U.S. Postal Service delivery times lag more than expected

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May 18, 2015

SLOWING DOWN

After the U.S. Postal Service ended its one-day local delivery standard earlier this year, mail delivery slowed both here and nationally. The biggest impact was on mail sent to other parts of the country.

On-time rate for single-piece, first-class mail (Jan. 1-March 31 each year)







^{*}Four days for service to or from Hawaii or Alaska SOURCE: Compiled from U.S. Postal Service data

THE WORLD-HERALD

For decades, the U.S. Postal Service has pledged that you could send a letter anywhere in the country and see it arrive at its destination within three days.

But lately, only 63 percent of such non-local mail arrives on time. For letters sent from or to some of the nation's largest cities, including New York and Los Angeles, fewer than half meet the three-day standard.

The picture is somewhat better for mail in the Midlands. In fact, among the Postal Service's 67 local districts, the Central Plains area that includes Nebraska, western lowa and most of Kansas so far this year ranks in the top quarter in the nation in on-time performance, for both local and more far-flung domestic mail.

Even so, on-time performance for non-local letters in the Central Plains district has dropped from 85 percent last year to 69 percent recently.

Slower delivery was a given this year for what some call snail mail in this instant email age. The U.S. Postal Service in January reduced delivery standards and made other major operational changes to save money.

But according to new Postal
Service performance data obtained by
The World-Herald, mail delivery has gotten far pokier than most anyone expected.

Even compared with the reduced standards, the Postal Service is more frequently failing to get mail delivered on time.

The biggest delays have been with single-□piece first-class letters, cards and small parcels that are bound for non-local destinations within the continental United States. A year ago, more than four out of five such mail pieces were meeting the Postal Service's three-day delivery standard. Today, it's closer to three out of five.

Postal officials acknowledge the problems but say they don't represent a new normal. They say it's more of a bump in the road as the Postal Service adjusts to one of the biggest operational changes it has seen since mail sorting was fully automated more than three decades ago.

"The scope of this change in an organization the size of the Postal Service was enormous," said Brian Sperry, a Postal Service spokesman in Denver.

But officials with the postal union put the blame squarely on the recent cost-cutting moves.

"That's not the carrier; it's the postal system," said Phil Thomas, president of the postal workers union in Omaha. "We need the public to join us to protect their service. The fact is, they are now getting less for more."

Here and across the country, union officials are calling to reverse the closing of mail-sorting centers under the recent system overhaul. Two Nebraska facilities, in Grand Island and Norfolk, were affected. In recent contract talks — the national union contract expires this week — the union has been seeking to bring quality of service issues, and the jobs tied to them, to the table.

The lagging mail also has the attention of postal regulators in Washington. While the Postal Regulatory Commission first noticed some slippage in performance numbers last year, the latest data reinforces the problem, said Margaret Cigno, director of accountability and compliance for the oversight agency.

"The commission is concerned about that," she said.

No one disputes that the U.S. Postal Service has recently been going through the most tumultuous time in its 240-year history.

The agency proudly traces its roots back to 1775, when the First Continental Congress created it and tabbed Benjamin Franklin the first postmaster general. The goal was to make sure all Americans had access to affordable and reliable mail delivery.

During the 1970s, the Postal Service was morphed by Congress into a quasi-independent government agency. It would no longer receive tax dollars and was charged with supporting itself with the revenue that it generates.

While for decades, to paraphrase the old saying, neither snow nor rain nor heat nor gloom of night stayed mail couriers from completing their appointed rounds, the agency has had a little more trouble navigating the Internet age.

Email has replaced cards and letters as the preferred form of communication for many. And fewer consumers are dropping a stack of bill payments in the mail each month, instead paying online.

That's led to a huge decline in first-class mail — the stamped or metered mail, weighing 13 ounces or less, that has long been the Postal Service's most lucrative, bread-and-butter business. Over the past decade the volume of stamped first-class mail has fallen off by half, costing the Postal Service billions in revenues.

"That paid the bills," Sperry said of first-class mail. "Like any business, we needed to adapt to our customers' new mailing habits."

The Internet and online sales have led to an explosion of new package deliveries for the service, but growth in that competitive business hasn't made up for shortfalls elsewhere.

Adding to the Postal Service's financial woes was a 2006 requirement from Congress that it prepay on the health care benefits that are promised to its retirees over the next 75 years. Both the union and management note that such a requirement is not imposed on other private and public entities, which tend to pay such costs as they're incurred. The Postal Service has not been able to afford to make the advance health care payments for several years.

To make ends meet over the past decade, Postal Service managers have been jacking up the price of stamps, which have risen from 37 cents to 49 cents in that time, and slashing billions from the budget.

There's some argument now as to just how financially troubled the agency is. An inspector general's report last month suggested that it may have turned the corner through recent revenue growth, price hikes and cuts. But future financial challenges remain as the information landscape continues to evolve.

The latest cuts further consolidated operations within the Postal Service's remaining 320 mail-processing plants. Some processing operations in Grand Island and Norfolk were merged into Omaha in recent months. Collectively, the changes across the country led to a major reconfiguration in how mail was handled and shipped.

As part of the changes, the Postal Service on Jan. 5 dropped its former standard of delivering single-piece, first-class letters within a day between addresses served by the same local mail-handling facility — such as letters within Omaha. Now such mail is part of a broader two-day

local service area.

For a first-class letter originating in Omaha, two-day delivery is pledged to anywhere in the eastern half of Nebraska, all of Iowa, eastern Kansas, western Missouri and part of South Dakota. Each location in the country has a similarly sized local mailing zone.

The new standards continue to promise delivery of first-class mail anywhere within the continental United States within three days, and to Hawaii or Alaska in four days.

One-day local service was maintained for presorted first-class business mail, which takes less time to process.

Understanding that weather and other factors at times will delay mail, the Postal Service sets targets of 95 to 97 percent for on-time arrival. It also contracts to have its performance measured on a quarterly basis.

The latest performance data — covering January through March of this year — show that ontime delivery has fallen off considerably in the wake of the latest changes.

Nationally, just over 90 percent of single-piece first-class local mail during that time was delivered within the allotted two days. That's well below the 97 percent target. And it's markedly below last year's performance for the same quarter, which was 96 percent for one-day mail and 94 percent for two-day.

Numbers were better in the Central Plains district that includes Nebraska, where the two-day performance was just below the standard and close to last year's results. Among the 67 local postal districts, that performance ranked as the sixth-best.

But while the overhaul was expected to have the biggest impact on local mail, the performance on three-day, anywhere-in-the-country service has lagged the most.

Nationwide, only 63 percent of single-piece, first-class mail met the three-day delivery standard, a figure that was 32 percentage points below the target goal and 21 points below last year.

In the Central Plains district, on-time performance on such mail was 69 percent — far below last year — although it still was 16th-best in the nation.

Other parts of the country would love to have Nebraska's numbers. Non-local letters sent from the heart of New York City, for example, reached their destination within three days only 44 percent of the time. That's an eye-popping 37 percentage points worse than last year. In Los Angeles, 48 percent of non-local letters took more than three days, down 36 percentage points.

Other big cities where only about half of such letters are on time include Miami (48 percent), Houston (50 percent), Chicago (51 percent) and Boston (53 percent).

It's not just big cities that have slow mail service. The region that includes Colorado and Wyoming, for example, has 56 percent on-time performance for those three-day letters.

Performance numbers for other types of mail also have fallen, including presorted first-class commercial mail — which actually makes up the majority of first-class mail. Nebraska outperformed the nation in those areas, too.

Curtis Telemaque, an analyst with the Postal Regulatory Commission, said his agency has only just started diving into the latest data. But he said the problems with three-day mail "is something that is on our radar. We need to figure out what is going on."

U.S. Sen. Heidi Heitkamp, D-N.D., has in recent months expressed concern about slow mail delivery in rural areas, but said the latest data shows it's a problem across the country. She said she spoke recently with the postmaster general about "the need to really assess what we are saving by downsizing our mail processing plant network."

Postal officials say any assessment of the latest data should take into account the harsh winter weather that led to significant delays and disruptions. Sperry noted that the first three months of this year saw 22 major winter storms across the country.

But postal officials acknowledged it's not all weather. According to the Washington Post, the service has deployed teams of operations experts to some parts of the country to help clear up service issues. It has declined to disclose where the teams have been sent.

Thomas, the Omaha union leader, predicted that things will be getting worse in Nebraska before they get better. He noted that the shifting of mail-handling from Norfolk and Grand Island to Omaha wasn't completed until last month. He thinks the changes will be a big drag on Nebraska's on-time statistics when the next quarterly data comes out.

"The last 30 days have not been pretty," he said of the adjustment to increased volumes in Omaha.

While Sperry had no recent data for the Omaha area, he said figures nationally have ultimately been trending up as kinks are worked out of the new sorting system. Overall, he sees better numbers ahead. He said the agency remains committed to improving service throughout the country.

"Our commitment to customer service is unwavering," he said.

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