New Zealand Post Secures Its Operations

When the New Zealand Post wanted a better way to protect its mail, it turned to Videx.

The earliest forms of postal communications within New Zealand were haphazard at best. Being a maritime country made up of three main islands and a number of small offshore islands, the first residents were primarily missionaries, whalers and traders. Residents had to rely on occasional passing ships for their mail. Eventually, the establishment of settlements across the North and South Islands brought the need for structured postal services and New Zealand Post was established.

While New Zealand Post's history spans over 150 years, it is the past 20 years of change, refocus and diversification that defines it. Today, New Zealand Post's core postal operations are much the same as those of the U.S. Postal Service. Both face similar challenges when it comes to securing operations, providing quality service and protecting customer mail. Unlike the U.S. Postal Service, however, New Zealand Post is a private organization and operates in a deregulated environment.

On April 1, 1998, the Postal Services Act of 1998 was passed, deregulating the New Zealand postal market and opening it to full competition. The act effectively removed New Zealand Post's 150-year monopoly on the delivery of standard mail. Under current regulations, all individuals can process and deliver mail, at any cost, as long as they are registered with the New Zealand Ministry of Economic Development. There are currently 25 registered postal operators, including New Zealand Post.

With a number of competitors in their core market, New Zealand Post is always seeking ways to make its network for managing mail more efficient and secure. To accomplish this, it subcontracts mail collection and preparation services to private companies that are responsible for channeling large volumes of mail to New Zealand Post's central processing service centers.

PROBLEM: SECURITY AND QUALITY OF SERVICE ISSUES

Quality of service was an issue. Subcontractor clearance agents are required to collect the mail from New Zealand Post's network of approximately 5,000 street receiver boxes during a specific window of time each day. New Zealand Post had no way to determine if and when mail was being collected.

Security was also a concern. Each route includes 20 to

Case Profile

Case Nature:
The New Zealand Post installed an electronic lock solution from Videx on all its postal boxes.

Location:
Wellington, New Zealand

System Adopted:
The Videx Cyberlock system for the New Zealand Post manages 3,500 mail receiver boxes.

Case Features:
- The CyberLock system replaces mechanical cylinders in traditional locks with CyberLock electronic cylinders
- Web-based Enterprise software provides daily reports, accessible from any computer on a Web browser
- Enterprise supports a variety of methods for communication between the CyberLock hardware and the software, including the use of cellular PDAs to program keys on demand in the field
- Clearance agents carry only one electronic key to service all receiver boxes on their routes

30 street receiver boxes and sometimes clearance agents service multiple routes. Each series of 50 receiver boxes were keyed alike. If a key was lost, all the locks in that series of street boxes had to be rekeyed at great expense. Also, the time required to rekey the boxes put customer mail at serious risk.

SOLUTION: ELECTRONIC LOCK SYSTEM

New Zealand Post began looking for a system that would allow it to monitor the performance of each subcontractor clearing mail from their street receiver boxes. Ian Bekhuis, Letter Acceptance Network Manager, said, "We put a tender out to industry with a list of our requirements inviting companies to present their solutions. Many different types of technology were presented to us."

It sought an effective solution with good price performance. "We selected CyberLock because it was cost effective and met our requirements in terms of measurability and auditing," Bekhius said. "CyberLock did not require a huge investment in supporting technology."

In spring of 2006, with the support of their vendor, Electronic Keying Australia, New Zealand Post implemented a successful four-month trial of the CyberLock system in the city of Wellington. Next, it converted 3,500 of their receiver boxes to CyberLock by replacing the mechanical cylinders in the locks with CyberLock electronic cylinders. "We've had vandals try to break into the street receiver boxes with hydraulic pry bars and other types of equipment. The boxes themselves may sometimes fail, but not the CyberLocks because they are so robust," Bekhuis said.

Enterprise software provides daily reports of box clearance times and exception reports when an agent tries to open a street receiver box outside the scheduled collection time. "The national networking capability the system provides is a great benefit to us," Bekhuis said. "Not only does the hardware provide a very high level of security but the system's Enterprise software allows us to

▲ A street receiver postal box site for the New Zealand Post

perform audits over the network and manage the performance of our subcontractors at each collection site."

Since Enterprise software is Web-based, managers can easily access it from any computer, by opening a Web browser and logging on. Enterprise supports a variety of methods for communication between the CyberLock hardware and the software, including the use of cellular PDAs to program keys on demand in the field. Clearance agents carry only one electronic key to service all receiver boxes on their routes.

With Enterprise, New Zealand Post sets schedules in each agent's electronic key for accessing the receiver boxes on their route. It also programs collection times in the key, so the agent cannot clear a box before a predetermined time of the day. Along with this tight-control functionality, it can disable a key immediately should one be lost. Prior to installing the CyberLock system, a lost mechanical key would cost approximately US$2,200, because New Zealand Post had to replace all the mechanical locks that were keyed alike on that series of receiver boxes.

The information that the CyberLock system gathers for New Zealand Post on a daily basis consists of box clearance times, denied entries, and audit trails for all the keys and locks. It also reports exceptions such as attempted access to a box outside the scheduled collection time. "The most important benefit the CyberLock system provides is greatly enhanced security," Bekhuis said. "The most useful feature from a management point-of-view is the ability to manage and monitor our subcontractor service performance." **AS**

↘ ABOUT THE AUTHOR

Andy Hilverda is Vice President of Videx, a company that designs and manufactures security products and CyberLock electronic lock systems. For more information, visit *www.videx.com*.