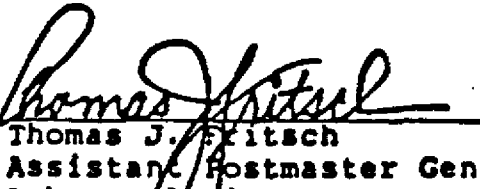


**IMPLEMENTATION INSTRUCTIONS FOR  
SEGMENTATION SETTLEMENT AGREEMENT OF MARCH 9, 1987  
BETWEEN  
UNITED STATES POSTAL SERVICE AND  
NATIONAL ASSOCIATION OF LETTER CARRIERS, AFL-CIO**

Enclosed is the segmentation settlement agreement of March 9, 1987, concerning segmentation concepts described in the M-39 Handbook published under Transmittal Letter 11, November 15, 1985. The agreement sets forth all the terms for settling grievance H4N-NA-C35, which relates to amendments published in Transmittal Letter 11.

All manual, tertiary distribution as described in statement 2 of the March 9 agreement should be assigned to the letter carrier craft as expeditiously as possible. In accordance with statement 6 of the enclosed agreement, any tertiary sortations established after June 16, 1983, which are in conflict with the agreement will be changed to conform.

The Employee Involvement process will be utilized to develop recommendations for use by the installations affected by the agreement. Where the Employee Involvement process is not in place, the local Joint Labor Management Committee should be used.

  
Thomas J. Fritsch  
Assistant Postmaster General  
Labor Relations Department  
United States Postal Service

 for 3/13/87  
Vincent R. Sombrotto (Date)  
President  
National Association of  
Letter Carriers, AFL-CIO

Enclosure

## SETTLEMENT AGREEMENT

M-00777

The United States Postal Service and the National Association of Letter Carriers, AFL-CIO, in joint discussion and consultation, have agreed on a set of principles governing the implementation of the segmentation concept as provided in the M-39 Handbook (see attachment).

These principles will ensure the efficiencies and effective implementation of the segmentation concept and ensure the fair and appropriate utilization of letter carriers in the performance of the work involved in segmentation.

### Statement of Principles:

1. Segmentation of mail can efficiently be processed on automated or mechanized equipment. Such processing will be done by the craft designated to operate that equipment.
2. A manual, tertiary or delivery preparation operation is the manual sortation or preparation of mail that occurs after an incoming secondary operation and does not require memorization of distribution scheme items. A manual tertiary or delivery operation will be done by city delivery letter carriers provided the mail is for city delivery routes or post office box sections served by these routes and provided there is space available at the delivery unit. If space is not available, and sortation is done at a General Mail Facility, a mail processing center, or any other postal installation or facility within the installation, letter carriers will perform the manual tertiary sortation at such facilities. An incoming secondary operation normally requires

memorization of distribution scheme items and is one which results in mail being sorted to carrier routes, firms, box section, nixies, postage dues, and other separations necessary for the efficient processing of mail.

3. Routers can be used to perform the manual tertiary sortation of mail segmentation whenever that is operationally feasible. Tertiary sortation duties may also be combined with other forms of letter carriers' work to create full-time assignments.

4. Even though no arbitrary limitation is placed on the number of pieces in a segmentation, a limitation will, in effect, be imposed by whatever number of pieces is operationally effective and efficient for each operation in an installation.

Standard manual distribution cases that are used in delivery units should be fully utilized for sorting mail to carrier routes, box sections, postage dues, etc. Segmentations should contain sufficient volumes that can be sorted and pulled down efficiently. For example, a single delivery point or ZIP + 4 segment (blockface, apartment building, etc.) that averages two or three pieces a day should not normally take up space on the incoming, manual secondary case. Exceptions could be holdouts such as nixies, postage dues, etc., that require special treatment regardless of volume.

Segmentations are not necessarily static; therefore, manual secondary cases should be reviewed periodically to ensure that all cells are properly utilized in the most effective and

efficient manner possible, consistent with operational or service needs.

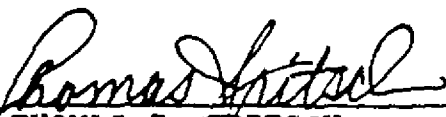
5. Each installation will determine the type of equipment to be used in a tertiary sortation. Performance on that equipment will be done in accordance with the principle of a fair day's work for a fair day's pay which will normally be reflected in the general performance expectations for that equipment.


6. The parties understand that the tertiary sortation referenced here is the result of the implementation of the segmentation concept, which is presently described in the changes to the M-39 Handbook as presented to the National Association of Letter Carriers, AFL-CIO, on August 15, 1985. Any tertiary sortation established prior to June 16, 1983, will remain in effect unless changed by the installation. Changes made after June 16, 1983, but prior to implementation of this understanding, which are in conflict with this document, will be changed to conform.

7. The Employee Involvement process will be utilized to develop recommendations for use by the installations affected by this Agreement.

The National Association of Letter Carriers, AFL-CIO, and the United States Postal Service acknowledge that this Settlement Agreement is not an admission of fault or liability on the part of either party to this Agreement. The United States Postal Service and the National Association of Letter Carriers, AFL-CIO, also acknowledge that this Agreement sets forth all the terms for

settling pending grievance H4N-NA-C 35. The parties agree to meet as soon as practicable to resolve all other outstanding grievances involving segmentation in a manner consistent with this Agreement. The United States Postal Service and the National Association of Letter Carriers, AFL-CIO, agree that the terms of the settlement contained in this document may not be added to or subtracted from, in any way. This Settlement Agreement is without prejudice to the positions of either party with respect to the interpretation or application of the National Agreement in any future proceeding between the parties. The effective date of this agreement is March 9, 1987.

  
THOMAS J. FRITSCH  
Assistant Postmaster General  
Labor Relations Department  
United States Postal Service

  
VINCENT R. SOMBROTTO  
President  
National Association of  
Letter Carriers, AFL-CIO

**MANAGEMENT OF DELIVERY SERVICES****Handbook M-39****Transmittal Letter 11****November 15, 1985****116.8 Segmentation of Mail**

**.81 Definition.** A major characteristic of the ZIP + 4 data file is the segment, or the smallest unit to which distribution can be made. Segmentation is the sortation or preparation of mail into clusters or groupings for the purpose of achieving greater processing and/or carrier sortation efficiency. Using the ZIP + 4 segment concept, segmentations may be prepared by customers or contract personnel prior to entry, or in postal operations prior to dispatch or receipt by the carrier. Examples of segmentations include but are not limited to mail grouped by: unique ZIP + 4 code, ZIP + 4 blockface, multi-tenant buildings, box sections (including NDCBUs), or individual addresses.