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Management Instruction

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Unit	Processing Operations

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Loop Mail Program

The purpose of this Instruction is to establish policies and procedures for the identification, isolation, handling, tracking, and prevention of loop mail.

Introduction

Loop mail is incorrectly barcoded and/or ZIP Coded mail discovered at a destination for which it is not addressed, or discovered in a transit operation. Detection may occur at a carrier case, distribution case, box section, firm holdout, or distribution stacker.

Examples of loop mail are:

- Mail that has an incorrect barcode or ZIP Code.
- Philatelic mail (first day cancellations).
- Nixie, or "woodwork" mail.
- Bar Code Sorter (BCS)–Output Subsystem (OSS) "Old ID-Tag," "No ZIP Found" special sort codes.
- Return-to-sender (RTS) mail.
- BCS-rejected return-to-sender (RTS) mail barcoded on Computerized Forwarding System (CFS) terminals.

Responsibilities

Specific responsibilities for handling loop mail are broken out by organization as follows:

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Processing Operations

Headquarters

1. Establish a National Loop Mail Program that defines the procedures for identification, isolation, and handling of loop mail. This includes the use of a special loop mail facing slip, Label 230, *Loop Mail*, that permits easy identification of loop mail at the point of distribution. Label 230 (see Exhibit on page 15) can be obtained from the material distribution centers.
2. Provide technical guidance to the field on methods to improve readability and establish guidelines that enhance the coding accuracy of the Multiline Optical Character Reader (MLOCR) and the Remote Bar Coding System (RBCS).
3. Establish, if necessary, new policies and procedures to ensure the continued integrity of the Origin-Destination Information System (ODIS), including ODIS data collection. Performance Cluster

Performance Cluster

The manager of In-plant Support must perform the following tasks:

1. Implement loop mail procedures described in this management instruction.
2. Review sites on a regular basis to ensure compliance with established loop mail procedures.

The manager of Site Maintenance must monitor and control machine parameter settings to ensure optimal coding accuracy.

Marketing Systems

Headquarters

1. Develop and implement acceptance procedures that verify the accuracy of mailer-applied barcodes and ZIP Codes.
2. Establish pre-certification programs to ensure that mailer-applied barcodes and ZIP Codes are accurate.
3. Establish procedures for approval of Courtesy Reply and Business Reply mailpieces.
4. Provide mailers with information pertaining to automation-based rate requirements.

Performance Cluster

The manager of Business Mail Entry must perform the following tasks:

1. Provide the necessary resources to perform required verifications in Business Mail Entry Units (BMEU) as specified in the *Domestic Mail Manual* (DMM), Section E and the Handbook DM-102, *Bulk Mail Acceptance*.
2. Perform physical verification of mailings to determine obvious errors as they relate to barcodes and ZIP Codes.
3. Conduct seminars for customer groups such as printers, envelope manufacturers, advertising agencies, presort bureaus, etc., relating to proper mailpiece design and preparation.
4. Conduct customer contact and follow-up to solve problems regarding address hygiene and design of the mailpiece that contribute to loop mail.
5. Assist Account Representatives with premier accounts as necessary to ensure that problems regarding address hygiene and mailpiece design are corrected.
6. Assist in testing of letter mail on automated equipment including analysis of "Old ID-Tag" mail identified by the OSS.
7. Assist in determining whether missent mail was caught in a loop because of address hygiene deficiencies when a determination has first been made that the problem is unrelated to directory deficiencies or machine problems.
8. Advise customers on the proper use of FIM and barcodes for CRM and BRM pieces and review of customer's mailpiece before going to print.
9. Provide the correct FIM and barcode positive to customers for CRM and BRM after consultation with Address Management.

The account representatives and the customer service representatives, when appropriate, work with those mailers identified as not meeting requirements for a mailing that receives delivery point or prebarcoded discounts. This effort may require the assistance of the Mailpiece Design Analyst (MDA).

The in-plant support manager must perform the following tasks:

1. Support correction and prevention efforts as requested, including analysis of sort programs to ensure their accuracy.
2. The Directory Analysis Specialist (DAS) will analyze probable causes of loop mail, such as MLOCR and RBCS directory deficiencies.
3. The Quality Improvement Specialist will perform the following tasks to minimize occurrences of loop mail:
    a. Report loop mail problems detected during Quality Improvement testing.

b. identifying specific causes of loop mail problems.

c. Develop and provide reports (as necessary) that will assist operations in correcting loop mail problems.

The plant manager must perform the following tasks:

1. Develop local loop mail processing and distribution guidelines that conform to this management instruction.
2. Provide the necessary resources to identify and correct potential loop mail distribution problems in the mailstream.
3. Provide the resources necessary to correctly distribute loop mail.
4. Ensure that loop mail is isolated throughout the distribution process until it is distributed to the correct carrier route.

Maintenance

The maintenance manager must perform the following tasks:

1. Provide the necessary MLOCR machine time to assist in the identification and segregated handling of loop mail by the DAS and MDA.
2. Assist the DAS and MDA with the generation of diagnostic reports.
3. Maximize machine performance and equipment availability through adherence to regularly scheduled preventive maintenance routines.
4. Monitor and control machine parameter settings to ensure optimal coding accuracy.

Operations Programs Support

The manager, Operations Programs Support, must perform the following tasks:

1. Provide accurate Carrier Route, ZIP+4, and Delivery Point Sequencing information.
2. Modify the Address Management System (AMS) database, as needed, to resolve loop mail problems caused by incorrect ZIP Code usage.
3. Be responsible for accuracy of Businesss Reply Mail (BRM) ZIP+4, Firm Identification Mail (FIM), and barcode information provided to customers. Although Business Centers nationwide are providing camera-ready FIM and Barcode positives, all such correspondence must be verified by Address Management before being provided to customers.

Postmaster/Station Manager

The Postmaster/Station Manager must perform or delegate the following tasks:

1. Identify and dispatch loop mail in mail transport equipment properly labeled and readily recognizable as containing loop mail.
2. Ensure that all delivery units comply with loop mail program requirements for separating loop mail in the throwback case. This includes ensuring that loop mail remains isolated from the normal mailstream (using Label 230, the national loop mail label) when dispatched from the delivery unit.
3. Ensure that local delivery units provide accurate and current data to Address Management.
4. Establish report procedures that identify delivery units with high occurrences of loop mail so that in-depth diagnostics can be performed and corrective measures implemented.

Quantification and Analysis

Origin-Destination Information System (ODIS)

Nothing in this procedure is intended to, in any way, affect the manner in which ODIS sampling is conducted. The integrity of ODIS must be ensured; all offices must comply with policies and procedures in Handbook M-60, *Origin-Destination Information System Management Instructions*.

Local Reports

Postmasters/managers at delivery offices, stations, and branches must periodically monitor the loop mail case and develop reports that measure the amount of loop mail by type, which is returned by stations and/or branches to the processing and distribution center/facility for processing.

Quality Improvement Programs

Minimizing Loop Mail Volumes

While there is no quality tool devoted exclusively to loop mail, there are five diagnostic tools that can provide helpful information on loop mail. Identifying 3- or 5-digit areas where high concentrations of loop mail exist using these reports and performing diagnostic testing will minimize loop mail volumes.

Diagnostic Tests

Various Quality Improvement tests provide diagnostic information for processing and distribution and delivery unit operations as follows:

1. Delivery Quality Diagnostic (DQD) Test examines delivery point sequenced mail for proper sequencing and will identify loop mail (including RTS loop mail) resulting from incorrect barcodes.
2. Delivery Unit Secondary Quality (DUSQ) Test examines mail processing and distribution missorts to the carriers. It identifies the potential causes of incorrect ZIP Codes or barcodes. DUSQ is being replaced by an updated procedure named Sort It Right For Delivery (SIRFD). Continue to use DUSQ until SIRFD is available.
3. Sort It Right For Delivery (SIRFD) Test:
   a. Identifies delivery units experiencing quality problems from DPS, and other letters, or flat distribution operations.
   b. Evaluates distribution errors at these delivery units and identifies the sources and cause of the errors.
   c. Provides detailed information to functional experts capable of eliminating or reducing distribution errors.
   d. Provides feedback to the person who evaluated the error and delivery unit of the expected resolution date.
   e. Firm Holdout Quality (FHQ) Test examines mail processing and distribution missorts to firms. It identifies loop mail problems caused by incorrect addresses, ZIP Codes, and barcodes.

Handling Procedures

DEFINITIONS

Missent — Mail sent to the wrong delivery unit, station, or branch.

Missorted — Mail sent to the correct zone but received by the wrong carrier for delivery.

Up-the-Ladder Processing — Procedure through which mail is moved from a non-automated process to an automated one.

Identification and Segregation

The identification and segregation of missent and missorted mail from the normal mailstream is one of the most important elements in the Loop Mail Program. Missent mail must be identified and returned to the processing center to be incorporated into the appropriate operation.

Delivery distribution units, associate offices, stations, and branches, with the participation of Processing and Distribution (P&D) operations, must implement procedures for the return of missent mail to the P&D center or facility. This procedure must include the following steps:

1. Uniquely identify missent mail and loop mail. Delivery must use the special loop mail facing slip when returning loop mail to the P&D center or facility.
2. Transport local loop mail using a standardized piece of equipment (e.g., APC/GPMC).

Note: *Trays containing loop mail should be labeled accordingly:*

MANAGER DISTRIBUTION OPERATIONS
ANYWHERE P & D CENTER/FACILITY
LOOP MAIL

3. Include on labels the date that the loop mail and/or missent mail is returned and information identifying the associate office, station, or branch. A registry stamp can be used for this purpose.
4. Separate missent mail (bundled or trayed) from loop mail to facilitate handling by P&D.
5. Hand off or segregate missorted mail and deposit it to the throwback case for distribution to the correct route.

Carrier Procedures

Carriers must perform the following tasks:

1. Make one separation for missent mail that has an incorrect ZIP Code and/or barcode and assume that the barcode on the mailpiece is incorrect. This avoids decoding barcodes on these mailpieces. The throwback case must contain a holdout for loop mail (incorrectly barcoded and/or miszipped mail). Bundle loop from the carrier case and place it in the holdout of the throwback case.
2. Return loop mail to the throwback case in a timely manner to ensure that all mail is dispatched on the next available transportation.
3. Notify the delivery unit supervisor of recurring errors so that diagnostics can be performed and corrective action initiated.

Distribution/Throwback Clerk Procedures

Obliteration of Barcodes

To prevent loop mail from reentering the automated mailstream, the barcode on the mailpiece must be obliterated. Barcodes should be obliterated by using a black felt tip marker to fill all the white spaces between the bars so that the barcode reader will not read the barcode causing the mail to be returned to the original address.

The distribution/throwback clerk must separate and identify loop mail (using a loop mail facing slip) for return to the P&D centers/facilities or the plant. The distribution/throwback clerk must separate loop mail found while distributing throwback mail.

Note: On those pieces that will be analyzed by the DAS and/or MDA, do not obliterate the barcode until a copy of the mailpiece is made. The DAS and MDA need the barcode information to perform a complete analysis of the mailpiece.

Incorrect ZIP Codes

The distribution/throwback clerk must cross out or slash through incorrect ZIP Codes on nonbarcoded as well as barcoded mailpieces. If known, the correct ZIP Code should be placed on the address side of the mailpiece.

Recurring Errors

The distribution/throwback clerk reviews loop mail for recurring errors and gives all such pieces to his or her supervisor for coordination of in-depth diagnostics with the MDA and DAS.

Foreign Mail

Foreign mail for destination outside the United States may contain a group of numbers that resemble a ZIP Code. Do not obliterate these numbers.

Customer Service Supervisor Procedures

When recurring problems are identified, the manager of Business Mail Entry records the correct address information pertaining to the mailpiece (such as ZIP Code and correct route) and sends a report, along with a copy of the mailpiece (ensure the barcode is not obliterated when copying), to the plant manager, DAS, MDA, Quality Improvement, or other locally designated individual for corrective action.

Distribution Operations Procedures

Loop Mail Received From Associate Offices, Stations and/or Branches

The manager of distribution operations must perform the following tasks:

1. Establish a loop mail log if offices are reporting excessive volumes of loop mail. Information from this log can be used to identify particular problem areas such as scheme changes that are not implemented. Reviewing the log book on a regular basis will also identify those offices that may not be returning loop mail in a timely fashion. It is suggested that the log contain the following information:
   a. Delivery unit name, zone, and carrier route ID.
   b. Date and time received.
   c. Date on label.
   d. Volume of mail by mail type (flats, letters, parcels, etc.).

2. Distribute all loop mail at specially designated manual cases or mechanized miszipped/unzipped mail (MUM) operations to prevent it from inadvertently being returned to the automated mailstreams.
3. Perform subsequent processing in the appropriate manual operation and identify with a loop mail facing slip when dispatched. Incorporate mail processed in the MUM operation into the incoming automated mailstream.
4. Process and dispatch loop mail on the next available transportation in accordance with the operating plan for the appropriate operation.

Loop Mail from Internal Processing and Distribution Centers and Facilities

Procedures for loop mail processed through Internal Processing and Distribution Centers and Facilities are as follows:

Manual Operations — Incoming

1. Process loop mail in a designated loop mail case(s) in the incoming distribution operation.
2. Identify loop mail by the facing slip and coordinate subsequent processing in manual or mechanized CFS/MUM city operations.

   Note: *Once mail has been identified as loop mail and the MUM processing option is not chosen, "Up-the-Ladder" processing must not be attempted. Do not attempt to process on automation or mechanization.*
3. Process in designated cases all loop mail/missents from the 150 and 160 operations not processed on the CFS or classified as MUM.
4. Process miszipped/unzipped city mail not processed on MUM terminals including MUM not-found mailpieces (not in the local database) must be processed by a scheme-qualified clerk and distributed by street or box information (not by ZIP Code) in manual processing operations.
5. Process loop mail in accordance with the locally established operating plan guidelines.

Manual Operations — Outgoing

1. Process loop mail in designated cases. This includes outgoing primary operations such as are stipulated in Management Operating Data System (MODS) sections 030 and 060.

2. Attach the loop mail facing slip (Label 230) to bundles or place in full trays when loop mail is dispatched.

   Note: *Bundles of loop mail may be placed in trays identified as being manually processed to reduce partially full loop mail trays; however, the loop mail facing slip must be securely fastened to each bundle in the tray.*

3. Loop mail flowed to downstream operations (e.g., MODS 044 or 074) must be identified using a loop mail facing slip and remain segregated in the manual mailstream for all subsequent processing. If volume merits, a specific tray can be used to identify this mail.

RTS Mail

1. *Forwarded mail with an RTS label* is a prime candidate for loop mail when mixed with mail processed through automation. As a preventive measure, generic barcodes are now printed on CFS-generated RTS mail. There are two barcode types—fee-due mail (accountable items) and non-fee-due mail as shown in the following examples:

   00360-0001-00 RETURN-TO-SENDER (NO FEE DUE)
   00360-0002-00 RETURN-TO-SENDER (POSTAGE DUE)

2. *Generic RTS barcode mail* will be sent to the unassigned stacker (default) on the BCS/DBCS. The use of generic barcodes is an interim fix until a method is developed to print a barcode for the return address on CFS-generated RTS mail.

   a. The PC-based "Return-to-Sender" program utilizing CFS mechanized terminals to print barcodes for the return address can be used to reduce loop mail and enable automated processing of this mail. Mail processed through this program should be processed on the barcode sorter.

   b. The Headquarters-authorized Return-to-Sender, Version 3.1 is available as a program option in the newly-deployed CFS mechanized terminals. A stand-alone version of this program software is also available for existing CFS mechanized terminals.

3. *Hand-stamped RTS mail* with an official return endorsement (see DMM F010, Exhibit 4.1) should be processed manually in designated loop mail cases.

Computerized Forwarding System (CFS)

1. Process barcoded CFS mail separately on the BCS to avoid mixing the rejects with other mail destined for the MLOCR. Do not process any CFS mail rejected on the BCS on the MLOCR.

2. As a preventive measure, print generic barcodes on the following CFS labels:

00360-0001-00 RETURN-TO-SENDER (NO FEE DUE)
00360-0002-00 RETURN-TO-SENDER (POSTAGE DUE)
00360-0003-00 FOREIGN DESTINATING FORWARDED MAIL

3. If volume warrants, sort program developers may generate a sort program to separate non-fee from fee-due RTS mail. This mail should be removed from the automated mailstream and processed manually or on the CFS RTS program.

   Note: *CFS operational procedures are presently being updated to include measures to eliminate chances of loop mail.*

A Headquarters-authorized stand-alone RTS program designed to bar-code RTS mail using CFS mechanized terminals is available on the newly deployed CFS equipment. A special version of this software is also available for the existing CFS mechanized terminals.

Multiposition Letter Sorting Machine (MPLSM) Operations

1. When operationally feasible, identify miscoded mailpieces while sweeping the multiposition letter sorting machine (MPLSM) and segregate them from the mailstream. Supervisors must ensure that operators adhere to nationally and locally established procedures for the distribution of uncoded mailpieces and perform regular edit checks on all MPLSM operations.
2. Identify loop mail from incoming MPLSM using the loop mail facing slip and processed using either MUM terminals (city uncoded) or manually distributed in designated loop mail cases. Offices with RBCS have eliminated MUM operations and currently send this mail to the Remote Encoding Site for processing.
3. The MPLSM supervisor must perform bin checks on high-error firms daily. Firm separations are also a potential source for missorted mail. Because there may be no carrier review of the firm bundle or tray prior to delivery to the customer, accuracy of MPLSM firm separations is imperative.
4. Clerks must review high-error firm separations prior to dispatch. Verification procedures should continue until accuracy levels are acceptable.
5. Return-to-Sender mail processed on LSM operations is a chief contributor to loop mail. If practical, this mail should be processed on the Headquarters-authorized version of the Return-to-Sender program which utilizes CFS-mechanized terminals to print barcodes of the return address ZIP Code on RTS mailpieces.

Automation

The automation supervisor must:

1. Perform regular checks on high-error stackers, especially firms, to ensure that automated equipment is performing quality sortations. The accuracy of firm stacker mail is imperative. Recurring errors must be brought to the attention of the DAS or MDA so that diagnostics can be performed.
2. Identify mailpieces found with incorrect barcodes at the carrier cases, destinating offices, and customer firm directs.
3. Provide corrected information to the barcode source for future corrective action.

Remote Barcoding System (RBCS)

The remote barcoding system (RCBS) places a unique identification tag on mailpieces that includes the time and date the mailpiece was processed. The number of days that constitutes "Old ID-Tag" can be set on the OSS. The minimum default setting is 6 days.

Manual processing using loop mail handling and/or identification procedures is used for all subsequent processing of "Old ID-Tag" mail. Mail being returned to sender should be keyed to the return address as per Remote Encoding Site (RES) operator keying instructions. This mail must be officially endorsed with the reason for non-delivery. Presently, we do not recommend processing RTS accountable or postage due mail in the RBCS environment due to the inability to capture this mail in the delivery point sequencing environment. However, modification of RBCS keying rules to route this mail to the 5-digit or postmaster ZIP Code are being considered.

Mail that is hand-forwarded from non-CFS facilities will not contain an official forwarding label. This mail must be keyed to the forwarded address indicated on the mailpiece. However, incorrect Letter Mail Labeling Machine (LMLM) procedures could generate loop mail if CFS-processed mail is over-labeled. RBCS sites should review LMLM operations and update their LMLM standard operating procedure (SOP) to ensure loop mail is not generated.

Flat Sorting Machines (FSMs)

The recent optical character reader/barcode reader (OCR/BCR) enhancement to our FSM 881s and the BCR retrofit to the FSM 1000s has created another potential solution for loop mail as it enables placement of a unique identifier on CFS labels that would differentiate the forwarding label barcode from any customer-applied barcode. In the interim, CFS sites must apply forwarding labels over customer-applied barcodes when labeling flat mail.

However, the identified and captured loop mail flats in FSM operations, both barcoded and non-barcoded, should be isolated and processed in a manual flat operation. All preventive measures documented through-

out the management instruction, including proper labeling and mail flows, must be implemented to avoid captured loop mail flats from reentering the automation mailstream. Incorrect ZIP Codes and or/barcodes should be obliterated with a black marker.

Note: If the correct ZIP Code is known, it should be written on the address side of the mailpiece.

Package Bar Coding System (PBCS) and Parcels

The Package Bar Coding System (PBCS) is a national program that introduces barcodes to the processing of parcels at bulk mail centers (BMCs). The PBCS system automates the sortation of barcoded parcels.

The following procedures are to be implemented at delivery distribution units or when parcels are sorted to the carrier route level:

1. If a barcoded label from a package barcode sorter was applied over the address or addressee's name, peel off the barcode label. The parcel can then be delivered in the usual manner. Although these labels are designed for easy removal, peel them off *carefully.*
2. If the barcode was applied by an integrated retail terminal (IRT) or was applied by the mailer, obliterate the barcode.
3. If the parcel is addressed to a 5-digit ZIP Code with an incorrect barcode outside the general mail facility (GMF) service area, peel the PBCS barcode label off the parcel or totally obliterate the mailer or (PVI-applied barcode and return the parcel to BMC or sectional center facility (SCF) office for correct barcode application. If the parcel is destined for the local hold-out area, send it to the SCF office for overnight service instead of the BMC.
4. If the parcel has an incorrect ZIP Code, remove the barcoded label or totally obliterate the barcode and cross out the ZIP Code on the address. If the correct ZIP Code is known, add it to the address.
5. If the parcel is forwarded or returned to the sender, peel off the original address barcode label or totally obliterate the barcode.
6. Where operationally practical, parcels forwarded or returned to the sender that are too large to be processed in the CFS operation may be barcoded with a PVI. Use of a PVI to barcode the forwarding or return address allows the BMC to scan the parcel without searching for the return or the forwarding address.

International Service Centers

International mail presents a unique challenge. Foreign mail bearing 5-digit postal codes may cause distribution problems at automated sites. International 5-digit postal codes are sometimes the same as valid U.S.

ZIP Codes; therefore, mailpieces encoded with those foreign postal codes may be misdirected through automated or mechanized processing to domestic destinations.

1. In instances where foreign mail is miscoded, give special attention to the MLOCR directory content and sort programs so that miscoded foreign mail can be minimized and captured. Stacker checks are a valuable tool for monitoring miscoded foreign mail.
2. Use loop mail handling and/or identification procedures must be used for subsequent processing of miscoded foreign mail.
3. In instances where mail is forwarded to a foreign address from a CFS site, the label will contain a generic barcode (00360-0003-00) to prevent loop mail. Send mail with this generic barcode to the unassigned stacker on the BCS.
4. Process manually CFS-forwarded mail addressed to a foreign country. Distribution clerks should not obliterate these postal codes.

Label 230, Loop Mail