

Association for Postal Commerce

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Postal News from April 2011:

April 30, 2011

Post & Parcel: Letters and parcel postage in Finland will no longer be subject to Value Added Tax from June 1 – but the savings will not be passed onto consumers in most cases. Universal service products are set to be exempt from the 23% sales tax under new regulations passed by Parliament last month. However, Finnish postal operator Itella Group said it will only pass on some of the savings to consumers, partly to cover its increasing expenses and partly because it will no longer be able to deduct VAT from its own production costs. So while parcels up to 10kg in weight, and paid for by consumers at retail counters, will see a 15% drop in postal rates, prepaid or invoiced services will remain at the same rates. Commercial parcel rates will also remain unchanged in new price lists that apply from June 1.

Japan Today: Japan Post Holdings Co will slash its annual bonus payment for fiscal 2011 by a total of 115 billion yen, or an average of 500,000 yen per employee, given its postal unit's poor earnings, company officials said. Japan Post Service Co, a subsidiary of the state-owned Japan Post, submitted its business plan, which aims to decrease its operating loss to 40.2 billion yen from previously projected 97.9 billion yen in the business year that began April 1 through a cut in its bonus payments and other measures, to the Ministry of Internal Affairs and Communications earlier in the day.

<u>Huntsville Times</u>: Mail delivery continues, check list for changes in impacted areas

RoadTransport: DHL Express is experiencing UK market share growth after selling off its B2C domestic arm to Yodel last year.

Online PR: Pitney Bowes claims that its DM Infinity Series is the only variety of meters that complies with the prerequisites of the US Postal Services relating to higher-speed, higher-volume meters. The machines belonging to this series are all constructed to be durable and to operate continuously with no any downtime, even with ink refills and postage refills. The ink utilized by the DM Infinity Series postage can create in between 200,000 to 580,000 impressions.

POSTAL SERVICE Board of Governors; Sunshine Act Meeting DATE AND TIMES: Tuesday, May 10, 2011, at 8 a.m. and 2 p.m. PLACE: Washington, DC, at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., in the Benjamin Franklin Room. STATUS: Tuesday, May 10 at 8 a.m.-Closed; and at 2 p.m.-Open. MATTERS TO BE CONSIDERED: Tuesday, May 10 at 8 a.m. (Closed) 1. Strategic Issues. 2. Pricing. 3. Financial Matters. 4. Personnel Matters and Compensation Issues. 5. Governors' Executive Session--Discussion of prior

agenda items and Board Governance. Tuesday, May 10 at 2 p.m. (Open) 1. Approval of Minutes of Previous Meetings. 2. Remarks of the Chairman of the Board. 3. Remarks of the Postmaster General and CEO. 4. Committee Reports. 5. Quarterly Report on Financial Performance. 6. Quarterly Report on Service Performance.

Yakima Herald: Facing one of its most difficult financial challenges ever, the U.S. Postal Service is again looking at sending some of its Yakima operations to Pasco -- a move that could end the Yakima postmark.

Asbury Park Press: The U.S. Postal Service is taking the blame for not delivering sample ballots to all of Monmouth County's active voters in advance of Wednesday's school district elections — even though, technically, it's not at fault.

April 29, 2011

At the Postal Regulatory Commission:

 R2011-5 Comments of the American Catalog Mailers Association (ACMA) <u>http://www.prc.gov/docs/72/72637/ACMA Comments R2011-5.pdf</u>

Post & Parcel: The US Postal Service has had to improve its contract management procedures and boost staff training, after auditors warned that "management is potentially basing important decisions on flawed data". The Office of the Inspector General said this week that an audit of the way in which USPS staff record details about awarded contracts found that 99% contained errors. Following up a request from US Senators Susan Collins and Claire McCaskill, the OIG checked \$2.1bn worth of contracts over six months up to March 2011. Looking at the USPS Contract Authoring and Management System (CAMS), which feeds into the Postal Service's accounts payable system, it found that in 99% of actions reviewed, postal officials did not accurately or completely record contract data.

Post & Parcel: Russian Post is seeking to expand its network of post offices in metropolitan areas, to cope with public demand for postal services. And, the postal operator is seeking federal support for a major modernisation plan that could include upgraded sorting facilities and the implementation of new technologies.

Indiana News Center: The U.S. Postal Service plans to conduct a study at the Fort Wayne Processing and Distribution Facility for possible consolidation of some operations into the South Bend Processing and Distribution Center.

Arkansas Online: Mail delivery has continued for most Arkansas residents in the wake of the devastating spring storms that have left 13 dead in the state. David Camp, the Arkansas District manager, said those displaced can call for mail at their local post office.

Daily <u>Mirror</u>: Postal trade unions said yesterday that they had no faith in the committee that was established to look in to their allegations against the Post Master General (PMG) and said that they would be taking severe trade union action if no justice is meted out. The unions when questioned said they were being suppressed and frightened by parties close to the PMG, but would nevertheless continue with their trade union actions against the PMG.

Courier, Express, and Postal Observer: President Guffy is right to warn APWU members to not use their vote on the USPS contract to vent anger at Republican politicians. APWU members need to look at the contract and decide whether they can live with the changes in workrules and in particular the possibility that many positions will follow a non-traditional full-time schedule. They need to determine whether the changes in workrules and contracting-out provisions create opportunities for APWU members that did not exist before and could create opportunities for APWU members to work with the USPS to work with the Postal Service to create products that could compete with presorters.

<u>American Postal Workers Union</u>: Guffey to Union Members: Some very powerful politicians have set their sights on postal employees, APWU President Cliff Guffey has warned, and union members must respond decisively. "Anti-labor members of Congress have said the union's tentative Collective Bargaining Agreement is too favorable to workers," the union president noted. "They favor contracting out virtually all of our jobs."

DMM Advisory: IMb[™] Services Update. Facility Access and Shipment Tracking (FAST[®]) Release 16.1 will be deployed to the Production environment on Sunday, May 1, 2011. The FAST[®] Production system will not be available from 4 a.m. through 8 a.m. (CDT) on Sunday, May 1, 2011. FAST 16.1 Release Notes and a new job aid (Retrieving 99M Barcode Data from Mail.XML[®]) will be posted on the <u>FAST</u> website (Resources/Reference Documents section) on May 1. FAST Release 16.1 will deploy to the Test Environment for Mailers (TEM) on Monday, May 2, 2011. The FAST TEM system will not be available from 8 a.m. through 12 Noon (CDT) on Monday, May 2, 2011.



The following reports have been posted on the U.S. Postal Service Office of Inspector General website (http://www.uspsoig.gov). If you have additional questions concerning a report, please contact Wally Olihovik at (703) 248-2201

or Agapi Doulaveris at (703) 248-2286.

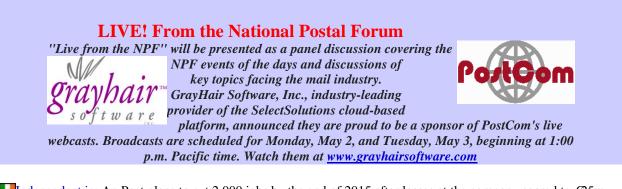
- <u>Contract Management Data (CA-AR-11-002)</u>. In 137 of the 139 contract actions we reviewed, we found postal employees did not adequately record contract data into the postal contracting management system. System design limitations contributed to 73 percent of the errors, and employee input errors accounted for 27 percent of the errors identified. These issues, which involved contracts valued at approximately \$2.1 billion, affect the transparency of the reported data and could result in erroneous decisions based on incomplete and incorrect contract data.
- <u>Facility Optimization: Great Lakes Area (DA-AR-11-005)</u>. We determined the Greater Michigan District has 700,000 square feet of excess interior space. By optimizing the excess space through disposal, outleasing, subleasing, or development, the Postal Service could realize more than \$19.9 million over typical and remaining lease terms.
- <u>Internal Controls over the Contract Close-out Process (CA-AR-11-004)</u>. Postal Service personnel did not always follow contract close-out procedures or records management requirements. Of the 649 contracts we selected for review, we were able to review only 539 contract files, because postal employees could not locate 110 contract files at the time of our site visits. Of the 539 contract files we reviewed, we determined 381 were missing required close-out documents, the contracts had expired and had not been properly closed out, or data were not always reliable.
- <u>St. Louis Information Technology and Accounting Service Center (FT-AR-11-009)</u>. During our audit, we noted that overall the Postal Service complied with laws and regulations that have a direct and material effect on the financial statements. Throughout the year, we reviewed internal controls over financial reporting and identified control issues regarding international mail, money orders, transportation, eTravel, leases, journal voucher entries, and account reconciliations.

Posted on this site are slides from a recent presentation given at postal headquarters:

- <u>USPS Headquarters Organizational Chart</u>
- <u>Financial Update</u>
- Every Door Every Date Update
- <u>Chief Information Officer Update</u>

Press Release: "Farrington Transportation Adds Co-Mail To Mailing Services"

USNews: Baby boomers who sign up for Social Security benefits on or after May 1, 2011 will no longer have the option of receiving a paper check in the mail. Individuals newly applying for Social Security or other federal benefits will need to choose an electronic payment method beginning next week. Retirees already receiving their payments by paper check have until March 1, 2013 to switch to direct deposit.



Independent.ie: An Post plans to cut 2,000 jobs by the end of 2015 after losses at the company soared to $\notin 25m$ last year. But chief executive Donal Connell will retain his pay package of $\notin 500,000$ a year.

The Guardian: The government wants to privatise the Royal Mail. But what would the new service look like? An examination of how the Dutch do it exposes unhappy customers and exploited workers

The League of Postmasters and NAPUS have sent a letter and legal opinion to PRC chair Ruth Godway outlining their opposition to the USPS's proposed changes to the rules governing post office closings

PostEurop News, Quarter I, 2011

Auctionbytes: DYMO Endicia and ABOL Software launched a new, free shipping-integration software for Amazon sellers that reduces the time needed to prepare Amazon shipments and makes package tracking and order history management simpler.

The latest issue of the <u>PostCom Bulletin</u> is available online. In this issue:

- The USPS on April 28, 2011, published in the Federal Register its proposed rules requiring use of a unique tracking barcode on all commercial parcels except Standard Mail parcels claiming presort and destination entry prices by January 2012, and encouraging use of unique tracking barcodes by providing free Delivery Confirmation service on all commercial parcels except Standard Mail parcels. Comments are due to the USPS by May 31, 2011.
- The Association for Postal Commerce (PostCom) on April 25, 2011, submitted its comments on the USPS' proposed rules published March 24, 2011, in the Federal Register [see PostCom Bulletin 14-11] outlining a new option for mailers to combine Standard Mail flats and Periodicals flats within the same bundle, when placed on pallets, and to combine bundles of Standard Mail flats and bundles of Periodicals flats on the same pallet. PostCom raised concerns that the USPS' proposed rules differ from those used during the pilot test of the combined mailing concept, stressed that entry flexibility is needed, urged the USPS to re-visit the required presort bundle piece minimums, and opposed the proposed restriction that only IMb Full-Service mailings be allowed participation.
- The Association for Postal Commerce (PostCom) on April 28, 2011, submitted its comments on the USPS' proposed rules published March 14, 2011, in the Federal Register [see PostCom Bulletin 11-11] outlining changes in mail preparation requirements for mail entered at origin, either as an entire mailing or as the residual volume for Plant Verified Drop Shipment (PVDS) mailings. PostCom urged the USPS to work more constructively with industry in formulation of new requirements that will increase mailer costs,

focusing on an approach which would provide some benefit to mailer in complying with the requirements, or some trade-off to make such requirements more palatable to mailers whose costs will increase. It also asked the USPS for clarification on many aspects of its proposed rules and recommended that clarification be published allowing the industry a brief additional comment period to respond once those requirements are better explained.

- Postal union brings back work, but divides it. Delegation: Postal closures unlawful. Upstart to challenge FedEx, UPS & USPS. Post Office merger war on workers. Regulation: the hidden tax. PostCom comments on mobile barcode promotion. PRC Chairman poses questions in mobile barcode docket. Upcoming MTAC session. USPS requests extension on Collaborative Logistics test.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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



The PostCom Bulletin is distributed via NetGram

April 28, 2011

The Journal: The Communications Workers Union (CWU) has said that the 1,900 workers who will leave An Post by 2015 will only do so "through voluntary leaving and by agreement". The union was responding to An Post announcing today that they would continue with their staff rationalisation plans for the next four years. The 1,900 number includes the 330 who left An Post last year, according to RTE.

Postmaster General Donohoe of the appointment of Giselle Valera as Vice President and Managing Director, Global Business, effective June 1, 2011.

The slides from today's webinar on <u>USPS' New National Process to Assist in Mailpiece Design Support</u> have been posted on this site.



- R2011-5 Comments of the Association for Postal Commerce http://www.prc.gov/docs/72/72617/R2011-5 comments_PostCom.pdf
- MT2009-1 Order No. 720 Notice and Order Granting Temporary Extension of Collaborative Logistics Market Test http://www.prc.gov/docs/72/72633/Order720.pdf

http://www.prc.gov/docs/72/72633/Order720.doc



• "<u>Rationalizing Postal Costing In The 21st Century</u>" This paper lays out a belief that the dictates of PRA-era postal economic thinking were not intended by Congress to be immutable. In fact, the authors very much are of the mind that Congress provided the Postal Regulatory Commission (PRC) and the U.S. Postal

Service (USPS) with more than sufficient flexibility to allow a more business-like way of meeting the nation's postal needs.

 "The Postal Service's \$75 Billion CSRS Pension Claim Should Not Slow Efforts To Fix Critical Short- And Long-Term Problems"

Press Release: Fairrington Transportation will be the sponsor of PCC Night – the main social reception at the National Postal Forum (NPF), scheduled for Tuesday, May 3, 2011 at the Hilton San Diego Bayfront Ballroom. More than 2,000 guests from the mailing and postal industry are expected to attend. The NPF will be held May 1-4, 2011 at the San Diego (CA) Convention Center. "Fairrington is proud to sponsor the National Postal Forum," said Fairrington Transportation also announced today the purchase of a new SIM 36-pocket co-mailer for installation in its Bolingbrook IL consolidation center.

DMM Advisory: The Postal ServiceTM has issued two in a continuing series of revised or new Customer Support Rulings. They are posted on Postal Explorer® (pe.usps.com):

- Revised <u>PS-054</u>; Requester Records Periodicals Publications, includes a new policy statement concerning "email requests" to a requester Periodicals publication.
- New <u>PS-336</u>, Identification of Nonprofit Standard Mail® Matter, provides policy guidance to customers and postal employees concerning the correct and permissible identification of nonprofit mailings.

From the Federal Register:

Postal Service PROPOSED RULES Intelligent Mail Package Barcode Implementation for Commercial Parcels , 23749–23755 [2011–10244]

[TEXT] [PDF]

East London Advertiser: Royal Mail chiefs are set to reject a union plan to keep the East London Mail Centre open and forge on with plans to close it by next spring, according to MP Jim Fitzpatrick.

Bloomberg: Gains in overnight shipments at United Parcel Service Inc. (UPS) and FedEx Corp. (FDX), the two largest package-delivery companies, show consumers and businesses are willing to pay for faster deliveries as the economy expands.

St. Thomas Times-Journal: Canada Post has a "serious productivity problem" that should be solved by ending the Crown corporation's monopoly with a sell-off to the private sector, says an economic think tank. The Montreal Economic Institute says mail delivery would be cheaper for consumers if Canada Post operated in a competitive market, as do many postal services around the world. Canada Post has distributed less mail in recent years because of the popularity of e-mail and other technologies. Sales are down and operating costs have risen. Labour costs make up two thirds of the company's expenditures. "Canada Post has a serious productivity problem," said Geloso Vincent, an economist at the Montreal Economic Institute. "Its fleet is obsolete and employee absenteeism is very high." Unionized Canada Post employees work only 64% of the time for which they are paid, according to a 2004 study. The average mail carrier works 38 minutes out of every hour, the study also found. The Institute also expressed concern that Canada Post hires more staff than other companies with similar workloads.

TheNews.pl: Jerzy Jozkowiak, the newly appointed chairman of Poczta Polska has decided to delay the restructuring of the national postal service, citing concerns that savings that were to made from the move may not be as much as previously thought. The restructuring of Poczta Polska was to include the laying off of around 5,000 postal workers as well as turn 669 post offices into postal agencies, which would be found in shops and petrol station forecourts.

Sioux City Journal: City Manager Paul Eckert has made a Freedom of Information Act request to U.S. Postal Service authorities seeking a copy of the feasibility study on the closure of the mail processing and distribution center here. At the conclusion of Tuesday evening's public hearing held by the postal service, Mayor Pro Tem Tom Padgett presented the letter to postal officials.

Prescott Report: If you have been awake for more than 20 minutes in the last 4 years, you will know that the USPS, one of the oldest institutions in the United States, is in very difficult circumstances. Having built enormous human resources and logistic resources, especially in mail processing, the company (and it is NOT a government agency – it has to make its own way) is facing a grim future. Mail volumes in its most profitable line, first class, and in its highly profitable direct mail products have declined dramatically, and continue to do so. On the other hand, parcel traffic has increased with e-commerce. But this is truly a separate kind of business to mail processing, and increased revenues there have not offset declines in mail. And unlike mail, in the parcel business there is lots of very competent competition. What to do?

CBS New York: The United States Postal Service is considering a change in the way it handles mail on Staten Island, and residents are leery of the plan. The so-called consolidation would move operations at the Manor Road Processing Center on Staten Island to Manhattan and Brooklyn. The process is likely to delay the time it takes for residents to get their mail.

Skynews: The Royal Mail is investigating claims that its staff have dumped far-right election leaflets "across Wales" instead of delivering them to households.

Billings Gazette: Post offices in Cardwell, Crane, Redstone and Shawmut are being considered for closure in Montana, part of an effort that may result in the closure of 2,000 to 3,000 offices nationally. Al DeSarro, spokesman for the West Area Region of the U.S. Postal Service, said the process could take up to nine months to complete.

PRNewswire: When the royal wedding of Prince William of Wales and Catherine Middleton takes place Friday, the U.S. Postal Service and British Royal Mail will help you join in the worldwide celebration. A limited supply of Official Royal Wedding collectibles not for mailing goes on sale tomorrow on the Postal Store, www.usps.com/shop, or by calling 800 782-6724.

Ederal Times: More than 2,000 U.S. Postal Service administrators have signed up for an early-out deal that will give them \$20,000 in return for leaving their financially struggling employer by the end of next month, a spokesman said Wednesday. Announced last month as part of a broader streamlining, the offer is the first for USPS managers since 1992, Chief Human Resources Officer Tony Vegliante said in an interview. Two thousand three employees applied by the Monday deadline, spokesman Mark Saunders said. The \$20,000 incentive will be paid out in equal installments this November and in November 2012.

April 27, 2011

Portion The Association for Postal Commerce has filed comments regarding:

- Docket No. R2011-5. Notice of Market Dominant Price Adjustment for First-Class Mail and Standard Mail
- FedReg Vol 76 No. 49 13704-13767. <u>USPS Proposed Rule, New Origin Entry Separation &</u> <u>Containerization Standards</u>

<u>Courier, Express, and Postal Observer</u>: In its conference call yesterday, United Parcel Service provided a number of insights on the parcel shipping market and the customers that use UPS, FedEx and the Postal Service.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

Swiss Post was found guilty of money laundering by the district court of Solothurn.

Chinese express and postal services maintained their considerable growth in 2011.

Poland's postal market recorded almost no growth in the past 4 years.

German postal operator primeMail, a joint venture of Swiss Post and Hermes, is about to be closed.

The Italian ministry of justice has put several subcontractors of TNT Express in the Lombardy region under forced administration.

British B2C parcel specialist Yodel (formerly known as Home Delivery Network) announced extensive restructuring measures and layoffs.

The Courier Industry Association of Kenya (CIAK) again raised their objection to the government's planned sales tax.

Delegations of Canada Post and the Canadian Union of Postal Workers (CUPW) met again at the negotiating table on Tuesday this week.

TNT Innight expanded its network in the Netherlands with the so called

MannedPudoSolutionTM. At initially 64 locations the company offers its customers the possibility to post or collect their urgent shipments in the night. The company also announced that the number of locations will be increased in the near future.



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

<u>Chapter 97</u>: Russian Post informs its clients about receiving an official request from Belposhta, the Belarusian postal operator, to cancel 2368 money transfers. The Belarusian postal operator says it has requests of senders to revoke their money transfers.

Canada NewsWire: After several months of unsuccessful negotiations and conciliation talks, the employees of Canada Post voted by a margin of 94.5% in favour of going on strike at the end of May if they do not reach a negotiated settlement with their employer. Now is the perfect time to evaluate this public monopoly and to consider reforms that would improve its efficiency. In an Economic Note published today by the Montreal Economic Institute (MEI), economists Vincent Geloso and Youri Chassin show that opening up the postal sector to competition and privatizing Canada Post would allow for a more modern and affordable postal system, like the ones that exist in other countries.

Sioux City Journal: It's a good thing officials from the U.S. Post Office said they came to listen, because residents sure gave them an earful Tuesday night. They got a little rowdy about their opinions, too.

Beartooth NBC: The US Postal Service presented its plan to look at sending Helena mail to Great Falls to be sorted before delivery.

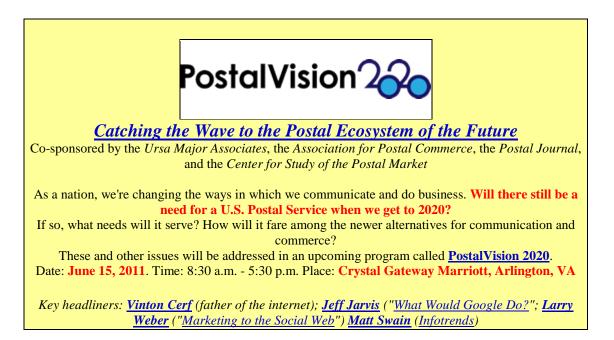
Post & Parcel: Card manufacturer Hallmark has launched a new line of postage-paid Mother's Day cards in the United States.

Virgin Islands Daily News: After almost five years working with local and federal law enforcement agencies in the territory, the U.S. Postal Inspector assigned to the Virgin Islands will be departing, leaving a hole that local law enforcement says need to be filled. Postal Inspector Steve Stebbins is the longest-serving postal inspector assigned solely to the Virgin Islands - his predecessor being the only other postal inspector with such a distinction. After seven years with a postal inspector assigned to and working out of the Virgin Islands, the U.S. Postal Inspection Service still has not decided whether another postal inspector will replace Stebbins. Local law enforcement officials are eagerly awaiting word on the matter.

Napa Valley Register: The Napa post office is under investigation for the reported loss of a master key mail carriers use to open cluster and apartment mailboxes, the U.S. Postal Service confirmed Friday.

Washington Times: Four years after inspectors found that the cash-strapped U.S. Postal Service could save tens of millions of dollars by charging Netflix for hand-sorting its DVD mailers, postal executives have refused to make the change. Now, regulators are calling the Postal Service's treatment of Netflix discriminatory. "The Postal Service separated and hand-processes a substantial proportion of Netflix's returns without imposing a non-machinable surcharge," the commission ruling stated, adding that Postal Service headquarters officials knew about the practice for years.

The Republic: The U.S. Postal Service says an internal study supports closing a mail processing and distribution center in Frederick that employs about 160 people. Plant manager Bruce Wall told The Frederick News-Post on Monday that about 85 of the workers could apply for jobs in Baltimore and the rest would be reassigned to other jobs. The study says the consolidation would save the Postal Service \$4.2 million.



April 26, 2011

E<u>Courier, Express, and Postal Observer</u>: Advertising Age reports that advertising agencies are generating 28% of their revenue from social media. Advertising agencies generated \$8.5 billion in revenue from social media. While 60% of that revenue came from agencies specializing in social media, direct marketing firms generated the second largest share of 23.5%. The success of agencies specializing in direct marketing is not surprising as these firms have the experise in customer targeting and outcome analytics that is critical in making social media work. Direct marketing firms may have a leg up long-term over specialty firms as their customer relationships and ability to integrate multiple modes of direct marketing, including direct mail, may provide a competitive advantage.

<u>NewsLI</u>: Island Harvest, Long Island's largest food bank, is joining forces with the United States Postal Service and the National Association of Letter Carriers in the country's largest one-day food drive, Stamp Out Hunger, to take place on Saturday, May 14, 2011. The campaign is simple and encourages the community to leave nonperishable food items such as canned goods, pasta, rice, boxed juices, etc., next to their mailboxes to be picked up by their letter carriers on Saturday, May 14, 2011. Product in glass containers will not be accepted. Food collected in Nassau and Suffolk counties will help over 285,000 Long Islanders —including 110,000 children — who face the risk of going hungry every day.

The Atlantic: Godrej and Boyce, the last company left in the world still manufacturing the devices, has closed its doors, when typewriters make their way to landfills, there won't be any new ones to replace them.

A Bulletin Version for your iPad or iPhone

Keep your eyes peeled. PostCom soon will be making available to its members a special PostCom Bulletin feature. Soon, you'll be able to get your bulletin in a format more **compatible with your everyday use of your iPad and iPhone**. This new feature will be made available to all PostCom members thanks to your colleagues at <u>Cenveo</u>.

Courier, Express, and Postal Observer: United Parcel Service reported that it earned \$885 million its first quarter of 2011. Its earnings were up 66 percent from a year earlier when it earned \$533 million. UPS projected earnings are stronger than previously forecast. It now projects that its earnings will be between 17 to 24% higher in 2011 than 2010. UPS's earnings growth came in all three of its operating segments, U.S. domestic package, international package, and supply chain and freight. UPS's increases in revenue reflects both rate increases and increased fuel surcharges. Its increases in profits reflect margin improvements in its U.S. domestic package and Supply chain and freight businesses.



Harvey Software, Inc. announced that the FedEx SmartPost® service will be supported in its Computerized Parcel System (CPS) shipping software release scheduled for June 2011. With SmartPost, FedEx works with the

U.S. Postal Service[®], providing the pick-up, processing, and interim transportation of packages. Final delivery is made by the USPS[®], providing significant savings for the shipper. FedEx SmartPost integrates the convenience of FedEx with the every day delivery reach of the US Postal Service. FedEx SmartPost can be used as easily as any other carrier and service in CPS. CPS users can choose FedEx SmartPost for any package, or let CPS RateBots automatically select FedEx SmartPost when it is the right choice. The FedEx SmartPost Module can be added to any CPS shipping package.

<u>Tricities</u>: Mail processing operations will be moved from Bristol to Johnson City - according to a press release issued this afternoon by the US Postal Service.

Caspionet: KazPost is planning to offer credit cards to its customers. KazPost's profit in 2011 will hit the mark of nearly 700 million tenge. A twofold increase in revenues will be possible thanks to more active work of the company with accounts receivable, cost reduction, as well as the introduction of new services. In addition, the structure is going to enter the market with IPO this year.

The Observer: Contract talks are scheduled to resume Tuesday between Canada Post and the Canadian Union of Postal Workers (CUPW). Union members recently voted 94.5% in in favour of giving their negotiators a strike mandate. CUPW will be in a position to strike midnight May 24 if an agreement is not reached.

USA Today: Netflix charges \$8 per month to stream movies and TV shows over high-speed Internet connections. Most customers pay a little more per month so they can also rent DVDS delivered through the mail. The company is trying to nudge its subscribers to stream video more frequently to help lower its postal expenses.

Economic Times: The government has asked corporates to communicate with their shareholders electronically in order to cut down on the use of paper . The move is part of the latest 'green initiative' by the ministry, but could also help companies cut costs by obviating the need for paper-based communication. Under the Information Technology Act, 2000 service of documents in electronic mode is considered valid delivery. The ministry of corporate affairs has directed all companies to maintain a formal register of valid e-mails of all its shareholders where key communication like notices of company meetings can be send. Currently, companies are required to communicate with their shareholders through the postal route.

Malaysia Star: Pos Malaysia Bhd could see mail volumes drop further as Tricubes Bhd's 1Malaysia e-mail proposal threatens to eat into the former's government-related mail portfolio. Sources familiar with Pos Malaysia's operations said the company would likely see mail volumes reliant on government notices negatively impacted with Tricubes' proposal and that the postal service's latest stakeholder, DRB-HICOM Bhd, would look at drawing up a risk structure within Pos Malaysia to address concerns surrounding the matter.

Daily Journal: The U.S. Postal Service plans to move mail processing operations from a facility in Alexandria to its Shreveport Processing and Distribution Center. See also <u>Shreveport Times</u>.

April 25, 2011

The Sacramento Bee: Regulation is a hidden tax that raises the price of goods. It's tempting to think that businesses bear most of the burden. Just how regulated is the economy? The just-released 2011 edition of the Competitive Enterprise Institute's annual "Ten Thousand Commandments" study has some answers. At the end of 2009, the Code of Federal Regulations was 157,974 pages long. In 2010, 3,752 new rules hit the books - equivalent to a new regulation coming into effect every 2 hours and 20 minutes, 24 hours a day, 365 days a year. An additional 4,225 regulations are at various stages of the pipeline right now. Agencies aren't required to say how much these regulations cost, aside from acknowledging that each one of the 224 costs at least \$100 million. At a bare minimum, last year's economically significant rules alone will cost \$22.4 billion. The real number is likely much larger. The total cost of federal regulation is \$1.75 trillion.

<u>Press Release</u>: United Business Mail (UBM), a presort mail services company, has implemented Parascript's AddressScript as the only optical character recognition (OCR) technology to process its handwritten mail. The tech

saves customers postage dollars and improves the deliverability of mail with such success that UBM is considering using it on machine print mail on rejects as well. UBM has achieved significant gains on finalizing handwritten addresses at their centers in Minnesota and Arizona with Parascript's OCR technology on their BOWE BELL + HOWELL PTI High-Speed Multi-Line Optical Character Reader (MLOCR), and will now use it at their facilities in Calif. With the solution, UBM is able to obtain automation rate discounts and improve deliverability of the mail by applying a barcode before entering the mail into the USPS plant for continued processing. Parascript's click, with pay-as-you-go, model reduced the cost of the initial investment.

The Standard: The advent of new technology has pushed several traditional services to a corner one among them being the good old post boxes or letter drop boxes that have been part and parcel of our cities for around two centuries. Gone, it appears, are those golden days when people used to demand that the Post Office mount post boxes in their locality. Indeed, the era of speedy communication gadgets like mobile and Internet have put to test the sustainability of letter-boxes. Postal Corporation of Kenya (PCK) last week gave a hint of the prevailing state of affairs as new, faster ways of communicating poke holes in the postal service and life of letters.

DMM Advisory: April DMM[®] Update. Postal Explorer® (*pe.usps.com*) is your source for up-todate mailing standards. The *Domestic Mail Manual* is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. On April 17, 2011, we updated our mailing standards to capture the following changes:

- New Mailing Standards for Domestic Mailing Services. We revised Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 401, 433, and 434 to revise pricing and eligibility standards for commercial First-Class Mail. We additionally revised DMM 604 to eliminate the sale of Standard Mail stamped envelopes, and DMM 360, 370, and 380 to extend changes to weight computations for Package Services flats to mirror changes made previously for Package Services parcels. We also made a minor change to DMM 201 to clarify new terminology regarding Standard Mail nonmachinable letters.
- New Mailing Options for Flats and Irregular Parcels Bearing a Simplified Address We revised Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 602.3.2 to extend the option to use a simplified address format to Periodicals flats and irregular parcels and Bound Printed Matter flats, intended for distribution to city delivery routes and to Post Office (PO) box sections in Post Office locations with city delivery service.
- **Carrier Release Endorsements**. We revised Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 202.4.0, 302.4.3, 402.3.3 and 508.1.2 to clarify that uninsured parcels and parcels not requiring a signature may bear the endorsement, "CARRIER—LEAVE IF NO RESPONSE."
- Express Mail and Priority Mail Open and Distribute Clarification of Destination Entry. We revised Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 240, 340, 360, 440, 450, 460, 705, and 707 to clarify that mail expedited by the proper use of Express Mail Open and Distribute and Priority Mail Open and Distribute is eligible for destination entry prices, as applicable for the shape and class of mail. We also revised DMM 705.17.0 to add Area Distribution Center (ADC) and Auxiliary Service Facility (ASF) as destination entry sites for Express Mail Open and Distribute.
- Introduction of Priority Mail Forever Prepaid Flat Rate Packaging and Shipping Services Revisions. We revised Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 123, 124.1.0, 125.1.0, 213.1.0, 223.1.0, 313.1.0, 323.1.0, 423.1.0, and 604.9.0, to introduce Priority Mail Forever Prepaid Flat Rate packaging and to clarify Shipping Services DMM revisions from January 2011.
- Domestic Shipping Services Product Launch of Parcel Select Regional Ground and Shipping Services Clarifications. We revised Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 401.1.0, 401.2.0, 453.1.0, 453.3.0, 454.1.0, 455.7.0, 456.1.0, 456.2.0, 503.4.0, 503.9.0, 503.10.0, 508.7.0, 602.1.0, 602.3.0, 705.2.0, 705.6.0, 705.7.0, 705.8.0, 705.16.0, 705.21.0, 708.6.0, and labeling list, to introduce a new competitive shipping option, Parcel Select Regional Ground service and clarify mailing standards from the January 2011 Shipping Services price change.
- Labeling List Changes. We revised Labeling List(s) L001, L002, L004, L005, L006, L007, L009, L010, L011, L201, and L606 to reflect changes in mail processing operations.



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

• **Postal Ping Pong Diplomacy: Opportunity Knocks For The U.S. Postal Service.** As many posts around the world are downsizing due to decreased volume, China Post is aggressively expanding. The Postal Service is well positioned to establish a partnership that connects and fosters China and U.S. markets. Read more and share your thoughts at http://blog.uspsoig.gov.

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

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

- <u>Review of Global Business System Dispatch 11RG015CRR000.</u> The purpose of this audit is to review the performance of the Global Business System (GBS) Dispatch System, a web-based Postal Service application used to dispatch civil and military mail within the continental United States and abroad at military installations in Korea and Japan. The GBS-Dispatch System is able to build receptacles and containers and generate required Universal Postal Union documents for carriers and Foreign Postal Administrations. The GBS-Dispatch System also shares dispatching information with internal Postal Service systems, foreign posts, and transportation providers and provide operational analysis and planning reports.
- <u>Review of Project Phoenix 11RR006IT000.</u> Project Phoenix, also known as the Multi-Channel Customer Experience Improvement Project, is a management initiative to improve the underlying information technology that supports three key revenue-generating channels: the website (usps.com), the contact center, and retail. We will review the Phoenix solution to determine if management's intended objectives are being met to support the business strategies of the organization.
- Administration and Area Cost Allocation Controls 11RG014CRR000. This audit will evaluate controls over the collection, allocation, and reporting of Headquarters administration and area costs. Although total Administration and Area Operations costs were \$13.3 billion in FY 2010, this audit will focus on one component of those costs, the \$3.3 billion in Headquarters and Area Operation costs. (The remaining \$10 billion in costs are service wide expenses that have no direct relationship to mail volume or specific products). The review will assist in determining whether Headquarters and Area Operations costs are properly classified as institutional, volume variable or product-specific, and whether certain group-specific costs are properly allocated between market dominant and competitive products.

Courier, Express, and Postal Observer: In a perverse way, the problems that OPM is having in processing retirement claims in a timely fashion creates a perverse incentive to accept an early retirement incentive. As FedSmith.com reports, the Office of Personnel Management is taking 117 days to get final retirement payments right. The first \$10,000 payment of the retirement incentive can cover a big chuck of the delayed payment of the full pension checks due over the four month delay.

Lanka Business Online: Data released by the Central Bank shows that expenses rose 3.1 percent to 7,330 million rupees in 2010. Revenues had fallen despite efforts to get into banking services and sell pre-paid phone cards. Letters per inhabitant fell to 17 in 2010 from 21 in 2009, according to data released by the Central Bank.

Dead Tree Edition: The good news is that the time required to finalize an employee's application to retire from the federal government or Postal Service has recently improved by about 15%. The bad news is that some retirees are still reporting that it's taking them nine months, even longer, to get their full annuity payments.

The Sun: Loma Linda is special. But it's a little less special than it used to be. For generations, home delivery of the mail came on Sunday not Saturday. It was a special deal worked out long ago between the U.S. Postal Service and the predominately Seventh-day Adventist community, in keeping with that denomination's observance of sabbath on Saturday not Sunday. But starting this weekend, the mail comes on Saturday, as it does elsewhere. The budget-challenged Postal Service says it no longer can afford to make special accommodations for a single community.

April 24, 2011

Ecourier, Express, and Postal Observer: E-commerce in the fourth quarter of 2010 for the first time clearly represented more than 20% of all deliverable retail sales. E-commerce's share of retail sales grew by a third in less than 5 years. The shift of retail from brick-and-mortar to catalog and e-commerce sales will have a profound impact on the retail supply chain, local economies and demand for print communications. The retail supply chain over the next decade will have little choice but focus on home delivery. Lower-cost deliveries by parcel carriers and other firms to retail outlets will decline while higher-cost deliveries to homes will increase. The need for pick-up locations for high value items will grow which will increase the market for delivery lockers like those used by Deutsche Post, Post Danmark and DHL.

MTStandard: Studies show that every dollar invested in the local economy is re-circulated seven times. In an economy where we are on the dawn of recovery, every dollar that supports local jobs is a critical dollar. However, the U.S. Postal Service has begun a review that proposes to consolidate postal services from Helena and Butte, and move them to Great Falls. This means that Helena and Butte will lose good quality, sustainable jobs and a significant amount of buying power that is fueled by that re-circulation. For Helena and Butte, along with their businesses, local and state government offices and nonprofit organizations, this consolidation means a reduction in mail service, delayed mail deliveries, the loss of overnight mail delivery and the loss of the historic Capitol City postmark. The proposed consolidation will cost more money for less service, because mail will be trucked from Helena and Butte up to Great Falls, in many cases, only to be trucked back to these communities for delivery to Helena and Butte mail recipients.

Borneo Post: Khazanah Nasional Bhd (Khazanah) divesting its 32.21 per cent stake in Pos Malaysia Bhd (Pos Malaysia) to DRB-HICOM Bhd (DRB-HICOM) will be able to bring Pos Malaysia to the next level of growth. The divestment is made via a conditional offer with a price consideration of RM3.60 per share or RM622.79 million. The offer price of RM3.60 per share is subject to the modification of the Special Rights Redeemable Preference Share (Special Share) in Pos Malaysia held by Minister of Finance (Incorporated) (MoF Inc).

Daily Express: Union bosses fear controversial plans to privatise the Royal Mail will leave rural areas of Britain with deliveries on only three days a week.

April 23, 2011

 Welcome to PostCom Radio Another PostCom Postal Podcast

 Join PostCom President Gene Del Polito, Grayhair Postal Affairs

 VicePresident Angelo Anagnostopoulos, and Grayhar Director of Analytic

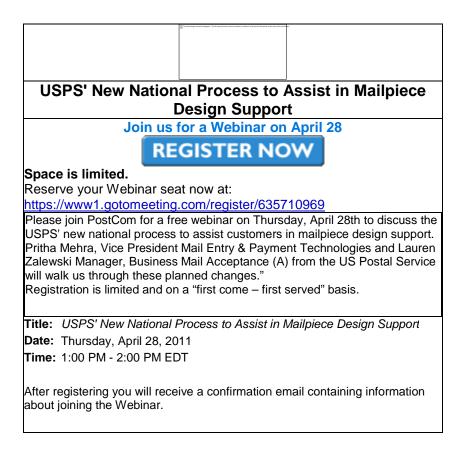
 Services Everette Mills in a discussion of service performance measurement using the best available postal data and tools.

 There are slides that accompany this presentation. You can find them on this site.

 Accompanying Slides

Wall Street Journal: Several recent surveys suggest that men have nearly equal say on spending, and that when men and women live together, both participate in spending decisions. In a survey conducted last year of nearly 4,000 Americans 16 and older by Futures Co., a London consulting firm, just 37% of women said they have primary responsibility for shopping decisions in their household, while 85% said they have primary or shared responsibility.

The respective figures for men were similar: 31% and 84%.



Wall Street Journal: The U.S. dollar's downward slide is accelerating as low interest rates, inflation concerns and the massive federal budget deficit undermine the currency. With no relief in sight for the dollar on any of those fronts, the downward pressure on the dollar is widely expected to continue.

Glenwood Springs Post Independent: The U.S. Postal Service announced Friday that a study of mail processing operations recommends cutting 19 of the 37 workers at the West Glenwood mail processing facility.

Worthington Daily Globe: The fate of post offices in Dovray and Kenneth are in the hands of the United States Postal Service (USPS), and maybe, of their customers.

Chicago Tribune: After suffering an \$8.5 billion loss last year and amid ongoing declines in mail volume, the U.S. Postal Service has consolidated mail routes and deployed automated mail-sorters — changes that are causing headaches in some Chicago suburbs and could be a forewarning for others.

BurrusJournal: Notwithstanding my reservations, I expect the agreement to be ratified and I choose not to express an opinion of the reasons. Each member casting a ballot is entitled to apply his/her individual decision and I do not pass judgment on their reasons. As a retiree, I will not personally be affected by the new agreement and those that will follow but it is my firm opinion that this contract will begin a new era of postal employment in the crafts represented by APWU. The agreement will permanently reduce the wages of APWU represented employees to a level in existence prior to the 1971 Postal Reorganization Act when collective bargaining was afforded postal employees.

Sys-Con Media: Serial entrepreneur Ron Wiener, whose Venture Mechanics venture arm incubated Swiss Post's digitized postal mail partner Earth Class Mail, has spent the last couple of years putting together a new parcel carrier

meant to challenge FedEx, UPS and the USPS in delivering B2C packages from the scads of SMBs that don't qualify for FedEx and UPS discounts and are basically stuck subsidizing the unprofitable volumes of the FedEx and UPS mega-shippers. Called EquaShip, the start-up - just-out-of-stealth-mode and not yet up and running - is promising to be the cheapest game in town, offering to deliver even single pieces for 10%-30% less than UPS and FedEx, maybe more.

DMM Advisory: IMbTM Services Update. Facility Access and Shipment Tracking (FAST[®])

Release 16.0 will be deployed to the Production environment on Sunday, May 1, 2011. The FAST[®] Production system will not be available from 4 a.m. through 8 a.m. (CDT) on Sunday, May 1, 2011. FAST 16.1 Release Notes and a new job aid (Retrieving 99M Barcode Data from Mail.XML[®]) will be posted on the <u>FAST</u> website (Resources/Reference Documents section) on May1. FAST Release 16.1 will deploy to the Test Environment for Mailers (TEM) on Monday, May 2, 2011. The FAST TEM system will not be available from 8 a.m. through 12 Noon (CDT) on Monday, May 2, 2011.

Courier, Express, and Postal Observer: APWU members now have their ballots for the ratification of the tentative 2010-2015 Collective Bargaining Agreement with the Postal Service. Like many votes on labor contracts that make significant changes in long-standing work-rules, pay schedules, and compensation levels in industries facing economic change, ratification is not pre-ordained. The APWU contract has generated vocal opposition from both former APWU President William Burrus and a number of local Presidents.

At the Postal Regulatory Commission: The Presiding Officer has filed an information request regarding the Postal Service's proposal to grant discounts for the inclusion of quick response bar codes in certain First-Class and Standard Mail. <u>http://www.prc.gov/Docs/72/72541/CHIR%20No.%201.pdf</u>

April 22, 2011

Courier, Express, and Postal Observer: We have a situation that home/small business users find themselves facing a situation that easy access to the Internet may become more difficult and the computer and networking hardware that they use cannot keep up with the changing technology without expert assistance. What does all this technical talk have to do with mail? It means that overcrowding of mobile and web-based communications may make mail a critical backstop during what will likely be a decade or more long transition to greater network capacity and computer and networking equipment that can easily handle new web addressing standards. This does not mean that consumers and businesses will slow the push of many forms of mail-based communications, and in particular transaction related documents (i.e. statements, checks, payments and bills) to electronic alternatives. But it does mean that mail will continue to provide a critical communications role for those that do not want to be lost among the thousands of communicators crowding the information superhighway until speed of that highway slows to a crawl when network capacity or addressing problems makes the Los Angeles rush hour analogy appear apt.

Des Moines Register: The small communities in Iowa are experiencing another blow to their community identities: the closing of local post offices. The U.S. Postal Service is systematically closing post offices in Iowa's communities under the pretense of making the mail delivery system more efficient. The USPS has several options to lower costs: End Saturday delivery; shorten the post office hours; put a postmaster in charge of several small post offices rather than require a postmaster at all post offices; or share a postmaster between two small offices, with morning hours and afternoon hours at each post office.

Bluefield Daily Telegraph: A bipartisan delegation of West Virginia and Virginia lawmakers are claiming federal laws prevent the U.S. Post Master General from closing a local postal distribution center and several community post offices. The letter alleges the postal service is "trying to balance its books by unfairly targeting rural postal facilities." The U.S. Postal Service has stated post office closures are needed in the face of growing financial concerns for the agency.

<u>PIWorld</u>: PRIMIR recently published a new 420-page research study, "Trends & Future of Direct Marketing." It examines direct marketing and particularly how printed direct marketing channels are faring in light of a host of new

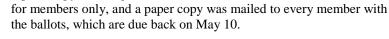
non-print direct marketing options. E-mail, Websites, social media, and mobile channels, among others, all pose threats to print.

The Chronicle Herald: Workers at a Canada Post call centre in Antigonish knew it was coming, but they say getting layoff notices the day before the Easter weekend was just rotten. See also the Edmunton Journal.

Telegraf: Arrears of "Belposhta" to "Mail of Russia" on money transfers between the two countries amounted to RUB195 million (\$6.9 million dollars). Belarusian postal operator is unable to repay, because it can get currency for this, reported "Belposhta" first deputy general director Hennadi Demyanenko. "One can't buy the currency to settle accounts with the Russian side," he was quoted by RIA "Novosti" news agency. Thursday, April 21, "Belposhta" stopped receiving international remittances in the Belarusian rubles. According to Hennadi Demyanenko, the problems with currency in Belarus caused the tenfold increase in transfers' amounts - including to Russia. Deputy Director of "Belposhta" explained that the transfer to Russia - one of the legal schemes by which citizens of Belarus can convert local currency into the foreign one. As for the "Post of Russia," the administration of the operator does not know how much they can wait for the debt repayment without breaks in payments to customers.

April 21, 2011

Example Labor Notes: Against a backdrop of economic difficulties and a hostile Congress holding some key cards, the American Postal Workers Union reached a tentative agreement with the U.S. Postal Service that grants large concessions but achieves union objectives. The new proposed agreement announced in March creates a lower wage scale for new career employees and an additional second-class workforce, while bringing back thousands of contracted-out jobs and protecting existing employees against layoff. At the outset, the union's negotiators had stated their goal of returning work to the bargaining unit by showing that it would save the employer money to do so. However, the proposed deal would greatly expand the "non-career" workforce, create a two-tier pay scale for career workers, and replace the five-day, 40-hour workweek with a huge range of possible schedules. The agreement has prompted a sharp internal debate over the ratification vote, including a call for the contract's rejection by the outgoing national president, Bill Burrus. A complete copy of the agreement is available online at the APWU website





Postal. Journal Gene Del Polito, president of the Association of Postal Commerce presented an alternative business model for the Postal Service at a recent conference on the future of the Postal Service conducted by the

Center for Research on Regulated Industries. His paper explains why both existing and previous business models for the Postal Service have failed. His alternative model gives Postal management the freedom to look at every facet of its business (retail, mail collection, preparation, processing, transportation, delivery, marketing and sales) to determine whether needs would be better satisfied using internally available resources or by using outside resources via contracting. The enterprise should be allowed to make such choices selectively on a nationwide, regional, state, or local level.

The latest issue of the **PostCom Bulletin** is available online. In this issue:

- The USPS OIG has released the second part of its study on the USPS' role in the digital age. It said that "with several different communications channels competing for consumers, the Postal Service needs to modernize its role to accommodate for the digital age."
- The Postal Service submitted a market test to the Postal Regulatory Commission for an experimental product called "Mail Works Guarantee." According to the USPS, "this new product will be offered to a group of companies who spend a minimum of \$250 million annually on advertising as identified by Advertising Age magazine and for whom mail is not currently a large part of their advertising mix (postage is less than 0.36 percent of the company's total spending on advertising).

- The Postal Regulatory Commission has issued its decision in the GameFly complaint case that began on April 23, 2009. The Commission concludes that the Postal Service has unduly discriminated against GameFly. Commissioner Hammond offered his own concurring opinion.
- Please find below and attached information about the proposed USPS Mobile Barcode Promotion which is pending approval (expected within 45 days of the filing date of April 12) by the Postal Regulatory Commission (PRC).
- Gene Del Polito presented a paper at a recent conference on the future of the Postal Service conducted by the Center for Research on Regulated Industries.
- Paper checks to be phased out for RRB. Don't bank on the USPS without more reforms. The Washington Post does not understand the Postal Service. New CPI figure available. Test Results for USPS electric LLV Conversion Vehicles.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



The PostCom Bulletin is distributed via NetGram

The Republic: West Virginia and Virginia lawmakers are raising concerns about proposed postal consolidations in their states. The U.S. Postal Service has proposed closing and consolidating some postal facilities in southern West Virginia and southwestern Virginia. Members of each state's congressional delegation sent a letter Thursday to Postmaster General Patrick R. Donahoe questioning the proposals. The letter says in many cases it's unreasonable to expect residents to drive to other towns for mail services. The lawmakers also say they're not convinced mail delivery service disruptions will be minimal.

Multichannel Merchant: Experts Weigh In On Likelihood of Huge Catalog Postal Rate Hike

Times of India: International transfer of cash, precious items like gems, jewelleries and electronic items would now be easier, with postal department coming up with the service of sending 'flat rate box' from May 28. In the first phase, this service would be operational at Patna GPO, Bankipore, Gaya, Rajgir, Muzaffarpur and Bhagalpur. 'Flat rate box' is a tamper-free parcel box. The department would introduce three sizes of parcel boxes – of 1kg, 2.5 kg and 5 kg. No stamp or extra packaging would be required and its price would be the same for sending it anywhere in the world.



The MAILCOM Las Vegas registration page is up at www.mailcom.org. MAILCOM Las Vegas will be held



September 25-27, 2011 at the Riviera Hotel in Las Vegas, NV. Over 100 seminars, ten certificate programs, and an exhibition hall will be featured. The basic information is now posted; more will be added in the weeks ahead. Register today and save at the early-bird rate! Register at

https://www.mailcom-conference.com/2011/lv.2011.registration.htm Or call Bill McQuade at 609-264-0120 MAILCOM Las Vegas The 18th Annual Fall Conference & Exhibition September 25-27, 2011 Riviera Hotel / Las Vegas

Now hear this: "This Week In Postal"......the latest podcast posted now!

In the event you're really dying to know what's in <u>the USPS-APWU agreement</u>, you can check it out online.

The Observer News: Local groups have been so overwhelmingly generous in donating to troops overseas that sometimes, they've prevented things from getting there.

Dead Tree Edition: It's not even Earth Day yet and already the airwaves, Web sites, and even some print publications are filled with environmentally themed corporate messages. Makes me want to puke.

Press Release: Commercial shippers seeking an economical solution for delivery of small packages now have a new service available from the U.S. Postal Service. Introduced April 17, Parcel Select Regional Ground offers competitive pricing for high-volume business-to-consumer shippers. With an attractive value proposition for delivery of small packages within short-range destinations, Parcel Select Regional Ground can provide big savings for qualified commercial shippers. Additional details and pricing for Parcel Select Regional Ground are available at http://usps.com/parcelselectregionalground. Commercial customers also can contact their Postal Service account manager or the Office of Commercial Pricing at commercialpricing@usps.gov.

Lish Times: An Post must better manage its costs rather than be sold off, the report of the Review Group on State Assets recommends. The review group notes that in An Post's core postal business, mail volumes fell sharply in 2009, down 10 per cent. This resulted in a corresponding 9.5 per cent drop in revenues to €564 million. An Post runs 1,170 post offices, one of the largest post office networks in Europe. It numbers One Direct insurance and the National Lottery among its subsidiaries. In common with postal services elsewhere, An Post faces a tough trading environment marked by declining volumes.

<u>Athens Banner-Herald</u>: The vast majority of American homes and businesses shouldn't receive mail delivery at all. Most should pick up their stuff from P.O. boxes, as often as they wish. This would improve things in a number of ways.

Azerbaijan Business Center: In the first quarter of the year Azerbaijan's postal operator Azerpocht Ltd reached 21-percent increase in the number of remittances and 69-percent increase in the amount of remittances.

Washington Post: The government has grown addicted to overcharging the Postal Service to rescue itself. It demands \$11 billion more every year. A good question is whether the Postal Service is losing money or whether these overpayments represent an unauthorized tax on the American people, endangering a historically successful enterprise. --David Williams, USPS IG.

Sioux City Journal: As the United States Postal Service considers its plan to consolidate mail processing operations in Montana and other states, it is important to highlight the impact the proposal could potentially have on a state's elections process.

The American Independent: This week, the U.S. Postal Service issued a new price hike. The change doesn't affect the price of a basic first-class stamp, so it's gone unnoticed by most consumers, but it's the latest desperate volley from the Postal Service to stem the coming tide of insolvency. Postal Service officials have blamed the recession for the agency's financial woes, but the economy is simply exacerbating lost postal revenue from the greater trend of paperless communication. According to internal estimates, lost revenue will skyrocket over the next decade, putting the Post Office a staggering quarter-trillion dollars (\$238 billion to be exact) in the red by 2021 if current trends continue.

April 20, 2011

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PTest Results for USPS electric LLV Conversion Vehicles.

- Autoport. USPS eLLV Conversion by Autoport/AC Propulsion/University of Delaware February 2011, <u>http://avt.inl.gov/pdf/fsev/autoportfact.pdf</u>
- Bright Automotive. USPS eLLV Conversion by Bright Automotive March 2011
 <u>http://avt.inl.gov/pdf/fsev/brightfact.pdf</u>
- EDAG. USPS eLLV Conversion by EDAG, Inc. USA March 2011. http://avt.inl.gov/pdf/fsev/edagfact.pdf
 - Quantum. USPS eLLV Conversion by Quantum April 2011 . http://avt.inl.gov/pdf/fsev/quantumfact.pdf
 - Zap. USPS eLLV Conversion by ZAP March 2011. <u>http://avt.inl.gov/pdf/fsev/zapfact.pdf</u>

Posted on this site are a number of <u>frequently asked questions</u> on Mobile Barcode Promotion Coming July 1, 2011 (Pending Postal Regulatory Commission Approval). If approved, the promotion provides an upfront 3% discount on Standard and First-Class Mail letters and flats that include a two-dimensional barcode that can be read or scanned by a smartphone. This promotion will run from July 1, 2011 - August 31, 2011 and is designed to increase the value of direct mail and build awareness around integrating mobile technology into direct mail communications. All companies, including mail service providers, who mail using a permit imprint and submit their mailing documentation electronically, are eligible to participate.

At the Postal Regulatory Commission:

 C2009-1 Order No. 718 - Order on Complaint <u>http://www.prc.gov/docs/72/72534/Order_No_718.docx</u> <u>http://www.prc.gov/docs/72/72534/Order_No_718.pdf</u>

"Upon consideration of the evidentiary record and the arguments made in the initial and reply briefs of the parties, the Commission concludes that the Postal Service has unduly discriminated against GameFly in violation of 39 U.S.C. 403(c). The Commission confirms evidentiary rulings made by the Presiding Officer; finds that GameFly is similarly situated to Netflix and Blockbuster; concludes that Netflix and Blockbuster have been given a number of preferences, including various forms of manual processing coupled with the avoidance of the non-machinable surcharge; and determines that the Postal Service has failed to present adequate and legitimate justifications for these preferences. To remedy this unreasonable preference, the Commission orders the Postal Service to establish two parallel rate categories within First-Class Mail for round-trip DVD mail. One category establishes that DVDs sent as presorted First-Class Mail letters to subscribers will not be subject to the non-machinable surcharge when returned. The other rate category provides that DVDs mailed as First-Class Mail flats to and from subscribers will not be subject to an additional ounce charge. [1006] The Postal Service is given 60 days to implement this remedy. "

 National Payroll Hours Summary Report, Pay Periods 06 through 08, FY 2011 http://www.prc.gov/docs/72/72535/Payroll%20Hours%20PP08.pdf http://www.prc.gov/docs/72/72535/Payroll%20Hours%20PP06.pdf http://www.prc.gov/docs/72/72535/Payroll_Hours_PP07.pdf http://www.prc.gov/docs/72/72535/Letter NPHS PP6-8-FY2011 001.pdf

GADA News

Attention RIBBS Users. The Postal Service disabled RIBBS® on Friday April 15, as a precautionary measure for the protection of our customers and the USPS. We have completed an extensive review process and we anticipate RIBBS will be available publicly this morning . In an effort to ensure our customers receive the needed products that were previously fulfilled through the RIBBS site, we are implementing contingency processes to fulfill data to users on physical media. Users will be contacted by the respective program help desks with information concerning additional fulfillment options. Feel free to contact RIBBS support through ribbs@usps.gov if you have any questions.

MMD Newswire: The U.S. Postal Service has initiated a new service with Hongkong Post that is structured to foster growth in e-commerce. The new ePacket service expands the array of options offered to e-commerce merchants in Hong Kong seeking to reach consumer markets in the United States. The ePacket shipping solution features tracking and Delivery Confirmation in the Postal Service network for lightweight goods and merchandise ordered by consumers in the United States from merchants in Hong Kong. ePacket service offers consumers in the U.S. and e-commerce merchants in Hong Kong with in-process scanning information and Delivery Confirmation notification available through Hongkong Post's tracking system and through Track and Confirm at usps.com.

Neopost: Bob Sheehan, a long-time member of the Neopost Leadership Team (and a member of PostCom's Board of Directors) has decided to retire from Neopost USA. Vincent DeAngelis will join the company as Vice President, Postal Relations. DeAngelis comes to Neopost USA after spending the last four years at Pitney Bowes in various leadership positions, the most recent as Vice President Postal and Carrier Solutions. He also spent more than 20 years with the USPS as Manager of Ad Mail Sales Development in Windsor, CT, and Regional Director of the New York Sales Center before being named National Director of Sales and Business Development and Director of Brand Management, Value Added and Special Services, in Washington, D.C.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

Spanish Correos was back in the black in 2010 despite a decline in turnover.

TNT Post faces a fundamental restructuring in Germany. Specialist journal »DVZ« (19.04) reported that the business portfolio will be streamlined, loss making segments be stopped and jobs will be cut.

Austrian Post still relies on layoffs and austerity measures despite its remaining de-facto monopoly. Last week CEO Pölzl told journalists that around 800 jobs - around 4 per cent of the workforce in Austria - will be cut every year.

The joint venture of Swedish Posten and Post Danmark alters its name after just two years (CEP-News 26/09). The annual general meeting consented to change the name to PostNord AB. The universal service obligation in the UK will remain in the hands of Royal Mail for at least 10 years. Last week the British government published several amendments to the new postal law, including an assurance that Royal Mail will be committed to guarantee the universal service. The signs are standing for industrial action at Canada Post.

Since Tuesday morning Swiss Post stands trial on charges of money laundering at the district court of Solothurn.

Given its branch network's annual deficit of 22m euros, New Zealand Post announced restructuring measures. Chief executive Brian Roche announced branch closures and layoffs.
Switzerland's privately run postal operators want to 'utilise the margins available for more competition with regard to the implementation of the new postal law'.

Austria a conflict between newspaper publishers and Austrian Post looms. The dispute is triggered by the new service offer of Austrian Post to deliver bundled leaflets wrapped in a foil pack. An Austrian Post spokesman confirmed to daily news »Standard « (15.04) that the post will offer the delivery of the bundled advertising supplements two times a week probably starting at the end of 2011/beginning of 2012.

DHL obviously coped well with the withdrawal from the US domestic market. The company stopped the domestic service offer at the end of 2008 (CEP-News 45/08) due to horrendous losses - insiders speak of around 10bn euros. Now DHL plans to invest some 28m euros in its Cincinnati airport hub. Ian Clough, CEO of DHL Express USA, confirmed to news agency »Bloomberg« (14.04) that international volume grew annually by 10%. With this DHL exceeded its original growth target by 15%.

A significantly lower letter volume caused a 60m euros loss of turnover for Irish An Post. German privately run postal operators Arriva and RegioPost Pfalz took over Karlsruhe based Stadtbrief.



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

<u>Des Moines Register</u>: The Postal Service this week confirmed many more towns, cities and townships that could lose offices, including Woolstock. That brings the current 2011 tally of Iowa post offices and stations facing closure to about 50.

Ithaca Journal: The announcement of the new Tompkins County program to reduce landfill waste by establishing a "Do Not Mail" registry needs examination on a much broader level. Certainly, the issue of environmental sustainability is an important one. However, there are other factors that should have been taken into consideration.

Exercise: Malaysian conglomerate DRB-Hicom has won the bid to buy a stake in national postal company Pos Malaysia Bhd for 623 million ringgit (\$206 million), Business Times reported, citing people familiar with the matter. DRB-Hicom is expected to sign an agreement with state investor Khazanah Nasional, which owns the 32 percent stake in Pos Malaysia, early next week, the paper said.

Overnight Prints: In hopes of boosting revenues and its current 3.1 percent share of the American media advertising market, the United States Postal Service is launching a new program to demonstrate the effectiveness of direct mail to major advertisers. The program, known as "Mail Works Guarantee," will provide advertisers that mail between 500,000 and a million direct mail pieces over the course of two years a postage refund of up to \$250,000 if their campaigns don't meet set objectives

Wireless Federation: The Italian Post (Poste Italiane) has partnered with the World Bank for the construction of IT platforms in developing countries. Poste Italiane will collaborate with the World Bank, sharing its expertise and technology solutions with the engineers involved in the development projects aimed at emerging markets. The cooperation will be developed in particular in digital services, with reference to e-Government programs and the establishment of logistic platforms for postal services, in IT services, MVNOs, mobile banking, and a range of postal services.

Hellmail: TNT Post has become the first company in Europe to install a new high-speed letter sorter from Pitney Bowes.

Appleton Post Crescent: The U.S. Postal Service said it's moving all mail processing operations from its facility in Oshkosh to Green Bay by Sept. 30 in an effort to save money.

E<u>Lancaster Newspapers</u>: The U.S. Postal Service says it could save about \$2 million a year by shifting more than 30 mail-processing jobs from the Harrisburg Pike plant to Dauphin County or other areas of the country. But the local postal workers union is skeptical of what are the first official projections of a proposed consolidation, saying they overestimate the savings while underestimating the number of workers impacted.

From the Federal Register:

Postal Regulatory Commission NOTICES Postal Service Rate Adjustment , 22157–22158 [2011–9543]

[TEXT] [PDF]

April 19, 2011

National Post: The Canadian Union of Postal Workers has voted to go on strike on May 25 if its members do not have a new collective agreement by May 24. To which I say: Let 'em walk. In this day and age of email, texting, Facebooking and voice-over-the-Internet phone calling (like Vonage and Skype), no one will notice they're gone. No one needs the post office any longer. Were it shuttered tomorrow, within weeks private-sector alternatives would pick up the slack.

<u>Utica Observer-Dispatch</u>: U.S. Sen. Charles Schumer, D-N.Y. sent a letter Tuesday to Patrick Donahoe, the U.S. Postal Service postmaster general, urging him not to consolidate the Utica sorting plant on Pitcher Street with a facility in Syracuse.

At the Postal Regulatory Commission:

 MT2011-4 Order No. 717 - Notice and Order Concerning the Market Test of an Experimental Product-Mail Works Guarantee <u>http://www.prc.gov/docs/72/72525/Order_No_717.pdf</u> <u>http://www.prc.gov/docs/72/72525/Order_No_717.doc</u>

Marketwire: Zumbox, the leader in digital postal mail services, today announced the availability of a new High Volume Digital Postal Mail (HVDPM) API program which enables large independent mailers to achieve paper suppression targets, reduce postage and other mailing related expenses and improve customer communications with minimal integration efforts and no costs. Designed for very large mailers sending transactional mail to consumer households, the free HVDPM API program includes direct access to the Zumbox digital postal system, API keys, digital delivery tools, documentation, training and evaluation accounts. Together, the functionality delivered through the HVDPM API program will assist organizations in evaluating and delivering digital postal mail to consumer households.



A new report and blog have been posted today on the U.S. Postal Service Office of Inspector General (OIG) website. (<u>http://www.uspsoig.gov</u>). If you have additional questions concerning the report or blog, please contact Wally Olihovik at 703-248-

2201 or Agapi Doulaveris at 703-248-2286.

• The Postal Service Role in the Digital Age – Part 2: Expanding the Postal Platform (Report Number RARC-WP-11-003). The OIG Risk Analysis Research Center (RARC) has completed Part 2 of a series on the Postal Service's role in the digital age. The first paper described the radical changes affecting communications and commerce in the digital age. This sequel indentified a set of applications the Postal Service should explore as a first step in redefining its mandated role of "binding the nation together."

This week's "Pushing the Envelope" blog topic:

• **Taking the Postal Platform to the Digital World.** This week's blog offers a place to further explore and discuss RARC's second white paper in the series presenting a digital strategy for the Postal Service as communications and transactions shift from the physical to the digital. We invite your comments on our blog.

Dead Tree Edition: In a case of unfortunate timing, a bold and creative plan for the future of the U.S. Postal Service in an increasingly digital age was released today. The agency is in a unique position to provide electronic mailboxes, take the fear out of online transactions, facilitate international commerce, and help the "unbanked," the USPS Office of Inspector General report says.

Railroad Retirement Board: Beginning May 1, new applicants for federal benefits, including those paid by the U.S. Railroad Retirement Board (RRB), are required to receive them as electronic payments. Those already receiving benefit payments on that date will have until March 1, 2013, to switch to a form of electronic payment. This stems from a Department of the Treasury rule that was finalized in late December 2010. By making electronic payments mandatory, the government will experience significant cost savings. Since it only costs 10.5 cents to issue an electronic payment, compared to \$1.03 for a paper check, replacing the 136 million federal benefit checks issued in a year with electronic payments will save the government more than \$120 million on an annual basis.

April 18, 2011

Canada NewsWire: Members of the Canadian Union of Postal Workers (CUPW) have voted 94.5% in favour of striking if necessary to obtain a collective agreement that addresses real problems and meets their needs.

At the Postal Regulatory Commission:

 CP2011-53 Notice of Updates to Product Lists <u>http://www.prc.gov/docs/72/72517/Secy_Notice.doc</u>

DMM Advisory: IMbTM Services Update – Updated *PostalOne*! Release 26.1 Webinar

Information. A webinar for customers about *PostalOne!*[®] Release 26.1 has been scheduled for Tuesday, April 19, 2011, from 2 p.m. to 3:30 p.m. EDT to cover price changes, FAST[®] enhancements, and new validations for Mail.dat[®] and Mail.XML[®] files. Attendees can log on to the webinar 30 minutes before the start time on the day of the webinar. To log on to the webinar: Click on or cut and paste this link:

https://usps.webex.com/mw0306lb/mywebex/default.do?siteurl=usps. This will take you to "Join an Unlisted Event." Enter event number **399 930 427**. Click "Join Now." This will take you to "Event Information: *PostalOne*! and Pricing Update." Enter your first and last name and email address. Click "Join Now." At this point you will enter the webinar, but will not have audio. To hear audio, call the toll-free number (US/Canada) 1-877-669-3239. Enter Access Code **399 930 427** (always the same number as the event number).

<u>Universal Postal Union</u>: A new UPU inter-committee security group of postal operators and international organizations met for the first time last week at UPU headquarters to discuss the development and application of global postal security standards to improve the security of the global supply chain.

Hellmail: These days, the environment features more in our lives and encouragingly, rank means little at Ukraine Post when it comes to transforming the environment. Deputy directors, heads of departments and services, heads of centres and post offices, engineers, sorters, postmen and drivers are all doing their bit by planted trees and shrubs,

laying new lawns and flower gardens and generally cleaning up the image of postal facilities across the Ukraine.

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DMM Advisory: **RIBBS** Application Remains Offline Until April 21. The RIBBS[®] application was disabled by the Postal ServiceTM on Friday, April 15, and we anticipate it will remain inoperable until Thursday, April 21. We have determined that an extensive restoration process is required to recreate the RIBBS software and hardware platforms. We are implementing contingency processes to send data to users on physical media. Users will

be contacted by the respective program help desks with additional information. Feel free to contact the RIBBS help desk at <u>ribbs@usps.gov</u> if you have any questions. We will provide the next update on Wednesday, April 20, unless we have new information to report before that.

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Attention Business Customer Gateway Users PostalOne Release 26.1 was successfully deployed today. The system was brought back online at 8:15AM CT. All systems are now operational.

April 17, 2011

Hellmail: With the Middle East oil crisis pushing fuel prices ever higher, independent postal operators could be forgiven for feeling that they are stuck between a rock and a hard place, with destiny out of their hands.

BurrusJournal: Something is wrong with this picture. The union agrees to reduce wages in the amount of 24% and we declare victory. Over a career, each employee will receive more than \$200,000 less in wages and retirement and we call that a win. And what will postal management do with this windfall (\$3.4 billion)? Will they pay on the Congressionally imposed health fund? Will they pay back the money borrowed so they will have room to borrow more? Will they invest in safety so they will not have to harass injured employees? No, you guessed it. They will increase the rate discounts, the very same rates that the Rate Commission found exceed the cost avoided at the previous salary. If that is a win, I hope you retire before we suffer a slight loss

April 16, 2011

Daily News Pulse: The United Parcel Service engendered net income of \$1.11 billion in current quarter which is noticeably more than last quarter's closing net income of \$0.99 billion. Moreover, net income is positive which produced useful EPS for the current quarter. The company's cash flow from operations (CFO) has increased up to \$1.82 billion from last quarter's ending cash flow. This shows that the company is producing more cash than its expenses through its core business units which is a good sign for the investors.

<u>Courier, Express, and Postal Observer</u>: Once again the Washington Post's editorial board illustrated their ignorance on Postal issues. In an editorial focusing on labor issues, the editorial board illustrated an understanding about labor negotiations that is particularly peculiar given the newspaper industry's history in reducing labor costs as it faced the threat of e-competition. The editorial board reinforced the impression that it does not know what it is talking about by confusing retirement with health benefits.

<u>I2fly</u>: "How Mobile Has Changed The Way We Live It is predicted that by 2020 the primary Internet connection around the world will be via a mobile phone."

The Mobile Weblog: It is estimated that more than 50% of computing devices sold globally this year will be non-PC devices like smartphones and tablets. For b2b marketers, this means that using mobile marketing technology will be critical to avoid being left behind.

Engadget Mobile: With NFC payment systems just starting to roll out in the US, it'll be awhile yet before you can cut up those credit cards for good. But in the present, at least, you can use your handset to make sure you don't get stuck with a \$100 bar tab... again. Discover just announced that it will let its cardholders send money to people in 60 countries -- so long as they have either a cell phone number or email address.

Tech News Daily: New Zealand this week announced that it would launch a digital online postal service, or "epost," to augment its paper service. ast month, the Postmaster General announced his office is investigating costsaving digital services such as an electronic postmark system as a kind of certified email service, a secure digital mailbox service and an electronic bill payment system. E-post might one day provide big savings, but it faces some tough obstacles. Zumbox and other companies, including Hearst Corp., Seattle-based Doxo, inventor of the postage meter Pitney Bowes, and technology outsourcing giant Accenture, are poised to win what would be the largest mail service order on the planet. Half of the world's mail goes through USPS, which serves 120 million American households. While the government mulls its options, e-post services are available to individuals who are interested in trying a consolidated, paperless alternative to the USPS. Using a digital service will not completely eliminate your daily walk to the mailbox, but can drastically reduce its contents.

Washington Post: In the first quarter of 2011, the Postal Service posted \$329 million in losses after paying \$1.4 billion to prefund its employees' retirement benefits and a liability of \$700 million in workers compensation. By the end of fiscal 2011, it will have hit its borrowing limit, leaving it without funds to continue its services. A new labor agreement between the Postal Service and its employees does little to change this. Even if the agreement passes an upcoming ratification vote, a whopping 80 percent of the Postal Service's costs will still be laborrelated. A proposal put forth by Rep. Stephen Lynch (D-Mass.) to restructure the Postal Service's obligation to prefund its employees' retirement benefits would be a grave mistake. The reason the Postal Service was saddled with the obligation is simple: Unlike other federal agencies, which are expected to remain solvent as their employees retire, the Postal Service is hemorrhaging money. If it is unable to pay for its employees' retirements, taxpayers will be left with the burden. Congress must push the Postal Service to stop ducking the need for radical change.

New York Daily News: The USPS flubbed as clearly as postal people can: They printed 1.5 billion Lady Liberty stamps in December alongside 1.5 billion flag stamps. Maybe they got the flag right. Or maybe they took a shot of a candy striper's uniform and said close enough about Old Glory. Because the image they chose of the Statue of Liberty was not that of the much photographed monument. It was of a half-size replica built in 1997 - for Las Vegas' New York, New York hotel. The postal people, who apparently learned how to say sorry from Charlie Sheen, are cavalierly unrepentant.

Mailers' Technical Advisory The Postal Service has disabled RIBBS® on Friday April 15. During the restore and validation process of RIBBS functional Committee (MTAC)

activities, an unexpected file was detected. In order to protect the

RIBBS environment and our customers we have taken the system offline. In analyzing the contents of the unexpected file it was concluded the best option is to recreate the RIBBS software and hardware platforms. Due to the extent of the restoration process we do not anticipate RIBBS to be operable until Thursday, April 21st. We are implementing contingency processes to fulfill data to users on physical media. Users will be contacted by the respective program help desks with additional information. Feel free to contact the helpdesk through ribbs@usps.gov if you have any questions. We will provide our next update on Wednesday, April 20th unless we

have new information to report prior to that. Thanks you for your patience and understanding.

At thePostal RegulatoryCommission:

RM2009-7 Order No. 716 - Order Granting Motion for Relief from Further Obligations Under Order No. 354

http://www.prc.gov/docs/72/72500/Order No 716.doc http://www.prc.gov/docs/72/72500/Order No 716.pdf

Postal Service Active Employee Statistical Summary (HAT report), Pay Period 08, FY 2011 http://www.prc.gov/docs/72/72501/HAT Report PP 08 FY 2011.pdf http://www.prc.gov/docs/72/72501/Letter-HAT-4-15-2011.pdf

MT2011-4 Notice of the United States Postal Service of Market Test of Experimental Product: Mail Works Guarantee http://www.prc.gov/docs/72/72503/2011415.MT.MailWorksGuar.pdf "This new product will be offered to a group of companies who spend a minimum of \$250 Million annually on advertising as identified by Advertising Age magazine and for whom mail is not currently a large part of their advertising mix. These companies will be offered a postage-back guarantee to test advertisements for their products through First-Class Mail and Standard Mail. The market test will begin on or shortly after May 16, 2011."

Business Wire: Research and Markets (http://www.researchandmarkets.com/research/f7916c/freight shipping s) has announced the addition of the "Freight Shipping Services" report to their offering.

DMM Advisory: New Federal Register Notices on Postal Explorer. The following two <u>Federal Register</u> notices have been posted on the Postal Explorer[®] website at <u>pe.usps.com</u>.

Forwarding and Return Service for Parcel Select Mailpieces — We eliminate the free local forwarding of Parcel Select[®] mailpieces. Also, mailers who do not wish to pay for forwarding outside the local area may no longer request that parcels not be forwarded. We implement a new price for Parcel Select forwards and returns; those pieces will now pay the applicable Parcel Select barcoded nonpresort price, plus an additional service fee. This final rule is effective on July 5, 2011.

Market Dominant Negotiated Service Agreement (NSA) for First-Class Mail and Standard Mail — This 3-year agreement is designed to maintain and grow the total contribution the Postal Service receives from First-Class Mail[®] and Standard Mail[®] and to provide an incentive for net contribution growth beyond that. This NSA has five main components: a revenue threshold using a participant-specific baseline, a revenue threshold adjustment, a postage commitment, a rebate on First-Class Mail, and a rebate on Standard Mail. This final rule is effective June 6, 2011.

Engadget: US sales of e-books generated about \$90.3 million in revenue in February -- roughly triple the sales reported in the same month last year. Meanwhile, printed books declined 34 percent and 16 percent in those respective areas.

April 15, 2011

<u>Auctionbytes</u>: The majority of online sellers responding to a quick poll said the USPS move to a five-day delivery schedule would have either a positive impact or no impact at all. However, 39% said it would have a negative impact on their ecommerce business.

Hellmail: As the effect of the Royal Mail postal price increases begins to hit already hard strapped office budgets, the managing director of one of the UK's leading hybrid mail providers, CFH Docmail is urging businesses to embrace change and turn to print and post for both cost savings and efficiency gains. CFH Docmail continues to offer its customers substantial cost savings through the use of hybrid mail. An online print and mail system that generates real letters in the post, CFH Docmail provides customers with an all in one print, personalisation and Royal Mail delivery service at less than the cost of a second class stamp. Customers simply upload their documents and list of names and addresses that they wish to mail via their secure account, and Docmail does the rest.

From the Federal Register:

Postal Regulatory Commission NOTICES Classification Changes for Competitive Mail Services , 21413 [2011–9145] [TEXT] [PDF]

Engadget: Google's love affair with NFC continues to blossom, and QR codes are starting to feel like a neglected stepchild.

<u>Multichannel Merchant</u>: Five-day mail delivery, if it ever happens, is a few years down the road, according to the chairman of the Postal Regulatory Commission. PRC Chairman Ruth Goldway commented on five-day delivery as a guest on an April 11 podcast with Gene Del Polito, the president of the Association for Postal Commerce. "It's not

likely Congress would act to remove the six-day requirement in 2011 or 2012," Goldway told Del Polito. "It's possible farther down the road."

<u>American Postal Workers Union</u>: APWU members across the country cheered when President Cliff Guffey stood up for postal workers at a hearing of the House Committee on Oversight and Government Reform on April 5, but the inquiry into the union's tentative Collective Bargaining Agreement set a troubling precedent nonetheless. With governors and state legislatures across the country chipping away at the rights of teachers, nurses, and firefighters to engage in collective bargaining, the committee's decision to examine the APWU's proposed contract took on an ominous tone.

<u>TVNZ</u>: Up to 20 New Zealand Post and Kiwibank outlets will close with 100 people expected to lose their jobs. Chief executive Brian Roche confirmed the closures, which follow a warning to the government that the company is making a \$40 million loss on its store network.

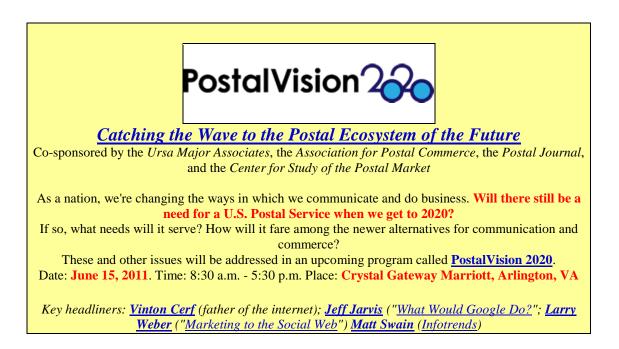
STLToday: The U.S. Postal Inspection Service on Thursday warned of a scam involving websites that charge \$20 to \$30 for a change of address that should cost \$1. A change of address form is free if submitted directly to the U.S. Postal Service, and \$1 at <u>www.usps.com</u>.

Just a reminder Postal rates change Sunday!

At thePostal RegulatoryCommission:

 R2011-5 Order No. 715 - Notice and Order Concerning Market Dominant Price Adjustment for First-Class Mail and Standard Mail <u>http://www.prc.gov/docs/72/72494/Order_No_715.doc</u> <u>http://www.prc.gov/docs/72/72494/Order_No_715.pdf</u>

April 14, 2011





• The Postal Service has submitted a market dominant price adjustment with the Postal Regulatory Commission for an upfront three percent discount on prices for qualifying First-Class Mail and Standard Mail letters and flats that contain a mobile barcode either on or in the mailpiece. The adjustment will take effect on July 1, 2011 thru August 31, 2011. Standard Mail nonprofit is excluded from this promotion.

- The chart summarizes what each party recommended in its reply comments in Docket No RM2010-13, Consideration of Technical Methods to be Applied in Workshare Discount Design.
- New FSS machines? Samuelson underestimates country's dependency on USPS. Rolando: Closing the USPS budget gap? Do we need new laws to get more postal employees to retire? AMEX dials up mobile-pay plans. Closing post offices unfair to rural America. Here's a real Postal Service bailout.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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



The PostCom Bulletin is distributed via NetGram

Government Executive: Supervisors at the U.S. Postal Service changed and deleted the number of work hours recorded by employees in five cities, according to a recent audit.

PortCom Members! Your latest issue of the PostOps Update has been posted on this site.

The RIBBS website is now available for public information access. Access to data fulfillment updates for authorized users through RIBBS is still being restored. Individual RIBBS user accounts are being enabled on an ongoing basis and data is becoming available for retrieval as user accounts are activated. Monday, April 18th is our target date for having full restoration of RIBBS functionality. Additional information to assist system administrators regarding the nature of the security incident that impacted RIBBS can be obtained by sending an email request to ribbs@usps.gov.

DMM Advisory: IMb Services Update PostalOne! Release 26.1 Reminder.

PostalOne Release 26.1 and FAST Release 16.0 will deploy to production Sunday, April 17, 2011. The *PostalOne!* production environment will be unavailable from 12:01 a.m. through 8 a.m. CDT and the Facility Access and Shipment Tracking (FAST) production system will be unavailable from 4 a.m. through 8 a.m. CDT on Sunday, April 17. FAST Webservices can not be processed during the *PostalOne!* outage.

PostalOne! Release 26.1 and FAST Release 16.0 will deploy to the Test Environment for Mailers (TEM) on Monday April 18, 2011. TEM will be unavailable from 4 a.m. through noon CDT and the FAST TEM system will be unavailable from 8 a.m. through noon CDT on Monday, April 18.

PostalOne! Release 26.1 will support the Mailing Services price change, as well as:

- First-Class Mail commercial plus parcels
- Parcel Select Regional Ground
- Hold for Pick-Up service for Priority Mail, First-Class Mail parcels and Parcel Select (bar-coded nonpresort only).

PostalOne! Release 26.1 Webinars: Three webinars for customers have been scheduled to cover price changes, FAST enhancements, and new validations for Mail.dat and Mail.XML files. Attendees can log on to a webinar 30 minutes before the start time on the day of the webinar. Dates, times and log on information for the webinars are:

Thursday April 14, 2011 10 a.m. to 11:30 a.m. EDT Event Number: 399711266 Event Address for attendees: <u>http://usps.webex.com/onstage/g.php?d=399711266&t=a</u>

Thursday, April 14, 2011 2 p.m. to 3:30 p.m. EDT Event Number: 391477079 Event Address for attendees: <u>http://usps.webex.com//onstage/g.php?d=391477079&t=a</u>

Tuesday, April 19, 2011 2 p.m. to 3:30 p.m. EDT Event Number: 399939427 Event Address for attendees: <u>https://usps.webex.com/onstage/g.php?d=399930427&t=a</u>

From the Federal Register:

Postal Regulatory Commission

PROPOSED RULES

Periodic Reporting , 20906 [2011 9058]

[TEXT] [PDF]

Reason: Closing a small-town post office, or even a couple thousand small-town post offices, isn't going to put much of a dent into the \$8.5 billion deficit the USPS recorded in 2010 or the \$3.8 billion deficit it racked up the previous year. The postal service's most pressing fiscal crisis arises from a provision in the 2006 Postal Accountability and Enhancement Act that requires it to prefund its Retiree Health Benefits Fund at the rate of approximately \$5.6 billion a year from 2007 to 2016; the agency has not been able to make those payments without running up huge deficits. But if thousands of underperforming post offices are a relatively tiny albatross around the postal service's neck, they will no doubt continue to serve as a point of controversy as the agency tries to retool itself for a reduced role in the Internet age.

EXAMPLE: The United States Postal Service plans to conduct a study at the Twin Falls Customer Service Mail Processing Center for possible consolidation of some operations into the Boise Processing & Distribution Center. The study is similar to one conducted five years ago. According to a news release issued by the Post Office, the need for the study comes as the Postal Service faces one of the most difficult challenges in its history.

CTV: Hundreds of Canada Post workers are taking a strike vote in Winnipeg Wednesday. The Canadian Union of Postal Workers has been negotiating with Canada Post since November without reaching a deal. They say frustration with a new mail delivery system is a main sticking point.

EXAMPLE The Borneo Post: We are unable to announce just as yet' was the initial remark made by Khazanah Nasional Bhd's (Khazanah) managing director Tan Sri Azman Mokhtar at the start of a press conference held at the sidelines of the second-day Invest Malaysia 2011 Conference here yesterday. Notably, the managing director was referring to Khazanah's divestment of its shares in national postal company Pos Malaysia Bhd (Pos Malaysia), which had been under a slew of speculations with regards to potential bidders for the divestiture.

WYFF: A Simpsonville store owner said he terminated a deal with the United States Postal Service after the USPS refused to allow him to display a flag in a mail drop-off area.

The Telegraph: Postal workers' unions have claimed victory as the Government said the Royal Mail would remain the sole provider of the universal service for "at least the next 10 years".

Hellmail: Pitney Bowes has launched a new hybrid mail service aimed at driving unnecessary spend and inefficiency from everyday, office-generated communications. The Pitney Bowes Hybrid Mail service is targeted towards enterprises, not-for-profit organisations and the public sector all of which struggle to identify and contain costs associated with the print and despatch of communications generated in the office. Pitney Bowes estimates that uncoordinated, ad-hoc office-based print and mail processes are creating an unnecessary private sector spend of 6bn across UK, France and Germany and 2bn across the public sector in these countries*. The Hybrid Mail service brings immediate control and cost-efficiency to the operation.

Bloomberg: Deutsche Post AG (DPW)'s DHL Express unit is rebuilding its U.S. operations around international shipments after a \$9.6 billion "disaster" in domestic deliveries. After firing 15,000 people and closing 75 percent of its outlets in 2008, DHL Express U.S. is expanding and may beat the volume goal it set that year by 15,000 packages a day in 2011, Chief Executive Officer Ian Clough said in an interview.

Attention Business Customer Gateway Customers System maintenance to the 800 number has been completed. The phone system is up and operational. The PostalOne! System WAS NOT AFFECTED by this maintenance. If, you experience any issues that require support, please contact us at 1-800-522-9085. Date: Wednesday 4/13/11 System operational: 10:00 PM cst We apologize for any inconvenience this may have caused.

Oregon Daily Emerald: The U.S. Postal Service office once housed in the EMU will be replaced later this spring by a private company that will offer all the services previously provided by the former University office. Kaitlyn Lange, ASUO senator and member of the EMU Board of Directors, has mentioned the transition for several weeks to her colleagues in ASUO Senate meetings and now says the arrival of a United Parcel Service Store has been confirmed. Lange made an announcement at the Feb. 23 Senate meeting about the EMU Board's work through focus groups to find an independent service to replace the outgoing Postal Service on campus.

AFL-CIO: American Postal Workers Union President Cliff Guffey has been elected a vice president with the AFL-CIO.

Attention Business Customer Gateway Customers Due to system maintenance the 800 number will not be accessible between 7:00pm and 10:00pm Central time on 4/13/2011. The PostalOne! System WILL NOT BE AFFECTED. If you experience any issues that require support, please email us at <u>postalone@usps.gov</u>. We will send an update when the phones are operational. Date: Wednesday 4/13/11 Phone System down: 7:00 PM System operational: 10:00 PM We apologize for any inconvenience this may cause.

April 13, 2011

Attention RIBBS Web Site Users. The RIBBS website has been restored and is currently available for public information access. Data fulfillment updates provided to authorized users through RIBBS are in the process of being restored on a prioritized basis and will require approximately 2 days to complete. The security concerns that prompted the United States Postal Service to take the RIBBS website offline on April 7th have been addressed and additional steps have been taken to strengthen RIBBS security. Visitors that accessed RIBBS on or prior to April 7th should take appropriate action to review and monitor their computer systems to ensure all protective security measures are up-to-date. Thank you for your cooperation while we completed our efforts to restore RIBBS operation.

Hellmail: The Communication Workers Union, which represents thousands of postal workers at Royal Mail, today said it welcomed the amendments to the Postal Services Bill published by BIS.

DMM Advisory: New MailPro Available. The March-April *MailPro* [HTML] [PDF] is available now on <u>usps.com/mailpro</u>. You'll find informative articles on the April Mailing Services price change, the financial situation of the Postal Service, First-Class Mail commercial plus parcels, Parcel Select Regional Ground, the folded self-mailer study, and more. Customers can access current and past issues of *MailPro* online or subscribe by sending an e-mail to <u>mncsc@usps.com</u>. Include your name, title, company name, complete delivery address, and daytime phone number.

<u>Awoko</u>: The Sierra Leone Postal Services can be rendered in-effective if innovations are not mapped out to resuscitate that institution in the face of advance information and communication technology which has transformed the world into a global village.

Wall Street Journal: A program to compensate federal workers injured on the job is susceptible to fraud and abuse, the Postal Service office of the inspector general is expected to testify on Wednesday afternoon. "Investigations have found fraudulent claimants working as martial arts instructors, landscapers, hairdressers and mechanics," Postal Inspector General David Williams said in prepared testimony. "Even when a claimant is convicted, DOL [Department of Labor] is slow to terminate benefits." Bill Siemer, the Postal Service's inspector general for investigations, is expected to testify for his boss.

Good grief! FAST EXTERNAL ROLLING OUTAGE! ATTENTION FAST CUSTOMERS: Please be advised that the FAST system is undergoing an unscheduled maintenance procedure that may affect connectivity to the on-line application from 10:00 am to 12:00 pm CST. Questions and inquiries should be directed to the FAST Help Desk at FAST@usps.com or by telephone at 877-569-6614

In case you missed the PostCom webinar on <u>Make the Most NPF 2011</u>, at least you can still review the slides used during the webinar. <u>The slides have been posted on this site</u>. Your recording for Tue, 12 Apr, 2011's Webinar has been stored for you at: <u>https://www1.gotomeeting.com/register/913201913</u>.

NPF The latest <u>National Postal Forum Update</u> has been posted on this site.

Wall Street Journal: American Express Co. is pumping money and technology into a fledgling company that wants consumers to pay for purchases by using their mobile-phone number. Other established card companies also are racing into the mobile-payments business by joining with technology firms. MasterCard is teaming up with Google Inc. and Citigroup Inc. to embed technology in Android mobile devices that will allow consumers to make purchases by waving smartphones in front of a small reader at the checkout counter. Discover Financial Services Inc. also is teaming up with mobile-phone carriers on a venture called Isis that will enable customers to pay for goods with smartphones.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

TNT Post is dead - long live PostNL.

Norway seems to be on the verge of breaking with the common European postal policy.
The full opening-up of the letter market which took place in 2008, has not changed the situation on the market significantly so far'. The German Federal Network Agency states in its annual report that the market share of Deutsche Post's competitors levelled out at around 9%.
As expected French La Poste's general assembly approved the capital increase of 2.7bn euros last Wednesday.

CTT- Correios de Portugal's management board is currently hit by a scandal. CTT confirmed that marketing director Marcos Afonso Vaz Batista is accused of falsifying his curriculum vitae. We can be satisfied with the solid results we achieved in 2010'. In the course of the presentation of the annual results 2010, Johnny Thijs, CEO of bpost, was contented with the results despite a decline in profit.

The business development of TNT Express in this year was more volatile than originally

expected. On Friday the company reported that the operating profit decreased by 25m euros (=-32.5 %) in the first three months of the current fiscal year. While business develoment was satisfying in Europe, the international express volume decreased due to an increased oil price according to a press release.

Belgium's competition watchdog authority assumes that bpost has abused its dominant market position. According to the accusations, bpost hampered its smaller competitors with discriminatory pricing and terms.

In the face of the continued protests of employees Sri Lanka's Postmaster General Dissanayake was fired by the responsible ministry. On Friday minister Kumaratunga announced that the PMG was relieved of all his duties with immediate effect. He further announced that a special committee will investigate the activities of the former Post Master General. The unions cancelled the strike call shortly after the Minister's press conference.

WDHL Express Austria now plans to meddle in the domestic market too.

The Dutch competition watchdog authority approved the take over of Deutsche Post's subsidary Selekt Mail (turnover: around 55m euros) by its competitor Sandd.

DHL Global Mail places new emphasis on internet trade. The subsidiary of Deutsche Post offers a specific e-commerce parcel solution on growth markets in Asia.

Spanish Correos terminated its contract with the service company Speedtrans for customs clearance of imported parcels on short notice. The termination was caused by massive complaints of consumer protection organisation FACUA.



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

PostalOne! Help Desk: The final steps in the remediation of RIBBS continue to be addressed by the USPS. Our security provider, Symantec, has released a software AV pattern to address this exploit which should also soon be available through other security vendors. Again, the Postal Service advises anyone who accessed RIBBS within the past two weeks to check with their technology security organization or security providers for any needed software updates. We are still planning to restore RIBBS to use today Wednesday 4/13/2011. If any delays are encountered, we will provide updated communication. If you need assistance during this time, please send an email to ribbs@usps.gov.

UNITED STATES POSTAL SERVICE

The following reports have been posted on the U.S. Postal Service Office of Inspector General website (<u>http://www.uspsoig.gov</u>). If you have additional questions concerning a report, please contact Wally Olihovik at (703) 248-2201

or Agapi Doulaveris at (703) 248-2286.

- <u>Allegations of Inaccurate Time and Attendance Records (HR-AR-11-001).</u> At the locations we reviewed, management controls ensuring accurate reporting of employees' workhours were insufficient. Specifically, we found supervisors did not complete required forms, follow procedures for documenting schedule changes, or follow policies for deleting clocked time inappropriately charged.
- <u>Fiscal Year 2010 Financial Statements Audit San Mateo Information Technology and Accounting Service</u> <u>Center (FT-AR-11-008)</u>. During our audit, we noted that overall the Postal Service complied with laws and regulations that have a direct and material effect on the financial statements. Throughout the year, we reviewed internal controls over financial reporting and identified control issues regarding vehicle sales

requests and eBuy purchases. Further, we identified issues regarding relocation service payments, shuttle service payments, and management of capital personal property.

• <u>Postal Service Patent Management Continuation (DA-MA-11-002)</u>. We partnered with an intellectual property management firm to look at the Postal Service's management of its patent portfolio. Our evaluation of the Postal Service's active patents showed that strategic management of existing and new patents could result in significantly increased revenue.

Danbury News Times: The U.S. Postal Service began a study this week to evaluate moving its remaining mail processing operations in Wheeling to Pittsburgh. The Postal Service moved Wheeling's outgoing mail processing operations to Pittsburgh last year. That decision eliminated the automatic Wheeling postmark. American Postal Workers Union Wheeling Area Local President Don Bentz tells The Intelligencer that about 12 jobs would be affected if the remaining operations are consolidated.

Hellmail: The Government has today published a number of amendments to strengthen the Postal Services Bill. The changes incorporate feedback from MPs, Lords, Royal Mail, other postal operators and the Communication Workers Union, as well as other interested parties.

PRWeb: The U.S. Postal Service honored 13 out of 20 thousand Postal Service Suppliers for FY 2010 last month, and Lean Sigma Professionals is among this very elite group. Lean Sigma Professionals provides consulting and training services in Lean Six Sigma methodologies and was awarded the Supplier Innovation Award for 2010.

The Winfield Daily Courier: The U.S. Postal Service is taking the wrong approach in planning to decide which post offices to close based on sales, foot traffic, hours of operation and other volume-related statistics. This is biased in favor of big-city, congested post offices that ironically can be within easy driving distance to other postal outlets in the same vicinity. Not so with rural post offices. If you close one of them down, you deny postal patrons any reasonable access to mail services simply because of their remote locations from the big city.

Dead Tree Edition: You could call it Welfare for Endangered Congressmen, but it's officially known as the franking privilege. Congress members are supposed to use the franking privilege only for non-political mailings. But as election time rolls around, you can bet you'll get more newsletters from Congressman Blowhard about the wonderful things he's been doing -- especially if the opposing party has put a target on his back.

Hellmail: Postal and logistics company Estonian Post, has appealed to the administrative court, asking to suspend the enforcement of the Competition Authority precept. The complaint is based on the precept of the Competition Authority, under which the Authority determines how Estonian Post must provide a mail forwarding service to another postal service provider. However, the postal law in Estonia leaves the right to shape the content of the service and agree upon the price with the other postal operator.

KCAU: Five years ago, the Postal Service threatened to close down Sioux City's only mail processing center, in hopes of saving money in a tough economy.

News880: Imagine walking into work today to find out your pay will be cut in half. That's what happened to Rural and Suburban Mail Carriers (RSMC) in St. Albert on Tuesday. President of the Canadian Union of Postal Workers, Bev Ray, says the decrease is significant and came without warning. "Canada Post had presented each RSMC with a letter advising them that affective April 11 their routes would be impacted, which would result in a reduction of up to \$28,000 a year in annual income," she said. Ray adds as many as 18 employees are affected by these proposed cuts.

<u>The Dickinson Press</u>: The Postal Service says customers affected by flooding in eastern North Dakota have some options if mail carriers can't get through because of closed roads. Post offices are open and mail delivery is being attempted, but the service says some customers may be within service for an extended period. See also <u>Plains Daily</u>.

<u>KRTV</u>: Montana's Secretary of State says the U.S. Postal Service's proposal to move Helena's mail processing to Great Falls could have a major impact on the election process. Linda McCulloch sent a letter to Montana's Congressional delegation asking them to take a closer look at the impact this would have on mail ballots.

<u>The Star</u>: Government investment arm Khazanah Nasional Bhd has yet to decide on the buyer of its stake in Pos Malaysia Bhd, although it has completed the evaluation of the proposals submitted by bidders.

April 12, 2011

At the Postal Regulatory Commission:

• **R2011-5** United States Postal Service Notice of Market-Dominant Price Adjustment http://www.prc.gov/docs/72/72480/Not.Pr.Ad.MobileBarcode.pdf

"The Postal Service hereby provides notice that the Governors have authorized the Postal Service to temporarily adjust the prices for its market-dominant products, First-Class Mail and Standard Mail. This adjustment will take effect at 12:01 AM on July 1, 2011, and expire at 11:59 PM on August 31, 2011. The change will provide commercial mailers an upfront three percent discount on the prices for First-Class Mail and Standard Mail letters and flats, which include a mobile barcode inside or on the mailpieces. "

 MC2011-24 Order No. 714 - Notice of Classification Changes http://www.prc.gov/docs/72/72475/Order_No_714.pdf http://www.prc.gov/docs/72/72475/Order_No_714.pdf

DMM Advisory: Comments on Proposed Rule Federal Register "New Origin Entry

Separation & Containerization Standards" Tomorrow, April 13, is the due date for comments on the proposed rule *Federal Register* "New Origin Entry Separation & Containerization Standards" which was originally published on March 14. We look forward to your comments and appreciate your interest in shaping these standards. If you have run into difficulty in completing your response, please contact us through the DMM Advisory and we will give you guidelines on how to submit them shortly after the deadline.

Welcome to PostCom Radio Postal Podcast 04.11.11 (Link fixed)

Join PostCom President Gene Del Polito and Postal Regulatory Commission Chairman Ruth Goldway in a discussion of a number of wide-ranging topics including: the PRC's recent five-day decision, and Annual Compliance Determination, the PRC's complaint process, difficulties with service performance measurement, and more.

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Attention RIBBS Web Site Users: Remediation of RIBBS continues to be addressed by the USPS. Our security provider, Symantec, has released a software AV pattern to address this exploit which should also soon be available through other security vendors. Again, the Postal Service advises anyone who accessed RIBBS within the past two weeks to check with their technology security organization or security providers for any needed software updates. We are still planning to restore RIBBS to use by end of day Tuesday 4/12/2011. If any delays are encountered, we will provide updated communication. If you need assistance during this time, please send an email to ribbs@usps.gov.

Hellmail: Responding to the Independent Commission on Banking report today (Monday), campaign group, the Post Bank Coalition says the need for a Post Bank is as great as ever. The group is calling on Government to set up a working party to examine how a bank owned and run in the public interest could be made into a reality. Post Bank Coalition said: "The Post Bank Coalition is delighted that the Independent Commission on Banking (ICB) has recognised the importance of the great national post office network in helping local economies and, in particular small businesses, manage financial transactions efficiently and fast.

Anchorage Daily News: Kodiak radio station KMXT reported that service had been returned after an apparent dispute over screenings between Alaska Airlines and the Transportation Security Administration led the airline to suspend carrying larger parcels on its passenger flights. Parcels were rerouted on other airlines for other communities. But Adak's only scheduled connection is a twice-weekly Alaska Airlines flight, which delivers essentials such as prescription medicine. U.S. Sens. Mark Begich and Lisa Murkowski said they'd been assured a temporary waiver for Adak had been issued. Steve Deaton of the U.S. Postal Service said deliveries to Adak are flowing normally.

American Postal Workers Union: "An Agreement For Our Times."

BurrusJournal: In closely guarded statements, postal management has struggled to conceal its total satisfaction with the tentative agreement. In a series of public statements, USPS officials have guardly extolled their unanticipated success in transforming APWU represented workers' assignments and reducing costs (wages) in the staggering amount of 3.8 billion dollars on the backs of the employees we represent.

The Economic Times: ndia Post will set up special counters in areas that do not have access to basic postal services . The move aims to bridge the rural-urban divide by promoting financial inclusion in interior areas.

The Star Phoenix: Labour Canada is looking into whether mail from Japan is a "danger" to Canada Post employees, after a Ontario postal officer refused to handle incoming mail from the earthquake-torn country. The refusal took place about 1 1/2 weeks ago at Mississauga's Gateway Postal Facility outside of Toronto, after the quake and subsequent tsunami crippled the Fukushima Daiichi nuclear power plant in northeastern Japan. At that time, the U.S. postal service issued a media release saying that small amounts of radiation had been detected at several of their postal plants with mail arriving from Japan, said the national vice-president of the Customs and Immigration Union, Jason McMichael.

At the Postal Regulatory Commission:

 MC2011-24 Order No. 714 - Notice of Classification Changes http://www.prc.gov/docs/72/72475/Order_No_714.pdf http://www.prc.gov/docs/72/72475/Order_No_714.pdf http://www.prc.gov/docs/72/72475/Order_No_714.pdf http://www.prc.gov/docs/72/72475/Order_No_714.pdf http://www.prc.gov/docs/72/72475/Order_No_714.doc

April 11, 2011



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

Could Radio Frequency Identification Make The U.S. Postal Service The

Premier Delivery System? With Americans projected to spend \$190 billion in online shopping this year, package delivery represents a large revenue opportunity for the U.S. Postal Service. Would upgrading the manual bar code tracking system to an automated radio frequency identification help make the Postal Service the delivery service of choice for shoppers? LINK here to share your opinion.

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

• Patch Management Processes – 11RR005IT000. Patch management is the process of using a strategy and plan of what patches should be applied to which systems at a specified time. A patch is a piece of software designed to fix a problem with, or update a computer program or its supporting data. This includes fixing security vulnerabilities and other bugs and improving the usability or performance. We will conduct this audit to evaluate the effectiveness of Postal Services' oversight and monitoring of their patch management process. Our review will cover procedures governing operating system and database patching.

FedBizOpps.gov: The United States Postal Service (USPS) is currently conducting market research and seeking to identify potential sources for **a Phase II of our Flat Sequencing System (FSS) Program**. Our Phase I designed machine currently in deployment is a large system that was primarily intended to accommodate high mail volume processing runs and targeted for our most highly populated flats mailing markets. Phase II is seeking and envisions **a smaller footprint FSS (FSS Lite) machine** as a solution to efficiently, reliably, and accurately sort and sequence flat mail to the order in which the mail is delivered on a letter carrier's route (Delivery Point Sequence or DPS). The USPS seeks a system which can be deployed nationally and incrementally to provide maximum flexibility and efficiency in the DPS of flat mail within the existing and future Postal Service infrastructure.

PRLog: This latest report in the "E-Commerce" series provides an indepth analysis of recent trends and developments in global markets, making it a one-of-its-kind source of information in this format. In the USA some traditional retailers seek to compete with the efficiency of online retailers such as Amazon.com by forging new possibilities to process online orders also at their retail shops. The most popular advertising method to boost e-commerce during holiday periods is to offer free shipping. In Japan, online retailer Amazon.co.jp has introduced free shipping for food items as a regular service and was wooing customers at the end of 2010 with a discount of 10 %. For Chinese e-commerce, logistics, in particular the delivery of goods from the warehouse to the client, is still a bottleneck as clearly illustrated in the yStats.com report.

Business Insider: In a column complaining that too many people are dependent on the government, Robert Sameulson badly underestimates how many people are dependent on the government. He failed to take note of the fact that nearly every person in the country is dependent on the U.S. Postal Service to deliver its mail. Read more: http://www.businessinsider.com/robert-samuelson-underestimates-dependence-on-the-government-2011-4#ixzz1JDS4bune

Bloomberg: TNT NV said its stake in the express unit, which is expected to start trading in Amsterdam separately next month, may be sold within six months if a public offer for the spun-off company is made.

MSNBC: Zumbox, the leader in digital postal mail services, today announced a licensing agreement with New Zealand Post to deploy the Zumbox Platform for Digital Postal Mail. New Zealand Post has licensed the Zumbox Platform and received a national exclusive on the use of the platform as it develops market offerings to provide mailers and consumers a cost-effective and convenient option for secure digital delivery and storage of postal mail.

The Columbus Dispatch: Where do you live? For some central Ohioans, it's as if their address has an identity crisis. Do they follow what their mail says? The jurisdiction where they pay taxes? Maybe where their kids go to school? Regional planners say annexation and an independent postal service are mostly to blame for the confusion. "Your postal address, and the ZIP code, is strictly for helping the postal service move mail," said Victor Dubina, a spokesman for the Postal Service. "We don't follow geographic boundaries. We don't follow local governmental boundaries."

Auctionbytes: The U.S. Postal Service will offer Forever postage on Priority Mail flat rate packaging beginning April 17, 2011. Forever postage is good for mailing anytime in the future, regardless of price changes; the first Forever stamp was introduced in 2007 for First Class mail. With the new Priority Mail Forever postage, the Postal Service will offer bundles of Priority Mail packaging that have prepaid mailing labels affixed for the following types of packaging: Priority Mail Flat Rate Envelopes - Regular, Legal, Padded; Priority Flat Rate Boxes - Small, Medium (2 styles), Large. The Forever Prepaid Flat Rate Packaging will be available for purchase in 3, 5, 10, and 25 count packs.

Hellmail: Postea, the technology solutions provider for the postal, mailing and logistics industry, has teamed up with Skillweb to develop a next-generation item tracking solution. Under the agreement, the PostMarqueTM system will utilise Skillweb's proven solution HounditTM hosted within a cloud computing environment to replace business critical item tracking systems within Singapore Post before being offered to other postal operations.

PostalOne! Help Desk: On April 4, 2011, the Postal Service was notified by several customers that the Rapid Information Bulletin Board Service (RIBBS) may have been compromised, and after a prompt investigation, the system was taken out of service. Ensuring the security of the RIBBS system and the confidentiality of our customers' information is paramount in our review activities. We will restore the system to use when we have completed a thorough review and remediation of RIBBS. We expect this to be done by April 12th. The particular security issue was an exploit that would redirect users to potentially malicious websites. We do not believe any customer information was accessed. We continue to work with our security vendor (Symantec) on a solution to the issue and expect the relevant information to rapidly cycle to all the major security vendors. The Postal Service advises anyone who accessed RIBBS within the past two weeks to check with their technology security organization or security providers for any needed software updates. If you need assistance during this time, please send an email to ribbs@usps.gov.

Left Foot Forward: The elections across the country in May will present voters with the first opportunity to show their anger at the government's austerity program and deep cuts to public services, at the ballot box. With the attack on the public sector so savage and wide ranging -the privatisation of Royal Mail and the separation of the post office network, as part of the postal services bill, has not got the attention it might otherwise have received. Labour, alongside the Communication Workers Union (CWU), are opposing the coalition government's plans and will be using the upcoming elections to show voters the devastating effects they will have for postal services.

Winona Daily News: Looking forward, the Postal Service has enormous potential to grow. It's the only nationwide communications network. And it reaches every address in the country six days a week. For six years in a row, the public has rated us the most trusted federal employees. The USPS should be expanding its business, not shrinking it. Cutting a day of delivery would only cause it to lose customers while inconveniencing millions of people - from small business owners to residents of rural areas - who depend on us to deliver essentials like financial documents and medicine on Saturdays. President Barack Obama's budget maintains six-day delivery and takes a step in the right direction toward addressing the pre-funding issue. Let's hope Congress goes along, and that USPS managers get back to growing the Postal Service and helping meet the needs of an evolving society.

London Free Press: Some workers at Canada's mail processing centres are demanding radiation detectors be used to screen the thousands of pieces of mail and courier packages arriving from Japan. A border officer at Gateway postal facility in Mississauga, Ont., has refused to handle mail from Japan due to concerns about leaked radiation from crippled nuclear plants, a union officials said. Gateway is one of three postal facilities in Canada that handles international mail.

April 10, 2011

Hellmail: In the 2010 reporting period, Swiss Post International kept operating profit (EBIT) on a par with the previous year at EUR 35 million and increased its return on sales to 6.1 percent. Operating income amounted to EUR 571 million. In financial year 2011, it anticipates sales growth of 6 to 7 percent.

Reuters: Norway is set to launch last ditch negotiations with the European Union to amend the bloc's postal services directive and avoid its first ever opt-out of EU rules, the prime minister said on Sunday. Non-EU member Norway is part of the European Economic Area (EEA) and the Schengen customs zone because it abides by EU economic rules aimed at limiting state subsidies and creating a level playing field for firms from all EU states. It has never exercised its opt-out clause, which would give the EU the right to suspend part of the EEA agreement and may jeopardise Norway's long-standing economic deal with Brussels.

National Association of Major Mail Users: Canada Post and the SERP community have agreed to the following strategy in order to achieve the objectives of the Point of Call Address Accuracy Program in a less impactful manner

for mailers: 1. Canada Post will include large urban business building Postal Codes in the excluded list, which currently only includes residential multi-unit apartment buildings. The excluded residential apartment and business addresses will not count against the Address Accuracy score during the transition period. 2. The transition period for both residential apartment and business addresses has been extended to January 1, 2012 to give mailers more opportunity to analyze and work through invalid/excluded addresses. 3. Canada Post will phase the roll-out of the Point of Call address data based on an internal quality evaluation, beginning with the June release to SERP participants. The file will contain a combination of Point of Call and postal code range address data. The Point of Call level address data will replace postal code range data on a monthly basis, as Canada Post completes the quality evaluation. It should also be noted that the best mechanism for mailers to report individual issues is through their SERP vendor.

<u>Dead Tree Edition</u>: Congressman Darrell Issa complained this week that not enough U.S. Postal Service employees are retiring and hinted at legislation that would force more retirements. But, like USPS executives, he doesn't seem to be looking at the major reason postal employees are reluctant to leave.

Hellmail: Spanish postal operator Correos is an official sponsor of "The future of advertising" conference to be held on Tuesday, April 12 in the North Convention Center IFEMA fairgrounds in Madrid. Thw unique and innovative conference aims to analyze and discuss the trends emerging in the advertising market and how those changes will affect those involved in advertising and marketing. The conference will include senior and executive group newspaper publishers, broadcasters, online companies, advertising agencies and media, and other companies, such as the mail division of Correos, demonstrating products and services includes solutions specifically tailored to the needs of the advertising and marketing sector.

Hellmail: Japan Post said that where it was impractical to deliver to regions devastated by recent events, it would make additional efforts to ensure mail reached the intended recipient, where necessary, via evacuation centres and other shelters. Japan Post said it was unable to deliver directly to addresses along the Pacific Ocean coast or to the neighbouring inland areas of Iwate, Miyagi, Fukushima, Ibaraki and Chiba Prefectures but would try to ensure mail reached those currently living in temporary accommodation outside these areas.

Employees working in the field of postal service and other authorities concerned stressed for bringing timely changes on postal services. Speaking at a seminar on 'Timely Reforms on Postal Services' organized by the Eastern Regional Postal Directorate in Biratnagar today, participants said the achievements in information technology should be managed in the right way. Chief of postal offices, representatives of Department of Postal Services and concerned authorities from 15 districts except Okhaldhunga in the Eastern Development Region participated in the seminar.

Sunday Island: The Joint Trade Alliance Postal Unions has decided to call off their three-day strike action following an assurance by Posts Minister Jeevan Kumaratunga that a retired judge will be appointed shortly to look into the allegations leveled against Post Master General M. K. B. Dissanayake. The unions alleged that the PMG had resorted to many malpractices within the Department including promoting tenders without the proper criteria. The tug-of-war between the unions and the postal chief resulted in the strike last week.

April 9, 2011

Star-Telegram: This month, the U.S. Postal Service will raise prices for many of its products and services. The agency also just proposed rules that would make it easier to close excess post offices. Both measures are meant to help rescue USPS from fiscal oblivion. Unfortunately, they aren't much more than a Band-Aid over the agency's gushing financial wounds. The Service lost \$8.5 billion last year and is set to lose \$7 billion this year. Over the next decade, the agency projects that its losses could reach \$238 billion. To prevent USPS from becoming a major liability for taxpayers, Congress will have to approve sweeping changes to the agency's business model. Lawmakers should seize the opportunity.

IndianTelevision: Google India is launching a new advertising campaign in India to raise awareness among Indian agencies and marketers about its display advertising platform. The campaign, titled 'Watch This Space', will include online, print, direct mail, and outdoor ads. This is the first time Google India is advertising its display products at scale in India. The campaign underscores Google's commitment to display advertising and its aim is to improve the industry for advertisers, agencies, publishers, and users, the Internet giant said in a statement.

Blogging Stocks: Yahoo announced the launch of Local Offers program recently and is partnering with websites like Groupon, LivingSocial, Gilt City, and others to provide a wide selection of local deals and coupons from nearby restaurants and other local retailers.

 IBTimes:
 Logistics company DHL announced that they will introduce a fleet of green vehicles to their commercial operations in Manhattan. Expected to be fully deployed by September of this year, the 80 vehicle strong team of delivery vehicles are split between 30 electric vans and 50 hybrid trucks.

At the Postal Regulatory Commission: "The United States Postal Service (Postal Service) hereby gives notice of minor changes in classification governing the following competitive mail services: Global Express Guaranteed, Priority Mail, and Outbound Priority Mail International."

• MC2011-24 Notice of United States Postal Service of Classification Changes <u>http://www.prc.gov/docs/72/72468/Notice of MCS Modification.pdf</u>

April 8, 2011

PRNewswire: The Postal Service receives no tax dollars for operating expenses, and relies on the sale of postage, products and services to fund its operations. It will be open for business during the government shutdown.

DMM Advisory: RIBBS Application Remains Offline. The RIBBS application remains offline to address a recent security incident. It will be restored to service as quickly as possible. We regret any inconvenience this has caused. If you have a critical need to retrieve information you typically access via RIBBS, please send an email to ribbs@usps.gov for assistance.

IMbTM Services Update. *PostalOne!*[®] **Release 26.1** and **FAST**[®] **Release 16.0** will deploy to production on Sunday, April 17, 2011, and to the Test Environment for Mailers (TEM) on Monday, April 18, 2011. *PostalOne!* Release 26.1 will support the Mailing Services price change, as well as:

- First-Class Mail[®] commercial plus parcels
- Parcel Select[®] Regional Ground
- Hold for Pick-Up service for Priority Mail[®], First-Class Mail parcels and Parcel Select (bar-coded non-presort only).

PostalOne! Release 26.1 Webinars: Three webinars for customers have been scheduled to cover price changes, FAST enhancements, and new validations for Mail.dat[®] and Mail.XML[®] files. Attendees can log on to a webinar 30 minutes before the start time on the day of the webinar. Dates, times and log on information for the webinars are: Thursday April 14, 2011, 10 a.m. to 11:30 a.m. EDT, Event Number: 399711266 Event Address for attendees: http://usps.webex.com/onstage/g.php?d=399711266&t=a

Thursday, April 14, 2011, 2 p.m. to 3:30 p.m. EDT, Event Number: 391477079, Event Address for attendees: <u>http://usps.webex.com//onstage/g.php?d=391477079&t=a</u>

Tuesday, April 19, 2011, 2 p.m. to 3:30 p.m. EDT, Event Number: 399939427, Event Address for attendees: <u>https://usps.webex.com/onstage/g.php?d=399930427&t=a</u>

Reuters: Growing confidence in a recovery in the freight transport market is about to set off a wave of consolidation in the U.S. logistics industry as cash-rich companies seek to expand into new services and geographies.

Advertising Age: Brands don't actually want or need any more media channels. As far as they're concerned, the internet can stop now. We have enough channels. We were happy when we had like seven (TV, print, outdoor, radio, in-store, direct and theater), got a little interested in the first few new ones. Urinals? Uh, okay. Banners? Interesting. Google? Yes. Groupon, Farmville, GroupMe? OKAY I AM GETTING TIRED NOW. Silicon Valley seems to think that advertising's appetite for new media channels is unending. It is not. Marketers are changing. They are not the daft old man who doesn't understand the new thing but knows he needs it and spends money on it. It's a woman and she is getting smarter. Even she knows there's a point where they're reached their customers enough. And yes, every time I talk to a Valley person about this they go on about how marketers want more data and they'll pay for it, and they want to know everything about a person and oh man do you know how much advertisers would pay for this data? Well, yes, I do. But I guarantee you, YOU DO NOT KNOW. They have fixed budgets. I could tell you EXACTLY how much they will spend, because I spend that money. It is not bottomless. The endless quest for advertisers to know everything about their customers may never end, but its budgets will not increase forever.

The Register: The US Postal Service has pulled down a site hosting malicious code that was earlier used in a sophisticated multi-stage attack featuring the Blackhole Exploit kit. The infected site - http://ribbs.usps.gov - which is involved in the delivery of USPS's business mail-focused barcode-based Intelligent Mail services - was infiltrated with malicious JavaScript. This malicious script redirected through a relay of other sites to an attack portal. The attack portal displays a sneaky 404 Page Not Found error message while actually delivering live malicious code. The drive-by download attack was ultimately aimed at using software vulnerabilities to install Trojans onto the machines of surfers visiting the particular USPS domain the miscreants managed to compromise. See also Zscaler.

The latest issue of the **PostCom Bulletin** is available online. In this issue:

- The Postmaster General Pat Donahoe spoke this week about the negotiated settlement between the Postal Service and the American Postal Workers Union (APWU). He called it a "responsible contract" that is in the best interest of the employees, industry, Postal Service, and customers. This contract, according to the PMG, takes into account the future of Postal Service. He said it sets a foundation that is fair for employees and the industry, and keeps the Postal Service in line with its comprehensive plan that was released in March 2010.
- The House Committee on Oversight and Government Reform held a hearing this week, "Are Postal Workforce Costs Sustainable?" The Honorable Louis Giuliano, USPS Board of Governors Chairman, the Honorable James Miller, USPS Governor, Pat Donahoe, USPS Postmaster General (PMG), and Cliff Guffey, APWU President were all present to discuss the USPS and APWU's negotiated contract, as well as workforce costs.
- PRC vice chairman Mark Acton earlier this week told attendees of the IDEAlliance's 2011 Print Distribution conference that the Commission hopes to release by summer its 5-year review of the Postal Accountability and Enhancement Act (PAEA) which he said will be a "newsmaker." Acton also talked about the PRC's recently released advisory opinion on the USPS' request to change delivery frequency, the PRC's recently published Annual Compliance Determination (ACD) report, the USPS' March 2010 10year plan, Negotiated Service Agreements (NSAs), service performance measurement, and the soon-to-bereleased joint PRC/USPS Periodicals study.
- David Williams, USPS vice president of network operations, said that the USPS plans to close 100 more processing facilities by the end of 2012. Williams also updated conference attendees on issues like Critical Entry Times (CETs), other facility changes and closings, FAST Re-Directs, and the Mail Transport Equipment Ordering System (MTEOR).
- Ellis Burgoyne, USPS chief information officer, re-capped for IDEAlliance conference attendees what the new CIO organization at USPS has done. He said that coming from the customer service side of the organization is an advantage in his role as CIO in that he can make sure the moving parts create a difference. "We have technology and we have customer-facing systems," he told the IDEAlliance group,

"and our challenge is blending those groups to create opportunities to improve the mail experience." "The most important thing from my background is that I feel strongly about customer service and getting things done," he said.

- Pritha Mehra, USPS vice president of payment technologies and business mail entry, this week told attendees of the IDEAlliance Print Distribution 2011 conference that although the USPS and industry have been talking about the concepts of Seamless Acceptance and Enterprise Payment for years, the USPS wants to move aggressively to implementation. The IDEAlliance is working to take a proactive approach in better defining the concepts and the value proposition for both industry and the USPS.
- The IDEAlliance's Logistics and Transportation committee this week at the association's Print Distribution 2011 conference identified issues with postal facilities as a growing concern. Numerous complaints were voiced by transportation and logistics professionals about escalating issues with postal facilities, including long wait times, delays unloading trucks, reduced appointment availability and inconsistent scanning of 8125s.
- The Association for Postal Commerce (PostCom) submitted reply comments in Docket No RM2010-13, Consideration of Technical Methods to be Applied in Workshare Discount Design. These comments focus on how return on investment drives mailing decision and how bottom-up costing provides flexibility while honoring the Postal Accountability and Enhancement Act. PostCom's full comments are located at the end of the bulletin.
- The USPS Inspector General, in a letter to the Washington Times, says "this is not a bailout. The Postal Service was overcharged and subsequently overpaid into benefit funds. In the United States, there is the rule of law, and the accounts must be settled. This issue is fundamentally about righting an inequity."
- Rep Lynch introduces new postal bill. PRC approves FCM parcel transfer. PRC approves new prices for
 Parcel Select forwarding and returns. USPS seeks change in Fee Group E Post Office Box costs. Mass
 APWU local urges no vote on tentative agreement. Postal Service complaint department, open for business.
 NAPUS and league leaders commit to protect post offices. NALC and USPS agree to JARAP. USPS to
 move Oshkosh operations. Recent trademarks/apps filed by USPS. From the IDEAlliance conference.
 Taxpayer Alert: the coming USPS bailout. Issa: Postal Service Union deal falls short. Japan International Advisory. PRC approves use of forever postage on Priority Mail flat rate boxes. New MTAC
 workgroup formed.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- From the mailbag -- PostCom's newest member
- Postal previews

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



The PostCom Bulletin is distributed via NetGram

From the Postal Service: The RIBBS application remains offline to address a reported security issue. It will be restored to service as quickly as possible. We regret the incon= venience this has caused.

Business Wire: NCR Corporation has been selected as the winner of a 2010 United States Postal Service (USPS) Supplier Performance Award in recognition of its important role in helping the USPS improve supply chain management and provide the American public with a better experience and new services in thousands of post offices across the United States.

At the Postal Regulatory Commission: A plan covering what the Postal Regulatory Commission

would do in the event of a government shutdown can be found on the PRC web site.

Wall Street Journal: TNT NV on Friday issued a profit warning for the first quarter, saying its Express business is performing worse than expected due to volatile trading conditions, underutilization in its air fleet and continuing integration issues in Brazil.

Foreexyard: Dutch mail company TNT will push ahead with spinning off its express unit in May despite the operation suffering from a higher oil price, political unrest and natural disasters. TNT is separating its express division from its moribund mail unit, hoping it can attract a buyer for the latter that is able to squeeze value from its operations in the face of ever-decreasing postal volumes.

ZYou can add Susan Plonkey's name to those postal executives who have announced they'll be retiring.

Now hear this: "This Week In Postal"......the latest podcast posted now!

Daily Finance: Those yearly statements that Social Security mails out — here's what you'd get if you retired at 62, at 66, at 70 — will soon stop arriving in workers' mailboxes. It's an effort to save money and steer more people to the agency's website. The government is working to provide the statements online by the end of the year, if it can resolve security issues, Social Security Commissioner Michael Astrue said. If that fails, the agency will resume the paper statements, which cost \$70 million a year to mail, he said. "We'll provide it, we expect, one way or another, before the end of the calendar year," Astrue told The Associated Press. "We're just right now trying to figure out the most cost-effective and convenient way to provide that to the American public."



Zacks: The world's largest express carrier and package delivery company, United Parcel Service Inc. entered into a new labor agreement with International Brotherhood of Teamsters representing 1,200 aircraft maintenance technicians and employees.

Daily Mirror: The postal strike has now taken a new twist with several postal unions wanting to pull out of the strike action leaving other unions to continue the strike on their own. Informed sources within the postal service said that a majority of the 18 trade unions had agreed to abandon the strike action after Secretary to the Postal and Telecommunication Ministry, Hemasiri Fernando suggested that a retired judge be appointed to inquire into the allegations made by trade unions against the Post Master General.

April 7, 2011

At the Postal Regulatory Commission: OMG! If the current continuing resolution expires at 12:01 a.m. on April 9, 2011 without passage of an FY 2011 appropriations bill or a further continuing resolution, the Postal Regulatory Commission will be required to shut down.

• **CP2011-63** Order No. 711 - Order Approving the Use of Forever Postage on Priority Mail Flat Rate Packaging

http://www.prc.gov/docs/72/72460/Order_No_711.doc http://www.prc.gov/docs/72/72460/Order_No_711.pdf

National Association of Letter Carriers: This week's unprecedented congressional hearing on a negotiated agreement between the U.S. Postal Service and one of its craft unions shows just what letter carriers and the rest of the postal workforce are up against in the 112th Congress.

Professional Pensions: The restructure of the Royal Mail pension plan is essential to address its £8.4bn "huge and volatile" deficit but member protection remains "paramount", the government says. Speaking during a House of Lords debate Conservative peer Lord De Mauley said Royal Mail's pension burden had become "completely out of proportion to the size of the business".

Send2Press Newswire: The Ballantine Corporation announced this week the launch of a new white paper – "Intelligent Mail Barcode 101." It discusses the benefits, requirements and how it works.

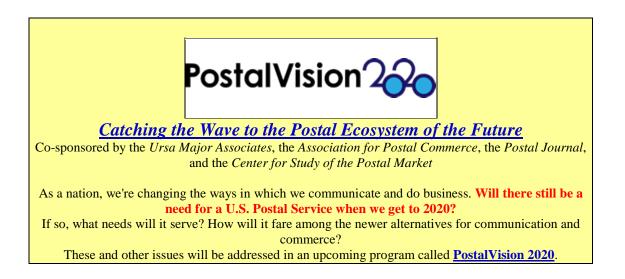
Hellmail: Serbian Post recently launched a new information system that it said would significantly improve the quality and speed of providing services to more than 1,500 post office in Serbia.

Bloomberg: De Post NV/La Poste SA, Belgium's state-controlled postal company, used its dominance to thwart smaller competitors in the market for mail-handling services, a legal panel of the country's competition watchdog said.

Austrian Independent: Österreichische Post AG (Post AG) bosses were paid more than three million Euros last year, it was announced today (Thurs). The firm said that its five-member board received salaries of 3.35 million Euros in 2010, adding that its supervisory board were granted an overall 168,000 Euros.

Post & Parcel: TNT Post is set to take a new name from the end of May – PostNL – when it becomes an independent mail company from the end of next month. TNT announced its plans back in December to demerge its mail and express divisions, stating that the two were increasingly operating as separate units, with limited synergies between them. Subject to approval by shareholders on May 25, the rebranding of TNT Post and independence from TNT is now expected to become official from May 31

IsleOfMan: The planned strike action by postal workers will not be going ahead on Tuesday. Members of the Communication Workers' Union had voted in favour of the 24 hour industrial action following a row over pay. But a statement just released by Isle of Man Post Office said it is pleased today's talks with the CWU have averted the strike action.



Date: June 15, 2011. Time: 8:00 a.m. - 5:30 p.m. Place: Crystal Gateway Marriott, Arlington, VA

Key headliners: <u>Vinton Cerf</u> (father of the internet); <u>Jeff Jarvis</u> ("<u>What Would Google Do?</u>"; <u>Larry</u> <u>Weber</u> ("<u>Marketing to the Social Web</u>") <u>Matt Swain</u> (<u>Infotrends</u>)

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International Advisory: The designated postal operator of Japan has asked us to provide the designated operators of other member countries with the following updated information regarding the impact on postal services of the Pacific Ocean earthquake off the Tohoku region coast and the Fukushima nuclear power plant accident in Japan. 1. Efforts being made by Japan Post to deliver postal items Japan Post is continuing its efforts to deliver postal items, not only to the actual addresses in the affected areas, but also to evacuation centres where affected addressees are staying temporarily. The number of areas in which there are difficulties delivering postal items has decreased. 2. Updated information on radiation levels and effects of the earthquake On its website, Japan Post has provided links to the sites of government agencies (including the Ministry of Land, Infrastructure, Transport and Tourism) which are providing updated information regarding radiation levels in Japan, including information released by international organizations including ICAO, IATA, IMO and IAEA. These links are available at www.post.japanpost.jp/int/information/2011/0331_01_en.html For an up-to-date list of the areas still facing delivery problems, please open the link at the top of the page entitled "Delivery delay of international postal items caused by the Pacific Ocean earthquake off the Tohoku region coast". Japan Post thanks the entire postal community for its continued support and assistance as it endeavours to restore the postal network in the affected areas.

DMM Advisory: New Labeling Lists Preview Now Available Online. Starting today, mailers and software providers can preview drafts of two new labeling lists — L603 and L604 — on <u>RIBBS®</u> prior to their incorporation into the official group of labeling lists. Labeling lists L603 and L604 describe the Network Distribution Center (NDC) separations appropriate to mailpiece shape and class. These labeling lists are referenced throughout the proposed rule <u>Federal Register</u> notice, New Origin Entry Separation & Containerization Standards, which can be found on <u>Postal Explorer®</u>. A final release and effective date for L603 and L604 will coincide with established release schedules and adherence guidelines.

Pranab Shah, Global Business Vice President and Managing Director since January 2009, will be leaving the Postal Service by the end of May. Linda Kingsley, Vice President, Channel Access will be retiring.

International Postal Corporation: "Communication trends and the role of mail" [EdNote: A must-read.]

<u>21st Century Postal Worker</u>: "APWU Members Against Ratification of Tentative Agreement"

Dead Tree Edition: So much for "Solidarity Forever": Much of the U.S. Postal Service's projected savings from the proposed contract with its largest union apparently comes from reassigning duties currently performed by members of other postal-employee associations. Some tasks typically performed by postmasters, supervisors, and carriers could be shifted to clerks and other employees represented by the American Postal Workers Union -- in some cases, lower-paid non-career employees.

Hellmail: Irish postal operator An Post confirmed this week that a serious incident took place on Monday night. Press reports suggest the family of a senior executive was held to ransom at a location in Fennor after armed men broke into the home of An Post mails operations director Liam O'Sullivan. Unconfirmed reports suggest the men demanded a ransom payment of €100,000 after taking his wife to another location but failed to call back to say where the money should be placed and apparently fled.

EnergyFM: Union officials and the Isle of Man Post Office are hopeful of avoiding strike action, after holding pay talks yesterday. The Communication Workers Union and postal chiefs are continuing their discussions today, in a bid to avert industrial action scheduled for next Tuesday. The CWU insists its workers don't want to strike, but say they were promised a pay rise.

Banking Business Review: Poste Italiane, a postal and financial service provider in Italy, has ordered Wincor Nixdorf's 1100 ATMs, to install at its branches across the country in the next two years.

Press Release: UPS aircraft mechanics represented by the International Brotherhood of Teamsters have ratified a new labor agreement that runs through Nov. 1, 2013.

Wall Street Journal: Deal Journal has learned a lesson from the raft of insider trading prosecutions and arrests. If you're going to swap secret tips, maybe try the postal service? Superstock/Everett Collection Deal Journal doesn't encourage rule-breaking, of course. But we couldn't help but notice several people nabbed for insider trading – including the mergers lawyer and trader charged today with a years-long scheme — got pinched because they used traceable communications.

Postalnews Blog: Tuesday's House oversight hearing into the tentative APWU contract and postal worker pay fell far from its billing as "Wisconsin Comes to Washington." House Republicans appeared unready to take on the nation's largest postal labor union, the Postal Service or the newly-minted labor contract the two have struck. Also from the Postalnews Blog:

- <u>Opinion: Collective bargaining can be win-win</u>
- Video: Dennis Ross rants at APWU President
- Rachel Maddow: "This little 'Republicans hate the post office' hearing"

NALC Activist Alert: The statement of James Miller III, a member of the Postal Board of Governors who was appointed by President George W. Bush, got the hearing off to a rocky start by seeking to totally mislead the members of the Committee about the APWU agreement. "Let me say that I, too, am disappointed that we did not accomplish more," he said. "The reason we did not get more, and the reason we agreed in the end to the contract now out for ratification by the rank and file is that the current law governing our labor negotiations is biased against management and in favor of labor." This is total nonsense.

The Bemidji Pioneer: You may not realize how much small towns and rural areas depend on the mail until someone puts it like this: "Folks who die after midnight on a Friday could be buried before their relatives read about the death in my Monday edition." That's what the editor of a small-town newspaper in Lebanon, Tennessee had to say about a proposal by the U.S. Postal Service to drop Saturday delivery.

Spamfighter: One fresh surge of bogus e-mails purporting to be from USPS (U.S Postal Service) are presently circulating online as they attempt at loading malicious software onto the computers of unwitting end-users, so published Softpedia.com in news on March 26, 2011. Displaying the caption, "Post Express Information, your package is available for pick up," the malicious messages addressing the recipient as client with a notice number state that his parcel has come back and is presently lying at the Post Express department. Actually, the place where the parcel was to be delivered was wrongly indicated. Meanwhile, a mailing label is attached to the e-mail for knowing about the parcel delivery in detail, which the recipient needs to take a print out of and bring for collecting the parcel from the Post Express department.

Western Mail: Rural postal services are at risk of being "downgraded" if a new law is passed, campaigners warned last night. The Postal Services Bill proposes keeping the Post Office in public ownership, but the Royal Mail, which runs postal delivery, would be privatised. Opponents in Wales fear: The move could see post offices shut if the privatised company decides not to use them; It would make it easier to change the universal service obligation to deliver to all parts of the UK for a fixed price; Rural businesses that rely on daily deliveries could be crippled if services are cut. The Department for Business, Innovation and Skills (BIS) has rejected claims that services face the axe.

Auctionbytes: As the debate over the federal budget rages in Washington, the U.S. Postal Service is making its case to lawmakers to scale down to five-day weekly delivery service as it seeks to reverse the massive financial losses it has suffered in recent years. The Postal Service is also trying to drum up support for legislation apart from the appropriations package that would explicitly grant it the option of phasing out Saturday deliver. Whether such a

bill would override the six-day delivery requirement in the Postal Service's annual appropriation remains an open question.

Hellmail: As the Postal Services Bill returned to the Lords yesterday for the Committee Stage, the role of UK postal regulator Postcomm came in for criticism, at one point described as "bringing the Royal Mail to its financial knees". Other concerns included the lack of clarity for members of the Royal Mail Pension Plan with regard to the transfer of pension liabilities and assets to state hands, and fears that without a further strengthening of the Bill, Ofcom would not be sufficiently equipped to fully protect the universal service obligation.

<u>PRNewswire</u>: The National Association of Letter Carriers (NALC) announced today that the nation's largest food drive to combat hunger will be conducted this year on Saturday, May 14. On that day, letter carriers will collect non-perishable donations from homes as they deliver mail along their postal routes.

<u>Daily Mirror</u>: More than a million letters including 80,000 registered letters were piled up yesterday at the Central Postal Exchange in Colombo because of the refusal by postal employees to work overtime in a campaign to urge the authorities to resolve longstanding issues.

Business Insider: The federal government isn't the only entity in Washington about to hit the debt ceiling: So is the U.S. Postal Service, the independent agency created four decades ago to take over and streamline the task of mail delivery.

C Register: Facing a projected \$6.4 billion loss this year, on top of a record shortfall in fiscal 2010, the Postal Service is expected to slam into the \$15 billion statutory debt limit established by Congress by the end of the current fiscal year on Sept. 30. At that point, it could be faced with the choice of running out of cash or defaulting on its sizable pension obligations, including a required \$5.5 billion annual payment to fund future retiree health costs. This has intensified efforts on Capitol Hill to scrutinize Postal Service management practices, as well as to find ways to provide potential short- and long-term relief to the beleaguered agency. But others suggest the major culprit is not current Postal Service management - which has reduced the size of the agency by 100,000 employees in the past two years - but rather Congress itself. While demanding that the Postal Service find ways to achieve economic self-sufficiency, members of Congress often have hamstrung the Postal Service with a series of restrictions aimed at averting blowback from their political constituencies.

The News Tribune: A bureaucratic tussle over security has forced Alaska Airlines to stop carrying larger priority parcels on its passenger planes. Affected are priority parcels greater than 16 ounces in what's apparently a security issue between the carrier and the federal government. "We're suspending our priority mail service on passenger flights within the state of Alaska until we receive further direction from the Transportation Security Administration," said airline spokeswoman Marianne Lindsey in a statement.

AZCentral: Yesterday, Maddow -- who, yes, is very cute and smart and preening -- did a long report-ish like thing about the US Postal Service, which just made a deal with its principle labor union that raises pay by 10.5 percent over the next five years. She showed video of Republicans in Congress apparently being mean to the postmaster general and the head of the biggest USPS labor union, noting that their deal was appeared "pretty fair and pretty frugal." This was Maddow's conclusion about Republicans and the their views about the USPS: "The fact that it is part of the government, the fact that it provides a government service that Americans really like means that by definition Republicans hate it." She called the day's hearings a "Republicans hate the post office hearing." And she referred to hearings like this one as part of the "constant drumbeat of Republicans saying 'we hate the government doing things that people like." Really? Is that what those GOP lawmakers were saying? Is that even close to what they were saying? Of course not. When you characterize every political debate as a matter of "hate," you miss a lot of detail.

Press Release: The U.S. Postal Service has honored 13 companies for superior supply chain performance and delivering optimum solutions that reduce costs, enhance performance, maintain high levels of service and provide innovative and sustainable solutions.

April 6, 2011



 MC2011-22 Order No. 710 - Order Adding Lightweight Commercial Parcels to the Competitive Product List <u>http://www.prc.gov/docs/72/72457/Order_No_710.docx</u> http://www.prc.gov/docs/72/72457/Order_No_710.pdf

Dow Jones: The U.S. air cargo sector will not see a repeat of last year's peak-season capacity squeeze in 2011, a senior FedEx Corp. (FDX) executive said Wednesday.

 International Freighting Weekly:
 Logistics giants DHL and FedEx were among 58 companies in the spotlight as the top firms to work for at the Corporate Research

 Foundation (CRF) Institute's Britain's Top Employers Awards last week. The awards recognise the companies that meet the highest standards of human resources.

Real Clear Politics: Facing a projected \$6.4 billion loss this year, on top of a record shortfall in fiscal 2010, the Postal Service is expected to slam into the \$15 billion statutory debt limit established by Congress by the end of the current fiscal year on Sept. 30. At that point, it could be faced with the choice of running out of cash or defaulting on its sizable pension obligations, including a required \$5.5 billion annual payment to fund future retiree health costs. This has intensified efforts on Capitol Hill to scrutinize Postal Service management practices, as well as to find ways to provide potential short- and long-term relief to the beleaguered agency.

IBNLive: The Postal department today said consumers can pay electricity bills at any post office. They have to produce their Electricity Board card at the post office counter and make the payment, an official press release here said.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

In 2010 Swiss Post achieved the highest profit in the company's history. The results presented last Thursday suggest that especially Swiss Post's financial business contributed to this performance.

In view of Swiss Post's record profit, economiesuisse, the umbrella organisation of

Switzerland's economy, called for a full liberalisation of the Swiss postal market.

Union CWU prevailed in the dispute about a collective agreement for the staff at Royal Mail's largest branches, the so-called Crown Post Offices (CPO).

Apparently Deutsche Post intends to continue to grow in the online advertising market. On Monday the post announced the takeover of Cologne based Adcloud GmbH, a specialist for performance marketing solutions on the online advertisement market.

Google, bpost and Belgium's largest telecommunications group Belgacom have formed a partnership to promote websites for small and medium seized companies. Bpost is probably interested in promoting e-commerce - which is underdeveloped in Belgium compared to other Western European countries (CEP-News 13/11) - to boost its parcel business.

Hanjo Schneider, CEO of German parcel service Hermes, confirmed his intention to outstrip Deutsche Post's parcel business.

DHL is rolling out an all "green" fleet of commercial delivery vehicles in Manhattan. Deutsche Post CEO Frank Appel announced this as he presented the inaugural vehicles. By September 2011 DHL will operate 30 battery-powered electric vans and 50 hybrid trucks. These new DHL vehicles are an integral part of Deutsche Post's comprehensive GoGreen strategy.

Deutsche Post sold its subsidiary Exel Transportation Services to intermodal transport company Hub Group



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

Transport Intelligence: FedEx Trade Networks, a subsidiary of FedEx Corp., announced the opening of its new Chicago, Illinois gateway office. The new FedEx Trade Networks Chicago office provides a full portfolio of freight forwarding, customs brokerage and distribution solutions.

From the Federal Register: Postal Regulatory Commission NOTICES Post Office Closings, 19149–19150 [2011–8102] [TEXT] [PDF]

ITS International: On the heels of announcing it had purchased the first fully electric small delivery vehicles, Canada Post has now added the first all-electric step vans in Canada to its fleet. The corporation showcased the first of four all-electric commercial vehicles built by Navistar, an American manufacturer of medium and heavy trucks. The eStar, a Class 2c-3 electric truck and the first in its category, has a range of 160 kilometres (100 miles) per charge and can be fully recharged within six to eight hours.

Pueblo Chieftain: The U.S. Postal Service is taking the wrong approach in planning to decide which post offices to close based on sales, foot traffic, hours of operation and other volume-related statistics. This is biased in favor of big-city, congested post offices that ironically can be within easy driving distance to other postal outlets in the same vicinity. Not so rural post offices. If you close one of them down, you deny postal patrons any reasonable access to mail services simply because of their remote locations from the big city.

WBAY: Those who send out bulk mail in the Oshkosh area are preparing to pay more once the U.S. Postal Service closes its Oshkosh mail processing and distribution facility. The announcement came late Monday afternoon that the facility's operations would be consolidated with Green Bay. U.W.-Oshkosh sends out millions of pieces of mail each year, and a portion of them is about to become more expensive. The university has what's called a sectional center discount, but it will lose that discount when the Oshkosh mailing facility closes, meaning every piece of mail sent out locally will cost an extra 4.3 cents. The university says ultimately it could cost tens of thousands of dollars more each year for local bulk mail. Another bulk mailer, Mail List Processing, will absorb an estimated \$20- to \$25,000 a year. The Oshkosh United Way says it will cost an extra \$2,100 a year for local mailers. The alternative would be to drive the bulk mail up to Green Bay for processing. The U.S. Postal Service is defending its decision to close the Oshkosh processing and distribution facility. It says closing the Green Bay facility would have had a much greater financial impact on businesses.

Global Address Data Association: The Universal Postal Union's work in the address field continues to expand in scope. Several studies and initiatives will have an important impact on this industry, and will expand the universe of available addresses. First, the UPU has developed a detailed action plan for the initiative begun in 2009 and titled "Addressing the World - an Address for Everyone". This initiative has been accepted by the Chief Executives Board of the United Nations and subsequently received participation and support from eight major UN agencies including the World Bank, UNDP, ITU, ISO and others.

Wall Street Journal: Republicans on the House Oversight Committee put their stamp of disapproval on a tentative labor agreement between the U.S. Postal Service and the American Postal Workers Union. Committee Chairman Darrell Issa (R., Calif.) said the labor deal, which the Postal Service says will save \$3.8 billion over four and a half years, falls short of the spending cuts needed. Mr. Issa said labor costs — 80% of Postal Service operating costs are labor-related – must be reduced, but he offered few specifics. Asked by Rep. Dennis Kucinich (D., Ohio) if he was

concerned about congressional hearings on labor, the American Postal Workers Union President Clif Guffey said the hearings speak to an "attack on the labor movement as a whole." Before the committee hearing, Clarice Torrence, president of the New York APWU, lambasted Mr. Issa for holding the hearing three days before members vote on the labor deal, which would freeze wages for two years. "Rep. Issa has an anti-labor record. He is anti-Postal Service, but even so, I was shocked by the timing of this hearing," Ms. Torrence said in a statement Monday.

April 5, 2011

Estimony from today's postal oversight hearing:

- The Honorable Louis J. Giuliano Chairman, Board of Governors, United States Postal Service
- The Honorable James C. Miller III,
- <u>Patrick Donahoe</u>, Postmaster General and Chief Executive Officer, United States Postal Service
 Cliff Guffey, President, American Postal Workers Union, AFL-CIO

Rep. Stephen Lynch has introduced a new postal bill (H.R. 1351), the "USPS Pension Obligation Recalculation and Resotration Act of 2011." Among the key features, it would: (1) order OPM, in six months from the date of enactment, to recalculate USPS' past, present and future CSRS pension obligation for those employees that served as both federal workers prior to 1971 and postal employees post-1971, using an updated methodology. Any resulting surplus from the recalculation is then transferred over to the Postal Service Retiree Health Benefits fund. (2) call for the immediate repayment of the Postal Service's FERS surplus of \$6.9Billion, by applying \$5.5Billion towards USPS FY 2011 Retiree Health Benefits Payment, \$1.2B towards USPS upcoming Workers Comp Payment and the resulting \$200 million or so should be applied to the Postal Service's existing debt.

Fox Business: TeliaSonera AB has been awarded a contract from postal company Posten Norden AB, worth 320 million Swedish kronor (\$50 million) over a four-year period. Under the contract the Swedish telecommunication company will provide Posten Norden IP, fixed and mobile telephony, as well as telephones. It covers Posten Norden's operations in Sweden, Denmark, Norway and Finland.

National Journal: The battle between public-sector unions and the government may have reached a peak in Wisconsin earlier this year, but it's another conflict that could deliver the fight to all corners of the country through rain, sleet, and snow: the one at the United States Postal Service. James Miller, a member of the Postal Service's board of governors, agrees that the contract didn't go far enough, noting that without major changes, the Postal Service could default by September 30.

Example 7 Forbes: Cuba's postal service said Tuesday it is re-establishing light mail service to the United States but leaving in place a ban on heavier packages.

Bloomberg: The U.S. Postal Service, which negotiated a contract with its biggest labor union that would save \$3.8 billion over 4 1/2 years, won't save enough under that agreement, the agency's top House overseers said. The contract with the American Postal Workers Union won't return the agency to profitability, House Oversight and Government Reform Committee Chairman Representative Darrell Issa, a California Republican, said today. "This contract falls short," Issa said at a hearing about the Postal Service's labor costs. "We have deep concerns that some of the provisions of the contract may in fact be the wrong direction, to less flexibility, less ability to trim the workforce and less ability to in the future make the kinds of investments we need to make."

PostCom welcomes its newest member: <u>Matheson Trucking Inc.</u> 9785 Goethe Road Sacramento, CA 95827-3559 represented by Mark Matheson, President & Chief Executive Officer



The MAILCOM Las Vegas registration page is up at <u>www.mailcom.org</u>. MAILCOM Las Vegas will be held September 25-27, 2011 at the Riviera Hotel in Las Vegas, NV.

Over 100 seminars, ten certificate programs, and an exhibition hall will be featured. The basic information is now posted; more will be added in the weeks ahead. Register today and save at the early-bird rate!

House Committee on Oversight and Government Reform: One pressing question remains at the forefront of congressional oversight of USPS: What is needed for the postal service to bring its operating costs in line with its declining revenues? For the past several years, USPS has been on the brink of insolvency. Immediate structural reforms and cost-cutting measures are imperative. Labor costs comprise 80 percent of USPS's annual budget, and the current negotiations for continued labor agreements present an opportunity to implement an effective business model for USPS and place the postal service on more solid financial footing. Congress is keenly aware that technological advances in the communications market have left USPS behind the innovative curve. The loss of volume to electronic communication and the no layoff provisions of USPS labor contracts mean that more workers are handling less mail than a decade ago. This trend will only get worse unless comprehensive reforms are implemented.

PR-USA.net: Many cash-strapped state and local governments are transitioning their traditional, paper-based communications sent via the U.S. Postal Service (USPS) to email and electronic forms to save money. This shift is causing significant operational disruptions with some small and medium-sized businesses (SMBs), which are unprepared to handle the drastic change in how they receive, file and stay up-to-date on business compliance requirements. According to CT Corporation, the leading provider of Corporate Business Compliance solutions, SMBs need to be smart about how they track and submit compliance information with an increasingly digital government to avoid audits, steep fines or worse.

Physorg.com: Siemens' Trust-Ebox system automates electronic dispatching of letters to such a degree that postal service companies will be able to provide their customers with digital letters at competitive costs. In addition to returning from vacation to find their mailboxes often filled to overflowing, people also become annoved by unwanted advertising in their mail. And mail carriers may have to cover long distances to deliver a single letter if the recipient lives at a remote location, which raises the cost of transporting the letter. These problems can be solved by turning the letters into electronic post that customers can access online.

EDead Tree Edition: The U.S. Postal Service and its largest labor union are reportedly trying to ensure that a new incentive for non-career employees to join the union doesn't run afoul of non-discrimination laws. As reported here last week in Postal Service Agrees To Big Incentive For Employees Who Join Union, the proposed contract between USPS and the American Postal Workers Union calls for thousands of non-career employees to be offered only one employer-subsidized health insurance plan -- one sponsored by APWU.



Federal News Radio: The Postal Service will cut its labor costs by \$3.6 billion over the next four-and-a-half years under a tentative contract agreement it reached last month with one of its largest unions, Postmaster General Patrick FEDERAL NEWS RADIO Donahoe said. Leaders of the House Committee on Oversight and Government Reform criticized the deal shortly after it was announced. Committee chairman

Darrell Issa (R-Calif.) said he doubted that the contract would improve USPS's bleak fiscal situation. "Unfortunately, this looks like a missed opportunity. The Postal Service must show Congress and the American people that it can pay its own way, because the numbers do not seem to add up," Issa said in a statement. Download mp3

TimesNews: Ned McWherter, a one-time factory worker who became a millionaire businessman and two-term Democratic governor after two decades as a legislator, died Monday afternoon. He was 80. He was a member of the U.S. Postal Board after he left the governor's office

The News International: Pakistan Post Office has decided to open 730 new Post Offices at union council level in all over the country and AJK aimed at providing postal facilities to people of far-flung areas including FATA.

<u>IsleOfMan</u>: The chairman of the Isle of Man Post Office has called a postal strike planned for next week a "damaging cause of action". Yesterday it was announced that some postal workers will carry out a 24 hour strike starting on Tuesday, April 12 at 5.30am.

Hellmail:

- <u>MCA Sets Out Guidelines To Postal Regulation In Malta</u>
- <u>Savings To Be Found Despite Postage Rate Increases</u>
- <u>Royal Mail CWU Relationship Turns Sour With Possible Strike Action</u>
- Estonian E-Invoicing Proves A Hit
- <u>DHL Express Partners With Nectar</u>
- <u>An Post Backs Scam Savvy Campaign</u>
 - <u>Royal Mail Stamp Hike Faces Criticism</u>

Postal Technology International: The innovative type CFC 3004 preprocessing machine developed by Siemens closes the gap between smaller standard letters and flats in the letter handling process. As one of the fastest and most efficient postal services in Europe, Danish Post has now become the first postal service in the world to order seven of these new machines. They are scheduled to be handed over and enter into service by the end of 2012.

<u>American Postal Workers Union</u>: Several questions have been posed on the APWU's Facebook page regarding the Tentative Agreement for a new contract. Below, union officers address questions regarding Clerk Craft positions in small offices.

KXLH: Union leaders and others picketed Helena's main post office on Monday, objecting to plans to possibly move some services to Great Falls.

<u>KMBC</u>: The U.S. Postal Service said it would close the Metro North Postal Station in Kansas City, Mo., in June.

Green Bay Gazette: The U.S. Postal Service said today it's moving all mail processing operations from its facility in Oshkosh to Green Bay by Sept. 30 in an effort to save money.

IdeaAlliance:

- **O'BRIEN RECEIVES MUMA AWARD**. PostCom Director and former board chairman Jim O'Brien, Time Inc., received the IDEAlliance's prestigious Mumma award this week at the 2011 Print Distribution Conference. The Donald. A. Mumma award is presented annually by the IDEAlliance as its highest award for distinction in the mail preparation and processing arena. The award is named for Donald A. Mumma, a USPS branch manager who was described as a new type of Postal Service manager in the early 1980's. The Mumma Award was created in 1985 in his memory to serve as a constant reminder that collaboration is key to success.
- SCHIMEK AND VINGELIS RECEIVE CIRCLE AWARDS. PostCom Director Bob Schimek, BCC Software, and PostCom Director Wallace Vingelis, Window Book, received the IDEAlliance's Circle Award at this week's 2011 Print Distribution conference. The Circle Award was established by the IDEAlliance in 2005 to recognize outstanding and innovative contributions to advance the working groups of IDEAlliance. Schimek was recognized for his work as co-chair of the IDEAlliance's Mai.dat working group; and Vingelis was recognized for his work as co-chair of the Mail.dat working group and Mail Software Development Group (MSDG).



- **RM2010-13** Reply Comments of the Public Representative in Response to Order No. 537 <u>http://www.prc.gov/docs/72/72407/PR%20Reply%20Comments%20Final%203-30.docx</u> <u>http://www.prc.gov/docs/72/72407/PR Reply Comments Final 3-30.pdf</u>
- RM2010-13 Reply Comment of American Bankers Association, Bank of America Corporation, Direct Marketing Association, Discover Financial Services, Major Mailers Association, National Association of Presort Mailers, & The National Postal Policy Council http://www.prc.gov/docs/72/72440/Joint%20Reply%20Comments%20(RM2010-13).pdf
- RM2010-13 Reply Comments of the Association for Postal Commerce http://www.prc.gov/docs/72/72438/PCom Reply Comments RM2010-13.pdf
- RM2010-13 Reply Comments of the Greeting Card Association http://www.prc.gov/docs/72/72431/RM2010-13_GCA_ReplyComments_FINAL.doc http://www.prc.gov/docs/72/72431/RM2010-13_GCA_ReplyComments_FINAL.doc
- RM2010-13 Reply Comments of the United States Postal Service
 http://www.prc.gov/docs/72/72448/Reply.Cmmnts.RM10.13..pdf
- RM2010-13 Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Reply Comments http://www.prc.gov/docs/72/72447/VP RM2010-13 Reply Comments.pdf



In a letter to the editor of the <u>Washington Times</u>, David Williams, Inspector General of the U.S. Postal Service wrote that "In The Washington Times on March 28, Ryan Cole characterized the Postal Service's \$75 billion retiree benefits overpayment as "USPS taxpayer-subsidized CPR" while invoking the

name of Lysander Spooner, a 19th-century postal entrepreneur. Moving forward from 19th-century postal history through the 20th century and into the early 21st century, today's Postal Service is subject to annual and pre-funding benefit payments of \$11 billion a year. Addressing the Postal Service's benefit-fund issues is not taxpayer subsidized CPR but correction of the U.S. Office of Personnel Management's long history of miscalculations, which includes the \$75 billion overcharge for the Postal Service's Civil Service Retirement System pension payments. In essence, for 40 years, the Postal Service paid its and the federal government's inflationary costs. The Postal Service's benefit funds are funded entirely by postal employees and the sale of postage. If benefit-fund overpayments were returned, the money would not be used for Postal Service operations. The surplus would be used to make annual benefit payments. Using employee money for postal operations would be as wrong as putting it in the federal employee benefit fund; both would be improper. This is not a bailout."

Daily Mirror: Postal employees were due to launch an overtime strike action citing several demands starting from today, Trade Unions Federation of the postal service said.

DMM Advisory: Postage Statement 3602-R Corrected. A typographical error on line B14 in Part B of the new April 17, 2011, PS Form 3602-R, Postage Statement has been corrected. The correct price is 0.338. The corrected Postage Statement is available online at <u>usps.com/prices</u> — the 'Postage Statements' link can be found under the 'Related Links' section at the bottom of the page.

<u>Courier, Express, and Postal Observer</u>: One of the most confusing parts about the new APWU - Postal Service Contract is how the Postal Service deals with excess employees. This is particularly important for employees affected by plant consolidations and declining single-piece first class mail.

Courier, Express, and Postal Observer: The new contract with the APWU gives Postal Service management significantly more flexibility to dealing with short term staffing problems like what occured in Toledo. The new Postal Support Employees classification provide the Postal Service with an ability to hire staff quickly when forecasting errors that underestimate expected volumes or changes in the number of expected transfers of existing employees reduces the number of existing Postal Service employees that the facility now handling mail processing has available to work.

April 4, 2011

House Committee on Oversight and Government Reform: The U.S. House of Representatives Committee on Oversight and Government Reform will be holding "Are Postal Workforce Costs Sustainable?" hearing on April 5 at 9:30. The hearing will be streamed live at http://oversight.house.gov. Witnesses: Witnesses The Honorable Louis J. Giuliano Chairman, Board of Governors United States Postal Service; The Honorable James C. Miller III Governor United States Postal Service; Patrick Donahoe Postmaster General and Chief Executive Officer United States Postal Service; Cliff Guffey President American Postal Workers Union, AFL-CIO

APWU: Several questions have been posted on the APWU's Facebook page regarding the Tentative Agreement for a new contract. Union officers address the questions regarding Clerk Craft positions in small offices.



Portugion The Association for Postal Commerce submitted reply comments today in Docket No RM2010-13, Consideration of Technical Methods to be Applied in Workshare Discount Design.

Wultichannel Merchant: Now that the Postal Regulatory Commission has issued its advisory opinion on the U.S. Postal Service's quest for five-day mail delivery to Congress, it's still unclear how the advice will affect the proposal.



Please click below to view the report recently posted on the U.S. Postal Service Office of Inspector General website (http://www.uspsorg.gov). If you have additional questions concerning a report, please contact Wally Olihovik at (703)

248-2201 or Agapi Doulaveris at (703) 248-2286.

- City Delivery Efficiency Review Chicago District (DR-AR-11-004). We determined Chicago District carriers used approximately 16 minutes more per carrier route than carriers on the average route in the nation. Although numerous factors were involved, our review determined district management did not always provide sufficient review and oversight of units' office operating efficiencies and coordinate with mail processing facilities to ensure mail was received timely and in a condition that promoted office operating efficiency.
- Huntington, WV Processing and Distribution Facility Consolidation (Report Number EN-AR-11-003). A valid business case existed to consolidate mail processing operations from the Huntington P&DF into the Charleston P&DC to achieve cost savings of approximately \$3.5 million annually. We identified additional savings of \$105,166 in annual maintenance costs and an increase in transportation costs of \$13,361 during fieldwork. Management corrected both discrepancies during our review and this should not impact the consolidation. We believe an on-site implementation team would assist with the consolidation but are not making a recommendation because we addressed this issue in a separate audit report.
- Implementation of Lima, OH to Toledo, OH Area Mail Processing Consolidation (EN-AR-11-004). Management did not ensure on-time performance and customer service were improved or maintained during the consolidation of Lima, OH mail processing operations into Toledo, OH. As a result, postal customers were negatively impacted. We found that significant degradations in service occurred after the Postal Service transferred all operations and volumes from the Lima P&DF to the Toledo P&DC, and management did not project these degradations in the AMP proposal.
- Customer Service Operations Realignment in the Hawkeye District (MS-AR-11-002). We identified 65 small delivery offices in the Hawkeye District that management can relocate to nearby delivery offices with sufficient excess floor space to absorb their operations. We estimate that the proposed realignment would allow the Hawkeye District to reduce retail customer service costs by between \$1.7 million and \$3.2 million annually over the next 10 years.

Bloomberg: The U.S. Postal Service, which has reported losses for five consecutive quarters, would save \$3.8 billion over four and a half years under a labor agreement with one of its labor unions. Also see Government Executive.

Hellmail: The Communication Workers Union has warned that unless Royal Mail honours agreements made in March 2010 and comes clean on its present financial statues, it may consider industrial action. The row erupted

following the recent announcement that employee colleague shares would soon be worth nothing and that an urgent programme of mail centre closures in London would have to go ahead to reduce operating costs.

Now hear this: ''This Week In Postal''the latest in podcast posted now!

PostalReporter: The PostalReport.com has received the following message from Steve Mello, Northeast Massachusetts Area Local, Motor Vehicle Craft Director: Northeast Massachusetts has put together a list of issues contained in the new National Contract proposal that National APWU leadership is not addressing. It is the view of this local that this new contract proposal does grave damage to the rights of present members. It basically undermines all the gains of the APWU agreed to in past contracts. Please read the attached flyer and be aware of the potential harm this contract can do if ratified.



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

• The Postal Service - Preparing for the future. In trying to right size the U.S. Postal Service workforce and cut costs, it also needs to develop a strategy to retain and attract needed talents for the future. <u>LINK</u> here to share you ideas on what the Postal Service needs to do to plan for its future workforce.

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

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

- Office of Inspectors General Operational Independence. The Inspector General Act of 1978 (IG Act), and the Inspector General Reform Act of 2008, outline the framework for establishing independent Office of Inspectors General (OIG). Additionally, the Government Accountability Office Yellow Book provides guidance on how to establish and maintain independence. However, none of the guidance provided specifics for maintaining independence regarding the administrative support functions between the host agency and the respective OIG. For example, the guidance does not state that all OIGs need to establish their own Human Resources department, payroll office, or chief information officer. Depending on the size of the OIG, these functions are often managed by the host organization. If maintained by the host organization, what best practices have agencies implemented to ensure independence? For example, if an OIG uses the HR department of their host organization, what safeguards exist to prevent the HR department from dictating how salaries are set? Our objective is to identify operational independence issues that may exist in the IG community.
- <u>State of Security 11RR004IT000</u>. The overall strategy of this audit is to gather and review relevant security related information necessary to assess the overall state of security protecting Postal Service's computing infrastructure and critical resources. Our assessment will include, but is not be limited to, a review of prior Office of Inspector General security related reports issued by the Information Technology and Human Resource and Security directorates, the status of prior findings and recommendations identified by these reports, and management's efforts to implement ongoing security related initiatives prompted by regulatory requirements such as the Sarbanes-Oxley Act of 2002 and the Payment Card Industry Data Security Standards.

<u>AuctionBytes</u>: Having trouble with the U.S. Postal Service? The feds want to hear about. Online sellers who have been frustrated by problems with the post office have a little-known ally in the Postal Regulatory Commission, an independent regulatory agency that extends to mediating complaints about service.

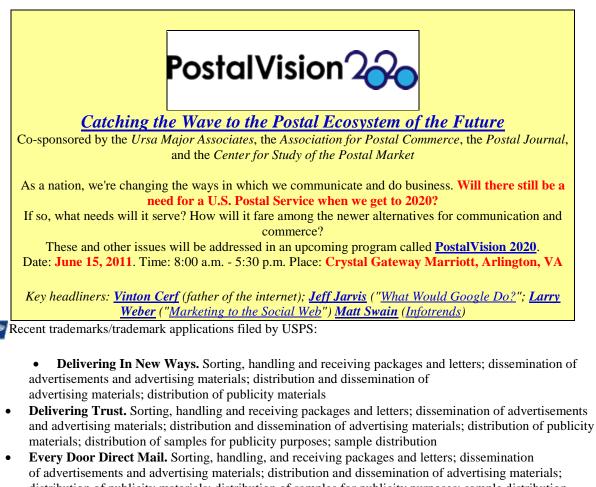
NAPUS: Today, NAPUS and League leaders and their legislative staffs met to coordinate strategies to challenge the Postal Service's proposed regulatory changes, which if implemented, would result in countless communities being denied their rights to protect post offices in rural areas. The Postal Service's plan would streamline the review process for closing post offices, which would include determining whether a post office has sufficient workload to remain open and whether alternatives to provide postal services can be located.

Courier, Express, and Postal Observer: Recently, the USPS-OIG issued a report on the consolidation of Lima Ohio processing into Dayton Ohio plant. The USPS-OIG conducted the investigation at the request of Congressman Jim Jordan (R-OH). The audit showed that the transition did not go smoothly.

PRC: The Postal Regulatory Commission will hold its open session of the monthly meeting on April 6 at 11am at Commission Headquarters. The open session will be audiocast live.

<u>MetroNews</u>: The Spokesperson for the U.S. Postal Service says a lot of money will be saved now that all of the mail processing operations that had been done in Beckley and some of the mail processing operations that were handled in Huntington have been consolidated. That processing and distribution work is now happening in Charleston.

Berby Evening Telegraph: The price of a first class stamp goes up by 5p to 46p today and by 4p to 36p for second class post. But the Royal Mail is insisting they are still among the lowest prices in Europe.



distribution of publicity materials; distribution of samples for publicity purposes; sample distribution
EPACKET. USPS EPACKET. Envelopes and boxes of paper or cardboard for shipping and packaging; sorting, handling, and receiving packages and letters; pickup, transportation and delivery of

packages and documents by various modes of transportation

• Sampling Through The Postal Service. Envelopes and boxes of paper or cardboard for shipping and packaging; sorting, handling and receiving packages and letters; dissemination of advertisements and advertising materials; distribution and dissemination of advertising materials; distribution of publicity purposes; sample distribution; pickup, transportation and delivery of packages and documents by various modes of transportation.

Toledo Blade: Mistakes were made. That's the conclusion of a U.S. Postal Service Inspector General's report on the transfer of mail last year from Lima, Ohio, to Toledo so it could be scanned, postmarked, and sorted.

Courier, Express, and Postal Observer: The Economist posted a chart developed by Julia Coronado of BNP Paribas that illustrates why the economy stubbornly refuses to exhibit a recovery-like bounce. Ms. Corado says in her notes, "While consumers are spending there has been no sign of pent up demand. Real consumer spending on goods fell off its pre-2008 trend line during the recession and has since resumed its former pace with no indications that a surge in spending to make up for lost time is imminent." For the mailing industry, the trend in consumer spending presents both good and bad news. The good news is that mail that grows with consumer demand (advertising) should grow at a rate approaching the growth rate prior to the recession, subject to the challenges of increased electronic competition. The bad news is that volumes would not soon bounce back to the pre-recession trends even if electronic competition did not exist.

April 3, 2011

The Telegraph: The Royal Mail has suspended deliveries to an entire street after a postal worker claimed she was bitten by a Jack Russell terrier.

Roll Call: The legislative pace in the Senate has slowed to a crawl, and it looks like it's about to get even slower. Since Republicans took control of the House in January, the two chambers have been operating mostly independently of each other from a legislative standpoint. Senators on both sides of the aisle said the debate over how to fund the government through the end of the fiscal year and the looming clash over raising the debt ceiling have poisoned the well for House-Senate negotiations on other legislative items.

The Daily News: At one time, perhaps, neither snow nor rain nor heat nor gloom of night could stay the U.S. Postal Service from the swift completion of its appointed rounds. But in these days of email, text messages, digital tablet readers and recession economics, both USPS revenues and the demand for USPS services are on an unmistakeable decline.

Deccan Herald: Packages originating from abroad, especially the West, and bound for Bangalore are most likely to be stolen at the sub-foreign post office on Museum Road by the India Post personnel. Breaking into foreign parcels, usually containing consumer goods like apparel, toys and other non-durable items, and outright stealing by workers of India Post, which is faced with crores of rupees in annual losses and creeping institutional obsolescence, has assumed notoriety.

Hellmail: To reduce regulation, Postcomm has to allow the market to find its own level, or at least close the gap between Royal Mail's relatively cost-effective services and those of its competitors. The principle being that Royal Mail would be hard-pushed to introduce further hikes without seeing an even more rapid decline in customers. All of this would have far more going for it if there were national end-to-end alternatives but there are none unless you count B2B and of those that are left, access is difficult, restricted, or exceedingly limited. The vast majority of the alternatives out there are either re-badged or else still use the Royal Mail network in some way.

April 2, 2011

Postalnews Blog: A new Inspector General report on the consolidation of the Lima processing center into Toledo shows a "staggering" level of service failure, according to Rep. Jim Jordan, who requested the audit.

BGR: According to a report filed by Bloomberg, online retail giant Amazon is toying with the idea of launching a mobile payments service. Citing two anonymous sources, the publication notes that the service would "let consumers pay for goods in brick-and-mortar stores using their mobile phones." Amazon is purportedly testing payment technologies based on NFC (Near Field Communications) in an effort to expand its Payments service. This is the company's latest venture into the mobile world. \

PC World: African mobile-phone users are increasingly turning to their devices for functions beyond making calls, said speakers at a Massachusetts Institute of Technology panel discussion on Friday. In a continent with limited infrastructure, phones serve as income boosters, a teaching tool and wallets, according to speakers during a session at the Africa 2.0 forum. The predominance of pre-paid phones in Africa means that "air time is exactly equivalent to cash," said Nathan Eagle, CEO of Txt Eagle, a company he started in 2008 that aims to help mobile-phone users in developing nations earn income with their handsets.\

The Telegraph: Any move to give Royal Mail the freedom to set its own prices would be controversial. It comes as the company prepares to increase the price of stamps by 12 per cent next week, a jump three times the rate of inflation. A first class stamp will climb from 41p to 46p However, setting its own prices would allow the company to bolster its faltering finances, which have been hit by consumers and businesses switching to email and a huge pension deficit. The company estimates it makes a loss of 6.4p on every stamped letter that goes through its network.

Postalnews Blog: The USPS Office of the Inspector General has released a report on the dramatic increase in overtime usage by the US Postal Service. This won't come as big news to readers of this blog- we told you in January how the USPS had already spent almost a billion dollars in overtime in the first quarter of this fiscal yearand we first told you about the sudden increases in overtime usage exactly a year ago, on April 1, 2010. What might be surprising is the fact that the OIG actually used a copy of our April 2010 story "As USPS cuts staff, overtime pay jumps" that someone posted on <u>FederalSoup.com</u> as a basis for its investigation!

At the Postal Regulatory Commission:

- Postal Service Active Employee Statistical Summary (HAT report), Pay Period 07, FY 2011 http://www.prc.gov/docs/72/72430/HAT_Report_PP07_FY2011.pdf http://www.prc.gov/docs/72/72430/letter_HAT_4-1-2011.pdf
- On-Roll and Paid Employee Statistics (ORPES), March 2011 (Pay Period 07, FY 2011) http://www.prc.gov/docs/72/72429/ORPES_MAR_PP07_2011.pdf http://www.prc.gov/docs/72/72429/ORPES_MAR_PP07_2011.pdf

Hellmail: UK postal regulator Postcomm, today published the latest in its series of consultations on initial proposals for the scope and form of regulation of postal services for 2012 and beyond. Today's publication focuses on the core question of whether there is a need for ex ante regulation of Royal Mail's prices beyond 2012 and, if so, what that regulatory framework might look like.

Mailers' Technical Advisory Committee (MTAC)

The Mailers Technical Advisory Committee has formed a new workgroup. This one deals with <u>Seamless Acceptance</u>. The WG Co-Leaders are Bob

Rosser or Erv Drewek or USPS WG Co-Leaders Garrett Hoyt or Marty McGuire.

Bloomberg: Shipping companies FedEx Corp. (FDX) and United Parcel Service Inc. (UPS) are among five companies committing to a partnership with the government to reduce fuel consumption in their vehicle fleets to help cut U.S. oil imports, the Obama administration said.

Multichannel Merchant: Catalogers, brace yourselves: Your postal rates could increase 22% this year or next, according to Hamilton Davison, executive director of the American Catalog Mailers Association. The Postal Regulatory Commission this week issued its Annual Compliance Determination. According to the ACD, the USPS has "repeatedly failed to utilize existing pricing options to address the growing Standard Mail intra-class cross subsidy. It is directed to take appropriate action to end the intra-class cross subsidy."

April 1, 2011

Khaleej Times: UPS, has announced the UAE launch of UPS Import ControlSM, the most comprehensive inbound shipping solution available. With UPS Import Control, businesses in the UAE are able to initiate shipments and UPS package collection in another country, with delivery anywhere in the over 100 countries and territories covered by the service, whether this is to their own business, or to a third party. These "self-shippers" can also manage the creation of shipping labels, commercial invoices and billing information through UPS' WorldShip software.

Aberdeen American News: We shouldn't be surprised at some of the ideas the U.S. Postal Service has for cutting back and saving money. Instead of letters, most folks send email. Bills are paid online. The post office lost the package game years ago to FedEx and UPS. It's obvious the postal service needs to make some big-time adjustments. Recent changes and new suggestions for Aberdeen and Brown County service show the good, the bad and the ugly of mail delivery

National Association of Letter Carriers: The National Association of Letter Carriers has entered into a new Joint Alternate Route Adjustment Process (JARAP) with the United States Postal Service for 2011. There are three documents that must be read in conjunction to fully understand the JARAP 2011 process. The memorandum of understanding M-01746, the joint guidelines M-01747 and the joint training document M-01748. Key changes to the agreement include a new 3999 review process, selection of the 3999 that is closest to the selected street time, an expedited bidding process option for entire zones that are optimized under COR and NALC COR technicians to ensure COR is used fairly in future JARAP adjustments.



The following report has been posted on the U.S. Postal Service Office of Inspector General website (<u>http://www.uspsoig.gov</u>). If you have additional questions concerning a report, please contact Wally Olihovik at (703) 248-2201 or Agapi Doulaveris at (703) 248-2286.

Overtime Usage (HR-AR-11-003). We reviewed the Postal Service's overtime usage in FY 2010 and found it paid \$2.86 billion in overtime compared with \$2.44 billion in FY 2009, representing an increase of 17.2 percent, or \$419.5 million. We also determined that, although overtime usage increased, overall workhours were reduced by 77.3 million and costs by \$1.51 billion during this period. According to management, this increase in overtime usage was due to a reduction in personnel, mail rerouting, and equipment deployment delays and updates.

Madison.com: Residents in 36 Wisconsin counties will be able to dispose of unwanted drugs and help keep the Great Lakes cleaner just by using the postal system.

At the Postal Regulatory Commission:

- CP2011-64 Order No. 708 Order Approving Changes in Rates of General Applicability for a Competitive Product <u>http://www.prc.gov/docs/72/72426/Order_No_708.docx</u> <u>http://www.prc.gov/docs/72/72426/Order_No_708.pdf</u>
- MT2011-3 Notice of Market Test Name Change from Marketing Mail Made Easy to Every Door Direct Mail Retail or EDDM Retail. <u>http://www.prc.gov/docs/72/72425/20110320NameChangeNotice.pdf</u>

Sunday Observer: The Ministry of Postal Service with the support of University of Moratuwa is in the process of networking with 634 main post offices countrywide including the North and East, Minister Jeewan Kumaratunga said. Over 3410 sub- post offices are to be networked within two years. On the completion of networking we plan to provide additional services to customers, according to Minister Kumaratunga. The Postal Department Posts plans to introduce Track and Trace system for the first time in Sri Lanka, the Minister added.

Hellmail: Hungarian postal operator Magyar Posta said that cooperation with the Tesco store chain had been a significant business success with Magyar Posta delivering some 350 million advertising magazines for Tesco, and behind this performance, outstanding service quality which realised an optimal price/value ratio. With nearly 20 years of successful business relations between the two companies, the operator won the right to distribute Tesco direct mail in 2007 with Tesco regarded as one of its key accounts.

Politico: The unemployment rate dropped again in March, to 8.8 percent, the Labor Department reported Friday. The economy added 216,000 jobs last month, the government said.

<u>News-4-Us</u>: Australia Post has apologised for the use of unroadworthy postal bikes at Palmerston in the Northern Territory in 2008.

<u>Daily News Journal</u>: As the United States Postal Service goes through the process of possibly eliminating post offices, it should be done with a balance between the head and the heart. To not take every individual location into account on its own merit and beyond its self-sufficiency would be a history-altering mistake.

Hellmail: A report published today by UK Consumer body, Consumer Focus, highlights people's experiences of the new Post Office Local (PO Local) scheme which could see around 2,000 traditional sub-post offices replaced.