and ZIP Codes. When

3M mail is brought back to the office, it has the potential to be sampled the following day and, therefore, may not meet the expected delivery day.

- Reduce or eliminate carriers out on the street past 2000 by meeting the DUT, getting the carriers on the street on time, and reducing late arriving mail.

**First-Class Mail Three-to-Five Day Flats (Single Piece)** - This indicator has improved from FY2018.

Top 2 Root Cause / failure types for Pacific Area

1. Origin Missent
2. Origin Processing Delay

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY18 Q1	Pacific	Origin Missent	Flat	3 to 5	6.86	1
FY18 Q1	Pacific	Origin Processing Delay	Flat	3 to 5	6.48	2
FY18 Q2	Pacific	Origin Processing Delay	Flat	3 to 5	7.49	1
FY18 Q2	Pacific	Origin Missent	Flat	3 to 5	6.89	2
FY18 Q3	Pacific	Origin Missent	Flat	3 to 5	6.50	1
FY18 Q3	Pacific	AADC/ADC Processing Delay	Flat	3 to 5	5.94	2
FY18 Q4	Pacific	Origin Missent	Flat	3 to 5	6.79	1
FY18 Q4	Pacific	AADC/ADC Processing Delay	Flat	3 to 5	5.31	2

Quarter	Area	Root Cause	Shape	Service Standard	Point Impact	Rank
FY19 Q1	PACIFIC	Last Mile	Flat	3 to 5	7.22	1
FY19 Q1	PACIFIC	First Mile	Flat	3 to 5	5.32	2
FY19 Q2	PACIFIC	Last Mile	Flat	3 to 5	4.97	1
FY19 Q2	PACIFIC	Origin Missent	Flat	3 to 5	4.54	2

**Failures Root Cause # 1: Origin Missent**

Common causes of Originating Missent failures are due to lack of MTEL and Sort Program alignment with the current Logistic Bulletin and AFSM machine malfunction resulting to double feeds and missorts.

**Improvement Action # 1: Origin Missent**

District focus on At-Risk indicators with cross-functional collaboration to identify opportunities for improvement. MTEL and Sort Program Validation by each facility to ensure alignment with the Logistic Bulletin.

**Failures Root Cause # 2: Origin Processing Delay**

Common causes identified through plant reviews are late clearance on outgoing operations including scanning of mail and not finalizing the mail on day zero.

**Improvement Action # 2: Origin Processing Delay**

Daily focus on volume arrival profile, timely clearing of outgoing letter operations and on-time dispatch.

## SECTION II: Improvement Plan for FY 2019 - Ongoing Activities

Initiative/Activity	Responsible
Monitor Informed Visibility Performance Reports	Pacific NOCC
Escalate Air Network Carrier Failures	Pacific Network Manager

### Conclusion:

The Pacific Area is committed to continuous improvement as it engages and empowers its entire team to enhance service to all of its customers.

## SECTION III: USPS Pacific Area Point of Contact

Larry Belair  
Phone #: 858-674-3110  
larry.j.belair@usps.gov