

## Your Postal Podcast 59th Edition Transcript – April 2013

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**Richard Watkins:** Welcome to Your Postal Podcast. This is Richard Watkins of U.S. Postal Service Corporate Communications. In this April 2013 edition, you'll hear how the Postal Service goes about clearing a large inventory of excess postal equipment, and we'll take a closer look at the original five-digit ZIP Code, as it hits "the Big 5-0" later this year.

### Asset Accountability Segment

**Watkins:** Have you ever wondered what happens to outdated postal equipment? You might be surprised to learn that the Postal Service has generated a healthy amount of revenue by going to where the "auction" is. David Rupert has the details.

**Michele Ayon:** The Postal Service's junk is another man's treasure.

**David Rupert:** That's Michele Ayon, who works at the Postal Asset Accountability Center. When she walks through postal facilities she sees gold as she eyes excess equipment stored in rooms, docks and basements.

When you're as old and large as the Postal Service, it's to be expected. After all, our needs change -- equipment breaks or becomes outdated. In the spirit of eBay, Craigslist, and American Pickers, there's no longer a need to keep that old stuff lying around. Michelle is part of a group that helps facilities take unused, obsolete and broken equipment and repurposes it. In fact, there may be some revenue for the Postal Service just waiting to be claimed.

**Ayon:** It promotes reuse; it reduces waste and saves the Postal Service money.

**Rupert:** Apparently, there's a strong auction market for items like rest-bars, conveyer belts, desks and chairs. Many of these items aren't working. But that doesn't thwart buyer interest.

**Ayon:** We have sold a lot non-working items, like non-working fire extinguishers, non-working electric cars, non-working snow removal equipment, but we have sold a lot of scrap metal.

**Rupert:** The accountability service center has sold some interesting items. Chalk it up to American ingenuity which knows no bounds, as people have repurposed all sorts of items. For example, the Des Moines NDC (Network & Distribution Center) had some obsolete rubber belting that was destined for the landfill. But they contacted the Asset Accountability Service Center and they were able to list the belting. A couple of local farmers bought the excess and they're using it in some unique ways.

**Ayon:** They've cut it up to use as mud flaps on their trucks; lining their toolboxes in their trucks; they're lining their tractor-trailers. They are -- one gentleman wanted to use it as a waterslide for his grandchildren. And another man was going to make it into a conveyor system to get bales of hay up to his loft.

**Rupert:** In Michele's mind, there's a potential buyer for nearly everything.

**Ayon:** Denver P&DC (Processing and Distribution Center) here locally had a phone booth that they needed to get rid of -- just a phone booth that was sitting there taking up space. So my counterpart in the office sold it on GovDeals for about \$150 and they came and hauled it away and we didn't have to lift a finger.

**Rupert:** By going to govdeals.com, potential buyers can bid on excess items. It's something more than 2,000 have done in the last two years, generating more than \$700,000 in revenue nationwide.

**Ayon:** The successful bidder is responsible to provide all manpower and equipment for removal of the items, whereas previously we had to put it in the truck to get it to the recycling place and expend the man hours to get it done

**Rupert:** Selling these items has many benefits.

**Ayon:** We're repurposing, we're reusing, we're reducing waste and we're keeping items out of local landfills.

**Rupert:** One unique sale of excess items occurred when the Old Reno (Nevada) Downtown Station was recently sold. The basement served as a fallout shelter in the 1950s – and it was still stocked for survival. They had 200 drums of water, sandbags, burlap sacks, sanitation kits and medical kits – all ready for “the big one.” The removal of these items would have incurred a significant cost. But, a buyer was found.

**Ayon:** So I sold these items on a third-party auction site for about \$475.

**Rupert:** (If you are a postal employee) Your first stop is to have your manager access the service center from Postal Blue (intranet site).

**Ayon:** In the search field you enter “AASC” which stands for Asset Accountability Service Center.

### ZIP Code Segment

**Watkins:** The five-digit ZIP Code is 50 years old this year. But have you ever thought about what went into creating those numbers? Brian Sperry has done the research and he's here with more.

[Sound: Ethel Merman ZIP Code Song segment]

**Brian Sperry:** Until 50 years ago, Americans wrote just the name, street address, city and state on each letter or package they mailed.

In 1963, the Zone Improvement Program (ZIP) was introduced to the public – along with new, official two-letter state abbreviations.

The advent of the ZIP Code revolutionized mail sorting. At first, use of the ZIP Code was not mandatory for anyone, but by 1967, the Post Office required senders of second- and third-class bulk mail to presort their large mailings by ZIP Code.

[Sound: ZIP Code Song segment]

Here's what the ZIP Code's five digits represent: The United States was divided it into 10 Regions, ranging from zero for New England to nine for the far west. The first digit of each ZIP Code designates the region.

Next, each region was partitioned into sections that comprised the next two numbers in the ZIP Code. Finally, each Post Office within those sections was assigned a number that represented the last two digits. Usually, the largest Post Office in the section was designated as the first or "zero one" office in that area.

If you look at a list of all the ZIP Codes in your county, you'll likely see the largest city's code ending with the number "1." The rest of the towns are alphabetized and ascending ZIP Codes are associated with them.

[Sound: ZIP Code Song segment]

Eventually, with increasing mail volume, the five-digit ZIP Code could no longer meet the demands of the service. So, in 1983 each city block, office building, or high-volume receiver of mail was assigned a nine-digit ZIP Code or ZIP Plus-4 Code.

Just for fun, here are some ZIP Codes of note: 22222 is Arlington, Virginia; 44444 represents Newton Falls, OH; 55555 is Young America, MN, and Schenectady, New York, is the lucky owner of 12345.

[Sound: End of ZIP Code Song]

**Watkins:** Speaking of fun and ZIP Codes, we want to thank the many listeners who wrote in about last month's podcast, which included the story behind the iconic Mr. ZIP. Congratulations and a Mr. ZIP bobblehead doll go out to Celia Behrens of Low Moor, Iowa, and Shawn Hurley of Eagan, Minnesota, who were selected at random from all of the comments received. Our thanks to the National Postal Museum's website for Ethel Merman's rendition of the ZIP Code song.

**Watkins:** And now, here's a look at recent postal headlines: On April 10th, 2013, the Postal Service's Board of Governors issued a statement regarding mail delivery. The statement reads as follows:

The Board of Governors of the United States Postal Service met April 9 and discussed the Continuing Resolution recently passed by Congress to fund government operations. By including restrictive language in the Continuing Resolution, Congress has prohibited implementation of a new national delivery schedule for mail and packages, which would consist of package delivery Monday through Saturday and mail delivery Monday through Friday, and which would have taken effect the week of Aug. 5, 2013.

Although disappointed with this Congressional action, the Board will follow the law and has directed the Postal Service to delay implementation of its new delivery schedule until legislation is passed that provides the Postal Service with the authority to implement a financially appropriate and responsible delivery schedule. The Board believes that Congress has left it with no choice but to delay this implementation at this time. The

Board also wants to ensure that customers of the Postal Service are not unduly burdened by ongoing uncertainties and are able to adjust their business plans accordingly.

The Board continues to support the transition to a new national delivery schedule. Such a transition will generate approximately \$2 billion in annual cost savings and is a necessary part of a larger five-year business plan to restore the Postal Service to long-term financial stability. According to numerous polls, this new delivery schedule is widely supported by the American public. Our new delivery schedule is also supported by the Administration and some members of Congress.

To restore the Postal Service to long-term financial stability, the Postal Service requires the flexibility to reduce costs and generate new revenues to close an ever widening budgetary gap. It is not possible for the Postal Service to meet significant cost reduction goals without changing its delivery schedule – any rational analysis of our current financial condition and business options leads to this conclusion. Delaying responsible changes to the Postal Service business model only increases the potential that the Postal Service may become a burden to the American taxpayer, which is avoidable.

Given these extreme circumstances and the worsening financial condition of the Postal Service, the Board has directed management to seek a reopening of negotiations with the postal unions and consultations with management associations to lower total workforce costs, and to take administrative actions necessary to reduce costs. The Board has also asked management to evaluate further options to increase revenue, including an exigent rate increase to raise revenues across current Postal Service product categories and products not currently covering their costs.

The Board continues to support the Postal Service's five-year business plan and the legislative goals identified in that plan, which will return the Postal Service to financial solvency. The Board additionally urges Congress to quickly pass comprehensive postal legislation, including provisions that would affirmatively provide the Postal Service with the ability to establish an appropriate national delivery schedule.

Thank you for listening to Your Postal Podcast. Now, we'd like to hear from you. Please email your feedback and story ideas to [YourPostalPodcast@usps.com](mailto:YourPostalPodcast@usps.com). One lucky listener who comments about this month's show will be selected at random to receive a Mr. ZIP bobblehead doll.

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