

The end of the line by Angela Lawson. 18 June 2004



I hate waiting in line. In fact, my aversion to long lines is so strong that I will go to great effort to avoid any kind of wait.

According to Nick Wreden, a customer loyalty expert and author of the book "On An Average Day," by the time we die, the average American will have spent five years waiting in line.

One place I avoid – due to its limited hours and long lines – is the post office. So, whenever I need to mail a package, I will invariably plead with my husband to run the errand for me.

Fortunately for my husband, our local post office just installed one of the new Automated Postal Centers.

In an effort to reduce wait times and increase efficiency, the U.S. Postal Service is spending more than \$100 million on the APC program. It plans to deploy more than 2,500 units by the end of 2004 and 10,000 by late 2006 or early 2007.

At a 2003 National League of Postmasters meeting, USPS Vice President of Emergency Preparedness (then the Vice President of Retail) Henry Pankey said, "This self-service platform is aimed at providing our customers with more service. The Postal Service will now offer state-of-the-art kiosks that provide 80 percent of the most common transactions and will be able to do it 24 hours a day, seven days a

week and with the same convenience as an ATM."

What is it?

The APC is a self-service touchscreen kiosk that allows patrons to weigh and purchase postage for letters, flats and parcels up to 70 pounds. The APC also prints Information Based Indicia postage for express mail, priority mail, first-class mail and parcel post. The IBI standard is used to enhance the security of postage metering and speed of delivery.

Additional kiosk features include the ability to purchase first-class stamp sheetlets, electronic label and return receipt printing, zip code look-up and the purchase of delivery confirmation service.

At this time, the APC only accepts credit or debit cards – no cash. While the APC can handle most of the same functions performed by counter personnel, it cannot accept packages to foreign countries, handle packages that weigh more than 70 pounds or measure more than 17 inches, insure packages or handle registered mail.

The APC does offer added security features. Similar to going to the counter, the touchscreen prompts users to answer questions such as: Does the package contain anything explosive, flammable, or infectious? And since the machine only accepts credit and debit cards, a photo of the user is taken once the card is swiped, which means

there is less possibility for malicious intent. If someone were to mail a biological agent or bomb, a transaction record would be associated with the package.

Streamlining government services

IBM won the \$80.1 million contract for the APC program from the U.S. Postal Service's Supplies and Services Purchasing Division.

"USPS contracted with IBM and IBM selected Pitney Bowes to deliver the revenues collection and secure metering technology needed for this solution," said Brian Leary, Pitney Bowes' director of business and marketing development global product marketing, mail finishing. "The intent for the joint project was to make it easier for customers to access the USPS services and enter mail into the mail stream."

According to IBM's Web site, the APCs are networked to the IBM retail point-of-sale back-end system for transaction handling and are remotely monitored by the U.S. Postal Service for replenishing consumables, and proactively dispatching maintenance and security, all using IBM's Kiosk Manager software.

This approach to equipment service has dramatically reduced replenishment costs versus the traditional approach to scheduled service visits. An additional cost benefit is that shorter counter lines allow postal workers to concentrate on more complex transactions.

What a difference a few years can make

In the mid-'90s kiosk vendor U-Ship International unsuccessfully tried the same concept with its Automated Shipping Centers.

Of course that was before the success of eBay.

Due to the increased demand for expedited shipments, customers now want the ability to ship packages easily and on time. This trend is pushing carriers to continue to look for innovative ways to meet customer needs. And customers have shown that they like the convenience of the APC.

"It's a great project. If you stand there for more than 15 minutes and you watch the customers come in, it's amazing the positive response that you have," said Leary. "I sat near one in New Haven which is one of the first hundred that were installed. Time and time again, for a total of three hours, the response was overwhelmingly positive. I think it has worked out well for USPS."



Automated Postal Center - 2004 Winner of Best Retail Kiosk Application