



Open mind

EXAMINING THE CASE FOR A NEW BREED OF SYSTEMS' INTEGRATOR

Deregulation continues to be a powerful force for change, with every stratum in the postal community adjusting to the threats and opportunities that it poses. The importance of automation technology has risen dramatically during this process. Initially systems were basic, a step up from manual handling, but there has been a seismic shift.

National posts, international express integrators such as TNT and even smaller domestic operators have all invested in postal automation technology. The take-up in some markets is of course slower than in others. While some are comparative newcomers, others have reached a high level of refinement in their automation and are now demanding performance gains that can be measured in one or two percentage points. They are fine-tuning their systems to get the very best return.

Against this, the postal landscape is changing. The economy has taken its toll with lower volumes, revenues and profit

margins. Letter mail has been hardest hit. The decline of this sector has accelerated, and it was already feeling the impact of changes in the way we communicate and the march of e-commerce. Although the parcel and express sectors have not been immune to the recession, their businesses have not been so severely compromised and continue to grow. However the next few years are expected to prove challenging.

A study commissioned by the EU confirms that the competition will remain intense and further consolidation is likely at an international and domestic level. Indeed we have already seen evidence of that with the merger of Posten of Sweden with Post Danmark, establishing Post Norden a joint group with 50,000 employees and revenues of €4.4 billion.

Clearly the needs of the market are changing at a considerable pace due to economic and shareholder pressure, customer preference and the introduction of new intelligent services. Never before has

there been a greater need to improve productivity, underpin profitability, extend labour flexibility and become more efficient in the sharing of resources.

Post Danmark provides a great example of a post that appreciates the value of continued investment in automation. Last year it commissioned OCR specialist Prime Vision to reduce video coding on flats by at least 50 percent. The success of this project resulted in a similar assignment for parcels. "The implementation of the system has been flawless and system performance was high from day one, without interfering with production," explains Nadim Jakob Manori, head of Pakker ØST and VEST. "We have a parcel read-rate increase of 25 percent"

Achieving these goals demands an 'open' approach to product development and to systems integration, one that allows individual posts and operators to grow their businesses flexibly. This is a perfect platform for Prime Vision, which describes itself as an OCR specialist with a difference and a systems integrator with no ties. It's an innovative business that is independent and therefore able to make the best recommendation for the given application. This is how Prime Vision is now positioning itself and it is actively delivering something that is refreshingly new.

Evolution Prime Vision has been at the vanguard of automation technology for 30 years but it has evolved in line with market needs. Having focused its attention on the developing OCR solutions that bridge the gap between other product offerings on the market, it is now applying the same thought process to systems integration.

A key component of Prime Vision's OCR success has been its independence. Its solutions incorporate a wide range of hardware and software brands and in the future its scope will naturally be extended to include new platforms and devices such as Apple and the iPad for mobile solutions.

Web-enabled systems continue to make a major contribution to its success and have resulted in many postal organisations being able to better manage work fluctuations both nationally and internationally. Another important area of development is the provision of hybrid solutions, such as hybrid coding using a combination of voice and text recognition.

Over the years Prime Vision has established non-exclusive relationships and working partnerships with virtually every integrator and OEM allied to the industry. Indeed no other company can match Prime Vision for its neutrality and this provides major benefits for the customer as there are no limitations to finding the optimum solution for the job.

Getting more out of existing systems In the markets where automation is already established, it's all about getting a better return on existing investments and bridging systems that link parts of the process or the business together. This is a requirement that is relatively small-fry in the world of systems integration. It doesn't suit the business models of the larger integrators, nor do they have the extended product knowledge or relationships to consider a choice of potential solutions.

Any systems integrator employed to improve performance in such an environment has to work with an existing process and automation system. Each setup will be unique to the customer and any company being engaged to enhance the performance of that system has to be fully conversant with its modus operandi. Unravelling the rat's nest of hardware and software involved is something that Prime Vision does with ease.

Having worked with almost every hardware and software vendor on projects over the years, Prime Vision has unmatched experience in knowing how different systems work together. Another current project emphasises these merits.

Prime Vision has been involved in a variety of automation roles for this particular national post. For its latest project it called on experience gained on systems developed for the post's various sorting centres in its home country. Indeed this was one of the first examples of Prime Vision OCR being deployed nationwide outside the Netherlands, a trend that has continued for Austria, the UK, the USA, Australia, Ireland, Finland and others.

This client wanted to introduce new customer services that required more detail to be collected from every parcel. At the same time the post sought to improve its parcel delivery network so that parcels are sorted in two of its hubs direct to specific

local delivery trucks at regional transfer locations. Previously the complete parcel flow was sorted at the hubs only to the level of the regional transfer location. Then a further sorting process was required when the parcels arrived at the regional transfer location that allocated the items to specific delivery truck routes.

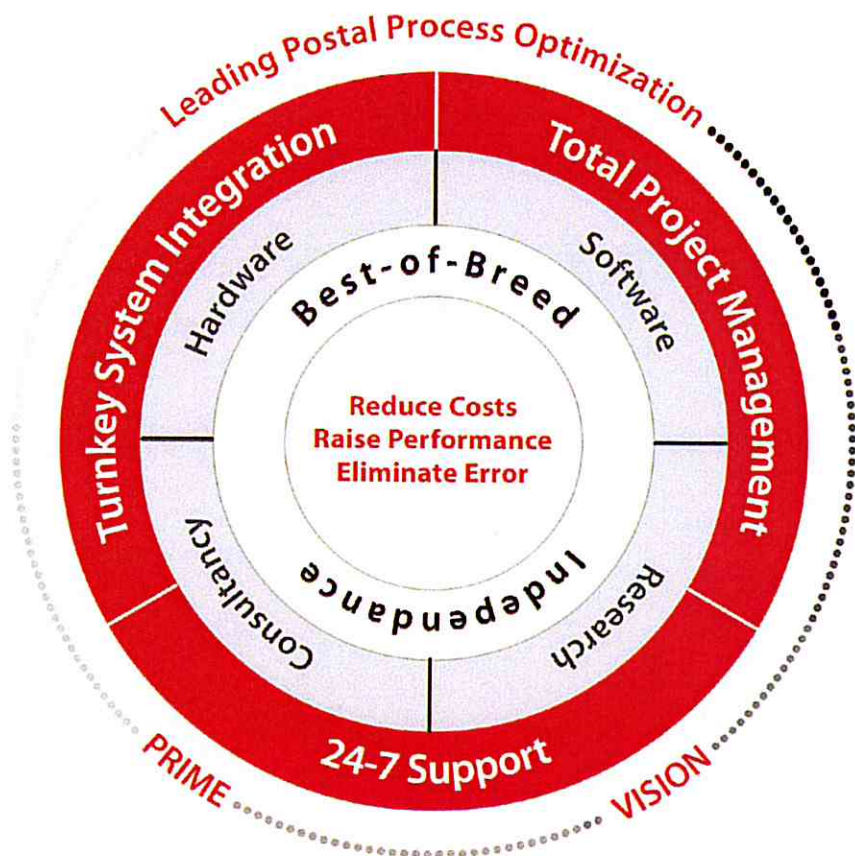
Although the existing OCR processes at the respective sorting centres basically did the same job, they employed different solutions from different vendors. As it stood the post was faced with separate upgrades for each centre to achieve its aims. However this outcome would not allow shared workflow between the hubs to manage peak flows or for redundancy purposes. Neither could there be a common system for managing information reporting at the automation level.

Prime Vision considered the requirements and systems at both centres

and proposed a team approach whereby both existing OCR vendors and the client collaborated to provide the best outcome, with Prime Vision acting as the overall integrator. The result is a standardised solution for both centres that merges the best of both under a new and improved Prime Vision software platform.

A major cost saving in this approach is that the post now has two OCR solutions for parcels. Far from this being overkill, it makes sound business sense. Both systems may have the same net read-rate but will actually be reading a different mix of parcels. By integrating them, much higher read rates and lower error rates are achieved. This has been Prime Vision's consistent approach – adding value by being different.

The new delivery route sorting requirements meant that the OCR must read all address elements on the parcel label



– not just the city and post code as in the original specification. Under the old single OCR regime, this would have had a major effect on the OCR error rate. However as both sorting centres now have primary and secondary OCR engines this problem has been averted.

Modular enhancement The new combined platform also includes ImageArchive, one of many Prime Vision modules that can be incorporated into a solution at any time. This will allow the post's customer service department to provide an enhanced tracking service as it will capture images of parcels passing through the sorting centres for the entire domestic market.

An enhanced video-coding solution is another element of this system. It creates two streams of video-coding workflow, the first for the standard level of sorting and the second a deeper coding level to update the database. Both are delivered to the video-coding operators in a smart way. Coding for sorting purposes is presented



Video coding in action

live while the parcel is still on the sorter. Deeper level coding tasks are presented only if there is no live coding to be done and may be left pending for up to 24 hours as standard but for longer if selected.

The new common Prime Vision video-coding platform is linked by an inter-site secure data link that enables work to be shared between the locations during production peaks. In other words video-coding of parcels can be undertaken at either site. The system delivers management information reports that, for

the first time, are comparable between the two sorting centres.

Both also have a common support system for secure live access, a feature that considerably reduces costs. As the same system is installed at both centres, the on-site technical teams can work together across the two sites, sharing best practices and resources. The systems are accessible by either team on either site as well as by the Prime Vision 24/7 support desk.

Summary The key to the success and cost-effectiveness of this system at this post is Prime Vision's absolute openness, which brought together all the stakeholders with the accountability of a single, responsible integrator for the client. This required complete flexibility and trust between all parties. It was also reliant on Prime Vision's complete understanding of the client's operations and also its aims. This enabled Prime Vision to deliver a solution that made best use of its existing systems within an open software platform that in turn enables continuous development.

