

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Public Inquiry on Modification of Service
Performance Measurement Systems for
Market Dominant Products

Docket No. PI2021-3

**COMMENTS OF NATIONAL NEWSPAPER ASSOCIATION
and NEWS MEDIA ALLIANCE**

(September 17, 2021)

Pursuant to Commission Order No 5975, the National Newspaper Association and the News Media Alliance offer their comments on the proposed modifications to the market dominant service performance measurement systems.

The Postal Service filed a notice seeking modifications to its market dominant service performance measurement systems to add reporting for 3-day, 4-day and 5-day service standards for First-Class Mail which would align its reporting with the Service Standards to take effect in October. However, the changes also include certain modifications to the plans for USPS Marketing Mail and for Periodicals.

NNA and NMA have no objection to the changes to the reporting system for First-Class mail. The transparency in service measurement and performance is improving. But there remain considerable ambiguities and opaque qualities in what the public sees in the service reports. NNA and NMA urge the Commission to take this opportunity to improve the reporting on *all* mail performance by inquiring about the scope of current reporting on mail that is not covered by the measurement system. The Postal Service's public reports should identify and quantify the percentages of mail volumes that are not reflected in its periodic reports. Its reports to the Commission should discuss the steps it is taking to bring those volumes into service measurement.

NNA and NMA members are heavy users of Periodicals and Marketing Mail, two classes

that may be on the verge of becoming invisible in the measurement system. For example, in the Postal Service's amended Service Performance Measurement document, filed as USPS-LR-P2021-3/1, USPS states that some Marketing Mail and some Periodicals mail are excluded from service measurement if mail pieces do not receive Postal Service processing scans.

At 34 and 40. Apparently, however, some Saturation Marketing Flats do receive scans despite not being scanned in processing because they are scanned at the delivery point. At 36. From these statements, we conclude that some newspaper mail apparently is receiving scans, but neither the industry nor the public can tell how much. Nor is the service provided those pieces publicly known. Reporting on-time delivery of nearly 80 percent of the mail in a system where only 60 or 65 percent is scanned would present a far different picture than on-time delivery of 90 percent of the mail where 90 percent is scanned. Industry experience is that most newspaper publishers receive little service data in their dashboards, so the data available to flow up to the overall service reports from newspaper mail is apparently sparse. If the publishers cannot tell what is going on, certainly the public cannot.

The challenge for mail not in measurement is that it is not just in the incomplete picture drawn by mail that cannot be seen in district or regional service scores. The danger is in the incentives for USPS operations facilities to leave timely processing of unmeasured mail aside in favor of devoting resources to processing mail in measurement so they can improve service scores. Mail in unmeasured categories may become out of sight/out of mind long enough for all expectation of timely delivery to be lost.

Another peril to the overall system is in allowing measurement of the easiest-to-handle mail to show a misleading picture of improvement. Manual mail could drag down scores but there is still a substantial amount of manual mail in the system. It should be counted—or else, as service scores rise, the public sees an inaccurately rosy picture and wonders why, if service is so much better, newspapers still do not arrive on time.

A third weakness is an unfair blemish on USPS. While manual mail in processing plants may be harder for USPS to handle, Delivery-Unit-entered Periodicals and Marketing Mail is much easier. Other than an unknown quantity of Saturation Flats that receive delivery scans, the DU-dropped flats appear not to be in measurement at all. So USPS is deprived of the upward draft created in the scores.

In short, while the measurement system is a beneficial work in progress, continuous improvement is needed.

As the Commission and USPS work together on reporting tools to reflect the new standards, they would improve transparency in reporting by answering some questions about the state of progress reflected in this docket:

1. What percentage of each Market Dominant Mail Class is currently considered “in measurement” for service performance reports?
2. If some Saturation Mail can be pulled into service measurement through scans only at delivery points, why can't all manually-handled mail be similarly reported? If USPS does plan to bring this mail into measurement, what are the next steps and when will they occur?
3. Should USPS report the percentage of mail not in measurement for each product/class reflected in public reports, and if not, why not?
4. Whether periodic reports to the Commission on plans made and executed to bring mail not currently in measurement into the visibility systems should be made.

The current docket is an opportunity to continue to improve on transparency in the system. The newspaper industry sees the Postal Service's transition to use of its internal measurements for all mail classes as a net positive for industry mail. The new reporting mechanisms are superior to the EXFC reporting of earlier years because they potentially cover the entire mailstream, rather than just First-Class Mail. Clearly, a Postal Service that has faced every imaginable challenge in the past 18 months has still found ways to continue to develop its own measurement and reporting mechanisms. These should be celebrated.

But the benefits of visibility for newspaper mail have not been realized. For the public, the conversion to full transparency is not finished. The Commission should remain alert to the reality that it is not yet seeing the full picture of what is going on in the mail stream.

Respectfully submitted,

Tonda F Rush
Counsel to National Newspaper Association
CNLC, LLC
3898 30th St N
Arlington VA 22207
(703) 237-9801
tonda@nna.org

William B. Baker
Counsel to News Media Alliance
Potomac Law Group
1300 Pennsylvania Avenue NW, Suite 700
Washington DC
(571) 371-1922
wbaker@potomacclaw.com

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