

The Hon. Roman Martinez IV Chairman Board of Governors U.S. Postal Service 475 L'Enfant Plaza SW Washington, DC 20260

August 05, 2022

Dear Mr. Chairman:

The News/Media Alliance (N/MA) respectfully requests that the Board of Governors delay action on the Postal Service's previously stated intention to move the critical entry time (CET) for almost all Periodicals volume to 8 am (a large shift of the current CET for most publications with strict deadlines). With other major USPS proposed changes looming, including adjustments of the Postal Service's processing and delivery networks, the FSS phase out, planned elimination of sacks, and more, moving forward with such drastic changes in a piece meal fashion is not in the best interest of the public.

N/MA was recently created by the merger of NMA – the News Media Alliance and MPA - the Association of Magazine Media to form the leading association representing newspaper and magazine publishers. Both legacy organizations filed comments with the Postal Regulatory Commission (PRC) asserting: (1) that the Postal Service's proposal requires that it seek an advisory opinion from the PRC prior to implementation; and (2) that the proposal will harm publishers who must meet tight production, printing, and delivery schedules. While the PRC agreed with us and has ordered the Postal Service to request an advisory opinion before implementing its proposed CET modifications, the ultimate implementation decision lies with the Postal Service itself. Thus, in addition to commenting formally to the PRC, N/MA and its members have discussed our concerns about the proposal directly with USPS management. While we appreciate and understand the Postal Service's operational goals for streamlined service, we urge the Governors to balance those goals (which we generally support) with Periodicals' mailers desire to continue to timely deliver breaking local news and high-frequency publications to our customers.

MPA previously suggested to the Postal Service that it exclude weekly and more frequent publications ("time-sensitive Periodicals") entered at non-FSS facilities in carrier route bundles from the proposed change in Periodicals CETs. Excluding time-sensitive Periodicals from the CET changes would allow the Postal Service to capture the operational efficiencies from the original proposal while substantially lowering its negative effect on publishers.





The impact on time-sensitive Periodicals from the proposed change in CETs is significant. A substantial portion of time-sensitive Periodicals are entered between 8 am and 2 pm. Preliminary data collected from members indicates that approximately a third of such Periodicals are entered between 8 and 11 am, with an even larger percentage arriving during the 8 am–2 pm window. Losing a day of service for a large number of time-sensitive Periodicals volume will have a devastating impact on publishers. Unlike monthly publications that should be able to absorb a one-day delay, time-sensitive titles cannot.

Weekly titles, for example, have just-in-time schedules geared towards ensuring the publication arrives in subscribers' mailboxes by the desired in-home window, typically prior to the weekend. To do so, these titles often close editorial late on Monday so that the publication can go to press soon thereafter with publications arriving in subscribers' mailboxes by Friday, in time for weekend reading. Given this tight production schedule, long lead times for establishing and changing manufacturing schedules, and the potential for logjams occurring at postal facilities prior to an earlier CET, it is not feasible that weekly publishers could simply accelerate entry at postal facilities by several hours. Furthermore, our members' transportation providers report that some Postal Service facilities are unwilling to unload trucks in the middle of the night – when facilities are typically processing outgoing mail – even when publishers have Facility Access and Shipment Tracking (FAST) appointments, a problem that would be exacerbated with the proposed new CET.

The change in CETs thus place publishers of weekly titles between the proverbial rock and a hard place. If such publishers keep their editorial schedule, then they will miss the critical pre-weekend delivery window for a substantial portion of their readership. If, instead, publishers close editorial a business day earlier (i.e., by the prior Friday) in an effort to meet the earlier CET, then that will preclude weeklies from capturing the prior weekend's events in that issue. Neither option is tenable, and both will substantially reduce the value of Periodicals to our members' subscribers and lead to reductions in subscriber bases and Periodicals mail volume. The change in CETs would be even more problematic for more frequent publications.

Because time-sensitive Periodicals comprise a small percentage of the Periodicals volume, excluding such Periodicals from the CET shift would not substantially lower USPS savings.

Since we submitted comments on the proposed changes in CETs, the Postal Service has announced plans to make other operational changes that will impact Periodicals. These include elimination of sacks as an acceptable container type, efforts to create more direct 5-digit tubs, and changes in the designations and functions of various facility types. We





are concerned about piecemeal implementation of changes that may have unintended consequences that impact later proposed changes. We are also concerned about the need to make additional, potentially conflicting, changes to mail preparation as the direction of full implementation of network changes becomes clear. In light of all of these simultaneous operational initiatives, we recommend a pause in the CET proposal to avoid a series of troubling changes.

The emergence of additional operational initiatives that will undoubtedly require changes in the preparation of Periodicals is another reason to not impose devastating changes in CETs on time-sensitive Periodicals at this time. We recommend delay in the CET changes for all Periodicals during this time of rapid transition; but if the Board determines to move forward, we urge that the changes not apply to weekly and daily Periodicals.

We appreciate your consideration of our comments. Please feel free to contact any of us if you have any questions or if we can be of further assistance.

Danielle Coffey, danielle@newsmediaalliance.org

Rita Cohen, rita-consultant@newsmediaalliance.org

Holly Lubart, holly@newsmediaalliance.org

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## About the News/Media Alliance

N/MA is comprised of two legacy organizations whose members are loyal postal customers: NMA – the News Media Alliance and MPA - the Association of Magazine Media. These entities merged on July 1, 2022, forming the leading voice for the news and magazine media industries that collectively generate more than \$40 billion in annual revenue. N/MA members represent many of the biggest and most renowned brands in the news publishing and magazine industries. Our members rely on the Postal Service to deliver valuable, compelling original journalism and educational, cultural, scientific, and informational periodicals to consumers. Our members also often rely on USPS Marketing Mail to help with promotions and/or deliver advertising on behalf of local businesses.

