



## Association for Postal Commerce

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### Postal News from January 2011:



#### [Welcome to PostCom Radio](#)

*Join PostCom President Gene Del Polito and the members of the PostCom Package Services Workgroup (Wendy Smith, Carol Kliewer, John Medeiros, and Richard Porras) in a discussion on*

[What's the Strategy/Rationale Behind the Proposed Standard Mail NFM/Parcel Increase ... Or is There Any?](#)

#### January 31, 2011

 [Times Live](#): "Floods and snow are to blame for the late delivery of mail posted in Australia, the United Kingdom and the United States to South Africa, says the Post Office. Items sent from these countries in December 2010 were now starting to be distributed locally, head of mail business at the Post Office, Janras Kotsi, said in a statement on Monday. Flooding and snow severely hampered postal services in those countries. "These postal operators have assured us that they are doing everything within their means to ensure their mail operations get back to normal as soon as possible. "We therefore want to assure our customers that these mail items were not delayed as a result of our operations, but by conditions abroad."

 [Guernsey Press](#): "Guernsey Post has welcomed a consultation paper to review and reform the current service. Chief executive Boley Smillie (pictured) said it would contribute to an informed debate on how best to meet the postal needs of the people.

 [Post & Parcel](#): "The US Postal Service has extended its partnership with the producer of its Mover's Guide, which helps US residents change address when moving house. The USPS has put pen to paper on a 10-year renewal of its MoverSource Alliance, a service provided by Pitney Bowes subsidiary Imagitas, Inc. Through the partnership, Massachusetts-based Imagitas produces a range of printed and online materials to provide introductory information to about 44 million people that change address each year in the US."

 [Reuters](#): "Trade unions have ratified a deal limiting forced lay-offs at Dutch mail company TNT (TNT.AS), removing a threat of industrial action that could have derailed a possible sale of its postal unit.

 [Intelisent](#): "For time-sensitive direct mailers, the weather can throw a real monkey wrench into delivery and in-home projections and planning. Sometimes, circumstances beyond control, like the weather, results in mail delays. These delays can sometimes affect only a portion or geographic region on a mailing. When will my mail piece get there? Did it get there? Without any visibility, it is impossible to predict and adjust accordingly. Unless, of course,

the mail piece carries an Intelligent Mail® barcode, supercharged with OneCode Confirm®. OneCode Confirm® mail piece tracking can be done with either Basic or Full Service Intelligent Mail®."

 *At the Postal Regulatory Commission: MT2011-3* Comments from Wanda Senne, National Director Postal Development of World Marketing in Docket No. MT2011-3  
[http://www.prc.gov/docs/71/71721/Wanda\\_Senne\\_World\\_Marketing\\_1312011.pdf](http://www.prc.gov/docs/71/71721/Wanda_Senne_World_Marketing_1312011.pdf)



*The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic:*

- **Postal Service Workers' Compensation Program.** Would you support a legislative change to discontinue the use of Department of Labor and allow the Postal Service or a third party to administer the Postal Service's workers' compensation program? [LINK](#) here to read and provide comments.

**New Audit Projects:** [LINK](#) here to visit our audit project pages. This week we opened the following new project(s): (Please share any information you may have that would help with this audit currently in progress by clicking on the link below):

A new audit project has been started on the external website.

- **[Congressional Request - Senator Susan M. Collins \(effects USPS compliance rules have on mailers\) - 11RO002MS000.](#)** Senator Susan M. Collins requested that we evaluate commercial mailer concerns with Postal Service compliance rules on business mailers. Specifically, we will focus on recent and planned changes to compliance rules related to Intelligent Mail, Mail Evaluation Readability Lookup Instrument, Move Update, and Plant Verified Drop Shipments.
- **[Oversight of Equitable Adjustment Claims - 11YG005CA000.](#)** Our objectives are to determine the scope of contract change orders that resulted in an equitable adjustment and evaluate the Postal Service's oversight of those equitable adjustments. As background, contract modifications must be priced before they are signed if it can be done without adversely affecting the interest of the Postal Service. Contracting Officers (COs) must promptly negotiate equitable adjustments resulting from change orders and ensure that a price and cost analysis has been made. COs must also ensure that all elements of an equitable adjustment have been presented and resolved and include a release of claims in the supplemental agreement. We will be utilizing the Contract Authoring Management Systems (CAMS) and the electronic Facilities Management System (eFMS) to identify contract change orders that resulted in an equitable adjustment in FYs 2009 and 2010.

You can visit the Office of Inspector General's public website at: [www.uspsoig.gov](http://www.uspsoig.gov). For the latest information, follow us on Twitter at <http://twitter.com/OIGUSPS> and join us on Facebook at <http://www.facebook.com/oig.usps>.

 **Press Release:** "FedEx Freight Corp., a subsidiary of FedEx Corp. (NYSE: FDX) and a less-than-truckload (LTL) market leader, significantly enhances its service offerings today, launching its new unified LTL network and offering customers the choice of two levels of service from a single company. Both services, FedEx Freight® Priority and FedEx Freight® Economy, are designed to meet the needs of today's LTL shippers."



**[International Freighting Weekly:](#)** "DHL claims it did see a traditional surge in

demand for air express and freight services in the run-up to Chinese New Year, bucking the trend reported by most other carriers and integrators."

 [People's Daily](#): "The State Post Bureau has fined the Shanghai Jinqiao division of Shentong Express 10,000 yuan (\$1,520) for rough handling of parcels. It is the first time the bureau has imposed such a punishment against a courier for rough handling."

 [Reuters](#): "Australian Post's Antarctica branch marks 1st season."

 [Toronto Star](#): "The day Deepak Chopra made his inaugural address as head of Canada Post, the staff of the Crown corporation was scrambling to restore mail delivery in Scarborough. For two days — residents say it was a week — there was no service to a large chunk of the district. Chopra, former regional president of Pitney Bowes, officially takes command this week. For the last two weeks, he's been telling Canadians he considers the embattled post office "a national treasure" which he looks forward to running. If so, it's a rapidly shrinking treasure. Mail volumes are dropping. Operating costs are rising. Customers are fleeing. Many analysts believe the government-owned behemoth is doomed."

 [BBC](#): "Unless Guernsey's postal services are scaled back, charges will have to go up, according to an island politician."

 [Washington Post](#): The Post has published a transcript of the video of its conversation with Postmaster General Patrick Donahoe.

 [Hellmail](#): "The Finnish postal service, Posti (part of the Itella group), is to introduce new, blue letterboxes for 1st class mail and improved transit times for 2nd class letters from tomorrow."

 [North County Times](#): "The U.S. Postal Service's new mail-sorting machine is about the size of 14 double-decker buses ---- and it's fast. It can do the job of 26 humans working at full-bore. Unlike its fleshy counterparts, it will work nonstop 17-hour shifts and won't ever get paper cuts or carpal tunnel syndrome. It's part of a \$1.5 billion investment expected to shave hours off the processing time for millions of pieces of mail every day and save the financially ailing Postal Service billions of dollars."

### **January 30, 2011**

 The [BBC](#) has reported that "Reducing postal deliveries in Guernsey is one of the suggestions being made to save money. The States Commerce and Employment said cutting deliveries to five days a week would save £500,000, while reducing if further to three days would save £1m. George Sauvage, director of strategy, said while Guernsey Post was doing all it could to work efficiently, more savings were needed."

 [National Public Radio](#) has reported that "Bolstered by billions in federal stimulus money, an effort to expand broadband Internet access to rural areas is under way, an ambitious 21st-century infrastructure project with parallels to the New Deal electrification of the nation's hinterlands in the 1930s and 1940s." *[EdNote: But not a dime's worth of consideration for bringing justice to the USPS CSRS-overfunding/health pre-funding mess. How much more of a crisis does the Administration or Congress need to get this issue the right kind of attention?]*

 The [Tribune-Star](#) has told its readers that "The future of rural and suburban branches of the U.S. Postal Service is in question now. This month, the USPS — which lost \$8.5 billion last year — announced it will close as many as 2,000 post offices around the country. The Postal Service hasn't yet decided which locations will be shut down and won't rush that decision, but the review process has begun."

 The [Mansfield News Journal](#) has noted that "'60 Minutes' visits Mansfield post office."

 [The Ledger](#) has reported that "FedEx is winding down operations at a Lakeland trucking facility as part of a consolidation that is eliminating about 160 local jobs." *[EdNote: What? No '60 Minutes'?!]*

*January 29, 2011*

 The [BBC](#) has reported that "About 250 people have joined a protest in Birmingham city centre against plans to privatise the Royal Mail. Business Secretary Vince Cable said the coalition government would not be opposed to foreign investors buying it to help tackle the pensions deficit. A Royal Mail sell-off would lead to the erosion of a "six-day per week, one-price-goes-anywhere delivery", the Communication Workers Union (CWU) said. It would lead to higher prices and further post office closures, it added."

 [Engadget](#) has reported that "The UN's International Telecommunication Union predicted last fall that the number of internet users worldwide would hit two billion by the end of 2010, and it's now issued its full report that confirms just that -- 2.08 billion, to be specific. As the ITU's Hamadoun Toure notes, that number represents a huge leap from the mere 250 million internet users that existed a decade ago, and it means that roughly one third of the world's population now has internet access of some sort -- of those, 555 million have a fixed broadband subscription, and 950 million have mobile broadband. Just as impressive as that (if not moreso), are the number of cellphone subscriptions worldwide, which has now crossed the five billion mark. That's up from 500 million at the beginning of the year 2000, although the agency notes that it's only accounted for "subscriptions," and not individual users." *[EdNote: If you're a post, and you haven't yet figured how to tie into the digital world, you're set up to become a dead duck.]*

 The [Register-Herald](#) has reported that "Closing and consolidating delivery services threatens southern West Virginia and needs to fall under review by the U.S. Postal Regulatory Commission, says Rep. Nick Rahall. Rahall wrote the commission's president, Ruth Goldway, asking for a study of the process, noting that residents in Hacker Valley in rural Webster County were denied a legal right to comment before the office was shut down June 30, 2009. That, despite a three-year notice to extend the lease and avert the closing, Rahall said."

 [ThisIsMoney](#) has reported that "Royal Mail is to charge customers £210 a year if they choose to collect letters and parcels from sorting offices rather than wait for the postman. Post it note: Pay us and collect your mail yourselves Soaring numbers of fed-up businesses and residents have been opting to pick up mail themselves rather than wait for a daily delivery, which can be as late as 3pm in some parts of the country. Until now, this option, called Mail Collect, has been free. However, a charge of £210 a year is to be introduced from April as part of a raft of inflation-busting price rises." *[EdNote: Whaaaaa? I save you the cost of mail delivery and you charge me £210 a year? What kind of deal is that?]*

 The [Appalachian News-Express](#) has reported that "The initial results of a controversial postal service study support the case for moving Pikeville's mail sorting operations into West Virginia. According to a notice issued by the U.S. Postal Service, the agency will host a public forum in Booth Auditorium at Pikeville College on Wednesday, Feb. 9, at 7 p.m., to share initial results from an Area Mail Processing (AMP) study. According to the notice, initial results of the AMP study support the business case for relocation of mail sorting operations to Charleston, W.Va., with a cost saving for the postal service of \$1.2 million annually."

 [Manx Radio](#) has reported that "Industrial action by postal workers in the Isle of Man is looking increasingly likely, as both sides dig in, in a dispute over pay."

 According to the [New York Post](#), "Citing pressure from an impending foreclosure, a Queens postal worker stole thousands of retail-store coupons before they were mailed out -- and sold them at a discount on eBay, cops said yesterday. Thomas Tang, 38, of Baldwin, Long Island, allegedly pilfered more than 7,000 coupons from JCPenney, Kohl's and Lowe's and sold them in batches on the Internet auction site. Working out of the Corona branch, Tang told investigators that he netted roughly \$35,000 from the sale of JCPenney coupons between October 2009 and January of this year."

 [theAdvocate](#) has reported that "LSU is switching from the U.S. Postal Service to a private vendor for on-campus mail services in a move that could increase student costs and will shut down the school's Copy and Mail Center, university officials said Friday. LSU opened the two bids late Thursday from The UPS Store and Ricoh USA to privatize postage and copying services on campus. A final selection likely will take another week, said Jason Tolliver, LSU director of auxiliary services. The switch became necessary because LSU is on the planned list of U.S. Postal Service closures nationally amid federal budget problems, Tolliver said."

 [Design World](#) has noted that "The ICR845-2L FlexLens Image Code Reader is a vision-based omni-directional image code reader that reads stationary and fast-moving bar codes. It handles long-range bar code reading applications in the packaging, logistics, courier/express, postal and automotive industries. Different C-mount lens options are available for reading bar codes positioned 12 in. to 2 m away from the reader. These distances let you mount the reader farther from the target so as not to interfere with production lines. The reader also has a large field of view and depth of field."

 The [Associated Press of Pakistan](#) has reported that "Pakistan Post has taken various steps during recent past by launching a variety of new special Mail and Financial services which are running in competition with private courier services. This was stated by Additional Director General (Operations) Pakistan Post Fazli Sattar Khan while talking to APP here on Saturday. He said that the hallmarks of these premier postal services are cheaper rates, high efficiency and widest network."

 [Bloomberg](#) has reported that "TNT NV Chief Executive Officer Peter Bakker reiterated the company is not seeking buyers for its express division."

 [NewZimbabwe](#) has reported that "the number of Zimbabweans with access to a telephone has increased from 49 per every 100 people in December to about 58 percent of the population this month, according to latest figures published by the country's telecommunications regulator. The Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ) said an expanding mobile telecommunications sector was behind the significant increase in Zimbabwe's tele-density during the past few months. The number of cell phone users in the country has increased by more than 15 percent during the past year, it said." *[EdNote: A sign of the times. It's easier and more cost-effective to build out a mobile phone network than a hard-copy postal distribution network.]*

 The Postal Service has announced in its [Postal Bulletin](#) that "Effective February 7, 2011, the Postal Service™ will revise Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM®) 343.6.0, 343.7.0, 363.5.0, 363.6.0, 705.14.0, 707.13.0, 707.14.0 and Labeling List L006 to provide new standards for mail preparation of flat-size Standard Mail®, Periodicals, and Bound Printed Matter mailpieces prepared for delivery within the ZIP Codes™ served by Flats Sequencing System (FSS) processing."

 [ChannelOnline](#) has reported that "Guernsey's postal service could be cut back. It's one of several ideas for reducing costs. Guernsey Post is facing hard financial times. The volume of letter mail is contracting and costs are going up - mainly because of rising Royal Mail charges. At present Guernsey Post is required to make collections and deliveries of mail six days a week at uniform and affordable prices. Now it's being suggested that collections and deliveries are reduced. Guernsey Post estimate that savings on going down to five days a week would be more than £500,000 a year. By going down to three days a week, savings would be around £1m. Other ideas include paying for postage online, standalone kiosks for the sale of stamps and other postal services and further integration of post offices with other retail outlets."

 [Federal Times](#) has reported that "The U.S. Postal Service has withdrawn a proposal that "would have expanded its ability to subcontract rural routes to contract delivery service," according to an announcement this week by the National Rural Letters Carriers' Association. The decision "came after extensive discussions" between the NRLCA and Postmaster General Patrick Donahoe, as well as other postal officials, according to the release on the union's web site. "We have tabled the issue while we are in the process of resolving a labor contract," Postal Service spokesman Mark Saunders said via email, when asked for confirmation of the union's claim. Although Donahoe recently acknowledged that more subcontracting was an option, the exact contours of what the Postal Service

wanted to do remain unclear. Neither the agency nor the union would release the written proposal, although the NRLCA was predictably concerned about the possible impact on its members."

*January 28, 2011*



*At the Postal Regulatory Commission:* Rule: Daily listing **RM2010-12** PRC-LR-1 - Standard Mail Parcel and NFM Mail Processing Cost Model [http://www.prc.gov/docs/71/71715/Prop.7.STD\\_PARCEL-NFM\\_MP\\_MODEL-PRC.xls](http://www.prc.gov/docs/71/71715/Prop.7.STD_PARCEL-NFM_MP_MODEL-PRC.xls)

 **Print CEO** has asked: "Did you see last week's announcement about the new Print & Go offering from FedEx Office? There have been several attempts to make printing easier for mobile workers; this one is likely to have serious legs. It leverages an important tool for many corporate workers—the BlackBerry that has become a permanent appendage to many—and the 1,800 FedEx Office locations in the U.S. to make it fast and easy to print on the go. This initiative comes out of the FedEx/Canon/HP alliance announced in April of 2010, leveraging HP's ePrint mobile printing application."



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### *DMM Advisory: IMb™ Services Update.*

**PostalOne!® Release 26.0 Final Release Notes:** [PostalOne! Release 26.0](#) final release and patch notes have been posted to the RIBBS website at [ribbs.usps.gov](http://ribbs.usps.gov). Additionally, release content and notes for the upcoming R26.0.1 patch scheduled for deployment on January 30, 2011, are also posted.

- **New Mail.dat® Client for Reply Rides Free Program:** The new Mail.dat Client will be available as part of Release 26.0 to support the Reply Rides Free incentive program. Mailers must download the new Mail.dat Client prior to the February 15, 2011, expiration of the previous versions.

 The latest copy of the [National Association of Postmasters of the U.S.](#) electronic governmental affairs newsletter is available on the NAPUS web site.

 The [National League of Postmasters of the U.S.](#) told its members that "On January 25th the three management organizations met with PMG Pat Donahoe, COO Megan Brennan, and VP Labor Relations Doug Tulino. This is the second time we have met with the PMG and, as mentioned in my Advocate article, we have very open discussions. This is a welcomed relief at a time that it is so important. This was our first meeting with the new COO Megan Brennan, and she too is committed to working with the organizations. This meeting was especially well-timed with the articles that had just been released in the Washington Post and the Wall Street Journal."

 The [Barbados Advocate](#) has noted that "the Barbados Postal Service and the Sanitation Service Authority received solid marks in the recently conducted NISE survey on service in the public sector, while the Barbados Transport Board and the Barbados Licensing Authority brought up the rear."

 **DC Velocity** has reported that "The U.S. Postal Service has rolled out a shipping service it hopes will help it make inroads in markets where its presence up until now has been virtually non-existent. The service, called "Priority Mail Regional Rate Box," is patterned after the USPS's Priority Mail flat rate offering that lets mailers pay the same rate regardless of how much material they stuff into the box. The new service is geared toward businesses shipping packages weighing between five and 15 pounds for short distances (up to 700 miles) and that need to arrive in two to three days. The service, which was rolled out Jan. 2, takes USPS out of its comfort zone. Traditionally, USPS is competitive for shipments weighing one to five pounds and moving relatively long distances. By contrast, it is invisible in the shorter-distance lanes where nearly half of all parcels move."



The following reports have been posted on the *U.S. Postal Service Office of*

Inspector General website (<http://www.uspsoig.gov/>). If you have additional questions concerning a report, please contact Wally Olihovik at 703-248-2201, or Agapi Doulaveris at 703-248-2286.

- [FY 2011 Financial Testing Compliance Oversight Reviews – Postal Retail Unit – Gooding, ID \(Report Number FF-MA-11-002\)](#)
- [FY 2011 Financial Testing Compliance Oversight Reviews – San Francisco Processing and Distribution Center \(Report Number FF-MA-11-003\)](#)
- [FY 2011 Financial Testing Compliance Oversight Reviews – Laguna Postal Store Postal Retail – Elk Grove, CA \(Report Number FF-MA-11-004\)](#)
- [FY 2011 Financial Testing Compliance Oversight Reviews – Birmingham Business Mail Entry Unit \(Report Number FF-MA-11-005\)](#)
- [FY 2011 Financial Testing Compliance Oversight Reviews – Stockton Processing and Distribution Center Plant \(Report Number FF-MA-11-006\)](#)
- [FY 2011 Financial Testing Compliance Oversight Reviews – Miami Plant Verified Drop Shipment \(Report Number FF-MA-11-007\)](#)
- [FY 2011 Financial Testing Compliance Business Reply Mail Oversight Review – Smyrna Post Office – Smyrna, TN \(Report Number FF-MA-11-008\)](#)



The latest issue of the [PostCom Bulletin](#) is available online. In this issue:

- On January 24-26, the PostCom Board of Directors met to discuss a wide range of postal issues of relevance and importance to all who use mail for business communication and commerce. There were two resolutions passed that the board intended to guide some of the association's future work.
- The USPS Office of Inspector General conducted an audit at 96 statistically selected business mail entry units (BMEU) for FY 2010, which represented \$2.5 billion in revenue in FY 2009. It found that the USPS did not comply with key financial reporting controls for business mail acceptance and verification processes and procedures.
- Sen. Tom Carper (D-Del.), Chair of the Senate Subcommittee on Federal Financial Management which oversees the U.S. Postal Service praised the Postal Service's "Lean Green Teams" that has generated over \$27 million in savings and revenue.
- USPS eyes closing thousands of post offices. McCain puts USPS on chopping block. Adapting the USPS to prosper in the digital age. USPS corrects erroneous info on simplified addressing. Why it costs 44 cents to mail a letter. NAPS' plan for retention of 6-day delivery. Postal union seeks members' help promoting changes. Postal policymaking: a political laboratory. Why conservatives ought to love the USPS. In an internet age, USPS reform is long overdue.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? [Send us by email](#) your name, company, company title, postal and email address. Get a chance to see what you've been missing.



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**DMM Advisory: New Mailing Standards for Domestic Mailing Services.** Yesterday the *Federal Register* published the final rule to revise domestic pricing and eligibility standards associated with the April 17, 2011, Mailing Services price change. Revisions include the introduction of commercial base and

commercial plus pricing for First-Class Mail® parcels. We also will implement changes previously proposed to eliminate the sale of Standard Mail® (including nonprofit) stamped envelopes. Further, with this final rule, the Postal Service revises the standards for determining single-piece weights for flats mailed at Bound Printed Matter, Media Mail®, and Library Mail prices. The final rule can be viewed on the Postal Explorer® website at [pe.usps.com](http://pe.usps.com) by clicking on "[Federal Register Notices](#)" in the left frame.

 The [Courier, Express, and Postal Observer](#) has told its readers that "Congressman Darrell Issa introduced the mission statement of the House Oversight and Government Reform Committee at the end of the January 26, 2011 hearing on Troubled Asset Relief Program. The mission statement was introduced at the first hearing of the committee. As the mission statement was mentioned at the close of the hearing, it has received limited press attention and most postal stakeholders and policymakers have not seen it."

 The [BBC](#) has reported that "Manx postal workers are to be balloted on strike action for "the first time in living memory", the Communication Workers Union (CWU) says. The union, which represents 250 workers, is seeking a pay rise despite a pay freeze across the public sector. Isle of Man Post Office has confirmed that union pay talks are "exhausted within the constraints faced".

 According to [KnowYourMobile](#), "Royal Mail Smilers has been released, the postal service's first iPhone application. Royal Mail Smilers lets you take a photo or use a previous one saved on your iPhone that can be used to create your own personalised stamps."

 The [Times & Transcript](#) has reported that "Canada Post is calling in all its casual letter carriers and hiring up to 15 more temporary staff to cope with a rash of complaints over slow mail service."

 According to the [Sun Chronicle](#), "Almost as soon as Sgt. Brian Perkins hit the ground in Kuwait to help guard convoys with his Army National Guard unit, he got a one-page form letter from his civilian employer - the U.S. Postal Service - saying: "You're fired."

 [Pittsburgh Business Times](#) has reported that "The U.S. Postal Service is making bulk mailing easier at a time when cost-conscious business owners are turning to more targeted mailings, some experts say. The option is called simplified addressing."

 [Hellmail](#) has reported that "Aigars Vitols who took over the helm at Latvijas Pasts (Latvian Post) this year, said that there were essentially three priorities for Latvian Post - customer focus, service quality, and efficiency. His comments come as cash-strapped Latvia fights hard to reduce its level of debt and Latvian Post comes to terms with the harsh reality that despite the full opening of the Latvian postal market in 2013, there are simply no additional funds available to modernise the postal service."

 The [North Shore Times](#) has reported that "people power has forced Australia Post to set up replacement postal services in Turrumurra after the village's post office closes today. Initially Australia Post had said the 900-plus post office boxes would be relocated to Wahroonga - leading to an outcry from the area's residents and business owners. But Australia Post have said today that the post office boxes will stay operational in their current location until a new permanent spot for them can be found in Turrumurra."

 According to [The Atlantic](#), "Curiously, at a time when the thoughts of most people in the United States have been focused -- properly and understandably! -- on Michele Bachmann, some folks have been thinking about postal policy. Go figure. Monday's Wall Street Journal carried a front-page article chronicling some of the financial problems of the Postal Service and the rural residents who risk losing their little local post offices as the USPS tries to cut costs. The next day, Uri Friedman posted an article on The Atlantic Wire, titled "How to Save the Postal Service." Friedman usefully pulled together a few ideas from disparate sources about how postal policy should (and shouldn't) be fixed. This is all to the good. Apart from the fact that the Postal Service is in big trouble and needs fixing, here's why it's useful to think about postal policy: the Postal Service is one of the few governmental organizations in the United States that directly touches the lives of most of us on an almost daily basis. As such, it provides a perfect "laboratory" (but not necessarily a very safe one) for seeing if our lab technicians -- members of

Congress -- have the nerve to stand there and throw large grains of fiscal austerity into a big vat of human wants. As any student of political chemistry knows, that's a formula for serious pyrotechnics!"

 The [Des Moines Register](#) has reported that "A United Parcel Service billing center at 3920 Delaware Ave. in Des Moines will be shut down in phases during the coming year, the company has told employees. About 80 full- and part-time employees of the Des Moines center and about 110 employees at a UPS billing center in Columbia, S.C., will be either absorbed into other UPS operations or provided severance packages based on length of employment, UPS spokesman Norman Black said." *[EdNote: Imagine that. No PRC review. No union pickets. No town hall hearings. No congressional investigation.]*

*January 27, 2011*

 [ChannelNewsAsia](#) has reported that "Singapore Post has announced the appointment of two chief executive officers to head two of its key divisions. This was in line with the postal firm's organisational restructuring to transform and grow its businesses. SingPost said Mr Ng Hin Lee will be promoted to CEO of Postal and Corporate Services beginning February 7. He will lead SingPost's transformation efforts in its mail business and postal services. Mr Ng, who is responsible for the group's strategic acquisitions, will also oversee the group's corporate support services, SingPost said. Meanwhile, Dr Wolfgang Baier will join SingPost as CEO for its International division."

 [IndiaKnowledge@Wharton](#) has noted that "As Traditional Services Go Digital, India Post Finds New Life as an Insurance Provider."

 According to [The American Prospect](#), there "a common refrain among conservatives -- if you want to see why government stinks, compare money-losing USPS to money-making UPS and FedEx. There are multiple reasons why this argument is bogus, the most important of which is that unlike any private corporation (or any government agency, for that matter), the Postal Service is required by law to prepay health benefits for future retirees, which costs it about \$5 billion a year. We've also come to accept that we should only have to pay 44 cents to send a letter, when sending the same letter via FedEx or UPS will cost you about 20 times as much. There's another very important reason the Postal Service loses money, and that is that it has no choice but to service areas that are extremely unprofitable, namely rural areas. In fact, a few hundred million times a year, FedEx and UPS take packages to a post office and pay the USPS to deliver them, because it just isn't profitable for them to send their driver to some far-flung unincorporated area just to drop off a package or two."

 [From the Federal Register: Postal Service RULES](#) New Mailing Standards for Domestic Mailing Services , 4820–4823 [2011–1702] [\[TEXT\]](#) [\[PDF\]](#)

 [DutchNews](#) has reported that "Postal delivery workers who are members of the Abvakabo trade union have voted 57% in favour of TNT's final offer on job losses, news agency ANP reports. TNT is cutting 11,000 jobs as part of a major overhaul of its postage operations. Originally, the company planned to sack 4,500 workers but has now reduced this to 2,800."

 [Sen. Tom Carper](#) (D-Del.), Chair of the Senate Subcommittee on Federal Financial Management which oversees the U.S. Postal Service, has praised the Postal Service on its "Lean Green Teams" savings.

 The [San Gabriel Valley Tribune](#) has reported that "Postal employees and business leaders voiced strong opposition to a mail consolidation plan at a community input session Wednesday night. The meeting occasionally turned raucous as opponents of the U.S. Postal Service plan used their allotted three minutes to criticize postal officials."

 As the [Wall Street Journal](#) has noted, "The federal budget deficit will reach a record of nearly \$1.5 trillion in 2011 due to the weak economy, higher spending and fresh tax cuts, congressional budget analysts said, in a stark warning that will drive the growing battle over government spending and taxation."



On January 24-26, the PostCom Board of Directors met to discuss a wide range of postal issues of relevance and importance to all who use mail for business communication and commerce. The following were two particular resolutions that the board intended to guide some of the association's future work:

- **Resolved**, that PostCom should communicate to USPS senior management the urgent need to cooperatively resolve several outstanding issues related to future flat strategies, specifically the Flats Sequencing System (FSS). Further, that the USPS pricing group must work together with USPS operations, information technology, and mailers to develop the pricing structure needed to ensure that mail preparation and the corresponding mail processing maximizes postal efficiencies and results in the lowest combined cost for mailers.
- **Resolved**, that while PostCom applauds efforts by the Postal Service to develop and propose initiatives that add value to communicating and doing business by mail, the General Counsel should communicate to the Postal Service's Chief Marketing Officer, the General Counsel, and Postmaster General PostCom's perspective regarding the manner in which the Postal Service proposes new initiatives without full consultation with all affected mailing interests.

Also, those newly elected to the PostCom Board of Directors included the following: **Robert Croce** (Valassis), **Sharon Harrison** (AT&T), **Joe Hillyer** (Scholastic), **Lucie Jameson** (The Hartford), **Carol Kleiwer** (Harland Clarke), **John Reindl** (Harlequin Distribution Center), and **Wallace Vingelis** (Window Book, Inc.).

[The Week](#) told its readers that "At least \$12 billion in debt, the U.S. Postal Service is hoping that shutting 2,000 branches can keep it afloat."

The [BBC](#) has reported that "Jersey's consumer council have said that companies given licences to handle mail should contribute towards the running of Jersey's postal service. Two companies have been granted a licence to operate corporate postal services in the island in competition with Jersey Post. Jersey Post has seen its costs rise as the volume of mail has fallen. The main competition for Jersey Post will be in an area it relies on - large packets and parcels - while still having to maintain its six day a week home delivery service."



[Federal News Radio](#) has reported that "the Postal Service has saved more than \$27 million in 2010 with the help of its "Lean Green Teams." USPS focused on several areas including reducing facilities use of energy, water, solid waste to landfills and petroleum. The Postal Service stated in a release that it recycled more than 222,000 tons of material last year alone, which saved \$9.1 million in landfill fees."

[Bizmology](#) has told its readers that "An asteroid known as the Internet struck the Earth some fifteen years ago and, ever since then, the United States Postal Service has been slowly going the way of the dinosaur."

[Ennahar Online](#) has reported that "the general director of Algeria Post, Omar Zerarki said yesterday that the postal bank to be created shortly, will grant consumer credit to anyone with a postal current account (CCP). The CEO of Algeria Post stated, during the programme "Tahaoulat" on the radio channel I, that the proposed creation of a postal bank goes through a series of projects initiated by the company in order to solve the liquidity problem faced by many post offices across the country. Algeria Post is the largest national network with 13 million current accounts and 3300 agencies at the national level."

According to the [Washington Post](#), "In an Internet age, postal service reform is long overdue. Congress and the Obama administration must treat the looming postal crisis as the national priority that it is. The choice is clear: The United States can start moving toward a modern, efficient postal service, as many European countries have already done, or it can continue stumbling along until the inevitable collapse." See also the "On Leadership video: Pat Donahoe- Delivering a new package" with a link from the [Postalnews blog](#).

 According to [Cincinnati.com](http://www.cincinnati.com), "The U.S. Postal Service is closing five locations in Blue Ash, the East End, Madisonville, Newtown and Northside as part of a national cost cutting effort."

 *At the Postal Regulatory Commission:*

- MT2011-3 Comments from Charles Thompson EVP, of Production World Marketing, Inc. Regarding Docket No. MT2011-3  
<http://www.prc.gov/docs/71/71682/Comments%20MT2011-3.docx>  
<http://www.prc.gov/docs/71/71682/Comments%20MT2011-3.pdf>
- MT2011-3 Comments from Keith Judkins President & CEO, of National Association of Advertising Distributors, Inc. in Docket No. MT2011-3  
<http://www.prc.gov/docs/71/71686/NAAD%20letter%20to%20PRC%20.doc>  
<http://www.prc.gov/docs/71/71686/NAAD%20letter%20to%20PRC%20.pdf>
- R2011-2 United States Postal Service Notice of Errata to Notice of Market-Dominant Price Adjustment  
<http://www.prc.gov/docs/71/71685/Notice%20of%20Errata%20to%20Jan13%20Notice.pdf>
- R2011-2 United States Postal Service Notice of Errata to USPS-R2011-2/5  
<http://www.prc.gov/docs/71/71684/Notice%20of%20Errata%20to%20USPS-R2011-2-5.pdf>  
<http://www.prc.gov/docs/71/71684/R11.2.5.Preface%20Revised.doc>  
<http://www.prc.gov/docs/71/71684/CAPCALC-SpecServ-FY10%20Revised.xls>
- MT2011-3 Comments from Globe Direct LLC RE:MT2011-3  
<http://www.prc.gov/docs/71/71699/MMME%20letter.pdf>

**January 26, 2011**

 [MFRTech](http://www.mfrtech.com) has noted that "Suppliers Outsource Shipping to Control Costs and Boost Customer Satisfaction."

 The [Economic Times](http://www.economic-times.com) has reported that "India Post is coming up with a bunch of new services aimed mainly towards highvalue and premium customers and small and medium enterprises (SMEs) having international links."

 The [Azerbaijan Business Center](http://www.azerbaijanbusinesscenter.com) has reported that "The postal operator of Azerbaijan, Azerpocht Ltd, has obtained an increase of 27% in remittances and 4.5% in mailing. The Ministry of Communications and Information Technologies informs that over the past year it was accepted 959,405 money transfers through Azerpocht and paid 957,560 ones. "The Azerpocht's postal offices also received 5.4 million ordinary and registered letters," it was reported. The number of internal and external parcels accepted by Azerpocht increased as well."

 The [Washington Post](http://www.washingtonpost.com) has reported that "One of the nation's largest postal unions wants its members to do less griping and more to make sure that the U.S. Postal Service secures the changes it needs to stay afloat. Cliff Guffey, president of the American Postal Workers Union, said his group needs to stop "acting as a grievance machine" and instead focus on lobbying Congress to enact changes in how the Postal Service pays workers and retirees."

 [APA](http://www.apa.gov) has reported that "Azerpocht has started to issue plastic cards. According to Novruz Mammadov, the head of Postal Office of the Ministry of Communications & Information Technologies, Azerpocht has issued 2 000 plastic cards in accordance to the contract with MilliKart Processing Center. These cards are designed for postal workers' salaries. Number and varieties of cards are planned to be increased in the future. He also noted that, Azerpocht would issue both local and Visa International system: "Presently, we are negotiating with Visa system. Azerpocht's membership to Visa may be possible only in 3-5 years. If it happens, the post operator will issue Visa cards as well".

 The [Watertown Daily News](http://www.watertowndailynews.com) has reported that "More than 500 postal employees in Jefferson, St. Lawrence and Lewis counties are awaiting word on how many north country post offices may be closed as part of a proposal to shutter as many as 2,000 nationwide in the next two years."

 [Developing Telecoms](#) has reported that "Customers in rural Albania will soon have access to free satellite broadband Internet, to be provided by the Albanian Post in conjunction with SES ASTRA. In addition, ASTRA2Connect will be used by the Albanian Post for its daily operations."

 [Hellmail](#) has reported that "From the 31st January 2011, many Royal Mail products will become subject to VAT for the first time. For international services, there are some price changes, but not to Airmail or Surface Mail. The cost of a stamp will be unaffected although a planned rise in the cost of stamps as a whole is to come into force from April this year with First Class stamps rising by 5p to 46p and Second class stamps up by 4p to 36p. Large Letter prices will rise by 9p to 75p for First Class, and 7p to 58p for Second Class mail. Franked mail too will see an increase from April - up 3p to 39p for standard First Class, and a rise of 3p to 28p for Second Class."

 The [BBC](#) has reported that "Pay talks with union representatives have been "exhausted" according to the Isle of Man Post Office."

 [Baltic Business News](#) has reported that "In the upcoming spring, the Finnish postal company Itella Corporation will introduce package delivery automats, which will make sending and receiving parcels easier for customer."

 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

 Austrian Post will get a new structure and organisation. The Branch Network Division and the Mail Division will be merged until the beginning of 2012.

 French La Poste increased its net profit last year by 6% to over 560m euros despite a shrinking mail volume.

 Deutsche Post is completely withdrawing from the Dutch domestic mail market.

 The sale of the 32% stake in Pos Malaysia, currently held by state owned investment trust Khazanah Nasional (CEP-News 35/10) is slowly making progress.

 The Swedish post will further strengthen its shop-in-the-shop network. Last week the company announced that the co-operation agreements with the grocery chains ICA, Coop and Axfood have been extended for another five years. The number of the shops which offer postal services and the range of services in the shops will also be expanded.

 The Federal Network Agency plans to impose stricter regulations on Deutsche Post.

 French La Poste will launch its new mobile phone service on May 23.

 Letter delivery performance in France worsened again last year. On Friday La Poste disclosed that only 83.5% of the letters were delivered on the day after posting. The reason given are services disturbances due to extensive spells of bad weather. In 2009 La Poste delivered 84.7% of the mail on the day after posting.

 In the past Swiss Post maybe focused to much on costs'. In an interview with daily news »Tagesanzeiger« (24.01) Jürg Bucher, CEO of Swiss Post, spoke out in favour of increasing the letter business's attractiveness. 'We especially have to invest into the shrinking letter market to maintain the attractiveness of letters or even increase it', Bucher said.

 Austrian Post applied for a significant increase of its standard tariffs at the regulatory authority. The postage for letters weighing up to 50 gramme is to cost 65 cent instead of the current 55 cent, daily news »Der Standard« (24.1) reported.

 The customs authority of Dubai and TNT agreed on faster customs clearance. In the future information about shipments will be transmitted to the customs authority's electronic data processing system so that the customs clearance can be handled faster.

 Itella Mail Communications has a new boss. Last week Jukka Rosenberg took over Itella's largest business area which contributes almost 50% to the company's total turnover.

 Ralf Schweighöfer, is the new CEO and country manager of DHL in Austria.

The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. *To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)*

 [Press Release](#): "FedEx Express (FedEx) has announced significant enhancements to its FedEx Critical Inventory Logistics service, an integrated logistics solution that enables customers to more efficiently manage high-value and time-critical inventory throughout the supply chain."

 From the [National Journal](#): "How to Save the Postal Service."

*January 25, 2011*

 *At the Postal Regulatory Commission:*

- CP2011-54 Order No. 657 -Order Approving Global Expedited Package Services 4 Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71658/Order\\_No\\_657.pdf](http://www.prc.gov/docs/71/71658/Order_No_657.pdf)  
[http://www.prc.gov/docs/71/71658/Order\\_No\\_657.doc](http://www.prc.gov/docs/71/71658/Order_No_657.doc)

 As the [Courier, Express, and Postal Observer](#) has noted, "Numerous news outlets are report the Postal Service's plans to close stations and branches. Almost every article focus on the potential affect on rural areas. However, a cursory review of the list released by the Postal Service, shows that the impact of the first 2,000 closures will affect the nation's urban centers and have minimal impact on service to rural America."

 From [MMD Newswire](#): "The Postal Service wishes to clarify erroneous information in at least two recent news articles regarding requests for non delivery of mail with simplified addressing. Consumers who do not wish to receive mail with a simplified address must make the request through the mailer, not their carrier. The mailer will then notify the local delivery unit through the same processes currently established for rural routes. Market research indicates that requests for non delivery will be minor. Simplified Addressing enables a mailer to use mail delivery route information to reach target customer groups in specific areas without applying names or exact addresses."

 [PanArmenian](#) has reported that "Armenian Minister of Transport and Communication Manuk Vardanyan said that introduction of modern postal services in the country will be among the Ministry's priorities in 2011. To this end, negotiations are held with Armenia's national postal operator Haypost CJSC - Haypost Trust Management B.V, Vardanyan told a press conference in Yerevan. The agreement on placing Armenian Haypost company under fiduciary management of Dutch Haypost Trust Management B.V was signed on November 30, 2006, in Yerevan for a five-year term with the right to prolongation for the same period. The Minister noted that a new model of management will be developed and introduced to set certain tasks before the managing company: investments volume, their terms, range and quality of provided services."

 [Stuff.co.nz](#) has noted that "Brian Roche, chairman of the \$300 million Rugby World Cup business and chief executive of New Zealand Post, is a man of calm speech and unhurried moves. But mention you have queued at a Post Shop counter recently and the former PricewaterhouseCoopers (PWC) partner snaps to attention and wonders aloud why NZ Post hasn't made greater use of technology to prevent that from occurring."

 From [PRNewswire](#): "Lean Green Teams helped the Postal Service reduce energy, water, solid waste to landfills and petroleum fuel use, saving the agency more than \$5 million in 2010. They also helped the Postal Service recycle more than 222,000 tons of material — an increase of nearly 8,000 tons over the prior year — which generated \$13 million in revenue, and saved an additional \$9.1 million in landfill fees."

 The [Postalnews blog](#) has asked: "One of the ways US Postal Service plans to cut expenses is the closure of 2,000 "money-losing" post offices. Sounds reasonable- any business would be eager to shed operations that aren't pulling their weight. But it raises the question- how do you know when a post office is losing money?"

 [Investments & Pensions](#) has reported that "The €2.2bn Dutch postal pension fund TNT returned 12.7% on investments in 2010, despite losing 2.7% in the fourth quarter following rising interest rates. As long-term interest rates rose from 3% to 3.8% during the last three months, TNT's extensive hedge against decreasing rates contributed -4% to the quarterly results, the pension fund said."

 [WSET](#) has reported that "U.S. Postal Service officials say the agency could save an estimated \$1.6 million annually by moving some mail processing operations from Lynchburg to Roanoke."

 [Hellmail](#) has reported that "Czech Post said this week that profits for the state-owned postal operator had exceeded expectations for 2010 and preliminary figures suggest it will be in the range 250-280 million CZK - the result of a great deal of restructuring in readiness for liberalisation of the postal market. Whilst profits before tax had dropped from 661m CZK in 2009 to just 250m CZK, profit after tax had risen from 124m CZK in 2009 to 250m CZK in 2010."

 [Postal Technology International](#) has reported that "DHL Global Forwarding has developed two novel transport solutions for the automotive industry. The collapsible C3SB transport box and the double car rack facilitate the loading of vehicles and increase efficiency in using transport capacity. In addition, both systems offer protection against damage due to external factors during transport by air, sea and road, such as turbulences, heavy seas or poor roads. Both transport solutions have now been patented by the German Patent Office."

 [Satellite Spotlight](#) has reported that "Provider of a Direct-to-Home (DTH) satellite system in Europe SES ASTRA, an SES company (Paris:SESG.pa)(LuxX:SESG), is to provide the Albanian Post with its satellite broadband service ASTRA2Connect, offering free internet access to post office customers in rural areas throughout the country. Announcing this today, the company said that additionally, ASTRA2Connect will be used by the Albanian Post for its daily operations."

 According to [What They Think](#), "Bring Citymail, a private post organisation in Sweden, has invested in the new Vantage high speed letter sorter from Pitney Bowes."

 [Supply Chain Digital](#) wants to know: "USPS closures: Will the USPS still be delivering mail in ten years? USPS branches are closing after a Area Mail Processing continuous improvement study reveals that certain branches are not sufficient."

 The [Prague Daily Monitor](#) has reported that "Czech postal service operator Ceska posta made a preliminary pre-tax profit of Kc250-280m last year, down from 2009's Kc661m, spokeswoman Marta Selicharova told CTK yesterday. Ceska posta's 2010 plan was a profit of around Kc50m, she said."

 As noted in the [Washington Post](#), "The U.S. Postal Service plans to save up to \$500 million in the next two years as it works to close or consolidate about 2,000 mostly small, rural and rarely visited retail locations, according to senior postal officials. An additional 500 sites are slated to close by June. After years of using a confusing and laborious 21-month process panned by customers and Congress as too secretive and inconsistent, the mail agency is now relying on a computerized system that enables officials to review and determine a location's fate in no more than five months. If plans succeed, the Postal Service could halve its infrastructure by 2020, officials said. Postmaster General Patrick R. Donahoe said in a recent interview that the changes will help save millions of dollars."

 [Obama.net](#) has told its readers that "With the unemployment rate slowly dropping over the course of the last year and new jobs being created for months, it has appeared as though the United States is well on track to a full economic recovery in the new few years. However, a major hit was announced on Monday. The United States Postal

Service (USPS) has been struggling financially for a while now. It is no secret that the USPS has been losing money. As a result, the decision to close numerous locations has been made in an effort to try to preserve the financial stability of the USPS. The problems have been going on for some time now. 491 locations have already been closed or begun the procedures to shut down. Now even more are set to lock their doors for good."

 According to the [Manteca Bulletin](#), "It's time to save the United States Postal Service. They can start by ending Saturday delivery. And they have to start acting like a business that has to respond to competition. Unfortunately, some of the postal workers whose jobs such moves could save as well as Congress are effectively making it impossible for the Postal Service to do what it must do to survive and thrive."

 [CleanTech](#) has reported that "Ajmer district in the State of Rajasthan, India, will earn the distinction of becoming the first state to deliver postal messages through a solar powered vehicle delivery system. Sachin Pilot, Union Telecom and IT minister of state, has inaugurated the first solar powered rickshaw for the use of postmen to deliver the postal messages."

 *From the Federal Register: Postal Regulatory Commission NOTICES*

- Discover Financial Services Negotiated Service Agreement , 4393–4395 [2011–1461] [\[TEXT\]](#) [\[PDF\]](#)
- Meetings; Sunshine Act , 4395 [2011–1573] [\[TEXT\]](#) [\[PDF\]](#)
- Postal Service Price Adjustments , 4395–4398 [2011–1383] [\[TEXT\]](#) [\[PDF\]](#)

 [Business First](#) has reported that "UPS Airlines, a division of Atlanta-based United Parcel Service Inc., has reached a tentative deal with mechanics represented by the International Brotherhood of Teamsters Local 2727 after more than four years without a contract. Read more: UPS reaches tentative deal with mechanics."



*At the Postal Regulatory Commission:*

- CP2011-54 Order No. 657 -Order Approving Global Expedited Package Services 4 Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71658/Order\\_No\\_657.pdf](http://www.prc.gov/docs/71/71658/Order_No_657.pdf)  
[http://www.prc.gov/docs/71/71658/Order\\_No\\_657.doc](http://www.prc.gov/docs/71/71658/Order_No_657.doc)

 The National Association of Postal Supervisors (NAPS) issued an [8-page position paper outlining the need for six-day delivery](#). This paper, which will be sent to each member of Congress, is in response to Postmaster General Pat Donahoe's assertion that five-day delivery is necessary for the financial solvency of the United States Postal Service.

 [Information Week](#) has reported that "Just last fall, FedEx opened a new data center in Colorado Springs based on this idea of general purpose computing. It uses commodity x86 servers, each with just a single 10-gig Ethernet cord into the back for networking, replacing the bevy of wires of the past for host-bus adapters, NIC cards, etc. Before applications move into the new data center, they're "commonized"--revised to use the same database and messaging technology, for example, so they can move easily among servers. FedEx is using this cloud infrastructure inside its own data center---a private cloud--but workloads could easily shift to public clouds run by vendors such as Amazon and others, if that made strategic sense down the road."



*The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic:*

- **Does the Postal Service need International Service Centers?** The Postal Service's International Service Centers (ISCs) distribute and dispatch both incoming and outgoing international mail. In light of international mail volume declines, and the Postal Service's current financial condition, does the Postal

Service still need a separate network to handle international mail? [LINK](#) here to read and provide comments.

**New Audit Projects:** [LINK](#) here to visit our audit project pages. This week we opened the following new project(s): (Please share any information you may have that would help with this audit currently in progress by clicking on the link below): A new audit project has been started on the external website.

- [Compliance with OSHA Regulations - 10YG032HM000](#). The Postal Service must comply with Occupational Safety and Health Administration (OSHA) recordkeeping standards and has a general duty to provide their employees with a workplace free from recognized serious hazards. OSHA provides enforcement through workplace inspections and investigations which can result in penalties when violations occur. Our audit purpose is to determine if the Postal Service is recording and reporting injuries and illnesses in accordance with OSHA requirements.
- [Postal Service Refunds - 11BG012FF000](#). Does the Postal Service provide timely refunds to customers? Currently, the Postal Service offers several different types of refunds to customers, including meter mail postage refunds, value added refunds, and special postage payment system agreement refunds. There have been customer concerns that the Postal Service takes too much time to process those refunds. We plan to review the efficiency and effectiveness of Postal Service's refund processes.
- [Review of Delayed Mail at the Pittsburgh Processing and Distribution Center - 11XG019NO000](#). Our audit purpose is to review delayed mail at the Pittsburgh Processing and Distribution Center.
- [Usability of Postal Service Space - 11YG012DA000](#). This audit seeks to obtain third party professional expertise on whether space in Postal Service facilities is usable or provide alternatives on how to use the space. The Postal Service agrees that there is excess space, however, they question the usability of excess space.

The following reports have been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning a report, please contact Agapi Doulaveris at 703-248-2286.

- [City Delivery Efficiency Review – Northern Virginia District \(Report Number DR-AR-11-003\)](#). Our objectives of this audit report were to assess overall efficiency of city delivery operations and identify opportunities to reduce operating costs within the Northern Virginia District. Our benchmarking comparison determined the Northern Virginia District used approximately 16 minutes more per day than the national average for each carrier route, compared to the standard for that route. Consequently, the Northern Virginia District used more workhours than necessary to deliver the mail. Adjusting its operations would increase the Northern Virginia District's overall efficiency by reducing 103,160 workhours, resulting in savings of more than \$3.2 million annually or about \$32 million over 10 years.
- [Fiscal Year 2010 Financial Installation Audit – Business Mail Entry Units \(Report Number FF-AR-11-006\)](#).

*January 24, 2011*



[Federal News Radio](#) has noted that "the Sarbanes Oxley Act of 2002 requires federal agencies to adhere to more stringent financial reporting criteria. The Postal Service put together a group called the Financial Testing Compliance group to help comply with Sarbanes Oxley. Now, the Postal Service Inspector General has put the group's findings to the test. Linda Libician-Welch, director of Field Financial West in the Office of Audit for the Office of the Inspector

General at the Postal Service, told Federal News Radio that the IG's office found a few problems. But, she added, the group's work has dramatically improved since it began." [[.mp3 of the recording](#)]

## **Mailers' Technical Advisory Committee (MTAC)**

[Message from Susan LaChance to all MTAC members:](#)

"The Postal Service wishes to clarify erroneous information in at least two recent news articles regarding requests for non delivery of mail with simplified addressing. Consumers who do not wish to receive mail with a simplified address must make the request through the mailer, not their carrier. The mailer will then notify the local delivery unit through the same processes currently established for rural routes. Market research indicates that requests for non delivery will be minor. Simplified Addressing enables a mailer to use mail delivery route information to reach target customer groups in specific areas without applying names or exact addresses."

 The [Daily Caller](#) has reported that "The United States Postal Service is having something of an identity crisis as it tries to figure out how to survive in a digital age of dropping mail volume and battle its way out of an \$8.5 billion loss this year. Some have suggested that the Postal Service has become an anachronism, made obsolete by the advent of e-mail. But for Frederic Rolando, president of the National Association of Letter Carriers (NALC), the future is rife with opportunities."

 The [Columbo Page](#) has reported that "The employees of the Postal Department of Sri Lanka have started an overtime duty strike action this month. The representatives of the postal trade unions are to have a discussion with the Minister of Posts and Telecommunication today at 10.00 a.m., trade union sources say. Seventeen trade unions of the Postal Department support the action and warn to launch an overall strike island wide unless their demands are granted."

 The [Wall Street Journal](#) has reported that "The U.S. Postal Service plays two roles in America: an agency that keeps rural areas linked to the rest of the nation, and one that loses a lot of money. Now, with the red ink showing no sign of stopping, the postal service is hoping to ramp up a cost-cutting program that is already eliciting yelps of pain around the country. Beginning in March, the agency will start the process of closing as many as 2,000 post offices, on top of the 491 it said it would close starting at the end of last year. In addition, it is reviewing another 16,000—half of the nation's existing post offices—that are operating at a deficit, and lobbying Congress to allow it to change the law so it can close the most unprofitable among them. The law currently allows the postal service to close post offices only for maintenance problems, lease expirations or other reasons that don't include profitability."

 The [Postalnews blog](#) has reported that "On CBS's Face the Nation this morning, failed presidential candidate John McCain displayed a rather breathtaking ignorance of how the US Postal Service is financed when he suggested that "going after sacred cows" like "the post office" was a key strategy in cutting back federal spending. McCain is apparently unaware of the fact that the USPS, whatever its current problems, pays its own way. Here's what McCain said, word for word: "The Post Office- a model of inefficiency- horse and buggies in days of when Internets and communications have basically replacing it more and more uh we have to go after the sacred cows."

 From [The Hill](#) (same story): "Sen. John McCain (R-Ariz.) sees an easy target in the drive to cut spending while leaving no "sacred cow" untouched. "Ethanol is a joke," he said Sunday on CBS' "Face the Nation," saying that programs promoting the corn-derived fuel are wasting millions. Also on the chopping block could be facets of the U.S. Postal Service, he said, calling it a "model of inefficiency." "We have to go after the sacred cows and then we have to go after entitlements," McCain said." *[EdNote: It would appear that there is an incredible belief that killing the nation's postal infrastructure is a good way to reign in government and give the opposition a black eye. How foolish . . . If they really spent more than an eyeblink thinking about it, they could appreciate that a strong postal infrastructure would facilitate greatly this nation's getting its economy back on track. It makes you wonder . . . How can people serve so long in Congress and yet know so little about the benefits that flow from the nation's postal system?]*

 [Hellmail](#) has reported that "rench postal operator La Poste, said last week that despite extreme weather conditions over the winter and difficulties which arose from the Icelandic ash cloud, it had achieved a delivery success rate of 83.5% for priority letters in 2010 - close to its best ever performance of 84.7% in 2009. La Poste said that like all companies, it had been hard hit by climate events of rare magnitude, at times severely hampering its ability to transport and distribute mail and packages."

*January 23, 2011*

 [ThisIsMoney](#) has reported that "Britain's world-famous red pillar boxes are at risk from controversial plans to sell Royal Mail to a foreign buyer. The new owner would be free to redesign the boxes, drop the Royal 'ER' monogram, put advertising slogans on them or even paint them a different colour. The row comes just weeks after The Mail on Sunday revealed the hotly contested £8 billion privatisation plans allowed for the new buyers - probably including German mail giant Deutsche Post - to remove the Queen's head from British stamps."

 According to the [Washington Post](#), "Postal Service accounting is an arcane art, but here's an educated estimate of the costs of delivering a first-class letter. Less than half of the cost is directly attributable to sorting and delivering the letter. The rest goes to the Postal Service's general overhead costs. Even then, it will lose about 4 cents on the transaction as it struggles to meet unfunded obligations to its retirees."

 [The Oregonian](#) has reported that "Few Oregon startups have launched to greater expectations than Earth Class Mail. As many a tech startup has discovered, though, a great idea doesn't always make a good business. Digitizing all that paper proved hugely expensive, and Earth Class Mail couldn't make its business pay. Today, though, Earth Class Mail is back in Beaverton. Remaining employees are working out of an industrial building there, re-imagining the company and attempting a reboot. No one expects to change the world anymore. But they do expect to make money, calibrating their expectations toward an obtainable objective. "There was so much hyperbole over what this was," said chief executive Sarah Carr, a turnaround specialist hired to rehabilitate the company. "Unraveling the truth from the myth is still something we wrestle with at times."

 The [Daily Express](#) has reported that The postal service will be back to normal everywhere in Britain by tomorrow, says Royal Mail."

*January 22, 2011*

 According to [The Motley Fool](#), "When corporate boards use bad incentives for management's pay, disaster often ensues. (Think Lehman Brothers.) Incentives based on singular metrics such as revenue growth, EBITDA, return on equity, or earnings per share are easily manipulated and gamed. Fortunately, there is a better way: EVA momentum. Creator Bennett Stewart of EVA Dimensions, who also co-created EVA (economic value added), calls EVA momentum "the only percent metric where more is always better than less. It always increases when managers do things that make economic sense."

 [From the Federal Register: Postal Regulatory Commission NOTICES New Postal Products](#) , 4138-4139 [2011-1335] [\[TEXT\]](#) [\[PDF\]](#)

 The [National Association of Postal Supervisors](#) has prepared a business plan justifying the retention of six-day delivery.

 [Hellmail](#) has reported that "From the 1st February, Croatian Post is to introduce a new single price tariff for sending packets throughout Croatia that will automatically include insurance for 70% of packets, at a value of 100 kuna. The operator said that the new pricing would also enable those who send monthly packages valued at more than 5000 kuna to seek commercial discounts."



PMG Patrick Donahoe told [Federal News Radio](#) yesterday that he's confident the USPS will return to black, but not without cutting back on delivery days. "The loss of first class

volume puts a lot of additional cost pressure" on the postal service, said Donahoe. "We eventually will have to go from six to five days from a delivery standpoint to remain in the black." Donahoe explained, "our first class volume is dropping at a rate of six percent per year. Cumulatively over the last three years, we've lost 20 percent of our first class volume. Every first class stamp brings in 20 cents of contribution to the operating expense to cover six day delivery and keep all the post offices open. That's where the pressure is. As that goes down, even if we resolve the health care issues, we've still got problems with delivery days." By taking one delivery day out of the mix, costs are cut by one-sixth "and it's a \$3 billion dollar one time change," notes Donahoe. [[.mp3 of the broadcast](#)]

 The [National Association of Major Mail Users](#) has told its members that "Earlier today the Canadian Union of Postal workers (CUPW) filed for conciliation with the Minister of Labor under the provisions of the Canada Labor Code. CUPW is Canada Post Corporation's largest single union, representing 54,000 workers. This move is a part of ongoing negotiations aimed at reaching a new labor agreement and has proven successful in past rounds of labor negotiations. The terms and conditions of the current collective agreement will remain in place throughout conciliation."

 *At the Postal Regulatory Commission:*

- CP2011-56 Order No. 655 - Order Approving Priority Mail Contract 34 Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71629/Order\\_No\\_655.doc](http://www.prc.gov/docs/71/71629/Order_No_655.doc)  
[http://www.prc.gov/docs/71/71629/Order\\_No\\_655.pdf](http://www.prc.gov/docs/71/71629/Order_No_655.pdf)
- CP2011-57 Order No. 656 - Order Approving Priority Mail Contract 35 Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71630/Order\\_No\\_656.doc](http://www.prc.gov/docs/71/71630/Order_No_656.doc)  
[http://www.prc.gov/docs/71/71630/Order\\_No\\_656.pdf](http://www.prc.gov/docs/71/71630/Order_No_656.pdf)
- MC2011-17 Order No. 655 - Order Approving Priority Mail Contract 34 Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71629/Order\\_No\\_655.doc](http://www.prc.gov/docs/71/71629/Order_No_655.doc)  
[http://www.prc.gov/docs/71/71629/Order\\_No\\_655.pdf](http://www.prc.gov/docs/71/71629/Order_No_655.pdf)
- MC2011-18 Order No. 656 - Order Approving Priority Mail Contract 35 Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71630/Order\\_No\\_656.doc](http://www.prc.gov/docs/71/71630/Order_No_656.doc)  
[http://www.prc.gov/docs/71/71630/Order\\_No\\_656.pdf](http://www.prc.gov/docs/71/71630/Order_No_656.pdf)

 The [American Postal Workers Union](#) has told its members that "APWU's national officers will meet in Atlanta for several days in early February, as President Cliff Guffey seeks to move the organization in a new direction. "We must shift the focus of the union away from acting as a grievance machine," he said. "Leaders at all levels of the organization must get more involved in legislative activities and other union efforts." A top priority for the APWU is to encourage members to visit their elected representatives and urge them to support efforts to resolve the Postal Service's financial crisis. Union members also must encourage legislators to endorse bills that would strengthen the USPS without weakening workers' rights, Guffey said."

 [USA Today](#) has reported that "Cuba has halted postal service to the United States because of what it's costing for returned mail that failed heightened security screening in the wake of parcel bombs sent from Yemen last fall."

*January 21, 2011*

 There's an interesting piece on the [Global Address Data Association](#) web site. It's entitled: "Addressing: Some Practical Advice for the Postal Sector." It's worth the read.

 **The latest issue of the [PostCom Bulletin](#) is available online.** In this issue:

- The Postal Service filed on January 14 its first ever domestic market dominant negotiated service agreement (NSA) under the Postal Act of 2006. The NSA with Discover Financial Services will take effect on March 1. It believes that this agreement ". . . has the potential to enhance significantly the Postal Service's financial position, and it will not cause unreasonable harm to the marketplace."

- The Postal Service has filed a notice with the Postal Regulatory Commission that intends to conduct a Marketing Mail Made Easy (MMME) market test. The market test is estimated to generate between 10 to 20 million new pieces of mail. It builds upon the recent USPS rule change to allow simplified addressing on flats and irregular parcels for city routes.
- According to Wendy Smith, "it's not the figure of 11.3 percent that surprises me, but rather the disparity of increases, ranging from 4 percent to 34 percent that surprises me! Ok, one might think that the higher increases are on the less efficiently prepared and entered parcels. Oh no, it's quite the opposite, the 5-digit destination entered parcels carry the highest increases."
- According to postal commentator Gene Del Polito, "It's getting tiresome. For the past two years, people within what is euphemistically called "the postal community" have been talking, almost endlessly, about the need to get Congress to recognize the screwed up realities surrounding the Postal Service's payments toward postal employee retirement benefits. And, for at least the past two years, there's been a lot of talk, and very little substantive action to rectify the mess. The White House, on the other hand, should be eager to put this issue behind it, or so you would think."
- The Courier, Express, and Postal Observer has told its readers that "A new Postmaster General can reflect either a change in business strategy and operating processes or just a change in tone. With less than a week in office, Pat Donahoe clearly has created a change in tone. Whether he changes more than the tone and presentation of continuing policies or makes real changes in the direction of the Postal Service set by Jack Potter remains to be seen."
- Two freshman GOP to handle federal worker issues. Why 2D barcodes matter to marketers. Legislature must reform workers' compensation system. USPS shrinks workforce, changes pension. From the Affordable Mail Alliance. Senator Collins files brief in exigent appeal. USPS calculates assumed federal tax income on competitive products. PRC grants USPS smaller ODIS-RPW sampling size. Should USPS reconsider April 17? Downsizing, relocations, benefit reduction up next? Careers headed for the trash pile - USPS mail sorter. Imagitas signs 10-year renewal with USPS. PRC establishes price change docket.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? [Send us by email](#) your name, company, company title, postal and email address. Get a chance to see what you've been missing.



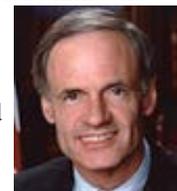
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**At the Postal Regulatory Commission:** The [12-Month Average Change in CPI-U](#) Prepared by Postal Regulatory Commission has been posted on the PRC web site. (1.640%)



According to [Senator Tom Carper](#) (D-DE), "Postmaster General Donahoe has a daunting task before him – he must find significant, effective means to streamline the Postal Service and he needs to do it quickly. Current projections show that the Postal Service may be left without the resources necessary to operate by the next holiday season. Major changes must be made so that taxpayers aren't left to bailout this struggling, but salvageable, institution. I have said it before and I'll say it again, we need to think outside the box when it comes to identifying solutions to prevent the Postal Service from going broke and every option needs to be on the table. This plan to make the Postal Service more efficient by reducing unnecessary positions certainly fits that criteria and is something that I think we should take a serious look at. This announcement also shows that all stakeholders – including top managers – will need to feel the impact of the tough decisions that will need to be made in the coming months. I look forward to working with Postmaster General Donahoe on this and other proposals to reform the U.S. Postal Service and put it on more solid financial footing."



 [The Independent](#) has reported that "Hundreds of postal workers will stage a fresh protest tomorrow against the Government's controversial plans to privatise the Royal Mail, warning that post offices will be at risk of closure."

 According to the [Washington Post](#), "Congressional conservatives on Thursday demanded far more dramatic reductions in government spending than House GOP leaders have recently proposed, in the first sign of a fissure between old-guard Republicans and tea-party-backed newcomers. In addition to its demand for immediate reductions, the study committee recommended cutting more than \$2.5 trillion in spending over the next decade by firing 15 percent of the federal workforce and returning to 2006 spending levels for non-defense agencies starting in 2012." *[EdNote: Sounds good to me. Roll back the USPS spending on retiree health pre-funding to the 2006 level . . . ZERO!! . . . This IS, after all, money that actually comes from citizens' pockets.]*

 The [Washington Post](#) has noted that "Borders is struggling to survive. It recently suspended payments to book publishers. Dozens of its stores across the country, including several in the Washington area, have closed. For many in the industry - and for this group of Borders regulars - the question is not whether the chain will go under, but when. Borders was a major force in redefining Americans' reading habits, selling millions of books in places where they had once been scarce. Now, Borders faces a pool of potential customers who quickly spread culture themselves, one viral video or status update at a time." *[EdNote: The perils of print?]*

 [CTV](#) has noted that "Every year, the postal service is delivering mail to roughly 200,000 new addresses. But every year, Canadians are getting fewer pieces of mail, and the rate of decline is accelerating. In 2009, Canada Post delivered an average of 334 pieces of mail to 14.9 million addresses. That's down 13 per cent from an average of 377 pieces to 14 million addresses in 2005."

 [Dead Tree Edition](#) has told its readers that "The U.S. Postal Service and Discover Financial Services have reached a deal giving Discover incentives to increase its mail volume during the next three years. The arrangement could set a pattern for deals with other large mailers that, like Discover, are mailing fewer customer statements these days because of online billing."

 The latest copy of the [National Association of Postmasters of the U.S.](#) electronic governmental affairs newsletter is available on the NAPUS web site.

 [KHQ](#) has reported that "An Olympic Peninsula mailman faulted by federal prosecutors for "extreme laziness" has been sentenced for destroying or hoarding thousands of letters he was supposed to deliver. For the offenses, Richard Farrell was sentenced Tuesday to 120 hours of community service. He'd previously pleaded guilty to a single federal charge of delaying or destroying mail. Farrell, a 45-year-old Belfair resident, went to work for the U.S. Postal Service as a contract mail delivery driver in 1991, a role he continued until his misconduct came to light in 2010."

 As the [Washington Post](#) has noted, "Democrats on the House Oversight and Government Reform Committee announced their slate of subcommittee ranking members Thursday. Republicans named the heads of the subcommittees on Tuesday. Rep. Stephen F. Lynch (Mass.) will serve as ranking member on the subcommittee

## There's More to Mail Than Meets the Eye

There's no shortage of clever messages and great ads. From the moment we arise to the time we turn off the lights, life is filled with commercial messages that compete for our time and attention.

But not all messages are the same. Some break through the clutter, catch our interest, and cause us to respond.

For generations big companies that were once small -- and small companies that wanted to grow -- have known that mail offers values that are special and unique.

Mail stands out. It can be targeted to reach just the right folks with just the right interests. It can produce results that are clear, immediate, and measurable. It is the only medium that delivers videos to see, samples to try, and coupons to save across a wide array of products.

People trust mail. It is a form of communication that has been used to transmit values, share concerns, and build support for more than a century. Little wonder that marketing trends come and go, but mail is successful year after year.

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responsible for federal workers, the U.S. Postal Service and labor policy. Lynch, whose family includes 17 current and former postal workers, chaired the subcommittee in the last Congress."



**At the Postal Regulatory Commission: Rule: Daily listing Market Dominant Products: USPS Demand Equation Estimation and Volume Forecasting**

**Methodologies** <http://www.prc.gov/docs/71/71620/Attach.One.FileListing.doc>

[http://www.prc.gov/docs/71/71620/Letter-Market\\_Dominant.pdf](http://www.prc.gov/docs/71/71620/Letter-Market_Dominant.pdf)

*January 20, 2011*

 The [Daily News](#) has reported that "Eight unions belonging to the Joint Council of Postal Unions have decided to call off the strike scheduled for today following discussions with representatives of 10 unions, said Postal Services Ministry Secretary Asoka Jayasekara."

 The [Courier, Express, and Postal Observer](#) told its readers that "Donahoe told the Washington Post's Ed O'Keefe that the 7,500 positions being eliminated would be cut by attrition. Eliminating an entire area office requires the use of RIF rules- it's nothing new. Those rules were followed in all of the previous area and district consolidations, and don't automatically mean that any employees will actually be involuntarily separated from the USPS. My confusion reflects the difficulty of understanding the options available to the Postal Service to quickly reduce the workforce. Pat Donogue's statement clearly is consistent with the strategy that the Postal Service had used under PMG Jack Potter to rightsize its workforce. In addition the correction reminded me that all options for reducing the workforce have costs and that the options that can reduce the workforce the fastest have the highest costs."

 The [Wall Street Journal](#) has reported that "Austrian postal service provider Oesterreiche Post AG, or Austrian Post, said Thursday its supervisory board has given the greenlight to merge its letter and branch network divisions from the beginning of next year, which will include reducing the management board members by one. The move, Austrian Post said, is in response to a shrinking letter and branch network business, and aims to cut the administrative cost base and simplify the organizational processes."

 [European Postal Services Marketforce and the IEA's 14th Annual Conference](#): The leading strategic forum for the postal industry 30th & 31st March 2011, Grange St Paul's, London Featuring Operations Day, 29th March 2011, Grange St Paul's, London



*Here's a piece on [hybrid mail](#) you'll want to check out.*

 The [Daily Observer](#) has reported that "The Minister of Post and Telecommunication (MPT) designate, Dr. Frederick B. Norkeh says his administration has embarked on a process that would revamp the ministry's facilities and further decentralize fast delivery of mails and other services across the country."

 [Reuters](#) has reported that "The European Commission approved more than 1.8 billion euros (\$2.43 billion) in state aid for broadband projects last year -- a fourfold increase -- as part of a strategy to boost growth and create jobs. The 20 projects, ranging from an optical fiber network in Catalonia, Spain, to extending the reach of superfast services to remote areas in Finland, Italy, Sweden and Germany, could generate up to 3.5 billion euros in investments, the Commission said on Thursday." [EdNote: And in the U.S.? Well . . . we're still whistlin' Dixie.]

 The [Courier, Express, and Postal Observer](#) has told its readers that "A new Postmaster General can reflect either a change in business strategy and operating processes or just a change in tone. With less than a week in office, Pat Donohue clearly has created a change in tone. Whether he changes more than the tone and presentation of continuing policies or makes real changes in the direction of the Postal Service set by Jack Potter remains to be seen."

 [Marketing Daily](#) has reported that "A new controversy about behavioral data-driven ads for McDonald's, Staples, Macy's and other brands now showing up in online bank statements is less-than-ideal timing for the advertising industry, to put it mildly. The new channel -- a moneymaker for banks that's reportedly working extremely well for participating marketers -- generates ads, most often associated with discount and coupon offers, that appear in online debit card activity statements. The ads are based on a user's debit card transactions, and don't necessarily come from a company from which the consumer has purchased. For example, debit-card charges at one fast-food chain might trigger an ad from a competitor."

 According to postal commentator [Gene Del Polito](#), "It's getting tiresome. For the past two years, people within what is euphemistically called "the postal community" have been talking, almost endlessly, about the need to get Congress to recognize the screwed up realities surrounding the Postal Service's payments toward postal employee retirement benefits. And, for at least the past two years, there's been a lot of talk, and very little substantive action to rectify the mess. The White House, on the other hand, should be eager to put this issue behind it, or so you would think."

 The [Wall Street Journal](#) has reported that "President Barack Obama is riding a surge of public support into next week's State of the Union address, with more Americans approving of his performance and more seeing him as a political moderate, according to a new Wall Street Journal/NBC News poll." *[EdNote: Well, how nice for you. Gain a bit more public support. Fix the CSRS/pre-funding mess.]*

 [Information Week](#) has noted that "In another step toward government transparency and accountability, President Obama has ordered federal agencies to post regulatory compliance and enforcement information online and make it available for public download. In a presidential memo issued Tuesday, Obama said that greater disclosure of this type of information "fosters fair and consistent enforcement of important regulatory obligations" and will help keep the government honest about compliance and enforcement. It also will help agencies identify and address enforcement gaps, according to the memo."

 [Press Release](#): "UPS has announced that Dale Hayes, a veteran UPS marketing executive with extensive experience in the world of e-commerce and new media, has been named to lead the UPS Corporate Public Relations Group. Hayes, 54, currently is the vice president of small business and retail marketing. He will move to his new position on Feb. 1."



*From the Federal Register:*

- **Postal Regulatory Commission NOTICES** Market Test of Marketing Mail Made Easy , 3679 [2011–1096] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service NOTICES** Market Test of Experimental Product: Marketing Mail Made Easy , 3679 [2011–1155] [\[TEXT\]](#) [\[PDF\]](#)

 [American Daily](#) has asked: 'Natural Selection: Can The Postal Service Escape Extinction?'

 [Hellmail](#) has reported that "Polish Post announced yesterday that it is to consolidate post offices in key cities within the country as part of a pilot project."



[Analytiqa](#) has reported that "DHL has widened its official partnership with Fashion Week to include the shows in Paris, Zurich and Tokyo. For the fourth consecutive year, DHL provides logistics services to a total of 23 global Fashion Week and Fashion Day events in 10 countries on four continents. In addition, DHL has extended its scope of services, allowing couturiers at the Fashion Weeks to use DHL's GoGreen carbon-offset transport services for their collections."

 The [Stafford County Sun](#) told its readers: "Congratulations to the U.S. Postal Service for its Sherlock-moment idea: making all stamps "forever" stamps. Minus a formal announcement, the Postal Service tipped its hand to the

idea a couple weeks ago while unveiling the 2011 first-class commemorative stamps: All were marked "forever," instead of the current rate of 44 cents. The idea is smart and simple, on a number of fronts."

 According to the [New American](#), "Once Obamacare is repealed by the House, the attention of the 112th Congress will turn to the question of where government spending can be cut for the largest immediate impact. Several other agencies just begging for major surgery or complete asphyxiation weren't even mentioned: The Department of Education, the Environmental Protection Agency, and the U.S. Postal Service."

 [CBC News](#) has reported that "Canada Post says flu is to blame for a lack of mail delivery for thousands of people in Toronto's east end last week. Some local businesses are outraged that they were left without daily deliveries because Canada Post says it no longer has enough staff to cover for sick letter carriers. But the Canadian Union of Postal Workers blamed the backlog on Canada Post's decision to lay off temporary workers who normally would be called in to fill the vacancies."

 *At the Postal Regulatory Commission:*

- MC2011-19 Order No. 654 - Notice and Order Concerning Addition of Discover Financial Services Negotiated Service Agreement to the Market Dominant Product List  
<http://www.prc.gov/docs/71/71608/Order654.doc>  
<http://www.prc.gov/docs/71/71608/Order654.pdf>
- National Payroll Hours Summary Report, Pay Periods 24, 25, 26, 01, FY 2011  
<http://www.prc.gov/docs/71/71606/bb2611.pdf>  
<http://www.prc.gov/docs/71/71606/bb0111.pdf>  
<http://www.prc.gov/docs/71/71606/bb2411.pdf>  
<http://www.prc.gov/docs/71/71606/bb2511.pdf>  
[http://www.prc.gov/docs/71/71606/Letter-Nat'l\\_Payroll\\_Hours-PP24-01\\_FY2011.pdf](http://www.prc.gov/docs/71/71606/Letter-Nat'l_Payroll_Hours-PP24-01_FY2011.pdf)



A new report has been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoisg.gov/>). If you have additional questions concerning this report, contact Agapi Doulaveris at 703.248.2286.

- [City Delivery Efficiency Review – New York District \(Report Number DR-AR-11-002\)](#). The New York District has opportunities for enhanced delivery efficiency and reduced workhour costs. Our benchmarking comparison determined the New York District used approximately 37 minutes more per carrier route than the average carrier route in the nation. However, because of unique delivery issues specific to the New York District, we concluded it could reduce at least 25 minutes<sup>3</sup> daily on each carrier route.



Did you miss the webinar on *Mail Compared to "e" - What do The Numbers Reveal ?* If so, [go here](#), [register](#), and listen to the recorded webinar. You can get a copy of [the slides used during the presentation](#) from this web site.

*January 19, 2011*


<b>Join us for a Webinar on February 2: "USPS Pricing 101"</b>
<div style="background-color: #0056b3; color: white; padding: 5px; display: inline-block;"><b>REGISTER NOW</b></div>
<p>Please join the Association for Postal Commerce for the <b>"USPS Pricing 101" webinar on Wednesday, February 2nd at 1 PM ET</b>. We will define USPS pricing and costing terms, as well as provide real product, pricing, and costing examples. With so many other demands on your time, staying up-to-date on USPS pricing and costing can be difficult. Join us for an informative hour to strengthen your knowledge and skills on USPS pricing and costing. This web event will be <b>presented by PostCom Executive Vice President Jessica Lowrance</b>.</p> <p style="text-align: center;"><b>Space is limited.</b></p> <p style="text-align: center;">Reserve your Webinar seat now at:  <a href="https://www1.gotomeeting.com/register/928676472">https://www1.gotomeeting.com/register/928676472</a></p> <p>After registering you will receive a confirmation email containing information about joining the Webinar.</p>

 [Congressman Elijah E. Cummings](#) (MD-07), the new top-ranking Democrat on the House Committee on Oversight and Government Reform, wrote to Chairman Darrell Issa today to outline his overarching approach to the Committee's oversight activities in the 112th Congress.

 [Senator Collins](#) has filed an [amicus brief](#) regarding the Postal Service's requested rate increase. As the author of law, Senator Collins says Postal Service lacks justification for its request.

 [Postal news from the National Postal Forum.](#)

 *At the Postal Regulatory Commission:* The [Postal Regulatory Commission](#) has established Docket R2011-2, to receive comments on postal rate changes for market dominant products filed January 13 by the U.S. Postal Service. The rate changes, which include maintaining the current First-Class, first ounce rate at \$.44, are scheduled to take effect on April 17, 2011. Commission rules require that action be taken within 45 days of receipt of the Postal Service's filing and permit a 20-day public comment period. The comment period allows the public to address the consistency of the new rates with statutory requirements, including a CPI-based price cap. Comments from interested parties are due by February 2, 2011. Information on the filing of comments and the calculation of the annual CPI price cap – which is 1.741% in this Docket – is available on the Commission's website, [www.prc.gov](http://www.prc.gov). Market dominant products include First-Class letters and cards, advertising mail, Periodicals, and single piece parcels. Within 14 days of the conclusion of the public comment period, the Commission will determine whether the planned rate adjustments are lawful and issue an order announcing its findings."

 From [PRNewswire](#): "Nimsoft today announced that bpost, Belgium's leading postal company, has implemented the Nimsoft Monitoring Solution (NMS) to improve operational efficiency and quality of service through a more streamlined and proactive monitoring of its IT infrastructure. NMS integrates with bpost's existing platforms and applications, making deployment across its expansive infrastructure fast and virtually seamless. The solution will be used to proactively monitor both bpost's physical and virtual servers, as well as numerous network elements."

 As the [Wall Street Journal](#) has noted, "The 2012 Senate electoral battlefield began to take shape Tuesday, as Democratic Sen. Kent Conrad of North Dakota said he would not seek re-election in 2012 and people close to Sen. Joe Lieberman, an independent from Connecticut, said he would announce plans Wednesday to retire when his term ends."

 [The Star](#) has reported that "Khazanah Nasional Bhd, the government's investment arm, will invite bids this week through its advisor CIMB Investment Bank Bhd for the divestment of its 32.21% stake in Pos Malaysia Bhd. Khazanah managing director Tan Sri Azman Mokhtar reiterated that Pos Malaysia's stake divestment would be a two-stage process, with the first stage addressing regulatory aspects such as the increase in postage tariff rates and rise in salaries and allowances for most of Pos Malaysia's staff."

 The [Daily Mail](#) has reported that "A tiny terrier has forced Royal Mail to suspend deliveries to a street due to fears for their postmen's safety. Peggy has brought the mail service in Dorset Gardens, Northampton, to a standstill because of the threat posed to postmen. The Yorkshire Terrier has developed a reputation as an aggressive dog among residents - despite barely reaching above their ankles. But her owners insist she is harmless and only growls at the postmen on their rounds and has never attacked them."

 The [Globe and Mail](#) has reported that "Tardy mail delivery sparks complaints."

 The [Times & Transcript](#) has reported that "A Moncton city councillor says if Canada Post can't deliver the mail on time, then it should be purged of those responsible for the "incompetence" or sold to the private sector."

 [Response Source](#) has reported that "Latest research from ONEPOST, the UK's leading provider of independent postal advice and management, reveals that 79% of consumers wish to continue receiving direct mail. Of those surveyed, 1 in 5 said they received more than 10 pieces of direct mail each week. Contrary to belief, 75% of consumers surveyed expressed no clear preference as to what day of the week they receive direct mail."

 [Enhanced Online News](#) has reported that "Imagitas Inc. and the United States Postal Service (USPS) have completed a 10-year renewal of their successful MoverSource Alliance, a partnership built around a set of products that helps approximately 44 million U.S. residents with the change of address process each year."

 According to the [News Leader](#), "The postal service, facing competition from UPS, FedEx and others, certainly needs to sell itself. But a governmental agency doesn't sell itself in secret. When the people making the deals are using their own money, they can pay to put their names on anyone's racing jerseys. But not with our money, please."

 According to [Forbes](#), "several career paths have been declining for years due to larger structural changes in the economy. These **dying occupations** are **headed for the trash pile**. Technology has certainly put **postal service mail sorters on the chopping block**. After losing almost 57,000 jobs between 2004 and 2009, the Bureau of Labor Statistics (BLS) expects a further 30% decline in this occupation by 2018. According to jobs researcher and author of 2011 Career Plan, Laurence Shatkin, Ph.D., this occupation has seen some erosion from increased communication via phone, e-mail and cloud computing. Yet the chief reason for the decline, Shatkin says, is that mail sorting has become mostly automated, and robots are replacing people."



[Federal News Radio](#) has asked: "Is the cash-strapped U.S. Postal Service, the second largest federal agency, the ghost of Christmas future for your agency and your job? Is the USPS the federal canary in the coal mine? Will it repeat Clinton era cuts of "overhead" jobs by eliminating thousands of administrative, supervisory and postmaster positions held by people who don't actually touch the mail? And what about smaller pension benefits and lower pay levels for new hires? How will upcoming changes in the USPS, the 2-year freeze on white collar federal pay and other pending changes (like furloughs and a less generous retirement package) impact the once rosy relationship between the Obama administration and federal and postal unions? On the postal side this includes the American Postal Workers Union, National Association of Letter Carriers and Mail Handlers union, and on the non-postal side the AFGE, NTEU and NFFE that strongly supported the president's election bid. If other federal agencies are asked to downsize this year, they will be watching the USPS to see if it can persuade 7,500 mid-management people to leave voluntarily. And if not, what next?"

 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

 One year after the first complaint, US service RPost sued Swiss Post again. Once more the suit has to do with IncaMail, Swiss Post's e-mail platform.

 Unions and postal operators in the Netherlands are supposed to agree upon the future drafting of labour contracts for letter carriers until April 1.

 Sandd BV (Sort and Deliver; revenue of around 80m euros) the second largest mail service in the Netherlands behind TNT, plans to acquire Deutsche Post's subsidiary Selekt Mail (revenue of around 55m euros).

 Portuguese Association for Express Operators (APOE) criticised the draft law for the liberalisation of the postal market and called for substantial changes.

 Portuguese Association for Express Operators (APOE) criticised the draft law for the liberalisation of the postal market and called for substantial changes.

 Brazil's national postal operator is set up for changes. Last week Wagner Pinheiro de Oliveira was appointed as the new president of Empresa Brasileira de Correios e Telégrafos (ECT). In connection with this it was furthermore announced that the positions of president and chairman of the board at ECT will be separated in the future. Paulo Bernardo Silva, Brazil's new communications minister, will assume the position of chairman of the supervisory board.

 Last year, Germans spent more money on the internet than ever before and therefore provided a boom in mail-order business and e-commerce.

 FedEx is one of the most important suppliers for the U.S. Postal Service.

 An agreement in the dispute about cross-border lorry transports between the USA and Mexico, which lasted for more than a decade, seems imminent.

 Austrian Post and Swiss Post agreed upon a name for their joint venture in Germany (CEP-News 42/10). The name Meiller GHP is a reminder of the origins of the two merged dialogue marketing services meiller direct and GHP.

 The German Federation of Postal Service Providers (BvDP e. V.) holds a symposium concerning sustainability on February 23 2011. Well-known experts will present and discuss their sustainability strategies, visions of the near future and success stories from practical experience. The BvDP-Symposium adopts this topic for the postal and logistics industry. Registrations can be made on BvDP's website [www.bvdp.de](http://www.bvdp.de).



The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. *To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help when your appetite for more of what CEP offers.)*

 The [Yonhap News Agency](#) has reported that "South Korea plans to redraw its postal map as part of efforts to streamline its administrative system and enhance national competitiveness, the government said Wednesday. In a meeting of the Presidential Council on National Competitiveness, chaired by President Lee Myung-bak, the Ministry of Public Administration and Security unveiled the plan to replace the current six-digit postal code with the U.S.-style ZIP code that consists of five digits, effective in 2014. The system will be introduced next year on a trial basis. The envisioned system, if implemented, is expected to enable people to find locations nationwide based on the relatively simple ZIP code, the ministry said."



*From the Federal Register: [Postal Regulatory Commission NOTICES](#) Market Test of Gift Cards , 3180–3182 [2011–969] [\[TEXT\]](#) [\[PDF\]](#)*

 The [Washington Post](#) has reported that "The new chairman of the House subcommittee responsible for federal workers and the U.S. Postal Service said Tuesday that he plans to focus first on potential cuts to the federal payroll. In an interview Tuesday, Ross noted that he proposed trimming the federal payroll through pay freezes or attrition

during his campaign." [EdNote: Here's a hint. By squeezing the blood out of the Postal Service, postage payers have been subsidizing the underfunding of every other federal agency's CSRS obligations. Leave postage payers alone. Tell all the other feds to fully fund for their own.]

 [Dead Tree Edition](#) . . . needs a rest. 😊

 According to the [National Post](#), "Canada Post's new CEO has a lot to carry."

 [At the Postal Regulatory Commission: CP2011-58 Order No. 652](#) - Notice and Order Concerning an Additional Global Reseller Expedited Package Contract Negotiated Service Agreement  
[http://www.prc.gov/docs/71/71596/Order\\_No\\_652.doc](http://www.prc.gov/docs/71/71596/Order_No_652.doc) [http://www.prc.gov/docs/71/71596/Order\\_No\\_652.pdf](http://www.prc.gov/docs/71/71596/Order_No_652.pdf)

*January 18, 2011*

 [Yahoo! News](#) has reported that "For months now, the head honchos at Netflix have been calling the video rental giant a "streaming company" that "also offers DVDs." Now Netflix appears to be making good on its new mantra, announcing that it's phasing out the "Add to DVD queue" feature from any and all Netflix streaming devices, including smartphones and game consoles. Netflix announced the decision on its official blog Monday and sparked an immediate outcry, drawing more than 300 mostly angry comments."

 The [Globe and Mail](#) has reported that "Canada Post Corp. says Deepak Chopra will take the reins of the country's government-owned postal service for a five-year term starting Feb. 1. Chopra lives in Toronto and was formerly the president and CEO of the Canadian and Latin American regions of Pitney Bowes, a global mailing and communications firm."



2286.

The following reports have been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning a report, please contact Agapi Doulaveris at 703-248-

- [Fiscal Year 2010 Selected Information Technology General Controls \(Report Number IT-AR-11-002\)](#).
- [Postal Vehicle Service Transportation Routes — Suburban Maryland Processing and Distribution Center \(Report Number NL-AR-11-001\)](#). By more effectively managing Postal Vehicle Service (PVS) transportation processes and schedules, the Suburban Maryland Processing and Distribution Center (P&DC), in Gaithersburg, MD, could reduce driver workhours, associated fuel use, and damage claims. Additionally, management could eliminate or consolidate underutilized trips from highway contract routes (HCRs) that serve the Suburban Maryland P&DC. We estimate the Postal Service could save about \$650,000 per year. The reduction in PVS and HCR transportation fuel use would also help the Postal Service achieve its fuel consumption goals.

 The [Christian Science Monitor](#) has reported that "The Transportation Security Administration is moving ahead, on a faster-than-expected timetable, to close a gap in security screening of international air cargo carried aboard US-bound passenger flights. The policies, combined with bad weather, meant that some people in the US waited weeks to get their packages, especially over Christmas when there was a big jump in the amount of intercontinental mail. In some cases, the US Postal Service was forced to reroute US-bound mail, putting it on air-cargo-only flights and even ships. Delays have lessened as mail volume has dropped – and as postal systems abroad have become familiar with US requirements, say US Postal Service and air cargo experts."

 [Wanna know more about Darrel Issa? Check out the story in the \*New Yorker\*.](#)

 [Media Daily News](#) has reported that "Last year, the consumer magazine business enjoyed a recovery that was tentative at best, -- with total ad pages basically flat at just under 170,000, according to the Publishers Information Bureau, even as official rate card revenues (often considered a less accurate gauge of the industry's health) rose 3.1% to just over \$20 billion. While simple stability is a welcome change after the steep downturn accompanying the recession, the industry has a long way to go before it makes up the lost ground: Total ad pages in 2010 were down 31% from 246,147 in 2006. Moreover, the fitful recovery in 2010 has also been uneven."

 The [Washington Post](#) has reported that "The nation's top mailman says he'd like to meet with former House speaker Newt Gingrich to explain the U.S. Postal Service's use of Forever Stamps. The Postal Service has sold more than 500 million Forever stamps. (AP) Gingrich last week blasted the use of Forever Stamps, calling them a short-term fix to the mail agency's long-term financial problems that could result in billions of dollars in government assistance. In a conversation Friday with reporters, Postmaster General Patrick R. Donahoe called the denomination-less stamps "a convenience for our customers." "I think if we're asking customers to buy stamps and use postage, it's not only a convenience, it's a sign of respect for people. Why make them get in line to buy 2-cent stamps?" Donahoe said. In fairness, Gingrich did agree last week that Forever denominations are convenient to customers for when stamp prices increase."

 From [PRWeb](#): "Datatech SmartSoft Inc., a leader in postal software and address accuracy technology, today announced the official release of its new SERP Recognized Address Accuracy software, frameworks Canada."

 [NTNews](#) has reported that "mail services hang in the balance for about 2000 remote Top Enders after a long-running dispute between a shire and Australia Post that has come to a head. West Arnhem Shire says AusPost is only willing to pay about half of what it actually costs to do the post for Gunbalanya, Minjilang and Warruwi. But AusPost says the shire is at fault - and should be able to operate the community postal agencies more cheaply."

 [Guide2Nigeria](#) has reported that "MobileMoneyAfrica is launching "Mobile Remittance, West Africa ", a Money Remittance Conference taking place in Lagos, next week. The Post Master General of the Nigerian Postal service, Mallam Ibrahim Mori Baba, will deliver the keynote address to the gathering of Financial institutions, mobile network operators, technology providers, agent networks and other stakeholders at the Mobile Remittance West Africa summit which is holding on January 25th – 26."

 [Post & Parcel](#) has reported that "Postal workers in Korea have been getting used to their new uniforms – made from recycled drinking bottles. Korea Post has confirmed that its mail carriers are now wearing clothes made from PET bottle recycled fibre. The PET fibre has gone through a refining process after slicing recycled PET bottles into tiny pieces. Up to 11 recycled PET bottles are used for a uniform, and approximately 389,000 PET are being used to manufacture 35,000 uniforms. The new uniforms will avoid the environment having to absorb 22,000 kilograms worth of carbon dioxide from disused materials."

 [The Californian](#) has reported that "A proposal to shut down a Salinas mail-processing center is expected to draw resistance from critics who say such cost-cutting action will result only in minimal savings and will not be worth the loss of about two dozen jobs."

 The [Washington Post](#) has reported that "House Republicans are tapping two freshmen to lead congressional oversight of the federal workforce and U.S. Postal Service. Reps. Dennis A. Ross (R-Fla.) and Justin Amash (R-Mich.) will serve as chairman and vice chairman of the panel's subcommittee on the federal workforce, U.S. Postal Service and labor policy, according to aides for committee chairman Darrell Issa (R-Calif.). Preventing "a fiscal meltdown" at the U.S. Postal Service is also "one of the central priorities" of the new Congress, Issa said in his statement."

 [Hellmail](#) has reported that "Estonian Post said this week that whilst changes to customs clearance from the EU meant more work in terms of completing the relevant paperwork, once staff and customers became more familiar with the system, shipment deliveries should not see extensive delays."

*January 17, 2011*

 [Post & Parcel](#) has noted that postal "union officials in the UK have expressed their disappointment in MPs who voted in favour of the Postal Services Bill."

 [Road Transport](#) has reported that "Parcel firm Nightline is launching a new letters and packets delivery arm to make the most of a looming liberalisation of Ireland's postal system. The new division, called Eirpost, will allow the company to offer a second-class post collection service for thousands of SMEs, alongside its core parcels operations."

 [GNT](#) has noted that "Facebook third party application developers now have access to additional personal information of Facebook users. Postal addresses and mobile phone numbers are now visible."

 According to [DM News](#), "Recent data suggests consumers will be viewing both the physical and online worlds through their mobile devices as the norm – not the exception. [Technology like 2D codes](#) can be used to connect these worlds through the consumer's mobile device. A 2D code is a two-dimensional barcode that links to an online experience when scanned with a mobile device. A downloaded software application turns a mobile device's camera lens into an optical scanner. Each code is encoded with specific information like a URL or contact information. For marketers, 2D codes open a gateway for consumers to conveniently access online information, coupons, videos, directions and more, at precisely the time and location it is most relevant. 2D codes are distinguished from one-dimensional (1D) barcodes because they can be read or scanned horizontally or vertically by optical scanners not just by laser scanners. They afford enormous flexibility and can be designed in virtually any size for use on all sorts of media."



 The [New York Times](#) has reported that "The frustration that the country's magazine and newspaper publishers feel toward Apple can sound a lot like a variation on the old relationship gripe, "can't live with 'em, may get left behind without 'em." Since Apple introduced the iPad last year, publishers have poured millions of dollars into apps in the hopes that the device could revolutionize the industry by changing the way magazines are read and sold to consumers. But at the same time, the industry is discovering a lesson already learned by music labels and Hollywood studios: Apple may offer new opportunities with its devices, but it exacts a heavy toll. Magazine publishers argue in particular that limiting magazine sales on the iPad to single issues (except in a handful of cases) has hamstrung publishers from fully capitalizing on a new and lucrative business model."

 The [Covington Reporter](#) has noted that "State Auditor Brian Sonntag reports that our workers' compensation system is unsustainable — that huge premium increases are needed to keep the program solvent. But those increases, which must be paid mainly by employers, will cripple our ability to recover from the recession. In the midst of our nation's \$1.4 trillion deficit and crushing unemployment, the issue of workers' compensation might not seem all that important. It is. Abuses and expanded benefits are draining employers of money they could otherwise use to create jobs. They also impact workers who pay a fraction of the insurance premiums." [*EdNote: It seems it isn't just an issue with the Postal Service.*]

 According to the [Lancashire Evening Post](#), "Trade union bosses have blamed cost-saving measures at Royal Mail for delays in delivering parcels and Christmas cards."

 [The Telegraph](#) has reported that "A new delivery system introduced by the Royal Mail has caused a backlog so bad in parts of the country that it was forced to send out postmen on a Sunday."

 [The Tennessean](#) has reported that "FedEx Corp. handles China deliveries with a local partner bought for \$400 million and uses long-range freighters to fly to the U.S. nonstop. United Parcel Service Inc. seeks to build its own network and operates bigger jets. They're chasing the same goal: taking advantage of Chinese regulators' moves to welcome more foreign companies into a market for express shipments that may be valued at \$7.5 billion."

 [CNN](#) has reported that "Hundreds of pieces of mail fluttered onto interstates in eastern Missouri Sunday after the back door of a contractor's semi carrying mail for the U.S. Postal Service popped open. Police and postal authorities

spent hours along the highway picking up mail Sunday afternoon. The Postal Service is investigating how the incident happened so it can be prevented in the future."



[Federal News Radio](#) has reported that "the Postal Service is continuing to reduce its larger workforce as decreases in mail volume are resulting in idle hours paid. Approximately 100,000 positions have been eliminated in the past three years. Other potential ramifications for employees include pay freezes, reductions in current employee benefits and lower pay scales for new employees. Employee pay and benefits account for 80 percent of USPS's operating expenses. Donahoe said he wants to exhaust all internal cost cutting measures before making changes that would impact the public. However, even with these steps, the Postal Service will want more delivery flexibility and to eliminate Saturday service. The reassessment of pay and benefits and the elimination of Saturday delivery were two of three measures proposed in legislation by Sen. Tom Carper (D-Del.). Carper's POST Act would also take aim at a controversial federal pension. Currently, USPS pays into three employee programs: the Civil Service Retirement Program (CSRS), the Federal Employment Retirement System (FERS) and a fund for potential future employees' health benefits. Studies by the USPS inspector general and the Postal Rate Commission have recently shown that USPS has been overcharged for its liabilities to the two pension systems, which are calculated based on projections of future workforce numbers. In the past few years, USPS has actually shrunk, and therefore has been contributing money to the funds for employees it does not have."

*January 16, 2011*



### *It's Time for Plain Speaking*

*Mr. President, we, the businesses who use mail as a vehicle for business communication and commerce, [join our voice with those of our colleagues](#) who deal with each day's challenge of ensuring that our nation has the benefits that come from a universal mail system. Mail is and will remain, for quite some time to come, an important part of the way this nation communicates and does business.*

*The U.S. Postal Service is an Executive Branch agency. It is being imperiled needlessly by budget scoring mechanisms that don't even comport with reality. It's time to direct others within the Executive Branch to take the sensible steps our postal colleagues have recommended to rectify this matter.*

 [JapanNews.net](#) has reported that "Japan Post Service Co, a mail-delivery unit of the Japan Post group, will suspend recruitment of new graduates for fiscal 2012 due to poor business performance. The suspension of recruitment for all job categories will affect students who will graduate between April 2011 and March 2012 as the unit expects a net loss of 54 billion yen in fiscal 2010 ending in March due to decreasing mail and delays in its Yu-Pack parcel delivery."

 The [Sacramento Bee](#) has reported that "The U.S. Postal Service has delivered a surprise: It wants to move out of the downtown building that has been virtually synonymous with "Sacramento Post Office" for almost 80 years."

 [The Age](#) has told its readers that "The post office has joined that list of endangered community icons once so much part of the Australian lifestyle. Like the milk bar and the local bank branch, the post office is shrinking away and this year 27 branches are expected to close. Blame the internet - again. Email and internet banking have been nibbling away at the mailbox and last financial year Aussie Post lost money on letters for the first time."

 [Hellmail](#) has reported that:

 [Jean-Ludovic Silicani](#), President of ARCEP, the French communications regulator, made a speech earlier this week outlining future business as well as recognising the work of former ARCEP President, Edward Bridoux. He pointed to other European countries which were ahead of France on Liberalisation such as Sweden, the Netherlands and Germany. He said the emergence of competition had often pushed incumbent postal operators to change their management and better

address the needs of their customers. However, he said ARCEP remained concerned about the future continuity and quality of the Universal Service and the ability of La Poste to provide an affordable service in a more competitive environment.

 [Royal Mail today denied claims](#) that plans to modernise delivery methods throughout Royal Mail had been suspended in some areas of the UK. It blamed the delays on the worst winter weather it had experienced in 30 years.

*January 15, 2011*

 [Direct Marketing News](#) told its readers that "Postmaster General Patrick Donahoe said January 14 that he will cut additional positions at the US Postal Service, work to simplify its mailing processes, and promote the organization to potential advertisers. Donahoe also told reporters that he will return the Postal Service to profitability by making it leaner, smarter and faster and by improving the customer experience."

 [Hellmail](#) has reported that "The Slovenian regulatory body (APEK) has completed a comparative analysis of price and delivery times of mail operators serving Slovenia, in conjunction with survey specialists, Ninamedia Ltd. The review examined the pricing and transit times of items weighing 50g and 1kg and 15 kg weight items to compare price and delivery times and gain some insight into the difference between competition in the postal market and to provide useful information for postal users."

 The [Houston Chronicle](#) has reported that "The U.S. Postal Service plans to move mail-processing operations in Houston from the downtown general post office to an existing facility in north Houston, an official said Friday. The move is pending funding for an expansion of its facility on Aldine Bender."

 [From the Federal Register: Postal Service NOTICES](#) International Product Changes: **Global Expedited Package Services; Non-Published Rates** , 2930 [2011-854] [\[TEXT\]](#) [\[PDF\]](#) **Global Plus 1B and 2B Negotiated Service Agreements** , 2930 [2011-855] [\[TEXT\]](#) [\[PDF\]](#) **Market Test of Experimental Products: Gift Cards** , 2930 [2011-857] [\[TEXT\]](#) [\[PDF\]](#) **Product Changes: Parcel Select Negotiated Service Agreement** , 2930-2931 [2011-856] [\[TEXT\]](#) [\[PDF\]](#) **Priority Mail Negotiated Service Agreement** , 2931 [2011-858] [\[TEXT\]](#) [\[PDF\]](#) 2931 [2011-859] [\[TEXT\]](#) [\[PDF\]](#)

 The [Postalnews blog](#) has noted that "The Occupational Safety and Health Administration has hit the Postal Service with another unwelcome finding: Delivery Bar Code Sorter machines pose a direct risk to workers' health, and there is a "general lack of understanding about the hazards and injuries" associated with the equipment among postal managers. Hazards included repeated bending and twisting; forceful gripping; lifting heavy weight; shoulder exertions; extended reaches, and forceful pulling and pushing. Other risks included contact trauma, working in awkward postures, and generalized body fatigue."

 The [BBC](#) has reported that "Postal delivery in Jersey could go down to five days a week before the end of the year. Officials are considering what options are available for Jersey Post, given the downturn in postal use in the island."

 From [PRNewswire](#): "Patrick R. Donahoe today took the oath of office in front of employees and family members to become the 73rd Postmaster General of the United States and the CEO of the U.S. Postal Service. Pledging to return the Postal Service to profitability and continue to provide high levels of customer service, Donahoe announced a new partnership with eBay as part of a renewed push to generate much needed revenue and the expansion of the Forever Stamp program for customer convenience. "I am confident that we will emerge as a profitable, market-responsive organization that competes for customers and delivers even greater value to the American people," Donahoe said."

 The [Associated Press](#) has reported that "Postal clerks will stop holding up the line with all those questions when you mail something. Some questions will still be needed for security reasons, but clerks no longer have to run through a litany of whether each customer wants a return receipt or insurance or other special services. It was like "Do you want fries that that?" Postmaster General Patrick R. Donahoe said Friday, and it wasted time and slowed

lines. "Lines at post offices are a major issue for me," Donahoe said at a briefing before being sworn in as the nation's 73rd postmaster general."

 [Hellmail](#) has reported that "The second reading in the House of Lords for the Postal Services Bill will begin on the 25th January, followed by the Committee Stage, Report Stage, Third Reading, and consideration of amendments, at which point it will then move to Royal Assent and the Bill will become an Act of Parliament."

 [Federal Times](#) has reported that "With the U.S. Postal Service on a slide toward insolvency, labor and management are double-teaming the White House in a bid for help. In a joint letter to President Obama this week, the Postal Service's four unions, as well as organizations representing postmasters and postal supervisors, asked the administration to override the Office of Personnel Management's position on allocation of pension costs."

 [Fox News](#) has reported that "A U.S. congressman trying to save a mail processing facility in his Wisconsin district sent a letter to the Postmaster General asking for an extension to a comment period on a proposal to close the plant. But the letter, mailed from Rep. Tom Petri's Washington office on Dec. 14, didn't reach Postmaster General Patrick Donahoe, whose office is in the same city, until Dec. 30, Petri's staff says. The comment period for closing Oshkosh's mail processing facility was extended but Petri wants to know why it took so long for his request to arrive."

 [Cycling News](#) has reported that "the US Postal service spent nearly \$32 million in the sponsorship of Lance Armstrong's team during the 2001-2004 seasons, a new report by ESPN revealed." On the other hand, MSNBC has reported that "Studies commissioned by the United States Postal Service estimated the agency received \$103.6 million in domestic value from sponsoring Lance Armstrong's cycling teams during their heyday."

 **From the Affordable Mail Alliance:** Here are some important items of information concerning the pending appeal by the U.S. Postal Service of the Postal Regulatory Commission's 9/30/2010 decision rejecting the USPS request for an "exigency" rate increase.

- The Affordable Mail Alliance and about a dozen other "intervenor" organizations today filed an excellent joint brief with the U.S. Court of Appeals supporting the PRC's decision to reject the "exigency" rate increase.
- Also, the U.S. Department of Justice today filed a separate brief in support of the PRC decision.
- Senator Susan Collins of Maine today filed an extremely well written Amicus Curiae brief in support of the PRC's decision.
- The Court of Appeals has scheduled oral argument in the case for March 15th.

 According to [Zacks](#), "Below are the top five companies in the Air Freight & Logistics industry as measured by relative performance. This analysis was compiled based on yesterday's trading activity as we search for stocks that have the potential to outperform. FedEx ranks first with a gain of 0.66%; United Parcel Service ranks second with a gain of 0.43%; and Expeditors International of Washington ranks third with a loss of 0.39%."

 The [Atlanta Business Journal](#) has reported that "FedEx Ground will develop a 50-acre site in Norcross, where it has initial plans for a nearly 215,000-square-foot distribution center — and room for much more."

 According to [Dead Tree Edition](#), "In announcing rate increases yesterday, the U.S. Postal Service actually managed to win praise from many mailers."

 *At the Postal Regulatory Commission:*

- [Docket No. MC2011-19 & Docket No. R2011-3](#), Discover NSA.
- [Docket No. MT2011-3](#), **Market Test Of Experimental Product – Marketing Mail Made Easy**
- United States Postal Service Calculation of Assumed Federal Income Tax on Competitive Products Income

<http://www.prc.gov/docs/71/71573/Jan.11.Transmittal.Ltr.pdf>  
<http://www.prc.gov/docs/71/71573/Comp.Products.FY10.Fed.Income.Tax.xls>

- RM2010-10 Order No. 650 - Order Concerning Analytical Principles for Periodic Reporting (Proposal Two)

[http://www.prc.gov/docs/71/71579/Order\\_No\\_650.docx](http://www.prc.gov/docs/71/71579/Order_No_650.docx)  
[http://www.prc.gov/docs/71/71579/Order\\_No\\_650.pdf](http://www.prc.gov/docs/71/71579/Order_No_650.pdf)

*January 14, 2011*

 According to the [Washington Post](#), "On the same day the U.S. Postal Service's new top boss took over, he warned that at least 7,500 administrative personnel could soon be on their way out."



The latest issue of the [PostCom Bulletin](#) is available online. In this issue:

- The U.S. Postal Service will raise prices on its Mailing Services products April 17, with the overall average price increase capped at the inflation-based cap of 1.741 percent. Individual product prices will vary within the class. The Postal Service filed notice of its annual price adjustments with the Postal Regulatory Commission January 13, a full 45 days prior to implementation of the new rates as required by the Postal Accountability and Enhancement Act.
- A 16 percent reduction to the officer ranks, realigning revenue-generating business units and closing one Area office are among steps taken [last week] by Postmaster General Patrick R. Donahoe to create a leaner, faster, smarter U.S. Postal Service.
- The American Postal Workers Union has told its members that the four major postal unions have written to the President of the United States saying: "As the elected leaders of four postal labor unions and two postal management organizations representing more than 500,000 employees, we write to request immediate action to save almost 100,000 good middle class jobs and stabilize the financial condition of one of America's most important public institutions, the U.S. Postal Service. A healthy postal system is critical for a healthy U.S. economy. . . . The Postal Service should be permitted to use the surplus in its two pension funds—the Civil Service Retirement System and the Federal Employees Retirement System—to cover the cost of its future retiree health obligations."
- The Courier, Express, and Postal Observer told its readers that "In a recent commentary, Newt Gingrich repeated a mistaken understanding of the Postal Service's business and the impact that the forever stamp will have on Postal Service finances. According to the latest polls, Newt Gingrich is one of the top four contenders for the Republican nomination for President so his comments on the Postal Service need to be taken seriously as they will influence the debate among Republicans about the future of the Postal Service. Unfortunately for postal stakeholders, Newt Gingrich's comments are problematic in three ways."
- USPS thins senior executive ranks. New USPS org chart now available. Publishers split over revenue models. PRC seeks public comments on USPS ACR. Can we deconstruct this postal "restructuring"? Postal Service RIFs, early retirement coming soon. UPS expands global healthcare network with new facilities. PRC opens docket for USPS gift card market test.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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***The Real Deal***  
**PostCom's Charts**  
**Showing Comparisons of**  
**Current and 2011 Proposed Rates**

 The [Postalnews blog](#) has reported that "Sources tell us that the Northeast Area VP Jordan Smalls will be the new Eastern Area Vice President, filling the vacancy created when Megan Brennan was promoted to Chief Operating Officer. Taking Smalls place in Windsor will be Steve Forte, who was the VP for the New York Metro Area until it was merged with the Northeast."



***Now hear this: "This Week In Postal".....the latest podcast posted now! The Sound and the Fury***

 The [National Association of Postmasters of the United States](#) has informed its members of a letter that has been sent to President Obama on the postal CSRS/pre-funding mess.

 According to [Hellmail](#), "The long delays for many postal deliveries over the Christmas period have been blamed on snowfall and icy roads, but there are also those who say that backlogged mail has been made far worse through the closure of mail centers and the introduction of cost cutting measures at the delivery end after the Royal Mail instigated a nationwide plan to restructure and reduce costs. It is now next to impossible to find a full-time position within a Royal Mail delivery office, with only part-time jobs now on offer. In many areas, night shifts have gone entirely and delivery routes amalgamated with others to help reduce the headcount - and crucially the wage bill. Likewise overtime has been heavily curtailed."

 [Post & Parcel](#) has reported that "Brazil's national postal operator, Empresa Brasileira de Correios e Telégrafos (ECT), has a new president this month who has set its sights on strengthening services."

 The [Washington Post](#) has reported that "A Colorado Republican wants to cut congressional salaries by 10 percent and force federal workers not working on defense, health, homeland security or law enforcement issues to take two-week furloughs, figuring the cuts could save taxpayers about \$5.5 billion. Rep. Mike Coffman (R-Colo.), who unveiled the plan Thursday, said furloughs are becoming commonplace at the local and state level." *[EdNote: Here's a thought. Why doesn't Congress go on an indefinite furlough? We'll call them back, when we think we need them and that they'll actually do something helpful. . . . We could be in for a long wait.]*

 Heard about the [Global Address Data Association](#)? If not, check it out.

 [Hellmail](#) has reported that "A forthcoming seminar in London will examine the future of Royal Mail, Post Office Ltd, and the universal postal service. With a keynote address from Richard Hooper, Chair of the Postal Services Review, the agenda is being structured to reflect issues emanating from the Review's findings, as well as an examination of the future prospects for the Royal Mail and the UK's universal postal service in the digital age."



[Federal News Radio](#) has reported that "fifteen federal and employment groups sent a letter to the White House Jan. 13 condemning proposed cuts to federal benefits and pay." Among the signees: National Association of Letter Carriers (NALC), National Association of Postal Supervisors (NAPS), National Association of Postmasters of the United States (NAPUS), National Rural Letter Carriers' Association (NRLCA)

 The [Press Democrat](#) has reported that "Members of two Postal Service unions did informational picketing outside the North Bay mail processing center in Petaluma on Thursday, protesting a plan to downsize the facility."

 The [Irish Times](#) has reported that "legislation allowing private sector operators other than An Post to process and deliver ordinary mail "down to the smallest letter or postcard" has been introduced in the Dáil."

 *At the Postal Regulatory Commission:*

- First-Class Mail Cap Compliance  
<http://www.prc.gov/docs/71/71562/R11.2.1.Preface.doc>  
<http://www.prc.gov/docs/71/71562/CAPCALC-FCM-FY2011.xls>  
<http://www.prc.gov/docs/71/71562/CAPCALC-FCMI-FY2010.xls>  
[http://www.prc.gov/docs/71/71562/Inbound\\_CAPCALC-FCMI-FY2010.xls](http://www.prc.gov/docs/71/71562/Inbound_CAPCALC-FCMI-FY2010.xls)
- USPS-R2011-2/4 - Package Services Cap Compliance  
<http://www.prc.gov/docs/71/71565/R11.2.4.Preface.doc>  
<http://www.prc.gov/docs/71/71565/CAPCALC-PSVC-FY2011.xls>  
[http://www.prc.gov/docs/71/71565/FY2011SPParcel\\_Post.xls](http://www.prc.gov/docs/71/71565/FY2011SPParcel_Post.xls)
- USPS-R2011-2/3 - Periodicals Cap Compliance  
<http://www.prc.gov/docs/71/71564/R11.2.3.Preface.doc>  
<http://www.prc.gov/docs/71/71564/CAPCALC-PER-FY2011.xls>
- USPS-R2011-2/2 - Standard Mail Cap Compliance  
<http://www.prc.gov/docs/71/71563/R11.2.2.Preface.doc>  
<http://www.prc.gov/docs/71/71563/CAPCALC-STD-FY2011.xls>
- R2011-2 USPS-R2011-2/5 - Special Services Cap Compliance  
<http://www.prc.gov/docs/71/71566/R11.2.5.Preface.doc>  
<http://www.prc.gov/docs/71/71566/CAPCALC-INTLSpecServ-FY2010.xls>  
<http://www.prc.gov/docs/71/71566/CAPCALC-SpecServ-FY10.xls>

 The [American Postal Workers Union](#) has told its members that the four major postal unions have written to the [President of the United States](#) saying: "As the elected leaders of four postal labor unions and two postal management organizations representing more than 500,000 employees, we write to request immediate action to save almost 100,000 good middledass jobs and stabilize the financial condition of one of America's most important public institUtions, the U.S. Postal Service. A healthy postal system is critical for a healthy U.S. economy. . . . The Postal Service should be permitted to use the surplus in its two pension funds-the Civil Service Retirement System and the Federal Employees Retirement System-to cover the cost of its future retiree health obligations."



### *DMM Advisory: Postal Service Relaxes Upcoming Requirements for Automation*

**Prices** . Recognizing ongoing concerns about mailers' readiness for broader adoption of the Intelligent Mail barcode (IMb®), the USPS® has decided that **automation discounts for mail with POSTNET barcodes will continue to be offered beyond May 2011**. Today's announcement, made following consultation with key industry leaders, means that **mailers also may continue to use the POSTNET barcode for reply mail** (such as Business Reply Mail (BRM), **QBRM and Permit Reply Mail**) and **PLANET Code® for Confirm® Service**. The relaxing of requirements beyond the planned May POSTNET retirement timeframe allows for an easier transition to the full use of the IMb while continuing to receive automation discounts. The value of the IMb is a proven technological advantage with more than 41 billion pieces of IMb-enabled mail processed by the USPS. As more Industry leaders continue to embrace the IMb, the Postal Service is committed to enhancing the benefits of Intelligent Mail Services.

*January 13, 2011*

 **Press Release:** "Siemens Mobility and Swiss Post have agreed to pursue a joint marketing strategy in the field of postal automation. Both companies will go on the market for post and postal service providers with a new automation solution that converts physical mail into electronic mail. This collaboration is based on Trust-Ebox, the automation solution developed by Siemens, and on the experience Swiss Post that has gained in the electronic mail delivery. Postal customers receive their mail via Internet and can access it at all times by mobile phone or computer. Compared to similar processes, this Siemens solution enables postal companies and postal service providers to cut

their costs tenfold. The Trust-Ebox is currently being put to the test together with Swiss Post in a rollout for their product, the Swiss Post Box."

 **DMM Advisory: Mailing Services Prices to Change April 17, 2011.** Today, we notified the Postal Regulatory Commission (PRC) that we will change prices for our Mailing Services products, which include First-Class Mail®, Standard Mail®, Periodicals, Package Services and Extra Services. **The new prices take effect on April 17, 2011**, almost two years since the Postal Service last raised prices for Mailing Services products. Based on a price cap calculated by the PRC using Consumer Price Index (CPI) data, we will increase prices by an average of 1.741 percent across each Mailing Services class of mail. The new prices can be viewed online on Postal Explorer® at [pe.usps.com](http://pe.usps.com). Click on the link in the left blue navigation frame under “\*New\* April 17, 2011 Pricing Information.” April 17, 2011 Pricing Information [Domestic Excel File](#) [International Excel File](#) [Downloadable Files](#) See also the [slides used by the PMG](#) during an industry briefing.

 *At the Postal Regulatory Commission:*

- **R2011-2 United States Postal Service Filing of Updated Schedule of Regular and Predictable Price Changes**  
<http://www.prc.gov/docs/71/71549/Not.Schedule.Regular.Rate.Adj..pdf>

- **Remarks at January 11, 2011 Public Forum on PAEA:**



[Chairman Ruth Goldway](#)



[Commissioner Nanci E. Langley](#)

- **CP2011-55 Order No. 648** - Order Approving an Additional Global Reseller Expedited Package Contract Negotiated Service Agreement [http://www.prc.gov/docs/71/71556/Order\\_No\\_648.doc](http://www.prc.gov/docs/71/71556/Order_No_648.doc)  
[http://www.prc.gov/docs/71/71556/Order\\_No\\_648.pdf](http://www.prc.gov/docs/71/71556/Order_No_648.pdf)

 The [Courier, Express, and Postal Observer](#) told its readers that "In a recent commentary, Newt Gingrich repeated a mistaken understanding of the Postal Service's business and the impact that the forever stamp will have on Postal Service finances. According to the latest polls, Newt Gingrich is one of the top four contenders for the Republican nomination for President so his comments on the Postal Service need to be taken seriously as they will influence the debate among Republicans about the future of the Postal Service. Unfortunately for postal stakeholders, Newt Gingrich's comments are problematic in three ways."

 [News.am](#) has reported that "The Armenian government has decided to sign an agreement on cooperation in military courier postal links with Russia, the Armenian Defense Minister Seyran Ohanyan stated on January 13. According to him, the military correspondence delivery from Armenia to Russia and back will be regulated by this agreement. Under the agreement, military correspondence is inviolable and not subject to border and customs surveillance. This agreement regulates the activities of the military couriers, delivery of correspondence and special cargo."

 **Press Release:** The Postal Service filed new mailing service prices with the Postal Regulatory Commission (PRC). Price increases are limited to the Consumer Price Index (CPI) cap of 1.7 percent, consistent with the Postal Law of 2006. Actual percentage price increases for various products and services will vary. USPS will allow POSTNET coding to continue and will offer the automation prices for mail with POSTNET barcodes beyond May 2011. The proposed price changes are expected to generate \$340 million for the balance of the fiscal year and \$720 million if implemented for a 12-month period.

Summary of Percentage Changes by Product Category	
Product	% Change
<b>First-Class Mail</b>	
Single-piece Letters & Cards	0.5
Flats	5.3
Parcels	3.8
Presort Letters & Cards	1.8
International (Outbound and Inbound)	4.0
<b>Standard Mail</b>	
Letters	1.8
Flats	0.8
Carrier Route Letters, Flats, and Parcels	1.4
High Density / Saturation Letters	0.6
High Density / Saturation Flats and Parcels	0.4
Parcels (NFM's / Parcels)	11.3
<b>Periodicals</b>	
Outside County	1.8
Inside County	1.1

 [Press Release](#): "UPS has announced that customers in many countries in Europe, Asia and the Americas now may select UPS carbon neutral as an option within the UPS WorldShip® shipping system. WorldShip customers have the option of paying a small fee to calculate and offset the carbon emissions associated with their shipments. UPS collects the fees and uses the funds for environmentally responsible projects around the world. UPS is matching the offset purchases up to \$1 million, doubling the impact of participation."

 The [Wall Street Journal](#) has reported that "Last week, the U.S. Postal Service began easing rules on so-called "simplified addressing" for bulk mail. The move allows marketers to send letters, flyers and parcels to every home, business and post-office box on a city delivery route—known as saturation mail at the post office, and junk mail by consumers—without using exact names and addresses. Getty Images While the rates for bulk mail haven't changed, the new rules are expected to reduce costs for smaller businesses by eliminating the need to buy pricey mailing lists, along with the onerous task of addressing every envelope. (Before, marketers needed an address, even if the recipient was "Current Occupant" or "Resident.") Until now, the service was only available to government agencies, and on rural or highway routes. The changes come as many small businesses have abandoned traditional direct-mail advertising in favor of cheaper e-marketing and social-media strategies. Even though they aren't named on a letter or parcel, **recipients can opt out of receiving mail with a simplified address** by notifying their mail carrier." [EdNote: And what genius thought of this? It's fundamentally opposed to the whole idea of "if I paid the postage, you must deliver it."]

*{Editor's Note: The Postal Service has contacted the Wall Street Journal to alert it to an error in its published report. The Postal Service said "Following the procedures that are in place on rural routes, each consumer that requests non delivery of this mail must make the request through the mailer. The mailer will then notify the local delivery unit through the same processes established for rural routes. Market research indicates that requests for non delivery will be very minor."}*

 [Trading Markets](#) has reported that "TNT Post, part of Dutch mail and express deliveries group TNT NV, is not considering making a rival takeover bid for local mail firm SelektMail, a spokeswoman for TNT Post told news agency ANP. Dutch mail company Sandd announced yesterday an agreement to buy its smaller competitor SelektMail for an undisclosed sum. This acquisition may create a stronger position for the other parties on the Dutch postal market, the spokeswoman said adding that the declining market is actually too small for the current players."

 According to the [Pasadena Star](#), "the Postal Service is facing the most critical period in its history. As a self-supporting government agency that receives no tax dollars for its operating expenses, the Postal Service must rely on the sale of postage and products and services to generate revenue. In the face of unsustainable deficits due to a drastic decline in mail volume and resulting loss of revenue, the Postal Service must seek ways to cut costs and right-size its network."

 [Fox Business](#) has reported that "Dutch postal and express company TNT NV said Thursday it will sell two mail business in Belgium and Italy to private equity firm NPM Capital NV. TNT said it will sell its Belgian mail business and its unaddressed mail operations in Italy." See also [Reuters](#).

 According to [ThisIsSouthWales](#), "privatising the Royal Mail could spark further post office closures in Wales, an MP has warned. The Government wants to privatise Royal Mail and turn the Post Office into a mutual run by its staff."

 According to [Baltic Course](#), "Over 41 million letters were sent in Estonia last year and in December, Eesti Post handled nearly 4.3 million letters. Eesti Post said however that in the postal market the tendency of decrease of letter sending and increase of share of logistics and information logistics services increases."

 As [Employee Benefits](#) has noted, "Legislation to privatise the Royal Mail and **give 10% of shares to employees** has been given the green light by MPs."

 [Professional Pensions](#) has reported that "Members of Parliament yesterday approved the Postal Services Bill, which includes **relieving Royal Mail of its £10.3bn pension fund deficit**." [EdNote: And they'd have to do the same thing in the U.S. if Congress ever took a shine to privatization.]

 [The Epoch Times](#) has reported that U.S. Chamber of Commerce President Thomas Donahue has "announced a new project, headed by **former Postmaster General of the United States Jack Potter**, to open up global supply chains and logistics for American companies."

 [Hellmail](#) has reported that "Norway Post is to launch a digital mail system in Norway, allowing customers to choose whether they wish to receive mail in digital format alongside their regular mailbox. The move is seen as significant, and potentially heralds wider use of digital mail services amongst postal users not only in Norway, but across Europe. Norway Post said it was continuously developing in order to provide services that are adapted to customers' current and future needs. The service is to begin in the Spring."

 [Channel Online](#) has reported that "The cost of sending mail in Guernsey has been frozen until March next year. But the cost of sending packages is rising and with some Royal Mail rates jumping by 12% this Spring, the pressure will be on for further increases locally. Guernsey Post proposals to freeze local and UK rate mail at 36p & 45p respectively have now been agreed by the utility regulator. Bulk mail customers will also benefit from the freeze, with some costs actually going down. But parcel tariffs are going up. Guernsey Post boss Boley Smillie says they're taking a more commercial approach. And there's a dark cloud on the horizon. After Guernsey Post submitted its tariff proposals, the UK regulator Postcomm indicated it will be allowing Royal Mail to significantly increase its prices."

 As [The Scotsman](#) put it, "The privatisation of the Royal Mail moved a step closer last night as legislation allowing the business to be sold off cleared the Commons. The Postal Services Bill was given a third reading by 319 votes to 238 - a government majority of 81. The bill now goes to the Lords."

*January 12, 2011*

 Missed yesterday's confab over at the PRC? Then check out the story posted by [Post & Parcel](#).

 [Tech Crunch](#) has reported that "It's not that Amazon set out to destroy small book stores. They just offered a better option for a large number of people. Now, Amazon is increasingly offering small features here and there that taken together may start to make a traditional publisher a lot less necessary for authors."

 [CNET News](#) has reported that "Sony Corp., the company that brought us the Walkman and the parent company of music label Sony Music Entertainment, plans to shut down a CD-manufacturing plant in South New Jersey in March. About 300 employees will be laid off once the 50-year-old Sony DADC plant in Pitman, N.J., is closed. Sony said it plans to shift CD-making operations to a facility in Indiana. The company moved DVD manufacturing from the plant about a year ago. Lisa Gephardt, a Sony spokeswoman said in a statement: "In light of the current economic environment and challenges facing the physical media industry. The music CD has become nearly a relic. The emergence of digital music and music players, as well as the rise of illegal file sharing, helped hasten the demise of the CD as the main music distribution format."

 *At the Postal Regulatory Commission: MT2011-2 Order No. 647 - Notice and Order Concerning Market Test of Experimental Product* <http://www.prc.gov/docs/71/71544/Order647.doc>  
<http://www.prc.gov/docs/71/71544/Order647.pdf>

 There will be a hearing before the House Appropriations Subcommittee on Federal Services and General Government on February 9, 2011 at 2 p.m. The purpose of the hearing is to delve more deeply into the question of how did the American postal system end up in such a fiscal mess.



David Williams has been reappointed for a second term as the Inspector General of the U.S. Postal Service effective January 4, 2011.

 The [BBC](#) has reported that "MPs have approved legislation paving the way for the sell-off of Royal Mail. The Postal Services Bill, which could see 90% of the firm end up in foreign hands, was approved by the Commons with a government majority of 81. Ministers say a sell-off is needed to attract new investment, to modernise the business and to protect the existing universal service obligation."

 [U.S. Senator Susan Collins](#), Ranking Member of the Homeland Security and Governmental Affairs Committee, has called for a thorough review of the program that provides federal employees with protection against loss of income from work-related injuries. The Federal Employee Compensation Act (FECA) pays benefits to roughly 49,000 federal employees to ensure that injured employees receive income while they recuperate pending their return to work. Senator Collins asked the Government Accountability Office to audit FECA and report on the length of time individuals remain on the program, the number of recipients who exceeded the standard federal retirement age, and how the federal program compares to state workers' compensation best practices. Senator Collins also asked GAO to compare records against the Death Master File and the civilian payroll database to search for deceased individuals receiving benefits or recipients "double dipping." "At the U.S. Postal Service, for example, 1,000 employees currently receiving federal workers' compensation benefits are 80 years or older. Incredibly, 132 of these individuals are 90 and older and there are three who are 98. This abuse may extend across the government where the Department of Labor regularly pays benefits to employees in their 70s, 80s, 90s, and even 100s. The lack of benefit caps and requirements for regular third-party certifications of continued need further expose the FECA program to possible fraud. If recipients are gaming this crucial benefit at taxpayers' expense, they must be exposed and the underlying program must be reformed."

 *Editor's Note: Yesterday we posted a news release with the subject line: "Top U.S. Postal Service Contractors for FY 2010." According to the provider of that information, it contained two errors: First, Postal Service supplier FedEx's postal revenue figure for fiscal year 2010 was incorrect. The correct figure is \$1.373 billion. Second, United Parcel Service's place on the top 150 suppliers list was incorrect. Their correct place on the list is 12th. [To view the full, corrected release, click here.](#) [To view the list of the top 150 postal suppliers for FY 2010, click here.](#)*

 The [Washington Post](#) has reported that "Former House Speaker Newt Gingrich, an oft-mentioned 2012 presidential candidate, is weighing in on an issue few Republicans ever talk about in great detail: The future of the

U.S. Postal Service. In his weekly e-mail to supporters, **Gingrich blasts a recent decision to make all future stamps "Forever Stamps"** that can be used whenever postage rates go up. "Anyone who has had to hunt around for 1 or 2 cent stamps to add to their old stamps after an increase may consider this good news," Gingrich says. But it's a short-term fix to an even bigger long term problem that is **setting the stage for a future taxpayer bailout**, he argues. "The **Post Office** is facing budget shortfalls because it **is unwilling to engage in the necessary reform** of its operations necessary in the modern economy," he writes." *[EdNote: Is Mr. Gingrich serving up what is going to be the Republican "postal gospel?" Is there nothing more constructive that will be forthcoming from the GOP? Businesses are suffering, Newt. These businesses are the very ones you'll be expecting to help reinvigorate the economy. This sort of crap-trap really doesn't help.]*

The [Atlanta Journal-Constitution](#) has reported that "That magazine or phone bill or greeting card may be in your mailbox today. "We're expecting a vast improvement over operations in all areas," U.S. Postal Service spokesman Michael Miles told the AJC. "That doesn't mean that it's normal, but we're starting to see things move in that direction. The ice and snow presented two major challenges for the postal service. Trucks had trouble getting to central mail processing plants to pick up letters and packages -- and then individual mail carriers had difficulty getting to local post offices and into neighborhoods to deliver mail, Miles said. Miles said that's changed Wednesday. More employees are able to get to work, and the postal service expects to get to more customers compared with Tuesday. "You can expect more mail delivery today," he told the AJC. That FedEx or UPS package you were expecting Monday could show up today."

 [Graphic Repr](#) has reported that "Pitney Bowes will exhibit the IntelliJet 20 Printing System at the Hunkeler Innovationdays being held in Lucerne, Switzerland from 14 – 17 February 2011. The printing system will be displayed as the centre piece of the White Paper Factory environment which will show customers how plain white paper and envelopes can be used to print and mail all customer communications in a highly cost effective manner. The White Paper Factory solution increases efficiency and reduces costs by eliminating the use of pre-printed paper and envelope stocks."

 [Channel Online](#) has reported that "Guernsey Post has released a statement saying the mail was "unavoidably delayed" today due to the poor weather conditions. It comes after Guernsey Post said it was still trying to clear a backlog of mail posted over the Christmas period. Today's mail is expected to arrive in the island this evening, ready for postal deliveries tomorrow morning."

 [Hellmail](#) has reported that "The third reading of the Postal Services Bill began this afternoon in the Commons. Concerns centered around the relationship between Royal Mail and Post Office Ltd (the network interbusiness agreement or IBA), in particular that there was no cast-iron guarantee of future business from government departments. There was also criticism that the previous government spent as much closing post offices as it gained in any savings made through closures. It was pointed out that the coalition government was providing a 1.3bn subsidy over three years to help strengthen the post office and that since POL and RM were already becoming distant, the new Bill would officially separate the two and allow each to develop profitable and viable business models."

The [Financial Times](#) has noted that "In the age of the internet, the idea of replacing paper invoices with electronic ones – including for cross-border transactions – seems less a stroke of genius than the obvious next technological step. Yet it was only in 2010 that European Union authorities made substantial progress on this front. In July they adopted a directive obliging governments to treat electronic and paper invoices as having equal legal authenticity by 2013. At present, about 30bn invoices are sent around Europe every year, 90 per cent of them on paper and most by national postal services. "To put all this in electronic invoicing form would be good for productivity, good for the environment and good for the quality of services."

 [Press Release](#): "UPS has announced a charitable initiative to create Logistics Emergency Teams (LETs) for American Red Cross chapters in Atlanta, Houston, New Orleans and the San Francisco Bay area, expanding the reach of the company's urgent humanitarian relief program. Through this effort, UPS will provide logistics expertise, transportation and warehousing to local Red Cross Disaster Services Coordinators in the event of a large-scale emergency."

 The [Wall Street Journal](#) has reported that "British mail and logistics company UK Mail Group PLC Wednesday said it expects to fall short of profit expectations following slower than expected trading and heavy snowfall during the winter. UK Mail said volume growth in its parcels, courier and pallets businesses was lower than expected during its fiscal third quarter, beginning Oct. 1."

 The [Napa Valley Register](#) has reported that "Habitually overflowing mailboxes at Napa's main post office have a Napa woman questioning how secure residents' mail really is. Alarmed by envelopes frequently bulging from the Trancas Street post office's indoor and outdoor mail bins, Amberly Krupcznski of Napa said fears of potential mail pilfering and identity theft prompted her to dispatch several recent complaints."

 [Reuters](#) has reported that "Dutch mail company Sandd said on Wednesday it would buy Deutsche Post's (DPWGN.DE) unit Selektmail, subject to regulatory approval, consolidating the Dutch postal market where TNT (TNT.AS) dominates. Private-equity owned Sandd, seen as a possible takeover target, said the merger of the second and third-largest mail firms in the Netherlands was expected to boost its market share from 10 percent in 2010 to 16 percent in 2011."

 The [Press of Atlantic City](#) has reported that "Officials have reduced the cost of operating a township-run post office by several thousand dollars over the past three years. But with the facility still operating at a \$7,000 deficit, those efforts may not be enough to keep it in service. Township Manager Roger Tees recently sent a letter to the U.S. Postal Service giving 60 days' notice of termination for its contract to operate the post office at the township municipal complex."

 From [PRLog](#): "RPost®, the Registered Email® company, sued Swiss Post in 2010 for patent and trademark infringement. The parties settled under confidential terms. Swiss Post has ignored key provisions of the settlement, forcing RPost to file a new lawsuit and to once again use the court system to enforce RPost's patent rights. RPost has asked the US Federal Court to issue an injunction against Swiss Post to prevent further damages."

 [Dutch News](#) has reported that "Postal workers unions have reacted positively to recommendations from government troubleshooter Ruud Vreeman on improving pay and conditions in the budget mail sector."

 The [Botswana Gazette](#) has reported that "The Chief Executive Officer (CEO) of Botswana Post Mr Pele Moleta has revealed the 2010 was not a successful year as the company made losses amounting to P 13 million attributed to money that was put into the development of employees. The CEO stated that the transition of some employees to permanent and pensionable cadre also affected them financially."

 The [Budapest Business Journal](#) has reported that "State-owned postal company Magyar Posta has cancelled plans to build a HUF 6 billion mail processing centre in Gödöllő, near Budapest, because of a fall in postal volume."

 The [Express and Star](#) has reported that "The plight of the postal service, and particularly small post offices, has been well-documented in recent years. Meanwhile, the local pub is also struggling during the recession as people stay in or flock to cheap drinks promotions in town centre boozers. So perhaps an ingenious way of boosting both commodities is to combine them. The new service allows people to pick up a parcel from their local boozier with the scheme aiming to slash the 40m missed deliveries every year in the UK. Around 500 pubs in the UK are reported to have joined the project."

 According to [The Scotsman](#), "Royal Mail bosses have apologised to customers and pledged that "lessons will be learned" after huge postal backlogs caused by the wintry weather."

 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

 Pitney Bowes will launch a new service in the USA in the second half of this year that allows high-volume mailers to communicate digitally with their costumers.

 At the turn of the year mail-order business Quelle returned to Austria.

 Deutsche Post CEO Frank Appel showed satisfaction with last year's business performance. According to him especially DHL benefited from the rebound and yielded higher profits than the Mail unit for the first time.

 Portugal failed the timely implementation of the EU Postal Directive on January 1 2011. Now it is reported that the government plans to present the draft bill to the parliament as soon as possible and hopes that the new legislation will be introduced by the end of this month.

 The US Department of Justice investigates in the case of UPS's and FedEx's simultaneous announcements to freeze out third-party shipping negotiators and consultants. The investigation was started after AFMS - Logistics Management Group filed a lawsuit in this case.

 Slovakia plans to fully open its postal market to competition at the beginning of 2012 - one year earlier than originally planned.

 Ireland failed to implement the full opening of its postal market too. The bill is still under discussion in the lower house of the parliament and is therefore not implemented yet. The funding of the universal service is the focal point in the discussions.

 NetPosti, Finnish Itella's digital mail service, is now available for smartphones and so called tablet PCs.

 Apparently Pakistan Post will not be privatized.

 MaltaPost p.l.c. closed a satisfying business year 2009/2010 (September 30). According to the company turnover rose by 1% to 20.4m euros. At 3.2m euros pre-tax profit remained stable on the last year's level.

 Dr. Andrej Busch took over the position of CEO of Deutsche Post's parcel business in Germany.



The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. *To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)*

 [Trading Markets](#) has reported that "Authentidate Holding Corp., a worldwide provider of secure health information exchange, workflow management services and telehealth solutions, announced that in accordance with its terms, the company's current contract with the United States Postal Service (USPS) for the use of the USPS Electronic Postmark (USPS EPM) brand has been allowed to expire as of December 31."

 According to [Intelisent](#), "All Reply mail must be transitioned from using POSTNET to using the Intelligent Mail barcode by May of 2011 in order to qualify for automation discounts. The USPS is offering little to help mailers transition to the IMb for Reply Mail. There is an on-line tool for BRM - however, it only works for the owner of the Mailer ID. It cannot be used by Mail Service Providers on behalf of their mailing customers. I solicited input from several sources in the industry, both mail owners and mail service providers, to see how they are faring. The feedback I received, and have been seeing on message boards and in the mailing community is universally negative."

 [Marketing Week](#) has reported that "Royal Mail has developed an online tool to improve the targeting and effectiveness of unaddressed marketing campaigns, its latest attempt to boost commercial revenue through increased use of direct mail."

 [Hellmail](#) has reported that "With the third reading of the Postal Services Bill to be made in the House of Commons today, followed by a debate in the House of Lords at a later date, the arguments for and against the privatisation of the Royal Mail continue."

January 11, 2011

 [Husch Blackwell's Postal Service Contracting practice group](#) today released its list of the top 150 U.S. Postal Service suppliers for fiscal year 2010, and for the eighth straight year FedEx claimed the No. 1 spot with Northrop Grumman jumping from fourth to second. The list is compiled by David P. Hendel, a partner in the firm who has served clients' postal contracting needs for 29 years. This is the 15th year for the list.

 [At the Postal Regulatory Commission: RM2010-9 Order No. 646](#) - Order Setting Date for Reply Comments [http://www.prc.gov/docs/71/71532/Order\\_No\\_646.pdf](http://www.prc.gov/docs/71/71532/Order_No_646.pdf)  
[http://www.prc.gov/docs/71/71532/Order\\_No\\_646.doc](http://www.prc.gov/docs/71/71532/Order_No_646.doc)

 [Advertising Age](#) has reported that "In one more step for the integration of print and digital media, Time Inc. has combined the operations that had handled its largest advertisers in each medium."

 [Hellmail](#) has reported that:

- [In advance of the final stages](#) of the Postal Services Bill in the House of Commons tomorrow, Minister for Postal Affairs Edward Davey has today set out the urgency of the Government's plans.
- The [Communication Workers Union](#) today (Tuesday) said that key amendments must be adopted to avoid worse services, higher prices and post office closures ahead of tomorrow's third reading of the Postal Services Bill. Thousands of people have written to their MPs asking them to back amendments to the Bill or vote against it entirely as concerns for UK postal services increase. Government backbenchers as well as opposition MPs have submitted amendments aiming to change the government Bill to protect post offices and mail services. CWU is opposed to the privatisation of Royal Mail and opposition MPs will be voting against the Bill. Only 23 per cent of the public supports privatising Royal Mail with 53 per cent opposed.

 The [UK Press Association](#) has reported that "Opponents of the Government's controversial plans to privatise the Royal Mail have claimed there are signs of a "mini-rebellion" by coalition MPs before the Bill reaches its final stages in the Commons on Wednesday. Postal affairs minister Ed Davey said the Royal Mail and the Post Office were at a "crossroads", adding that the sell-off plans promised the service a 'brighter future'."

 [Bloomberg Business Week](#) has reported that "Dutch postal companies and labor unions should get until April to agree on how many workers must get a labor contract, a government adviser said today. Ruud Vreeman, who wrote the advice, suggested postal companies including TNT NV and Deutsche Post AG unit Selekt Mail, should offer a labor contract to about 80 percent of their workers, according to an e-mailed statement by the Ministry of Economic Affairs."

 The [City Wire](#) has reported that "In a recent presentation to the Fort Smith Board of Directors, Henry, the local postal 1211 union president, said he doubts the USPS will realize any real cost savings from moving the mail processing operations from Fort Smith to Fayetteville."

  [Logistics Manager](#) has reported that "DHL has expanded its road freight business to Georgia, offering its Euroconnect groupage services in the Caucasus via gateways in Vienna and Frankfurt."

 The [Postalnews blog](#) has reported that "The United States Postal Service (USPS) Office of Inspector General (OIG) plans to issue a Firm Fixed Price Contract for a multi-phased Office Renovation to their Headquarters facility located at 1735 N Lynn Street, Arlington, VA. The work includes all labor and materials necessary to complete the renovations in accordance with USPS OIG approved specifications and drawings. Proposers should recognize the building is occupied and the project will be completed in multiple phases to avoid disruption of facility operations. The estimated cost of the project is between \$4.8 million and \$5.6 million, with construction completion within 365 calendar days from receipt of notice to proceed for the total project. The project consists of renovating 123,126 interior sf in an existing 12-story commercial office building. Work includes demolition and new work on 6 floors."

 [AsiaOne News](#) has reported that "Singpost will step up its recruitment of postal workers and conduct additional and more-stringent quality checks to minimise sorting errors and mis-deliveries, said Minister for Information, Communications and the Arts Lui Tuck Yew yesterday. This comes in the wake of 108 complaints to the Infocomm Development Authority, SingPost and the media about late or lost ordinary mail between July and December last year. A higher attrition rate of postal staff and a substantial increase in overall parcel volume were two key reasons cited by SingPost, said Mr Lui."

 [China Daily](#) has reported that "China aims to have the nation's postal services cover all villages by the end of 2015, State Post Bureau director-general Ma Junsheng said Tuesday, reports Xinhua." See also [People's Daily](#).

 According to the [Washington Post](#), "One of the nation's largest postal unions is "increasingly frustrated" with the pace of negotiations with the Postal Service but plans to stay at the negotiating table, it said Monday. The American Postal Workers Union, which represents about 220,000 postal clerks, custodians, drivers, mechanics and administrative personnel, will keep trying to secure a deal with postal negotiators."

 [Outsourcing-Pharma](#) has reported that "United Parcel Service (UPS) will open four global healthcare distribution centres to accommodate its fast growing healthcare business and a rising global customer base. The Atlanta, US-based company said the new units, to be located in Asia, Europe, the US, and Canada, reflect rising demand from healthcare companies and an increasing trend toward outsourcing."

 [eMoneyDaily](#) has reported that "United Parcel Service has decided to eliminate some jobs at its Moncton operation in Canada. The package delivery giant will be cutting 85 jobs at its Moncton call centre which will be outsourced and transferred elsewhere within the company."

*January 10, 2011*

 *Incidentally, there are a lot of stories that have appeared in the press that could be characterized as follows: "It's winter. It snows. It delays mail delivery."*

 [Print CEO](#) wants to know "Can We Deconstruct This Postal 'Restructuring'? In a [press release](#) issued last week by the U.S. Postal Service. It is headed, "Postmaster General Restructures U.S. Postal Service/Layers Eliminated, Officer Ranks Reduced." As an ordinary user of USPS services, I have two questions about what I'm reading. In what sense do the administrative changes described in the release represent a "restructuring" of the Postal Service? What's the bottom line? Should I be encouraged? Discouraged? Indifferent? Or just baffled?"



*The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic:*

**Meter Mail Refunds: "Is There A Better Way?"** Refunds on meter mail are requested for a variety of reasons. Processing these requests includes postal employees manually counting each piece of metered postage in question to verify the refund amount. Do you think there is a more efficient and practical way to process these refunds? [LINK](#) here to read and provide comments.

**New Audit Projects:** [LINK](#) here to visit our audit project pages. This week we opened the following new project(s): (Please share any information you may have that would help with this audit currently in progress by clicking on the link below):

**[Bank Secrecy Compliance FY 2011 - 11BG011FT000](#)**. We plan to initiate an audit of the Postal Service's compliance with the Bank Secrecy Act (BSA). The BSA requires the Postal Service to establish and maintain a compliance program as well as an active money laundering control program. We will conduct this work as part of our ongoing work on BSA compliance. Our overall objective is to evaluate the Postal Service's compliance with

statutory and regulatory requirements for monitoring, detecting, and reporting suspicious activities.

[Efficiency of PVS Operations at NDCs - 11XG018NL000](#). Network Distribution Centers are large Postal Service facilities that serve as hubs for trailers transporting surface mail across the country. This movement of trailers is essential to the flow of mail and equipment. Since September 2007, we have evaluated trailer moves at three Network Distribution Centers and during this review we plan to continue the process.



Soooo, what is the Postal Service looking for from a candidate for the Deputy PMG position? [Take a look.](#)

According to [Federal Times](#), "The U.S. Postal Service plans a new wave of work-force cuts through reductions-in-force and early retirements, to begin sometime by March. Postmaster General Patrick Donahoe announced the plan in a Friday memo to senior postal executives, but he offered no details on which or how many employees would be affected or on what the terms of those early retirements and reductions-in-force will be. A Postal Service spokeswoman did not immediately have more information Monday. "As we continue our restructuring, we anticipate that Reduction in Force (RIF) and Voluntary Early Retirement (VER) processes will be initiated by the end of this fiscal quarter," Donahoe said in the memo, adding that the agency will be "as transparent as possible about goals and objectives during this time.""



*At the Postal Regulatory Commission:*

- CP2011-50 Order No. 644 - Order Approving Express Mail Contract 11 Negotiated Service Agreement  
<http://www.prc.gov/docs/71/71514/Order644.doc>  
<http://www.prc.gov/docs/71/71514/Order644.pdf>
- MC2011-14 Order No. 644 - Order Approving Express Mail Contract 11 Negotiated Service Agreement  
<http://www.prc.gov/docs/71/71514/Order644.doc>  
<http://www.prc.gov/docs/71/71514/Order644.pdf>



**DMM Advisory: January DMM Update.** Postal Explorer® ([pe.usps.com](http://pe.usps.com)) is your source for up-to-date mailing standards. The *Domestic Mail Manual* is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. Our mailing standards were updated to capture the following changes:

- **Domestic Shipping Services—Pricing and Mailing Standards Changes**  
We revised standards throughout the DMM to support the pricing change approved by the Postal Regulatory Commission (Docket CP2011-26). Our new prices reflect changes in operations and the marketplace and will enhance efficiency, offer more choices, and ensure that all types of mail cover their costs. We will implement new prices on January 2, 2011, for Express Mail, Priority Mail, Parcel Select and Recipient Services.
- **2011 Changes for Domestic Mailing Services**  
We revised standards throughout the DMM to incorporate standards for the introduction of Address Information System services, for the discontinuation of rigid flats claiming flats prices, a change in the expression of decimal pounds for Package Services parcels, and other clarifications.
- **Extension of the Simplified Address Format**  
We revised [345.6.9.4](#), [445.7.6.2](#), [507.1.2.3](#), and [602.3.2](#) to remove a restriction on the use of simplified addressing for saturation flat-size mailpieces and irregular parcels that are delivered by USPS city carriers or to PO boxholders at Post Office locations with city delivery service, and to add reference to new standards related to updated delivery sequence data for use on mailpieces bearing a simplified address.
- **Optional Mail Preparation Standards for Flat-Size Mailpieces in FSS Zones**  
We revised [343.6.0](#), [343.7.0](#), [345.2.0](#), [363](#), [705.12.0](#), [707.13.0](#), [707.14.0](#) and [707.19.0](#) to provide optional standards for bundle and pallet preparation of flat-size Standard Mail, Periodicals and Bound Printed Matter mailpieces prepared for delivery within the ZIP Codes served by Flats Sequencing System (FSS) processing.

- **New Incentive Programs for 2011**We revised 233, 243, and 343 to implement two new incentive programs.
- **Open and Distribute—Express Mail and Priority Mail Changes and Updates**  
We revised 705.16.0 to require mailers to place a single-ply address label with a service barcode on all Express Mail Open and Distribute containers; to establish a guaranteed "end-of-day" service commitment for Express Mail Open and Distribute; and to establish a five-pound minimum weight requirement for Express Mail and Priority Mail Open and Distribute sacks. **Products Mailable at Nonprofit Standard Mail Prices**  
We revised 703.1.6.11 to update the maximum price of low-cost product items permitted to be mailed with nonprofit pieces.
- **Clarification of the Post Office Box Lock Replacement Fee**  
We revised 508.4.8.4 to clarify the applicability of the lock replacement fee for P.O. Boxes to reflect current practice.
- **Labeling List Changes—New L006**  
We revised the labeling list by creating new labeling list L006 to reflect new, optional FSS changes in mail processing operations.

 [The Post](#) has reported that "A levy is being considered by government for all new private sector entrants to the postal sector, following the liberalisation of the market for general mail."

 [Bloomberg](#) has noted that "The United Parcel Service Inc. said it's cooperating with the U.S. Justice Department in an antitrust investigation of its policies on the use of shipping consultants."

 According to [Federal Times](#), "Due to its own errors, the Office of Personnel Management for nearly five years undercharged thousands of federal employees for pension contributions. Now, OPM is demanding they immediately pay — in some cases thousands of dollars — to correct their pension accounts." [*EdNote: Well, what's sauce for the goose should be sauce for the gander. We've OVERPAID, now make the money available.*]

 [IOMToday](#) has reported that "the government's controversial pay freeze is preventing Post Office workers and management from resolving their escalating pay dispute that could result ultimately in a strike. The warning comes from a union official who said the freeze should not apply to Post Office staff."

 The [Cornish Guardian](#) has reported that "A leading consumer group has warned that the privatisation of Royal Mail could lead to a third of post offices closing – a move campaigners say will "sound the death knell" for rural branches. Consumer Focus believe the potential ending of the annual subsidy worth hundreds of millions of pounds by a fully commercialised Royal Mail could devastate the fast-disappearing network."

 [WDBJ](#) has reported that "The U.S. Postal Service is considering moving some mail processing operations from Lynchburg to Roanoke. A recent study by the Postal Service found that the proposed consolidation would improve productivity and increase efficiency."

 [TodayOnline](#) has reported that "As part of the ongoing process to improve quality service standards for postal deliveries, penalties on misdeliveries would be considered, said Minister for Information, Communications and the Arts Lui Tuck Yew in parliament yesterday. There was a surge of complaints against SingPost."

 According to [Vietnam Net Bridge](#), "Foreign firms, including four major service delivery providers FedEx, TNT, DHL and UPS, thanks to their financial capacity and operation scale, have occupied a large segment of freight delivery services from abroad into Vietnam and vice versa. Domestic carriage service market seems has been the playing field of domestic firms."

 The [Advertiser-Tribune](#) has told its readers that "You won't see them out delivering mail or standing at customer service window selling stamps, but the U.S. Postal Service has more than 1,000 employees 80 years of age and older. About 130 of them are 90 and older. There is a reason they - and employees in other federal agencies - chose not to collect retirement benefits. They receive substantially more money from the workers compensation program."

 The [Associated Press of Pakistan](#) has reported that "The employees of Pakistan Post under the aegis of Action Committee for Anti Privatization staged a demonstration against proposed privatization of the department, here at Postal Headquarter on Monday. Pakistan Postal Services Union and Postman participated in the protest. The protestors, carrying placards and banners, raised slogans against privatization, unemployment and price hike."

*January 9, 2011*

 According to the [Wall Street Journal](#), "The unemployment rate fell to its lowest point in 19 months in December, but the 103,000 jobs created fell well short of the tally needed to bring about a sustained recovery in the labor market. Although the jobless rate dropped substantially to 9.4% in December from 9.8% a month earlier, the Labor Department said Friday, employers increased payrolls by only 103,000. Economists say that is barely enough to keep up with natural growth in the labor force. Much faster employment and enduring job gains—on the order of 200,000 jobs a month—are needed for lasting improvement."

 The [Charlottesville Daily Progress](#) has reported that "Delayed checks, wayward bills and late store circulars vexed Central Virginia's U.S. Postal Service patrons through the holidays, the result of unexpected volumes of mail and snowfalls that slowed processing and delayed delivery, postal officials say. Patrons across the region report late bills, delayed checks, advertisements that arrived after sales ended and missed financial opportunities. Several noted that Belk department store advertisements in particular seemed to arrive after their sale dates near Christmas and New Year's Day had passed. Even some mail carriers reported that delays in receiving mail in local post offices slowed deliveries on their routes."

 [Isleofman.com](#) has noted that "the Post Office has issued a reminder to the public that as of Monday, January 31, VAT will be applied to a number of its products and services. This follows a legal challenge to the VAT exempt status of postal services in the UK and a ruling by the European Court of Justice on services that can be VAT exempt."

 The [BBC](#) has reported that "More than 300 people have gathered for a protest in David Cameron's Oxfordshire constituency of Witney. The demonstration, organised by the Communication Workers Union (CWU) Eastern Region, is over plans to privatise Royal Mail."

 The [Southend Standard](#) has reported that "a small business selling rare books across the world has been hit with a double whammy of new charges by Royal Mail."

 [Hellmail](#) has reported that "After concerns were expressed that plans to privatise the Royal Mail included no fixed provision to retain the image of her majesty the Queen on UK postage stamps, the Postal Services Bill is to be amended to safeguard future postage stamps should there be a design change."

*January 8, 2011*

 The [New York Times](#) has noted that "The Handwritten Letter, an Art All but Lost, Thrives in Prison."

  The [Scotsman](#) has reported that "Royal Mail bosses today insisted they would be "back on track" with deliveries within a week amid claims of a giant mail backlog in Edinburgh."

 The [National Post](#) has reported that "A group celebrating the country's loyalty to the British Crown is asking for a stamp honouring the upcoming wedding of Prince William to Kate Middleton, but Canada Post said it has no plans to commemorate the royal nuptials."

 [Dead Tree Edition](#) has told its readers that Postmaster General Patrick Donahoe is "No Potter Clone."



## MAILCOM 2011 Show News

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*From the Federal Register:* **Postal Regulatory Commission RULES** Product List Update , 1357–1359 [2011–248] [\[TEXT\]](#) [\[PDF\]](#) **NOTICES** FY 2010 Annual Compliance Report; Comment Request , 1471–1472 [2011–157] [\[TEXT\]](#) [\[PDF\]](#)

 Postal news from [Hellmail](#):

- [Parcels To Cyprus Not Straightforward](#)
- [Couriers Given Hotline Access to Under Pressure Minister](#)
- [Record Year In Post And Parcel Sector For Skillweb](#)
- [Whistle Blowers - For The Good Of Whom](#)
- [New Study Demonstrates Impact Of E-Substitution](#)
- [UK Postal Consumers Set Adrift By Rapid Change](#)

 The [San Diego News Room](#) has reported that "U.S. Postal Service (USPS) officials said they are still weighing options over what to do with the Midway Processing and Distribution Center on Midway Drive they intend to sell off. USPS officials announced last year they intend to liquidate the asset in the midst of a ballooning budget deficit and shrinking demand for services, launching a bid to sell the once-central hub for San Diego mail processing."

 The [Financial Times](#) has reported that "UPS and FedEx, two of the world's biggest parcel delivery companies, are being investigated by the US Department of Justice over allegations that they broke antitrust rules relating to their treatment of third-party shipping consultants."

 [Federal Times](#) has reported that "Incoming Postmaster General Patrick Donahoe announced a series of cuts and reforms for postal operations, including trimming the U.S. Postal Service's senior executives ranks by 16 percent, closing an area office in Memphis, and "flattening" the mail carrier's organizational structure. While the moves announced today will produce some cost savings, the restructuring's main objective is "to enhance and strengthen customer service and relationships," the agency said in a release. Some of those positions are new. In every case, one person will cover a job previously handled by at least two managers or vice presidents."

 [Bay City News](#) has reported that "A year after the U.S. Postal Service said a financial crisis could shutter its downtown Bay City location, officials with the agency are now saying the post office isn't going anywhere. Instead, the Postal Service is putting the nearly 80-year-old building at 1000 Washington Ave. up for sale, with the caveat that a new owner let the post office lease space."

 The [Memphis Commercial Appeal](#) has told its readers that "The Southeast Area Office of the U.S. Post Office, which employs 120 people in Memphis in offices on Humphreys Boulevard, will be closed to "streamline postal operations. The internal corporate decision should not affect postal customers and the administrative employees affected will be "given the opportunity to compete for vacancies within the local Memphis commuting area."

 **PostCom Members!!** The new [U.S. Postal Service headquarters organizational chart](#) has been posted on the PostCom website. There has been much change within the Postal Service as you can see from the org chart. There is no longer a Strategic Planning function. Many of the players remain the same but some have changed roles or have different titles. Some are missing altogether. There has been a RIFT, which means some folks got letters that they no longer have a position within USPS. They have the option of applying for existing vacancies in other areas or departments but if they are not hired into a position will no longer be with the USPS.

[Susan M. LaChance](#) was named vice president of Consumer and Industry Affairs in January 2011. Reporting to the Deputy Postmaster General, she has responsibility for all United States Postal Service customer interaction and support, from small businesses or individual consumers to large corporations and commercial mailers; including overseeing the office of the Consumer Advocate as a vital part of customer service. Previously LaChance was vice president, Employee Development and Diversity. Market dominant and competitive products are now under the vice president of Domestic Products – Gary Reblin. Where those products are sold – in retail, online or in alternative spaces – becomes the responsibility of the vice president of Channel Access – Linda Kingsley.

Things to note:

- (1) USPS has scrapped the title of senior vice president.
- (2) 16 percent reduction to the officer ranks
- (3) The Southeast Area (Memphis) has been eliminated, with all districts being transferred to the Southwest Area (Dallas) except for Tennessee (to Eastern) and Atlanta (to CapMetro).

Intelligent Mail will become an integral part of the Information Technology department. Corporate Communications is now heading up by Sam Pulcrano. See the USPS Press release at:

[http://www.usps.com/communications/newsroom/2011/pr11\\_002.htm](http://www.usps.com/communications/newsroom/2011/pr11_002.htm)

 The [Kingsport Times News](#) has reported that "The U.S. Postal Service will hold a public meeting to discuss its proposal to move some mail processing operations from the Bristol, Tenn. Processing and Distribution Facility into the Johnson City Processing and Distribution Facility."

 [National Public Radio](#) has reported that "A package ignited at a Washington, D.C., postal facility Friday, and a federal official said the package was addressed to Homeland Security Secretary Janet Napolitano." See also the [Washington Post](#).

 [Postmaster General Donahoe](#) spoke to his people about his new "flatter, leaner organization that has the flexibility to more quickly adapt to coming changes."

*January 7, 2011*



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**DMM Advisory: IMb™ Services Update.**

**Full-Service ACS Update:** *PostalOne!*® Release 26, which was deployed on January 2, 2011 corrected two issues affecting provisioning of Full Service ACS records. Full Service ACS information for mailers that are not able to receive this data via downloadable reports will be recovered for the period November 7 through January 2 and be provided via the normal fulfillment channel. This release also corrected the issue affecting containers in Periodicals mailings having an association to the appropriate Full Service ACS records. Missing data from affected Periodicals jobs will be provisioned to mailers by January 11.

**Bound Printed Matter Flats Known Issue/Workaround:** An issue has been identified in *PostalOne!* affecting non-barcode Bound Printed Matter (BPM) flats. Non-barcode BPM flats may weigh up to 15 pounds, but *PostalOne!* is currently setting the maximum weight for this product at 20 ounces. Mailers submitting mailing information electronically are experiencing a rejection of their files by *PostalOne!* This issue will be corrected with

a system update on January 31. Between now and January 31, customers using Mail.dat® or Mail.XML® to submit BPM flat mailings may use Postal Wizard or submit a hardcopy postage statement and submit their preproduction qualification report for verification purposes.



The new [U.S. Postal Service headquarters organizational chart](#) has been posted on this site. The U.S. Postal Service has scrapped the title of senior vice president. [Susan M. LaChance](#) was named vice president of Consumer and Industry Affairs in January 2011. Reporting to the Deputy Postmaster General, she has responsibility for all United States Postal Service customer interaction and support, from small businesses or individual consumers to large corporations and commercial mailers; including overseeing the office of the Consumer Advocate as a vital part of customer service. Previously LaChance was vice president, Employee Development and Diversity.

According to the [Wall Street Journal](#), "An onslaught of digital technologies has laid waste to traditional media. The new year will bring a clearer picture of what will emerge from the rubble....Advertisers, anxious about how technology is undermining their business, will likely continue to flee from sluggish mediums like print to fast-growing ones, like mobile. But they'll face the watchful eye of regulators concerned they aren't doing enough to protect consumers' digital data."

[Media Daily News](#) has reported that "Practically every major publisher is rushing to get their publications on the iPad (and a seemingly endless array of other handheld devices) -- but not everyone agrees on exactly how they are going to make money from digital distribution. At least that's what a new survey from Harrison Group and Zinio suggests. The research outfit and digital magazine producer also found that publishers don't necessarily see eye-to-eye with consumers about the ways content should be distributed and monetized. There's no question that publishers view digital publications as the wave of the future. The survey of 476 publishing industry professionals found that 74% were already engaged in creating and distributing digital versions of their publications, with slightly less than half -- 43% -- maintaining separate print and digital operations. By 2020, large majorities of respondents said they expect digital editions to become more widely used than print products for newspapers (82%), magazines (74%) and books (62%). Interestingly, 67% did not believe that digital editions will differ significantly from the print originals -- a point of view that seems to overlook or dismiss the enormous potential of additional interactive features."

[Politico](#) has reported that "The unemployment rate has fallen to 9.4 percent, the lowest in months, the government reported Friday. In December, the economy added 103,000 jobs, according to the monthly report."

Here's more on the Pitney "Volly" story from [Direct Marketing News](#).



**The latest issue of the [PostCom Bulletin](#) is available online.** In this issue:

- The Postal Accountability and Enhancement Act requires the Postal Service to submit an Annual Compliance Report (ACR) 90 days after the close of its fiscal year, which runs from October 1 - September 30. The ACR demonstrates that all postal products during fiscal year 2010 comply with all applicable requirements of Title 39.
- The USPS in its 2010 Annual Compliance Report (ACR) submitted to the Postal Regulatory Commission (PRC) on December 29, 2010, included a section dedicated to service performance of market-dominant products. In addition to describing the service performance measurement processes used for each product, the USPS largely attributes its failure to meet its service goals for all market-dominant product reporting categories for FY 2010 to measurement data or system issues.
- The Postal Service published its unaudited November results with the Postal Regulatory Commission. USPS lost \$456 million in November 2010. The month of November is apart of the fall mailing season for the Postal Service, and is usually one of the highest monthly volumes of the fiscal year.
- The Postal Regulatory Commission will convene a public forum at 2:00 p.m., Tuesday, January 11, 2011, at Commission Headquarters to provide interested parties with the opportunity to comment on the effectiveness of current United States postal laws and to recommend improvements.

- The Postal Service's Office of Inspector General released the results its most recent audit of Workshare Discounts Exceeding Avoided Costs. This self-initiated audit found 19 out of 30 workshare discounts that exceeded costs are not properly justified.
- The U.S. Postal Service Office of Inspector General has published its review of the USPS workers' compensation liability estimate, including the model used to estimate the liability. This report is in response to a request from the Postal Service Board of Governors Audit and Finance Committee.
- Approximating the Impact of Substitution and the Recession on Postal Volume
- The Postal Service has submitted its 2010 Summer Sale Data Collection Report to the Postal Regulatory Commission. According to the Postal Service, "information on rebates settled after this report is filed will be provided to the Commission in a final data collection report." To date, the Postal Service has given over \$69 million in rebates on over 1.1 billion pieces of eligible volume.
- USPS withdraws move update change. PRC publishes annual report. For disabled feds, workers' comp beats retirement. PRC approved USPS market test. Union frustrated by lack of progress in contract talks. Ending denominated stamps. Where to invest in 2011 - UPS. USPS seeks next generation retail software system. Forever stamps tells us much. Top five business blunders in 2010 - USPS #5. Rep Rahall derides USPS claim. USPS to offer gift cards as market test. OIG examines Express Mail guarantee policies.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- PostCom welcomes its newest members.
- Postal previews

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 [Bloomberg](#) has reported that "FedEx Corp., the second-largest U.S. package-shipping company, started direct cargo flights between southern China and India to meet rising demand for express deliveries."

 [The Scotsman](#) has reported that "around 2.5 million letters and parcels have been left stuck in Edinburgh's main sorting office as posties struggle to clear a backlog of Christmas mail, it emerged today. Union bosses told the Evening News that Royal Mail staff are battling a "gigantic" mountain of mail caused by the severe weather disruption and a shortage of workers over the festive period."

 [The Express Tribune](#) has reported that "The Privatisation Commission (PC) and Pakistan Post have reached a settlement over the thorny issue of the latter's privatisation and it is expected that the government will utilise a licence of the Small and Medium Enterprise (SME) Bank for the establishment of a post bank, sources say. According to documents available with The Express Tribune, the PC and Pakistan Post have agreed that the postal company will not be privatised and just the Pakistan Post Bank will be set up as per the decision of the cabinet's Economic Coordination Committee."

 [The Northwestern](#) has reported that "A formal response to a Congressman's request for a comment period extension on a proposal to close Oshkosh's mail processing facility has not been issued because it took more than two weeks for his letter to reach the Postmaster General's office in the same city. U.S. Rep. Tom Petri's letter asking Postmaster General Patrick Donahoe to extend the period was mailed from his Washington, D.C., office on Dec. 14 and received in Donahoe's Washington office on Dec. 30, according to the Congressman's staff."

 [From the Federal Register: Postal Regulatory Commission NOTICES](#) New Postal Products , 1200–1201 [2011–95] [\[TEXT\]](#) [\[PDF\]](#) 1199–1200 [2011–129] [\[TEXT\]](#) [\[PDF\]](#)

 Postal news from [Hellmail](#):

 [A cross-party Commons committee](#) has described plans to close or merge 192 public bodies as 'botched'. There are 118 proposed mergers on the list including postal watchdog Postcomm which is set to merge with Ofcom. A review by the Commons public administration select committee concluded that the changes would not deliver significant savings or result in greater accountability. It also raised concerns that there had been 'no meaningful consultations' and that tests used to establish which bodies would close or merge did not follow proper procedure and were 'hopelessly unclear'. Conservative MP Bernard Jenkin said the government needed to rethink its plans and consider transferring some responsibilities to mutuals or charities.

 Many of the new mail providers in the [Hybrid Mail](#) market have sprung from the IT services and professional Printing sectors, and with them they bring experience and ideas for new modes of communication, using traditional mail to deliver.

 [Maltapost PLC](#) this week released a preliminary financial statement extracted from its audited accounts for the financial year ended 30 September 2010.

 The [Lafayette Journal-Courier](#) has reported that "After a five-month feasibility study, U.S. Postal Service Officials have decided to move some mail processing operations from the Lafayette plant to Kokomo, postal service officials said tonight."

 The [Baltimore Sun](#) has reported that "Maryland officials ordered mailrooms at all state agencies closed indefinitely Thursday, while at the University of Maryland, College Park police quickly shut down the campus' central mailroom and sent out alerts urging that no mail be opened until further notice. The reactions came swiftly after two incendiary devices ignited in government offices in Annapolis and Hanover, from authorities likely mindful of past deadly letter bomb incidents as well as the 2001 anthrax attacks that killed five people and sickened 17. Matt Gallagher, chief of staff to Gov. Martin O'Malley, notified Cabinet secretaries in a terse e-mail. "Please direct your administrative staff to cease mail delivery and processing," he wrote, "and close and secure all mailrooms until further notice and direction."

 The [Pacific Coast Business Times](#) has reported that "The U.S. Postal Service is considering closing its processing and distribution facility in Oxnard and moving the work to its Goleta facility, a move that would save about \$1.8 million and cost the region 79 jobs."

 [WRAL](#) has reported that "Rain, hail, sleet and snow can't stop mail service, but money issues can, and at post offices in Raleigh, they have. Carl Watson, a spokesman for the United States Postal Service, said Thursday that many offices in the Raleigh area and across the country are cutting hours of operation by an hour in an effort to reduce operating costs."

 According to [Logistics Management](#), "Volatile oil and diesel prices, capacity shortages, another looming driver crisis, debilitating regulatory uncertainties, and an improving economy have lead industry analysts across all modes to one conclusion: Shippers will have to shoulder some of the burden associated with escalating transportation costs this year."



A new report has been posted on the U.S. Postal Service Office of Inspector General website (<http://www.uspsoisg.gov/>). If you have additional questions concerning this report, contact Wally Olihovik at 703.248. 2201, or Agapi Doulaveris at 703.248.2286.

[Postage in the Hands of the Public Liability Estimate \(Report Number FT-AR-11-006\)](#). As background, the Postal Service developed a process (model) to estimate the deferred revenue for prepaid postage (PIHOP) at the end of a reporting period. This audit found that changes in consumer purchase and usage behaviors associated with the

introduction of the Forever Stamp explained, for the most part, recent significant fluctuations in the PIHOP liability. Further, the Postal Service's mandated quarterly financial reporting highlighted the changes to the PIHOP estimate. However, we identified opportunities that could improve the predictability and financial transparency of the PIHOP estimate.

 From [PRNewswire](#): "Authentidate Holding Corp., a worldwide provider of secure health information exchange, workflow management services and telehealth solutions, today announced that in accordance with its terms, the company's current contract with the United States Postal Service® (USPS®) for the use of the USPS Electronic Postmark® (USPS EPM®) brand has been allowed to expire as of December 31, 2010. The USPS has notified the company that it hopes to develop a revised framework for the next generation of the USPS EPM and may revamp the program in the future. The USPS and the company will endeavor to work together to ensure a smooth transition from the USPS EPM brand, which includes a verification service for existing USPS EPMs for the required seven-year period."

*January 6, 2011*

 **Postal Journal** *This is one you'll want to check out:* Posted on the [Postal Journal](#) . . . "Approximating the Impact of Substitution and the Recession on Postal Volume" . . . Robert Cohen and Charles McBride have completed a study examining the impact of internet substitution and the recession. Their study showed that total postal volume has been highly correlated with the Gross Domestic Product (GDP) since before the Twentieth Century. The correlation broke down about a dozen years ago because of substitution from the Internet. Overall volume continued to grow until 2006 and then it dropped because of the great recession.



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 According to Cellular-News, "After years of development, China's radio-frequency identification (RFID) market has entered a phase of prodigious size and growth, with revenue set to more than double from 2009 to 2014."

 According to [Post & Parcel](#), "The start of every New Year is associated with a general desire to be leaner, save a little more and be even fitter for purpose than we were in the preceding 12 months. From January 1, the postal industry has an opportunity not only to apply but make good on the sort of intentions which many individuals often let slip from dietary regimes before February is even upon us. From that date, eleven countries across the European Union will be obliged to open up their postal systems, allowing private companies to compete against state-run operators. Critics of the development claim that it will introduce flux where there has traditionally been stability, bringing with it job cuts."

 [WMFD](#) has noted that "U.S. Sen. Sherrod Brown (D-Ohio) has asked the Postmaster General of the United States Postal Service to revisit the planned Feb. 12 closing of the Lincoln Finance Station at 989 Ashland Road in Madison Township." See also [Mansfield News Journal](#).



*At the Postal Regulatory Commission:*

The Postal Regulatory Commission is conducting the first five-year review of the Postal Accountability and Enhancement Act (PAEA). Section 701 of the Act requires the Commission, at least every five years, to submit a report to the President and Congress on the operation of the PAEA, and to provide any recommendations for legislation or other measures necessary to improve the effectiveness or efficiency of the postal laws of the United States. We wish to notify you of **a public forum being held at the Commission offices on Tuesday, January 11, 2011, from 2:00 – 4:00 p.m.** This forum will afford interested persons an opportunity to provide the Commission with broad insight into how well the PAEA has functioned and ways to advance

statutory postal policies. The Forum will be webcast for those that may not be able to attend. You will find a link to the webcast posted here on our webpage about 10 minutes prior to the start of the forum. In addition, the Commission welcomes written comments, which may be submitted by mail to the Commission, Office of Public Affairs and Government Relations, 901 New York Avenue, NW, Washington, DC 20268-0001 or by email at [pagr-prc@prc.gov](mailto:pagr-prc@prc.gov).

- CP2011-39 United States Postal Service Response to Order No. 622 Concerning Effective Dates of Global Plus 1B Contracts Negotiated Service Agreements <http://www.prc.gov/docs/71/71480/CP2011-39%20and%20-40%20Order%20622%20response.pdf>
- CP2011-40 United States Postal Service Response to Order No. 622 Concerning Effective Dates of Global Plus 1B Contracts Negotiated Service Agreements <http://www.prc.gov/docs/71/71480/CP2011-39%20and%20-40%20Order%20622%20response.pdf>
- CP2011-48 Order No. 640 - Order Approving Express Mail Contract 10 Negotiated Service Agreement [http://www.prc.gov/docs/71/71478/Order\\_No\\_640.doc](http://www.prc.gov/docs/71/71478/Order_No_640.doc)  
[http://www.prc.gov/docs/71/71478/Order\\_No\\_640.pdf](http://www.prc.gov/docs/71/71478/Order_No_640.pdf)
- CP2011-49 Order No. 641 - Order Approving Priority Mail Contract 33 Negotiated Service Agreement [http://www.prc.gov/docs/71/71482/Order\\_No\\_641.doc](http://www.prc.gov/docs/71/71482/Order_No_641.doc)  
[http://www.prc.gov/docs/71/71482/Order\\_No\\_641.pdf](http://www.prc.gov/docs/71/71482/Order_No_641.pdf)
- CP2011-54 Chairman's Information Request No. 1 <http://www.prc.gov/docs/71/71479/CHIR%20No.%201.docx>  
<http://www.prc.gov/docs/71/71479/CHIR%20No.%201.pdf>
- MC2011-12 Order No. 640 - Order Approving Express Mail Contract 10 Negotiated Service Agreement [http://www.prc.gov/docs/71/71478/Order\\_No\\_640.doc](http://www.prc.gov/docs/71/71478/Order_No_640.doc)  
[http://www.prc.gov/docs/71/71478/Order\\_No\\_640.pdf](http://www.prc.gov/docs/71/71478/Order_No_640.pdf)
- MC2011-13 Order No. 641 - Order Approving Priority Mail Contract 33 Negotiated Service Agreement [http://www.prc.gov/docs/71/71482/Order\\_No\\_641.doc](http://www.prc.gov/docs/71/71482/Order_No_641.doc)  
[http://www.prc.gov/docs/71/71482/Order\\_No\\_641.pdf](http://www.prc.gov/docs/71/71482/Order_No_641.pdf)

 **Press Release:** "The U.S. Postal Service is ringing in the new year with an expedited package delivery service that provides a simpler way to ship to regional destinations. Designed for commercial shippers, Priority Mail Regional Rate Boxes are an affordable solution for package shipments requiring fast delivery over shorter distances."

 **Press Release:** Today Pitney Bowes is announcing a new service available later this year that will enable individuals to receive and manage their mail digitally, as well as physically, from participating mailers. A letter has been delivered to the office for the Senator. With the [Volly™](http://www.Volly.com) secure digital delivery service, individuals can view, organize and store their statements, bills, notices, catalogues, coupons and other communications in a single, secure, private, spam-free, electronic mailbox that corresponds to the consumer's name and physical address. They also can pay their bills without having to jump from website to website. Consumers have told us they want control and convenience. Volly™ provides both. It's a voluntary, free service to consumers, that expands access and choice as to where, when, and how they receive their most important communications. Mailers also have been looking for easier ways to meet their customer's preferences. Volly™ lets them continue preparing their mail as they do today but deliver it according to their customers' needs - physically, digitally, or both. You can find out more about Volly™ at [www.Volly.com](http://www.Volly.com). Volly™ leverages Pitney Bowes' unique strengths and over 90 years of experience helping to improve the physical mail stream.

 According to the [Wall Street Journal](http://www.WallStreetJournal.com), "Across the Internet the use of dear is going the way of sealing wax. Email has come to be viewed as informal even when used as formal communication, leaving some etiquette experts appalled at the ways professional strangers address one another."

 **Hellmail** has reported that "The Communication Workers Union is to hold a mass demonstration and rally against the privatisation of the Royal Mail in PM David Cameron's constituency seat of Witney Oxfordshire this Sunday (9th January 2011). The event has the support of all Regional Secretary's in the CWU and will also see support from students and families concerned over cuts being made by the coalition government."

 From [MarketWire](#): "Neopost franking machine users save nearly 30% on postal costs as Royal Mail announce april price increase."

 [Post & Parcel](#) has reported that "Spanish operator Correos has revealed an increase in prices for postal services. The cost of posting domestic letters and cards weighing up to 20g has risen by one cent to EUR 0.35. In addition, the postage for letters between 21-50g has risen to EUR 0.50, up five cents. Correos said the move is necessary to ensure its universal service is conducted at the highest quality levels."

 [The Evening Times](#) has told its readers that "The UK Government's plans to part privatise Royal Mail will kill off the national Post Office service, Scottish opposition politicians have claimed. Labour said the proposals would put unsustainable pressure on post offices and the Greens said Government claims there was no programme of Post Office closures was a "sham".

 [The Slovak Spectator](#) has reported that "If approved, a new law on postal services should become effective in January 2012 which will scrap postal restrictions in Slovakia and fully liberalise the postal market will be fully liberalised, a year earlier than planned, the SITA newswire reported. Slovakia and other ten EU members had been granted an exemption for completion of the opening of their postal markets until December 31, 2012 stated the blueprint of Postal Policy until 2014 submitted by the Ministry of Transport, Construction and Regional Development for interdepartmental review."

 From [GlobeNewswire](#): " R. R. Donnelley & Sons Company (Nasdaq:RRD) announced today that it has acquired 8touches, an online provider of easy-to-use tools that allow real estate sales associates, brokers, Multiple Listing Service (MLS) associations and other marketers to create customized communications materials such as direct mail, flyers and brochures."

 [The Business Recorder](#) has reported that "A large number of postal employees on Wednesday staged demonstration at I. I. Chundrigar Road to lodge protest against government's reported move to privatise Pakistan Post Office Department. Postal Action Committee for Anti-Privatisation (alliance of Collective Bargaining Unions) had organised the demonstration as a part of protest movement. The Action Committee has planned more such demonstrations. Syed Akhtar Ahmed and Syed Qamar Abbas Zaidi, central leaders of Postal Action Committee, while addressing the agitating employees termed the privatisation move as economic genocide of 47,000 employees of the department."

### *January 5, 2011*

 [The Indianapolis Star](#) has reported that "The U.S. Postal Service is preparing to close the West Indianapolis Station and relocate its Nora facility on the Far Northside. The Westside office will close Feb. 25, and post office boxes now at 1144 S. Belmont St. will be relocated to the Park Fletcher Branch, 2760 Fortune Circle East. The Westside station will be one of two Indiana post office branches to close in the coming months."

 [New Baltimore Voice Newspapers](#) has reported that "The U.S. Postal Service is planning to sell the historic post office in downtown St. Clair and move services to the distribution center on King Road just inside China Township."  
"

 [The East London Advertiser](#) has reported that "East London postal workers are in the dark over whether the Bromley-by-Bow mail centre is to be closed by the Royal Mail."

 [The Associated Press](#) has reported that "The post office wants to get into the gift card business. Pre-paid cards have become one of the most popular gift items and postal officials want to do more than just deliver them to the lucky recipients. So they plan a two-year test beginning in May, with about 2,000 post offices selling cards issued by companies such as American Express, Discover, MasterCard or Visa, according to papers filed Wednesday with the independent Postal Regulatory Commission."



The latest edition of the [National Postal Forum Mailing Industry Updates](#) has been posted on this site.



[DC Velocity](#) has reported that "FedEx Corp.'s freight unit will use rail intermodal service for the first time when it rolls out its revamped less-than-truckload (LTL) operation on Jan. 31."

 [Press Release](#): "Do you know if you are creating duplicate Intelligent Mail barcodes? With GrayHair's SelectSolutions™, you will never create duplicate Intelligent Mail barcodes (IMBs). With access to our easy-to-use IMb generation applications, you can be confident that each IMb meets USPS® requirements and is unique. These exclusive tools run 24x7x365 inside your firewall or at your supply-chain facility. As an Enterprise IMb and USPS Full-Service supporting vendor, GrayHair understands the complexities of your business: multiple mailing sites, multiple lettershops and the availability of your systems all the time. We have managed IMb uniqueness for clients with a wide range of needs; from clients wanting to meet the minimum 45-day uniqueness period to some enterprise accounts requiring more than one year. Our real-time system centrally manages and controls your IMb assignment among virtually limitless numbers of sites or vendors and does this 24 hours a day."

 [Press Release](#): "Satori Software today announced the immediate availability of integrated Data Services processing in its number-one selling desktop mailing preparation software series, Bulk Mailer®. Bulk Mailer users can now order from a menu of options to append contact details, amend addresses and suppress records on do-not-mail lists. In most cases, results are available within a few hours. Updated records are incorporated into the original mailing list within Bulk Mailer without the need for manual reconciliation."

 The [Citizen Daily](#) has reported that "The Tanzanian electronic money transfer sector is set yet for more competition as the Tanzania Posts Corporation (TPC) enters the scene. Having been left behind by new technologies and having seen its money transfer market share TPC has also launched a new, modern and effective money transfer service called 'Posta Cash' that will enable customers send and receive money instantly through electronic network available at all Post offices countrywide. TPC has for years been offering money transfer services such as money order and money fax through the traditional mail services system. These old money transfer services will from now remain confined in the intra-district level while the new service will be used in the inter-regional level."

 From [Intelisent](#): "Full Service Intelligent Mail: The Cornerstone to the Success of the Mailing Industry - I Beg To Differ."



*At the Postal Regulatory Commission:*

- CP2011-47 Order No. 639 - Order Approving Priority Mail Contract 32 Negotiated Service Agreement  
<http://www.prc.gov/docs/71/71466/Order639.pdf>  
<http://www.prc.gov/docs/71/71466/Order639.doc>
- MC2011-11 Order No. 639 - Order Approving Priority Mail Contract 32 Negotiated Service Agreement  
<http://www.prc.gov/docs/71/71466/Order639.pdf>  
<http://www.prc.gov/docs/71/71466/Order639.doc>
- MT2011-2 Notice of the United States Postal Service of Market Test of Experimental Product - Gift Cards  
<http://www.prc.gov/docs/71/71465/Gift%20Cards%20Market%20Test%20Notice%20Final.pdf>
- CP2010-72 Notice of Updates to Product Lists  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)
- CP2011-33 Notice of Updates to Product Lists  
Link: [http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)
- CP2011-39 Notice of Updates to Product Lists  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)

- CP2011-40 Notice of Updates to Product Lists  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)
- CP2011-41 Notice of Updates to Product Lists  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)
- CP2011-42 Notice of Updates to Product Lists  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)
- CP2011-45 Notice of Updates to Product Lists  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.doc](http://www.prc.gov/docs/71/71464/Secy_Notice.doc)  
[http://www.prc.gov/docs/71/71464/Secy\\_Notice.pdf](http://www.prc.gov/docs/71/71464/Secy_Notice.pdf)
- Postal Service Activity Employee Statistical Summary (HAT report), Pay Periods 26-01-FY2011  
[http://www.prc.gov/docs/71/71473/Letter-HAT\\_RPT-PP26-.pdf](http://www.prc.gov/docs/71/71473/Letter-HAT_RPT-PP26-.pdf)
- On-Roll and Paid Employees Statistics (ORPES), December, 2010 (Pay Period 01,FY2010)  
<http://www.prc.gov/docs/71/71472/Letter-ORPES-PP01-FY11.pdf>

 [The Herald](#) has reported that "As ever, the devil is in the detail. Last October the Coalition announced amidst a loud fanfare that £1.3 billion would be invested in what remains of Britain's Post Office network over four years. That represents a subsidy of £330 million a year, nearly twice the recent level. Officially this funding is to reform and stabilise the remaining 12,000 or so branches and develop new funding streams, which is exactly what defenders of the Post Office network have been demanding for years."

 [UPS](#) has announced a significant expansion of its global healthcare distribution facility network to accommodate continued rapid growth in its healthcare business. Driven by expanding relationships with healthcare companies and an increasing trend toward outsourcing, the new facilities in Asia, Europe, Canada and the United States bring to 30 the total number of global UPS healthcare-dedicated facilities."

 According to the [Wall Street Journal](#), "Wherever you live, expect a blizzard next month: the year's first barrage of mutual-fund prospectuses and shareholder reports. The load has lightened a bit since 2007, when letter carriers stuffed roughly a billion mutual-fund books and booklets into investors' mailboxes, according to estimates by the Investment Company Institute in a 2008 report commissioned by the Securities and Exchange Commission. To save trees and costs, the SEC no longer requires funds to regularly distribute full-length prospectuses, which often ran 30 pages or more for a single fund; a several-page summary now will do in most cases. Fund investors also can elect to receive their literature by email, clogging only their personal in-boxes instead of the entire U.S. Postal Service."

 The [Whittier Daily News](#) has reported that "The U.S. Postal Service is drafting a proposal to move outgoing mail services from Industry to Santa Ana, pursuing an idea that has lasted through at least three studies in two years. The Industry Mail Processing Center would remain open to distribute incoming mail under the plan, which is still in preliminary stages, but equipment and employees that handle outgoing mail for the San Gabriel Valley would be moved to Orange County. Local mail would be routed to Santa Ana, processed, then sent back."

 According to [The Herald](#), "A warning has been sounded about the state of Scotland's post office network, with new figures revealing that many have closed or been put up for sale in the past year. And there are fears that the rate of closures will only increase as a result of uncertainty being created by legislation currently going through Westminster. Provisions in the new Postal Services Bill to effectively split Post Office Ltd from one of its biggest cash sources, Royal Mail, are viewed in many quarters as a potentially catastrophic move."

 The [Azerbaijan Business Center](#) has reported that "An international seminar of the Universal Postal Union is to take place in Azerbaijan. Under the Action Plan of the Regional Commonwealth in the field of Communications (RCC), the seminar will be held in late March or April of 2011. The seminar will be devoted to the matter of potential of human resources for the postal sector under modern conditions. The event will be organized by the Communications Department of the RCC Executive Committee in collaboration with the Ministry of Communications and Information Technologies of Azerbaijan."

 [AMEInfo](#) has reported that "New P.O. Box rental bundles launched recently by Emirates Post, the region's leading postal corporation and Empost, UAE's national courier company, are now available to companies across all post offices in the UAE."

 According to [Northumberland Today](#), "Jan. 17 will bring higher postal rates, with a two-cent rise in a first-class letter (weighing 30 grams or less). This letter will cost 59 cents to send, compared to 57 cents today. A letter of 30g to 50g will cost \$1.03. The same letter sent to the United States will cost \$1.03, compared to \$1 today. The larger-size letter will now cost \$1.25. The cost of a registered letter, exclusive of postage, will rise 15% to \$8.10 (from \$7.95). With the last rate increase occurring a year ago, it seems odd to recall that it took Canada from 1943 to 1972 to double its first-class postage for a one-ounce letter to eight cents from four."

 According to the [Battlecreek Enquirer](#), "Like many industries, the U.S. Postal Service has been in upheaval over the past decade. Increased shipping competition has cut into its business, along with the double whammy of the economic recession and increased use of the Internet. USPS has been forced to slash expenses and bolster revenue wherever possible. But by opting to go exclusively to Forever Stamps, the Postal Service is responding to public demand for convenience and generating public good will as well. Keeping customers happy is always a good business move."

 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

 Swiss Post achieved its best result ever in 2010.

 In connection with the planned privatisation of Royal Mail new rumours appeared that the EU-Commission could force Royal Mail to sell parts of its business.

 Andrzej Polakowski, president of Poczta Polska, was surprisingly dismissed two days before Christmas.

 Swiss Post canceled the tests for the new delivery concept 'Distrinova'.

 Deutsche Post is now negotiating with the union ver.di about cuts for its employees in the mail division.

 French La Poste and the unions CFDT, CFTC, CGC and FO agreed upon a new labour contract just before Christmas. From April this year salaries will increase by 0.6% and by another 1.2% from September 2011 on. Additionally both parties agreed to increase the bonus scheme (Complément Poste) by 1.8%. With this new collective agreement the gross entry-level wage at La Poste will rise to 18.337 euros a year or 1.528,08 euros per month respectively.

 Swiss Post's administrative board presented the revised medium-term strategy at the end of December. Swiss Post aims to keep its leading position in the four market segments communications, logistics, retail finance and public transport in Switzerland. Additionally the company's goal is to 'gradually achieve a risk-conscious growth' abroad. Swiss Post intends to adjust its international services especially for Swiss customers abroad.

 Some 100m euros, that is one fifth of turnover in the letter mail sector, could be captured by competition - this includes electronic substitution'. Furthermore Georg Pölzl, CEO of Austrian Post, told daily »Die Presse« (29.12) he expects companies, which are already active on the liberalised parcel and direct mail markets, to compete on the domestic letter market as it was liberalised on January 1. He named Swiss Post, Redmail and DHL.

 The growth in China's express and postal market remained on a high level from January to November.

 DHL parcels in Germany can now be sent to a destination chosen and on a given day.

 The planned sale of Korea Express (CEP-News 04/10) has finally come into motion again.

 Internet sales of branded remaining stock are booming - and thereby demand for B2C parcel services.

 Oldenburg based postal service mail-express (250 employees, 5m mail items) is insolvent.

 More than 30,000 Scottish customers of Royal Mail will receive an average payment of 30 euros. With this Royal Mail apologises for lost, mis-delivered and damaged mail.



The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. *To learn more about the stories reported above, contact [CEP News](#). (We appreciate the courtesy extended by [CEP News](#) to help whet your appetite for more of what [CEP](#) offers.)*

 *From the [Federal Register](#):*

- **Postal Regulatory Commission** NOTICES. New Postal Products, 592–593 [2010–33315] [[TEXT](#)] 593–594 [2010–33317] [[TEXT](#)]
- **Postal Service** NOTICES. Meetings; Sunshine Act, 594 [2010–33358] [[TEXT](#)]

 [Hellmail](#) has reported that:

 With nearly 300,000 users, the [Finnish Itella NetPosti](#) service is now available on iPhone and Android phones, as well as tablet devices, such as the Apple iPad, through a freely downloadable application. Customers in Finland can read e-letters via NetPosti such as invoices, payslips or customer and membership messages, or access letters in an archive folder using a mobile phone. In addition, it is possible for customers to monitor the progress of packages ordered or sent through the NetPosti application.

 [Latvijas Pasts](#) (Latvian Post) said this week that disrupted electricity supplies in localised areas and large amounts of snow across Latvia were making it difficult to provide a complete service.

 [Dead Tree Edition](#) has reported that "The U.S. Postal Service's costs for handling Periodicals mail are so high partly because it insists on providing services that publishers don't want, according to a leading publishing executive."

 According to [Global Winnepeg](#), "Canada Post is denying claims from it's union that a huge backlog of Christmas gifts and other holiday mail is sitting undelivered in Winnipeg."

 As the [Washington Times](#) has noted, "A recently settled U.S. Postal Inspection Service investigation into online retailer Amazon.com revealed the company was shipping parcels at postal rates cheaper than the prices they were entitled to receive, records show. Seattle-based Amazon had been "mailing parcels at the media rate for which they were not eligible," postal officials wrote in documents recently released to The Washington Times after an Oct. 23 open-records request. The cheaper media rate is reserved for shipping books and other educational materials, which are not supposed to include advertisements."

 The [News International](#) has reported that "The anti-privatisation movement gained steam on Tuesday as workers of the Islamabad Electric Supply Company (Iesco) and Pakistan Post took out rallies against the proposed sale of their enterprises and warned that workers would unite to defeat the agenda of the international financial institutions (IFIs) at all costs."

 The [Press Democrat](#) has reported that "A U.S. Postal Service study recommends closing part of its Petaluma mail processing center and moving some of the jobs to Oakland to save money. About 34 of the North Bay center's 360 jobs could be affected. The consolidation would save about \$1 million a year."



The following reports have been posted on the U.S. Postal Service Office of Inspector General website (<http://www.uspsoig.gov/>). If you have additional

questions concerning this report, contact Wally Olihovik at 703.248. 2201, or Agapi Doulaveris at 703.248.2286.

- [\*\*Fiscal Year 2010 Financial Statements Audit – Eagan Information Technology and Accounting Service Center \(Report Number FT-AR-11-005\).\*\*](#) During our audit of the Eagan IT/ASC we noted financial accounting policies and procedures of the Postal Service provide for an adequate internal control structure and comply with accounting principles generally accepted in the U.S.
- [\*\*Fiscal Year 2010 Quality of Postal Service Financial Testing and Compliance Results \(Report Number FF-MA-11-001\).\*\*](#)

 **Press Release:** "Syslore Ltd. is pleased to announce that Søren Boll has joined Syslore as Vice President of Sales. In this new role, Søren Boll will be responsible for heading Syslore's worldwide sales efforts within the postal industry. Mr. Boll will be based in Denmark, where Syslore also establishes a new office. Over the past two years, Syslore has won several new clients in the postal industry and extensively developed its technologies and product portfolio, for example by including a completely new Syslore OCR product range and developing the fifth generation of the Intelligent Address Lookup product."

 *At the Postal Regulatory Commission:*

- ACR2010 Order No. 636 - Notice of Postal Service's Filing of Annual Compliance Report and Request for Public Comments [http://www.prc.gov/docs/71/71461/Order\\_No\\_636.doc](http://www.prc.gov/docs/71/71461/Order_No_636.doc)  
[http://www.prc.gov/docs/71/71461/Order\\_No\\_636.pdf](http://www.prc.gov/docs/71/71461/Order_No_636.pdf)
- CP2011-46 Order No. 637 - Order Approving Priority Mail Contract 31 Negotiated Service Agreement [http://www.prc.gov/docs/71/71462/Order\\_No\\_637.doc](http://www.prc.gov/docs/71/71462/Order_No_637.doc)  
[http://www.prc.gov/docs/71/71462/Order\\_No\\_637.pdf](http://www.prc.gov/docs/71/71462/Order_No_637.pdf)
- MC2011-10 Order No. 637 - Order Approving Priority Mail Contract 31 Negotiated Service Agreement [http://www.prc.gov/docs/71/71462/Order\\_No\\_637.doc](http://www.prc.gov/docs/71/71462/Order_No_637.doc)  
[http://www.prc.gov/docs/71/71462/Order\\_No\\_637.pdf](http://www.prc.gov/docs/71/71462/Order_No_637.pdf)
- CP2011-44 Order No. 638 - Order Approving Priority Mail Contract 30 Negotiated Service Agreement <http://www.prc.gov/docs/71/71463/Order638.doc>  
<http://www.prc.gov/docs/71/71463/Order638.pdf>
- MC2011-9 Order No. 638 - Order Approving Priority Mail Contract 30 Negotiated Service Agreement <http://www.prc.gov/docs/71/71463/Order638.doc>  
<http://www.prc.gov/docs/71/71463/Order638.pdf>

*[EdNote: For cryin' out loud, PRC. How can people keep claimin' you're the reason why the USPS isn't evolving, when you keep approv'in' things? Get with it, folks. Just say "no." ☺]*

 **WKTU** has reported that " The Postal Service plans to conduct a new study at the Utica Processing and Distribution Facility for possible consolidation of some operations into the Syracuse Processing and Distribution Center"

 The **Pasadena Star-News** has reported that "The U.S. Postal Service is drafting a proposal to move outgoing mail services from Industry to Santa Ana, pursuing an idea that has lasted through at least three studies in two years. The Industry mail processing center would remain open to distribute incoming mail, but equipment and employees who handle flat packages and outgoing mail would be moved to Orange County under the plan.

**January 4, 2011**

 **Gather Technology** has reported that "The American postal system has left much to be desired. No matter what service we use or what company we use, there is always something that could be done better. The main problem is the tracking system of the mail. With all the different types of stamped packages being sent across the country, the senders and receivers usually like to keep up with the progress of the mail. With the current tracking system, not all packages can be located immediately, either they aren't registered into the system because of what type they are or

they haven't been carefully marked like they should be. According to Yanko Design, a new idea could greatly improve not only the United States Postal service, but also those the whole world over. Called the G.P. Stamp the device is a self-sustaining tracking device that can be tracked anywhere at any time. The G.P. Stamp is a stamp that is integrated with a GPS chip with its own battery that can be fixed to any letter or package during its delivery. The stamp is registered to a system that enables the concerned party to keep track of the progress of the expected mail. With this type of technology, it will be easier to watch over all the mail in transit. Alerts to both the postal service and the recipient and/or sender can be sent if there are any complications."

 [Digital Trends](#) has reported that "Netflix is partnering with a broad range of consumer electronics manufacturers to put "Netflix" buttons on Blu-ray players, Internet TVs, and other gizmos."

 *At the Postal Regulatory Commission:*

- CP2011-57 Order No. 635 - Notice and Order Concerning Addition of Priority Mail Contract 35 to the Competitive Product List  
[http://www.prc.gov/docs/71/71459/Order\\_No\\_635.doc](http://www.prc.gov/docs/71/71459/Order_No_635.doc)  
[http://www.prc.gov/docs/71/71459/Order\\_No\\_635.pdf](http://www.prc.gov/docs/71/71459/Order_No_635.pdf)
- MC2011-18 Order No. 635 - Notice and Order Concerning Addition of Priority Mail Contract 35 to the Competitive Product List  
[http://www.prc.gov/docs/71/71459/Order\\_No\\_635.doc](http://www.prc.gov/docs/71/71459/Order_No_635.doc)  
[http://www.prc.gov/docs/71/71459/Order\\_No\\_635.pdf](http://www.prc.gov/docs/71/71459/Order_No_635.pdf)

 According to the [Courier, Express, and Postal Observer](#), "As the proportion of mail that is advertising increases, the importance of timely delivery increases. Mail demand shifts from an "as soon as promised" delivery standard of First Class mail to a "specific in-home date" requirement of advertising, periodical, and parcel mail. Having sufficient operating capacity for peak periods and flexibility to handle variable levels of volume requires both increased capital and flexibility in labor agreements and management thinking."

 The [Consumer Postal Council](#) has noted that "On January 1, 11 member states of the European Union ended their postal monopolies, although observers expressed concern that actual competition has been slow to develop across much of the continent."

 The [Wall Street Journal](#) has reported that "Google Inc. and Apple Inc. have stepped up their battle to win over publishers, as the two companies vie to become the dominant distributor of newspapers and magazines for tablet computers and other mobile devices."

 [Thaindian News](#) has reported that "The government plans to upgrade another 383 post offices across the country to international standards under the ongoing "Project Arrow" of the department of posts, Minister of State for Communications Sachin Pilot said Tuesday. These upgraded post offices would offer services such as electronic and instant money orders and financial products such as bank accounts and postal life insurance."

 According to the [Independent Mail](#), "bigger changes than attractive Forever Stamps are in order if the postal service is to remain relevant and viable. Otherwise, the moniker "forever" may be ironic indeed."

 [Post & Parcel](#) has reported that "Singapore Post is stepping up its recruitment efforts and increasing existing salaries to beef up its collection and sorting staff. The move comes in response to the seasonal surge in mail, but also the general changing nature of the mail, which the company said was putting "considerable" strain on its services."

 [Hellmail](#) has reported that:

 [Portugese regulator ANACOM](#) announced this week that the Ministry of Public Works, Transport and Communications (MOPTC) has opened a public consultation which runs until January 10th, with the aim of establishing a new regulatory framework for the Portuguese postal

sector in readiness for full competition. A new regulatory structure is to be introduced according to EU Directive 2008/6/EC single diploma, set by the European Parliament on 20th February 2008.  [French communications regulator ARCEP](#), said last week that should competition in the postal sector in France reach a significant level, it would be minded to compel competitors to contribute to the financing of the universal postal service - currently provided by French operator La Poste. The announcement coincides with the opening to competition of the distribution of letters under 50 grams on January 1st 2011."

 The [Register-Herald](#) has reported that "U.S. Representative Nick J. Rahall, D-W.Va., isn't happy about the United States Postal Service's decision to consolidate Beckley and Huntington mail processing operations into Charleston. "In November of this year, the U.S. Postal Service announced its plans to consolidate mail operations at the Beckley and Huntington Post Offices into the Charleston processing and distribution center," Rahall said in an e-mailed statement. "Despite my vigorous protests and opposition from local communities, the Postal Service decided to move ahead with its misguided consolidation, eliminating nearly 50 jobs and disrupting essential mail service." The consolidation, Rahall said in the statement, will affect mail sent to his office in Beckley."

 *At the Postal Regulatory Commission:*

- **Postal Regulatory Commission PROPOSED RULES** Periodic Reporting, 297–298 [2010–33170] [\[TEXT\]](#) [\[PDF\]](#) 296–297 [2010–33173] [\[TEXT\]](#) [\[PDF\]](#) **NOTICES** New Postal Products, 395–396 [2010–33164] [\[TEXT\]](#) [\[PDF\]](#) 394–395 [2010–33161] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service NOTICES** Product Changes: Express Mail Negotiated Service Agreement, 396 [2010–33162] [\[TEXT\]](#) [\[PDF\]](#) Priority Mail Negotiated Service Agreement, 396 [2010–33160] [\[TEXT\]](#) [\[PDF\]](#) Priority Mail Non-Published Rates, 396 [2010–33148] [\[TEXT\]](#) [\[PDF\]](#)

 [Politico](#) has reported that "Rep. Darrell Issa (R-Calif.) wants the oil industry, drug manufacturers and other trade groups and companies to tell him which Obama administration regulations to target this year. The incoming chairman of the House Oversight and Government Reform Committee - in letters sent to more than 150 trade associations, companies and think tanks last month - requested a list of existing and proposed regulations that would harm job growth."

 The [Courier, Express, and Postal Observer](#) has told its readers that "According to Politico, Congressman Darrell Issa sent letters to more than 150 trade associations, companies and think tanks last month requesting a list of existing and proposed regulations that would harm job growth. Postal regulations should be included on this list as Postal regulations and law affect nearly 8.5 million jobs in the United States with over 90% of all jobs in the private sector. This effort now is critical as it does not appear that Congressman Issa has included postal issues among his top priorities for investigations as the new Congress convenes."

 The [Irish Times](#) has reported that "postcodes are likely to be introduced throughout the State by the end of the year, following Government clearance for the tender process for the project to begin."

 The [Scotsman](#) has reported that "The Royal Mail paid out £800,000 in compensation to more than 30,000 people in Scotland over the last year for failing to deliver the post properly. The revelation comes as politicians gear up to do battle on the future of the postal service in the next few weeks as the government prepares to push through its privatisation."

 According to the [Federal Times](#), "Labor contract talks between the U.S. Postal Service and its largest union are not at an impasse — but they may be heading there."

 The [Times of India](#) has reported that "The Central Bureau of Investigation has filed a chargesheet in the court of the special judge for CBI cases in Mumbai against the former chief postmaster general (CPMG) of Maharashtra and Goa for allegedly demanding and accepting a bribe of Rs 2 crore for issuing a no-objection certificate for the development of a plot reserved for the postal department on Mira Road in Thane. The chargesheet also names two others who had allegedly paid the money."

 *At the Postal Regulatory Commission:*

- CP2011-56 Order No. 634 - Notice and Order Concerning Addition of Priority Mail Contract 34 to the Competitive Product List  
<http://www.prc.gov/docs/71/71458/Order634.pdf>  
<http://www.prc.gov/docs/71/71458/Order634.doc>
- MC2011-17 Order No. 634 - Notice and Order Concerning Addition of Priority Mail Contract 34 to the Competitive Product List  
<http://www.prc.gov/docs/71/71458/Order634.pdf>  
<http://www.prc.gov/docs/71/71458/Order634.doc>

*January 3, 2011*

 From [Live-PR](#):

 Express Benchmarking 2010 - [Austria](#) - a new market research report on companiesandmarkets.com

 Express Benchmarking 2010 - [Denmark](#) - a new market research report on companiesandmarkets.com



The U.S. Postal Service Office of Inspector General invites you to comment on the following: This week's "Pushing the Envelope" blog topic:

- Top 10 Postal Service Stories of 2010. The OIG's Blog Team compiled their list of the top 10 postal stories for 2010. Tell them about any stories they missed and add whatever comments you think appropriate. In particular, they would like to get your input on the top story. [LINK](#) here to cast your vote on the top story and add new ones.

New Audit Projects: [LINK](#) here to visit our audit project pages. This week we opened the following new project(s): (Please share any information you may have that would help with this audit currently in progress by clicking on the link below):

- [FY 2011 FTC Reviews — SmartPay \(CAPPING\) — 11BR007FF000](#). The Postal Service's Financial Testing Compliance (FTC) analysts perform operational effectiveness testing on key internal controls in the field. This audit's aim is to provide oversight of FTC testing on SmartPay. We will conduct reviews at selected sites and issue management advisory reports after each site visited. We plan to summarize the oversight results into an advisory report at the end of the fiscal year.
- [FY 2011 FTC Reviews — Voyager \(CAPPING\) — 11BR008FF000](#). The Postal Service's Financial Testing Compliance (FTC) analysts perform operational effectiveness testing on key internal controls in the field. This audit's aim is to provide oversight of FTC testing on Voyager (credit cards). We will conduct reviews at selected sites and issue management advisory reports after each site visited. We plan to summarize the oversight results into an advisory report at the end of the fiscal year.
- [PVS Transportation Routes — Baltimore P&DC — 11XG017NL000](#). Auditors are looking at the network transportation, PVS, that uses Postal Service vehicles and employees in the Baltimore, MD, area. Management typically assigns PVS vehicles and personnel to network distribution centers or processing and distribution centers in or near metropolitan areas. PVS operations are normally conducted within 50 miles of the 154 Postal Service facilities with PVS operations.

 *At the Postal Regulatory Commission:* **Docket R2011-1:** "On December 10, 2010, the Commission issued an Order approving of the market dominant classification and price changes that the Postal Service filed notice of on November 2, 2010 in this docket. Order No. 606. The Commission indicated, however, that implementing the Move Update change that was included in the November 2 Notice would reduce the maximum

allowable size of the next price increase by more than 0.6 percentage points. **The Postal Service therefore is withdrawing its notice of the Move Update change, and will not implement that change absent a subsequent filing with the Commission.** The Postal Service does continue to plan implementation of the pricing incentives for First-Class Mail Automation Letters (Reply Rides Free) and Saturation and High Density Standard Mail, effective January 2, 2011."

 The [American Postal Workers Union](#) has told its members that "APWU President Cliff Guffey has summoned the union's Rank and File Bargaining Advisory Committee to Washington, DC for an update on contract negotiations, but he was quick to point out that no tentative agreement has been reached and none appears imminent."

 [Post & Parcel](#) has reported that "Retail staff at the US Postal Service will no longer be forced to stick to a management-approved script when dealing with customers mailing packages from this month. The USPS is abandoning its "Perfect Transaction Method", which required window clerks to ask a series of pre-written questions explaining products and services available even to regular customers."

 From the [UK Postal Services Commission](#): "Laying the foundations for a sustainable postal service." Decision document. November 2010

 According to [Daily Markets](#), "Much the way Greece used phony accounting to qualify for euro zone inclusion, the USPS is using creative accounting to avoid making significant cuts in current wages and benefits. By offering forever stamps, the Post Office moves forward future revenues to pay current expenses. But every forever stamp sold today represents a stamp not sold in the future. The revenues booked now will not be put in escrow to deal with revenue shortfalls that are guaranteed to plague the Post Office in the years ahead. This simply kicks farther down the road any intractable fiscal problems that the USPS can't solve through more conventional means."

 The [Wall Street Journal](#) has reported that "Google Inc. and Apple Inc. have stepped up their battle to win over publishers, as the two companies vie to become the dominant distributor of newspapers and magazines for tablet computers and other mobile devices. Google is trying to drum up publishers' support for a new Google-operated digital newsstand for users of devices that run its Android software. With the effort, it is chasing Apple, which already sells digital versions of many major magazines and newspapers through its iTunes store. The e-newsstand would include apps from media companies offering versions of their publications for smartphones or tablets running Android, say people familiar with the matter. Google hopes to launch it in part to provide a more consistent experience for consumers who want to read periodicals on Android devices, and to help publishers collect payment for their apps, these people say." [EdNote: *More online . . . less in the mail.*]

 As the [Wall Street Journal](#) has noted, "The Republican majority that takes over the House this week plans an ambitious drive to slash government spending by tens of billions of dollars in the next few months, a strategy that ensures that the capital soon will be consumed by intense debate over how and where to reduce the size of government." [EdNote: *What will this all mean as far as bringing congressional sensibility to bear to correct the Postal Service's retirement-related payments is concerned? We'll have to see.*]

 According to the [Daily Express](#), "Brussels was urged yesterday to "keep its nose out" of Britain's plans for the Royal Mail."

 [Logistics Week](#) has reported that "Deutsche Post DHL, the world's leading postal and logistics group, has today for the first time in its company history agreed upon a revolving syndicated credit facility with a consortium of German and international banks. With a volume of EUR 2 billion it serves as a replacement for the previous bilateral credit lines and further strengthens the Group's very solid financial position. The syndicate was formed in November 2010 amongst selected commercial banks of Deutsche Post DHL. The commissioned banking consortium includes Citibank, Commerzbank, Deutsche Bank and HSBC."

 [RealDeal.hu](#) has reported that "Magyar Posta has ordered new cars for some of its employees despite a directive from National Development Minister Tamás Fellegi forbidding such a purchase. According to Blikk, the national postal operator had wanted to order new cars for its leaders for Ft 770 million (€2.8 million). The tabloid writes that the new Skoda Fabias and Octavias have arrived, and the company is apparently trying to keep this a secret, as the cars are parked where they cannot be seen from the street. It is now known how many vehicles were bought and how much money was spent on them. Magyar Posta Spokesperson Marianna Hüse said the new cars were necessary for tasks related to business relations, marketing and security, and they will also be used to transport employees to work on early mornings."

 [Hellmail](#) has reported that "Spanish postal operator Correos is one of a handful of European postal operators to increase the price of postage rates this month. It said the increases were essential for it to continue to provide an efficient and high quality universal service. The cost of sending a letter or card up to 20 grams in weight has increased from 0.34 euros to 0.35 euros. Similar items between 21 and 50 grams are to rise to 0.50 euros (previously 0.45 euros). International letters and cards up to 20 grams have been increased from 0.64 euros to 0.65 euros and registered items up from 2.88 euros to 2.95 euros. A standard letter up to 20 grams outside Europe will now cost 0.80 euros (instead of 0.78 euros), and certified items increased to 3.10 euros (instead of 3.02 euros)."

 According to [Veterans Today](#), "the forty-year experiment of trying to provide mail service by using the principles of private enterprise has led to the postal service becoming so corrupt and inefficient that it's no longer able to perform its primary mission, delivering the mail. Much like what took place on Wall street, the profit motive attendant to the principles of private enterprise has overwhelmed the agency's mandate to provide a public service. The agency's old mandate has now been replaced by the primary mission of enriching it's top executives. That, in turn, has led to a culture of employee abuse, poor customer service, and the looming demise of the agency itself. Thus, in our previous article we advocated the abolishment of the "pay-for-performance" program for the agency's top executives. As we see it, that's an essential part of any hope to save the postal service."

 The [San Francisco Examiner](#) expressed the following "Daily Outrage": "In a report to Congress, the Postal Service's inspector general reported 453 arrests stemming from 1,190 investigations of mail tampering. Some of the arrestees were Postal Service employees, including a letter carrier in Georgia who admitted dumping more than 600 pieces of mail into a dumpster. All he got was 12 months of probation, a \$500 fine and an order to reimburse Netflix \$182 for the DVDs he trashed."

 The [Daily Record](#) has reported that "bungled deliveries cost Royal Mail bosses in Scotland more than £800,000 in a year - as complaints rose to more than 230 a day. Shocking statistics reveal that homeowners and businesses in Scotland made a total of 84,169 complaints about lost, misdelivered and damaged mail between January 2009 and January 2010. More than half of the complaints - 42,731 - ended in compensation being paid. And the payments total led £807,261. The figures - released after a Freedom of Information request - were revealed as hundreds of thousands of Scots are STILL waiting for Christmas cards and presents which haven't arrived."



PostCom President Gene Del Polito has named Jessica Lowrance as PostCom's new *Executive Vice President*. She will be assuming additional staff responsibilities as well as a new title.

*January 2, 2011*

 According to [The Guardian](#), "Royal Mail could be forced by Brussels to unload some of its most profitable divisions in exchange for a government rescue of its pension scheme. According to weekend reports, the European commission is debating whether the British government's plan to take over Royal Mail's pension scheme, which has an £8.4bn deficit, constitutes state aid that would give the group an unfair advantage over rivals. The commission could demand the sale of Royal Mail's most profitable operations in return for approving the plan, such as its European parcels division, General Logistics Systems. However, selling off Royal Mail's most valuable assets could damage the government's plans to sell the group."

 According to [Bloomberg](#), "The European Commission is weighing steps that may force the division of Royal Mail as a condition for endorsing the U.K. government's bailout of the postal service's pension shortfall, the Sunday

Times reported, citing unidentified people. The governmental body is considering whether the U.K. plan to assume pension liabilities would be state aid that would give it competitive advantages, the newspaper said."

 According to the [SunHerald](#), "The U.S. Postal Service's controversial plan to outsource some of Tupelo's mail operations to Memphis could get delayed a second time."

 The [Winnipeg Free Press](#) has reported that "Thousands of Christmas packages sat undelivered in the former downtown post office as late as New Year's Eve, a local union official said. "A good chunk of the parcels sitting in the 266 Graham Ave. building are Christmas wrapped," said Bob Tyer, president of the Canadian Union of Postal Workers. Since the introduction of Canada Post's modern delivery system in September, Tyer said there has been a considerable backup of undelivered mail -- especially during the holidays. During the New Year's weekend, Canada Post employees were set to work overtime s to catch up on deliveries, Tyler said."

 The [Burlington Free Press](#) has reported that "Vermont managed to make it through 2010 without permanent closure of any of the state's 267 post offices, but the U.S. Postal Service is under growing financial stress that could lead to major changes across the country over the next few years."

 [Daily India](#) has reported that "The Department of Post (DoP) will introduce a prepaid credit card in association with leading banks including IDBI, HSBC and ICICI to rural people, which will facilitate non-cash transactions for purchasing products and services. The card - 'White label Pre-paid Cards' - will come with pre-determined cash value and could be operated at merchant locations, ATMs and designated post offices subject to approval by the Reserve Bank of India (RBI)." See also the [Economic Times](#).

 According to the [Courier, Express, and Postal Observer](#) "Charles Payne made the following prediction on the Fox Business News website. "UPS and FedEx will enter into a bidding war for the Unites States Postal Service. The deal is close, but unions balk." The prediction provides another illustration of how difficult it will be to fix the Postal Service, when commentators are paid to make statements that have no basis in reality."

### *January 1, 2011*

 [Hindustan Times](#) has reported that "The Department of Post will collaborate with leading banks -- IDBI, HSBC and ICICI Bank--to provide cards (on the line of credit cards) to rural people in order to facilitate non-cash transactions for purchase of products and services. The card will come with pre-determined amount in rupees and could be operated at merchant locations, ATMs and designated post offices subject to approval by the Reserve Bank of India."

 [WBKO](#) has reported that "Two weeks after the local postmaster made the decision residents should move their mailboxes from their home to the street in one local neighborhood, she changed her mind."

 [Hellmail](#) has reported that "Russian Post has expanded its basic employee social package for expectant mothers and those with children under the age of 1, with a store discount scheme to allow mothers employed by Russian Post to buy clothes at an 18% discount."

 The [Times Union](#) has reported that "As the days dwindle for the Delaware Station Post Office -- or, uh, the Delaware Station Not Post Office, if you believe the United States Postal Service's argument -- U.S. Rep. Paul Tonko wants to mark the closure order "return to sender."

 [STA](#) has noted that "The postal services market became fully liberalised across the EU on 1 January with the abolition of the final reserve area for national postal companies, the delivery of mail under 50 grams."