

USPS to Roll Out Bundle Bar Code Tracking

The U.S. Postal Service (USPS) recently announced its plans to provide a Carrier Route bundle tracking service to be rolled out nationally by September 2004. The USPS has been testing bundle tracking with several mailers, including Quebecor World Logistics (QWL), for the past several months, but the test was confined to a limited number of ZIP codes. The USPS also announced its plans to file a rate case for bundle tracking by April 2004.

QWL's testing results have proven that tracking a Carrier Route bundle either arriving at or departing from the Destination Delivery Unit (DDU) would be an extremely valuable service, provided that it is priced at a reasonable cost-to-service model. The current specifications require a bundle facing slip with a bar code placed underneath the bundle shrink wrap or bundle straps. For those customers that already use in-home bundle facing slips, this requires a simple redesign of the facing slip to accommodate the bar code.

Many customers have converted to a much smaller in-home bundle sticker that would not accommodate this service. Other customers have never used in-home bundle facing slips. These customers can determine if the program is advantageous by considering the costs associated with this process, which include the material cost of the facing slips, plant labor to attach facing slips to bundles, a USPS per-scan or subscriber cost and a cost for the vendor to manage the raw data and generate customer friendly reports. Should you be interested in having QWL perform this cost-free analysis, please contact Chris Yourazeris at 630-438-2295.

In working with the USPS to develop the bundle tracking service, QWL initially proposed that the PLANET™ bar code be used for bundle tracking. This would require no "material" cost of a facing slip and a

single bar code could be used for both the PLANET™ code tracking of non-Carrier Route sorted mail and bundle tracking of Carrier Route sorted mail. This would enable mailers to track almost 100 percent of their mail, Carrier Route and non-Carrier Route, with one PLANET™ bar code. QWL will continue to work toward approval of this option and encourages mailers interested in bundle tracking to join us in these efforts as we are confident it would be a much more viable option. All interested parties should contact Jennifer Lukasiak at 630-438-2317. ■

Hours of Service Regulations to Affect Carrier Productivity

The U.S. Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) plans to enforce a new Hours of Service rule beginning January 4, 2004 in an effort to improve highway safety and help to reduce the number of truck crashes and related fatalities and injuries by addressing commercial motor vehicle (CMV) driver fatigue. The new regulations will allow drivers to drive up to 11 hours followed by a 10-hour break, in contrast to current rules that limit driving to 10 hours followed by an 8-hour break.

While the FMCSA estimates the new rule will save up to 75 lives and prevent as many as 1,326 fatigue-related crashes annually, carriers fear the new regulations will contribute to reduced productivity, put pressure on driver pay, worsen a growing driver shortage and lead to slower growth for fleets. According to carrier executives, the new rules could curtail productivity by as much as 30 percent and raise transportation costs, particularly on short-haul and multi-

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Testimonial: PLANET™ Code Benefits FORTUNE Magazine

In the summer of 2002, Quebecor World Logistics (QWL) performed two tests utilizing PLANET™ codes on FORTUNE magazine, a bi-weekly, time-sensitive Periodical published by Time Inc. The PLANET™ codes were printed in the address block on copies of our magazine in selected U.S. markets to validate our internal delivery tracking data.

In doing so, FORTUNE became the first magazine in the industry and QWL's first magazine customer to utilize PLANET™ codes on its mailed copies. We used the PLANET™ code scan data from postal facilities to substantiate our internal DELTRAK (in-home delivery tracking system) data. We used this comparison as a basis for our approval of QWL's expanded entry point proposal for FORTUNE subscriber copies (coming out of the Clarksville, TN plant and moving through their consolidation network).

FORTUNE relies on approximately 300 DELTRAK reporters for actual in-home delivery results and they

are weighted to represent it's national distribution. QWL coordinated the tests using PLANET™ codes on over 137,000 copies in 23 selected markets across the country that were served by 11 different postal entry points. The quality data generated by the PLANET™ code final scans provided additional tracking information to allow Time Inc. to make a very informed decision.

QWL's PLANET™ code tracking data reinforced our confidence in QWL's ability to control our subscribers' in-home delivery via their plant pool while providing significant cost reductions in distribution. We decided to implement QWL's new entry plan with the February 17, 2003 issue of FORTUNE and are now realizing the same or better delivery than before as well as significant cost savings.

George Woods,
Director of Distribution Services,
Time Inc. ■

Hours of Service Regulations Cont.

stop truckload routes. Additional areas that could be affected by the new rule include: first-come-first-serve (pick-ups and deliveries), staging trucks for off-hour pick-ups, excessive loading and unloading time, live load/unload and limited facility access on pick-up and delivery.

Reportedly, carriers have already begun to increase freight rates and intend to more stringently enforce detention fee collection in an effort to offset the expected costs of lost productivity and higher driver wages.

Due to the inevitable increase in costs and potential delays, QWL may be required to eliminate certain carriers from its carrier base of approximately 7,000 based on inefficient service and/or inability to manage the transition to this new rule, which could lead to limited capacity issues. However, QWL remains committed to working with its carriers to reduce the effects of the new regulations. For additional information regarding Hours of Service rule, please contact Jennifer Lukasiak at 630-438-2317. ■

Pursley Appointed to USPS/Industry Automation Steering Committee

The new Corporate Automation Steering Committee held its first meeting, November 4, 2003 and group members were announced the following day at Mailers Technical Advisory Committee (MTAC) meetings. Members were selected by the co-chairs, Bob O'Brien, MTAC chair and John Rapp, USPS Sr. VP Operations. The members include - **Industry:** Anita Pursley, Quebecor World Logistics, Bob O'Brien (Co-chair), Joe Lubenow, John DePiazza, DST Output (MTAC vice chair), Joyce McGarvey, Crain Communications, Val Scansaroli and Vince Guiliano, ADVO. **USPS:** John Rapp (Co-chair), Paul Vogel, VP Network Operations Management, Tom Day, VP Engineering, Henry Pankey, VP Delivery and Retail, Charlie Bravo, Sr. VP Intelligent Mail and Nick Barranca, VP Product Development.

The goal of this committee is to assist in the development of an automation strategy that meets the needs of both USPS and its customers. The committee aims to:

- 1) Facilitate communication of the USPS' automation strategy to the mailing industry
- 2) Ensure maximum input from the mailing industry
- 3) Coordinate the formulation of necessary MTAC workgroups ■

Questions or Comments?
Contact Us ...
630-438-2317