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POSTAL HIGH-TECH SORTERS TO GET 'BRAIN TRANSPLANTS'

FT. LAUDERDALE – Customers will see the world’s most efficient Postal Service become even more efficient following “transplant surgery” funding approval Tuesday by the Postal Service’s Board of Governors. This approval to enhance select high-tech mail sorters with the ability to read will shorten mail processing times and eliminate the need for many first-generation mail sorters built more than a dozen years ago.

The approval came as the Board learned that on-time delivery scores continue at record levels. Nationwide, as validated by independent testing, First-Class mail with a next-day delivery commitment arrives on-time 95 percent of the time.

“These upgrades will reduce costs and improve service,” explained Vice President Engineering Tom Day. “The enhancements allow us to be more efficient and serve our customers better because it will consolidate high-speed mail sorting technology to eliminate several mail processing functions.”

The enhancements will provide technology to replace 646 Multi-Line Optical Character Readers (MLOCR) with 395 new machines. This funding approval also calls for upgrading 217 existing Delivery Bar Code Sorters and all of the Postal Service’s 1,086 Automated Facer Cancellers (AFCS).

Placing OCR technology into machines that automatically position envelopes before applying postmarks will allow the AFCS to sort by ZIP Code and bypass the MLOCR operation so that letter mail can begin efficient automated sorting sooner.

The MLOCR, as the first major Postal Service automation investment, was deployed in 1988. It sorts letter mail at 36,000 pieces per hour as it first finds and then reads the address before spraying a barcode on the envelope to enable efficient automated processing.

During the 1980s and into the 1990s, the Postal Service created a national network of MLOCR equipment to automated letter mail processing. This equipment, which is more than 10 to 15 years old, is obsolete and lacks the depth of sort efficiency that alternatives can provide.

OCR replacements will be added to existing cancellation equipment and to some new OCR/barcode sorters with expanded sort capability. This will result in reduced handlings and is expected to produce significant savings in 2006 and 2007 when fully deployed.

The Postal Service delivers about 140 billion letters a year to account for two thirds of its 202 billion pieces. In the past five years, investment in letter automation technology has allowed the Postal Service to avoid more than \$3.9 billion in processing and delivery costs.

Since 1775, the U.S. Postal Service has connected friends, families, neighbors and businesses by mail. It is an independent federal agency that visits 141 million homes and businesses every day and is the only service provider to deliver to every address in the nation. The Postal Service receives no taxpayer dollars for routine operations, but derives its operating revenues solely from the sale of postage, products and services. With annual revenues of more than \$68.5 billion, it is the world's leading provider of mailing and delivery services, offering some of the most affordable postage rates in the world. Moreover, postage rates will remain stable until at least 2006. The U.S. Postal Service delivers more than 46 percent of the world's mail volume—some 202 billion letters, advertisements, periodicals and packages a year—and serves seven million customers each day at its 38,000 retail locations nationwide.