



Association for Postal Commerce

"Representing those who use or support the use of mail for Business Communication and Commerce"

"You will be able to enjoy only those postal rights you believe are worth defending."

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Postal News for February 2015

February 28, 2015

 **The Sudbury Star:** Jon Hamilton knows Greater Sudburians who have home mail delivery may not welcome community boxes with open arms. But the Canada Post spokesperson wants residents to know they'll be treated with respect and their concerns will be noted during the rollout of the so-called superboxes in communities across the city - a vital measure, he said, in ensuring the postal service's long-term viability. Hamilton was responding to concerns raised by members of the Canadian Union of Postal Workers, who held an information session in Sudbury to detail reported problems in communities where door-to-door delivery has been cut, including safety and accessibility and even property values in areas where community boxes have been placed.

 **News:** In recent years, Costa Rica has been working on implementing a system of street signs, numbered buildings and even postal codes to combat what some people perceive as an antiquated system of cardinal directions and descriptions based on old (and sometimes dubious) landmarks. Thanks to navigation and mapping technology such as GPS, Waze and Google Maps, mail carriers and delivery drivers these days have an easier time getting around and performing their jobs.

 **CIO:** *James Cochran* -- The U.S. Postal Service has been a quiet leader in business technology for the past 40 years. Technology has enabled us--one of the largest employers in the country--to remain nimble and responsive to changes in customer trends and needs. Our robust technology infrastructure has been the backbone of improving mail processing operations and reducing costs, but we're also harnessing data and analytics to stay ahead of the curve. The CIO team is enabling this change throughout the organization, which--along with traditional IT, security and analytics--also includes engineering, research and development, and electronic mail entry and payment. This eclectic mix has allowed us to become change agents, delivering technology-supported products and operational savings.

 **INDUSTRYALERT** **Certificate of Mailing MTAC Workgroup #170:** The USPS is seeking mailing industry feedback on proposed changes to domestic Certificate of Mailing service (Firm and/or Bulk Mailing) Used commercially for First-Class Mail and Shipping products. As a result, the USPS: (1) Established new MTAC Workgroup #170 Certificate of Mailing (COM) Improvements to review the processes (i.e. First-Class Mail and Shipping Products) for domestic Certificate of Mailing service, including size and scope of the proposed changes and recommendations for specific improvements and timelines for completion. If you are using Certificate of Mailing service (Firm and/or Bulk) and are interested in being part of this MTAC Workgroup, send an email not later than March 9, 2015, to one of these MTAC Workgroup Leaders: David Marinelli at: david_m_marinelli@progressive.com
Karen F. Key at: ShippingServices@usps.gov

In the Subject Line state: COM MTAC Workgroup. In the body of the email: Include your name, contact email address and telephone number and years of experience using Certificate of Mailing (Firm and/or Bulk). Also indicate if your experience is related to First-Class Mail and/or Shipping Products. Participants will be expected to have reviewed the proposed changes for domestic Certificate of Mailing which includes: § New PS Forms 3606-D and 3665-Firm § Adding an Intelligent Mail package barcode (IMpb) on domestic COM forms § Linking PS Form 3606-D barcode and PS Form 3665-Firm barcode to IMpb or applicable extra service barcode, or Intelligent Mail barcode (IMb) on each individual item § Submission of electronic manifest to USPS (using mail.dat or mail.xml or shipping services files) § Using scan events from mail processing equipment to develop sampling solution The Postal Service will review all recommendations for improvements to domestic Certificate of Mailing from the MTAC Workgroup, along with comments received from the February 5, 2015 Federal Register Proposed Rule (New Mailing Standards for Domestic Mailing Services Products) which are not due until March 9, 2015, before developing final requirements.

 **Fox News:** "U.S. Postal Service searching for the mail truck of the future" -- One strong candidate for a donor platform is the new Ford Transit van, which is produced and sold worldwide, but built for the U.S. market in Kansas City. It features a large platform that can accommodate rear, front and all-wheel-drivetrains and right hand drive, and is significantly more fuel efficient than the older E-Series van. Freightliner makes a similar van, the Sprinter, that's assembled in North Carolina and has all-wheel-drive (It's also sold as a Mercedes-Benz.) Currently available only with a diesel engine, it has with a starting price of around \$35,000 before any modifications, which is about \$5,000 more than the Transit. The Mexican-made Ram Promaster is another European-style van that recently went on sale in the United States. A rebranded Fiat Ducato, it's only available with front-wheel-drive, but it could potentially be updated to all-wheel-drive and it comes in a variety of configurations. Conventional Ducatos are currently used by the Italian postal service.

 **Washington Post:** "Are postcards obsolete?" -- Whatever the exact numbers, the disappearance of postcards is apparent just by visiting the places that used to sell them. Locally, postcards have disappeared from newsstands, which are also in the process of vanishing.

At the Postal Regulatory Commission:

- R2015-4 Chairman's Information Request No. 16
<http://www.prc.gov/docs/91/91631/CHIR%20No.%2016.doc>
<http://www.prc.gov/docs/91/91631/CHIR No. 16.pdf>
- ACR2014 Responses of the United States Postal Service to Questions 1-2 of Chairman's Information Request No. 10
<http://www.prc.gov/docs/91/91627/CHIR%2010%20reply%20022715.pdf>
- R2015-4 Chairman's Information Request No. 16
<http://www.prc.gov/docs/91/91631/CHIR%20No.%2016.doc>
<http://www.prc.gov/docs/91/91631/CHIR No. 16.pdf>
- R2015-4 Response of the United States Postal Service to Questions 2-12 of Chairman's Information Request No. 15
[http://www.prc.gov/docs/91/91623/CHIR%20No.%2015%20\(Qs%202-12\).pdf](http://www.prc.gov/docs/91/91623/CHIR%20No.%2015%20(Qs%202-12).pdf)
- R2015-4 Notice of Revision to United States Postal Service Notice of Market-Dominant Price Adjustment, Attachment A, Part II -- Errata <http://www.prc.gov/docs/91/91624/Errata.2.27.15.MCS.pdf>
- Postal Service Active Employee Statistical Summary (HAT Report), Pay Period 05, FY 2015
- http://www.prc.gov/docs/91/91628/Letter_HAT_PP5FY15_20150227154530.pdf
http://www.prc.gov/docs/91/91628/PP05_FY2015.pdf

February 27, 2015

 **Wall Street Journal:** Ahead of its multibillion-dollar listings this fall, Japan Post Holdings Co. plans to manage more aggressively the \$1.7 trillion in savings held by its banking operation, a move that could have significant implications for Japan's financial markets.



[Special Podcast on the Mailing Industry Project at the National Postal Museum](#)

Join [Allen Kane](#) (Director of the National Postal Museum), [Marty Emery](#) (Manager, Public Relations and Internet Affairs), and [Karen McCormick](#) (Project Manager) along with Gene Del Polito in a discussion of the latest project to be undertaken by the National Postal Museum -- "The Telling of the Story of the Mailing Industry in America."

the National Postal Museum -- "The Telling of the Story of the Mailing Industry in America."

[There are slides that accompany this podcast. The last two slides are specifically referenced during the podcast.](#)

 [Telegraph](#): The price of first and second class stamps is to increase by 1p each to 63p and 54p from March 30, Royal Mail has announced. Sending a large letter will increase by 2p to 95p for first class and by 1p to 74p for second class. The postal group said it had thought "carefully" about the impact on its customers before deciding to raise letter prices. It added that it recognised how the recent tough economic conditions had made it difficult for consumers and businesses. Royal Mail also announced that it is simplifying and cutting the price of sending a second-class medium parcel. And it will maintain prices for second-class small parcels which was introduced as a Christmas promotion.

Executive with Postal Expertise & Governmental Experience Available

Tested strategic postal operative who combines governmental/regulatory experience is looking for the opportunity to connect with an organization and become part of a dynamic team. Skills include extensive USPS network contacts at both L'Enfant Plaza and at the field operations level, and the ability to advocate for USPS favorable pricing and innovative programs that will foster business growth for your organization. Candidate has strong understanding of Postal Regulatory Commission and all regulatory functions, as well a senior corporate experience in strategic planning, marketing, sales, postal operations, and project management. These skills are complimented with a strong Congressional background as a former senior staff to a Member of Congress, and understanding how to advocate for issues on Capitol Hill. Excellent speaking and communications skills.

[To contact this individual please email](#)

 [Imperial Valley News](#): The Justice Department announced today the enhanced collaborations its law enforcement and community partners are taking to stem the tide of fraud schemes directed at certain groups of Americans. On Wednesday, high ranking officials of the department, the Federal Trade Commission (FTC), the U.S. Postal

Inspection Service (USPIS) and non-profit community groups met to discuss an increase in fraud schemes that intentionally target older Americans and the Latino community.

 **Forbes:** FedEx is likely to see strong growth in its pricing in 2015. The increase in pricing will be the result of the company's response to the overwhelming e-commerce volumes and declining fuel prices. The likelihood of the logistics industry now imposing peak-based surcharges could also drive an increase in pricing.

 **PostCom Members !! The latest issue of the [PostCom Bulletin](#) is now available online.** 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. See what you've been missing.

 **GCN:** The U.S. Postal Service's Office of Inspector General is looking for marketplace information to support its plans to acquire advanced analytics technology to help it detect fraud and conduct sensitive audits ... in all aspects of USPS operations. In a recent request for information, the OIG said potential suppliers should be able to offer a variety of data sources and tools for extracting structured and unstructured data from multiple sources as well as delivering "complex data analysis and algorithms that can be leveraged by end users into actionable intelligence." "With the ongoing challenges the Postal Service faces," the RFI stated, "modernizing the OIG's capabilities to use innovative tools, technologies and methodologies to collect and analyze large volumes of complex information will help ensure that our work is of greatest value to the Postal Service." Under the leadership of the Inspector General, the OIG's Countermeasures and Performance Evaluations (CAPE) team uses data mining and predictive analytics to facilitate improved focus on high-risk audit and investigative threats.

February 26, 2015

 **Reuters:** Postal Savings Bank of China plans to raise up to \$25 billion with an initial public offering in 2016, the latest of China's large banks to seek funds via the equity markets, according to a source-based report in the official China Daily newspaper. By the end of June, China's seventh-largest bank intends to introduce strategic investors who will invest \$6 billion before the IPO in exchange for 15 percent of the bank's equity, in a bid to improve corporate governance, according to the paper.

 **eCommerceBytes:** The US Postal Service is making rate changes in April, both for market dominant services and competitive products. The USPS received approval from the Postal Regulatory Commission this week. The good news for many small online sellers is that Priority Mail and Priority Mail Express rates are not increasing. But there is negative news for sellers using First Class Package International Service. We checked in with Eric Nash of Stamps.com for help in understanding the impact of the new rates on online sellers.

 **Gulf Times:** In a city riddled by a constant fear of attacks, anonymity is highly prized. Most walls are high and very few houses have names of tenants on the door. And yet, as Subel Bhandari and Najeebullah Hazem find out, a phone number may do the trick!

February 25, 2015

 **At the Postal Regulatory Commission:**

- CP2015-33 Order No. 2366 - Order Adding Changes in Rates of General Applicability for Competitive Products
<http://www.prc.gov/docs/91/91595/Order%20No%20%20202366.docx>
<http://www.prc.gov/docs/91/91595/Order No. 2366.pdf>
- USPS Preliminary Financial Information (Unaudited), January, 2015
<http://www.prc.gov/docs/91/91605/2015.2.25 January FY2015 Report to PRC--Attachment.pdf>

- R2015-4 Response of the United States Postal Service to Question 1 of Chairman's Information Request No. 14
<http://www.prc.gov/docs/91/91602/ChIR14-Q1-FINAL.pdf>
<http://www.prc.gov/docs/91/91602/Resp%20ChIR14%20Que1%20Spreadsheet.xlsx>
- R2015-4 Chairman's Information Request No. 15
<http://www.prc.gov/docs/91/91601/CHIR%20No.%2015.doc>
<http://www.prc.gov/docs/91/91601/CHIR No. 15.pdf>
- ACR2014 Public Representative Initial Comments on the Fy 2014 Performance Report and FY 2015 Performance Plan
<http://www.prc.gov/docs/91/91598/PR Com Final.docx>
<http://www.prc.gov/docs/91/91598/PR Com Final.pdf>
- ACR2014 Responses of the United States Postal Service to Questions 1-2 of Chairman's Information Request No. 12
<http://www.prc.gov/docs/91/91616/CHIR No. 12.Resp.pdf>

INDUSTRY ALERT *Save the Date: Webinar on How to get Executive Mail Center Manager Certification* at NPF For the first time,

National Postal Forum (NPF) attendees will have the ability to receive Executive Mail Center Manager (EMCM) certification at the National Postal Forum in Anaheim, CA, held May 17-20, 2015. This is an exclusive opportunity for NPF attendees! Instructors from the USPS National Center for Employee Development (NCED) will travel to the Forum and provide certification classes. Join an hour webinar on March 4, 2015 at 1 p.m. (EST) to understand more about the program and how this certification provides a solid foundation in mail center management and a return on investment. Speakers: Hear from Paul Warrick, Manager, National Center for Employee Development and Maureen Goodson, Executive Director, National Postal Forum The EMCM course is a comprehensive training program that is designed for individuals who wish to develop Mail Center Management skills. It offers a certified designation that emphasizes professionalism in Mail Center Management. The course teaches skills needed to manage more effectively, boost productivity and cut costs. The program is sponsored by the USPS and has been developed by a professional committee with representatives from the mailing industry. To earn official certification, participants are required to attend all 14 planned sessions and pass an exam at the completion of each module.

 **MyBroadband:** The SA Post Office (Sapo) will review its business operating models, according to the 2015/16 budget documents tabled in Parliament on Wednesday. Its focus over the medium-term was on stabilising business operations and aligning business models with the challenges it faced, the Estimates of National Expenditure stated. "In this transition period, while delivering on government's social mandate, the post office will adapt to its rapidly changing environment by reviewing postal policy, increasing productivity, improving business operations, and improving financial performance." It aimed to achieve these goals by improving cash flow management, reducing costs around infrastructure and procurement, and improving service delivery.

 **The Sydney Morning Herald:** The letter is in its death throes. Most letters are now sent by business and government, many under legislative or regulatory requirement. For business and government this is a costly exercise and it is about to get more costly. It doesn't really make sense to maintain these laws with increasing costs to prop up the Australia Post business. There are potentially large savings for the economy if requirements can be changed to allow for electronic delivery. In contrast, on China's most celebrated annual online shopping day, Double 11, Alibaba's online shopping platform Tmall sold more than \$11 billion in products from 168 countries. Parcel services are essential to the burgeoning online shopping trade and Australia's potential to realise its 'Asian Century'. Australia Post should be reformed to enable Australia to take better advantage of the digital age. It will also have an ongoing role in providing equitable access to necessary postal services across Australia at no cost to the taxpayer. The current monopoly over post may or may not need to be part of policy settings in the longer term.

 **Transport & Logistics News:** More needs to be done to encourage women to work in the transport and logistics industry, according to a report into gender and equality released by the SA Freight Council (SAFC). The industry is looking to change the perception that it is a male-dominated area, but alarmingly the percentage of women in the sector has actually dropped significantly in recent years. SAFC CEO Neil Murphy said as an example, the percentage of women in the transport, postal and warehousing sector in SA had dropped by 15 per cent in the past 5

years alone, from 21.7 per cent to 18.7 per cent. Mr Murphy says there is also a worrying trend in the pay gap between male and female workers, jumping from 5.2 per cent to 16.1 per cent since 2007. “More must be done to ensure women are attracted to the transport and logistics industry, and once there, are retained by ensuring they are provided with the opportunities they merit, something they may not have received in the past,” Mr Murphy said.

 **The New Daily:** As Australia Post faces its first full-year loss in 30 years, there are calls for its chief executive Ahmed Fahour to stand down. This comes as the Abbott government is expected to announce a reform package – within weeks – designed to help arrest the falling financial performance of Australia Post, which on Monday announced a 56 per cent drop in half-yearly profit. The nation’s postal service recorded a first-half profit of just \$98 million, with the dive driven by mounting losses of \$151 million in its letters business. Mr Fahour says for Australia Post to survive, there are two options. Shutterstock Australians could face dearer postal costs and slower mail. Photo: Shutterstock “Either the government pays us a \$6 billion subsidy, or they give us the permission to change regulations to allow us to manage the business,” Mr Fahour said. Mr Fahour’s annual salary is \$4.8 million. The US Postmaster General’s wage is a mere \$511,000. A coalition of printers, mail houses, licensed post offices and unions, called the Coalition of Mail Service Stakeholders (CoMs), has accused Mr Fahour of making an attempt to build support for major cuts by releasing the half-year financial results one day before a scheduled appearance at Senate estimates. The coalition has said that “there needs to be an industry round table established involving all stakeholders, before any changes to the postal service are considered.”

 **Post & Parcel:** La Poste Group’s profits dropped 17.7% last year as the French postal operator restructured under a new business strategy. The company issued its full-year results yesterday, showing revenue up 2.1% year-on-year to EUR 22.2bn, with net profit slipping to EUR 513m. La Poste said 2014 had been a “defining year” for the group, after its new strategy, “La Poste 2020: Conquering the Future”, was adopted in January 2014. The company said its revenue growth during a “persistently difficult” economy was mainly driven by its GeoPost international parcel business, as well as its banking division, La Banque Postale. The growth offset the impacts of digitisation on the traditional mail business.

 **Post & Parcel:** Parcel carrier GLS has upgraded the IT in about 5,000 of its parcel shops within Germany, basing it on smartphone technology. The company owned by UK postal operator Royal Mail Group said the EUR 7m investment will help make its parcel services in Germany more convenient, reliable and with faster delivery. GLS said the move will mean parcel shops can be operated more easily, with less requirement for specialised equipment — outlets need only a robust smartphone with a bluetooth-enabled printer, and the use of a parcel shop application. It means that in future, information about shipments can be sent direct to recipients’ phones, cutting out the need for notification cards.

 **From the Federal Register:**

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
10168 [2015–03828]	[TEXT]
10168–10169 [2015–03829]	[TEXT]
Postal Service	
NOTICES	
Product Changes:	
Priority Mail Negotiated Service Agreement ,	
10169 [2015–03802]	[TEXT]
10169 [2015–03804]	[TEXT]

 **PostCom Members!! The latest issue of PostCom's [PostOps Update](#) has**

been posted on this site.

 **Yahoo! Tech:** The new generation of “maker” tools like 3-D printers and milling machines promises to let anyone make virtually anything—from prosthetic limbs to firearms — in the privacy and convenience of his or her own home. But first, those tools have to get to customers’ homes. That’s going to be difficult for at least one new machine with the potential to make homemade firearms, because FedEx is refusing to deliver it. Last week FedEx told firearm-access nonprofit Defense Distributed that the company refuses to ship the group’s new tool, a computer controlled (CNC) mill known as the Ghost Gunner. Defense Distributed has marketed its one-foot-cubed \$1,500 machine, which allows anyone to automatically carve aluminum objects from digital designs, as an affordable, private way to make an AR-15 rifle body without a serial number.

February 24, 2015

 **Wall Street Journal:** In the latest bid to disrupt FedEx Corp. and United Parcel Service Inc., startup Roadie Inc. aims to entice college students and other travelers to earn some extra pocket money by delivering packages on the way to where they’re already going. Waffle House Inc. will unveil a partnership Tuesday to become part of the network of pickup points for the service, offering a place for drivers to rendezvous with both senders and receivers. Roadie, which launched late last month and aims to become the Uber of package delivery, is still tiny. So far, the app has been downloaded about 7,500 times, while drivers have been recruited to deliver about 50 items. But big investors have signed on for the over \$10 million initial investment round, including Square Inc.’s co-founder Jim McKelvey, TPG Capital founder David Bonderman and even UPS, according to Roadie.

At the Postal Regulatory Commission:

- **[Docket No. R2015-4 Order On Price Adjustments For First-Class Mail Products And Related Mail Classification Changes](#)**. On January 15, 2015, the Postal Service filed a notice of its planned price adjustments for market dominant products.¹ The Commission has reviewed the pricing proposals related to First-Class Mail for consistency with the requirements of title 39. The Commission concludes that the planned prices for First-Class Mail do not violate the price cap in 39 U.S.C. § 3622(d) and are consistent with, or justified by an exception to, the workshare discount limitations in 39 U.S.C. § 3622(e).
- **[Technical Conference PI2015-1 3/5/2015 10:00 am - 12:00 pm - Technical Conference Concerning Service Performance Measurement Systems for Market Dominant Products](#)** - Commission Hearing Room, 901 New York Ave., NW Suite 200, Washington, DC 20268
- R2015-4 PRC-LR-R2015-4/1 - Compliance Calculates for First-Class Mail
<http://www.prc.gov/docs/91/91590/CAPCALC-FCM-R2015-4%20PRC.xls>
http://www.prc.gov/docs/91/91590/PRC-LR-2015-4_1_Cover_Page.docx
- ACR2014 Revised Response of the United States Postal Service to Question 15 of Chairman’s Information Request No. 7 --
<http://www.prc.gov/docs/91/91575/CHIR%207.Revised.Resp.Q.15.pdf>
- ACR2014 Responses of the United States Postal Service to Questions 9 and 12-13 of Chairman’s Information Request No. 7
<http://www.prc.gov/docs/91/91566/CHIR%20No.%207.Second.Resp.Set.pdf>
- R2015-4 Chairman’s Information Request No. 14
<http://www.prc.gov/docs/91/91570/CHIR%20No.%2014.doc>
<http://www.prc.gov/docs/91/91570/CHIR%20No.%2014.pdf>
- R2015-4 Response of the United States Postal Service to Chairman’s Information Request No. 13
<http://www.prc.gov/docs/91/91571/Responses%20Final.pdf>
- RM2015-2 Responses of the United States Postal Service to Questions 1-19 of Chairman’s Information Request No. 3
<http://www.prc.gov/docs/91/91568/ChIR3.Q4.TACSReplaceIOCS.SAS.rtf>
<http://www.prc.gov/docs/91/91568/ChIR3.Q4.TACSReplaceIOCS.xlsx>
http://www.prc.gov/docs/91/91568/Prop_9_ChIR_3_FirstRespSet.pdf

- RM2015-5 Responses of the United States Postal Service to Questions 1-5 of Chairman's Information Request No. 1
http://www.prc.gov/docs/91/91572/Prop_12.CHIR.1.Resp.pdf
- [Deputy General Counsel](#) Salary Range: \$129,805 - \$158,600
- ACR2014 Response of The United States Postal Service to Question 1 of Chairman's Information Request No. 9
http://www.prc.gov/docs/91/91584/CHIR_No.9.Resp.pdf
- ACR2014 Chairman's Information Request No. 11
<http://www.prc.gov/docs/91/91586/CHIR%20No.%2011.doc>
<http://www.prc.gov/docs/91/91586/CHIR%20No.%2011.pdf>
- National Trail Balance, January (FY2015) and Statement of Revenue and Expense, January (FY2015)
http://www.prc.gov/docs/91/91587/Letter%20NTB%201%20FY2015%20SRE1_20150224160719.pdf
[http://www.prc.gov/docs/91/91587/National%20Trial%20Balance%20-%20Redacted,%20%20January,%202015%20\(FY%202015\).xls](http://www.prc.gov/docs/91/91587/National%20Trial%20Balance%20-%20Redacted,%20%20January,%202015%20(FY%202015).xls)
[http://www.prc.gov/docs/91/91587/Statement of Revenue and Expenses - Redacted, January, 2015 \(FY 2015\).xls](http://www.prc.gov/docs/91/91587/Statement of Revenue and Expenses - Redacted, January, 2015 (FY 2015).xls)

 **Business Times:** Australia Post on Tuesday warned that Japan Post Holdings will "cherry-pick" profitable services if it entered the country, and said it may have to cut services for the first time in 30 years due to intensifying competition. Australia Post Chief Executive Officer Ahmed Fahour told a Senate inquiry that unless he received permission to raise stamp prices for next-day delivery the 206-year-old state-owned firm would have to consider cuts to vital services. "If these competitors are allowed to cherry-pick the most profitable parts of our business with no obligations to regional or rural Australia, who's going to take care of regional and rural Australia if Australia Post is not around?" Mr Fahour said. "This is the last year that we're going to be able to do it on our own. If reform doesn't come in, we're going to need money from somebody or we're going to need to reduce services." Postal services around the world are facing dramatic declines in their core letter-delivery business as customers turn to the internet for all forms of correspondence from billing to greeting cards.

 **The Guardian:** Parts of much-loved postal business are to be taken public this year, with proceeds going toward rebuilding areas devastated by the 2011 earthquake and tsunami. It is 140 years old, one of the world's largest financial bodies and a much-loved Japanese national institution. And soon, investors will have the opportunity to claim a stake of their own. Plans to float part of Japan Post's business, which were announced in December, represent the culmination of a lengthy process with much at stake politically. The holding company, one of the world's largest financial bodies, and two of its four subsidiaries – tasked with banking and insurance – will be opened to investors. The holding company will continue to manage postal services and mail delivery, to which the Japanese are very attached due to the extensive network reaching even the most remote corners of the archipelago.

 **Globe and Mail:** Target Corp. has sliced its minimum online purchase to qualify for free shipping in half to \$25 (U.S.) as the Internet becomes a bigger and bigger sales hub for retailers. The minimum takes aim at competitors Wal-Mart Stores Inc. and Amazon.com Inc., both of which have higher minimums for standard purchases, and could be another step in a slow march among retailers toward eliminating separate shipping fees. Target said free shipping is now available to all online orders coming from the continental United States or from military postal facilities. The company says handling fees may still apply to some orders. Amazon and Wal-Mart may follow suit or cut their minimums even further, said Brian Sozzi, chief executive and chief equities analyst for the research firm Belus Capital Advisors.

February 23, 2015

 **The Drum:** Royal Mail has purchased StoreFeeder, the firm which built its consumer and small business shipping tool Click and Drop, for an undisclosed fee. The StoreFeeder acquisition will see the firm working on improving the Click and Drop tools which enable eBay sellers to print Royal Mail postage labels without manually inputting the address of each buyer.



PostCom welcomes its newest member: [Epsilon - Ryan Partnership](#) 30 Tech Valley Drive, Suite 301 East Greenbush, NY 12061 represented by [Angelica Lent](#) Relationship Manager, Director of Postal Affairs. Epsilon is part of [Alliance Data](#) and employs over 5000 associates in 60 offices worldwide.



Office of the Inspector General: [What Postal Services Do People Value the Most?](#) The OIG has conducted a nationally representative quantitative survey on the relative value of some key services provided as part of the universal service obligation (USO). This study is the first of its kind in the United States and was done in conjunction with the market research firm Gallup and Professor Michael Bradley of George Washington University's Department of Economics. The study, [What Postal Services Do People Value the Most?](#), focused on four attributes of the USO: mode of delivery, access to postal services, frequency of delivery, and price. This study is a follow-up to our white paper [Guiding Principles for a New Universal Service Obligation](#) in which we discuss the need for such a study. The survey found that both consumers and businesses still value postal services, especially door and/or curb delivery instead of delivery to a cluster box or parcel locker. Respondents also value the ability to access postal services through post offices, rather than using other alternatives such as postal counters in non-postal retail stores and self-service kiosks. In addition, while consumers and businesses are indifferent when it comes to the Saturday delivery of letters, consumers still place value on the Saturday delivery of parcels. Furthermore, consumers and businesses also value lower prices and may be willing to accept lower levels of service to keep prices from rising sharply. [Read the Full Report \(This is an important report.\)](#)



Domestic Mailing Services Products Price Change Proposed Rule Comments due March 9, 2015.

On February 5, 2015, the Postal Service published a Federal Register proposed rule on New Mailing Standards for Domestic Mailing Services Products. Customers are reminded that the deadline to provide comments is on or before March 9, 2015, by following the instructions in the Federal Register notice at: <http://www.gpo.gov/fdsys/pkg/FR-2015-02-05/pdf/2015-01851.pdf>

Yahoo! Finance: PostNL reported better than expected fourth-quarter profits, with growth in its parcels business and cost savings more than compensating for falling volumes in the Dutch group's main mail delivery business.

Sydney Morning Herald: It's quite jarring to hear a chief executive talk about the future of their company using armageddon terms, saying their situation is dire and in the company in need of a bailout worth billions. But Australia Post boss executive Ahmed Fahour is no ordinary chief executive. He is running a company that this year will lose \$350 million from its mail business and report its first full year loss in more than 30 years. The trouble is he is operating a major part of his business in a sunset industry – selling stamps and delivering letters – all of which is costing Australia Post more than it collects in revenue. In the six months to December the mail operations lost \$151 million. It's a bit like a government price legislated horse and buggy company.

Post & Parcel: Australia Post calls for reforms as it predicts losses this year Monday, February 23rd, 2015 The once highly profitable Australia Post has called for reforms after forecasting that it will make a loss this year because of its dwindling letters business. The company now wants the government to allow it to launch a slower letters delivery service, with customers then paying a priority mail rate to continue using the current mail delivery standards. The state-owned postal operator issued first half results today showing its after-tax profits down 56% compared to the same period last year. Australia Post said that the 8.2% year-on-year decline in addressed letter volumes seen in the latest six months has been the worst decline since volumes began to fall in 2008.

February 22, 2015

CBC: A committee convened by the city to study issues surrounding the quality of life of Montrealers will table recommendations on Monday urging the city to say no to Canada Post's community mailboxes. The motion being tabled criticizes Canada Post for lacking transparency and pushing through its plan to replace home-delivery service without properly consulting municipalities and their residents. "The lack of transparency, the lack of public consultation and quite frankly, just the arrogance in moving forward with something when they clearly know that [there are] problems," committee member and Verdun city councillor Sterling Downey says.

 [Stuff](#): New Zealand Post has lifted its first-half profit by 40 percent, boosted by a strong performance from Kiwibank and a one-off profit from selling its Australian courier company. New Zealand Post chief executive Brian Roche said that although New Zealand Post was moving in the right direction it was a challenge to achieve returns from its core mail and logistics business.

 [Reuters](#): New York City and New York state sued United Parcel Service Inc. on Wednesday, seeking over \$180 million in damages and penalties against the shipping company for allegedly delivering nearly 700,000 cartons of untaxed cigarettes across the state. The lawsuit, filed in U.S. District Court in Manhattan, accuses UPS of cheating the state and city of \$29.7 million and \$4.7 million, respectively, in tax revenue, according to a statement from New York Attorney General Eric Schneiderman. The deliveries mostly originated from smoke shops on Indian reservations in New York state and were shipped to unlicensed wholesalers and retailers as well as residences in New York and nationwide, according to the lawsuit.

February 21, 2015

 [American Postal Workers Union](#): Contract negotiations between the American Postal Workers Union and the U.S. Postal Service got underway on Feb. 19 with a dramatic break with tradition. Joining the APWU at the opening session were actor-activist Danny Glover and AFL-CIO President Richard Trumka, who made brief remarks following a statement by APWU President Mark Dimondstein. National Association of Letter Carriers President Fredric Rolando joined APWU negotiators at the bargaining table as well. At the bargaining table Their presence was designed to send a message: The U.S. Postal Service belongs to the people, and the people have a stake in the union's fight to protect and strengthen a great national treasure. Also observing the session were Congresswoman Eleanor Holmes-Norton (D-DC); Jim Hightower, commentator and editor of the Hightower Lowdown; Larry Cohen, president of the Communications Workers of America; J. David Cox, president of the American Federation of Government Employees; Matt Myers representing AFSCME President Lee Saunders; Clayola Brown, president of the A. Philip Randolph Institute, and Rev. Terry Melvin, president of the Coalition of Black Trade Unionists.

 [Postalnews.com](#): "Department of Labor announces criminal enforcement actions involving APWU, NALC officials"

 [The Global Dispatch](#): Sen. Elizabeth Warren has been named the 2014 Porker of the Year by Citizens Against Government Waste (CAGW), a watchdog group that monitors lawmakers, offices and agencies on government spending. The Massachusetts Democrat won the title over six other nominees in a public poll, with 34 percent of the vote. photo donkeyhotey donkeyhotey.wordpress.com photo donkeyhotey donkeyhotey.wordpress.com "Warren emerged from this year's competitive field as a result of her hare-brained scheme to permit the United States Postal Service (USPS) to get into the banking business as a way to rebrand itself and garner new streams of revenue," the coverage noted.

 [Post & Parcel](#): Austrian Post and the wholesale grocery supply firm Pfeiffer Handelsgruppe have completed an 18-month trial delivering food to households. The "Food4all@home" trial involved around 600,000 households in Upper Austria ordering groceries online for daily delivery by the Post. The aim was to develop an affordable home delivery service where a local supply of food could be guaranteed for busy consumers, regardless of where homes were located, when householders were available to take delivery or what householders' mobility situations were. One of the keys to the project was in using cooled packaging, instead of expensive cooled vehicles, with the packaging having to be compatible with Austrian Post's existing sorting and transport systems.

February 20, 2015

 [Forbes](#): According to John Palatiello, the president of the Business Coalition for Fair Competition, a coalition of trade associations, businesses and organizations dedicated to free enterprise, "the Postal Service appears to be suffering from a case of mission creep by taking on a slightly larger basket of delivery items now bordering on the absurd. It recently expanded into grocery delivery services through a program known as Customized Delivery. When the agency did so late last year the test venture was subjected to review by its lead regulator, the Postal

Regulatory Commission (PRC). This body found the Postal Service's analysis of the venture to be wholly insufficient and that it lacked proof of continued financial stability—yet it still allowed the program to continue. Furthermore, just last month, the Postal Service also expanded its same-day delivery service called Metro Post. That decision was suspect considering that, in its initial 5 month trial period, the program delivered less than 100 packages and earned less than \$1 for every \$10 it spent. For the agency, being able to track costs associated to each of their products, and the factors that impose them, is an essential matter. Under current practices, the Postal Service assigns 55% of its costs to specific products and leaves the remaining portion categorized as 'overhead.' For the U.S. Postal Service, adapting to the market truly means being able to accurately determine what money is coming in and what is going out."

 **Attention Postal One! Users:** The Memphis metropolitan area is currently under a winter weather advisory. The NCSC - Memphis inclement weather policy has been implemented, which impacts the PostalOne! Help Desk. If you should require assistance with PostalOne!, and experience difficulty making contact by phone during our normal business hours (7 am – 7 pm Central Time), please send an email to postalone@usps.gov and we will respond as soon as possible. After hours support will continue as normal. We apologize for any inconvenience this may cause.

 **INDUSTRY ALERT** **Remittance Mail Information on RIBBS -- Plants with Caller Sort Programs and Point-of-Contact List:** A special Remittance Mail menu option has been created on the RIBBS website. This option contains important information for Remittance mailers to help resolve specific processing-related problems at Postal Service destination Remittance Mail centers throughout the country. Currently, the site includes the following information: (1) Plants with Remittance Mail Caller Sort Programs (2) Remittance Plant Point-of-Contact List To access these documents, please click on this link: <https://ribbs.usps.gov/importantupdates/remittanceemail.htm> Other relevant information will be added to the site as it becomes available. Therefore, we encourage you to visit the site from time to time find out what's new.

 **ABC News:** An unlikely candidate has volunteered his services to help save what has been called the dying U.S. Postal Service. Danny Glover is an actor, producer and activist who has been a part of Hollywood for over two decades. He is well-known for his role in "The Color Purple" and costarring with Mel Gibson in the Lethal Weapon series. Glover's ties to USPS run deep. The video shows that his father, mother, brother and sister were postal workers. As a teenager, Glover worked for USPS during winter breaks from school. Over a montage of family photos, Glover reflects, "Working for the Postal Service enabled my parents to buy their first home. They took great pride in their work." Several unions -- including the APWU -- strongly oppose USPS's efforts to privatize transactions to retailers, consolidate facilities and drop day of delivery services. APWU President Mark Dimondstin has made the APWU's battle a broader fight recruiting 64 national organizations including farmers, civil rights groups and religious labor committees to form "A Grand Alliance to Save Our Public Postal Service."

 **INDUSTRY ALERT** **New Mailing Standards for Lithium Batteries.** As part of the Postal Service's continued efforts to keep you informed, this is a reminder that effective March 2, 2015 the Postal Service is revising its mailing standards regarding lithium batteries to align with new regulations recently implemented by the Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT). This alignment is the final step in a series of amendments to harmonize domestic and international standards by mirroring DOT's Hazardous Materials Regulations (HMR) with the provisions of the United Nations (UN) Model Regulations, the International Civil Aviation Organization (ICAO) and the International Maritime Dangerous Goods (IMDG) Code. While the DOT had a voluntary compliance date of August 6, 2014, and a delayed compliance date of February 6, 2015, the Postal Service notified its customers via a *Federal Register* notice on January 26, 2015, with a subsequent *Postal Bulletin* article (<http://about.usps.com/postal-bulletin/2015/pb22408/pb22408.pdf>) published on February 5, 2015 announcing a March 2, 2015 effective date for its customers. Many of the USPS revised mailing standards now align with current UPS and FedEx requirements, bringing consistency across the industry, and provide standards that mailers are already familiar with. The online Publication 52, Hazardous, Restricted, and Perishable Mail, is expected to be updated the first week in March. Pub 52 is available on the Postal Explorer website at pe.usps.com. Mailers may also review the Postal Bulletin article published on February 5, 2015 for the complete revision article.

At the Postal Regulatory Commission:

- **Postal Service RULES** Relocating Retail Services: New Retail Services Facilities , 9190–9194 [2015–03238] [[TEXT](#)]
 - Did you know the PRC currently has [53 pending dockets](#)?

 **Wall Street Journal:** The American Postal Workers Union is making a big ask as part of contract talks it kicked off Thursday with the U.S. Postal Service: It wants the post office to expand customer offerings to include financial services. “We’re very serious about the post office taking on financial services. The post office is trusted, it’s in every community, the workers are skilled and trained,” said the union’s President Mark Dimondstein, who spoke at a press conference in Washington Thursday to mark the start of negotiations where the union made its general opening remarks to management. Mr. Dimondstein said cuts and closures to the Postal Service have eliminated tens of thousands of “good, living wage jobs.” “Postal management’s policy has been to severely degrade service, dismantle the postal network, and engage in piecemeal privatization,” he said. “We have a very different vision of enhancing and expanding services,” he added, cautioning that if the union’s proposals aren’t put into action there’ll be more job losses and shifts into low-wage work.

 **Ghana Business News:** The Postal and Courier Services Regulatory Commission on Wednesday advised companies and individuals operating postal courier services without license from the Commission to regularize their operations. It is illegal for individuals and companies to operate postal and courier services without registering with the Commission for a license, the Commission said. He said the Commission would soon embark on a nationwide exercise to flush out illegal postal and courier operators who were depriving registered operators of business and the government of revenue. Mr. Riverson said some people were operating postal and courier services under the guise of food delivery and event organizers.

 **Associated Press:** The U.S. Postal Service and a major union began contract talks Thursday as the agency continued to face huge financial losses. The Postal Service's current contract with the American Postal Workers Union expires May 20.

Attention Postal One! Users:

- **PostalOne!® Release 40.0.4.0_Production Deployment-** *PostalOne!* Release 40.0.4.0 will deploy on Thursday February 19, 2015 between 5:00PM Central and 7:00PM Central. This release includes fixes for some known issues related to Release 40.0. This release also incorporates items previously scheduled for *PostalOne!* Release 40.0.3.0. The *PostalOne!* system will be available during the patch release. There is no mandatory Mail.dat® client download required. Release notes for *PostalOne!* Release 40.0.4.0 can be found on https://ribbs.usps.gov/intelligentmail_schedule2015/releaseoverview2015.cfm .
- **PostalOne! Release 40.0.4.0_Deployment to Test Environment for Mailers (TEM)** will also occur on Thursday February 19, 2015 between 5:00PM CT and 7:00PM CT. TEM will remain available during the release. TEM validation will occur tomorrow Friday February 20, 2015 between 9:00AM CT and 11:00AM CT. If you have any additional questions please contact the help desk at [800-522-9085](tel:800-522-9085).

 **FedSmith:** How much does an individual Postal Service employee make each year or per hour? For most federal employees, you can quickly locate the information. FedSmith has updated the annual salary figures for Postal Service employees on FedsDataCenter.com with the 2015 salary figures. Federal employee salaries are in a separate database but can be searched in the same way. The Postal Service listing has been updated for 2015. If you want to find out the salaries for Postal Service employees in your city or town, here is how to do that. . . .

February 19, 2015

 **Office of the Inspector General: [Premier Post Offices](#)** -- What is most important to you when you visit a Post Office? The Premier Post Office Program began in the spring of 2013 as part of an effort to make it easier for customers to use postal products and services and to improve customers' experience in retail facilities. The program includes 3,100 post offices located across the country in highly populated areas. Selected facilities represent about 10 percent of the total number of post offices and generate 44 percent of all walk-in and self-service kiosk revenue. Our audit aims to identify characteristics of high-performing post offices that can serve as models for other facilities.

"The USPS Office of Inspector General established an Audit Project Page web site to provide an opportunity for our stakeholders to comment on our projects. Web site visitors can register comments and upload documents related to our project on [Premier Post Offices on our web site](#). We will consider and use this information as appropriate during the course of our work."

At the Postal Regulatory Commission:

- **Docket No. R2015-4** [Comments Of Alliance Of Nonprofit Mailers:](#)

"The Postal Service has failed to explain why it could not design a nonprofit rate schedule producing projected average revenue per piece that is closer to 60 percentage of projected average revenue per piece for commercial Standard Mail. This violates 39 U.S.C. § 3626(a)(6). Second, the worksharing discounts proposed for Nonprofit Standard Mail diverge in many significant respects from the discounts proposed for commercial Standard Mail. The Postal Service has failed to offer a cogent justification for this discrimination. Hence, the proposed disparities violate 39 U.S.C. § 403(c), 35 years of precedent construing Section 403(c), and the settlement agreement entered into by the Postal Service and ANM and approved by the Commission in ACR2012. Accordingly, the Commission should reject the proposed rates for Standard Mail without prejudice to filing new rates in this docket, and should order the Postal Service Postal Regulatory Commission Submitted 2/19/2015 1:42:47 PM Filing ID: 91534 Accepted 2/19/2015- 2 - to submit an alternative schedule of nonprofit rates that (1) are projected to generate, as nearly as practicable, 60 percent of the projected average revenue per piece generated by commercial Standard Mail, and (2) eliminate the noncompliance with 39 U.S.C. § 403(c) found by the Commission."

 **WARC:** The United States Postal Service (USPS) has demonstrated how an official tie-up with the right movie can deliver powerful benefits for brands – as well as the power of welcoming ideas from external sources. Nagisa Manabe, chief marketing and sales officer at USPS, discussed this subject during a session at a recent conference. And she explained that a formal affiliation with The Amazing Spider-Man 2, released by Sony Pictures last year, had a tangible impact in tackling negative brand perceptions for USPS. One problem, Manabe reported, is that despite serving consumers come rain or shine – and even now delivering packages from Amazon at weekends – it often receives low favourability ratings. "But the truth is the United States Postal Service (USPS) is an extraordinary organisation with tremendous amounts of technology that help to drive all of the things we do," she said.

 ***Attention Postal One! Business Customer Gateway Users: Program Registration Release 13.0.1.0*** — will be deployed to Production from 4 am to 10 am CST on Sunday, February 22, 2015. There will be an outage and the Incentives Program and Online Enrollment Shipping Services accessible via the Business Customer Gateway will be unavailable during this time.

 [Dead Tree Edition:](#) Because of a calculation error, the average postal rate increase for magazines in April will be less than originally announced.

 **Norwich Bulletin:** Despite conventional "wisdom," the agency's finances are rapidly improving. The Postal Service, which supports itself by revenue earned from selling stamps — not by taxpayer money — had an operating profit of \$1.4 billion in Fiscal Year 2014, and recently announced a \$1.1 billion profit for the first quarter of Fiscal

Year 2015. Joseph Corbett, the Postal Service's chief financial officer, noted it was "a fantastic quarter." And Brennan cited "a tremendous momentum" moving forward. The \$7 billion in available cash is the highest in years.

 [Haaretz](#): The major reform that the Israeli post office has promised has resulted in higher postal rates but no major improvement in service yet. Prime Minister Benjamin Netanyahu has not yet signed a new license for the government corporation that will enable it to change how it functions, but in any event the changes, which will include more flexible post office hours with branches open until 8 P.M., are not expected to be implemented until next year. In the interim, the Israeli taxpayer is being required to foot the cost of a downsizing plan encouraging the retirement of postal employees.

 [eCommerceBytes](#): As the American Postal Workers Union (APWU) gets ready to enter into contract talks with the U.S. Postal Service for a new contract on February 19, it issued a statement saying that along with issues such as fair wages and benefits, it proposes "bold improvements in customer services, such as postal banking, the sale of licenses, and the addition of public notary services, along with a proposal for longer and more convenient hours for customers to allow USPS to capture a greater share of the growing ecommerce market." "The Postal Service must take advantage of the explosion in ecommerce to modernize and better serve the people," he said. The APWU is a participant in a new initiative formed by 64 organizations called A Grand Alliance to Save Our Public Postal Service. Today, Dimondstein will be joined by actor-activist Danny Glover, the son of postal workers, at a news conference that precedes the start of negotiations between the Union and the Postal Service.

 [The Lamar Ledger](#): The U.S. Postal Service has not made it official yet, but the implementation of 2015 postage rates on April 26 should ease the pain for newspapers surprised by a postage increase in January.

February 18, 2015

 [Folsom Telegraph](#): Mail theft continues to be a problem for neighborhoods with cluster mailboxes all over the region. After a surge of Folsom cluster mailbox burglary reports in December, other neighborhoods in the city have faced similar issues. According to Lisa Miller-Hobbs, a 20-year Folsom resident, the cluster mail boxes located on Stockman Circle were broken into Jan. 2. Miller-Hobbs and her husband were told the mailboxes would be repaired within a few weeks and that they would have to pick up their mail at the post office in the meantime. This is Miller-Hobbs' second incident with mail theft, and both she and her husband have been victims of identity theft, as well. Bringing up these latest incidents in her neighborhood, Miller-Hobbs wrote a letter to several Folsom city officials sharing her discontent with the situation and demanding action. "The Folsom Post Office made no attempt to notify the resident victims," Miller-Hobbs said in her letter. "If it wasn't for the neighbor's handwritten note, none of us would have known a thing if we had not seen the front of the boxes wide open." Miller-Hobbs expressed her frustration with the "pass the buck" mentality she perceived from the U.S. Postal Service, developers, homeowners associations and City of Folsom. The use of cluster mailboxes was also a concern given their lack of security.

 [Post & Parcel](#): The Universal Postal Union has joined a global coalition governments and multinationals promoting a move away from cash towards digital payments. The UN-affiliated group of national postal administrations around the world said it has already supported the shift from cash to electronic payments for many years as paper money orders become "obsolete", and new technologies are helping establish a worldwide network of electronic payment systems provided by Posts. Berne-based UPU said being a member of the Better Than Cash Alliance will help further its work in this area, benefiting from the expertise of its members and taking advantage of opportunities from collaborating with other members of the Alliance.

February 17, 2015

 Tweets from the [Alliance of Nonprofit Mailers](#) during this week's MTAC meeting (our thanks for the magical fingers of Steve Kearney, the Alliance's Executive Director):

- **USPS CFO says OIG overestimated the market value of postal real estate. He fails to address estimation of liabilities based on record low interest rates.**
- CFO says in better position than 4 years ago but need for legislation remains.

- Lower fuel costs could save the USPS \$300 million annually.
- CFO says Standard Mail revenue up 7.5% benefits from volume and exigent surcharge.
- CFO says USPS in better position than 4 years ago but need for legislation remains.
- USPS has to participate in "ridiculously inefficient" govt. workers comp program.
- CFO says controllable income is a measure of performance and was \$1.1 billion in first quarter.
- CFO Corbett says Sales and Operations are making his job easy. Trend continues in January.
- COO Williams says Saturday delivery of mail should be driven by "marketplace realities." Does not say #usps needs five day mail delivery.
- USPS expected 13% package growth during holidays and got 18%.
- COO Williams assures MTAC that USPS is responding rapidly to network "missteps" with "tiger teams."
- Consumers not aware of postal service standards but do notice consistent delivery time each day.
- January 5 operating windows changed at all postal plants nationwide, not just the 82 consolidating plants,
- USPS touts very successful peak season with 463 million mail pieces delivered in December.
- USPS moving some first class volume from surface to air to meet their 8 am critical entry time at destinations plants.
- COO Williams focusing on 3-5 first class service by working on air and surface capacities and monitoring surface routes. Also reducing cycle time.
- COO Dave Williams says first class 3-5 day Q1 service performance down to 91.84%.
- Asked whether periodicals or catalogs anchor the mailbox, PMG Brennan says "I love all my children."
- PMG Brennan expresses great optimism based on Q1 growth in Standard Mail.
- PMG Brennan says most consolidating plants will be "repurposed" to reflect decline of single piece first class and growth of packages.
 - PMG Megan Brennan tells MTAC that investments in infrastructure will increase with growth in cash.



Office of the Inspector General: [Be Careful What You Assume](#) -- What if your credit card company told you: "You will charge a million dollars on your credit card during your life; please enclose the million dollars in your next bill payment. It's the responsible thing to do." Doesn't seem quite right, does it? Well, that's what the U.S. Postal Service's requirement to prefund its long-term pension and healthcare liabilities is like. The Postal Service is required to pay the full estimate of its liabilities, currently estimated at nearly \$404 billion, even as that estimate moves around and is based on assumptions that are highly uncertain and can frequently change over the life of the liability. Our recent white paper, *Considerations in Structuring Estimated Liabilities*, evaluates these assumptions and other considerations and shows the Postal Service is closer to being fully funded, or potentially overfunded, when certain assumptions are reasonably adjusted or considered.

 Save the Post Office: The USPS Office of Inspector General has just released a new report about the Postal Service's unfunded liabilities for its pension and retiree health benefit funds. It's entitled "Considerations in Structuring Estimated Liabilities." As with previous OIG reports on the topic, the Inspector General suggests that concerns about unfunded liabilities are way overblown. The OIG's report provides a refreshing reminder that the Postal Service is actually in very good long-term financial condition and certainly not in the dismal shape that critics claim — or, for that matter, as maintained by the new Postmaster General, Megan Brennan, who said recently, ""Our current financial situation is untenable when you consider that we have 35 cents in assets for every dollar of liability."

 Daily Telegraph: Japan Post has offered \$9.04 per share, which is 49 per cent above the company's closing price on Tuesday of \$6.08. Toll's board of directors has unanimously recommended shareholders accept the offer. The move came as Toll announced a 22 per cent slide in its first half profit to \$134.3 million. In a statement, Japan Post said it plans to use Toll to help grow its international operations. It said it was looking to expand overseas to offset a decline in demand for postal services in Japan. "Japan Post will position Toll as a platform for cultivating global business, leveraging that company's expertise to expand Japan Posts global logistics operations and revenues," the company said.

 PostalReporter.com: PMG Megan Brennan has named Linda Malone as Network Operations vice president. Malone will oversee the Postal Service's distribution network, including



design, policies and programs, logistics and maintenance. She will report to Chief Operating Officer David Williams, who previously held the position.

 **TechCrunch:** Amazon is now offering one-hour delivery in all of Manhattan. In December, the online retail giant promised one-hour delivery to a very expensive, very small zone in Manhattan. Today, an Amazon spokesperson confirmed to Mashable that the service is available across the entire island. The one-hour delivery program is called Amazon Prime Now, and it offers free two-hour delivery from 6am to 12am, with one-hour delivery available for an extra \$7.99. Prime Now is applicable to products like paper towels, shampoo, books, toys, batteries, and other general household items. Prime Now products are available exclusively through a dedicated companion app called Amazon Prime Now.



[PostalVision 2020](#), the pioneering forum that encourages and enables no-nonsense discussions about what constitutes a modern mail and parcel delivery infrastructure, will hold its fifth annual conference beginning March 10th at The Ritz Carlton in Pentagon City, Virginia. [Register Now!](#)

- **John Hagel, Founder and Chairman of the Deloitte Center for the Edge** and author of "The Power of Pull," will join the conference as **Keynote Speaker** for the first time this year.
- Also new to this year's event will be a delegation from the **Postal Innovation Platform (PIP)**, a **Switzerland-based group that studies the future of the postal industry** under the umbrella of an academic postal research centre, EPFL- MIR, the Universal Postal Union (UPU) and Swiss Post.
- Launched in 2011 by independent consulting company Ursa Major Associates, PostalVision 2020 began with a mission to jumpstart the national conversation about what a realistic future for the United States Postal Service (USPS) will look like in an increasingly digital and e-commerce driven society. Its conferences focus on the challenges facing the mailing industry in an age of digital disruption, and the opportunities arising from the growing demand for residential delivery of goods purchased on the Internet. PostalVision 2020/5.0 will expand the conversation to consider how the forces of "**Customers, Connections and Collaboration**" are driving radical transformation and reinvention of a dynamic, sustainable global postal ecosystem.
- John Hagel's keynote remarks will examine how the Internet has fostered an unprecedented, worldwide shift in power towards customers. He will then join a "fireside chat" on consumer empowerment with **Jeff Jarvis of Buzzmachine.com**, author of "What Would Google Do?", **Larry Weber, author of The Digital Marketer**, and **Marshall Van Alstyne of MIT and BU**. **PIP Chairman Bernhard Bukovc** will moderate a discussion on the new postal logistics and ecosystem and its application of "Big Data" and "Internet of Things," as well as new postal products that may hasten the pace of change, with **UPU's Deputy Director General, Pascal Clivaz**, **SwissPost's Ulrich Hurni** and **DHL Parcel Germany's Ole Nordhoff**.

 **Lexington Institute:** A recent study commissioned by the U.S. Postal Regulatory Commission concluded that the current system for assigning fees between countries for mail and small packages sent internationally produces market distortions and disruptions in global mail and trade flows. This system, known as terminal dues, is governed by the Universal Postal Union (UPU), a United Nations body whose 192 member countries include the United States. The UPU's terminal dues system establishes rates each country is paid for delivering mail that originates outside its borders, with varying rates for outgoing mail.

 **Fierce Government:** The Postal Service Inspector General Office is asking Congress for \$250 million for fiscal 2016, says a Feb. 11 UPS OIG budget document. The amount represents a 2.8 percent increase over what the OIG had to spend in fiscal 2015, the document (pdf) says. "This budget will allow the OIG to maintain our current level of support to help the Postal Service address its financial and operational challenges," the OIG says. The document says the office has done a lot since it was tasked with investigating USPS crimes along with its normal duties. In 2006, the responsibility for internal crimes investigations was transferred from the Postal Inspection Service to the OIG. The total number of Postal Service full time employees at the PIS was 732. But when the work was transferred to the OIG, the office only took on 345 new employees to do the work. Reducing 377 FTEs created a savings opportunity of \$60 million in salary and benefits for the Postal Service, the OIG says. Also, over the past 5 years USPS OIG budgets have been flat or reduced every year requiring the office to prioritize and shift resources.

valuable lesson: nationalisation -- state control -- does not necessarily mean any improvement. The Communication Workers' Union (CWU) has expanded on this theme, noting: "The current shenanigans happening at the SA Post Office are a confirmation of the fact that nationalization without workers' control and input is meaningless and unsustainable." Now the "workers' control" element will probably set on edge the teeth of the usual suspects on the free market fringe. And especially among those individuals with short memories who think only of the four-month postal strike last year. But that was the culmination of years of frustration, a last straw or tipping point born of desperation. As this column noted in October last year, the strike was "not a cause, but a symptom of the malaise" affecting the Post Office.

 [IT Online](#): The South African Post Office (Sapo) could soon be embarking on yet another strike. The Communication Workers Union has secured a certificate to strike and is now in the process of consulting with members. A final decision about whether or not to strike will be taken next week. The union has recently expressed its disappointment in what it calls the "continuing total lack of leadership and sound governance practices at the South African Post Office (Sapo)".

 [HTXT](#): Did you know that the University of South Africa (UNISA) offers free online courses where you can learn five of our eleven official Nguni languages? The courses offering lessons in isiZulu, Northern SeSotho, Southern SeSotho, isiXhosa and SeTswana have been around for a while now and are the only form of Massive Online Open Courses (MOOCs) offered by the nation's biggest tertiary institution. There is, however, word that UNISA will begin offering its courses online to avoid future troubles with postage and late deliveries as a result of the past few months' postal strikes – we'll be keeping an eye for official word on that from the institution.

 [RDM](#): Is this the real life? Or is this just fantasy? Caught in a landslide, no escape from reality." The opening lines from Queen's Bohemian Rhapsody perfectly capture the sense of the unreal colouring events in SA. The circus that was the opening of Parliament show that the nation is in a state. There's a hard-fought election campaign under way here in the United Kingdom of Great Britain and Northern Ireland. But, so far, none of the contesting parties have stooped so low as to call their opposition "cockroaches", as speaker of the National Assembly and ANC chairwoman Baleka Mbete reportedly called EFF leader Julius Malema. That's discomfoting. It was not that long ago that Rwandan local radio was inciting violence against Tutsi "cockroaches". Like a naughty little boy, President Jacob Zuma has been hiding behind the skirts of two aunties, Parliament's presiding officers, Mbete and Thandi Modise, speaker of the National Council of Provinces. And, under their protection, he giggles as he licks the crumbs off his fingers while denying that his hand was ever near the cookie jar.

 [Watchdog.org](#): The debt-ridden U.S. Postal Service is looking to expand its service footprint from well beyond its core mail-delivery operations — everything from grocery delivery to payday loans. But the quasi-governmental agency's hunt for badly needed revenue streams is coming at the expense of private-sector competitors, undercutting the basic principles of the American free-market system, critics contend. "We think this is a huge overreach on the part of the USPS," David Williams, president of the Taxpayers Protection Alliance, told Watchdog.org. "We already have companies that are doing this (grocery delivery). The Postal Service should deliver the mail, to get back to its core business, not this mission creep." In its approval order, the Postal Regulatory Commission said the "record contains no indication" that USPS' involvement in grocery delivery would disrupt the market, but the results are not final.

 [Washington Post](#): The Postal Service inspector general's office is doing its second review of a controversial surveillance program that allows law-enforcement agencies to intercept suspects' mail items before they are delivered to record their information. A previous review that found the Postal Service almost never denies requests for so-called mail covers from outside law-enforcement organizations, saying the agency only rejected about 0.2 percent out of 6,000 in 2013.

 [Post & Parcel](#): Over the last eight years Correos de Costa Rica has been completely transformed and rebranded. The organization has been restructured, personnel re-trained, IT systems invested in, and the operation has been redesigned to manage high volumes of packages. Through new connections with government institutions Correos has also now become the core institution for delivery of government services to citizens and business.

 **Business Day:** Electronic commerce operators in Nigeria are taking massive advantage of the retail extensive network of the country's postal and courier industry to enhance service delivery, market observers have said. Considering the rising number of orders being processed by online retailers in Nigeria, there is need along with the attendant need for efficiency in delivery.

February 16, 2015



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of the ideal postal ecosystem to serve future generations worldwide To enlighten our comprehension of the technological, economic, market and political forces reshaping the global postal-parcel-logistics-delivery industry To be challenged and inspired by speakers and thought leaders from inside and outside the industry to envision a bright and sustainable future To discover new product ideas, technologies, applications and innovations To join the conversation, share concerns, ideas and solutions with stakeholders from everywhere What's 5.0 All About? PostalVision 2020/5.0 will discuss the significance of "Customers, Connections and Collaboration" as key empowering forces driving transformation and reinvention of the global postal ecosystem. [Register Now!](#)

 **AAJ.tv:** Pakistan Post has extended Express Mail Track and Trace System (EMTTS) to various General Post Offices (GPOs) and District Mail Offices (DMOs) across the country. Director General Pakistan Post, Mashal Khan told APP here on Monday that EMTTS network would provide information about various services including express post (domestic/international), Express financial, traditional (Inland) and international postal services.

 **Post & Parcel:** La Poste Group is partnering with rail operator SNCF to establish parcel shops and parcel lockers in stations. The French postal operator said locating its "Pickup Stores" in stations would mean giving thousands of commuters a convenient location to collect their e-commerce packages if they cannot be at home to receive items.

 **Post & Parcel:** Posti Group, the Finnish national postal operator, has had a challenging year according to its latest financial results, with digitisation affecting the market more than ever before. The customer switch to digital communications has seen addressed letter volumes slip 10% in the past year and newspaper volumes down 13%.

 **Scoop:** Government must prioritize good postal service over profits NZ Post's latest attempt to replace employed posties with dependent contractors is just another nail in the coffin for a universal postal service, says the largest union for postal workers, the EPMU. "This Government has pushed for bigger and bigger dividends, which has driven NZ Post to cut costs any way it can," says Joe Gallagher, EPMU organiser for the postal industry. "This has led to the closure of three major distribution centres, a move to three-day deliveries, and wave after wave of redundancies, sacrificing good service for profit. "We're now in a situation where it could take a week for a letter to get from one side of Dunedin to the other." NZ Post has looked to overseas models such as Norway for ideas to deal with the changing nature of post.

February 15, 2015

 **The Times of India:** The department of posts recently stopped services under the 'post office-on-wheels' initiative due to poor response and lack of revenue. It had introduced two postal vans which would cover various locations in the city to offer doorstep postal services. These services were stopped in phases in the last six months due to poor response. "Though the initiative clicked in the initial phase and citizens welcomed the idea, for last one year, there has been a considerable drop in the response and daily earnings. A decision was taken to stop these services after reviewing the response and revenue generation," officials in the administration said.

 **Guardian News:** Planned reforms in the Nigerian postal sector through the restructuring of the Nigerian Postal Service (NIPOST) may become concrete before the end of this administration, as the Federal Government has concluded arrangements to send the bill to the legislature for its passage. This follows the Federal Executive

Council's (FEC) approval of the Nigerian Postal Service Commission Bill 2014. The nation's postal sector has grown over time with over 1,200 government post offices, close to 2,000 private postal agency outfits and over 290 registered private courier companies. However, statistics from the National Bureau of Statistics (NBS) show that while the year-on-year growth is increasing, the contribution of the post and courier services sector to the GDP (at 0.03 per cent) is still low. In view of this, the bill is designed to reform and reposition the postal sector in line with global trends and international best practices.



[Dead Tree Edition](#): The U.S. Postal Service's shift to a lower-paid workforce comes with a steep price. By the agency's own admission, the hiring of more non-career employees has led to lower productivity, worse service, higher injury and turnover rates, and increased investment in new training programs.

February 14, 2015

INDUSTRY ALERT **Attention PostalOne! and FAST Users** During the system outage, mailers may have experienced issues accessing the Business Customer Gateway, PostalOne!, or FAST applications. Access to these systems has now been restored. USPS will work closely with mailers to ensure all transactions submitted under contingency procedures are successfully processed for postage payment and reports. If you continue to experience issues with mailing documentation or acceptance, call the PostalOne! Help Desk at 1-800-522-9085. If you continue to experience issues scheduling appointments in FAST, call the FAST Help Desk at 1-877-569-6614. We apologize for any inconvenience.

 [Associated Press](#): The U.S. Postal Service says it's fixed the electronic glitch that had disrupted some services — and that everything is back to normal. Spokesman David Partenheimer says in an email that the agency's communication network was restored Friday night. "Postal Service back up," he says. A network outage had affected some postal functions from late Thursday through Friday, including package handling at some local post offices. The problem brought down the agency's email system across the country. The Postal Service says the trouble resulted from a hardware installation Thursday.

February 13, 2015



[Docket No. ACR2014 -- Annual Compliance Report, 2014 -- Reply Comments Of The Association For Postal Commerce](#): The Postal Service must make a concerted effort to better track and report information regarding the costs of processing and delivering mail. **While the Postal Service has been pursuing a number of cost reduction strategies, it has not been able to demonstrate that these strategies have actually resulted in cost savings. In some cases, the cost savings may exist, but are obscured by legacy methods of tracking and reporting costs. In others, the savings may not exist, and the Postal Service may be better served by pursuing alternative strategies.** But until the tracking and reporting of costs improves, neither the Postal Service, the Commission, nor the mailing industry can distinguish between the two. **PostCom believes the Commission has an important role to play in ensuring the Postal Service accurately captures and reports the costs it incurs. Not only does the Commission possess the authority to direct the Postal Service to monitor its costs, but the exercise of this authority is essential to the Commission's ability to fulfill its role as a regulator.** Without reliable information on the Postal Service's costs, the Commission cannot make informed decisions. Accordingly, PostCom requests that the Commission direct the Postal Service to focus on improving its cost tracking and reporting procedures. While PostCom sets out some specific proposals of particular importance to its members below, we hope that the Commission will act more globally. Moreover, PostCom asks that the Commission make the existence of demonstrable and reportable cost savings a central focus of its evaluations of future Postal Service initiatives.



[Federal News Radio](#): The U.S. Postal Service is experiencing a nationwide IT outage today that's impacting USPS email accounts and some services at retail locations across the country. The outage was not the result of a cyber attack, according to a USPS official. USPS spokeswoman Toni Delancy confirmed by phone that the outage originated on Thursday afternoon, when IT workers were installing new hardware. "There was no cyber intrusion," she said, "just a technical problem."

 [Tribune-Review](#): An Internet outage is causing problems at U.S. Post Offices across the country, a spokesman said Friday morning. The problems are intermittent, rendering some post offices unable to take credit cards while others remain fully functional. Another spokeswoman said the federal agency's email and other internal systems are experiencing problems.

 [Direct Marketing News](#): New chairman of the House Oversight and Government Reform Committee Jason Chaffetz (R-UT) was not happy as he faced down the biggest perpetrators of governmental abuse in a hearing yesterday. "You can try to put lipstick on this pig, but the reality is, it is ugly. To get on this list, you have to be engaged in waste, fraud, and abuse in excess of a billion dollars a year," he said to Gene Dodaro, comptroller general of the Government Accountability Office, which compiles the "High-Risk" list, and representatives from the top five agencies on it. The U.S. Postal Service was not one of those ugly, chosen few, but it was one of 30 governmental entities on the list nonetheless because, said the GAO report released this week, it "continues to be in a serious financial crisis, with insufficient revenues to cover its expenses and financial obligations."

 [Post & Parcel](#): The president of Swedish-Danish postal operator PostNord described 2014 as an "eventful year" as profits dropped significantly. The state-owned parent company of Sweden Post and Post Danmark went through major restructuring programmes in the 12 months up to the end of December, with the aim of boosting long-term profitability in the light of declining mail volumes. The company is still considering whether to sell off its business services subsidiary, Strålfors, and said this week that 800 more jobs could be lost from the Group as a whole. In its latest financial figures, PostNord said the windfall from record parcel volumes at Christmas were countered by the continuing digitisation of customer communications and a resulting 5% year-on-year decline in mail volumes.

 **Office of the Inspector General: [Mail Service Providers](#)** -- What can the Postal Service do to ensure successful partnerships with mail service providers? Mail service providers (MSPs) play an important role in the Postal Service's complicated mailing system. Organizations can use MSPs to assist them in designing, creating, preparing, and processing their mailings. MSPs help mailers who lack in-house mailing expertise navigate complex mail preparation and induction requirements and stay up to date with changing rules. MSPs also work to achieve the lowest possible rates for their clients by, among other things, taking advantage of worksharing discounts. MSPs can be seen as informal partners with the Postal Service because they promote use of the mail and help make it an attractive and cost-effective way for organizations to advertise and conduct business. In fiscal year 2014, MSPs generated \$10 billion in revenue for the Postal Service.

 The [Association for Postal Commerce](#) and Parcel Shippers Association submitted to the U.S. Postal Service comments on the proposed rule entitled "Clarification of Content Eligibility for Standard Mail Marketing Parcels." 80 Fed. Reg. 1872. The proposal would make fulfillment parcels ineligible for Marketing Parcel prices, generally shifting fulfillment parcels mailed at these prices into the Parcel Select Lightweight product. Our associations understand the Postal Service's rationale for the proposal and do not oppose it. However, the Postal Service should set the rule's effective date to coincide with the implementation date for the 2016 general postal rate increase. Providing a reasonable transition period in this manner is important for several reasons.

 [Salon](#): CCAs weren't always considered a low-wage workforce. Before the reclassification we were called Transitional Employees (TE) and made a respectable \$23.52 hourly rate, only several dollars per hour less than what the average career employee made. But with the USPS management's financial woes and the recently concocted, yet unused, Negotiated Service Agreements plan—discussed in the next section— a low-wage workforce was needed to help entice big business into choosing the postal service to partner up with. City Carrier Assistants now perform the same work they did when they were called a TE, but now they get to do that work for 31 percent less pay —TE's who were reclassified as CCAs now make \$16.68 per hour. What's worse is that newly hired CCAs will make even less —starting at \$15 per hour. The stage was now set for postal management to undercut all other competitors and offer up the postal network —at a drastically reduced rate—to any takers. The National Association of Letter Carriers is the entity to which all mail carriers turn when issues arise in the workplace; they are the voice and the protector of the entire workforce. In practice the NALC and its officials have shown that they have clearly forgotten their *raison d'être*. The Union didn't stand up for us when we had our wages pilfered; they turn a deaf ear as we scream for help, and they stay silent as they bear witness to our abuse. They've done nothing and it looks to stay that way.

 **Biz Report:** *Why CMOs need data, not feelings, to succeed.* Advertising campaigns have never had hard physical data to connect how a new customer came to buy a product. Instead most have relied on questions like 'how did you learn about Product X' to determine if campaigns were succeeding. By avoiding measuring their department's performance, CMOs risk wasted budgets on unsuccessful marketing campaigns. And inefficient marketing adds burden to a company's expenses and limits growth in revenue. In the end, companies that don't measure their marketing, will not be competitive with companies that gain key insights by monitoring their marketing data and optimizing their revenue engines.

 **Washington Post:** The presidential aide and confidant stood beside a blown-up image of her great-grandfather, looking up as it towered over her. She shares his broad forehead, his cafe-au-lait complexion — and surely his drive to achieve. Here was Valerie Jarrett on stage at the Smithsonian's National Postal Museum, beaming proudly as her forebear Robert Robinson Taylor became the 38th person inducted into the U.S. Postal Service's Black Heritage Stamp series. She called her mother to the front of the crowd. She whispered to her daughter. She thanked Attorney General Eric H. Holder Jr. for coming to the ceremony.

 **Washington Post:** The U.S. Postal Service is seeking bids from automakers to replace its aging fleet of mail trucks, a multibillion-dollar deal for a vehicle that would have more space than the current fleet of boxy Grummans. With one of the largest vehicle fleets in the country long overdue to retire, postal officials put out requests for proposals in January and hope to choose a vendor by this summer to build prototypes. A contract would be awarded in 2017, with the new trucks on the road the following year, according to document specifications on FedBizOpps.gov.

February 12, 2015

 **3News:** New Zealand Post's plan to put posties on customised mobility scooters so they can deliver both mail and parcels is angering workers who fear a "dependent contractor" model. NZ Post's Ashley Smout confirmed on Thursday standard mail would be delivered every second day to households in urban areas starting from July in larger towns and cities, and rolling out to smaller centres over two years. The state-owned mail and courier service also says it's extending a pilot of two- and three-wheeled electric scooters in a bid to reduce costs in the face of dwindling postal volumes. The EPMU says the vehicles speed up delivery, and allow posties to deliver both parcels and mail, but the pilot programme includes the use of dependent contractors.

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 **LiteBlue:** **Jackie Strange**, a 41-year postal employee and the first woman to serve as Deputy Postmaster General, died Feb. 1. She was 87. Strange joined USPS as a temporary clerk in 1946, when the organization was still called the Post Office Department. She rose through the ranks and served as DPMG for two years before retiring in 1987. The National Postal Museum has [more information](#) about Strange, [including audio interviews](#). In 2010, Strange published a memoir, "Ms. Deputy Postmaster General."

 **Daily Kos:** The campaign for postal banking could get its next boost next week when the American Postal Workers Union goes into contract negotiations planning to push the idea. While Sen. Elizabeth Warren and the postal service's Office of the Inspector General have gotten behind postal banking, the recently retired postmaster general was in favor of cutting services, not adding them.

 **Washington Post:** The American Postal Workers Union will join other labor and advocacy groups Thursday to announce a new coalition designed to "save" the U.S. Postal Service from service cuts and efforts to privatize the mail system. The coalition of 63 religious coalitions, retiree organizations, educational and postal unions, lawmakers and progressive advocacy groups is calling itself "A Grand Alliance to Save Our Public Postal Service."

 [Office of the Inspector General](#): The USPS Office of Inspector General established an Audit Project Page web site to provide an opportunity for our stakeholders to comment on our projects. Web site visitors can register comments and upload documents related to our project on Mail Service Providers at the link below. The OIG will consider and use this information as appropriate during the course of our work. If you have questions or need additional information, please contact me at 636-345-9722 or Richelle Ansley, Auditor-In-Charge, at 630-315-2762.

 [New Zealand Herald](#): New Zealand Post will decrease deliveries of post to three days per week from July, costing 400 posties their job. A change to the standard mail delivery was announced today by NZ Post's Mail and Communications Chief Operating Officer Ashley Smout. Mr Smout said the decrease to every second day would be rolled out in urban areas from July and in smaller centres over the next two years.

 [Imperial Valley News](#): A former U.S. Postal Service contracting officer, along with a mail delivery contractor, were indicted today for engaging in a scheme to defraud the Postal Service through bribery and kickbacks in connection with the awarding of contracts to deliver the mail. Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, U.S. Attorney Rod J. Rosenstein of the District of Maryland and Inspector General David C. Williams of the U.S. Postal Service made the announcement.

 [From the Federal Register: Postal Regulatory Commission NOTICES New Postal Products](#) , 7882–7883 [2015–02904] [[TEXT](#)] 7883 [2015–02913] [[TEXT](#)]

 [Smithsonian National Postal Museum](#) [Washington Times](#): Before there was home mail delivery, slaves often carried letters to and from U.S. post offices or directly to recipients themselves. Now the Smithsonian's National Postal Museum is recalling that piece of postal history in a new exhibit opening Thursday. "Freedom Just Around the Corner: Black America from Civil War to Civil Rights" is the museum's first exhibit devoted to African-American history. The new exhibit features letters carried by enslaved Americans and mail sent by and to leaders of the civil rights movement.

 [Automotive News](#): Faced with rising maintenance costs for its aging fleet and needing extra cargo space to satisfy the desires of online shoppers, the U.S. Postal Service is asking automakers to bid on a commercial van that would replace the boxy Long Life Vehicle and become the backbone of the service's delivery fleet starting in 2018. The agency has scheduled a meeting with potential bidders next week in Washington. It says it will pick vendors this summer to build prototypes, which will undergo tests in 2016 before a contract is awarded in early 2017.

February 11, 2015

 [Reuters](#): Amazon.com Inc packages ordered by its Prime members regularly arrived late over the holidays, a Reuters/Ipsos survey shows, reflecting the strain on the logistics network that transformed the company into an e-commerce powerhouse. Customer satisfaction with Prime is extremely high - 96 percent are happy with its two-day shipping service, the survey revealed. But the results raise questions for Amazon as it expands and takes greater control of its shipping system.

 [Direct Marketing Magazine](#): *Mail in the Digital Age, with Postal Service CIO Jim Cochrane*. The Postal Service's chief techie discusses the IMb, flats sequencing, and mail's further integration with digital marketing methods.

 [Logistics Management](#): While the parcel express and ground delivery market may not be as diversified as other modes, that doesn't diminish the fact that the market is on very solid footing, with strong margins that match its high level of service and its ability to meet changing customer needs on the fly. To be sure, one thing hasn't changed in the parcel sector: UPS and FedEx firmly remain the big dogs in the pound, with the United States Postal Service (USPS) continuing to make inroads in its parcel and last-mile endeavors. However, the USPS remains far too financially hindered to grasp a bigger bite of the action.



Office of the Inspector General: [Postal Inspection Service Mail Covers Program Phase 2](#)

In our prior audit of the Inspection Service Mail Covers Program, we found responsible personnel did not always handle and process mail cover requests from external law enforcement agencies in a timely manner and external law enforcement agencies did not always return documents relating to the covers on time. The objective of our current project is to assess controls over the management of the Postal Inspection Service's mail covers requested by Postal Service inspectors. Specifically, we will assess whether personnel:

- Handled and processed mail covers timely.
- Returned accountable items.
- Safeguarded mail cover information.

Additionally, we will assess the impact of reporting mail cover statistics to the public. We will also review the status of recommendations made in our prior mail covers report.



**PostCom welcomes its newest member: [Window Book 300 Franklin Street](#)
[Cambridge, MA 02139](#) Contact: [Jeff Peoples](#) President**



From the *Federal Register*: **Postal Service** *NOTICES* International Product Changes: Priority Mail International Regional Rates Boxes Contracts , 7646–7647 [2015–02742] [[TEXT](#)]

February 10, 2015

Washington Post: At the end of last year, Congress passed legislation allowing certain distressed pension plans to slash retirement benefits, including those already being received by retirees — an unprecedented move altering a principle enshrined in federal law for four decades that said benefits already earned could not be cut. None of the distressed plans have cut benefits — yet. But experts point out that their ability to do so is one more example that promises made to employees that once seemed inviolable can now be easily broken. Cities including Chicago and San Jose have already moved to cut benefits for new or current employees as pension costs crowded out other priorities. Detroit was able to lift itself out of bankruptcy, in part by cutting pensions for retirees. Other employees in the private sector are seeing their plans get frozen, meaning workers are accruing no new benefits, mainly because employers no longer want to shoulder the considerable financial burden of being responsible for workers' retirements.



Office of the Inspector General: [Will the Check Be in the Mail? An Examination of Paper and Electronic Transactional Mail \(Full Report\)](#)

Our new white paper, *Will the Check Be in the Mail? An Examination of Paper and Electronic Transactional Mail*, details how we found that despite a clear preference to pay bills online, 91 percent of customers prefer receiving their bills by mail. Even among the utility's newest customers — those expected to be more digitally savvy — an average of 89 percent opted to have their bills mailed to them, though, like the others, most preferred paying online. People like having a physical mailpiece as a reminder to pay and as a record-keeping tool. The executives interviewed said this is consistent with what they've been seeing and hearing. It's also consistent with one thing consumers almost everywhere have made clear: they want choices in just about everything, including bill delivery and payment. In addition to being good news for the near-future of transactional mail, our findings suggest that a company offering a variety of bill delivery and payment options can help keep customers happy. And as the executives noted, while costs are always a concern, including billing and payment costs, customer satisfaction is often equally important, if not more.

Washington Post: Many Americans still opt for paper billing despite a preference for online payments, according to a study commissioned by the U.S. Postal Service's inspector general's office. The analysis, which covered three consecutive months of 2014 billing data for a major U.S. utility company, found that 91 percent of customers chose to receive their statements by mail, even though only one-quarter of them pay that way. "Research shows that consumers value the physical mailpiece as a record-keeping tool and reminder to pay," the report said. "In general,

customers value having options for bill delivery and payment." Bill deliveries, one of USPS's core functions, is still a robust business for the agency, with American consumers receiving 24 billion statements in 2013, according to the report. Overall, transactional statements such as household bills and payments totaled \$18.5 billion in 2013, or more than one-quarter of Postal Service revenue.

 [On the Wight](#): Labour party candidate Stewart Blackmore says Isle of Wight MP, Andrew Turner, should have thought about the likely effect on the changes of the postal service when he voted for the privatisation of Royal Mail. Labour's Parliamentary Candidate, Stewart Blackmore, has reacted to Andrew Turner's statement that he will write to Royal Mail about their changes in service. About half of letterboxes will now have their only daily collection at 7am or 9am in the morning instead of later in the day.

 [Haaretz](#): East Jerusalem's main post office hasn't delivered mail to post-office boxes for more than two weeks, Palestinian residents of the area say. The residents include businessmen who check their boxes every day. Many say they've been waiting for checks, bills, visas and other documents that haven't arrived. The postal service said it was short-staffed for a time and mail was backed up.

 [Historic City News](#): United Parcel Service, operator of the big brown delivery trucks in St Augustine, informed Historic City News today that one of their vendors may have come up with a solution for navigating the city's tight, congested streets; providing much needed relief for our never-ending traffic dilemma. AMP Electric Vehicles and the University of Cincinnati have developed the "horsefly" drone that will be available as an optional add-on for electric-powered trucks under consideration by UPS. "The Horsefly comes complete with four cameras and eight rotors," researchers with the company told reporters. "The add-on drone will be available once commercial drones are approved by the Federal Aviation Administration." University of Cincinnati and AMP have already applied to the FAA for an outside drone test permit.

February 9, 2015



[Dead Tree Edition](#): From Flats Sequencing to Network Rationalization, many of the U.S. Postal Service's recent cost-cutting programs have not been living up to the agency's projections, a multi-industry mailers group says. Worse, the programs have shifted costs to mailers without apparently benefiting USPS, the Association for Postal Commerce (PostCom) wrote in a recent filing with the Postal Regulatory Commission. "While PostCom applauds the Postal Service's attention to reducing costs, the information presented [in a recent USPS report] suggests that these efforts have not been as effective as the Postal Service projected," PostCom wrote. Judging by some questions the PRC has posed to USPS the past couple of weeks, the regulatory body seems inclined to agree with PostCom's assessment. PostCom pointed out that USPS recently estimated only about \$900 million annual savings, versus its projected \$1.2 billion, from Phase I of its Network Rationalization plan that closed scores of mail-processing centers. It also noted that, in 2013, increases in mail-processing costs caused by the new Flats Sequencing System were offset by lower delivery costs. Yet in 2014, both PostCom and the PRC pointed out, delivery costs for Standard-class flat mail (the main type of mail sorted with FSS machines) increased 8% while processing costs increased 9%. "As mailers have incurred additional costs to prepare mail to meet FSS standards, the Postal Service has not seen a reduction in either processing or delivery costs from the implementation of this initiative," PostCom wrote.



[Senate Committee on Homeland Security and Governmental Affairs](#): On Feb. 11, 2015, the Government Accountability Office (GAO) will release an update to the High Risk List, an inventory of government operations vulnerable to fraud, waste, abuse and mismanagement. GAO updates the High Risk List every two years at the beginning of a new Congress to focus national attention on these critical areas. House and Senate Committee leadership and the GAO Comptroller General will hold a joint press conference prior to the start of the hearing: Time: 9:15 a.m. ET. Please note that media are required to display current Senate press credentials. HSGAC Hearing will begin immediately following: WHEN: Wednesday, Feb. 11, 2015 WHERE: SD-342, Dirksen Senate Office Building TIME: 10 a.m. ET.

 [Post & Parcel](#): La Poste has signed agreements with four trade unions, pledging to transform the company for the benefit of all postal workers. The agreements with the CFDT, FO, CFTC and CGC-UNSA unions upgrade the

French postal service's social policy to set out a new "dynamic professional development" for staff. The agreements included an accord on the professional skills development and training of postal workers, an accord offering extra pay for workers, and an agreement on the evolution of wage scales for La Poste staff.

February 8, 2015

 [Business Insider](#): One-fifth of the media outlets now operating in Russia could shut their doors by this time next year. That's the hard truth put forth by a cadre of journalists in Moscow who say these losses are part of an even greater slough and estimate that about 40 percent of newsstands that were operating just a year and a half ago have already closed. Pavel Gusev, who runs the Moscow Union of Journalists and serves as editor-in-chief of the daily newspaper Moskovsky Komsomolets, offered the dire prediction at a press conference at Moscow State University Friday. "Trust me, 20 percent of the existing media organizations will die by the end of this year. Maybe a little more, but not less," he said, as reported by Russia Beyond the Headlines. Among Gusev's grievances is **the loss of an \$85 million subsidy to the Russian Post, the country's postal service, that was designated for newspaper and magazine deliveries**. That cut was predicted to raise subscription rates by 30 to 50 percent at the time it happened, according to the Moscow Times. However, the increase could turn out to be higher, the newspaper reported. "The practice of subscription will not weather a price jump of even two times," Vladimir Sungorkin, editor-in-chief of the daily tabloid Komsomolskaya Pravda, told the Times. Gusev said the loss of the subsidy has directly resulted in an overall 20 percent drop in subscriptions -- and that some regional papers have experienced as much as a 90 percent drop and have ceased to publish. Newspapers in rural areas where delivery costs run higher have been hit particularly hard. As of today, there are still about 60,000 media outlets in Russia, according to the official Russian news agency Tass.

February 7, 2015

 [Portland Press Herald](#): Political campaign mailings and an increase in holiday package deliveries helped boost U.S. Postal Service revenue at the end of 2014, even as the agency posted a \$754 million loss in the final three months of the year. Still, Postmaster General Megan Brennan said that despite continuing losses, the outlook is much brighter than it has been in the past. The agency's revenue rose 4.3 percent in the final quarter of the year.

 [24/7 Wall St.](#): The results of the U.S. Postal Service's ongoing surrender to e-mail, United Parcel Service Inc., FedEx Corp. and its own inefficiency showed again when it posted results for the final quarter of 2014. The organization's loss rose to \$754 million from \$354 million in the same period last year. (The net loss included a \$1.4 billion expense accrued for the mandated prepayment to the Postal Service Retiree Health Benefits Fund.) The USPS may comfort itself because revenue ticked up 4% to \$18.7 billion. Among the things the data support are that the system is too big with too many workers and offices. The organization is not economically viable. One of the most aggressive but accurate criticisms of the USPS is that it cannot support the 32,000 locations that offer its products and services. The organization also has 489,000 career employees, many of whom have benefits packages that the USPS cannot hope to afford, particularly if the same benefits are extended to future workers. Losing money and ground to competition, the USPS is way too large.

 [Postalnews.com](#): Senator Tom Carper reacted yesterday to the US Postal Service's quarterly financial report by breaking out the cliches. Carper said that the \$754 million "loss" the USPS reported was proof that the agency is in a "downward financial spiral", even though the "loss" was entirely due to the 2006 PAEA law that Carper backed, and that he claimed at the time would solve the postal service's financial problems. Carper's statement ignores the fact that without the PAEA accounting entries, the USPS actually made a \$1.1 billion profit from operations, and that the "loss" exists only on paper. It also fails to mention Carper's own role in causing the "loss."

 [CitiFMOnline](#): Ghana Post has vowed to take advantage of the internet and other modern communication and technological platforms to expand its services and operation. Samuel Adu Boafo, Acting Managing Director, said although technology had reduced the use of the physical letter mail, it had nonetheless presented them with an opportunity to expand their services through (electronic-commerce) e-commerce. He made these remarks when he addressed the Ashanti Regional launch of collaboration between the company and Zoobashop, an online retail

company, in Kumasi. The partnership would allow shoppers and customers of Zoobashop to purchase items on the internet and receive them through designated post offices or in their homes and offices.

 [Global News](#): A number of Canada Post superboxes in Surrey were broken into this week, the latest setback in the organization's plan to phase out home delivery. The superboxes are being targeted through the outgoing mail slot, with thieves then wrenching open both doors from the inside. "Canada Post is trying to get a better system, but they break in with a sledgehammer, they have to be really noisy, but people aren't listening for it," says De la Cruz. "They pry this open, they get a stick in, and they've got the mail." In a statement, Canada Post didn't say how they would fix the deficiency, but that they would work at making them safer.

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

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
7039 [2015-02480]	[TEXT]
7038-7039 [2015-02557]	[TEXT]

 [Norwich Bulletin](#): unlike her predecessors who failed in convincing Congress that immediate reforms were needed, Brennan begins her stewardship of the world's largest postal organization with a strong ally — the president of the United States. The day after Brennan was officially sworn in, President Obama released his 2016 budget, which included a renewed call for sweeping reforms of the postal service. What he proposes mirrors the very reforms included in a bipartisan bill submitted last year by Sen. Tom Carper, D-Del., and former Sen. Tom Coburn, R-Okla., which failed to win congressional approval. Among the reforms is the elimination of Saturday mail delivery, phasing outdoor delivery "where appropriate," and restructuring the mandated prefunding of retiree pension and health care plans, which alone would save the agency \$13 billion through 2016. Obama's proposal would also allow the postal service to "create" new business opportunities to increase its revenue. Overall, the reforms being proposed would save \$36 billion over 11 years. If Congress fails to act, the only options remaining would be to sharply reduce postal facilities and employees — but even that would not be enough to put the cash-strapped agency on solid financial footing. Allowing the postal service to continue to limp along, default on its pension payments and continue to lose \$25 million a day makes no sense and serves no one. Congress needs to act, and act now.

 [Federal Times](#): "In the black? Postal Service has a 'fantastic quarter'"

 [Sen. Thomas Carper](#) (D-DE): Senator Tom Carper (D-Del.), ranking member of the Homeland Security and Governmental Affairs Committee, released the following reaction to the announcement that the U.S. Postal Service lost \$754 million in the first quarter of fiscal year 2015:

"Today's financial report shows that even a prosperous package delivery service and record holiday delivery season can't bring the U.S. Postal Service out of its downward financial spiral. The hard reality is that the Postal Service continues to suffer unsustainable losses that threaten its long-term viability and is unable to raise enough revenue to cover its costs. While Postal Service leadership has done what it can to cut costs, keep prices competitive, and right-size the enterprise, the ailing agency needs comprehensive postal reform. It is critical that Congress works together to pass a bipartisan and comprehensive bill as soon as possible. This news should underscore that sense of urgency. I look forward to working with my colleagues to build on the significant progress Dr. Coburn and I made on postal reform last Congress and renew our efforts to fix the serious, but solvable challenges facing the Postal Service."

February 6, 2015

 [Direct Marketing News](#): Corbett admitted dreading **the day that the 4.3% exigent surcharge**, enforced in January 2014, **might be removed**. He estimated it **would arrive in late July or early August**, when the \$3.2 billion in funds deemed lost to the Great Recession would be recovered. The Postal Regulatory Commission issued an order for the removal of the surcharge last month, in keeping with the condition of its approval of the emergency rate hike. According to USPS's 10-Q report, it had collected \$1.4 billion in exigent surcharges as of the end of September, and Corbett estimated the Postal service would lose some \$2 billion in cash flow for Fiscal 2015 should the rate be dissolved. Both Postal Service officials and stakeholders in the mailing community await a decision from the D.C. District Court of Appeals on a USPS petition requesting the exigent increase be made permanent.

 [Wall Street Journal](#): Overall, standard mail revenue was up 7.6% on volume growth of 3.5%, compared with a volume decline of 2.8% the year before. Volume growth was driven by a 0.9% increase in political mail. First-class mail, the strongest driver of profit for the USPS, saw revenue increase by 3.7%, though volume fell by 1.1%. In the year-earlier period, first-class mail revenue had fallen 2.8%, as volume declined by 4.6%. The agency has made first-class mail a priority, as this profitable segment has experienced a volume decline of more than a third since its peak in 2001. Results in the most recent quarter were helped by price increases implemented in January of last year.

 [Reuters](#): The United States Postal Service ended its first quarter with a net loss of \$754 million but increased its operating revenue as holiday shoppers boosted its package delivery business and as political mail from the midterm elections increased, the agency announced on Friday. The mail carrier, which has seen declines in the volumes of first-class mail, its most profitable product, has focused on building its package delivery services to take advantage of the growth in e-commerce. First-class mail continued to tumble, falling by 1.1 percent in that period, albeit at a slower pace. An increase in postal prices in January 2014 helped boost the agency's finances, leading to a 7.6 percent increase in standard mail revenues and a 3.7 percent increase in first-class mail revenues in the first quarter.

 **INDUSTRY ALERT** *U.S. Postal Service Delivers on "Our Season"* The U.S. Postal Service ended the first quarter of fiscal 2015 (Oct. 1, 2014 – Dec. 31, 2014) with a **4.3 percent increase in operating revenue over the same period last year** and a net loss of \$754 million. The increase in operating revenue was driven, in part, by the record number of holiday season packages delivered with high reliability during our busiest time of the year. The net loss included a \$1.4 billion expense accrued for the mandated prepayment to the Postal Service Retiree Health Benefits Fund.

Although revenue and volume are closely linked to the strength of the U.S. economy and changes in how customers use the mail, **the Postal Service has been proactive in growing volume in Standard Mail and Shipping and Packages and slowing the decline of the most profitable product, First-Class Mail. Standard Mail volume was up 3.5 percent compared to the same period last year**, driven by a 0.9 billion increase in political mail volume, a testament to its effectiveness in political campaigns. First-Class Mail volume decline slowed to a 1.1 percent decrease from the same period last year. **Standard Mail revenue and First-Class Mail revenue were up 7.6 percent and 3.7 percent, respectively, compared to the same period last year**, driven, in part, by the January 2014 price increase.

First Quarter Results of Operations Compared to Same Period Last Year · Total volume of 42.6 billion pieces compared to 42.0 billion pieces o Shipping and Package volume increased 12.8 percent o Standard Mail volume increased 3.5 percent o First-Class Mail volume declined 1.1 percent · Operating revenue of \$18.7 billion increased almost \$800 million or 4.3 percent · Operating expenses of \$19.5 billion increased \$1.2 billion or 6.4 percent. The biggest change was an \$800 million increase in workers' compensation expense, which included a \$1.4 billion increase in the fair value portion driven by declining interest rates and offset by a \$600 million decrease in valuation of new and existing cases. Complete financial results are available in the Form 10-Q, available at <http://about.usps.com/who-we-are/financials/welcome.htm>



*PostCom welcomes its newest member: [Siemens Postal Parcel Airport Logistic LLC](#) DFW Airport Dallas, TX 75261-4030 Contact: **Mike Norris** USPS Account Representative*

 [Mobile Storm](#): Television advertising is still a contender, but for anyone looking at the growth projections, digital ad spending is where it's at for 2015. According to a recent forecast from Strategy Analytics, digital advertising in the U.S. will grow 13 percent in 2015. That would represent a 3.2 percent increase in total ad spend to \$186.6 billion. "By comparison, the TV ad spend is expected to grow only 1.7 percent, while print advertising will decline 7.9 percent year-over-year," noted Multichannel News in its coverage of the forecast. On the other hand, there is a presidential election firing up soon — oh, and the summer Olympics. Both are good for the advertising business.

 [LocalNews8](#): Several postal workers at Pocatello's Flandro Drive processing center tell Local News 8 they received letters Thursday warning of possible "involuntary reassignment" to other positions within the postal service. Local News 8 has been unable to confirm how many workers this will affect, but the Idaho State Association of Letter Carriers said it's part of a plan to close the processing center and redirect mail to Salt Lake City. "The motion has gotten started now. I feel like, well, this is phase one of three or four phases that people are receiving notices. But our hopes lies with Congress now," said John Paige, president of the association. Lawmakers have introduced a House resolution to try and keep the processing center open.

 [Arizona Daily Star](#): Tucson business leaders said they are experiencing significant delays in mail delivery since the U.S. Postal Service changed its service standards Jan. 5. The Postal Service said the change last month in its service standards in the United States resulted in a one- to two-day delay in first-class mail delivery. George Kalil, whose family owns Kalil Bottling Co., complained that the mail delivery in Tucson is taking even longer than the one- to two-day delay that the Postal Service said would occur. Kalil, for example, said when his secretary called the Cherrybell station to inquire about his late mail, a worker told her that there was a five-day delay at the Phoenix-based facility.

 [Livemint](#): FedEx Express, a unit of transport company FedEx Corp., said it would increase its ground fleet capacity in India, adding over 350 new vehicles over the next two years to strengthen its domestic transportation and supply chain capabilities as e-commerce picks up in the country. Industries such as high tech, e-commerce and retail are demanding faster transit times, wider reach and high accessibility within the country, David Canavan, vice-president of operations, FedEx Express India said in a statement.

 [Patentlyo](#): In this case's third-trip to the Court of Appeals, the Federal Circuit has again sided with Sculptor Frank Gaylord — This time affirming the lower court's award of \$5.4 million in US Postal Service revenue as a reasonable royalty for its unauthorized use of Gaylord's copyrighted work on a postage stamp.

 [Gizmag](#): It's now over a century (101 years, to be exact) since ground was first struck to build the London Post Office Railway, an underground tunnel system that transported the bulk of the city's letters and parcels between sorting and delivery stations. The letter is almost a thing of the past since the advent of email, and if it weren't for online shopping it seems postal services would almost be out of business. Strange to think then that in London there were once so many letters and parcels that to transport them across the clogged city, special tunnels were built and fitted with trains that operated on narrow gauge tracks. The 23 miles (37 km) of tracks – the actual distance is only a bit over six miles (9.6 km), from Paddington to Whitechapel – transported mail to the major sorting offices of the city. At the railway's peak, trains ran 19 to 22 hours a day, five days a week, carrying 4 million letters a day through the tunnels that are located 71 feet (22 m) below ground.

 ***From the Federal Register:***

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
6776–6777 [2015–02315]	[TEXT]
6778 [2015–02343]	[TEXT]
6777 [2015–02418]	[TEXT]
6776 [2015–02422]	[TEXT]

Postal Service Performance Report and Performance Plan , 6778–6779 [2015–02420]		[TEXT]
Postal Service		
NOTICES		
Product Changes:		
	Priority Mail Negotiated Service Agreement , 6779 [2015–02353]	[TEXT]
	6779 [2015–02355]	[TEXT]
	6780 [2015–02356]	[TEXT]
	6779–6780 [2015–02363]	[TEXT]
	6780 [2015–02364]	[TEXT]
	6779 [2015–02365]	[TEXT]



[Postal Technology International](#): The latest issue of Postal Technology International magazine is available online.

	Black Friday is here to stay according to panelists at Delivery Conference 2015
	SingPost sees steady growth in Q3
	UK online retailers targeting international growth in 2015
	NetDespatch partners with Retail and Sports Systems to simplify shipping process
	Whistl awarded contract with Jiffy to supply logistics services
	Crisplant to extend energy-efficient sortation system for PostNord

[Europe Online](#): The European Union’s executive on Friday cleared the 75-million-euro (86-million-dollar) cash injection from Italy’s state-owned postal service which helped troubled airline Alitalia avoid bankruptcy in 2013. At the time, the contribution to Alitalia’s rescue from Poste Italiane was publicly criticized as a covert form of state aid by International Airlines Group, a rival entity that controls Iberia, Vueling and British Airways. In a statement, the European Commission said it concluded that Poste Italiane’s investment was made on market terms, with no preferential treatment that would have constituted a form of state aid banned by EU antitrust rules.

Office of the Inspector General: [Retail Systems Software - Finance](#) -- Have you used the new Retail Systems Software (RSS)? The Postal Service is in the early stages of deploying RSS as a way to improve customer service and stay competitive. When fully deployed, RSS will eliminate the need to maintain multiple point-of-sale software applications that are not integrated, including: Point-of-Service ONE, Automated Postal Center/Self-Service Kiosks, Contract Access Retail System, Integrated Retail Terminal, and electronic Money Order Voucher Entry System. RSS technology and system integration will allow the Postal Service to quickly adapt to customer needs and emerging technology. Our audit will evaluate whether internal controls surrounding the new RSS business

transactions are in place and effective; and whether the Postal Service has adequately addressed issues identified during implementation.

 **Examiner:** Some small businesses and entrepreneurs may choose FedEx as their shipping partner when they're first starting out. They may be swayed by lower prices or a one stop shop for standard and expedited shipping. But FedEx and its various services: FedEx Ground, FedEx Home Delivery and FedEx SmartPost, its redheaded stepchild for example, frustrate customers, who may choose another company rather than deal with one who uses FedEx as its only carrier. Additionally, FedEx uses unfair and deceptive practices to provide estimated delivery dates, as well as provides customer service that is lazy at best and reprehensible at worst. There are other carriers to choose from that offer better, faster service and will help keep your customers happy as you grow your business. When choosing a shipping partner, it's important for entrepreneurs and small businesses to consider how long it will take a package to arrive at its destination. (Pro tip: Irony is when FedEx sponsors a race car.) FedEx Home Delivery claims that packages will arrive within two days; however, they only deliver Tuesday through Saturday for Home Delivery. Compare that with the U.S. Postal Service, which delivers Monday through Saturday.

 **FEDWeek:** The administration's budget proposal would provide some immediate relief and the prospect for more from several obligations that the U.S. Postal Service holds largely responsible for its financial problems of recent years. One main issue is the obligation under a 2006 postal reform law requiring pre-funding of retiree health insurance costs, a roughly \$5 billion annual obligation over 10 years on which USPS has defaulted for several straight years. The budget would stretch out the obligation, including the missed payments and the payments due for 2015 and 2016, over 40 years starting in 2017 providing some \$13 billion in relief through 2016. The budget also proposes to give USPS authority to reduce mail delivery frequency from six days to five days if mail volume falls below 140 billion pieces for four consecutive quarters (the Budget assumes this will occur near the end of 2018); allow it to shift more to centralized and curbside delivery rather than door-to-door; allow USPS management to respond more quickly to market opportunities; and make permanent a two-year rate increase approved in December 2013. Another issue is an amount USPS has overpaid over the years to OPM for retirement-related costs under FERS because the payments have not taken into account demographic factors specific to USPS versus the federal workforce in general. Estimates of the amount at stake have varied widely among studies into the issue. The proposal would require that OPM—more specifically, the Treasury, since OPM is just the conduit for the federal retirement fund—to return \$1.5 billion to USPS over two years.

 **Fierce Government:** The federal government's energy consumption is at its lowest since at least 1975, says a Feb. 4 Energy Information Administration statement. The EIA, an agency within the decentralized Federal Statistical System, says the federal government is one of the largest energy consumers in the world, but that consumption is declining. The Defense Department and the Postal Service together accounted for 94 percent of vehicles and equipment energy usage. DoD and USPS energy usage declined 19 percent from fiscal 2011 to fiscal 2013.

Attention Postal One! Users:

- **PostalOne!® Release 40.0.2.0 Production Deployment-** PostalOne! Release 40.0.2.0 will deploy on Thursday February 5, 2015 between 5:00PM Central and 7:00PM Central. This release includes fixes for some known issues related to Release 40.0. The PostalOne! system will be available during the patch release. There is no mandatory Mail.dat® client download required. Release notes for PostalOne! Release 40.0.2.0 can be found on https://ribbs.usps.gov/intelligentmail_schedule2015/releaseoverview2015.cfm.
- **PostalOne! Release 40.0.2.0 Deployment** to Test Environment for Mailers (TEM) will also occur on Thursday February 5, 2015 between 5:00PM CT and 7:00PM CT. TEM will remain available during the release. TEM validation will occur tomorrow Friday February 6, 2015 between 9:00AM CT and 11:00AM CT.

 **Rep. Rosa DeLauro:** "Congresswoman Rosa DeLauro (D-CT) today introduced the Protect Overnight Delivery Act. The bipartisan legislation would reinstate overnight postal delivery service and prevent the Postal Service (USPS) from operating under the current, weaker delivery standards. The elimination of overnight delivery has already resulted in slower mail delivery for millions of Americans. "Again and again, members of Congress said to the Postal Service: do not unilaterally eliminate overnight delivery or close postal facilities. The Postmaster General

should not preempt Congressional action and, in the absence of a comprehensive bill, Congress should move forward with this legislation. With over 140 facilities already closed, and another 82 set to close in the coming months, Congress must act. "At a time when millions of Americans are still struggling to pay the bills, it would be particularly inopportune for USPS to close more facilities and cut jobs. More closings would also hurt businesses that depend on overnight mail delivery to reach their customers. Just last month, the Postmaster General stated that current service standards could even delay returned mail and payments to collectors. DeLauro introduced similar legislation in the 113th Congress. 59 representatives have already signed on as co-sponsors to the Protect Overnight Delivery Act.

 **USPS Link:** PMG Megan Brennan has announced her Executive Leadership Team (ELT), aiming to continue the Postal Service's momentum by making few changes to the lineup. The PMG leads the eight-member ELT, which includes the senior officers. In a Feb. 3 memo, Brennan credited the team's leadership for the Postal Service's recent successes. "As we move forward, I am eager to accelerate the pace of progress, and do so with a high degree of continuity," the PMG wrote. "For this reason, we are making only minor changes."

- DPMG Ron Stroman will add Chief Government Relations Officer to his role and lead efforts to gain legislative approval to improve the Postal Service's business model. Stroman has provided strong counsel to his colleagues and proved an able advocate for the organization on Capitol Hill, the PMG wrote.
- David Williams, who most recently served as Network Operations VP, will succeed Brennan as Chief Operating Officer. He will lead several initiatives to improve service and streamline mail processing, delivery and Post Office operations. The ELT's other members will remain in their current roles:
- Chief Financial Officer Joe Corbett
- Chief Marketing and Sales Officer Nagisa Manabe
- Chief Human Resources Officer Jeff Williamson
- Chief Information Officer Jim Cochrane
- General Counsel Tom Marshall

The PMG also has altered the USPS organizational structure to align with the Postal Service's business goals:

- DPMG and Chief Government Relations Officer Stroman will oversee and manage Government Relations.
- Since information technology, information security and digital product development are closely aligned, a new position has been created: Chief Information Security Officer and Digital Solutions VP. Randy Miskanic, previously Secure Digital Solutions VP, will fill the new position, which will also focus on digital product development. Miskanic will report to Cochrane and work closely with Manabe.
- To reflect the need for high-quality analytics and insight, the title Product Information VP has been eliminated and replaced with Enterprise Analytics VP. Robert Cintron will continue in this role and report to Cochrane.
- Corporate Communications will report to the PMG. USPS will evaluate the organizational structure on a regular basis, the PMG wrote.

February 5, 2015

 With the April 26, 2015 USPS proposed price change fast approaching, the Postal Service is committed to sharing information with our customers. The following are links to published *Federal Register* notices or websites to get the latest information on the USPS proposed pricing information. Other information will be published as it becomes available.

Domestic Federal Register Notices:

- *Market Dominant (mailing services):* Proposed rule published on February 5, 2015. **Comments due on or before on or before March 9, 2015.**
<http://www.gpo.gov/fdsys/pkg/FR-2015-02-05/html/2015-01851.htm>

- *Competitive (shipping services)*: Final rule published on February 3, 2015. <http://www.gpo.gov/fdsys/pkg/FR-2015-02-03/html/2015-02008.htm>

International Federal Register Notices:

- *Market Dominant (mailing services)*: Proposed rule published January 23, 2015. **Comments due on or before February 23, 2015.** <http://www.gpo.gov/fdsys/pkg/FR-2015-01-23/html/2015-01097.htm>
- *Competitive (shipping services)*: Final rule published on February 3, 2015. <http://www.gpo.gov/fdsys/pkg/FR-2015-02-03/html/2015-02007.htm>

Or go to the Postal Service page on the *Federal Register* website to view all published notices at: <https://www.federalregister.gov/index/2015/postal-service>

Postal Bulletin: Mailing standards changes for competitive products were published February 5, 2015 in the Domestic Mail Manual and International Mail Manual. <http://about.usps.com/postal-bulletin/2015/pb22408/html/welcome.htm>

Prices: April 26, 2015 proposed prices and Federal Register notices can be found in the left frame on the Postal Explorer website at <http://pe.usps.com/>

Webinars: USPS Proposed Pricing Overview webinar recorded on February 3, 2015. Go to the Industry Outreach page on RIBBS and scroll to Webinar Archives at: <https://ribbs.usps.gov/index.cfm?page=industryoutreach>

Live Webinar–Wednesday, February 11, 2015, 1:30pm EST *USPS Proposed Pricing Overview* limited to the first 500 participants. US/Canada Attendee Dial-in: (855) 821-1290 Conference ID: 77892002 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=eef752bd6ae2007d2ddaa409c fb97f0ce> Attendee password: 021115 If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <http://usps.webex.com> Event Number: 990 308 715

 **Reminder: Attention Business Customer Gateway Users** The Business Customer Gateway Release 9.1 will be deployed to Production on Sunday, February 8th, 2015 from 6:00 a.m. to 8:00 a.m. CT. The release will be completed in rolling fashion with no planned outages. This release will include additional enhancements in the BCG application. Release Notes can be found on RIBBS by selecting the following URL: <https://ribbs.usps.gov/index.cfm?page=intellmailgateway>

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newsletter anywhere...bar none? [Send us by email](#) your name, company, company title, postal and email address. See what you've been missing.



Federal News Radio: A Democratic member of the House once told me he could always get 100, sometime up to 200 cosponsors if a legislative proposal had the word "reform" in it. Reform is good. Like postal reform and civil service reform, which, among other things, gave us the government's elite, career Senior Executive Service. There are several thousand career executives averaging about \$142,000 per year in salary. The thought of "reform" has a nice ring to it. Who doesn't want to reform something, especially if there is some direct benefit to the reformers? Reform is good, unless you've been through a couple and suffered a personal jolt, or seen the reformed outfit become more political and less able or willing to carry out its core mission.

eCommerceBytes: As the U.S. Postal Service increases efforts to take business away from UPS and FedEx, UPS is asking the Postal Regulatory Commission (PRC) to require USPS to be more forthcoming with information about its competitive products. In a filing on Monday, UPS said there were serious, deeply embedded problems with the manner in which the Postal Service is accounting for the costs of its competitive products business. "These problems prevent the Commission, the public, and indeed likely the Postal Service itself from knowing the true costs associated with this business," the shipping carrier stated in its filing. The U.S. Postal Service has a mandated monopoly on delivering first class mail. But as it tries to cope the decline in first class mail volume, the Postal Service has looked to parcel delivery as a growing source of revenue - even running ads calling out rivals' new dimensional-weight ground rates. UPS spokesperson Kara Ross said the company believes the USPS has an advantage over competitors in the parcel business. "Some examples of advantages that the USPS enjoys include: exclusive access to mailboxes; exemption from state and local regulations including parking/traffic tickets, licensing and registrations; exempt from paying taxes such as property, vehicle and fuel taxes; and they do not comply with industry standards for customs and security enforcement," she said. When asked what information UPS would like to see the USPS make available to the public, Ross referred us to the company's filing with the PRC that outlines the disclosures it would like to see the Commission require. That includes asking the USPS to show how large expenditures, including any significant new capital investments, are attributed to competitive products, as well as disclosing its accounting treatment of significant operational changes relating to competitive products.

Journal of Commerce: E-commerce, with a compound annual growth rate of 14 percent since 2008 driven by free shipping, has created huge spikes and unpredictability in volume for retailers and delivery companies. Parcel carriers are aggressively addressing the challenges of managing cost and revenue, illustrated by UPS and FedEx. E-commerce growth, however, has resulted in business-to-consumer parcel volume increasing from 20 percent of total UPS volume to 45 percent in 10 years.



From the Federal Register: *Postal Service PROPOSED RULES* New Mailing Standards for Domestic Mailing Services Products , 6574-6615 [2015-01851] [[TEXT](#)]

CFO Journal: Corporate pension funding levels in January dropped to their lowest level in more than a decade, CFO Journal's Vipal Monga reports. Falling interest rates and new mortality estimates have put corporate retirement plans into a half-trillion dollar deficit, according to Wilshire Consulting.

CNN: Staples announced Wednesday it intends to buy rival Office Depot in a \$6.3 billion deal, betting that the key to higher profits is operating on an even larger scale. The deal is strongly opposed by members of the American Postal Workers Union, who say it would lead to higher prices for consumers and layoffs for employees. The union called on the FTC and the Justice Department to block the merger. "Staples is an anti-worker corporation, and we don't want to see its reach expanded," said the postal union's President Mark Dimondstein. "We will vigorously oppose this merger. It's bad for workers and bad for consumers." Postal workers have criticized Staples for years for operating "mini post offices" in dozens of stores. The union says the locations, which are staffed by Staples employees, are exacerbating the Postal Service's financial problems.



At the Postal Regulatory Commission: An Officer of the Commission is designated to represent the interests of the general public in public proceedings that come before the Commission. [The a list of the](#)

[individuals who are designated Public Representatives in the Active Cases](#) pending before the Commission can be found on the PRC web site.

February 4, 2015

 **On the President's 2016 Budget:** Well, if you've seen last year's Senate bill, you pretty much can guess what's included in the proposed 2016 budget from the President, i.e., (1) affirmed support for the enactment of postal reform; (2) giving any FERS surplus back to the Postal Service, (3) restructuring the retirement health benefits prefunding requirement, (4) permitting five-day delivery if mail volume drops below 140 billion pieces over four consecutive quarters, (5) permit the USPS to move to curbside delivery, (6) broadening the governance provisions for the postal board and management, and (7) making the exigent increase a permanent part of the postal rate base. The [National Association of Letter Carriers](#) told its members:

Although we are encouraged that the new budget again mandates the continuation of six-day mail delivery in FY 2016, we are deeply disappointed that its postal reform section still embraces the outdated and misguided postal policies of former Postmaster General Patrick Donahoe. We are also disappointed that it fails to reflect the progress made during the last Congress toward a consensus approach to postal reform—a consensus embraced by the postal unions, major mailers and key legislators in both parties.

The new budget, which was put together over Donahoe's final months in office (his tenure ended on Jan. 31), still embraces a doomed business strategy devised in the midst of the Great Recession. It calls for an eventual shift to five-day mail delivery if annual mail volume falls below 140 billion pieces of mail, adopting a proposal from the deeply flawed S. 1486, a bill introduced in 2013 by Sens. Tom Carper (D-DE) and Tom Coburn (R-OK). This Saturday service cut was included even though the two senators agreed in December to drop it cut from the final version of their bill.

While this year's budget proposal regarding Saturday delivery might seem like progress (since last year's budget called for its immediate end), it is still misguided. In recent years, the Postal Service has seen a strong financial recovery and rising revenues, even as mail volume has declined modestly, thanks to an e-commerce boom, a stronger economic recovery and growing letter mail revenues.

The NALC will urge congressional leaders to reject the administration's outdated and misguided proposals to reduce delivery services, both the proposal to trigger an end to Saturday delivery if mail volume falls below 140 billion pieces (in 2018, under current USPS estimates) and another proposal to allow "USPS to begin shifting to centralized and curblines delivery...."

The administration's new budget also fails to reflect the progress made toward fixing the retiree health pre-funding mandate. This progress was evident in both S. 1486 and the consensus reform approach developed by the postal unions and major mailer organizations last year.

Rather than temporarily restructuring the pre-funding payments in the short-term and then saddling the Postal Service with still-unaffordable pre-funding payments in the future—as the new budget does—Congress should embrace proposals that will actually reduce the cost of future retiree health benefits and therefore the burden of pre-funding. S. 1486 included such proposals, which the industry consensus plan improved significantly.

 **Consumer Affairs:** United Parcel Service has been taking a close look at its business and it has come to a conclusion that's fairly obvious when you think about it: It costs more money, quite a bit more money, to deliver packages to homes than to businesses. What to do? Why, charge more for residential deliveries, of course. The change will be phased in as contracts with big shippers are renegotiated. What it comes down to is that it costs UPS quite a bit more in time and fuel to deliver one or two packages to your house than it does to deliver 10 or 15 packages to the eyeglass store on the corner. It's hardly necessary to add that FedEx and other couriers will be close

behind. Maybe Congress will even let the Postal Service raise its rates, if it can ever stop fighting over climate change, Obamacare and whether the earth is really flat. It will be at least a few months before the higher delivery charges begin to ripple through the economy and you can be assured that big online retailers will be looking for a solution.

 [GoGo News](#): This follows previous instructions which suspended mail delivery to Crimea and Sevastopol in Ukraine. Ukrposhta has therefore now also asked all postal operators to suspend dispatching any mail directly to Donetsk and Luhansk. If necessary, customers wishing to send mail items to these regions can do so by sending them as general mail (Poste Restante) addressed to post offices in localities controlled by Ukrainian government authorities. Poste Restante is a service where post offices within an area, in this case within the area controlled by Ukrainian government authorities, hold mail until the addressee calls for it.

 [Washington Post](#): If Jeremy Grant is successful, those ubiquitous passwords used for online transactions will go the way of the rotary telephone, typewriter and floppy disk. As head of a federal cyberspace initiative, Grant is working with the business community, consumer and privacy groups, foundations, universities and public-sector agencies to make passwords obsolete, and to replace them with other forms of Internet authentication that will improve security, protect privacy and work across multiple platforms. "Passwords are a disaster and need to be replaced by better technologies," said Grant, who leads the National Strategy for Trusted Identities in Cyberspace (NSTIC) program office. "Seventy-six percent of all network intrusions in 2013 were tied to exploiting different weaknesses of passwords."

 David E. Williams has been appointed by PMG Megan Brennan as the Postal Service's new Chief Operating Officer.

 [Linn's Stamp News](#): Poor Express Mail service delayed delivery of a critical letter from three former members of the Citizens Stamp Advisory Committee to Postmaster General Megan Brennan. The letter was presented to the post office in Clayton, N.Y., on Jan. 31, was promptly entered into the mailstream, and was guaranteed to be delivered by 3 p.m. Feb. 2 to Brennan's office at L'Enfant Plaza in Washington. But, according to USPS tracking information supplied by Cary Brick, who posted the letter, it didn't get Brennan's office until sometime Feb. 3. Despite the USPS guaranteed delivery, the letter did not arrive at a Dulles postal facility outside Washington until Feb. 3. Brick said he was stunned by the late delivery of his letter. He was given a \$19.99 refund when he went to the Clayton Post Office to pick up his mail

 [Logistics Manager](#): Demand for air cargo grew 4.5 per cent last year compared to 2013 measured by freight tonne kilometres, according to figures from the International Air Transport Association. "This is largely being driven by the uptick in world trade over the second half of 2014. Recent concerns over the health of the global economy and a corresponding fall in business confidence have not yet impacted air cargo. But it is a downside risk that will need to be watched carefully as we move through 2015."

 [Wall Street Journal](#): United Parcel Service Inc. said Tuesday that its once highly profitable peak season will continue to be a drag on fourth-quarter and full-year earnings even though it plans to boost some prices to try to offset the added expenses of keeping up with increased holiday loads. The company averaged more than 30 million deliveries a day during the latest holiday season, executives told analysts in their fourth-quarter earnings call. That was about six million more a day than in the same period in 2012 and 75% more than on its average day. The fourth quarter used to be the company's most lucrative, Chief Financial Officer Kurt Kuehn said. While still profitable, it is now clear the company's costs will continue to increase during the quarter as it hires more workers and adds vehicles to make sure that it can handle the increasingly unpredictable surges in volume. In addition to trying to better manage costs, UPS will focus more on building revenue during the period by taking actions that include raising holiday rates through peak surcharges for customers shipping to residential addresses.

 [The Telegraph](#): Chinese Amazon-rival Alibaba is trialling package deliveries by drone, but will only cover a tiny geographic area and send a total of just 450 parcels. Alibaba's Taobao service will run the trial in small parts of Beijing, Shanghai and Guangzhou and the only product offered will be small, light packets of ginger tea. The tests will only run for three days. A company spokesperson told TechCrunch in a statement: "This one-off campaign is an

effort to bring unique and innovative shopping experiences to consumers on Alibaba's e-commerce ecosystem." Unlike some previously announced trials, the Alibaba service will use human-controlled drones rather than autonomous devices.

 **Business Review:** The Ministry for Information Society has accepted the non-binding offer submitted by the Belgian postal services operator bpost to acquire a 51 percent stake in the Romanian Post. At the end of the due-diligence stage, bpost can submit the final offer to acquire the major share package in the Romanian Post. Belgian postal services operator bpost was the sole interested party in submitting a non-binding offer for a 51 percent stake of the Romanian Post in September.

 **Rappler:** The Philippine Postal Corporation (PHLPost) has announced that selected post offices have been deployed nationwide to digitally process applications for the new and modernized postal ID card. A total of 260 centrally located post offices are being equipped for the digital capture of fingerprints, photos and signatures of ID applicants to ensure the issuance of highly secure and genuine postal IDs.

 **Targeted News Service:** Rep. Grace Meng, D-N.Y., has introduced legislation (H.R. 657) to "direct the United States Postal Service to designate a single, unique ZIP Code for Glendale, New York."

 **Post & Parcel:** UPS has announced plans to add extra surcharges to residential package prices to help it deal with the extra costs of handling huge volumes during the festive period. The move came following a profit warning issued last month after this year's run-up to Christmas brought the Atlanta-based integrator an unexpected \$200m in additional costs, as volumes soared beyond predictions. It also came as the world's largest package delivery company complained to regulators about federal-owned rival the US Postal Service, regarding the Postal Service's recent investments in expanding its own competitive package shipping services. USPS is in the process of seeking market share in the e-commerce field by freezing prices in its Priority Mail services and ruling out the use of dimensional-weight pricing, which UPS and FedEx have recently expanded to all ground shipments.

 **WBTW:** Just five months ago, community members and postal workers protested in front of the Florence post office. Their hopes were that the United States Postal Service would reverse its decision to consolidate. The company first announced its decision back 2011 and readied for phase II of consolidation 82 of its processing facilities, including the one in Florence. It's a move that would relocate processing operations to Columbia and reduce costs by \$20 billion by 2017. However, months after protests and town hall meetings locally, political pressure from U.S. Senators has forced consolidation to be pushed back.

 ***From the Federal Register:***

Postal Regulatory Commission	
NOTICES	
Postal Rate Changes , 6140–6141 [2015–02124]	[TEXT] [PDF]
Public Inquiries on Service Performance Measurement Systems , 6142 [2015–02131]	[TEXT] [PDF]
Postal Service	
NOTICES	
Changes in Rates and Classes of General Applicability for Competitive Products , 6236–6416 [2015–01850]	[TEXT]



Dead Tree Edition: It sounds like a small price increase, but the new rates could have large implications for publishers, marketers, printers, and even paper mills.

February 3, 2015

 **CTV:** An irate CTV viewer wants to know why it costs five times more to mail an international parcel from Canada Post than with the U.S. Postal Service.

 **Linn's Stamp News:** *An open letter from key members of the PMG's Citizen's Stamp Advisory Committee -- "No reasonable economist can make a convincing argument that the out-of-sight financial crises of the Postal Service can be fixed with 49 cent stamps. Postal Service marketers who believe that are dead wrong. Yet some do Over the last five years, increasing pressures for the stamp program to produce both savings and revenue have seriously derailed the program [W]e feel strongly about the direction a few of its managers at and above the stamp subject selection and design level are pushing the stamp program. They are doing a disservice to the respect enjoyed by an institution that touches every American every day in their own homes and neighborhoods To our disappointment, the prevailing attitude on the part of some pie-in-the-sky USPS marketers has been and continues to be that this cow is not yielding the amount of milk that it could, and that more needs to be done to maximize profits." [EdNote: Wow! That's one heck of an indictment from people whose opinion deserves respect.]*

 **The Washington Free Beacon:** The U.S. Postal Service's (USPS) rude employees could cost the government \$288.5 million in lost revenue, according to an audit by the Office of Inspector General (OIG). A growing number of Americans believe USPS is "worse than other retailers" when it comes to customer service, the audit said. The OIG partly blamed the American Postal Workers Union for the bad service, since the union requires the USPS to select employees for retail positions through seniority and not merit. The USPS dismissed the audit as "irrelevant" and showed no concern about losing customers.

 **Republican-American:** Troubled by consumer complaints and loopholes in state laws, federal regulators are putting together the first-ever rules on payday loans aimed at helping cash-strapped borrowers avoid falling into a cycle of high-rate debt. The Consumer Financial Protection Bureau says state laws governing the \$46 billion payday lending industry often fall short, and that fuller disclosures of the interest and fees — often an annual percentage rate of 300 percent or more — may be needed. Payday lenders say they fill a vital need for people who hit a rough financial patch. They want a more equal playing field of rules for both nonbanks and banks, including the way the annual percentage rate is figured. Sen. Elizabeth Warren, D-Mass., wants the U.S. Postal Service to offer check-cashing and low-cost small loans. The idea is opposed by many banks and seems unlikely to advance in a Republican-controlled Congress.

 **From the Federal Register:**

Postal Service	
RULES	
Domestic Competitive Products Pricing and Mailing Standards Changes , 5691–5692 [2015–02008]	[TEXT]
International Product and Price Changes , 5683–5688 [2015–02007]	[TEXT]
International Service Changes:	
Burma, Kiribati, Sao Tome and Principe , 5688–5691 [2015–02006]	[TEXT]

February 2, 2015

 **At the Postal Regulatory Commission:**

- **Docket No. R2015-4:** [Order Granting, In Part, Motion For Extension Of Comment Deadline](#)

"On January 26, 2015, MPA—the Association of Magazine Media, Alliance of Nonprofit Mailers, and Association for Postal Commerce (collectively, the Mailer Coalition) filed a motion for extension of the comment deadline. For the foregoing reasons, the Commission grants the Motion in part. . . . In this proceeding, **the Postal Service failed to provide workpapers and other information necessary to comply with the requirements** of 39 C.F.R. § 3010.12(b)(3) and 39 C.F.R. § 3010.23(d)(2) for billing determinant adjustments it made in various price cells in Standard Mail, Periodicals, Package Services, and Special Services. **Without this information and the related corrected workpapers, the Postal Service's filing is incomplete for those classes of mail**, and commenters and the Commission are left without the information necessary to evaluate the proposed new rates' compliance with 39 U.S.C. § 3622. . . . In this case, the missing information impacts the annual limitation calculations related to the vast majority of rate changes proposed in this proceeding for Standard Mail, Periodicals, Package Services, and Special Services. **Such information is essential to the Commission's ability to carry out its fundamental responsibilities** under 39 U.S.C. § 3622 and determinations of compliance with the annual limitation for those market dominant classes of mail . . . Given the importance of the missing information to the issues in this proceeding, the Commission finds that commenters would be significantly prejudiced if they were only provided three business days to provide comments based on a complete record when the Commission's regulations require 20 days."

 **Tamebay**: First things first, it's time to get your house in order. It's the way of the world that more sales equal more customer service. That's not necessarily a bad thing though – use customer service as a chance to engage with your customers; turn bad experiences into good ones and always try to work with a policy of 'brand advocacy' in mind – you want to turn a disgruntled customer into someone who not only supports your brand, but advertises it and defends it for you. There's no magic trick to this, really it's about listening to the customer, being really friendly and courteous, and then going out of your way to deliver a solution to them that is above and beyond their expectations. You might have to be slightly more generous with your returns policy than you'd ordinarily like to though!

 **The Daily Star**: Lebanon's finance minister called Monday for a comprehensive investigation into corruption at the country's main postal company, after an employee was accused of embezzlement and fraud. Finance Minister Ali Hasan Khalil issued a memo to the state prosecutor's office demanding a probe into the case of Tamara Dilougian, an employee at a LibanPost branch in Beirut's southern suburbs. She was accused of embezzlement and fraud against the public treasury. Khalil also called on the state prosecutor to interrogate LibanPost officials to determine whether any other employees have committed similar crimes, or operated as accomplices to a crime. - See more at: <http://www.dailystar.com.lb/News/Lebanon-News/2015/Feb-02/286130-finance-minister-calls-for-libanpost-corruption-probe.ashx#sthash.SFG9PRG0.dpuf>

 **Lansing State Journal**: A congressional effort failed this week that would have delayed closure of Lansing's U.S. Postal Service mail processing center. U.S. Sen. Debbie Stabenow, D-Lansing, introduced an amendment to the Keystone pipeline bill that would have delayed closure of the Collins Road facility for two years. The Keystone bill passed the Senate without a vote on Stabenow's amendment, which meant her amendment failed, her office said. Her amendment also would have stopped a reduction in overnight delivery of first class mail that began this month.

 **Office of the Inspector General**: [Window Retail Customer Service Audit](#) Report Number MS-AR-15-001, January 29, 2015

What the OIG Found. Between FYs 2012 and 2013, an increasing number of customers expressed dissatisfaction with the service they receive at retail facilities. While the Postal Service's goal is 90 percent customer satisfaction, in FY 2013 more than 20 percent of customers who responded to surveys stated they had been treated "worse than other retailers" at Postal Service retail counters. Dissatisfied customers exist, in part, because procedures for improving customer service are not functioning as intended. Although management communicates with sales associates periodically via service briefings known as "stand-up" talks and provides video instructions, there is a lack of continual, formal customer service training. Further, sales associates are selected based on seniority rules, rather than suitability for the position, as suggested by best practices. In

addition, the Postal Service does not have a mandatory process to ensure managers regularly observe sales associates and provide feedback. Regular observation would help sales associates recognize where they need to improve their performance. Retail Operations managers use several tools to measure and improve customer service at the retail counter. However, they do not consistently conduct observations of their sales associates. Additionally, supervisors have not made decisions based on Point of Service (POS) survey results, primarily due to the lack of communication of these results. We estimated the Postal Service risks losing \$288.5 million in FY 2015 due to less than satisfactory treatment of customers during retail transactions.

What the OIG Recommended. We recommended the Postal Service provide continual, formal customer service refresher training to sales associates to improve customer service; create a mandatory process for observing, tracking, and providing feedback on performance; and develop a plan to leverage POS customer survey results to improve customer service at retail counters.

 **Global Newswire: Telephone/Web conference on U.S. Postal Service Fiscal 2015 quarter 1 results** Who: Postmaster General and CEO Megan Brennan CFO and Executive Vice President Joseph Corbett; When: Fri., Feb. 6, 2015 11 a.m. ET; Background Following the Temporary Executive Committee's open meeting on Feb. 6, Postmaster General & CEO Megan Brennan and Chief Financial Officer Joseph Corbett will host a telephone/Web conference call to discuss the financial results in more detail. The call is open to the news media and all other interested parties. How to Participate: Important Notice: To ensure your computer is set up to join the event, click on the link www.webex.com/lp/jointest/US/Canada Attendee Dial-in: (855) 293-5496 Conference ID: 67696374 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e72a87d6566dec2f0dbff33adf552d21e> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com> Event Number: 992 175 830 The briefing will also be available on live audio webcast (listen only) at: <http://about.usps.com/news/electronic-press-kits/cfo/welcome.htm>.

 **Postalnews.com:** Today is Megan Brennan's first day as Postmaster General. The postalnews.com web site has posted a communication she's shared with all USPS employees. Excerpts below:

We will invest in the future of the Postal Service. Investing in our future means creating the best opportunities for long-term growth and profitability. It means investing in your training and development; in product and service innovations; in our systems and processes; and improving our use of data and technology. It also means making long overdue improvements to our infrastructure, including upgrading our vehicle fleet and deploying advanced package sortation equipment.

We will speed the pace of innovation. The coming years will see greater focus on innovation, with pilot projects designed to test new delivery offerings, new tools to better meet the digital and mobile expectations of our customers, and new offerings designed for America's small businesses. Our commitment to strategic product and service innovation will help drive our growth and the growth for the industries and businesses we serve.

We will develop strategies to better engage and empower employees. As we fully leverage the potential of technology, we want to give you more flexibility and problemsolving tools to deliver greater value for our customers. To best compete for customers, we will need to become more entrepreneurial at every level of the organization.

We will also build the most efficient and productive network to support our growth products. We have made tremendous progress streamlining our operational footprint in recent years-allowing us to keep our products and services affordable.

 **Special Pricing Webinar February 3 at 1:30 p.m. (EST)** Please join the USPS Pricing team on Tuesday, February 3, 2015 at 1:30 p.m. (EST) for a high-level overview of the recent USPS price change filing with the Postal Regulatory Commission. You have received this invitation to join the webinar due to your leadership position within the mailing and shipping industry. The attendance is limited to the first 500 participants, so we ask your cooperation in having multiple attendees log-in from one computer in a conference room, if possible.

For those not able to attend, or log-in, an additional webinar will be broadcast on Wednesday, February 11, 2015. Details on that webinar will be sent separately at a later date. Please see instructions to participate below: Attendee Information US/Canada Attendee Dial-in: (855) 821-1290 Conference ID: 77897089 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e945587df6f42783f51b5a5861b2191a9> Attendee password: 020315 If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <http://usps.webex.com> Event Number: 992 402 862

 **PostCom Members!! Your latest copy of PostCom's Postal Executive Summary is now available online.**

 **At the Postal Regulatory Commission:** Today the Postal Regulatory Commission unveiled its new website designed to provide an engaging user experience and improve accessibility and transparency of Commission documents and activities. Among the key features of the new site are three selections prominently displayed on the homepage: Active Cases, Daily Listings, and Consumer Assistance. The location of these options makes it easier to navigate the site and quickly locate information. The Commission also established a social media presence through the Twitter feed on the homepage as an additional path for keeping the public up to date on certain Commission activities. Six primary menus at the top of the website help the user locate information in a coherent manner. Key among the many changes is the appearance of a new tag line: ***The Postal Regulatory Commission is an independent Federal agency that provides transparency and accountability of the U. S. Postal Service's operations.*** [A duty that all are eager to see fulfilled.]

 **News in English:** Norway's struggling postal service (Posten Norge) wants to combine its first- and second-class delivery systems known as "A- and B-post," and thus do away with A-post's expectations of overnight delivery. Customers can confirm that such expectations often aren't fulfilled anyway.

 **The Journal Times:** "Mail seem slow? Postal service change is likely the cause"

 **Washington Post:** The U.S. Postal Service recently announced the expansion of Metro Post, its same-day delivery service (that it has been testing in San Francisco and New York City), to the Washington, D.C. area. Under the program, shoppers can place orders from participating retailers by 2 p.m. and receive their items between 4 and 6 p.m. the same day. It's a great idea that allows commerce companies to leverage the scale of the nation's most iconic delivery service to make life better for consumers. If you look at the true advantage of the Postal Service over FedEx, UPS, and the others, it is not logistics or price or the ability to do same-day delivery. The competitors are often better at this — it's the monopoly the Postal Service has been granted to touch your mailbox and all your mail. Nobody else is allowed to do this without permission. If you were running the USPS, wouldn't you look for ways to leverage this monopoly?

February 1, 2015

 **Direct Marketing News:** "The mailing industry is at an important juncture of transformation, with Internet, telecom, postal, and courier businesses coming together in new and interesting ways," says Ramesh Ratan, CEO of postal equipment provider Bell & Howell. "In the future I see us more as the Internet of Postal Things." Ratan, who ran the AT&T Consumer Lab for Bell Laboratories and served as COO of the Direct Marketing Association before taking the helm at Bell & Howell, was recently named to sit on the Direct Marketing Advisory Board of the Universal Postal Union (UPU). As a leading voice for the marketing mail industry on the UPU, which regulates mail exchanges between 192 member countries, Ratan hopes to smooth the global path for a future of delivering goods and services through physical networks that are connected to digital networks. "Just as a decade ago we saw mailers using databases to make marketing messages personalized and relevant to the individual, a decade later personalization becomes more digital, enabling more physical commerce," says Ratan, who thinks Donahoe chose the right course in aggressively pursuing the shipping business. The topic, he says, will head his agenda on the international Marketing Advisory Board. "We need to address the transition from the physical mail-based business to mail and commerce," Ratan says. "What are the economics, the market forces, the physical infrastructures? How do we take advantage of this?"