

BEFORE THE POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268

Service Performance Measurement

Systems For Market Dominant Products

Docket No. PI2008-1

COMMENTS OF THE MAIL ORDER ASSOCIATION OF AMERICA
ON
THE POSTAL SERVICE'S "SERVICE PERFORMANCE MEASUREMENT"
FOR MARKET DOMINANT PRODUCTS

The Mail Order Association of America (MOAA) submits the following comments in response to Commission Orders Nos. 48 and 49.

Initially, MOAA applauds the Postal Service for the obvious effort that has gone into developing measurement standards. The Service recognizes that accurate measurement is vital to the continued growth of Standard Mail in general, and particularly Standard Mail catalogs. MOAA believes, however, that some modifications to the regulation should be made.

The Postal Service proposes to exclude from performance measurement mail "that does not meet mail preparation requirements" §§5.2.2 and 5.4.2. That is reasonable, but procedures need to be adopted that will require the

Postal Service to inform mailers of any mail that it intends to exclude from performance measurement.

It is essential that all Postal Service facilities – BMCs, ASFs, SCFs and DDUs have scanners for the purpose of “starting the clock”. A failure to have a systemwide installation of scanners will reduce and could substantially destroy the usefulness of the system. The Postal Service’s system should ensure that barcodes are scanned at least 99 percent of the time for all incoming Standard Mail.

The use of FAST should only be the exception and not used routinely.

The USPS should also provide a report on its ability to scan mail.

The Postal Service should also ensure that it provides thorough training for the reporters to be used to measure “stop-the-clock” times, §§5.2.3 and 5.3.3, 5.4.2 without which the measurement system will not yield valid data.

Individual mailers should be able to obtain reports on that mailer’s particular mail together with reports aggregating mail from all mailers. These individual mailer reports should be provided in a manner which is similar to the reports currently available using the CONFIRM program. Further, mailers should be provided reports monthly, at least during the peak Fall/holiday mailing period.

Performance should be reported for letters and flats separately before aggregation in the quarterly reports. As we understand the proposed regulations, the quarterly reports would only provide an aggregation for all Standard Mail, which would offer considerably less information. Unless mailers are able to track service levels individually for letters and flats the value of any reporting data will be substantially reduced.

Additionally, for flats entered as carrier route, the Postal Service should develop tracking at the DDU either on the basis of bundles or pallets, as appropriate. The reports should also provide data on the service levels of each level of entry, and the Saturation, High Density and Basic tiers. Without this information both the Postal Service and mailers will be deprived of vital information about the quality of service.

A method of distribution of the reports also needs to be adopted.

Finally, it is essential that Standard Mailers receive predictable, consistent delivery. Mailers are not asking for faster service, but only to be informed of when the mail needs to be entered to comply with scheduled in-home delivery dates. As long as mailers enter the mail in accordance with the direction of the USPS, the expectation is that the delivery will be made in accordance with the newly established standards, neither early nor late. The failure of the Postal Service to timely deliver standard mail has significant adverse financial and operational affects upon mailers. The failure to meet the expected delivery dates results in lost sales due to inadequate staffing, particularly of call centers, the loss of sales because of a failure of the delivery of the mail to be integrated with other promotional efforts such as broadcast or print advertisements, and a reduced level of customer service because of inadequate staffing of the fulfillment function. Significantly early deliveries also cause ill will as computer pricing will not yet have been initiated, customers are confused due to conflicting sale dates and merchandise is neither available to ship nor on the floor for purchase. Late deliveries, after a sale is over, also result in lost sales and poor customer service.

In sum, deviations from the standard are serious problems and should be considered as service failures.

Respectfully submitted,

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