

Spring 2021

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From the Desk of the District Manager

Greetings Chicago PCC:

As you may be aware the first phase of the Postal Service's organizational realignment was first announced in August 2020. The changes were designed to improve efficiency, drive success and better serve Postal Service customers. The current and next phase of USPS organizational changes are taking place now and include:

- **District Consolidation Plan:** The existing 67 Postal Service Districts will be consolidated to 50 Districts. New District territories will closely align to state boundaries. Districts will align with the communities the Postal Service serves and provide familiar boundaries for employees, customers and stakeholders.
- **Centralization of Marketing functions:** The Marketing functions previously performed at the Area and District levels will be centralized into the Chief Customer and Marketing organization, including Consumer and Industry Affairs and the Bulk Mail Entry Units (BMEUs). In May, the District Retail function will be centralized into the Headquarters Retail & Delivery function. In the interim, the Retail teams will be assigned under one of the 50 District Managers.
- **Realignment of Logistics and Processing Operations:** To ensure alignment with Retail and Delivery Operations, and Logistics and Processing Operations, a thirteenth division will be created. Processing operations is organized into 2 regions, each geographically aligned with two retail and delivery areas; and divided into 6 or 7 divisions for a total of 13 divisions. Logistics is organized into 4 regions, each geographically aligned to one retail and delivery area; and divided into 3 or 4 divisions for a total of 13 divisions. No divisions or regions will span across more than one area.

Closer to home, the Chicago District is still the same serving the City of Chicago and now also serving additional Zip Codes outside the city, north to the Wisconsin border and west to the Iowa border. The new District will be called Illinois 1.

Thank you for your continuing support of the Chicago PCC and the Postal Service.

Randy Stines

Randy Stines
Chicago District Manager

Pandemic Challenges

By Sarah Jolie



“The show must go on” took on new meaning in this past year. When so much of our day-to-day lives dramatically paused, many services could not. Mail delivery was one of those services.

While a pandemic is not listed among the potential environmental roadblocks in the unofficial postal workers’ oath, it definitely took center stage starting in February 2020. Almost overnight, the world became more dependent than ever on deliveries – especially to home addresses. Limited resources for expansion, and a workforce that was severely impacted by COVID-19, added significantly to the ability to meet this challenge. Even the healthiest employee was at risk daily because of his or her high-contact job.

Pile on the changes required nationally to accommodate the 2020 elections and the challenges increased exponentially. In Illinois alone, 2020 general election absentee ballots increased to 1.9 million from 1.1 million in 2016.

During the holiday seasons of 2019, the USPS delivered 750 million packages. In that same time period in 2020, the number soared to an unheard of 1.25 billion package deliveries.

While perhaps not perfectly, the USPS met both of those unanticipated challenges with staff out on COVID leave and no funds to hire additional resources. Add to this the political pressures that significantly impacted operations.

My grandfather started Hensley Company 100 years ago with his friend, Ed Hensley. I’m certain they faced operational and personnel issues that came as a result

of the Spanish Flu. I can honestly say I found no file folder with tips on what to do during a pandemic. Since starting work at Hensley Company 23 years ago, I have been frustrated by the relentless complaints people make about the USPS. This isn’t the first time I have been compelled to write in defense of postal workers.

I dare say few, if any, of us really knew what to do when the pandemic hit. Direction from leaders brought mixed messages that still required us to make decisions that not only would impact our lives and the lives of our loved ones but also neighbors, co-workers and strangers on the street.

This past year has been filled with stories of sorrow and heroics, patience and frustration. It has been a year when we isolated and relied on service providers to keep us safe. Those people could not shelter in place. Medical, emergency response, grocery, delivery and MAIL were some of the services critical to our survival. These workers had to figure out how to do their jobs while attempting to stay safe.

Each year, since 1997, we have celebrated National Postal Worker Day on July 1. This year I hope we choose to show even more gratitude than in the past. I also urge us to recognize these people regularly, not just on July 1. Remember that postal delivery remains a human endeavor and one that these individuals did while many of us worked remotely and stayed safe in our homes.

Sarah Jolie is President of Hensley Company. She is a member of the Chicago PCC Board.

Sarah Jolie, President

Hensley Company

sjolie@hensleycompany.com

Detached Mail Unit (DMU) Seamless Extension Requests

The Postal Service published a Federal Register Notice (FRN) of proposed rulemaking on January 8, 2020, to require mailers with authorized Detached Mail Units (DMU) with Full-Service eligible mail to participate in Seamless Parallel by March 1, 2020 and to enroll in the Seamless Acceptance Program by February 1, 2021.

The final FRN published on May 8, 2020 was updated to provide an additional three months (May 1, 2021) for eligible DMUs to enroll in Seamless Acceptance as a condition of their DMU authorization. Therefore, all DMU’s with Full-Service eligible mail will be activated to Seamless Acceptance effective May 1, 2021.

Mailers with a DMU that are still unable to comply with Seamless Acceptance by May 1, 2021 must submit an extension request no later than April 15, 2021. and provide the following information:

Commercial Acceptance along with Business Acceptance Solutions will review all extension requests and provide feedback to the DMU and local Business Mail Entry personnel. These decisions will be final and no subsequent extension requests will be accepted.

Questions and concerns should be directed to your Major Mailer Support Specialist or HQMailEntry@usps.gov

United States Postal Service Unveils 10-Year Plan to Achieve Financial Sustainability and Service Excellence

Aims to meet or exceed 95 percent network-wide, on-time delivery

Operates at break-even by FY2023 avoiding \$160 billion in projected losses over the next 10 years

HIGHLIGHTS OF THE 'DELIVERING FOR AMERICA' PLAN

- Preserves affordable, six-day mail and expands seven-day package delivery
- Generates \$24 billion in net revenue in part from enhanced package delivery services for business customers, including same-day, one-day and two-day delivery offerings
- Improves cash flow to allow for investment of \$40 billion in workforce, new vehicles, improved Post Offices, technology improvements, and infrastructure upgrades
- With congressional support accelerates move to an electric delivery vehicle fleet
- Adjusts select delivery standards to improve efficiency and reliability
- Enhances customer experience via new suite of consumer and small business tools
- Stabilizes workforce with a goal of cutting non-career employee turnover in half, and creating more opportunity for growth including more predictable progression into career workforce
- Aligns pricing to reflect market dynamics
- Asks for bipartisan legislation in Congress to repeal the retiree health benefit pre-funding mandate and to maximize future retiree participation in Medicare

WASHINGTON, DC – On March 23, 2021, the United States Postal Service released its 10-year Plan, 'Delivering for America,' to return the organization to financial sustainability and achieve service excellence while maintaining universal six-day mail delivery and expanding seven-day package delivery.

"The need for the U.S. Postal Service to transform to meet the needs of our customers is long overdue," said Postmaster General and Chief Executive Officer Louis DeJoy. "Our Plan calls for growth and investments, as well as targeted cost reductions and other strategies that will enable us to operate in a precise and efficient manner to meet future challenges, as we put the Postal Service on a path for financial sustainability and service

excellence."

"The Board challenged Postal management to devise a Plan that was firmly rooted in our public service mission to bind the nation together," said Ron Bloom, Chairman of the United States Postal Service Board of Governors. "The Plan will achieve service excellence, adapt the Postal Service to the evolving needs of the American people and address our obligation for financial sustainability. Through a wide-ranging process involving numerous talented and dedicated public servants throughout the organization and insightful input from many stakeholders, they have done just that. This Plan will revitalize this American treasure and we are excited to work with our union leaders, stakeholders and newly nominated Governors, once they are confirmed, as we move it forward."

The comprehensive Plan includes a combination of investments in technology, training, Post Offices and a new vehicle fleet; modernizing the Postal Service's processing network; adopting best-in-class logistics practices across delivery and transportation operations; creating new revenue-generating offerings in the rapidly expanding e-commerce marketplace and pricing changes as authorized by the Postal Regulatory Commission.

Successful implementation of the Plan requires partnership from legislative and regulatory stakeholders as its composition includes:

- **Self-help initiatives** to provide billions in new revenue and cost reductions, while improving the predictability and reliability of service
- **Judicious implementation** of new and existing pricing authorities
- **Legislative changes** to retiree health benefit funding rules including requiring Medicare integration and eliminating the pre-funding requirement

DeJoy continued, "The Postal Service's problems are serious but, working together, they can be solved. Our 10-year Plan capitalizes on our natural strengths and addresses our serious weaknesses. It ensures that we can better meet the nation's evolving delivery needs, and do so with the higher degree of efficiency, precision and reliability that our business and residential customers expect and deserve. It can and must be done."

The Plan was developed through a rigorous and holistic process that included reviewing reports by the Office of the Inspector General (OIG) and the Government Accountability Office (GAO), and consulting with numerous stakeholder groups.

Investing in People, Technology and Infrastructure

The Postal Service Plan will spur cash flow and savings to make \$40 billion in capital investments over the next 10 years, many of which have been long-delayed due to the organization's financial challenges of the past decade. This includes a [recent multi-billion dollar contract](#) to modernize the Postal Service's delivery vehicle fleet, which is over 28-years old on average and unsuitable for accommodating growing package volume. The first of the new vehicles are expected to appear on carrier routes beginning in 2023. [With Congressional support, our delivery fleet can be electric by 2035, substantially reducing our carbon footprint.](#)

"Investing in the Postal Service's future means investing in our people," said DeJoy. "For too many years, Postal employees have been asked to do more with less – forced to employ antiquated systems, utilize outmoded equipment, and drive outdated vehicles. This drives up costs and slows down service for customers. We cannot afford to keep this up. We believe firmly in putting the 644,000 women and men of the Postal Service in the best possible position to succeed in their mission of service, while also enabling a more predictable progression from non-career employees into the career workforce. [Our goal is to significantly reduce non-career annual turnover rates.](#)"

Other planned investments include advanced package processing equipment; Post Office and facility upgrades; deployment of new mobile devices for carriers; new employee uniforms; best-in-class information technologies across the enterprise; and enhanced training and development to empower the workforce.

Enhanced Customer Experience and New Revenue Generating Offerings to Meet Business and Consumers' Expanding E-Commerce Needs

The Postal Service has one of the best last mile delivery networks in the world, which enables the delivery of goods and services to more than 160 million addresses across the country. The Plan identifies several strategies to leverage this unparalleled end-to-end delivery network to generate \$24 billion in new package net revenue growth and meet business and consumers' rapidly evolving e-commerce needs.

This includes a new suite of services called USPS Connect, connecting businesses, large and small, to urban and rural communities across the nation. The Postal Service will expand its core package products, namely Priority Mail, Priority Mail Express, First-Class Package Service and Parcel Select to offer same day, next day and 2-3 day delivery options six to seven days a week.

Other offerings will include an enhanced Informed Delivery platform, enabling business and residential users to do more, such as provide carriers instructions on where to leave or pick-up packages, notify USPS to hold

mail or schedule redelivery of packages before important items reach their mailboxes. Through these and other actions, the Plan also strengthens the mail channel for the nation's commercial and personal needs.

Adjust Select Delivery Standards to Dramatically Improve Service Reliability

To drive greater network efficiency, the Postal Service will submit filings with the Postal Regulatory Commission to modify the service standards for First-Class Mail Letters and Flats, as well as First-Class Package Service. These modifications will shift volume from unreliable air transportation to more reliable ground transportation, and enable network improvements that will allow us to meet or exceed 95 percent on-time delivery across mail and shipping product classes. First-Class Mail traveling within a local area will continue to be delivered in one or two days and 70 percent of First-Class Mail will continue to be delivered within three days or less.

The Postal Service also anticipates using its processing facilities differently to reflect the dramatic increase in package volume and declines in mail volumes, and accommodate new revenue generating e-commerce offerings to better meet the needs of our customers. The plan anticipates an evaluation of facility operations, using the applicable regulatory processes.

Legislative Initiatives and Administrative Elements to Better Compete and Achieve Financial Sustainability

The most significant item the Postal Service is asking the 117th Congress to pass is legislation to require that retiree health benefits be integrated with Medicare, and that the expense associated with these benefits be based on vested benefits, which would reduce the Postal Service's cash flow expenses by approximately \$44 billion over 10 years. Legislation is also being supported to address burdensome retiree health benefit pre-funding. We also propose that the Administration require the Office of Personnel Management to use a simple and fair method in how it apportions Civil Service Retirement System (CSRS) liabilities for employees who transitioned to the Postal Service from the Post Office Department. These requested changes will benefit current retirees, current employees and the Postal Service.

In addition, in the coming weeks, the Postal Service will submit a number of filings with the Postal Regulatory Commission regarding pricing, products and services, and infrastructure.

To learn more and view the full Plan, visit www.usps.com/deliveringforamerica. You can also view the Plan - at - a - Glance at <https://about.usps.com/newsroom/national-releases/2021/usps-delivering-for-america-plan-at-a-glance.pdf>.

New Vehicles

The Postal Service has awarded a 10-year contract to Oshkosh Defense to manufacture a new generation of U.S.-built delivery vehicles that will drive the most dramatic modernization of the USPS fleet in three decades.

The historic investment is part of a soon-to-be-released plan the Postal Service has developed to transform its financial performance and customer service during the next decade through significant investments in people, technology and infrastructure as it seeks to become the preferred delivery service provider for the American public.

Under the contract's initial \$482 million investment, Oshkosh Defense, based in Oshkosh, WI, will finalize the production design of the next-generation delivery vehicle (NGDV), a purpose-built, right-hand-drive vehicle for mail and package delivery, and will assemble 50,000 to 165,000 of them over 10 years.

The vehicles will be equipped with either fuel-efficient internal combustion engines or battery electric powertrains and can be retrofitted to keep pace with advances in electric vehicle technologies.

The initial investment includes plant tooling and build-out for the U.S. manufacturing facility where final vehicle assembly will occur.

The contract is the first part of a multi-billion-dollar 10-year effort to



replace the Postal Service's delivery vehicle fleet, one of the world's largest.

The USPS fleet has more than 230,000 vehicles in every class, including commercial-off-the-shelf vehicles. Approximately 190,000 deliver mail six, and often seven, days a week in every U.S. community.

The NGDV, along with other commercial vehicles, will replace and expand the current delivery fleet, which includes many vehicles that have been in service for 30 years.

The first NGDVs are estimated to appear on carrier routes in 2023.

Calendar of Events

April 16, 2021
8:30 AM

Business Customer Gateway
Redesign Webinar

May 3-4, 2021
National Postal
Forum
Virtual Meeting

May 20, 2021
8:30 AM
Q1 Report
State of the USPS
Webinar

For additional information
and updates visit the CPCC
website:
www.chicagopcc.com

Celebrating 60 Years of the PCC 1961—2021

As we begin 2021, the National PCC Program Office is pleased to celebrate the 60th anniversary of the PCC and announce a special tagline to commemorate the occasion.

Mail Users Councils, renamed Postal Customer Councils (PCCs) in 1971, were first established in 1961 in 300 large cities. The councils' initial focus was to improve mail service by encouraging postal customers to deposit mail earlier in the day or in staggered increments, to avoid delays in mail processing. Later, the councils served as open channels of

communication for local business and postal executives to exchange ideas and information, from best mailing practices, to solving local challenges. Through the years, PCCs have evolved to promote and maintain a strong partnership between Postal and Industry through meetings, educational programs, mailer clinics and seminars.

To celebrate the PCC's 60th anniversary, the PCC Advisory Committee, Marketing and Communication Sub-Committee worked with the National PCC Program Office and

USPS Brand team to create the official 60th anniversary tagline, "**Celebrating 60 Years of the PCC.**" We encourage PCCs to use this tagline throughout this year in your communication material to highlight the 60 years of PCC success; however, as specified in our style guidelines we ask you NOT to place the tagline near the PCC logo. This would alter the logo which is not approved.

We look forward to sharing all things PCC with you.

Chicago Postal Customer Council

PO Box 7737

Chicago, IL 60680-7737

Presorted
First-Class Mail
Postage Fees Paid
USPS
Permit No. G-10

Celebrating 60 Years of the PCC

**www.
chicagopcc.
com**



Chicago PCC Industry-Vice Co-Chair



We are pleased to welcome our new Industry-Vice Co-Chair, Dawn Hastings and extend a heart-felt thanks to Brenda McLemore our previous Industry-Vice Co-Chair.

Dawn is the founder of DLH Direct and has been executing direct mail campaigns for over 25 years.

DLH Direct, LLC specializes in effectively executed targeted direct mail. They support companies without in-house direct mail expertise and Brand/Digital Advertising Agencies who want to offer direct mail as part of their integrated marketing strategies.

Congratulations, Dawn.

National Postal Forum 2021

Due to ongoing concerns and uncertainties regarding the COVID-19 pandemic, the National Postal Forum is officially, and regretfully, *announcing the cancellation of our in person event at the Gaylord Opryland hotel May 2-5, 2021.*

While recent news of treatment and prevention has been encouraging, it is clear from the current trajectory of Covid-19 that questions and issues related to the possibility of an in person event will not be fully resolved by May. Given that the NPF's number one priority is the safety and health of the Mailing and Shipping community, the NPF had no choice but to cancel our in-person Forum.

NPF will be holding a virtual National Postal Forum on May 3rd and 4th. Please save the dates!