

Postal Service invites public comment on the following proposed revisions to the *Domestic Mail Manual*, incorporated in the *Code of Federal Regulations* (CFR). See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

2. Amend the following sections of the *Domestic Mail Manual* (DMM) as set forth below:

Domestic Mail Manual (DMM)

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S SPECIAL SERVICES

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S900 Special Postal Services

S910 Security and Accountability

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S919 Signature Confirmation

1.10 BASIC INFORMATION

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[Delete 1.10 in its entirety.]

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if the proposal is adopted.

Neva Watson,

Attorney, Legislative.

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POSTAL SERVICE

39 CFR Part 111

Address Visibility on Bundles of Flat-Size and Irregular Parcel Mail

AGENCY: Postal Service.

ACTION: Proposed rule.

SUMMARY: The Postal Service is seeking comments on a proposal that adds additional standards for the visibility of address elements and presort designation (*i.e.*, optional endorsement lines, barcoded pressure sensitive package labels, or facing slips) on bundles of flat-size and irregular parcel mailpieces. The proposed new standards apply only to bundles that are candidates for processing on automated bundle sorting equipment. The standards would require that all elements in the delivery address and the

presort designation on the top piece of carrier route and presort bundles containing flat-size or irregular parcel mailpieces, either prepared in sacks or placed directly on pallets, be completely visible and readable without the need to manipulate the banding or shrinkwrap.

DATES: Submit comments on or before October 18, 2004.

ADDRESSES: Mail or deliver comments to the Manager, Mailing Standards, U.S. Postal Service, 475 L'Enfant Plaza SW, Rm 3436, Washington, DC 20260–3436. Copies of all written comments will be available for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday, at the Postal Service Headquarters Library, 11th Floor North, 475 L'Enfant Plaza SW., Washington, DC.

FOR FURTHER INFORMATION CONTACT:

Barry Walsh, Operational Requirements and Integration, U.S. Postal Service, (202) 268–7595; or Vicki Bosch, Mailing Standards, U.S. Postal Service, (202) 268–7277.

SUPPLEMENTARY INFORMATION: To help control mail processing costs, the Postal Service uses automated equipment whenever available to process mail. Automation reduces manual processing costs and helps maintain stable postage rates. The Postal Service has experienced significant savings through the use of automated equipment to sort letter-size and flat-size mailpieces.

To further reduce processing costs, the Postal Service started deployment of new automated package processing system (APPS) equipment to process parcels and bundles. The new APPS equipment will replace many of the small parcel and bundle sorters (SPBSs) now used in major Postal Service processing facilities. The APPS equipment has optical character recognition (OCR) capability that can read the delivery information on bundles of mail and subsequently process mail more efficiently.

Bundle address visibility and the visibility of the presort designation are essential for automated processing of presort bundles with APPS equipment. Banding, shrinkwrap, labels, or facing slips that obscure all or part of the delivery address or presort designation on the top piece of bundles lower the processing efficiency of the APPS equipment. The APPS equipment reads the address on small parcels and presort bundles by scanning the address and presort designation on the top piece, and then directing the parcels or presort bundles to the appropriate sort bin.

During automated induction, there is no opportunity for a postal employee to move strapping, flatten shrinkwrap, or

otherwise manipulate bundles to assist the OCR. Bundles or parcels that cannot be read successfully on the first pass must be routed to a semiautomatic induction station, where a postal employee has a limited ability to move strapping away from the address block before re-inducting the bundle into the machine. If address recognition fails again, APPS will reject the bundle or parcel and it will have to be handled manually.

Address Visibility

Except as explained below, presort bundles prepared in sacks or on pallets must have the delivery address information visible and readable to the naked eye, including any barcoded pressure-sensitive bundle label or optional endorsement line (OEL). When plastic bands, string, or rubber bands are used to secure bundles, the mailpiece can typically be divided into four areas formed by the crossing of the banding. Placing the delivery address in one of these four areas will ensure that no part of the address is obscured by the banding material. If the address cannot be placed within an area of the mailpiece not covered by banding, then mailers may secure their bundles using clear plastic banding or clear shrinkwrap, or use an optional bundle label (OBL).

These standards do not apply to bundles of letter-size mail; bundles of First-Class flat-size mail; Customized Market Mail (CMM); bundles placed in 5-digit or 5-digit scheme (L001) sacks or pallets, carrier route or 5-digit carrier routes sacks; carrier route bundles entered at the Destination Delivery Unit (DDU); flats prepared in letter trays under DMM M033; or bundles containing an OBL.

Clear Strapping and Shrinkwrap

If plastic strapping intrudes on any element of the address or presort designation, the strapping must be clear to the degree that the address and presort designation remains visible and readable to the naked eye. The Postal Service recommends that the strapping be clear, meeting manufacturing standards of less than 70 percent haze in accordance with ASTM D1003, and not contain stripes, bands, seams, or texture marks that could obscure address characters despite a level of haze that is less than 70 percent overall. If a strap crossing intrudes on any portion of the address, the haze is measured through both straps.

The Postal Service recommends any shrinkwrap used to secure bundles show less than 70 percent haze, as defined in ASTM D1003, after

shrinkage. Any seam in the shrinkwrap (including any excess layers of the shrinkwrap) must not be located over any part of the address. There cannot be any blister, bloom, pimple, weld-mark, wrinkle, or other protrusion that would obscure any character in the address block.

The Postal Service also recommends that any bundle consisting of multiple layers of packaging materials show less than 70 percent haze through all layers combined.

Optional Bundle Label

Consultation with industry representatives indicated it may be difficult to ensure address visibility on some existing packaging lines that use shrinkwrap or strapping. In these cases, mailers may use optional bundle labels (OBLs) to ensure machine readability. OBLs must include the correct optional endorsement line for the bundle, the words "OPTIONAL BUNDLE LABEL," and the city, state, and ZIP Code of any mailpiece that could properly be in the bundle. To illustrate, if the OEL designates a 3-digit bundle, then any city, state, and ZIP Code combination within that 3-digit area will serve equally well to designate the 3-digit bundle destination. The OBL may be a permanent label or a removable label affixed to the bundle. Any removable label must remain securely attached during normal mail processing. The label cannot cover any portion of the delivery address unless it is attached to the outer shrinkwrap of the bundle. OBLs must not be affixed to the smallest surface of the bundle.

Bundle Height

The APPS equipment has cameras with OCR capability to read the address information on four sides of the bundle or parcel. These cameras are focused on only the top, bottom, left, and right sides of the bundle or parcel, and not on the leading end or trailing end of the bundle or parcel as it proceeds through the machine. The bundles or parcels are automatically inducted and routed through the machine, with the smallest surface of the bundle or parcel entering first, and will not be read by a camera if the address block of the top mailpiece is on that side. This process makes the dimension of the bundle or parcel and the location of the delivery address critical for processing on the APPS.

Currently, parcels must have the delivery address located on one of the larger sides of the parcel. Since APPS inducts the mailpiece with the smallest surface first, it is important that the addresses on bundles of flats and irregular parcels also be located on one

of the larger surfaces of the bundle or have an OBL affixed to one of those larger surfaces of the bundle. Some packages of small, thick flats or irregular parcels placed in bundles of 10 or more pieces contain the delivery address on the smallest surface of the bundle. To ensure that bundles of thick flats or irregular parcels can be processed on APPS, the height of the bundle must be at least 1 inch less than the longest dimension of the individual mailpiece, unless an OBL is affixed to one of the larger surfaces of the bundle. For example, a mailpiece measuring 7 inches long, 5 inches high, and 1/2 inch thick must be placed in bundles less than 6 inches high unless an OBL is used.

Bundle Integrity

The above restriction on bundle height is expected to improve bundle integrity. Nevertheless, bundle integrity remains critical for carrier route and presort bundles processed on the new high-speed APPS. Bundles breaking apart can create serious operational disruptions, and the debris from broken bundles, such as banding or shrinkwrap material, may block the optics or other mechanisms on the equipment and require manual intervention to clear the debris before resuming machine operation.

Presort bundles must be able to withstand normal transit and handling without breakage or injury to employees. Even though string, twine, and rubber bands continue to be permitted at this time as an option to secure bundles, plastic strapping and shrinkwrap are the preferred methods for ensuring the integrity of bundles of irregular parcels and flat-size pieces. With today's standards, banding tension must be sufficient to tighten and depress the edges of the bundle so that banding does not shift and obstruct address information, as well as ensuring that mailpieces in the bundle do not slip out of the banding during transit and processing. As a rule of thumb, a bundle should withstand normal handling if it can be dropped on a corner of the bundle from a height of approximately 4 feet without breaking or becoming so deformed that pieces are likely to escape from the bundle. If the bundle breaks or the deformed bundle would cause the pieces to escape during processing, additional measures should be taken to maintain the bundle integrity.

Proposed Implementation

Recognizing that the mailing industry may have to change some procedures to ensure address visibility, the proposed implementation of these standards is

April 1, 2005. Deployment of APPS began in August 2004 and will continue through October 2005.

Although exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S.C. of 553(b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comment on the following proposed revisions to the *Domestic Mail Manual* (DMM), incorporated by reference in the Code of Federal Regulations (CFR). See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

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2. Amend the following sections of the *Domestic Mail Manual* (DMM) as set forth below:

M Mail Preparation and Sortation

M000 General Preparation Standards

M010 Mailpieces

* * * * *

M013 Optional Endorsement Lines

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[Add new 4.0 to read as follows:]

4.0 OPTIONAL BUNDLE LABEL

4.1 Definition and Use

An optional bundle label (OBL) is an adhesive label that provides presort destination information. When used, the label must be affixed to any surface other than the smallest surface of a presorted bundle.

4.2 Label Characteristics

The bundle label must be at least 1 1/4 inches high by 3 1/2 inches long. The label must be created with permanent adhesive or removable adhesive. Removable adhesive must not seep beyond the label and must be sufficient to keep the label affixed to the bundle without curling or peeling during normal mail processing. Labels must be white with printed information in black ink. The single-spaced lines of printed information must be in a non-narrow variant of Arial or Helvetica, in a range of 10- to 12-point type regardless of the font used in the delivery address on the mailpiece. The information must maintain a clearance of at least 1/25 inch from the top and bottom of the label and 1/8 inch from the left and right sides of the label.

4.3 Required Information on Labels

The OBL must show the following three lines:

Line 1: Optional endorsement line (OEL), without ACS, following the formats in 2.0 and Exhibit 1.1.

Line 2: "OPTIONAL BUNDLE LABEL."

Line 3: City, state, and 5-digit ZIP Code of any mailpiece that could properly be in the bundle.

4.4 Placement

The label must be placed parallel to an edge of the bundle without covering the address of the top mailpiece unless affixed over shrinkwrap securing the bundle. The label must not be placed on the smallest surface of the bundle or obscured by any material.

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M020 Bundles

1.0 BASIC STANDARDS

1.1 Facing

[Revise 1.1 to read as follows:]

Except as noted in 1.3, all pieces in a bundle must be "faced" (i.e., arranged with the addresses in the same read direction), with an address visible on the top piece.

[Renumber current 1.2 through 1.9 as new 1.3 through 1.10. Add new 1.2 to read as follows:]

1.2 Address Visibility

Effective April 1, 2005, presort bundles prepared in sacks or on pallets

must have the delivery address information visible and readable to the naked eye, including any barcoded pressure-sensitive bundle label or optional endorsement line. These standards do not apply to bundles of letter-size mail; bundles of First-Class flat-size mail; Customized Market Mail (CMM); bundles placed in 5-digit or 5-digit scheme (L001) sacks or pallets, or carrier route or 5-digit carrier routes sacks; carrier route bundles entered at the Destination Delivery Unit (DDU); bundles prepared in letter trays under M033 and all bundles containing an optional bundle label under M013.4.0. Except as provided in 1.5g, bundles of flats or irregular parcels with the delivery address on the smallest surface of the bundle must have an optional bundle label (OBL) affixed to a larger surface. Banding, shrinkwrap, barcoded pressure-sensitive package labels, or facing slips must not obscure any part of the delivery address on bundles covered by this standard.

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1.4 Labeling

[Revise the fourth sentence in 1.4 to clarify that the delivery address must not be obscured by the presort bundle label, to read as follows:]

* * * Bundle labels must not obscure the delivery address and must not be obscured by banding or shrinkwrap. * *

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1.5 Securing Bundles—General

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[Add new item g to read as follows:]

g. The height of a bundle of flats or irregular parcels must be at least 1 inch less than the longest dimension of the addressed side of any individual mailpiece in the bundle unless an optional bundle label (OBL) is affixed to a larger surface of the bundle.

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1.8 Bundle Size—Other Mail Classes

[Revise the introductory sentence to replace "either" with "any" and add new item c to read as follows:]

Except for Bound Printed Matter, an individual package may be prepared with fewer than the minimum number of pieces required by the standards for the rate claimed without loss of rate eligibility under any of these conditions:

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c. The height of the bundle would not be at least 1 inch less than the longest dimension under 1.5g.

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if the proposal is adopted.

Neva R. Watson,

Attorney, Legislative.

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