March 2, 2021

Mr. Frank Cebello
Manager, International Products and Major Accounts
Global Business, U.S. Postal Service
475 L'Enfant Plaza SW
Washington DC 20260

Re: New Outbound Commercial Provider Initiative (OCPI) Program Information

Dear Mr. Cebello:

The International Mailers' Advisory Group (IMAG) is a trade association representing international mailers and shippers, made up primarily of consolidators, hardware and software solutions providers, and ecommerce marketplaces and platforms. IMAG members account for nearly all of the Postal Service's outbound commercial volumes and revenues. Our solutions provider members and ecommerce marketplace members serve both commercial and retail international mailers and shippers that export billions of dollars' worth of goods each year.

IMAG submits the following comments on the Postal Service's Advanced Notice of Proposed Rulemaking in the February 1 Federal Register (with a corrected version published February 9). The proposal introduces and highlights the Postal Service's Outbound Commercial Provider Initiative (OCPI), which is set to begin a rollout in the spring.

First, IMAG would like to express its appreciation for the ongoing collaboration with the Postal Service, in particular with the Global Business and International Operations teams. Regular and open communications benefit all parties by signaling changes, flagging potential hurdles, and addressing concerns before they become problems. In addition, IMAG is supportive of the Postal Service's efforts to pursue innovative products and services that assist customers in the increasingly competitive cross-border ecommerce market. However, IMAG reminds USPS that such changes often require its industry partners to make necessary adjustments that involve both time and money.

To that end, we raise the following issues specific to OCPI:

- The Postal Service must commit to 90 days of lead time between availability of final specifications/preparation requirements and implementation date. Included in these final requirements should be the complete technical specs for data elements that are required, by country, and that the elements be regularly updated as country requirements change.
  - Industry partners need time to make the necessary software and system changes; get the changes approved by the Postal Service (for example, new labels and forms as has been done in the past); and then push those changes out to the shared customer. In addition, members will need to notify and educate the end-user customer, including allowing sales and support teams the time to work with customers to bring them in compliance on requirement changes.
  - The Postal Service also will need enough time to make retail system changes, which often seem to take more time than anticipated.

- o Software and operational system changes come at significant cost and effort to industry, which must employ resources to analyze and specify requirements, implement software, execute testing, and manage operational integration.
- o Even fairly routine software changes, such as labeling list changes on the domestic side, require resource allocation, planning, coding, and quality assurance. In addition, OCPI requires operational changes like added separations, which could increase staffing/processing hours and sortation equipment needs; a different tagging process; changes to workflow and training; and potentially more transportation.
- o If the stated – and, in our opinion, premature – April 30 date for rolling out OCPI is not extended, there are less than 60 days from when comments are due to make the necessary changes. As has been expressed, members do not even know which countries OCPI will roll out to first and on what dates, let alone the details on mail preparation and entry, and label and form specs, including invoicing, HS codes, and other requirements for updating software and systems. Rolling out the information as it becomes available does not allow industry participants the opportunity to fully assess how to address changes that may be intertwined with one another, which can further exacerbate costs as well as quality of service for end users.
- ■ In addition to the 90-day lead time, IMAG recommends the Postal Service institute a market test of OCPI in one or two countries before rolling it out more fully. A market test would allow the Postal Service to work out operational hiccups, which recent challenges during peak season have shown can lead to inconsistent ISC processing performance. A market test would allow the Postal Service to finetune mail preparation requirements; ascertain any additional costs to itself or to customers; and determine if service, visibility, and/or pricing actually improve with OCPI. Furthermore, a market test would allow USPS to gather impact information from industry partners as they work through the operational items that arise.
- ■ IMAG also requests that USPS make OCPI optional. That is, allow for both an OCPI solution and a full postal solution to targeted countries. Some end-user customers want full postal presentation, including postal customs clearance and delivery by foreign post. Or alternatively, set up OCPI as a completely separate commercial service offering.
- ■ While improved service and scans to a country are important, an offset in price in the form of workshare incentives is also warranted given the increased work and costs members will incur to make the necessary changes to software and operational processes for OCPI countries and products. It should be noted that some programming changes and maintenance will be ongoing and not just on the front end.

Thank you for the opportunity to share our comments. We look forward to continuing to work together on solutions that serve the shared customer at the lowest possible shared costs and with the highest levels of service.

Sincerely,

Kate Muth
Executive Director