

Association for Postal Commerce

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

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

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Postal News for July 2013

July 31, 2013

Business First: The UPS Store is testing 3-D printing services at its retail locations. Select locations will be offering the services to startups, small businesses and retail customers, beginning in the San Diego area. But the retail shipping chain plans to add locations in other cities across the United States in the near future, according to a news release. After San Diego, the service will be tested in Washington D.C. The remaining test sites still are being finalized and the company declined to disclose more locations.

Japan News: The recent agreement by Japan Post Holdings Co. and Aflac Inc. to expand their business alliance should serve to improve the profitability of the nation's postal services but not hamper fair competition in the domestic insurance market.

Report Number HR-AR-13-004 Postal Service Injury Compensation Program Audit Report:

WHAT THE OIG FOUND: Postal Service management needs to improve their administration of workers' compensation claims. Management did not consistently determine staffing levels and has reduced the number of staff significantly since 2009. Additionally, some health and resource management personnel were used for collateral duties and nurses were not fully used in case management. Further, specific performance measures did not exist nor did personnel receive adequate training. In the Western Area, we identified internal best practices to more effectively return employees to work, such as an automated work search system and a quick reference guide for case management. We also identified industry practices for an effective workers' compensation program, including using nurse case managers, partnering with non-profit organizations, and using predictive analytics. We determined the Postal Service can reduce the number of employees receiving workers' compensation and save more than \$85.5 million annually. The OIG uses predictive modeling to help identify high-risk workers' compensation claims. Predictive modeling data has allowed agents to bring investigations to a successful resolution and has resulted in higher monetary impacts. Since October 2011, OIG investigators initiated 102 cases from predictive modeling data, resulting in \$9.5 million in recoveries, restitutions, and workers' compensation payments avoided.

WGRZ: In the front room of the U.S. Post Office on Genesee Street, there's a bright, red-white-and-blue sign with a recognizable phrase splattered on the top of it. "In Priority We Trust." The sign remains standing at that downtown location, but a source tells 2 On Your Side the sign has been removed at another location. In fact, at locations across the United States, the United States Postal Service has begun retracting these signs after "customers voiced concerns," perhaps because the phrase too closely resembles "In God We Trust." That's the motto printed on

U.S. coins and currency, enacted originally under President Dwight Eisenhower in 1955. The postal service has not revealed the nature of the complaints. It also has not revealed how many locations nationwide it has removed signs from, which are part of a larger advertising campaign to promote priority mail. And it also could not offer an estimate to 2 On Your Side as to how much it costs to print the signs, a pertinent issue considering the postal service is reportedly billions of dollars in debt.

Congressional Research Service: "The U.S. Postal Service's Financial Condition: A Primer" -- "The USPS is experiencing significant financial challenges. After running modest profits from FY2003 through FY2006, the USPS lost \$41.1 billion between FY2007 and FY2012. Since FY2011, the USPS has defaulted on \$11.1 billion in payments to its Retiree Health Benefits Fund (RHBF). The agency has reached its \$15 billion borrowing limit and is low on cash. In October 2012, the USPS bolstered its liquidity by withdrawing all of the cash from its competitive products fund. At the end of the first half of FY2013, the USPS's financial condition showed no appreciable signs of improvement. The agency's revenues and operating expenses were little changed relative to mid-FY2012...."

Evening Standard: Postal workers' leaders will join a special two-day conference to decide whether to hold a national strike ballot over jobs, pensions and other issues linked to Royal Mail privatisation.

PC Magazine: The average person has hundreds—and some even have thousands—of online friends. The people we've welcomed into our social-media circle vie for our attention across a slew of social networks where we like, heart, and favorite their pictures, status updates, and videos. What was once a welcomed connection during a break in the day or a mobile moment alone is starting to feel like an obligation. The problem with social media today is that we spend half our time jumping from one site to the next. We have our Instagram, our Twitter, our Facebook, our Vine, and our Tumblr, and that's just the start. Instead of actually digesting anything, we give all of them a quick spin and then remember that we have three more sites to check. It's a surprise that there isn't a Foursquare badge just for checking into social networks. [EdNote: Hey...if they really cared about you and what you think, they'd have written you a letter...IN PRIVATE!"

Post & Parcel: The State-Owned Enterprises Ministry has appointed Budi Setiawan as the new president director of state-owned postal company PT Pos Indonesia, replacing I Ketut Mardjana.

Moapa Valley Progress: In an attempt to alleviate some of the financial woes plaguing the U.S. Postal Service (USPS), a bill has been introduced to the U.S. House of Representatives which would implement various cost-savings measures, prevent another general fund bailout and bring the cash-strapped agency to financial stability. The Postal Reform Act of 2013 (H.R. 2748), presented by Rep. Darrel Issa (R-Calif.), passed out of Committee last Wednesday by a 22-7 vote split along party lines. It is now expected to go to the floor of the House for a vote. But critics of the bill say that most of the pain of the bill's cost-cutting measures would hit rural residents the hardest.

Dutch News: PostNL missed the legal requirement to deliver at least 95% of mail on the working day following postage in 2012, consumer authority ACM said on Wednesday. Of all letters posted in a PostNL postbox, 93.6% reached the recipient the following working day.

ECNWeekly: Postal regulations regarding the delivery of mail to homes in new residential subdivisions in Halfmoon and Clifton Park are already causing problems. The regulations, which are being implemented across the country, require developers to install cluster mail boxes, rather than the more familiar boxes located at the end of each driveway.

The Capital Times: Congressman Darrell Issa really is determined to end the U.S. Postal Service as Americans know it — indeed, as Americans have known it for more than 200 years.

From Roll Call and Politico: [EdNote: You can file these under: "What the hell is going on in Washington these days?" And "who in blazes is actually in charge here?"]

- <u>Lawmakers regarded President Barack Obama's</u> latest attempt to engage them on an economic proposal as largely irrelevant, with neither Democrats nor Republicans viewing it as an actual step forward in breaking the budget impasse.
- <u>House Democrats and Republicans</u> appear to be taking the same message home for August: Washington is broken.
- Sen. Ted Cruz downplayed the damage of a government shutdown he and 11 other Senate Republicans are threatening over Obamacare as the equivalent of an extended weekend.
- President Barack Obama is planning to bypass congressional Republicans with a surge of executive actions
 and orders on issues like voting rights, health care, job creation, the economy, climate change and
 immigration. And this time, he really, really means it. Really.

Seeking Alpha: For years investing in Pitney Bowes (PBI) was a losing proposition. While the stock did offer an above market yield, the share price only moved in one direction -- down. However, Pitney Bowes has clearly reversed this trend. In 2013, the company has done things it should have done ages ago. Early in the year, Pitney Bowes replaced its longtime CEO Murray D. Martin with 27-year IBM (IBM) veteran Marc B. Lautenbach, and in April, Pitney Bowes lowered its dividend 50%, primarily to pay down debt. In addition, Pitney Bowes has posted back-to-back stronger than expected quarterly results. As a result, Pitney Bowes has seen its stock surge nearly 60% YTD. Pitney Bowes currently offers a \$0.1875 quarterly dividend and yields around 4.50%.

Myrtle Beach Online: U.S. Attorneys officials say a former U.S. Postal Service letter carrier has been convicted of disability fraud. Prosecutors say 40-year-old Sean Eric Slaton of Anniston was found guilty last week of eight counts of false statements, 24 counts of wire fraud and a count of theft of government property. Officials say Slaton received payments from the Department of Labor's Office of Workers Compensation in 2002 after he was injured while on duty in a 2001 car accident in Birmingham.

Kilgore News Herald: The United States Postal Service recently responded to criticism it was receiving from customers and bulk mailers about delivery delays – implementing at least regional changes in operations, responding in-part to a news story published the week of July 17 in Bluebonnet Publishing newspapers. After the closure of the East Texas Processing and Distribution Center near Tyler, bulk mailers began reporting the loss of customers related to slow delivery times on time-sensitive material like newspapers and advertisements. Customer response has even prompted one East Texas city's post office to revert back to old techniques to ensure mail delivery in a timely manner.



At the Postal Regulatory Commission:

C2009-1 Order No. 1794 - Notice and Order on Request to Add Round-Trip Mailer Product to Competitive Product List

http://www.prc.gov/docs/87/87470/Order 1794.docx http://www.prc.gov/docs/87/87470/Order 1794.pdf

CP2013-75 Order No. 1794 - Notice and Order on Request to Add Round-Trip Mailer Product to Competitive Product List

http://www.prc.gov/docs/87/87470/Order 1794.docx http://www.prc.gov/docs/87/87470/Order 1794.pdf

MC2013-57 Order No. 1794 - Notice and Order on Request to Add Round-Trip Mailer Product to Competitive Product List

http://www.prc.gov/docs/87/87470/Order 1794.docx http://www.prc.gov/docs/87/87470/Order 1794.pdf Direct Marketing News: Direct mailers agree that the postal reform bill approved by the House Oversight and Government Reform Committee last week is a good first step on what still promises to be an arduous journey.

AndhraNews.net: Melissa Data, a leading provider of contact data quality and address management solutions, today announced new offices in Raleigh, NC, Berlin, Germany, and Bangalore, India. These new locations have been established and staffed to meet the needs of the domestic and international markets with the availability of the Melissa Data Global Data Quality Suite and other solutions. The Global Data Quality Suite is a new set of tools that delivers accurate and consistent address parsing, verification, and transliteration for more than 240 countries and territories.

New Bern Journal: Slicing off a delivery day is one thing. Ending something as enduring and universal as door-to-door delivery strikes at the noun that ends this agency's name — service.

Pushing the Envelope: "Promoting the Postal Service" -- The U.S. Postal Service uses a variety of strategies and media – including direct mail, television, radio, and sponsorships – to advertise, market, and promote its products and services. These efforts also help to build brand awareness for the Postal Service. Some campaigns have succeeded, such as the Priority Mail Flat Rate box campaign, "If it fits, it ships®." Other efforts have been less successful. Over the years, the Postal Service has faced an advertising conundrum. Some have complained that a government monopoly shouldn't be spending money to advertise. Others have grumbled that the Postal Service isn't doing enough to promote its products and services, particularly compared to its competitors. Certainly, the Postal Service's current financial condition restricts its advertising budget. Then, there have been concerns about how well the Postal Service has managed and monitored advertising contracts, which one of our audit reports documented earlier this year. The Postal Service took corrective actions and has new contracts in place. Undoubtedly, we live in an age of competitive advertising. Every product the Postal Service has faces competition, even the monopoly products. The Postal Service needs to use advertising to promote its products, services, and the brand itself. The question might be: What is the most effective way for the Postal Service to advertise? Should campaigns focus on traditional media, or focus on new media, like Facebook, Twitter, and YouTube? The Postal Service's upcoming launch of an ad campaign might provide insights on the best possible strategy. It plans to kick off a nationwide multi-channel advertising campaign in August to promote its Priority Mail changes, which include a "simplification" of Priority Mail services and a name change for Express Mail. For some customers, the new longer name of Priority Mail Express, and the revised Priority Mail service offerings of 1-, 2- or 3-days might actually seem more complicated than simplified. A successful advertising campaign would reduce that confusion.

Business Wire: Funds affiliated with Apollo Global Management, LLC (APO) (together with its consolidated subsidiaries, "Apollo") and Pitney Bowes Inc. (PBI) today announced a definitive agreement under which Apollo will acquire Pitney Bowes Management Services ("PBMS") for approximately \$400 million in cash. The transaction, which is subject to customary closing conditions, is expected to close in the fourth quarter of 2013. Until then, Pitney Bowes will continue to operate PBMS. "This transaction represents a tremendous opportunity for both Pitney Bowes and PBMS," said Marc Lautenbach, President and CEO, Pitney Bowes. "It is part of our continued evolution into a company better aligned to address the needs of clients while focusing on the areas where we can create the greatest value for our clients and our shareholders. Pitney Bowes Management Services, a strong business with an outstanding team and an unparalleled client list, can benefit significantly from operating as a more focused, stand-alone company in partnership with Apollo, a leading global alternative asset manager with a proven track record of success in building and growing businesses in the business services industry." Pitney Bowes remains committed to delivering a high level of service to its clients and will continue to focus on the three areas outlined during its analyst day: Small and Medium Business Mail, Enterprise Mail and Services, and Digital Commerce Solutions.

The Grand Island Independent: Last week saw the House of Representatives approve a comprehensive bill to reform the US Postal Service that gives all stakeholders a small bone, but makes nobody happy with the result. It is a lesson in making sausage, finding ways to compromise and keeping the process moving forward. The best part of the bill is that it probably won't look like the House version after all is said and done in the Senate. There is much more to do this year to improve the future viability of the Postal Service, but the House bill is a good start. The conversation is still alive and thus hope for an improved Postal Service pinned to higher efficiency, a stable workforce and sustainable costs is coming closer to reality than at any time in recent years.

Bloomington Pantagraph: It's doubtful that Issa's plan will be adopted for the same reason the elimination of Saturday delivery was stopped. Customers don't want change and since Congress has to approve changes, nothing happens. That's unfortunate because it means that while services don't change, neither will the Postal Service's record of losing billions of dollars a year.

The Columbus Dispatch: Delivering right to the door costs the Postal Service an estimated \$353 per address every year, compared with \$224 for curbside delivery and \$160 for cluster boxes. Undeniably, the agency must find savings; it ended its last fiscal year in the red by \$15.9 billion and it has reached its borrowing limit from the U.S. Treasury. The latest change in delivery seems to be low-hanging fruit, unlike its proposal to end Saturday delivery (\$2 billion a year savings), which was nixed by Congress. Several forces have converged to sink the Postal Service.

July 29, 2013

Sen. Jon Tester: Senator Jon Tester this week won approval for his measure to require the government to determine how reductions in rural mail delivery standards are affecting Montana communities. The Postal Service last year cut certain delivery programs in rural states like Montana, claiming the change would save the agency money and not hurt delivery service standards. But there have been no studies to back up the Postal Service's claims - or to determine how communities in rural America are affected by the change. Tester's measure will require the government's top watchdog to get to the bottom of the issue. Tester sits on the Senate's Appropriations Committee, which approved his amendment unanimously.

Legal Times: A group of former U.S. Postal Service inspectors who are defendants in a businessman's long-running retaliation suit in Washington have turned to outside counsel to press their challenge in the U.S. Supreme Court as a trial date inches closer. The Justice Department, which had fought for the inspectors in earlier litigation in the Supreme Court, did not file the latest petition, which asks the justices to review a ruling in the U.S. Court of Appeals for the D.C. Circuit that kept alive businessman William Moore's allegations.



At the Postal Regulatory Commission:

- **RM2013-4** Initial Comments of the International Digital Enterprise Alliance, Inc. (IDEAlliance) http://www.prc.gov/docs/87/87440/PRC RM2013-4 by IDEAlliance 7.29.13.pdf
- **RM2012-4** Initial Comments of the Greeting Card Association http://www.prc.gov/docs/87/87439/04 RM2012-4 GCA InitialComments.pdf
- **RM2012-4** Comments of National Newspaper Association, Inc. http://www.prc.gov/docs/87/87458/NNA%20comments%20N%20cases.pdf
- RM2012-4 Public Representative's Comments http://www.prc.gov/docs/87/87448/PR_RM2012-4.pdf
- RM2013-4 Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Initial
 Comments on Notice of Proposed Rulemaking http://www.prc.gov/docs/87/87459/Valpak Initial
 Comments.pdf
- RM2013-4 Valassis Direct Mail, Inc. http://www.prc.gov/docs/87/87452/Valassis cmts-RM2013-4.pdf
 - RM2013-4 Comments of Time Inc. in Response to Order No. 1739 http://www.prc.gov/docs/87/87456/TIcmtsRM2013-4F.pdf
- RM2012-6 PRC-RM2012-6-LR3 Standard Mail Automation 5-Digit Letters Benchmark http://www.prc.gov/docs/87/87455/PRC-RM2012-6-LR3.docx http://www.prc.gov/docs/87/87455/STD Letters Cost Model PRC.xls
- RM2012-6 PRC-RM2012-6-LR2 First-Class Mail Automation 5-Digit Presort Letters and Cards Benchmarks
 - $\frac{http://www.prc.gov/docs/87/87454/FCM\%20Letter\%20Cost\%20Model\%20PRCrev2.xls}{http://www.prc.gov/docs/87/87454/PRC-RM2012-6-LR2.docx}$
- RM2012-6 Order No. 1793 Order Revising Benchmark Used to Calculate the Costs Avoided by Automation First-Class 5-Digit Cards and Standard Regular 5-Digit Letter Mail

- http://www.prc.gov/docs/87/87443/Order%201793.docx http://www.prc.gov/docs/87/87443/Order 1793.pdf
- RM2012-6 Notice of Filing of Library References PRC-RM2012-6-LR2 and PRC-RM2012-6-LR3 http://www.prc.gov/docs/87/87444/RM2012-6%20LibraryReferences2and3.pdf http://www.prc.gov/docs/87/87444/RM2012-6 LibraryReferences2and3.docx
- RM2013-4 Comments of Pitney Bowes Inc. http://www.prc.gov/docs/87/87451/PB 404a Comments.pdf
- RM2013-4 Joint Comments of Stamps.com and Endicia http://www.prc.gov/docs/87/87450/Comments of SDC and Endicia.pdf
- RM2013-4 Comments of the National Association of Presort Mailers http://www.prc.gov/docs/87/87453/NAPM Comments Order 1739 RM2013-4.pdf
- RM2013-4 Initial Comments of United Parcel Service in Response to Notice of Proposed Rulemaking Establishing Rules Pursuant to 39 U.S.C. 404a http://www.prc.gov/docs/87/87447/RM2013-4 http://www.prc.gov/docs/87/87447/RM2013-4 HTTPs://www.prc.gov/docs/87/87447/RM2013-4 https://www.prc.gov/docs/87/87447/RM2013-
- RM2012-4 United States Postal Service Initial Comments http://www.prc.gov/docs/87/87461/RM2012-4 NPRM initial comments USPS.pdf
- RM2012-4 Valpak Direct Marketing Systems, Inc. and Valpak Dealers Association, Inc. Initial Comments
 on Notice of Proposed Rulemaking http://www.prc.gov/docs/87/87465/Initial comments on Proposed Rules.pdf
- RM2013-4 Initial Comments of the United States Postal Service http://www.prc.gov/docs/87/87464/RM2013-4_Comments.pdf
- RM2013-4_Comments.pdf RM2013-4 Public Representative Comments http://www.prc.gov/docs/87/87462/PublicRepComments_RM2013-4.pdf http://www.prc.gov/docs/87/87462/PublicRepComments_RM2013-4.docx
- RM2013-4 Comments of Grayhair Software Inc. http://www.prc.gov/docs/87/87463/13-07-27 GHS comments.pdf

DMM Advisory: July Classification Updates. Postal Explorer® (pe.usps.com) is your source for up-to-date mailing standards. The Domestic Mail Manual (DMM®) is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. Yesterday we updated our mailing standards to include the following changes:

- Collect on Delivery (COD)--Service Features. We revised <u>503.12.0</u>, <u>507.4.0</u> and <u>508.1.0</u> to provide new standards for the automatic holding period for Collect on Delivery (COD) articles, expand the acceptable payment methods for COD articles, and provide current options for the redirecting of COD articles. We published this information in the July 11, 2013, Postal Bulletin.
- **New Ancillary Service Endorsement Options.** We revised <u>507.1.5</u> to provide mailers with new ancillary service endorsement options. We published this information in the July 11, 2013, Postal Bulletin.
- Clarification of Official Mail Standards. We revised 703 to clarify the standards for using Official Mail, such as the use of postage statements and the sale of Penalty Mail stamps and stationery. We published this information in the June 27, 2013, Postal Bulletin.
- **More Leeway for Barcodes on Flats.** We revised <u>302.5.0</u> to remove obsolete language that prohibits 5-digit or 9-digit routing barcodes on automation flats. We published this information in the June 27, 2013, Postal Bulletin.
- Package Simplification & Priority Mail Insurance Enhancement. We revised various related sections to reflect the renaming of Express Mail® as Priority Mail ExpressTM and new standards to include insurance coverage in the price of barcoded domestic Priority Mail®. We published this information in the June 27, 2013, Postal Bulletin.
- **Refunds and Exchanges.** We revised <u>604.9.0</u> and other DMM sections to remove obsolete standards pertaining to postage refunds and stamp exchanges, and to standardize processes for requesting refunds for PC Postage® labels and extra service refunds.. We published this information in the June 27, 2013, Postal Bulletin.
- Expansion of Optional Use of Flat Trays for Periodicals Flats. We revised <u>705</u> and <u>707</u> to allow Periodicals nonmachinable flats and Periodicals flats sorted to carrier routes to be prepared in flat trays

instead of sacks, whenever the current standards allow such mail in sacks. We published this information in the May 30, 2013, Postal Bulletin.



<u>WebWire</u>: Howard Koslow, artist and illustrator, has donated his collection of original artwork for the U.S. stamps that he designed between 1971 and 2013 to the Smithsonian's National Postal Museum. The material consists mainly of

highly developed "roughs" of accepted and unaccepted stamp designs in the form of pencil sketches and acrylic paintings. The final artwork for Koslow's stamps resides in the Postmaster General's Collection, a one-of-a-kind philatelic resource with unusual, rare and unique holdings, on long-term loan to the museum from the U.S. Postal Service. A finding guide with a complete listing of stamps represented in the collection is available on the museum's website.

Amazon are without question the masters of shipping their own goods. With FBA warehouse across the country, owning their own delivery company would mean Amazon could control the delivery experience right up to the door step. Amazon could then install a locker in every Royal Mail Delivery Office in the country extending self service opening hours to 24 hours a day. Post Office lockers are already commonplace in the US and many other counties around the world so why not also the UK? Not only would owning Royal Mail give Amazon unparalleled control of deliveries, they could probably also save money. Rather than paying for deliveries Amazon could use Royal Mail's other parcels and letters business to subsidise Amazon shipments. Against Amazon buying Royal Mail is obviously the price (although they would only need a controlling stake, not the entire company), Amazon's workplace practices – they'd hate dealing with the CWU, and the sheer amount of work it would take to finish the Royal Mail modernisation program.

Yahoo! News: For more than 200 hundred years Australia's posties have delivered on a promise - to get the mail through, rain, hail or shine - but a post office in Dubbo can no longer deliver on that promise. The job has become so dangerous that they've been through four posties in just twelve months. Now the New South Wales suburb of West Dubbo is home to the streets with no mail. Eight blocks and more than 200 homes have been given a mail ban, meaning each and every resident now has to collect their mail from the post office.

Pressty: Staff in Britain's Crown post offices have begun their ninth round of strike action in a row over privatization of the service as well as job cuts and pay.

Transport Intelligence: TNT Express has made major changes to the structure and outlook of its business which has led to write-downs of over €200m. TNT states that across Europe volumes increased for its core business, but margins were depressed by price competition. Unsurprisingly, France and Italy saw poor market conditions. In the business unit it now calls 'Europe Other & Americas' – which includes its Brazilian operations – performance was relatively flat, with some increase in revenue due to better margins. Asia and the Middle East saw falls in revenue on an unadjusted basis of 5.7% with China seeing lower export volumes; although other parts of Asia were healthier. The 'Pacific' business – which is largely the Australian express operations - also saw pressure on prices as customers bought cheaper services, although demand still grew.

July 28, 2013

Agence France Presse: Watch out Versace and Chanel. Next year the US Postal Service plans to start selling its own clothing range, based on its uniforms. The planned "Rain, Heat and Snow" brand from the USPS is just one of the new ideas that postal services around the world have come up with in the face of the technological revolution that once looked to cripple them. "This agreement will put the Postal Service on the cutting edge of functional fashion," says corporate licensing manager Steven Mills.

USA Today: Korean War memorial artist says Postal Service owes him.

Seeking Alpha: Read this. "Windows 8 Is Just Fine, Microsoft's Problem Is Evolution" Just substitute the words Postal Service for what appears in the story as Microsoft, and you'll be stunned (and saddened) by the parallels.

Wall Street Journal: Health insurance companies are going to be big players in the implementation of the Affordable Care Act, which begins later this year. They also stand to be big beneficiaries if all goes according to plan. But beyond the players directly involved — insurers, hospital operators, pharmeceutical companies, etc — are plenty of others who are gearing up for health reform. And some of them also stand to make some serious money. [EdNote: Let's hope one is the U.S. Postal Service. Mail still is the only medium that can ensure that messages about the new health care system gets a chance to be communicated to all who need to know.]

BBC News Jersey: More than 180 post boxes in Jersey are to be surveyed to find out which have significant heritage value. It follows a decision by Jersey Post to decommission a number of the less well-used post boxes as part of a review of its services. The survey of post boxes will be carried out by an expert from the British Postal Museum and Archive, together with Jersey Post. The first pillar boxes were built in St Helier in 1852.

Rep. Jason Chaffetz (R-UT) at the markup of H.R. 2748 --

"I don't want the Postal Service to be able to take advantage of its special monopoly protection while it seeks to compete with the private sector.

If the Postal Service wants to compete, it's got to be with an even playing field."

On the matter of the USPS' handling of IMsb and its off-hand dismissal of concerns of adverse impact on the private sector:

How quickly the Postal Service chooses to forget

The Daily Nonpareil: Congress is once again considering a plan to shore up the financially struggling U.S. Postal Service. And, has been the case for the past several years, the plan being proposed is a bandage rather than a cure. As a result of a 2006 congressional mandate, the post office is required to pay \$5.5 billion annually into a fund for 10 years to pre-fund health benefits for future retirees. It's a mandate that no other government agency or private entity is required to do at this level. At best, Issa's bill would address \$4.5 billion of that \$5.5 billion requirement – a bandage to slow the bleeding, yes, but hardly a cure.

Khaleej Times: To counteract the turmoil brought on by emails and text messages, postal services worldwide have reinvented themselves, taking on the technological revolution that once looked to cripple them. Traditional snail mail service has dropped sharply in recent years, though emerging countries are a notable exception. According to the Universal Postal Union (UPU), global letter- and light parcel delivery dropped by 3.7 percent in 2011 from a year earlier, and by 5.1 percent when just counting Europe and the former Soviet Union. And the death of letter-writing has forced postal services to either catch on new trends or disappear.

July 27, 2013

Independent: The repositioning strategy at the Irish arm of international distribution giant DHL has led to the turnaround from loss in 2010 to profit in 2012.

Daily Kos: U.S. Senator Tom Udall (D-NM) announced that he has joined Senate Indian Affairs Committee Chairwoman Maria Cantwell (D-WA) and Vice Chairman John Barrasso (R-WY) in introducing a bill to reauthorize the Native American Housing Assistance and Self-Determination Act (NAHASDA), which is scheduled to expire on September 30, 2013. The bill was also cosponsored by Senators Tim Johnson (D-SD), Jon Tester (D-MT), Mark Begich (D-AK), Al Franken (D-MN), Brian Schatz (D-HI), Mazie Hirono (D-HI) and Heidi Heitkamp (D-ND). The bill funds a wide range of federal agencies and priorities, including an assurance that the U.S. Postal Service will continue delivering mail six days a week

DMM Advisory: IMb™ Services Update.

• **New Business Customer Gateway Tools** - Mail Service Providers (MSPs) can request CRIDs and MIDs on behalf of their customers by using the "Get MIDs/CRIDs" feature

on the Business Customer Gateway (BCG) Profile page. Users have the choice of requesting MIDs and CRIDs for up to ten customers at a time through the online option or requesting MIDs and CRIDs for up to 100 customers through an Excel/CSV option. MSPs using the Manage Mailing Activity (MMA) service can also validate their clients' data through the Customer Validation Tool on the BCG Profile page. The BCG can be accessed at https://gateway.usps.com/eAdmin/view/signin.

• *PostalOne!* Release 35.0.1 — A release to repair known issues in *PostalOne!* Release 35.0.0 will be deployed during the scheduled maintenance window from 4 a.m. through 8 a.m. CT on Sunday, July 28, 2013. This will be done in a rolling fashion and there will be no planned outage during the software deployment.

A mandatory Mail.dat[®] client download will be available immediately following the software update. Release notes for *PostalOne!* Release 35.0.1 can be found on <u>RIBBS</u> by clicking on Major/Minor Release Schedule/ 2013 Releases/ July 2013 Release Notes in the left-hand navigation bar or by going directly to July 2013 Release Notes.

At the Postal Regulatory Commission: C2009-1 Request of The United States Postal Service Under Section 3642 to Create Round-Trip Mailer Product http://www.prc.gov/docs/87/87436/3642 Request (Final).pdf

July 26, 2013

In The United States Court Of Appeals For The District Of Columbia Circuit United States Postal Service, Petitioner, v. Postal Regulatory Commission, Respondent. "On Petition for Review of an Order of the Postal Regulatory Commission"

Washington Post: A Rockville IT company owner who prosecutors say paid tens of thousands of dollars in bribes to a U.S. Postal Service official for information to help his firm win lucrative government contracts was sentenced to a year and a day in prison Friday, authorities said. Federal prosecutors had asked that Adel Elaraby, 40, owner of a Rockville-based company called AH Computer Consulting Inc., be sentenced to two years and three months in prison for bribing the official.

The Moscow News: Authorities have slapped Pochta Rossii with a 360,000 ruble (\$11,250) fine over violations that led to a backlog of over 300 tons of packages in April. Moscow investigators uncovered 13 administrative violations in the beleaguered postal service, most of them over entrepreneurial activity, according to a statement posted on the official site of the Prosecutor General's Office on Friday. The probe was launched in spring, after reports about hundreds of tons of undelivered mail fueled allegations of inefficiency. Prosecutors uncovered a total of 318 tons of backlogged mail, although reports in April cited up to 500 tons. Up to 20 percent of correspondences do not reach their addressees on time, according to figures from the Communications Ministry.

Philadelphia Inquirer: On July 26, 1775, Franklin was appointed Postmaster General. The members of the Second Continental Congress agreed "...that a Postmaster General be appointed for the United States, who shall hold his office at Philadelphia, and shall be allowed a salary of 1,000 dollars per annum..." This simple statement signaled the birth of the Post Office Department, the predecessor of the United States Postal Service and the second oldest department or agency of the present United States of America. [EdNote: So, I guess it's "Happy Birthday USPS."]

StreetInsider: Aflac Inc. announced that Aflac Japan and Japan Post Holdings have entered into a new agreement, further expanding their partnership that was initially established in 2008. Aflac Japan will remain the exclusive provider of cancer insurance distributed through post offices nationwide across Japan.

Post & Parcel: The Isle of Man Post Office has said the government could decide by the end of this year to turn it into a limited company, providing more independence in how it is run. But the organisation currently run as a Statutory Board of Tynwald, the island's Parliament, will not be privatised it insisted today. The Isle of Man government is keen on corporatising the island's postal operator, turning it into a PLC wholly owned by the government.

Deutsche Post DHL
Post & Parcel: Deutsche Post has said the first ever electric vehicle to be designed specifically for postal delivery has been granted an operating permit. The German national postal operator has been developing the StreetScooter vehicle with a consortium of 30 European companies and RWTH Aachen University since 2011, completing a prototype in October 2012. Yesterday the company revealed that the vehicle has received a permit from vehicle certification agency DEKRA, confirming it is roadworthy.

Financial Times: Postal workers' leaders are to decide next week whether to hold a national strike ballot to protect jobs and pay as the fight over the government's plan to privatise Royal Mail approaches its climax.

Washington Post: The relationship the U.S. Postal Service has with its customers and employees would change considerably under legislation a House committee approved Wednesday night. And the workers, who also are customers, don't like it. The bill, said National Association of Letter Carriers President Fredric V. Rolando, is "another failure by . . . Congress to address the problem that they created." He was referring to a congressional mandate that the Postal Service pre-fund retiree health benefits, which has been a major drag on Postal Service solvency and an obligation not required of any other federal agency.

Atlanta Business Chronicle: United Parcel Service Inc. delivered on Thursday its annual Sustainability Report, detailing its efforts to reduce its carbon footprint and ramp up alternative fuel usage. The new report reviews the greenhouse gas reductions, fuel savings and miles avoided through the Atlanta-based package shipper's use of technology.

Wall Street Journal: Today, Investors' Reports announced new research reports highlighting United Parcel Service, Inc., FedEx Corporation, Hub Group Inc., Forward Air Corporation.

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

- House Oversight and Government Reform Committee Chairman Darrell Issa, R-Calif., introduced H.R. 2748, the Postal Reform Act of 2013. "The commonsense reforms in this legislation will restore the United States Postal Service to long-term financial solvency while maintaining high-quality universal service for all Americans," said Chairman Issa. "The legislation incorporates reforms offered by members of both sides of the aisle and builds upon months of bipartisan and bicameral discussions." Issa released a discussion draft of the Postal Reform Act in June. The Committee received dozens of comments from stakeholders, including members of Congress both on and off the Committee. A list of changes incorporated into the introduced version of the bill can be found here. The introduced version of the legislation incorporates elements of H.R. 2615, introduced by House Rural Caucus Co-Chair Rep. Adrian Smith, R-Neb., H.R. 961, introduced by Rep. Stephen Lynch, D-Mass., and H.R. 2690, introduced by Oversight Committee Ranking Member Elijah Cummings, D-Md.
- PostCom offers highlights from the House mark-up of H.R. 2748.
- Here are snippets from the news covering the House markup of H.R. 2748.
- The Postal Regulatory Commission issued a notice of proposed rulemaking relating to the Commission's price cap rules. The notice was intended, in part, to clarify and improve the manner in which 39 C.F.R. part 3010 implements statutory directives and policies previously expressed in Commission orders. The Commission found that it will be beneficial to promptly adopt rules that were unopposed or raised issues that are easily resolved. The proposed rules that raised questions that were easily resolved are described, modified as appropriate, and adopted. The proposals concerning the treatment of service reductions and promotional and incentive rates that generated significant opposition requiring additional research and analysis were deferred to a later date.

- According to the Government Accountability Office, "Opportunities for increasing revenue from NSAs, sales, and promotions are primarily with competitive NSAs, though challenges may limit revenue, and it will likely not offset declines from other products. Continued growth in e-commerce is creating opportunities to generate additional revenue through competitive NSAs. Opportunities to generate additional revenue through market dominant NSAs are limited by low demand for those products."
- The USPS on July 23, 2013, published a presolicitation notice seeking "information on COTS (commercial off the shelf) solutions which offer a more innovative approach to deliver mail given the potential changes in the present rigid delivery structure, without inordinate complexity or lengthy implementation requirements." "A more flexible transportation routing model and supporting national desktop platform applications will assist the USPS in reaching our restructuring goals," it said. Responses to the notice are due by September 20, 2013.
- Private IP addresses and how everything is about to change. Corker: Postal Service and waste detailed in final audit of Iraq reconstruction. Are UPS and FedEx flying too light? PRC examines Competitive Product Fund. Carper comments on Issa's bill. GCA comment on Issa's bill. House GOP rolls out new postal bill. Defending the Postal Service with facts and context. Postal Service provides easy guidelines for resellers. USPS loses to Amazon.com on .Mail top level domain objection. Postifier brings snail mail into the digital age. Antitrust claims against Postal Service returned to sender by federal judge. APWU, Mail Handlers plan August actions to push postal reform. APWU comments on Issa's bill denies USPS' request for extension in GameFly complaint. USPS deploys wireless intelligent mail device. USPS walks the walk with mobile strategy on stamp intro. PostCom's newest member. Cummings: No Dem votes expected for Issa postal plan. PRC.
- Updates from the Federal Register.
- Updates from the Domestic Mail Manual.
- Updates from the USPS' Industry and Customer Affairs department.
- An update from the USPS Office of Inspector General.
- Postal previews.

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us by email</u> 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

Standard Media: The Postal Corporation of Kenya (PCK) has revised its revenue target to Sh20 billion from Sh5 billion in the next three years. The move will enable the parastatal meet its 2013-2016 Corporate Strategic Plan. "Posta is presently realigning its operations and propping up its "profit-centres to realise growth," said Postmaster-General Enock Kinara. This is being done by developing new products, reviewing pricestructures and diversifying its sources of income. Dr Kinara said Posta would increase its revenues to hit its set target.

Newsroom America: Tony Hammond has been a Commissioner on the Postal Regulatory
Commission since his appointment in 2012. He previously served on the Postal Regulatory
Commission and its predecessor agency, the Postal Rate Commission, from 2002 to 2011. During his tenure, he was twice elected as Vice Chairman of the Commissions. Previously, Mr. Hammond was owner and managing member of T. Hammond Company, LLC, a private consulting firm. In addition, he was Senior Vice President of the direct marketing firm FL&S, and Senior Consultant to Forbes 2000, Inc. From 1994 to 1999, he worked at the Republican National Committee, where he was Political Director during his last two years at the Committee. From 1989 to 1994, he was Executive Director of the Missouri Republican Party. Mr. Hammond served for ten years on the staff of then-Southwest Missouri Congressman Gene Taylor, the ranking member of the House Post Office and Civil Service Committee. Mr. Hammond received a B.S. from Missouri State University.

WOWK: A U.S. Postal inspection led to one man's arrest Wednesday. Brandon L. Madden, 31, of Huntington, was arrested after a package of oxycodone was delivered to his home on West Pea Ridge and he couldn't provide a prescription for the drugs, according to court documents. The package was inspected by a U.S. Postal Inspector and a search warrant was obtained. A controlled delivery by deputies with the Cabell County Sheriff's Department was made to Madden's home and he accepted it, leading to the arrest.

<u>WJTV</u>: Gregory K. Davis, U.S. Attorney for the Southern District of Mississippi, Gabriel Grchan, Special Agent in Charge of IRS Criminal Investigation, Allen Bryant, Resident Agent in Charge, U.S. Secret Service, and Keith Morris, Inspector in Charge, U. S. Postal Inspection Service, announced recent indictments against seven individuals for stolen identity refund fraud.

Gadsden Times: There's a chance door-to-door mail delivery of any type, on any day, might go away. That drastic proposal is part of a postal reform plan offered by Rep. Darrell Issa, R-Calif., chairman of the House Oversight and Government Reform Committee, that would save the Postal Service up to \$4.5 billion a year. It would phase out door-to-door delivery by 2022. Slicing off a delivery day is one thing. Ending something as enduring and universal as door-to-door delivery strikes at the noun that ends this agency's name — service. Are the savings worth that cost?

Daily American: The United States Postal Service is working on measures that will streamline its operations. But with the Postal Service facing billions of dollars in annual losses, the door-to-door delivery service could be virtually phased out by 2022 under a proposal a House panel was considering Wednesday. It's not a new idea. The cost differences are clear. Curbside delivery costs average \$224 per year for each address, while cluster box delivery averages \$160. Door-to-door delivery costs the agency about \$350 per year, on average. The cost savings make more sense than eliminating days of service. This plan gives consumers a choice in deciding which days they pick up their mail from the box. It's going to be there when it's convenient for the recipient.

DMM Advisory: Package Simplification and Priority Mail® Insurance Enhancement. Effective Sunday, July 28, the Domestic Mail Manual (DMM®) includes changes to rename Express Mail® as Priority Mail ExpressTM (PME). No changes are being made to its existing service features. Additionally:

- Express Mail Corporate Account (EMCA) is now USPS® Corporate Account (USPSCA).
- USPS-provided expedited packaging is redesigned; however, all existing packaging supplies may be used until depleted.
- Additionally, insurance coverage is included at no additional charge for barcoded domestic Priority Mail (PM) pieces (except for Merchandise Return Service, Priority Mail Open and Distribute or Premium Forwarding Service pieces) as follows:
 - -- 100.00 for PM pieces bearing an Intelligent MailTM package barcode (IMpb) and for which the mailer pays Commercial Plus® prices.
 - -- \$50.00 for PM pieces bearing an IMpb or USPS retail tracking barcode. (Note: See DMM 503 and 609 for additional information on insurance coverage and claims.)

Mailers should update their indicia to Priority Mail Express before January 26, 2014. Available delivery day-specific designations for PME will be included on retail receipts and on customer shipping labels. And 1-Day, 2-Day, 3-Day, International, Military and DPO will be considered "add-ons" to the PM mail-class name. For example:

Before Now with Day-Specific and Other "add-ons"

Express Mail (1) Priority Mail Express 1-Day (2) Priority Mail Express 2-Day

Priority Mail (1) Priority Mail 1-Day (2) Priority Mail 2-Day (3) Priority Mail 3-Day (4)

Priority Mail Military (5) Priority Mail DPO

ECNN: Land of the free. Home of the brave. Bastion of mediocre Internet speeds. Already getting clobbered by cth KoJapan, the United States is close to falling out of the top 10 nations in terms of Internet-connection speeds, according to a new report. The United States fell from 8th to 9th after being passed by Sweden in the first quarter of this year. The other countries with quicker Web connections than the United States? Hong Kong, Switzerland, Netherlands, Latvia and the Czech Republic.

Free Webinar!! "CRIDs and MIDs: New Functionality on the USPS' Business Customer

Gateway" -- One of the significant requirements for Full-service Intelligent Mail® is to identify the entities in a mailing using a Customer Registration ID (CRID) or Mailer ID (MID). How do you get these numbers, and how can you validate them is one of the basic questions mailers ask. You can get answers and/or clarifications as you join the Association for Postal Commerce for a FREE webinar on Wednesday, August 21, 2013 at 1:00pm Eastern as Heather L. Dyer, USPS HQ Business Mailer Support Analyst, will review the options and the NEW functionality on the USPS Business Customer Gateway. Register Now!

Opportunities to Increase Revenue Exist with Competitive Products; Reviewing Long-Term Results Could Better Inform Promotions Decisions GAO-13-578, Jun 25, 2013 | Full Report

"The U.S. Postal Service (USPS) has developed numerous negotiated service agreements (NSA), sales, and promotions since the enactment of the Postal Accountability and Enhancement Act (PAEA) in 2006, and they generate a small but growing portion of USPS total revenue. PAEA established two categories of products: "market dominant," where USPS has a monopoly, and "competitive," which includes all other products, such as shipping services. NSAs, sales, and promotions are generally designed to encourage additional mail volume and revenue through temporary discounts on specific mail products. For example, USPS has offered promotions to incentivize mailers to invest in technology that may increase the value of mail for those mailers over the long-term. No NSAs, sales, or promotions followed the enactment of PAEA until regulations were issued in late 2007. The number of NSAs, sales, and promotions has increased most years since. The revenue generated from NSAs, sales, and promotions has also increased overall. The most revenue was generated by competitive NSAs. Financial results of competitive NSAs are not reported publicly. According to the Postal Regulatory Commission (PRC), which exercises regulatory oversight over USPS, nearly all competitive NSAs have covered their costs. Market dominant NSAs generated little revenue, in part because few were done. Sales and promotions have also generated little revenue.

"Opportunities for increasing revenue from NSAs, sales, and promotions are primarily with competitive NSAs, though challenges may limit revenue, and it will likely not offset declines from other products. Continued growth in e-commerce is creating opportunities to generate additional revenue through competitive NSAs. Opportunities to generate additional revenue through market dominant NSAs are limited by low demand for those products. Also, it is difficult for USPS to determine whether any volume and revenue increases directly result from market dominant NSAs because it is difficult to accurately estimate mailers' future mail volume. In addition, USPS and some mailers we spoke with noted that the process for developing both market-dominant and competitive NSAs can be burdensome, hindering the development of new agreements. USPS has taken actions, though, to streamline the process for developing competitive NSAs. Opportunities for generating revenue from sales and promotions are also limited by low demand as well as limited review of the long-term financial results before implementation. USPS has noted that promotions satisfy rate requirements by, for example, helping to generate revenues for USPS. In particular, promotions are used to encourage mail volume over the long term. However, USPS does not provide data and analysis about the potential long-term financial results when submitting promotions to PRC for its approval. As a result, PRC does not assess the methodologies for evaluating the long-term financial results of promotions before implementation. Given USPS's financial situation, USPS should demonstrate how promotions may achieve positive long-term financial results, in order to help maximize the revenue generated by those postage rate discounts."

National League of Postmasters: Mark Strong, President of the National League of Postmasters said today "H.R. 2748, which was reported out of committee last night would endanger the quality of mail service in rural America by lowering the standard of quality to which the Postal Service must adhere." H.R. 2748 is sponsored by Congressman Darrell Issa (R CA), chairman of the House Government Reform and Oversight Committee.

Post & Parcel: The US House Oversight Committee passed a postal reform bill yesterday, which includes powers to allow the US Postal Service to scrap Saturday mail delivery. However, the committee's chairman, Darrell Issa, said during the business meeting in Washington DC that the bill offered merely a "place marker" in the legislative process, with the real negotiation set to come in conference, when the House of Representatives sits down with the US Senate to hammer out a compromise bill that both chambers of Congress will approve. The Republican from California said he'd purposefully avoided certain contentious points in his bill in order to build a consensus, particularly since the Democrats control the US Senate. Most notably, Issa removed provisions that would have allowed USPS to re-negotiate existing union contracts to remove lay-off protection clauses. Democrats in the committee nevertheless strongly opposed a number of key proposals in Issa's bill, particularly the proposal to allow USPS to borrow \$5bn more from the Treasury to pay workers to leave, the elimination of Saturday mail delivery and the end of door-to-door delivery. Issa suggested that while some of his Republican proposals were not favoured by Democrats in the minority, if the House could just pass a postal reform bill in some form, a real compromise would come in negotiation with the Senate, which unlike the House is currently controlled by the Democrats.

KYW: The US Postal Service continues to look for ways to cut costs these days. One of their options is changing the way in which many people get their mail. They're trying to eliminate door to door delivery, at least in new construction, opting to set up cluster boxes instead.

Post & Parcel: FedEx Express has said it is the first of the global integrators to be certified as an authorised customs broker in Japan.

At the Postal Regulatory Commission: Postal Regulatory Commission NOTICES Public Inquiry on Competitive Products Fund , 44982–44983 [2013–17838] [TEXT] [PDF]

Electronic Mail Improvement Reporting (eMIR) System

"The Postal Service's Electronic Mail Improvement Reporting (eMIR) System is a web-based process used to notify mailers of irregularities in the preparation of mailings presented to the Postal Service. This system was launched in August 2004 and was re-engineered in June 2011. When mail irregularities are identified, a PostalOne! eMIR Data Collection form is completed and entered into the eMIR system. The eMIR system electronically routes the irregularity to the accountable department. The accountable department researches the irregularity, initiates customer contact if necessary, and enters the results into the eMIR system. The eMIR system provides benefits to Postal Service process owners as well as Postal Service customers. Some benefits that the eMIR system provides to Postal Service process owners include: access to online reports, messaging and system-to-system interfaces, elevating preparation issues electronically, elimination of gaps in the hardcopy process, and increased communication flow between all involved parties. Postal Service customers benefit from the quality information provided by eMIR with online access to report information, access to digital images of problem mail pieces, continuous and timely feedback, problem resolutions to enable correction of reoccurring problems, and the ability to improve the quality of future mailings. Whether you are a Postal Service employee or customer, what are your experiences with the eMIR system? How often do you access/use the eMIR system? Specifically, is the eMIR system functioning as you expect? Are there functionalities not being used or not being used properly? In your opinion, how could the Postal Service improve its eMIR system?"

LISA Today: The House Oversight and Government Reform Committee Wednesday approved the Postal Reform Act. Introduced by Congressman Darrell Issa, R-Ca., the legislation would end door-to-door delivery to 37 million residences and businesses and Saturday mail service to over 150 million homes and businesses. Ending door-to-door delivery - which will force millions to get mail at curbside boxes or cluster boxes by 2022 - would save up to \$4.5 billion annually, Issa says. Ending Saturday service - a proposal that was met with widespread criticism when it was first proposed in 2012 - could save another \$2 billion a year. Postmaster General Patrick Donahoe said his agency will evaluate the legislation to determine whether it meets a \$20 billion savings goal by 2017. Donahoe had previously supported ending Saturday service this summer, but that decision was scuttled in April.

Federal Times: A House committee approved a Republican bill late Wednesday that would let the U.S. Postal Service immediately halt Saturday mail delivery, defer more than \$20 billion in payments for future retiree health care and require postal labor unions to accept the possibility of layoffs in future contracts. The 22-17 party-line vote by the House Oversight and Government Reform Committee marked the first concrete congressional move this year to overhaul Postal Service operations, which continue to bleed red ink. But the partisan split highlighted the hurdles ahead for the measure, sponsored by the committee's chairman, Rep. Darrell Issa, R-Calif. In its current form, the bill has little chance of getting through the Democrat-controlled Senate.

Multichannel Merchant: "USPS Changes May Affect Catalog Delivery"

July 24, 2013

A summary of the gist of today's postal markup (not a verbatim transcript) is available on this site.

Sen. Thomas Carper: Today, Senate Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) released the following statement following the House Oversight and Government Reform Committee markup of the Postal Reform Act of 2013 (H.R. 2748), introduced by Chairman Darrell Issa (R-Calif.):

"One thing that many of us here in Congress can agree on is that the Postal Service is in a precarious position," said Chairman Carper. "A shift to electronic communications, changes in the economy and Congressional inaction have left the future of the Postal Service uncertain. The hard truth is that our nation is closer than we have ever been to losing the Postal Service and the industries and millions of jobs that it supports. What we now need is for Congress and the President to work together to create a set of meaningful reforms that right-size, modernize, and reform the Postal Service. Today, Chairman Issa took an important step down this road by hosting a markup on House legislation that reforms the Postal Service. While we differ in our approach in some areas, Chairman Issa and I, and the rest of our colleagues, are united in our strong commitment to restore the Postal Service to solvency and give it the tools it needs to thrive in the years to come. As chairman of the Homeland Security and Governmental Affairs Committee, I continue to work with my colleagues on both sides of the aisle, particularly Ranking Member Coburn, Postal Service leadership, and other stakeholders to create legislation here in the Senate that makes the changes we believe are necessary to responsibly right size and reform the Postal Service. I am remain committed to introducing a bipartisan postal reform bill in the Senate as soon as possible."

NAMMU Members and Mail Industry Colleagues. On January 13, 2014, Canada Post will introduce changes to Direct Marketing and Transaction Mail services. Attached is a sample of the Overview of Changes that is being sent to DM/TM customers on July 24, 25 and 26, 2013. A number of the changes have been tabled and discussed at joint industry-Canada Post meetings. Please review the proposed changes and advise of any comments/ issues you have: executive@nammu.ca Please note that pricing for Transaction Mail and Direct Marketing products are still under review, and have not been provided with this preview.

CNET: "Augmented-reality greeting cards really pop out at you"

INDUSTRYALERT Mark Your Calendar: Upcoming USPS Mobile Buy It Now Promotion Webinar The USPS Direct Mail and Product Development

team will hold a webinar Thursday, August 22 to discuss the upcoming 2013 Promotion—Mobile Buy It Now. The intent of the promotion is to demonstrate how direct mail combined with mobile technology can be a convenient method for consumers to do their holiday shopping. The promotion provides an upfront postage discount to qualifying mailers who use mobile technology on their mailpieces that drive mobile purchases. This webinar will provide mailers with a description of basic program requirements and information about how to participate in this promotion. For additional information on the USPS 2013 Promotions Calendar and specific information about the Mobile Buy It Now Promotion, please visit our RIBBS website at:

https://ribbs.usps.gov/index.cfm?page=mobilebarcode To register for the webinar or go to https://usps.webex.com/usps/onstage/g.php?d=997719469&t=a Call-in-toll-free number (US/Canda): 1-877-668-4493 Access code: 997 719 469

Attention Postal One! Users: Release 35.0.1: This patch release repairs known issues in PostalOne!® and will be deployed during the scheduled maintenance window of 4:00AM CT through 8:00AM CT on Sunday, July 28, 2013. This will be done in a rolling fashion and there will be no planned outage during the software deployment. **There will be a new, required Mail.dat® client with this release.**

House Committee on Oversight and Government Reform - The Committee will markup the following legislation:

- H.R. 2711, the Citizen Empowerment Act: bill | Amendment in the Nature of a Substitute
- H.R. 1541, the Common Sense in Compensation Act: bill | Amendment in the Nature of a Substitute
- H.R. 1660, the Government Customer Service Improvement Act
- H.R. 2579, the Government Employee Accountability Act: bill | Amendment in the Nature of a Substitute
- H.R. 899, the Unfunded Mandates Information Transparency Act of 2013
- H.R. 1423, the Taxpayers Right-To-Know Act
- H.R. 2748, the Postal Reform act of 2013 [EdNote: It's gonna be a long day.]

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

- The Swiss competition watchdog Weko announced to examine the post's pricing. A preliminary investigation provided 'evidence' that 'Swiss Post has a dominant market position on addressed letter mail for business clients and abuses this position'. According to the authority, the post offers business clients with revenues in excess of 100,000 Swiss francs around 80,000 euros special conditions. Now, the authority is to determine whether customers are illegally tied to the post with this pricing system.
- Setback for the Norwegian government's plans to establish a digital mailbox for electronic communication between public authorities and citizens. The fact that the country's own secret service advised against the digital mailbox scheduled for 2014 -, probably caused a lot of harm to the project.
- The Federal Network Agency initiated abuse proceedings against Deutsche Post. According to a report by news magazine »Spiegel« (22.07), the regulatory authority suspects the post of granting competitive advantages to one of its subsidiaries. Compador, a postal service provider and sorting machine manufacturer, in which Deutsche Post bought an interest at the beginning of this year (CEP-News 04/13), allegedly could drop off its mail in Deutsche Post's mail centres later than other providers.
- The French post is advancing its business with additional services. According to unanimous media reports, 20 pilot projects will be launched by no later than autumn this year, where the <u>postmen will</u> test several different new services for La Poste.
- Itella Information sells its printing and inserting business in Poland (50 employees, 60m handled mail items) to PostNord.
- Deutsche Post expands its grocery e-commerce business. The evening delivery service, which has been tested soloely in Cologne so far (CEP-News 28/12), will be extended to a growing

number of cities.

Deutsche Post closes one of its online advertising subsidiaries.

Posta Romana apparently opts for the salami technique regarding the implementation of its restructuring plans.

InPost, the subsidiary of Polish Letter and CEP-service provider Integer.pl, now also wants to tap the world's two biggest e-commerce markets. CEO Rafal Brzoska told weekly news »Warsaw Business Journal« (11.07) that InPost will launch its services in China this year already and a rollout in the USA would follow in 2014.

Besides the dispute with the employees TNT Express now also has to cope with robberies in Italy.



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

Wall Street Journal: Rising frustration over partisan gridlock in Washington has damaged faith both in President Barack Obama and lawmakers on Capitol Hill, with disapproval of Congress hitting an all-time high, a new Wall Street Journal/NBC News poll found. In the latest poll, Mr. Obama's job-approval rating fell to 45%, its lowest level since late 2011, while overall disapproval of Congress was at 83%, the highest level ever for Journal polling. In the latest poll, Americans of all partisan stripes were also unusually disapproving of their own congressional representatives, with just 32% saying they deserved re-election, the second-weakest stamp of approval in nearly 20 years, and 57% of respondents saying they would defeat and replace every member of Congress if they could. That said, incumbents usually have little trouble winning re-election. The nonpartisan Cook Political Report, for instance, lists just nine of the 435 House seats as "tossups" for next year. [EdNote: In other words, the electorate is insane and shouldn't be trusted with the vote. If you always vote as you've always voted, you'll always get the government that you've always gotten. We say we don't want gridlock. Yet we continue to vote for those who continue to provide it. What's the definition of "insanity?" Doing the same thing over and over while expecting a totally different outcome.]

The Hill: Rep. Elijah Cummings (Md.), the top Democrat on the House Oversight Committee, said Tuesday that he does not expect any Democratic colleagues to back a Republican bill to revamp the U.S. Postal Service. The Oversight panel is scheduled to mark up Chairman Darrell Issa's measure on Wednesday, after the California Republican toned down some of his proposals from the last Congress. But Cummings told The Hill on Tuesday that, without pretty significant changes, Issa's postal plan will once again have to pass the committee without Democratic votes.

Sun News: The UK government recently decided to privatize the Royal Mail postal group. It will sell a majority stake in the state enterprise to investors, and about 150,000 Royal Mail employees will receive free shares. I think (hope) that such reform will one day have to occur here, with Canada Post. Like Britain, we could privatize Canada Post, in part, to set up the discipline that comes from having investors who demand a return on their investment. Right now the sole shareholder of Canada Post is the federal government - not the most demanding shareholder. If possible, the government should open up the market to competition. Allowing competitors to enter the postal market would force Canada Post to innovate and become more efficient in order to retain market share. Without such pressures, Canadian consumers will always bear the brunt of Canada Post's underperformance, in the form of lower quality and/or higher prices.

CIOL: The letter that travels to our door may have new technology stamped all over. As the backbone of India's communication for over 150 years, the DoP plays a crucial role in the socioeconomic development of the nation.

Urbanization, increased demand for financial services and increased funding by the government for the weaker sections and the rural sector have opened up new opportunities for the DoP and necessitated the development of new processes as well as supporting technology.

<u>USA Today</u>: Lance Armstrong has struck back at the federal government's lawsuit, saying that U.S. Postal Service authorities were well aware of allegations that he was doping but did nothing to stop it because they benefited from it.

From the Federal Register: Postal Service RULES Organization Name and Address Change, 44438–44439 [2013–17712] [TEXT] [PDF]

July 23, 2013



At the Postal Regulatory Commission:

RM2013-2 Order No. 1786 - Order Adopting Final Rules for Determining and Applying the Maximum Amount of Rate Adjustments http://www.prc.gov/docs/87/87419/Order 1786.pdf

Investors.com: Frederic Rolando, Pres. NALC -- "The U.S. Postal Service, the world's most affordable delivery system, moves 40% of the globe's mail. It binds our vast country and is essential to small businesses that are open weekends and rely on it, businesses that create two-thirds of all new jobs. Older than the country itself, it is the centerpiece of a \$1.3 trillion national mailing industry employing 7.5 million in the private sector. Year after year, the public overwhelmingly names it the most trusted federal agency. Rural residents, urban dwellers, the elderly, the tens of millions without reliable Internet access, the half of the population that pays bills by mail — they too depend on a robust Postal Service. We cannot allow this American treasure to fall victim to poor legislating. We owe it to the future to do better."

ECNET: People don't seem as happy with social media sites and search engines, and advertising could be the culprit, at least according to one new study. "Advertising may be the necessary evil of e-business," ForeSee CEO Larry Freed said in a statement. "Most e-businesses begin as a free service to gain traction with consumers and increase market share, but eventually they need to find a way to monetize their business. Unfortunately, consumers generally perceive the increase in advertising as detracting from their online experience." [EdNote: Awwww. You mean it all doesn't come for free?]

Wall Street Journal: Not long ago, a top executive at a mid-market newspaper would have jumped at the chance to run magazine giant Time Inc. In what may be a sign of the times, that is no longer the case. Time Warner Inc. on Monday named a former finance chief of Time Inc., Joe Ripp, to take the reins at the magazine unit, publisher of Time, Sports Illustrated, People and other well known titles. Mr. Ripp took the job after Michael Klingensmith, CEO of Minneapolis-based Star Tribune Media Co., turned down the position, said people familiar with the situation. Mr. Klingensmith, himself a former Time Inc. CFO, was seen a few weeks ago as a leading candidate for the job. But he wanted to continue in his present job as chief executive of Star Tribune, the people said. Mr. Klingensmith's unwillingness to take the Time Inc. job may highlight the challenges facing the magazine industry, buffeted by steadily declining print advertising revenues. Mr. Ripp, 62, has to navigate those challenges even as Time Inc. is to be spun out of Time Warner as a standalone public company. Mr. Ripp made clear he wasn't thinking about Time Inc. only in terms of magazines. He said he would try to "reignite the spark" at Time Inc. by expanding its brands to encompass other media, such as digital and television, in an interview Monday. "We aren't going to be a magazine company anymore. We are going to be a full-fledged media company."

Postal Technology International: Swiss Post's demand for energy is now covered by "naturemade basic" certified electricity, which comes entirely from domestic renewable sources. Green electricity constitutes 5% or 8.3 GWh of Swiss Post's new energy mix and carries the "naturemade star" eco-label. The electricity is of better quality and

produced in line with more stringent requirements, promoting the development of solar, biomass and wind-energy facilities as well as ecological hydroelectric power.

Postal Technology International: UK postal regulator Ofcom has remove the cap on the amount of profit Royal Mail can make from its Public Address File database, which provides 28 million national addresses to businesses and charities. According to Post and Parcel, the regulator decided to remove the cap, which meant that if Royal Mail made 8-10% profit on top of its PAF operating costs, the extra profits would be invested back into the PAF system, or returned to customers, in order to give the postal operator more of an incentive to grow the PAF database and improve efficiency.

The Moscow Times: Pochta Rossii intends to obtain a banking license to provide financial services to the public, news reports said Tuesday. The enterprise has also declined plans to create an post-bank alliance with a private investor. "Now, the company's management is considering the possibility of an independent banking license.

Washington Post: Now Chairman Darrell Issa (R-Calif.) turns the committee's attention to a series of federal employee-related bills that have fallen into the legislative hopper by flying far below the public's radar. Federal employee groups wish some of the measures would crash before takeoff. On Wednesday, the committee is scheduled to vote on several pieces of legislation, including those that would prohibit employee bonuses for the rest of this fiscal year, allow agencies to place senior executives on "investigative leave without pay," and facilitate the taping of employee telephone conversations by taxpayers.



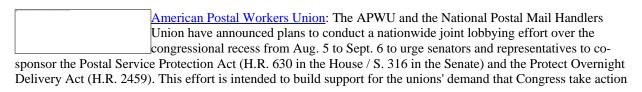
Overtime as a Management Tool: "Matching workforce to workload has been a long-term struggle for the U.S. Postal Service. In its banner years, when volume was increasing, the Postal Service often found it difficult to quickly reduce workhours to offset seasonal dips in mail volume. Over the past 6 years, as

volumes have steadily declined, the Postal Service has done a better job of matching its work hours to its workload. It has its lowest number of career employees in 25 years and productivity has seen steady cumulative improvement."

Seeking Alpha: United Parcel Service will announce its second quarter earnings on July 23. Last week, the company revealed the expected earnings for the second quarter, which were short of expectations. Almost 60% of the valuation is attributable to the company's domestic operations, which continue to remain solid. Going forward, we expect the division to continue to see volume growth driven by the e-commerce boom. In the domestic ground package, we expect volumes to grow by about 5% in 2013.

July 22, 2013

Fulfillment & e-Logistics: Royal Mail and the Post Office are planning to launch their own click and collect drop-off network for home shopping deliveries. It is expected to be rolled out later this year. The network will be based on local post offices, and Royal Mail says no fewer than 10,500 will be included in the service. This large number caterpaults the organisation into the forefront of the increasingly crowded drop-off network market, giving it more locations than its biggest rival, CollectPlus. Post offices have been used by Royal Mail and Parcelforce Worldwide for some years to offer consumers alternative pickup points for consignments that couldn't be delivered to the intended address, and there has even been provision for recipients to ask for consignments to be delivered to a post office in the first place. However, this is a much bolder and more all-embracing initiative, which formalises the concept and gives it a much higher profile. According to Nick Landon, managing director of Royal Mail Parcels: "The click and collect initiative will help online retailers give shoppers even greater control over the delivery of their items."



now to save the Postal Service and protect postal jobs. There are 28 co-sponsors for S. 316, 165 co-sponsors for H.R. 630, and 72 co-sponsors for H.R. 2459, but many more are needed.

American Postal Workers Union: Rep. Darrell Issa (R-CA) officially introduced postal legislation on July 19, which will be voted on by the House Committee of Oversight and Government Reform on July 24. The bill (H.R. 2748 [PDF]) includes some minor modifications from a discussion draft Rep. Issa circulated in June, but is still "deeply disturbing," APWU President Cliff Guffey said. Although the revised bill omits the requirement to re-open contract negotiations to immediately eliminate protection against layoffs, which was included in the discussion draft, the revised bill would prohibit postal unions and management from negotiating protection against layoffs in future contracts; increase health insurance costs; limit collective bargaining rights; close post offices, stations and branches; consolidate plants, and

PYMNTS.com: The chief executive of online parcel delivery firm Parcel2Go has suggested that Royal Mail parcel prices could rise further if government ministers press ahead with plans to privatise the postal service. James Greenbury, chief executive of online parcel delivery specialist Parcel2Go, has told The Economist that he believes the six-day delivery service will be outdated and redundant in 10 years' time. The growth of competitor companies and the vast range of low-cost domestic and international parcel delivery services available through courier companies will continue to have a major impact on the business.

privatize operations. "The legislation as written is totally unacceptable," Guffey said.

Direct Marketing News: The U.S. Postal Service (USPS) has introduced Picture Permit Imprint Indicia, a new promotional tool for businesses to imprint their logo, brand image, or trademark to First-Class and Standard IMb (Intelligent Mail barcodes) letters and postcards. Commercial mailers may apply on the USPS website, send in their images, and once approved, begin attaching their image to their mailing items.

Fierce Government: Postmaster General Patrick Donahoe voiced his support for establishing a chief innovation officer at the Postal Service during a hearing of the House Oversight and Government Reform Committee July 17.

Lexology: A Colorado federal judge has dismissed class action antitrust claims brought against the United States Postal Service for allegedly forcing post offices to buy mailing labels from a designated vendor. Judge John L. Kane of the U.S. District Court for the District of Colorado ruled in TOG Inc. et al. v. United States Postal Service et al. that the claims were barred by the federal statutory immunity that permits antitrust claims against the Postal Service only when the claims involve products that are not reserved to the Postal Service as part of its monopoly for the carriage of stamped mail. The claims against the Postal Service were made by two private companies that operate as Contract Postal Units ("CPUs"), which enter into contracts with the Postal Service to provide postal services to the public. Plaintiffs TOG Inc. and Wild Harvest LLC assert that the Postal Service violated antitrust laws by forcing them to purchase mailing labels from a specific vendor. The Postal Service provides metering devices to the CPUs for the production of labels and stamps that are used to mail packages and letters. The Postal Service requires CPUs to purchase blank labels for the metering devices from approved sources. The plaintiffs allege that they were forced to buy labels at exorbitant prices from Innovation Group Inc., which was the only approved source. The court dismissed the antitrust claims, finding that under the Postal Service Act, the metering devices and labels should not be considered "products" that are not reserved to the Postal Service for its stamped mail monopoly. The court reasoned that because the Postal Service contracts with the CPUs to help fulfill its universal service mandate, the functions that the CPUs perform fall under the mail monopoly as functions that facilitate the carriage of mail.

Pensions Age: Thousands of Royal Mail managers are taking part in a consultative ballot today over the implementation of pension cuts and controversial plans to privatise the company. Royal Mail recently announced it is considering imposing a cap on basic pensionable pay for its scheme members, as it faces an extra £300m annual bill from its pension operations. It also stated that changes would see any increase in pensionable pay capped at RPI inflation up to 5 per cent.

<u>Warsaw Business Journal</u>: WBJ sits down with Rafal Brzoska, president of Integer Group, owner of InPost, to talk about his company's plan for global expansion of his package lockers, its long-term strategy, and how it plans to compete with Google and Amazon.

Expats: The Royal Mail initial public offering is a mixed bag for investors – and may not go as well as expected. One big problem was the £12 billion pension deficit, but the government has filled the void and promised the new company will start with a clean pension slate. That removed a huge issue for many investors, but two problems still remain – both related to the government. A huge unknown for investors is the government's insistence that the Royal Mail must continue to run a six-day delivery service nationwide. The fears are that this makes the business uncompetitive, as maintaining the six-day promise will not allow the new managers to make the most of their resources and run a cost-effective service. Many businesses do not even need a six-day a week postal service as their administrative staffs do not work weekends any way.

Transport Intelligence: PostNL has announced it is cooperating with Belgian postal operator bpost to recruit Dutch postal workers in order to strengthen the Belgian company's workforce. The collaboration is part of PostNL's mobility programme, which helps employees to find a new job outside the company. According to bpost, it is difficult to find new postmen in certain parts of Flanders, such as the border regions of Antwerp and Limburg, due to competition from other sectors. In addition, many Belgian mailmen are close to retirement age, making it necessary to attract new people. bpost stated that with their extensive experience, the Dutch postmen are an attractive proposition for the company.



Welcome to another PostCom Postal Podcast

Join PostCom President Gene Del Polito, Jody Berenblatt, Senior Advisor, GrayHair Advisors, and Glenn Lombino, President, DigitalToPrint in a discussion on Global Hybrid Mail.

July 21, 2013d

Sunday Mail: City gamblers have put a valuation of almost £3billion on Royal Mail after a spread-betting firm opened a book on the controversial privatisation.

Waco Tribune: Change is difficult, but it is certainly inevitable. So ignoring change and failing to adapt would seem to be a sure recipe for failure. Add government to the mix and you soon have a proverbial can of worms. Unfortunately, change happens. And now the USPS, in response to a groundswell of demand to become more efficient, is changing the way it handles our local mail. Quietly, out of the public's eye (but not the eyes of politicians), the USPS is changing in ways that are only going to hurt our economy and our community.

July 20, 2013

NorthFulton.com: The days of a mailbox at the end of each driveway in Alpharetta neighborhoods may be numbered. The United States Postal Service is implementing a policy establishing central delivery as the mode for all new buildings, including in single-family residential neighborhoods. It is the hope of the USPS this effort will minimize costs associated with delivering mail.

GizMag: Have you ever wasted time walking to your mailbox only to find that it's empty? While the semaphore arms found on some letter boxes in the US offer one tried and tested solution, isn't it about time someone made use of all the new-fangled technology around to do something more about it? The Postifier attaches to the inner roof of your mailbox, via adhesive Meet Postifier. It's a tiny device that sits inside your mailbox, and tells you whether it's worth the trip today. Pair Postifier with your smartphone (via Bluetooth Low Energy), and when you're within a range of around 100 ft, it will shoot your iPhone or Android phone a notification if you have mail. The device lives on the inner roof of your postbox, attached with adhesive. It has a sensor that detects changes in infrared light when new mail arrives. When it detects mail, it activates the Bluetooth module and waits for the Postifier/smartphone reunion, at which point it will connect with your paired device and tell you the news. A passcode is required when setting up the phone pairing, so you won't be notified every time your neighbor receives a new magazine, bank statement, or sweepstakes letter. Postifier will be compatible with both iOS and Android Postifier creator Matt Luba told Gizmag the production version will cost around \$25 and will use a button cell battery that should last for between six and nine months before it needs to be swapped out.

InForum: Postmaster General Patrick Donahoe will visit North Dakota in August to ensure mail service is adequately serving rural communities, including western North Dakota, according to a news release from Sen. John Hoeven, R-N.D. Donahoe will be able to see firsthand the impact of economics and population growth in the western part of the state and how those growing communities are in need of reliable and timely postal services.

PR.com: ecoEnvelopes (www.ecoEnvelopes.com), the world's leader in innovative, eco-friendly mailing solutions is proud to announce that the Company has received a 2nd Place Award as the Most Innovative Company of the Year, for businesses up to 100 employees in the 2013 American Business AwardsSM. ecoEnvelopes was recognized for the development of the ecoAuditTM, which is an ROI framework for quantifying the financial, operational and environmental benefits associated with reusable postal solutions "ecoEnvelopes deliver tangible benefits for all stakeholders, developing a tool to quantify these benefits was an important and logical next step," said Gale Ward, President and General Manager.

DomainNameWire: U.S. mail service tried to argue .mail infringed on its rights for "U.S. Mail". USPSThe United States Postal Services' Legal Rights Objection to Amazon.com's bid to run the .mail top level domain name has been denied by a World Intellectual Property Organization panelist. The USPS' objection to all seven applications for .mail was one of the most head-scratching of all objections. The objection was based on trademarks that include the word mail, primarily "U.S. Mail". Since Amazon.com wants to run .mail as a closed registry and not allow others to register domains, the USPS also said it's concerned that it won't be able to register domains to protect itself, such as priority mail. Two other applicants for .mail have already withdrawn their applications. The USPS has for remaining objections to .mail, including Google's application. It will surely lose them all.

SBWire: Website owners and online merchants looking for new ways to monetize their pages now have an new option thanks to the United States Postal Service. The postal service recently launched their merchant affiliate program. The program allows websites that meet certain qualifications, to offer USPS products and services directly to their visitors. The exciting thing about the new program is that it gives businesses the ability to generate additional revenue offering services their customers already need. Among the services merchants can now recommend is Every Door Direct Mail ®. EDDM® provides an easy and affordable way for businesses to reach out to their local community. The online program makes direct marketing accessible to businesses of any size by offering a convenient web-based interface that eliminates the need to hire a professional designer and printing company. However, businesses looking to differentiate themselves still have the option of using their own third-party printing and design services. This creates new opportunities for merchants who provide such services, as they can now partner with the USPS to bring complete direct mail solutions to their customers and earn additional revenue in the process.

East Greenwich Patch: A federal grand jury indicted Matteo Morelli of Warwick Wednesday on one count of delaying or destroying mail as a postal employee, according to the Associated Press. The mail was addressed to residents and businesses in East Greenwich and North Kingstown.

Saturday mail delivery and would relieve the cash-strapped carrier of its obligation to pre-pay billions of dollars for future retirees' health care. The 140-page bill, sponsored by Rep. Darrell Issa, R-Calif., would also bar no-layoff protections in future contracts for unionized workers, let the Postal Service sell advertising space on its vast vehicle fleet and replace the existing part-time USPS board of governors with a team of five full-time executives until the agency starts turning a profit. But while the Postal Service says that halting Saturday delivery would save about \$2 billion annually, letter carrier unions are fiercely opposed. Cummings, who introduced a rival measure earlier this week, has previously opposed ending Saturday delivery and has criticized a separate provision in Issa's plan that would end most door-to-door delivery in favor of neighborhood "cluster boxes." But in a Friday statement, Cummings said he is encouraged by Issa's willingness to include provisions from his bill. "I believe if we reject extreme measures, we can craft common-sense provisions that wll provide common-ground solutions," Cummings said.

The Extra: WITH the future of the Royal Mail as a state-owned body in doubt, west of Scotland MSP Stewart Maxwell has spoken out against privatisation. Commenting on the Westminster coalition's plans, SNP man Maxwell told The Extra: "Seventy-seven per cent of Scots are totally opposed to privatisation of the Royal Mail. "A privatised

mail service will put pressure on government to reduce the Universal Service Obligation jeopardising deliveries to remote and rural areas of Scotland. "The biggest threat of all to the postal service in Scotland is the privatisation of the Royal Mail by a UK government that the people of Scotland overwhelmingly reject."

Washington Post: The architect of a forthcoming House bill to restructure the financially ailing U.S. Postal Service said Wednesday that he'll strike language to force labor unions to open existing contracts and eliminate no-layoff rules. The change of heart from Darrell Issa (R-Calif.), chairman of the House Oversight and Government Reform Committee, is a big concession to labor and its Democratic allies in Congress, who will be key to getting a bill through Congress. Issa and Elijah E. Cummings (D-Md.), the committee's ranking member, are now striking more common ground. Both expressed a sense of urgency to move forward.

The Hill: Democrats have said in recent weeks that they believe Issa is taking less of a hard-line approach on the Postal Service. But Friday, Democrats on the Oversight panel added that because they considered Issa's original measure so extreme, the Republicans might not get much credit for shifting away from some of their ideas. "I think some of the things they were proposing were ridiculous," Rep. Stephen Lynch (D-Mass) said Friday. "But I'm still not sure how serious they are." "I'll say it's better than it was," Lynch added.

Reuters: Samsung Electronics Co Ltd is close to signing a deal to sell its popular line of Galaxy devices to the U.S. Federal Bureau of Investigation, sources familiar with the situation said on Friday. The deal would be a boost for Samsung, which is increasingly seeking to cater to the needs of government agencies, a niche long dominated by Canadian smartphone maker BlackBerry Ltd.

July 19, 2013

Sen. Thomas Carper: Today, Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) released the following statement regarding H.R. 2748, the Postal Reform Act of 2013, introduced by House Oversight and Government Reform Committee Chairman Darrell Issa (R-Calif.):

"The Postal Service, and many of us in Congress, have made it clear again and again that the path this American institution is currently on is not sustainable. The challenges our economy has faced in recent years – coupled with the continued migration to electronic forms of communication – is putting the future of the Postal Service in jeopardy, and it's happening faster than anyone ever expected even just a few years ago. The hard truth is that our nation is likely closer than we have ever been to losing the Postal Service and the industries and millions of jobs that it supports. That's why it is imperative that Congress and the President come together around a set of meaningful reforms to right-size, modernize, and reform the Postal Service. I welcome Chairman Issa's decision to move forward with a bill to address this imminent threat to the Postal Service. I also appreciate Ranking Member Cummings' constructive efforts to help save the Postal Service both in this Congress and in the 112th Congress. As chairman of the Homeland Security and Governmental Affairs Committee, I continue to work with my colleagues on both sides of the aisle, particularly Ranking Member Coburn, Postal Service leadership, and other stakeholders to build consensus around a package of reforms that can update the Postal Service's network and business model to reflect the reality that it faces today. While we differ in our approach in some areas, Chairman Issa and I, and the rest of our colleagues, are united in our strong commitment to restore the Postal Service to solvency and give it the tools it needs to thrive in the years to come. I am committed to introducing a bipartisan postal reform bill in the Senate as soon as possible."

Greeting Card Association: We are concerned that Congressman Issa's bill, while making some positive reforms, still insists on cutting essential services like Saturday delivery. Our recently released report shows that the need to cut such services or raise rates simply does not exist, laying out over 100 different proposals that would put the Postal Service on a path to solvency."

Deutsche Post DHL

<u>CBP Newsroom</u>: U.S. Customs and Border Protection Acting Commissioner

Thomas S. Winkowski on July 15 received the first DHL Public

Policy Partnership Award from Deutsche Post DHL, a leading international mail and logistics corporation, at the annual DHL Public Policy Forum in Washington, D.C.



<u>Press Release</u>: Fisher House Foundation is proud to announce a sponsorship from DHL to support the Heroes' Legacy

Scholarship, a program that honors not only those who have fallen in battle, but those who have become severely disabled through their active U.S. military service since September 11, 2001. DHL announced its support of Fisher House today with a donation of \$300,000 to help fund the scholarship program for the 2013-2014 academic year. The Heroes' Legacy Scholarship program was founded in 2010 when President Obama donated the proceeds from his children's book, "Of Thee I Sing: A Letter to My Daughters," to help establish a scholarship for children of fallen and disabled service members. The contribution from DHL is the largest corporate grant to the scholarship program since its inception. Donations from DHL and other corporate and private sponsors have made it possible for Fisher House Foundation to help 130 military children with college tuition in the program's first three years. For more information about the Heroes' Legacy Scholarship visit http://militaryscholar.org/legacy/index.html.

At the Postal Regulatory Commission: Docket No. PI2013-1 Inquiry Concerning Competitive Products Fund -- In the Fiscal Year (FY) 2012 Annual Compliance Determination Report (ACD), the Commission found that transfers between the Postal Service Fund and the Competitive Products Fund raised several issues of first impression.1 The Commission stated that it would initiate a proceeding to review transfers from the Postal Service Fund to the Competitive Products Fund, the use of amounts from the Competitive Products Fund to prepay competitive products' future years' institutional costs, and the calculation and transfer of the assumed federal income tax.

INDUSTRYALERT Industry Discussion on Potential FSS Pricing Structure - Presentation Now Posted - (Webinar Conducted Thursday, July

18, 2013) The Industry Discussion on Potential FSS (Flat Sequencing System) Pricing Structure presentation is available for viewing on the USPS <u>RIBBS website</u>, on the MTAC page under "USPS Presentations". This informational webinar was hosted by USPS Network Operations and Consumer and Industry Affairs.

DMM Advisory: New ACS™ Services The United States Postal Service will introduce new ACS™ services on July 28, 2013, providing new options to mailers so that they can effectively manage their Undeliverable As Addressed (UAA) mail. The common feature of these additional services is that an ACS record will be provided for returned items.

- First-Class Mail®: Return Service Requested Option 2 and Temp-Return Service Requested Option 2
- Standard Mail®: Address Service Requested Option 2 and Return Service Requested Option 2
- Bound Printed Matter: Address Service Requested Option 2 and Return Service Requested Option 2 These new services are available for all ACS formats.

This document on RIBBS

https://ribbs.usps.gov/intelligentmail_mailpieces/documents/tech_guides/DSTIDCommunicationLetter.pdf provides complete descriptions and details of the new options that will be available July 28. The document also provides advance information on the next phase, effective January 2014, which further enhances mailing flexibility by expanding the STID table so each existing service option will have its own STID. Updated STID Table: https://ribbs.usps.gov/intelligentmail mailpieces/documents/tech_guides/stid.pdf

House Oversight and Government Reform Committee Chairman Darrell Issa, R-Calif., today introduced H.R. 2748, the Postal Reform Act of 2013. The legislation is cosponsored by Rep. Blake Fahrenthold, R-Texas, chairman of the Oversight Subcommittee on Postal Reform, and Rep. Dennis Ross, R-Fla., who cosponsored the Postal Reform Act in the 112th congress.

Key Documents:

Full Text of Postal Reform Act of 2013
Postal Reform Act Highlights
PRA Section by Section Summary
PRA Changes 2011 to 2013

Chairman Issa said, "The legislation incorporates reforms offered by members of both sides of the aisle and builds upon months of bipartisan and bicameral discussions." Issa released a discussion draft of the Postal Reform Act in June. The Committee received dozens of comments from stakeholders, including members of Congress both on and off the Committee. A list of changes incorporated into the introduced version of the bill can be found here. The introduced version of the legislation incorporates elements of H.R. 2615, introduced by House Rural Caucus Co-Chair Rep. Adrian Smith, R-Neb., H.R. 961, introduced by Rep. Stephen Lynch, D-Mass., and H.R. 2690, introduced by Oversight Committee Ranking Member Elijah Cumming, D-Md.

Among the key updates in the legislation are provisions ensuring small and rural post offices are protected from disproportionate number of closures, creating a chief innovation officer for USPS, protecting existing collective bargaining agreements, recalculating projected liabilities for employee pensions, and offering additional relief from retiree health care benefit payments.

H.R. 2748 is expected to be considered at a full committee business meeting on Wednesday July 24th. Full text of the legislation, highlights, and a complete section-by-section summary can be found at http://oversight.house.gov/PostalReformAct.

BBC: Detroit has become the largest US city ever to file for bankruptcy, with debts of at least \$18bn (£12bn). The city, once a symbol of US industrial power, is seeking protection from creditors who include public-sector workers and their pension funds. On Thursday, Michigan state-appointed emergency manager Kevyn Orr asked a federal judge to place the city into bankruptcy protection. If it is approved, he would be allowed to liquidate city assets to satisfy creditors and pensions.

Federal Trade Commission: Under settlement orders with the Federal Trade Commission announced today, the operators of an alleged federal jobs scam have been banned from selling employment products or services. Last year, as part of Operation Lost Opportunity, the FTC charged Career Exams, Inc., O'Brien Marketing, Inc., Jeryn B. Lee, and Derek Jackson with running deceptive ads for nonexistent U.S. Postal Service jobs. The FTC alleged that the defendants lured consumers into paying \$120 by representing that Postal Service jobs were available in the consumer's geographic area. Instead of jobs, consumers simply received a booklet containing general information about the hiring process for the federal civil service and Postal Service. In addition to banning the defendants from selling employment products or services, the settlement orders prohibit the defendants from misrepresenting material facts about any products and services that they market or sell in the future.

WJRT: A rash of pit bull attacks in our state has the United States Postal Service in Michigan reviewing their safety procedures.

ARMInfo: A Cooperation Agreement was signed today on July 18th between "HayPost" and the State Revenue Committee of Armenia (RA SRC), according to which service points for taxpayers will be created at the renovated and modernized post offices of "HayPost", attended by the representatives of the SRC.

Motley Fool: UPS has a plane problem. The company said last week that "overcapacity in the global air freight market" has been a surprising drag on the business this year, and earnings will come in lower than expected as a result. UPS is dealing with a major shift in demand for overseas shipping. Customers are fleeing from super-quick international delivery services, making that business a much less-profitable one. FedEx, for example, has seen shippers increasingly choose its "economy" international service, which arrives in two to five days, over its "priority" option that's delivered in one to three days. That shift has taken a whack at earnings.

WNWS: U.S. Senator Bob Corker, R-Tenn., made the following statement today in reaction to reports that the House has added legislative language to the "CR" (continuing resolution spending bill to fund government) that would force the Postal Service to continue six-day delivery. The Postal Service estimates it would save roughly \$2 billion a year by moving to five-day delivery for some postal products. "This is the worst of Washington – here Congress is unable to pass reforms that would enable the Postal Service to operate and not be a burden to taxpayers, and yet Congress also continues to interfere and not allow the Postal Service to make the decisions it believes are necessary to operate viably in the future. If this action is carried through, Congress will be hamstringing the Postal Service, hastening its demise and probably adding additional financial burdens to U.S. taxpayers," said Corker.

HostReview: idcloak expresses concern about the future of user privacy under IPv6 in its new article: Private IP Addresses and How Everything is About to Change. Using a postal system analogy, the article explains that IPv4 private addresses offer important protection of user identity, especially to those in business environments: IPv4 users are hidden in the crowd behind a shared public IP address (on a router, for example), which in many cases is also 'dynamic' and therefore constantly changing. Under the new IPv6 system, however, business internet networks will mostly do away with private IP addressing, and ISPs (Internet Service Providers) are expected to switch to static IP addressing. "Under IPv6, your digital footprint will be so revealing that it will almost be like signing and dating every page you visit." Because an IPv6 address contains the MAC address of a device's network card, a user's IP address will remain unchanged for several years unless special precautions are taken. "The privacy implications of this, especially following the recent controversies regarding NSA surveillance, are extremely worrying."

Now MSN: Pity the post office and the intrepid mail carriers who deliver our mail through rain, sleet and snow — as long as it isn't Sunday. Or, maybe, if the agency gets its way, Saturday. Postmaster General Patrick Donahoe says the institution can't evolve its business model to remain competitive — and now he's basically pleading with Congress to move to a five-day service, as he did earlier this year.

From the Federal Register:

- Postal Regulatory Commission NOTICES
 New Postal Products, 43245–43246 [2013–17300] [TEXT] [PDF] 43246–43247 [2013–17305] [TEXT] [PDF] 43246 [2013–17371] [TEXT] [PDF]
- Postal Service NOTICES
 Privacy Act; Systems of Records , 43247–43249 [2013–17325] [TEXT] [PDF]
 Product Changes: Priority Mail Negotiated Service Agreement , 43249 [2013–17322] [TEXT] [PDF]

 43249 [2013–17323] [TEXT] [PDF]

Politico: The GOP factionalism could become even more significant this fall when it's time to cut deals with Senate Majority Leader Harry Reid (D-Nev.) and the White House on boosting the debt ceiling and keeping the government operating past September. McCain, Corker and other members of the "Supper Club" — a group of Republicans who have been discussing budget issues with White House Chief of Staff Denis McDonough — met with McConnell on Thursday afternoon, seeking strategies for those looming fiscal showdowns, which will really kick off in September. [EdNote: What has this got to do with the price of bread? Simple. Continue to monitor the temperature of political disharmony as a guide to what may happen with a postal reform bill.]



<u>Data Quality Assessment - Surface Visibility Database</u>. This information has recently been updated, and is now available. "Surface visibility is a major transportation technology at the Postal Service used to provide mail piece

visibility and make transportation and network optimization decisions. Surface visibility captures real time data at the handling unit, container, and trailer level through the use of mail processing equipment and wireless handheld scanners within USPS facilities. The surface visibility program supports robust product tracking, measurement, and analysis."



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

- The House Oversight and Government Reform Committee held a hearing, "A Path Forward on Postal Reform", this week to discuss how to reform the U.S. Postal Service. The hearing consisted of a panel of four individuals, The Honorable Adrian Smith, The Honorable Patrick Donahoe, Mr. Joel Quadracci, and Mr. Cliff Guffey. At the start of the hearing, after Ranking Member Elijah Cummings (D-MD) spoke, Chairman Darrell Issa (R-CA) laid out proposed amendments to his draft legislation. These amendments reflect proposals proposed by Congressman Cummings.
- The Postal Service, this week, held a webinar to discuss the potential Flats Sequencing System (FSS) pricing for the upcoming January 2014 price change. Although no prices were proposed, the discussion focused on what the industry could expect from the USPS.
- Impact of USPS data suspension. UPS cuts 2013 earnings forecast on US economic slowdown. Noted critic blasts Twitter. Smith's bill considers rural PO closures. New e-commerce strategies threaten UPS, FedEx. It's time to modernize direct mail measurement for a digital world. New CPI figure released. First-Class rip-off. Labor dept argues for single benefit rate for workers' comp. USPS pushes use of Picture Permit.
- Updates from the Federal Register.
- Updates from the Domestic Mail Manual.
- An update from the USPS Office of Inspector General.
- Postal previews.

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



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ITBusinessNet: Where do the Chairman of the House Committee on Oversight and Government Reform, the Inspector General of the USPS, IRS and Treasury officials, the Army, the Navy and the Chief Actuary of VA find common ground? At Predictive Analytics World for Government (PAW-GOV), September 18-19, 2013 in Washington, DC. The agenda and speakers for this industry leading and only vendor-neutral analytics conference for government have been confirmed. Last year, 500+ attendees came together for this established networking event, a figure that looks to be increased in 2013. Unlike general conferences, PAWGOV is specifically designed to help government leaders, analysts and program managers understand how they can apply predictive analytics more efficiently and effectively.

ThinkProgress: Social Security is unconstitutional. So is Medicare. And Medicaid. And all federal education funding. At least, that's why Sam Clovis, a Republican candidate for the U.S. Senate, told a conservative radio host yesterday. In an interview with host Jan Mickelson, Clovis asserted that "there's nothing in Article I, Section 8 [of the Constitution] that authorizes subsidies of any kind," adding that he will push to ensure that all legislation that passes Congress "must be authorized by Article I, Section 8." Clovis also gave three examples of spending he views as unconstitutional: "crop insurance" subsidies, "foreign aid," and "funding education." [EdNote: Oh yeah....He's really got a ghost of a chance in hell of ever getting elected.]

Providence Journal: A federal grand jury in Providence on Wednesday returned an indictment charging Matteo Morelli, 34, of Warwick, a U.S. Postal Service letter carrier, with one count of delay or destruction of mail by a Postal Service employee.

WKBW: Michael Kozina, 57, of Eden, pleaded guilty in federal court today, admitting to stealing more than \$27,000 from the United States Postal Service. Kozina was the Postmaster at the post office in Lawtons, NY from April 2005 to July 2012. In that time, prosecutors say he accepted cash payments for money orders from 12 USPS customers; but instead of depositing the cash in the register, Kozina kept part of the payment. Kozina covered up his crimes by falsifying USPS records, making it appear that the customers had purchased money orders at significantly

smaller amounts. The scam netted Kozina \$13,760.75. Along with the falsified money orders, Kozina admitted to stealing approximately \$13,585 in P.O. box rental payments between January 2009 and July 2012.

Niagara Frontier Publications: Congressman Brian Higgins is cosponsoring H.R. 2459, the Protect Overnight Delivery Act, introduced by Congresswoman Rosa DeLauro. The bipartisan legislation, which has 72 cosponsors, would protect overnight postal delivery by preventing the Postal Service from weakening delivery standards.

July 18, 2013

The <u>slides from today's Postal Service presentation on its Flats Sequence Sortation</u> pricing plans has been posted on this site.



(2) Recording of Part II of the House Oversight and Government Reform Committee hearing on the Postal Service



<u>Data Quality Assessment - Surface Visibility Database</u>: This information has recently been updated, and is now available. Surface visibility is a major transportation technology at the Postal Service used to provide mail piece visibility and make transportation and network optimization decisions. Surface

visibility captures real time data at the handling unit, container, and trailer level through the use of mail processing equipment and wireless handheld scanners within USPS facilities. The surface visibility program supports robust product tracking, measurement, and analysis.

Federal Times: Despite deep-seated differences with Democrats over ending Saturday mail delivery and other sticking points, Rep. Darrell Issa, R-Calif., signaled Wednesday that he will soon seek to move a comprehensive postal overhaul out of his committee. "Our commitment is bipartisan," Issa said at a hearing of the House Oversight and Government Reform Committee. "Our need for a bill is urgent and we intend to do this in the coming weeks." Issa is the panel's chairman.

Direct Marketing News: Postmaster General Patrick Donahoe today approached the House committee preparing a postal reform bill with one overriding question: "Does it enable \$20 billion dollars in savings by 2016?"

Federal News Radio: House Republicans and Democrats are inching closer toward an agreement on how to save the financially struggling Postal Service. At a House Oversight and Government Reform Committee hearing Wednesday, Chairman Darrell Issa (R-Calif.) took a step toward compromise. Issa agreed to make changes to his draft plan, including the adoption of several measures proposed by Ranking Member Elijah Cummings (D-Md.). Issa agreed to drop a provision from his bill that would have required USPS to renegotiate all existing union contracts to allow the agency greater authority to use reductions-in-force. Instead, the bill would "harmonize" the Postal Service's RIF authority with that of other federal agencies — and would only apply to future contracts. The revised bill would also direct the Office of Personnel Management to use USPS-specific demographic characteristics to calculate the amount the agency has made in overpayments to the Federal Employees Retirement System. Doing so would significantly increase the overpaid amount that could be refunded to USPS to help pay down its debts. "We want to get as close to that 100 percent [agreement] as we can before it comes to the committee," Issa said of the changes to his proposed bill.

Post & Parcel: Restructuring healthcare funding and using community cluster boxes to reduce mail delivery costs are the most important ways to turn around the losses at USPS, which reached \$15.9bn last year, according to the Greeting Card Association.

Bloomberg Businessweek: Now, Republicans and Democrats in the House seem to have collectively awakened to the crisis. On Wednesday members of both parties expressed hope that they would shortly pass legislation to fix the postal service at a House Committee on Oversight and Government Reform hearing. "The need for a bill is urgent," said Representative Darrell Issa (R-Calif.), the committee's chairman. "We intend to do it in the next few weeks." The two political parties still have substantial differences when it comes to saving the postal service. Issa is set on ending Saturday mail delivery, which the public supports. By and large, Democrats insist on maintaining six-day service. But if House Democrats and Republicans can maintain their newfound zeal for postal reform, they might even avert a bailout at USPS.

Washington Post: The architect of a forthcoming House bill to restructure the financially ailing U.S. Postal Service said Wednesday that he'll strike language to force labor unions to open existing contracts and eliminate no-layoff rules. The change of heart from Darrell Issa (R-Calif.), chairman of the House Oversight and Government Reform Committee, is a big concession to labor and its Democratic allies in Congress, who will be key to getting a bill through Congress. At a hearing on a new round of House proposals to stabilize postal finances, Issa said he hopes a plan will clear his committee before Congress breaks for its annual August recess.

Reuters: The U.S. postmaster general on Wednesday renewed his plea for lawmakers to allow the financially troubled Postal Service to switch to a five-day delivery schedule for first-class mail and to implement other overhauls needed to modify its outdated business model.

From the Federal Register: Postal Regulatory Commission RULES Appeals of Post Office Closings, 42875 [C1–2012–02931] [TEXT] [PDF]

July 17, 2013

Inves tors Business Daily: Everyone saw the communications and information revolution coming. Email, electronic bill paying, and websites crammed with more information than you could find in a mountain of physical magazines, ensured that the USPS would need to change or die. The fundamental problem with the USPS is that it has a monopoly on carrying letter mail as well as on the use of all mail boxes. And it is mandated to deliver mail to every address in the country. Why not simply eliminate its monopoly, sell it off as a whole or in parts to the private sector, and let the market sort out the specifics of how mail and packages will be delivered and at what costs?

Associated Press: The Postal Service is investigating whether a carrier dumped hundreds of pieces of mails found behind a bush near downtown Phoenix. According to KNXV-TV (http://bit.ly/14c9WKZ), a man called 911 after spotting the 485 pieces of mail in trays on Monday. Police responded and took the mail to a post office. Postal

Service Agent John Masters says criminal charges could result from the

■INDUSTRYALERT investigation.

Give your brand a visual boost with Picture Permit It's a standout idea. Literally. With a Picture Permit, mailers can boost the visual impact of their mailpieces by customizing the Permit Indicia area with logos, brand images and other marketing designs. To encourage use of this innovative product, the Postal Service will have a Picture Permit Promotion in late summer. Registration is now under way. Mailers who have an approved Picture Permit Indicia will be eligible to participate in the promotion, which runs from Aug. 1 through Sept. 30. During this period product fees will be waived for mailers with an approved Picture Permit Indicia. The fees are 1 cent per piece for First-Class Mail automation letters and postcards and 2 cents per piece for Standard



Mail. Click here for more information on the program and requirements https://www.usps.com/business/picture-permit.htm. For additional information on the Picture Permit promotion please view the webinar posted on RIBBS at https://ribbs.usps.gov/mobilebarcode/general.htm.

PRNewswire: "Postmaster General Urges Congress to Fix Postal Service Business Model to Address Marketplace Realities"

A summary of today's House postal reform hearing has been posted on this site.

Postal Technology International: DPD has announced plans to equip its entire Parcel-Shop network across Germany with electronic manual scanners by October 2013. The investment will improve service quality and enable efficient management of the more than 4,500 DPD Parcel-Shops in the country. The new technology will make it possible to reduce the time required for handing in or picking up a parcel to 30 seconds.

Fierce Government: Federal employees on workers' compensation should receive the same benefits regardless of whether they have dependents, the head of the Labor Department's Office of Workers' Compensation Programs said July 10. Currently, under the Federal Employees' Compensation Act, beneficiaries who don't have dependents receive two-thirds of the wages they earned at the time of injury, while those who do receive 75 percent. No state's workers' compensation program distinguishes between beneficiaries with and without dependents, and the majority use the two-thirds rate, according to the Congressional Research Service. Read more: Labor Dept. argues for single benefit rate for workers' compensation - FierceGovernment http://www.fiercegovernment.com/story/labor-dept-argues-single-benefit-rate-workers-compensation/2013-07-15#ixzz2ZIro0CdJ Subscribe at FierceGovernment

Deutsche Post DHL

Business Day: Global logistics company DHL Express SA on Tuesday announced a partnership with the National Small Business Chamber (NSBC) to assist South African small and medium sized enterprises (SMEs) with expanding their operations beyond borders.

Deutsche Post DHL

Deutsche Welle: German postal giant Deutsche Post has announced investments to the tune of 100 million euros (\$123 million) to expand its operations in India. The company sees markets in Asia as pivotal for ensuring future growth. The formerly state-owned German postal service said the investment would be made through its DHL Supply Chain unit, which was planning to build new logistics hubs in eight Indian cities, including Mumbai and Delhi. The plan came in the wake of government efforts to improve India's logistics infrastructure, said DHL's Asia-Pacific regional director Paul Graham, and was aimed at tapping the region's rapidly expanding growth potential.

Deutsche Welle: In the wake of the NSA surveillance scandal, the German federal government has demanded an overhaul of international privacy protection rules. The current provisions were passed in the pre-Internet era. In an interview with German public broadcaster ARD over the weekend, Chancellor Angela Merkel pushed for strengthened international and European agreements on privacy protection, saying that domestic laws were not enough to protect the data of German citizens in a globalized world. "We want companies in Europe to tell us to whom they give the data," Merkel said. "We have good domestic data protection laws, but when Facebook is registered in Ireland, then Irish law applies, which is why we need a European agreement. Internationally, we should also negotiate a treaty."

Kilgore News Herald: Two months after the closure of the East Texas Processing and Distribution Center near Tyler, United States Postal Service delivery delays are causing East Texas bulk mailers to lose customers. Texas Press Association's Periodicals Consultant Joel Allis said the USPS knowingly stated delays would occur due to plant closures. "Deliveries that were going to the same (processing) plant for years now go to a completely new plant," he said. "It is not good for first class, parcels or anything when stuff travels further and you have larger quantities." Allis said the only way he could envision bulk-mailers, newspapers in particular, gaining control on delivery times would be to manually drop mail shipments at target cities. "We are dealing with a lowered expectation of service now, knowing that some newspapers will lose subscribers because of it," he said.

New York Daily News: Postal Service customers who shell out extra bucks to send letters by priority mail aren't getting their money's worth, the Daily News has found. The special-delivery service costs more than 10 times as much as first-class mail, but doesn't get a letter to its destination any faster in many cases. In eight of 10 tests

conducted last month, letters sent priority and first-class were delivered to the same location on the same day. Even the cash-strapped Postal Service admits that paying \$4.95 for a flat-rate priority envelope won't guarantee faster delivery than a 42-cent stamp.

Post & Parcel: The US Postal Service is preparing to test a new product returns service for e-commerce merchants selling abroad. The International Merchandise Return Service (IMRS) would allow foreign consumers to return unwanted products back to the US after being purchased on American websites. The competitive shipping service would create return labels with postage payment, allowing the consumer to print off a label and return the item through the post.

<u>Courier, Express, and Postal Observer</u>: Last week, Fastenal became the first public corporation to report that changes in service standards for single-piece First Class mail have had a negative impact on its finances.

July 16, 2013

Christian Science Monitor: Costa Rica, Panama, and Nicaragua are among the countries that use landmarks, such as schools, parks, or even fast food restaurants, to locate houses and businesses in bizarre address systems that make mailmen "more like detectives," said one regional newspaper last month. Inefficient post can seriously impact a country's economy, according to the Universal Postal Union (UPU), so countries across the hemisphere are making efforts to modernize. Ecuador and Colombia last month became the latest Latin American countries to introduce a postal code system. Their aim was to reduce the millions of mail items lost every year and give their nations "an identity at the global level," says Ecuador's National Postal Agency's (ANP) director Maria de los Angeles Morales, who has overseen the \$1.2 million project. Around 1.7 million mail items were lost in Ecuador last year, despite the use of street names and house numbers, and Ms. Morales estimates \$75 million worth of gasoline was wasted on failed deliveries.

Witness list for tomorrow's postal hearing:

- The Honorable Adrian Smith, Member of Congress
- The Honorable Patrick Donahoe, Postmaster General & CEO, United States Postal Service
- Mr. Joel Quadracci, Chairman, President & CEO, Quad Graphics
- Mr. Cliff Guffey, President, American Postal Workers Union, AFL-CIO

INDUSTRYALERT Industry Discussion on Potential FSS Pricing Structure Thursday, July 18, 2013 11:30 AM (EDT)Please join USPS Network Operations and Consumer and Industry Affairs for a discussion involving the potential FSS (Flat Sequencing System) pricing structure. EVENT INFORMATION Topic: Industry Discussion on Potential FSS Pricing Date and Time: July 18, 2013 11:30 am, Eastern Daylight Time (New York) Event number: 995 668 566 Call-in toll-free number (US/Canada): 1-877-668-4493



PostCom welcomes its newest member: Our Sunday Visitor 200 Noll Plaza Huntington, IN 46750-4304 represented by **Dennis Kaylor** Postal Affairs Manager

China Daily: China's express delivery industry has seen rapid growth, and analysts point out that the overall business volume is likely to surpass the United States this year to become the biggest in the world. China's courier service providers delivered 3.8 billion items and brought revenue to 63 billion yuan in the first half of 2013, up 34.5 percent from the same period last year, according to statistics from the State Post Bureau of China. The State Post Bureau said that total income for Chinese postal enterprises and express delivery companies was 122.5 billion yuan in the first half of 2013. The revenue of express delivery accounted for 51.7 percent, a growth of 3.7 percentage points year-on-year.

Direct Marketing News: With so much attention being paid to new digital channels and the emergence of RTB, it's easy to overlook advertisers' sustained reliance on direct mail, which last year accounted for more than \$51

Billion across catalog and non-catalog spending. A primary reason for brands' continued fondness for direct mail is that it has traditionally outperformed most (if not all) other channels and advertisers' know that consumers are increasingly wary of online display ads, which are often perceived as intrusive and annoying, whereas many find direct mail to be more convenient and easier to digest (or ignore) on their own terms.

From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products,	
42566 [2013–16982]	[TEXT] [PDF]
Postal Service	
NOTICES	
Meetings; Sunshine Act,	
42566–42567 [2013–17083]	[TEXT] [PDF]

The Hill: The greeting card industry is pushing a plan to overhaul the U.S. Postal Service that it says would firm up the struggling agency's finances without cutting needed services. A new report from the Greeting Card Association is pushing a plan to use cluster boxes for mail delivery, instead of the more expensive practice of delivering door-to-door.

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

<u>Postalnews Blog</u>: Finance and Planning VP Steve Masse will leave USPS later this year. Masse was instrumental in the development of the Five Year Business Plan in 2012 and its update this year.

Government Executive: The House's oversight committee will discuss multiple proposals for overhauling the U.S. Postal Service at a hearing this week. The House Oversight and Government Reform Committee will hold the hearing -- The Path Forward on Postal Reform -- Wednesday after its chairman and ranking member each released their own proposals to revamp the cash-strapped agency.

Business Times: Self-storage provider Lock+Store, which was recently acquired by Singapore Post (SingPost), will offer postal delivery services at all its facilities in Singapore, becoming the first self-storage provider here to do so.

Pension Funds Online: The UK Government's plan to wipe Royal Mail's pension deficit clean by taking on its £8bn pension deficit could be in jeopardy, following a challenge from the European Commission. Pension Funds Insider understands that the commission is threatening to block half the bailout if it deems the move to be anti-competitive

July 15, 2013

Office of the Inspector General: "What's in a Name?"

A rose by any other name would smell as sweet, but what about Parcel Post and Express Mail? If

these products have new names, will they be more appealing to customers? We are about to find out. Later this month, the U.S. Postal Service will change the name of Express Mail to Priority Mail Express. Earlier this year, the Postal Service renamed Parcel Post to Standard Post. These name changes also come with some product enhancements, including improved tracking and insurance services. All of these changes are designed to strengthen the Postal Service's shipping business in the rapidly expanding package delivery arena. Parcel Post, one of the Postal Service's oldest products and among its best-known brands, just celebrated its 100th anniversary. Its origin in 1913 is memorialized in stone at the old Post Office Department headquarters in Washington, D.C, where it is among a list of historic postal products inscribed in the building's façade. In 1977, Express Mail became one of the few new "subclasses" created since passage of the 1970 Postal Reorganization Act. Since then, it has been known as the Postal Service's premier express mail service, providing overnight delivery to some destinations. Of course, postal products should evolve to meet market needs, not remain frozen in time like an etching in stone. Despite the long history of these products, the Postal Service believes that these rebranding changes will reinvigorate them and make them more competitive. In particular, the Express Mail change seeks to capitalize on the strong Priority Mail brand and the positive associations with it. Express Mail volume has fallen three times faster than Priority Mail since 2006, and Priority Mail is 20 times larger than Express Mail; and unlike Express Mail, Priority Mail has seen recent volume growth. Also, the Postal Service said "Priority Mail Express" will allow it to offer more definitive service expectations. Priority Mail will no longer be called a "2-3 day" service, and instead customers will get 1-day, 2-day, or 3-day service based on the specific origin-destination characteristics of the package. Do you think the name change will reinvigorate Express Mail? Will customers be confused by the name changes? Are the name changes important from a sales and marketing perspective, or are there other service-related changes that would help? Regarding Standard Post, does the jettisoning of the established "Parcel Post" brand strengthen the Postal Service's position in the shipping business? Does the inclusion of "Standard" in the title make it too similar to other postal products, notably the mail category of Standard Mail, which is used by business mailers to send advertising? Or is the name likely to be unimportant to users of this ground parcel service? Do you agree with the Postal Service's decision to change the name of Express Mail and rename Parcel Post?

Press Release: Military veterans, as well as National Guard and Reserve members, comprise 7.5 percent of the UPS domestic workforce. And that number is growing. Earlier this year, UPS announced a commitment to hire more than 25,000 veterans over the next five years and serve more than 25,000 employee volunteer hours helping veterans and Veterans Service Organizations (VSOs). Businesses across the country, like UPS, made the announcement as part of The White House's Joining Forces program to encourage employers to hire and engage with veterans. UPS will further enhance its commitment by helping veterans transition into the civilian workforce through increased networking opportunities.

Des Moines Register: A federal auditor's report criticizes the amount the U.S. Postal Service spends on overtime and cites an Urbandale mail-sorting center as an example of excessive spending.

Evening Times: Royal Mail is vitally important to Scottish businesses, with more than half of small businesses relying on the Royal Mail for between 80% and 100% of their post. Under Royal Mail, Scots are guaranteed that they pay the same price regardless of where in the UK they are sending a letter. It is a lifeline for rural communities, where 80% of residents have at some point been refused a delivery by private mail companies, but where postal workers collect and deliver mail once every working day.

Wall Street Journal: The Royal Mail can survive and even thrive, but it will have to continue to innovate or else go the way of the telegraph. It will be better able to stay relevant in private hands, where it will be less subject to political interference, and where it can take risks and place bets with its owners' money, not the taxpayers.

Bangkok Post: In Kabul, many streets have no name and houses often have no number, meaning that postmen already braving the constant threat of suicide bombings must play detective to deliver mail.

Reuters: UPS and FedEx might be worried about international shipments to slowing economies like China, but perhaps they should be more concerned about what's going on in their own back yards. Major U.S. retailers are experimenting with new e-commerce strategies that could dent demand for package delivery services, particularly demand for shipments over long distances, according to analysts and industry executives. Amazon.com Inc is building its distribution warehouses closer to customers to save millions of dollars in shipping costs. The world's largest online retailer is also increasingly using its own delivery trucks, cutting UPS and FedEx out of some parts of its fulfilment network. Meanwhile, major brick-and-mortar retailers such as Wal-Mart Stores Inc, Best Buy Co Inc and Gap Inc are shipping more online orders from stores close to shoppers, rather than from warehouses hundreds of miles away.

The Guardian: Britain is 159th in the world league table that ranks investment as a share of GDP. This is not new. Owners of British companies have long been permitted a feckless lack of responsibility. Smart countries, from the US to Germany, make sure that they insulate their companies as far as they can from the myopia and short-term greed of stock markets. Instead, the British approach to ownership exposes our companies to stock market thinking: shrivelling investment, cutting back on innovation, minimising training and hoarding cash to please their irresponsible, transactional owners. It is a national disaster that another great British organisation, the Royal Mail, is to be cast into this maelstrom.

Victoria Advocate: Our congressman, Blake Farenthold, who sits on the House committees that oversee the Postal Service, says he wants to dig into the Victoria situation. He certainly should be able to point out how the Postal Service could operate much more efficiently here. He and his fellow congressmen have a much tougher job trying to figure out how to make the Postal Service viable across the country. They surely won't succeed if the Postal Service can't even figure out how to turn a profit in downtown Victoria. If it can't, then the other 31,000 post offices in the country likely are doomed.

North Platte Bulletin: Rep. Adrian Smith recently introduced a bill to make sure that rural post offices are not inappropriately targeted as the Postal Service tries to reform itself. The bill is H.R. 2615, the Securing Access to Rural Postal Services Act. Rep. Mike McIntyre (D-NC) is the co-sponsor. Smith and McIntyre co-chair the bipartisan Congressional Rural Caucus that provides a forum to find workable solutions to the unique issues facing rural Americans.

July 13, 2013

Express: A review by the Royal Mail of its rules means that consumers will from July 15 be able to post toiletry and medicinal aerosols, nail varnishes, perfumes and aftershaves, which are currently prohibited by dangerous goods regulations. However, to post these items customers will need to use the Post Office counter service. They can continue to post electronic items sent with or containing lithium batteries, including mobile phones, within the UK. But these are subject to new packaging and quantity requirements and should be done over the counter. The Royal Mail said it would no longer accept prepaid polylope envelopes commonly used by mobile phone recycling companies.

Investors Business Daily: Britain's health system may be maligned. But give the government credit for good judgment in scaling back dominion over another service with a reputation for inefficiency — the postal service. The Royal Mail will be a little less regal this time next year as the British government plans to take it public on the London Stock Exchange within nine months. One of every 10 shares will be set aside for employees at no cost to them. That's also good thinking: The stakes should give them an incentive to be productive workers who will drive the new company to consistent profits. Business Secretary Vince Cable said the government is looking at the British postal service as a business that can grow and create wealth. Why can't Washington make an equally sensible observation [with the Postal Service]? It would indeed "operate differently" under private ownership. It would have to cut costs (starting with its legions of unproductive, counterproductive and inflexible unionized employees), become more efficient and develop an adaptability that it's never had before. Of those three tasks, the first might be the most important. Eighty percent of the post office's costs are labor. That percentage should be far less. Labor at

FedEx is about 45% of the company's cost. Once the labor costs are addressed, it'll be easier for the private post office to streamline and innovate. Then it should no longer trouble taxpayers for money.

Wall Street Journal: The controversy over Internal Revenue Service targeting of politically active groups continues to deepen. In the latest twist, congressional Democrats are stepping up their charge that the investigation so far has focused too much on conservative groups and ignored targeting of liberal and progressive groups. Democrats, in a letter to Republicans, point to new evidence that progressive groups were being scrutinized. That includes a PowerPoint presentation from the Cincinnati office where the review occurred, and a newly discovered watch list. The new evidence suggests IRS workers in Cincinnati were actively scrutinizing liberal groups as well as conservative ones. Rep. Elijah Cummings (D., Md.), the top Democrat on the House Oversight and Government Reform Committee, says in the new letter that the inspector general, Russell George, should have included the new evidence in his original report. Mr. George has said that there were watch lists mentioning liberal groups but they did not appear to be actively used. His office did not immediately comment on the letter Friday. Mr. Cummings wants committee Chairman Darrell Issa (R., Calif.) to call Mr. George to testify again.

Bloomberg Businessweek: UPS blamed the lower profits on too much capacity in air freight, labor negotiations, a slowing U.S. industrial economy, and "increasing customer preference for lower-yielding shipping solutions." That means people are choosing to pay less to ship slower. Part of the shift has come as fuel costs have surged in recent years, leading to heftier surcharges on the various shipping services UPS and FedEx sell, whether it's the express overnight or two-day ground delivery. And many shippers are unable to pass along the cost of faster delivery to their customers, who have become content with slower and cheaper,

July 12, 2013

BGR: Noted industry analyst and former consultant to major labels Bob Lefsetz is best known for his thoughts on the music industry, but he dabbles in other areas from time to time including social networking. The analyst recently noted that Facebook appears to be losing its appeal among younger users, which could certainly be a big problem over time, and now Lefsetz has set his sights on Twitter, which he says will soon be a thing of the past. "It's toast. Over. Done. History. Soon to be as behind the curve as Facebook, someday completely forgotten like Friendster," Lefsetz wrote in a recent Lefsetz Letter. He continued, "You see there are too many people on the service. As a result, very few are heard. It's happened over the past six months, tweeting is like a stone in a waterfall, or more accurately, pissing in the wind. In other words, if you tweet and nobody reads it have you wasted your time?" Lefsetz says the signal to noise ratio is now out of control, and being heard on Twitter is next to impossible. This might be fine for people who use the service to interact with friends, but for bands, businesses and even individuals hoping to use Twitter as a tool, he thinks its utility is a thing of the past.

The Independent: The government announced this week its intention to privatise Royal Mail though a flotation on the London Stock Exchange in this financial year. The state-owned postal service could be valued up to as much as £3bn and is sure to tempt private investors, but would this be a wise move? That depends on the offer price and the market reaction. It seems unlikely that the share offer will see investors double their money on the opening day of trading, as happened with some of the government sell-offs in the 1980s.

WIBC: The U.S. Postal Service is warning customers about third party websites that offer homeowners a way to change their address. Postal officials said some customers have paid up to \$30 on those websites to change an address. The other websites aren't new, but Howard said the Postal Service is seeing a spike in the number of cases. She said residents who use the sites aren't getting their mail. The USPS doesn't charge customers who change address in person at the Post Office or via phone at 800-Ask-USPS. It charges \$1 for an online change.

FinancialTimes: There have been many forceful characters in the 500-year history of the Royal Mail, the British institution that taught the world how to deliver letters. Among the most unexpected is a small Canadian – a "bundle of energy", say admirers – who is driving the service towards privatisation. For the past three years Moya Greene, 58, has been chief executive of Royal Mail, the first woman and first non-Briton to run it since Henry VIII established a "master of the posts" in 1512. By reshaping it as a business focused on parcels, taking advantage of the

boom in internet shopping, she has paved the way for the government to float the company – which has £9bn revenues and 150,000 staff – on the London Stock Exchange in the coming months.

Toronto Star: The British government thinks the historic Royal Mail might fetch \$3 billion when it floats an initial public offering on the London stock exchange next year. The IPO announcement this week comes as countries sell off their postal services — entirely or just a portion — as governments get out of the slumping business. There may be no immediate plans to privatize Canada Post, but mail volumes here are in steep decline, especially first-class mail: 1 billion fewer pieces were delivered last year than in 2006. That's why post office officials have begun formal consultations with Canadians about what they want from their post office, whether it's three-day-a-week delivery or the end of door-to-door service or other changes.

DMM Advisory: IMbTM Services Update

- PostalOne!® Release 35.0.0 Deployment scheduled for July 14, 2013, will require an extended maintenance window to complete all software updates. There will be a PostalOne! outage from 12 midnight through 9 a.m. CT, Sunday, July 14, 2013. Also, the July 14, FAST Release 25.0.0 will require an outage from 4 a.m. CT to 8 a.m. CT to 5 p.m. CT. The Program Registration Release 8.0.0 on July 14 will require an outage from 11:00 a.m. CT to 5 p.m. CT.
- A mandatory Mail.dat® client download will be available immediately following the software update.
 Release notes for PostalOne! Release 35.0 can be found on <u>RIBBS</u> by clicking on Major/Minor Release
 Schedule/ 2013 Releases in the left-hand navigation bar or by going directly to <u>Full Service 2013 Releases</u>.
- The Business Customer Gateway/eAdmin Release 5.0-- will be deployed on Sunday, July 14 between 4:00 a.m.to 8:00 a.m. CT. This release will include additional enhancements in the BCG application. Release Notes for the Business Customer Gateway/eAdmin are available at: https://ribbs.usps.gov/index.cfm?page=intellmailgateway.
- PostalOne! Release 35.0 Deployment to Test Environment for Mailers (TEM) will occur on Monday, July 15, 2013, and PostalOne! TEM will be unavailable from 7 a.m. through 3 p.m. CT.

BDA Sun: Bermuda's postal services could be privatized to bring it back into the black, the island Postmaster General Wayne Smith has revealed.

Bloomberg: United Parcel Service Inc. (UPS), the world's biggest package delivery company, cut its 2013 earnings forecast, saying a slowing U.S. economy hurt second-quarter profit and revenue. The stock dropped the most since 2011.

The U.S. Department of Labor: Office of Workers Compensation Program has notified USPS that, as of July 1, 2013, we will suspend the electronic transfer of FECA information and documents to USPS, suspend USPS access to the Agency Query System, and suspend access to specific case documents through electronic kiosks in DFEC District Offices. In addition, we will limit access to copies of correspondence sent to a claimant. Information required by the USPS Office of Inspector General and the Postal Inspection service for investigatory activities within the scope of their authority will continue to be provided. We have taken this step in order to protect the privacy of our injured workers but are committed to minimizing the impact of this decision on USPS employees. There will be no change in entitlement to benefits for these employees and we will continue to provide USPS employees the necessary information concerning their application for benefits. When OWCP suspends data transfer, USPS may experience difficulties with USPS sponsored programs such as pharmacy (PMSI), Durable Medical Equipment (Coventry) and physical therapy (Align Networks) for those USPS employees who have active FECA claims as well as those who experience new injuries. Precisely how and for what timeframe these voluntary programs are impacted is largely in the hands of USPS. USPS employees remain able to obtain these benefits through an authorized medical provider if there is an impact.

CBC: Canada Post redesigned many of its delivery routes and procedures just over a year ago and now some Canada Post employees say they're being punished for claiming overtime pay when they work extra hours. Some workers say their new duties can't be completed in a regular eight-hour workday and they feel pressured to do the extra work for no pay.

Express & Star: Companies will soon be able to predict more accurately when marketing mail and credit card statements land on doormats after Royal Mail announced £70 million investment in barcodes for bulk mail.

Post & Parcel: Swiss Post has ordered 40 automated parcel terminals from Austrian manufacturer KEBA, after completing an internal trial. The national postal operator in Switzerland is to introduce a network of parcel terminals under the brand "My Post 24" from this autumn, installing 40 machines by the end of 2014. It will allow customers 24-hour access for picking up and dropping off their parcels, offering convenience for those needing to collect parcels including e-commerce purchases outside normal business hours. The first machines are expected to spring up in the Zurich and Berne regions this autumn.

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

- Representative Elijah Cummings (D-MD) has provided a draft of his approach to postal legislative reform.
- The Postal Service has released its January 2014 release proposed structure changes. This is in an effort to keep the 2 + 2 release (2 major and 2 minor release) schedule that the USPS introduced last year. This document is subject to approval and some of these items may not be implemented. The Postal Service will submit its annual price change sometime in early fall (October time frame) which will include the final changes.
- The USPS on July 11, 2013, published in the Federal Register proposed rules around "new standards to enhance package visibility," with comments due by August 1, 2013. The USPS proposes requiring use of the Intelligent Mail package barcode (IMpb) on all commercial parcels, requiring the transmission of supporting electronic documentation including piece-level address/ZIP+4 Code information effective January 2014. The USPS proposes requiring the complete destination delivery address or an 11-digit delivery point validated ZIP Code in the electronic documentation effective January 2015. The USPS also proposes implementing a schedule of gradually increasing compliance thresholds and a per-piece price adjustment for non-compliant pieces.
- The USPS on July 1, 2013, published two RFIs concerning a household items recycling/humanitarian donation program and an e-waste recycling program, with responses due by July 31, 2013. "Overall," the USPS said in both RFIs, "the purpose of this initiative would be to: (1) generate core business (delivery services) and revenue for the Postal Service; and (2) meet organizational objectives toward corporate citizenship."
- USPS logging all mail for law enforcement. MTAC creates new user group. Banking on the Public: going postal, North Dakota and other finance alternatives. Postal Service says computer issues resolved. USPS expanding VPO network. How USPS sells your address update to anyone who pays (and the little-known loophole to opt out). PostScan Mail offers mail service for motorhome enthusiasts. APWU renews TV ad campaign. House Democrat's new postal reform bill finds some common ground. USPS and national program help cities prepare for public health emergencies. USPS improves online EDDM tool.
- Updates from the Federal Register.
- Updates from the Domestic Mail Manual.
- An update from the USPS Office of Inspector General.
- Postal previews
- Comparison of postal reform bills.

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



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Electronic Mail Improvement Reporting (eMIR) System – 13RG029MS000:

"The Postal Service's Electronic Mail Improvement Reporting (eMIR) System is a web-based process used to notify mailers of irregularities in the preparation of mailings presented to the Postal Service. This system was launched in August 2004 and was re-engineered in June 2011. When mail irregularities are identified, a PostalOne! eMIR Data Collection form is completed and entered into the eMIR system. The eMIR system electronically routes the irregularity to the accountable department. The accountable department researches the irregularity, initiates customer contact if necessary, and enters the results into the eMIR system. The eMIR system provides benefits to Postal Service process owners as well as Postal Service customers. Some benefits that the eMIR system provides to Postal Service process owners include: access to online reports, messaging and system-to-system interfaces, elevating preparation issues electronically, elimination of gaps in the hardcopy process, and increased communication flow between all involved parties. Postal Service customers benefit from the quality information provided by eMIR with online access to report information, access to digital images of problem mail pieces, continuous and timely feedback, problem resolutions to enable correction of reoccurring problems, and the ability to improve the quality of future mailings. Whether you are a Postal Service employee or customer, what are your experiences with the eMIR system? How often do you access/use the eMIR system? Specifically, is the eMIR system functioning as you expect? Are there functionalities not being used or not being used properly? In your opinion, how could the Postal Service improve its eMIR system?"

Wall Street Journal: Margaret Thatcher privatized a lot of state-owned companies, but even she drew the line at the Royal Mail, quipping that she was "not prepared to have the Queen's head privatized." Now David Cameron's government proposes to do just that and sell off a majority stake in the Royal Mail through a stock offering next year. The unions are up in arms, the left (and some on the right) are bemoaning the sale of the family silver—the usual, in short, when a government-owned service is privatized. Lament it if you like, but the fact is the mail is not what it once was. Mail volumes in the U.K. are down some 25% in the past decade, and for many the mail slot is a repository of takeout menus and bills that may already have been paid online.

The Shetland Times: Northern Isles MP Alistair Carmichael has insisted Shetland will not be left with a threadbare postal service following privatisation this autumn. The coalition government confirmed this week that privatisation will go ahead – a move Mr Carmichael is backing. He is adamant that islanders will continue receiving mail six days a week at the same price as the rest of the country, despite trade union fears to the contrary.

Reuters: Germany's Siemens has received tentative offers for the postal automation and baggage-handling division being sold in its effort to streamline operations and shed non-core assets, two sources familiar with the transaction said. The postal operation, which counts the U.S. Postal Service and Deutsche Post among its customers, has benefited from the growing number of consumers shifting to internet shopping. The baggage-handling side of the business makes both software to track luggage and mechanical equipment such as conveyor belts. It has installed more than 300 baggage-handling systems at airports all over the world. German private equity firm Triton and U.S. investment groups Gores and Platinum are among those that have handed in bids for the 300 million euro (\$386 million) division by the July deadline, the sources said on condition of anonymity.

July 11, 2013

The Economist: The roll call of privatisations of state-owned enterprises in Britain in the 1980s and 1990s was so long that Harold Macmillan, a Tory former prime minister, compared it to flogging the family silver. Companies

including British Gas, British Airways, British Telecom, and (less happily) British Rail all moved into the private sector under Conservative governments determined to break up state monopolies. One that got away was the Royal Mail. Now Michael Fallon, a Conservative business minister in the coalition, is pushing through a stockmarket flotation of a major chunk of the service. It is expected to raise between £2 billion and £3 billion (\$3 billion and \$4 billion) in an issue of shares which will allocate 10% of the company to workers and allow members of the public to buy in alongside institutional investors. That does not impress the Communication Workers Union, which represents many of the Royal Mail's 150,000 employees and opposes the sale. Opponents point out that the results in Austria and the Netherlands, both of which have privatised their postal services in the past two decades, have been better for business and bulk customers than for domestic ones, who end up paying higher prices for their letters and with a bewildering array of postmen delivering different kinds of mail.

ThisIsSurreyToday: Businesses in Surrey could face major delays to their post services if postal workers strike against the Government's plans to privatise Royal Mail. Unions have warned that strike action is "inevitable" over the bid to sell up to 90 per cent of Royal Mail.

Safety Online: The U.S. Department of Labor's Occupational Safety and Health Administration, the U.S. Postal Service and the American Postal Workers Union have agreed to terms of a settlement that will improve safety in postal facilities across the country. The settlement follows negotiations stemming from inspections at 42 Postal Service sites in 2009 and 2010 that found violations of OSHA standards on electrical work practices. USPS contested the citations, and OSHA then sought enterprise-wide relief before the Occupational Safety and Health Review Commission.

The Republic: Federal prosecutors have accused a U.S. Postal Service employee in Kansas City, Kansas, with stealing prescription pain medicine from the mail. Barry Grissom, U.S. attorney for Kansas, said in a release Thursday that 40-year-old Sherry Robertson of Kansas City, Kansas, faces five counts of theft of mail by a postal employee and one count of possession with intent to distribute hydrocodone. She's accused of removing pills from the mail on several separate occasions in 2012 and 2013. Robertson faces up to five years in federal prison and a fine up to \$250,000 on each count.

Kokomo Tribune: A postal worker at Evansville's mail-processing center faces a theft charge for allegedly opening personal mail and stealing money and gift cards.

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

Link now fixed! & *%\$#@!

PostCom Members!! The latest issue of PostCom's PostOps Update has been posted on this site. In this issue:

- USPS Publishes Jan 2014 Proposed Structure Changes
- USPS Proposes Additional IMpb Rules, Non-Compliance Thresholds
- USPS Adds RIBBS Feature to Show Updated Files
- Network Changes Update
- Labeling List Changes, Mail Direction File Changes Support Network Changes
- USPS Unveils New Service Alerts Web Page
 - USPS to Allow More Leeway for Barcodes on Flats

DMM Advisory June 2013 MailPro Available http://about.usps.com/mailpro/2013/june/welcome.htm The June 2013 MailPro [HTML] [PDF] is available on about.usps.com/mailpro. You'll find articles about the five-year business plan, Full-Service Intelligent Mail® automation discounts, Click-N-Ship® for international service,

and more. Customers can access current and past issues of MailPro online or subscribe by sending an e-mail to mncsc@usps.com. Include your name, title, company name, complete delivery address, and daytime phone number.

Last Reminder: Attention Business Customer Gateway Users The Business Customer Gateway Release 5.0 will be deployed to Production on Sunday, July 14 from 4:00 a.m. to 8:00 a.m. CT. This release will include additional enhancements in the BCG application. The Release Notes for the Business Customer Gateway are attached and will be posted to RIBBS soon.

Stock Market Wire: Commenting on the privatisation of Royal Mail, John Allan, National Chairman, Federation of Small Businesses, said: "The Federation of Small Businesses (FSB) understands reform of Royal Mail is needed to make it more competitive. However the FSB has serious concerns about the impact this could have on postage costs, and for those living in remote communities. Recent sharp increases in postage costs, both of letters and parcels, have already had a negative impact on our members.

From the Federal Register: Postal Service PROPOSED RULES New Standards to Enhance Package Visibility, 41721–41731 [2013–16524] [TEXT] [PDF]

Government Executive: The Democrats' House oversight leader has introduced his own bill to overhaul the U.S. Postal Service, seeking to create new and innovative products for the agency, reduce the number of employees and alter the payment schedule for USPS liabilities. Rep. Elijah Cummings, D-Md., ranking member of the House Oversight and Government Reform Committee, struck some common ground with his colleague Rep. Darrell Issa, R-Calif., the committee's chairman. Several key differences persist, however. In draft language of the new proposal - the 2013 Innovate to Deliver Act -- Cummings brought back many ideas he offered in the last Congress. New additions to the bill to generate revenue and cut costs include allowing the Postal Service to deliver wine and beer and lowering the maximum pay for most USPS managers. Both proposals have received bipartisan support as standalone legislation. Another key change to Cummings' bill would alter the prefunding requirement for retirees' health benefits so USPS would have to make actuarial payments recalculated on an annual basis. The legislation would require the Postal Service to reach 80 percent of its obligation by 2053, and delay any payments until 2017. Issa proposed similar language in his bill -- the 2013 Postal Reform Act -- which he released in June.

The Dickinson Press: Postmaster General Patrick Donahoe promised Wednesday to help improve postal service to North Dakota oilfield housing units and to assist with meeting postal service hiring challenges in North Dakota, according to U.S. Sen. Heidi Heitkamp. Donahoe and U.S. Sen. Tom Carper of Delaware, chairman of the committee that oversees the U.S. Postal Service, met with Heitkamp on Wednesday about the postal challenges facing North Dakota. A key issue in western North Dakota has been the inability of many oilfield workers to receive mail, Heitkamp said.

The Independent: Seven City investment banks led by Goldman Sachs are set to share fees of up to £30m from the privatisation of Royal Mail. It is the Swiss bank UBS which joins Goldman in leading the expected initial public offering (IPO), while ministers have also signed up Merrill Lynch, Investec, Nomura and RBC Europe. At the usual fee of around 1 per cent, and Royal Mail's expected valuation of between £2bn and £3bn, they can expect to earn millions each. The Government has also hired the City PR firm Citigate Dewe Rogerson to spin the sell-off, and the law giants Linklaters and Freshfields Bruckhaus Deringer for legal work on the biggest privatisation since John Major sold off the railways in the 1990s.

July 10, 2013

The Telegraph: For Margaret Thatcher, the idea of selling off Royal Mail was a free-market reform too far; she said that she was "not prepared to have the Queen's head privatised". But times have changed and necessity demands reform. Hence the Government's decision to float the postal service on the London Stock Exchange. On the one hand, Royal Mail faces a daunting future: the number of letters delivered has dropped and it has to compete today with not only other postal operators, but also with the internet. On the other hand, it has plenty of new opportunities to exploit. The rise of home delivery services such as Amazon have increased its parcel delivery volume by more

than 6 per cent in the past year alone. It all makes the Government's argument that the Royal Mail needs access to outside capital to adapt to new technologies and expand into new markets a compelling one.

San Francisco Examiner: This government employee's disability checks were delivered with extra toppings. On Tuesday, a San Francisco postal worker was sentenced to 90 days in jail and ordered to pay \$157,173 in restitution for collecting disability checks while owning and operating Domino's Pizza stores, District Attorney George Gascón said. Tiong C. Ong, 51, formerly of Saratoga, started working at the U.S. Postal Service as a tractor trailer operator in 1993. Seven years later, he reportedly began receiving monthly disability payments after injuring his back.

The Standard: The boss of Royal Mail has assured staff their pay and conditions will not be changed without their agreement following privatisation after a leading union threatened strike action. The Communication Workers Union (CWU) said it would ballot its members over industrial action unless a "legally binding" agreement on workers' conditions could be secured with any potential new owner, as Business Secretary Vince Cable announced details of the controversial £3 billion sell-off. It followed a protest at the Royal Mail headquarters in central London where about 50 campaigners from the union, which has fiercely opposed the privatisation plans, gathered to voice opposition to the Government's proposal. Royal Mail chief executive Moya Greene has promised to create a contract with the CWU to ensure that workers' pay and conditions cannot be altered without the union's backing.

Barron's: A heavily unionized utility in the snail-mail business hardly seems an ideal float candidate. Add in a mélange of politics—inevitable in what will be the U.K.'s biggest privatization in more than 20 years—and an initial public offering of Royal Mail could be a tough slog. But the U.K. postal service, which business secretary Vince Cable on Wednesday pledged to list in London by April 2014, deserves a look.

Businessweek: Would a privatized Royal Mail deliver good service at affordable prices? Most Britons don't appear to think so. In a poll released on Wednesday by the conservative Bow Group think tank, 67 percent of respondents opposed privatization. Less surprisingly, a survey of Royal Mail workers showed 96 percent are opposed. Ten percent of shares in the privatized company would be set aside for employees. The story of Britain's rail privatization certainly doesn't inspire confidence.

Mail through a flotation on the London Stock Exchange, SNP MP and spokesperson for postal services Mike Weir said: "The UK government's decision to privatise the Royal Mail poses real danger to the postal service, and in particular, the universal service obligation which is of huge importance to Scotland. A privatised postal service in a competitive market will undoubtedly put pressure on government to reduce the terms of the USO, as its competitors "cherry pick" the profitable urban routes leading to a reduced service in rural and less affluent areas. "77 per cent of Scots are totally opposed to the privatisation of Royal Mail- more than any other part of the UK. Vince Cable has spouted nonsense about independence being a threat to post offices yet Scotland could be losing their post offices due to a UK government they did not elect. Only with independence can Scotland be assured of a mail service that meets the needs of Scotland and our communities rather than the money men of London.

DMM Advisory: IMb™ Services Update.

- PostalOne! ® Release Webinars Three mailer webinars will be held in conjunction with the upcoming PostalOne! release scheduled for July 14, 2013. The first webinar will be held on Monday July 15, 2013, from 10:00 a.m. to 11:00 a.m. ET. The second will be held on Tuesday July 16, 2013 from 1:00 p.m. to 2:00 p.m. ET. The third webinar will be held on Wednesday July 17, 2013 from 3:00 p.m. to 4:00 p.m. ET. These webinars will cover enhancements to the PostalOne! system, various reports, and initiatives. Complete webinar log-in information will be posted on the RIBBS® Intelligent Mail Education page at Full Service 2013 Releases.
- <u>PostalOne!</u> Release 35.0.0 Deployment to Test Environment for Mailers (TEM) will occur on Monday, July 15, 2013, and *PostalOne!*. TEM will be unavailable from 7AM through 3PM CT

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

On Thursday this week, Jean-Paul Bailly, CEO of French La Poste, announced his premature resignation. According rumours already spread ahead of the session of the administrative board. The withdrawal is apparently triggered by the new mid-term strategy of the state-owned company (see separate reporting). Therefore, Bailly will presumably clear his desk already in October this year, one year before his regular term ends.

Sérgio Monteiro secretary of state at the Portuguese ministry of economic affairs has confirmed doubts about the planned privatisation in parliament last week. According to him, the government would start the sales process, but he did not know whether it would be concluded.

Last week, the administrative board of the French post adopted a new mid-term strategy. The 'Projet Stratégique 2013-2018' has three priorities: the economic health of the group, the quality of life for employees and customer satisfaction. At the same time, the company's economic goals were scaled doen considerably.

Should a conservative coalition win the upcoming parliamentary elections in Norway in autumn this year, it wants to implement the EU postal directive.

The branch network of the British post struggles with its IT systems.

In the course of the austerity programme Deliver!, which was announced in March this year (CEP-News 13/13), TNT Express sold its stake in US based software firm Apriso.

For the first time in Australia Post's 204-year history, the employees will get a pay rise based on an enterprise agreement and not on a collective agreement.

P&T Luxembourg has to face a slump in profits for the last year, despite a slight increase in revenues.

China Post enters the brick and mortar grocery business.

Swiss Post has to look for a new head of its Post Offices and Sales division.

The Malaysian post has a new CEO.



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

Mail sell-off. He told The Commons: "Contrary to what is being claimed, after a sale, Royal Mail will still be the UK's universal service provider. This includes services to urban and rural areas and free services to the blind." He says the "overarching objective" of the plans is to "secure the universal postal service - the six-day-week service, uniform and affordable prices to all 29 million addresses in the UK, which is vital to the UK economy."

Sky News: The private equity firm that tabled a bid for Royal Mail four years ago has told the Government that it will revive its interest if attempts to privatise the postal services group through a stock market listing are unsuccessful.

<u>Digital TV Europe</u>: Total Italian telecommunications, media and postal services revenue was €61.4 billion, down from €65.8 billion in 2011. This was attributed to the shrinking economy and declines in advertising revenues.

The Voice of Russia: The British government is set to sell off the iconic Royal Mail in the biggest privatisation in 20 years, valuing the parcels and letters provider at some £3 billion in a flotation opposed by two-thirds of the British public.

International Business Times: Prime Minister David Cameron said on Wednesday he expected the planned privatisation of the Royal Mail postal service to attract extensive public support.

The Times: Islands and rural areas will lose their postal service if the Government presses ahead with privatising the Royal Mail, the Communication Workers' Union has warned. Dave Ward, the CWU's deputy general secretary, predicted that a private postal service would seek to abandon its commitment to a universal service after the 2015 general election, because it was unprofitable to deliver to remote communities. The six-day-a-week service to addresses throughout the UK was the law now, but "in two years' time the Government can look at that again, there are loopholes in that law", he warned.

The Guardian: Come trade unionists, lefties inside and outside the Labour party, disillusioned Lib Dems, Ukippers, and any Tories still fond of the idea that there are some things – the "family silver", as old-school Conservative mythology would have it – that perhaps should not be handed to the private market. This wretched government is now selling off Royal Mail, with the aid of a syndicate of banks headed by those well-known guarantors of the public interest, Goldman Sachs and UBS. The financiers will take home around £30m; over time, the rest of us will likely end up with a threadbare postal service, and the feeling that we were robbed, in broad daylight.

The Telegraph: "Royal Mail flotation: Q&A"

edp24: Details of the scheme, which will see around 150,000 workers handed shares worth millions of pounds, are expected to be set out today Staff are expected to be allocated 10pc of the new company for free or at a steep discount, and by the time the controversial £3bn sell-off is complete each individual could have received a windfall of up to £2,000. But critics, including the Protect Our Post campaign in North Norfolk, have warned services in unprofitable rural villages were likely to be the first to go.

BBC: The proposed Royal Mail sell-off "is going to destroy postal services" claims the general secretary of the Communication Workers Union. Billy Hayes agreed the service needed money, probably £2bn over five years, but that public money was already being borrowed on larger Network Rail and London Underground schemes. And he said the union would take industrial action "to defend the people we represent".

From the Federal Register: Postal Service RULES Collect on Delivery, Service Features, 41305–41307 [2013–16523] [TEXT] [PDF]

City A.M.: Private postal company UK Mail hopes the Royal Mail sell-off will boost its business case among big investors. Chief executive Guy Buswell said the privatisation plan is "positive for us, the Royal Mail and the UK at large". "We think people will look at our business more in the City as we will be the comparator for Royal Mail in the sector," he told City A.M.

BBC: Today's announcement that Royal Mail is likely to be privatised by being floated on the stock market, probably in the autumn, and not by being sold to a private-sector rival, may be viewed as a harking back to what some see as the glory days of privatisation under Margaret Thatcher and John Major. That is because it would be the first time in about two decades that a household name nationalised industry will have been sold to investment institutions and retail shareholders.

WFMY: Rest assured, in the Central Florida community Nalcrest, the weather is always a topic of conversation. But neither the rain nor heat can keep these residents from making their appointed rounds... in today's case, many made their "rounds" to the town barber shop. They're used to being out in the elements. Everyone who lives in this town, which has its own zipcode -- 33856 -- has one thing in common. They all worked for the postal service as letter carriers.

Times of India: Group D postal employees affiliated to All India Postal Employees Union resorted to a day's token hunger strike here on Tuesday to press for their various long-standing demands. They threatened to go on indefinite strike from September 16, if the authorities failed to meet their demands.

Federal Times: Even as total work hours dropped again last year, the U.S. Postal Service's overtime costs kept climbing, according to a newly released audit by the agency's inspector general. Paid overtime costs for fiscal 2012 amounted to \$3.53 billion, up almost 7 percent from 2011, the IG found. At one Des Moines, Iowa, distribution center, overtime pay for seven mail handlers ranged from \$65,000 to \$76,000 each, more than doubling their respective salaries, according to the audit. Although overtime hours are not supposed to account for more than 5 percent of total workhours under a USPS management target, they added up to 7.8 percent last year, the audit said. After falling sharply in 2009, the proportion of overtime hours has risen every year since.

Orlando Sentinel: If it seems you're waiting longer at the post office these days, it's probably not your imagination. A wave of nearly 800 early retirements this year locally has many local branches making do with fewer clerks. The staff reductions are part of the U.S. Postal Service's yearslong effort to stop hemorrhaging money and return to profitability.

July 9, 2013



II"Don't cha know that I heard it -- Heard It -- Yes, I heard it through the grapevine. . . . " II Word has it that House Government Oversight and Reform Committee chairman Darrell Issa will be convening his full committee next Wednesday for a hearing on postal reform. Word also has it that his plan is to move to markup the week

thereafter.



Business World: Well over a third - 38pc - of Irish companies have seen a decline over the past two years in the number of standard letters that they sent as electronic media continue to take over. The latest figures from communications regulator, ComReg, shows that the main reason for the decline in the number of standard letters sent is the move to electronic substitutes, with two-thirds citing this as a factor. Companies are predicting that their usage of electronic forms of communications will continue to increase in the coming two years.

Reuters: Royal Mail employees will get shares that could be worth as much as 300 million pounds as part of the British government's plans to list the state postal operator, Sky News reported, in what would be Britain's biggest privatisation in decades. The shares would be handed to employees for free and not at a discount and would equate to 10 percent of Royal Mail's equity, Sky News said. At an overall valuation of between 2.5 billion-3 billion pounds, the stake could be worth as much as 300 million pounds, the broadcaster reported on its website.

The Guardian: Communications union says postal workers will not 'sell their souls' for a 10% stake in the 'great British flog-off'

<u>Bitter Wallet</u>: The Post Office now admits that it was a virus in their computer system that caused shortfalls at several branches in the last few years, not light fingered workers.

The Telegraph: The commercial benefits from privatisation of the Royal Mail will help secure our postal service's long-term future.

Elijah Cummings (D-MD) has provided <u>a draft of his approach to postal legislative reform</u>. Our very quick reading of the draft indicates the following key points:

- The USPS will appoint a Chief Innovation Officer
- Procedures will be put in place to ensure he does the job
- The costs and revenues from innovative services shall be reported and reviewed.
- The USPS may provide nonpostal services using its current resources including "technology" and "other resources" subject to a public interest test.

- All market dominant services must cover attributable costs and make a contribution to overhead recovery. (No underwater products.)
- The PRC should revisit the cap and see if something better results from placing the cap over the aggregate of market dominant services rather than by class.
- USPS gains authority to ship wine and beer.
- Flat rate media/book rates are repealed.
- All postal board and regulatory commission travel expenses are to be reported and audited.
- USPS may compensate up to six very senior executives up to an amount of no more than \$199,700.
- USPS may compensate other officers and executives no more than \$178,700
- No fringes paid to senior executives may exceed that which is provided to postal supervisors and managers.
- No bonuses are to be paid if the USPS can't meet long-term solvvency and budget balancing requirements.
- There are several provisions designed to safeguard employees in the event there is a need to downsize personnel or consolidate or close facilities.
- First year FERS excess to be used to pay down postal borrowing.
- Subsequent FERS excesses to be used to pay against other postal obligations.
- Pre-funding to be reamortized to accomplish an 80% satisfaction of obligation by September 30, 2053.
- USPS must report on projected workforce needs based on actual and reasonably anticipated workload requirements.
- USPS may introduce new classes of mail.
- Products covered by the monopoly must take into account "due regard" to private sector entitites providing or using such services.

Roll Call: A federal PAC of a union has acted as a passthrough for \$125,000 of union treasury funds to be used for independent expenditures by a Democratic super PAC.

Wall Street Journal: Cybercriminals continue to increase efforts to break into computers to steal passwords and data, or take down critical infrastructure, and will to do so as long as they can get away with it. [EdNote: Give the cybercrime portfolio to the postal Inspection Service.]

Wall Street Journal: The big expansion of health insurance envisioned under the 2010 Affordable Care Act is now looking less sweeping. The law was designed to extend insurance to most of the 50 million Americans who lack coverage. But when the main features of the law go live Jan. 1, the share of those people set to remain uninsured is bigger than the proportion set to gain coverage. That raises the prospect of a long battle to make the law work as its supporters intended, and the likelihood that opponents will dismiss it as a costly failure. [EdNote: Look for the fight to repeal Obamacare to overshadow the struggle for postal reform.]

Wakht News Agency: Afghanistan Postal Regulatory Agency (APRA) on Sunday signed an agreement with the Afghan Jet amid the ministry of communication and information technology's plan to expand post services across the rural areas. Deputy communication and information technology minister, Baryalay Hssam told a press conference that the ministry was making effort to expand the postal services across the country, where the communications services have been secured in more than 90 percent of the provinces.

Financial Times: The White House is expecting the US budget deficit to shrink to \$759bn, or 4.7 per cent of gross domestic product, during the 2013 fiscal year, underscoring the improvement in America's fiscal outlook in the short term. In its midyear review, the Office of Management and Budget said the US budget deficit would be \$214bn less than it predicted a few months ago. Part of the fall is the result of the recovery driving higher tax revenues, and part of it is due to special dividends paid to the US government by Fannie Mae and Freddie Mac, the mortgage companies.

Targeted News Service: Neopost Technologies, Bagneux, France, has been assigned a patent (8,478,695) developed by Mark E. Simcik, Bloomfield, Conn., and Allen A. Crowf, Prospect, Conn., for a "technique for effectively generating postage indicia using a postal security device."

beginning July 28th, domestic Priority Mail will include, without additional charge, either \$50 or \$100 insurance for loss, damage, and missing merchandise. But shippers had trouble determining under which situation they would receive \$50 in free insurance, and in which situation they would receive \$100 in free insurance. Spokesperson Darleen Reid-DeMeo addressed the question for EcommerceBytes on Monday. "Customers walking into a PO (Retail) or using USPS.com to ship generally will get \$50 Priority Mail Insurance included with their purchase. Commercial customers who ship large volumes in most instances will receive \$100 Priority Mail Insurance included on each package. These customers are volume driven and provide electronic manifests." But, as many merchants know, there are two commercial rates - Commercial Base (small and medium sized sellers generally get this rate when using online postage services), and Commercial Plus, for high-volume shippers.

From the Federal Register:

Postal Regulatory Commission		
NOTICES		
Market Test of International Merchandise Return Service,		
41128–41129 [2013–16473]	[TEXT] [I	PDF]
Postal Service		
NOTICES		
Market Tests of Experimental Products:		
International Merchandise Return Service; Non-Published Rates,		
41129 [2013–16362]	[TEXT] [I	PDF]

AllAfrica: Vice-President Dr Mohammed Gharib-Bilal has assured that despite facing massive competition from digital platforms of communication, postal services still have room to flourish in both Tanzania and the rest of Africa.

International

Post

The latest issue of Market Flash, IPC's bi-weekly newsletter providing a comprehensive look at new developments emerging in international postal industry is now available for download. In thIs Issue: top story DHL invests in North and South American growth. AmerIca: FedEx buys its service provider in southern Africa Purolator operates new, bigger terminal in British Columbia. New UPS

service provides its highest level protection Canada Post develops its mobile and online services. Asia Pacific: NZ Post and Australia Post in parcels and EMS agreement. Restructuring adapts mail network to volume loss. Streamlined pre-paid packaging rolls out this month. Europe: DHL Germany to open 20,000 more parcel shops DPD continues to enhance consumer delivery. Itella sets up specialised e-commerce unit. Austrian Post to acquire a stake in Turkish operator. Deutsche Post acquires and email marketing business. DPD Germany upgrades its online re-delivery service. TNT Innight increases capacity in Germany. PostNL offers MoneyGram cash transfer. Austrian Post offers EU-wide online parcel stamps. DHL wins renewal with higher service levels. FedEx sets up shop in Ireland.

Associated Press: Bob Hardesty, a top speechwriter for President Lyndon B. Johnson, has died in Austin at the age of 82. According to a statement from the LBJ Presidential Library, Hardesty suffered congestive heart failure when he died Monday. A native of St. Louis, Mo., Hardesty attended George Washington University and became a reporter for the Army Times. He wrote speeches for Democrats in the 1964 election and the Johnson Administration hired him afterward. When Johnson returned to Austin, Hardesty helped Johnson write his memoir. President Gerald Ford named Hardesty to the Postal Service Board of Governors.

E<u>eSecurity Planet</u>: Vernon Harrison of Montgomery, Ala., a mail carrier for the U.S. Postal Service, was recently found guilty of one count of conspiring to file false claims, eight counts of mail fraud, eight counts of aggravated

identity theft and six counts of embezzlement from the U.S. mail for his involvement in a stolen identity refund fraud conspiracy. According to court records, Harrison and others used stolen identities to file false tax returns, then had the refunds sent to debit cards which were mailed to addresses on Harrison's postal route in Montgomery. Harrison then stole at least 100 debit cards from the mail and gave them to a co-conspirator in exchange for cash.

"Neither Blizzards Nor Hurricanes Nor Zombies . . . "Hurricanes, floods, wild fires, snowstorms, tornadoes, zombie apocalypse – you name it, the U.S. Postal Service is prepared to deliver. Part of the Postal Service's extensive operational planning includes contingency plans to make sure mail gets delivered safely after every type of weather event, power outage, and undead uprising. Ok, maybe the Postal Service isn't preparing for a zombie apocalypse, but its emergency preparedness plans could seemingly handle even that type of catastrophe.

American Postal Workers Union: The APWU is renewing its television ad campaign, with spots airing on NBC Nightly News, CNN, MSNBC, and Fox News beginning July 8, President Cliff Guffey has announced. This APWU TV ad will air on NBC, CNN,

MSNBC and Fox beginning July 8. (Click on image to watch.) "With postal bills pending in Congress, it is imperative that we remind the American people of the crucial role the Postal Service — and our members — play in meeting our nation's commerce and communication needs," he said. First up is a 30-second ad that describes the enormous task postal workers perform, and ends with a simple question and response: Ever wonder what this costs you as a taxpayer? Not a single cent.

July 8, 2013

Wall Street Journal: As more than 50 million Twinkies start making their way to stores next week, the first order of business for the 83-year-old brand's new owner is to let customers know a classic is back. But behind the return of the familiar cream-filled sponge cake is a leaner operation, free of the union labor and the \$1.3 billion in debt that saddled the brand's previous owners. The previous distribution system involved roughly 6,000 drivers—all with union wages and pension benefits—delivering products to stores and placing them on shelves. The old Hostess distribution was governed by complicated work rules that required drivers to deliver bread and cakes on separate trucks, adding costs. Those delivery routes also reached only 50,000 of the country's roughly 150,000 convenience stores, and left some pockets around the country entirely without Twinkies. Now Mr. Metropoulos is using third-party drivers to deliver products to retailers' warehouses, which he said will enable big expansion. The old Hostess had approximately 19,000 employees. The new Hostess is planning to have about 1,800 workers. The old company was weighed down by debt. The debt and hefty pension obligations that the old Hostess faced prevented it from investing in product innovation or marketing.

Global Competition Review: Despite a 2006 federal law that partially waived antitrust immunity for the US Postal Service, it won a motion to dismiss an antitrust lawsuit brought by private sector entities, which had contracts with the USPS to provide post-related services to the public.

Benzinga: PostScan Mail is a virtual mail box now offering a convenient service for motorhome enthusiasts, the modern day adventurers. PostScan Mail lets motorhome owners access their snail mail anywhere on the road. Motorhome owners have incoming mail being sent to their permanent addresses on a daily basis. PostScan Mail digitizes mail, and customers can read it at their leisure. Mail can even be forwarded to another address, stored, or if the customers don't want it, it can be shredded. Having PostScan Mail lets motorhome owners focus on enjoying the open road. PostScan Mail makes receiving mail as quick and efficient as the rest of the paperless world.

PostCom M

site.

PostCom Members! The latest issue of PostCom's Executive Postal Update has been posted on this

The Hindu Business Line: To enhance its footprint in India, French courier major GeoPost has acquired a 42 per cent stake in domestic courier and cargo company DTDC.

The National: Iranian state television says the country has opened its own domestically made national email service. The report aired Sunday quoted Information and Communication Technology Minister Mohammad Hasan Nami as saying local experts created the service's software. The report said each Iranian will be assigned an email address. The country's postal service will manage the email service.

The Guardian: The government will this week formally announce its plan to sell off the Royal Mail in the most contentious privatisation since British Rail two decades ago. Vince Cable, the business secretary, will make a statement to the House of Commons formally kickstarting the sale of the 497-year-old postal service. Cable's statement – which is expected on Wednesday but could be delayed until next week – will set out details of the sale, expected to come via a £2-3bn flotation on the London Stock Exchange this autumn. The statement will set out the terms under which 10% of the shares will be granted to postal workers. The public will also be encouraged to buy shares in an advertising blitz along the lines of the "Tell Sid" campaign that encouraged the £9bn sale of British Gas in 1986. The formal announcement of the sale to MPs in parliament comes amid mounting outcry from postal workers who have taken to an open top bus to protest against the "great British flog-off".

Forbes: "There's nothing terrible about NCOA, but people should be given a choice," says Bob Gellman, a privacy expert who worked for many years as a Congressional subcommittee staff member. "New movers are fodder for data brokers, who sell mailing lists to marketers and who also maintain lifetime files on every household in America. NCOA is a prime source of this information." "USPS justifies the program on the grounds that they don't 'sell' the list but license its use. That is a subterfuge. Supposedly, you only get a new address if you have the old address already. Because data brokers have every household in America in their files, the information goes from NCOA to the data brokers, who flag every change and resell lists of new movers to anyone."

Financial Times: A campaign has been launched to protect consumers' right to choose to receive paper copies of bills and statements in the face of moves by energy and telecoms companies and banks to push customers towards digital communication. Digital communication is not always suitable for a large proportion of consumers, the campaigners said. Four in 10 people said removal of paper statements could seriously affect their finances, such as missing a bill payment. Members of the campaign include mental health charity Mind, the National Consumer Federation, the National Federation of Occupational Pensioners, the Post Office and postal operators Royal Mail, TNT Post and UK Mail.

July 7, 2013

CBS2: Chicago Police say a postal worker has been charged with driving under the influence of alcohol, which has been confirmed by the Post Office. Police say postal worker 40-year-old Thomas Hackney of Hammond crashed his post office vehicle Friday afternoon about 5:30 on Ashland a couple of blocks north of Lake Street.

The Land: In 2012, Australia Post delivered a billion fewer letters than it did in 2011. At the same time, the service doubled the number of parcels it handled, as it has done every year for the past five years. Post offices are being retrofitted with special banks of parcel collection lockers, and parcels are beginning to be tracked door-to-door Last year, the organisation also did a very un-postal service thing: it began an online store for small volume, locally produced food, Farmhouse Direct. At first glance, an online farmers market seems an odd diversion for a postal service. On a second glance, it's all about packages. Australia Post is pivoting hard to stay relevant in the digital age.

New York Times: In 2009, Mr. Jones, a former teacher, founded B-Line Sustainable Urban Delivery, a company that delivers produce, baked goods, coffee beans, bike parts and office supplies to restaurants, bike shops and other businesses throughout Portland's downtown area using electric-assisted tricycles that pull 60-cubic-foot cargo boxes with a 600-pound capacity. B-Line is the latest example of the greening of a traditional industry. The company's cargo boxes are comparable in size to a small commercial van, but, unlike vans, the trikes don't emit carbon dioxide or cause traffic jams at delivery stops. Mr. Jones estimates that B-Line has completed more than 30,000 deliveries that otherwise would have been made by gasoline-chugging vehicles.

January 2014 Release Proposed Structure Changes Pre Release Document

This document describes potential structural changes under review for the January 2014 release. The content of this document is subject

to change until final approval. Some changes described in this document may not be implemented.

CSPnet: The U.S. Postal Service (USPS) said it is looking to expand its village post office (VPO) network and is inviting business owners--including convenience and gasoline retailers-- and community organizations to consider opening units. There are currently 294 VPOs nationwide. VPOs are operated by community businesses to provide selected postal products and services, including stamps and Priority Mail Flat Rate packages and envelopes. These retail units may also provide Post Office Boxes either inside or outside the business. The UCPS announced the concept of the Village Post Office in July 2011 as a way to continue providing convenient access to postal products and services in more rural communities across the nation after closing many post offices due to financial issues.

Trade Arabia: United Development Company (UDC), the master developer of The Pearl-Qatar, has signed up Q-Post as the official supplier of mail services for a number of UDC-owned residential towers at The Pearl-Qatar. The next phase of the project will extend the service to the remaining parts of the Island, said Ebrahim Al-Mubarak Al-Sulaiti, the United Development Company CEO after signing the five-year renewable agreement with Abdul Rahman Bin Ali Al-Aqaily, the acting chairman of Q-Post. As per the agreement, Q-Post will install individual post office boxes in properties at The Pearl-Qatar including towers, townhouses and all villas, thus enabling residents to send and receive local mail and parcels within the island and all around Qatar. This would mark the first time such a service is made available to a private residential development in Qatar, he added. Under the terms of the agreement, Q-Post will handle all incoming and outgoing mail traffic to and from residential and commercial units at The Pearl-Qatar on a daily basis, ensuring a speedy and secure delivery to the recipients' stated PO Box numbers.

July 6, 2013

Slate: There's a strong case, I think, for the creation of a "postal banking" system (though I wouldn't actually want the USPS to do it) in which every American would be given a government-run zero-interest no-fee bank account that came equipped with a debit card and in which employers were legally required to offer direct deposit as an option. People would still end up hit with fees when they wanted to withdraw cash from ATMs, but for bill paying and non-cash transactions they could use the debit card and you'd undercut both the traditional high-fee check-cashing industry and the newfangled high-fee prepaid debit card industry. In the long run we should be looking to get rid of paper money altogether, but that means we need to lay the groundwork for a utility-like electronic payments system. For-profit entities could and should build money-making services on top of a free barebones government-run utility bank, but it should be possible for low-income people to get paid and go buy groceries without getting held up by fees.

The Guernsey Press: Guernsey Post chairman Dudley Jehan is not noted for courting controversy and was well aware that expressing his profound disappointment at the delay in reforming the public sector pension scheme would hit the headlines.

Ruralinfo.net: Postal banks got a big boost at the conference when James Sauber, the chief of staff of the National Association of Letter Carriers announced that both his union and the American Postal Workers Union will partner with PBI in a campaign to reinstate simple checking and savings accounts in post offices. The U.S. Postal Service offered simple affordable banking services used by many working class people from 1911 to 1967 when the system was dismantled.

HeraldNet: [Commentary] I'm a mailman. I might be your mailman. I don't like the term letter carrier because I deliver so much more. Magazines and catalogues. Legal papers. Packages and prescriptions. And I pick up your outgoing mail from your mailbox and your house and send it on its way. I like my job; decent salary, decent benefits, good people I work with. The physical part of the job is wearing sometimes. As I get older, the aches and pains don't go away as fast, but I can deal with that. The other part is harder to deal with. The stress. The uncertainty. The pressure to do more, and do it faster. And what's behind that? Money. You have all heard the post office is in trouble. The Postmaster General likes to say we are losing \$25 million a day. That's a lot of money, but ware we losing it? Not really.

Reading Eagle: The U.S. Postal Service said this afternoon it has fixed the troublesome computer data lines that since Wednesday had limited service at several branches in Reading, including the main Reading branch at Fifth and Washington streets. With the data lines down, postal employees had to do everything manually, and could handle only cash transactions, not credit or debit cards, spokesman Ray V. Daiutolo Sr. said. He said the branches were beginning to come back online one by one. The postal service had been working with its contractor to resolve the problem that affected the Reading branches as well as a few others across the country, he said.

From the Federal Register: Postal Regulatory Commission: Notices: New Postal Products, 40777-40778 [2013-16266] [TEXT] [PDF]

July 5, 2013

- Digital Journal: Fast, free USPS tracking is now available at ShippingSidekick.com. Shipping Sidekick is a leading shipping portal website offering low cost, reliable shipping solutions to ship almost anything almost anywhere worldwide from small boxes to large freight. Shipping Sidekick also offers consolidated package tracking for a number of shippers, including USPS tracking.
- The Portugal News: The secretary of state at Portugal's Economy Ministry with responsibility for communications, Sérgio Monteiro, said on Friday that he does not know whether the privatisation of the state postal service, the CTT, will go ahead.
- The Australian: Australia Post staff are set for a 10.5 per cent pay rise across the next three years after its workforce -- for the first time in the organisation's 204-year history -- approved a non-union led enterprise agreement. The new agreement, which was approved this week after four months of talks, will see Australia Post set another milestone as it is the first time in its corporate history that back-to-back enterprise agreements have been secured.
- The Financial Express: The Postal Cash Card offered by the Directorate of Bangladesh Post Office (BPO) is now being brought under the Automated Teller Machine (ATM) service. This will allow the Postal Cash Card clients to withdraw money from any ATM booth as well as make payment at shopping malls. Post and Telecommunications Minister Advocate Sahara Khatun will formally launch the service today (Saturday) by unveiling an ATM booth at the BPO headquarters
- The Telegraph: Business minister Michael Fallon has urged postal workers to accept Royal Mail's 8.6pc wage offer, comparing their deal to the cap imposed on nurses, teachers and members of the armed forces
- The Age: The US Postal Service uses computers to photograph the exterior of every piece of paper mail processed in the country or about 160 billion items last year alone. The Mail Isolation Control and Tracking program shows how mail is subject to the same kind of scrutiny the National Security Agency has given to phone calls and emails.
- The Connexion: RISING use of email means La Poste is looking at large increases in the prices of stamps to make up for falling revenue on the postal service. The company's "strategic plan 2013-2018" was leaked to *Le Parisien* which revealed that La Poste wants to raise stamp prices by more than the rate of inflation in coming years: by 1% over inflation in 2014 and 2015 and by 3% over inflation in 2016-18. Although any increase has to be approved by the postal regulator Arcep, the watchdog has already said that it forecast prices rising by a maximum of 1% over inflation between 2013 and 2015.
- Reuters: France's state-owned postal bank said on Thursday it had raised 1 billion euros (\$1.3 billion) in fresh capital from its parent group to help it expand and issue more loans amid recession in its home market. The figure is made up of 200 million euros in capital and 800 million in hybrid debt instruments that count towards core, loss-absorbing Tier 1 capital, the bank said in a statement. Banque Postale, primarily a deposit-rich retail bank, has grown its balance sheet over the past two years by taking over the municipal lendingbusiness of Dexia and agreeing to recover some of mortgage lender Credit Immobilier de France's home finance activities after it was broken up.

HAPPY 4TH OF JULY !!!

Association of Letter Carriers announced that both his union and the American Postal Workers Union will partner with PBI in a campaign to reinstate simple checking and savings accounts in post offices. The U.S. Postal Service offered simple affordable banking services used by many working class people from 1911 to 1967 when the system was dismantled. "In the 1940s, 4.2 million American had accounts at the post office," Sauber said. In other countries, postal banks remain important institutions, most notably in Germany, Britain, New Zealand (launched in 2002), Brazil (launched in 2000) and Italy, although Japan is beginning to privatize its postal bank, the largest in the world. The U.S. postal workers are intrigued not only by postal banks' potential to offer social inclusion—28% of Americans don't have full access to banking services—but also by the revenue generated that supports the postal system as a whole. "Don't dismantle this institution—reinvent it," he said.

Law360: A Colorado federal judge tossed antitrust claims Wednesday in a class action alleging that the United States Postal Services violated competition law by forcing contracted post offices to buy mailing labels from a designated vendor. The judge ruled that the USPS isn't defined as a "person" under federal laws and that a federal postal law doesn't extend to postal activities such as the metering of mail by contract postal units.

At the Postal Regulatory Commission:

 <u>MT2013-2</u>: Order No. 1771 - Notice and Order Concerning Market Test of Experimental Product -International Merchandise Return Service - Non-published Rates

Lloyds Landing List: FM Logistic, one of France's leading independent groups in the sector, has acquired the logistics activities in Brazil of US wholesaler, McLane Company, marking its entry into South America's biggest economy. The value of the transaction has not been disclosed. McLane Company is owned by Berkshire Hathaway, the holding company of billionaire magnate Warren Buffett. FM Logistic will develop its activities in Brazil from four operating sites - offering 200,000 sq metres of distribution space and employing 1,150 staff - located in proximity to the main centres of population such as São Paulo, Rio de Janeiro, and southern regions of the country. It will take on a portfolio of major customers in Brazil present in sectors such as cosmetics, consumer electronics, other consumer goods and automotive parts.

July 3, 2013

Mailers' Technical Advisory The leaders of the newly-created MTAC *User Group #7*MTEOR are looking for interested participants. The mission statement for this User Group is attached. If you

are interested in participating in User Group #7, please contact its leaders: Industry leader: Stephen Colella scolella@calmarkgroup.com; Postal leader: Nancy Paradice nancy.s.paradice@usps.gov. The User Group's first meeting will be on Tuesday, July 23 from 2 – 3 p.m.

Federal News Radio: The U.S. Postal Service has been broadening its use of public-private partnerships in recent years. But to fully leverage its relationship with the private sector, the agency could take a page from foreign post offices, according to postal auditors. While the service is making progress on partnering with the private sector, the USPS still lacks a central office to deal with the logistics of sharing lessons learned, said Michael Kubayanda, a public policy specialist at the USPS Office of the Inspector General on *In Depth with Francis Rose* Monday.

San Francisco Chronicle: Central Iowa residents have praised their postal workers for finding a way to deliver the mail, even after floodwater swallowed a semitrailer truck carrying letters across the state this spring. Letters from the truck that was submerged in Prairie Creek near Des Moines on May 30 were delivered in early June with a note of explanation, The Des Moines Register reported. The driver of the submerged semitrailer, Dwayne Michael, 70, of Granger, was rescued by law enforcement officers. Workers at a processing center in Des Moines worked through a weekend to clean and dry out more than 350,000 first-class letters from the truck, said Postal Service spokesman Richard Watkins.

NYTimes: As the world focuses on the high-tech spying of the National Security Agency, the misplaced card offers a rare glimpse inside the seemingly low-tech but prevalent snooping of the United States Postal Service. Mr. Pickering was targeted by a longtime surveillance system called mail covers, but that is only a forerunner of a vastly more expansive effort, the Mail Isolation Control and Tracking program, in which Postal Service computers photograph the exterior of every piece of paper mail that is processed in the United States — about 160 billion pieces last year. It is not known how long the government saves the images. Together, the two programs show that snail mail is subject to the same kind of scrutiny that the National Security Agency has given to telephone calls and e-mail.

DMM Advisory: IMb™ Services Update

- PostalOne!® Release 35.0.0 Deployment scheduled for July 14, 2013, will require an extended maintenance window to complete all software updates. There will be a PostalOne!® outage from 12 midnight through 9 a.m. CT, Sunday, July 14, 2013. Also, the FAST Release 25.0.0 on July 14 will require an outage from 4 a.m. to 8 a.m. CT and the Program Registration Release 8.0.0 on July 14 will require an outage from 11 a.m. to 5 p.m. CT. A mandatory Mail.dat® client download will be available immediately following the software update. Release notes for PostalOne! Release 35.0 can be found on RIBBS by clicking on Major/Minor Release Schedule/ 2013 Releases in the left-hand navigation bar or by going directly to Full Service 2013 Releases.
- The Business Customer Gateway/eAdmin Release 5.0 will be deployed on Sunday, July 14 from 4 a.m. to 8 a.m. CT. This release will include additional enhancements to the BCG application. Release Notes for the Business Customer Gateway/eAdmin release will be provided prior to deployment.
- *PostalOne!* Release 35.0 Deployment to Test Environment for Mailers (TEM) will occur on Monday, July 15, 2013, and *PostalOne!* TEM will be unavailable from 7 a.m. to 3 p.m. CT.

From the PostalOne! Help Desk: *Reminder: Attention Business Customer Gateway Users*. The Business Customer Gateway/eAdmin Release 5.0 will be deployed to Production on Sunday, July 14 from 4:00 a.m. to 8:00 a.m. CT. This release will include additional enhancements in the BCG application. Release Notes for the Business Customer Gateway/eAdmin will be provided prior to deployment.



<u>Smithsonian</u>: The National Postal Museum, which celebrates its 20th anniversary this July, defies the stereotype that stamps are of interest only to collectors. The growth of the Postal Service, after all, occurred in tandem with, and sometimes

fueled, the expansion of our nation. Early postmen traversed Indian trails between Boston and New York, and those paths evolved into U.S. Route 1. The Pony Express—because of the grim attrition rate, only young, single men could apply—is synonymous with frontier daring. Today, while we still love our mail carriers, the annual distribution of 160 billion pieces of mail relies on groundbreaking technology to read addresses, apply postmarks and sort parcels

Deutsche Post DHL

Supply Chain Europe: DHL Freight is launching a global Lead Logistics Provider (LLP) service under the new product name GreenLink. GreenLink will consolidate DHL Freight's current and future LLP accounts across the world, leveraging the expertise from dozens of customers on three continents.

Key103: Ministers have finalised the line-up of City bankers working on the privatisation of Royal Mail, underlining the Government's determination to press ahead with the sale despite intensifying trade union opposition. Sky News can reveal that Investec, Nomura and Royal Bank of Canada have been appointed to junior roles on the prospective initial public offering (IPO) of Royal Mail, 48 hours after unions dismissed as "unacceptable" a three-year pay and conditions proposal from the company. The trio of newly-appointed investment banks will work alongside Bank of America Merrill Lynch, Barclays, Goldman Sachs and UBS, which were all hired at the end of May. The Department for Business, Innovation and Skills (BIS) declined to comment on the appointments but Whitehall insiders confirmed that the banks had been notified on Wednesday. The timing reinforces the intention of Michael Fallon, the Business Minister leading the sale, to press ahead despite the apparent hostility of the unions. The seven-strong bank syndicate will share a smaller-than-usual pool of fees as ministers attempt to drive down the cost of a flotation. In total, the banks are expected to earn between £10m and £15m if the Government sells around £15m of Royal Mail shares.

Logistics Magazine: Australia Post and New Zealand Post have signed a new partnership agreement which aims to boost access to markets for businesses on both sides of the ditch. Australia Post's executive general manager for Parcels and Express services Richard Umbers said the three year agreement featured global benefits. "Joining forces with New Zealand Post enables both organisations to grow our business from Australasia to the rest of the world," he said.



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

- The Postal Service, this week, presented the mailing industry with information on how to use its network rationalization mail moves, labeling list, and mail direction file changes to help align mailers' mail preparation and entry into the USPS mail processing network. The webinar was presented by Shibani Gambhir, USPS Manager, Network Development and Support.
- According to postal commenter, Gene Del Polito, "... there are knotheads out there who prefer to vilify the PostCom Board for taking a stand in behalf of those within the mailing industry which it represents. The complaints come the loudest from those who simply haven't gotten grasp of the reality that the nation's postal system is fully supported and paid for by those who use mail for business purposes, and that the nation's postal system remains a vital part of the infrastructure by which we conduct commerce."
- According to postal commenter, Leo Raymond, "The former president of the American Postal Workers
 Union has claimed in a posting on his blog site (reproduced below) that the Association for Postal
 Commerce (PostCom) exerts "disproportionate" influence over USPS decision-making. Both PostCom and
 postal executives may have been surprised to learn this, and it may be difficult to decide who would find
 the claim more ludicrous. Regardless, it's impossible to resist popping a balloon that's this full of hot air."
- Happy Birthday Mr Zip. USPS files International Merchandise Return Service market test. USPS critic
 offers some relief on health payments. National postal safety settlement reached. USPS to see real time
 tracking in all locations by years end. Outlook, the startup that digitizes your postal mail, raised \$5 million
 Series A. The USPS in the digital age. UPS union contract extended to allow negotiators to reach new deal.
 OCS Worldwide becomes first USPS Global Direct Entry partner. Congressmen send letter to PMG.
- Updates from the Federal Register.
- Updates from the Domestic Mail Manual.
- An update from the USPS Office of Inspector General.
- Postal previews.

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



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AGLit: A letter-bomb exploded in a postal sorting office in the north Greek capital, Athens.

LondonlovesBusiness: Protests over the planned privatisation of Royal Mail have been scheduled for next week with demonstrators set to picket some of the UK's biggest banks. Demonstrators are expected to descend upon the City but will focus their attention on Goldman Sachs and UBS, which are advising the government about Royal Mail's expected float. The action is being planned by the Communication Workers Union (CWU) which will release the exact timing of the demonstration tomorrow.

Telecompaper: Swedish postal and telecoms regulator PTS is seeking comments on its proposals for remuneration for providing retained data to the authorities for the purposes of law enforcement. Compensation will depend on whether the information is handed over during office hours or not, and whether it involves staff with special competency. Comments should be submitted to PTS by 02 September 2013. PTS is proposing remuneration of SEK 524 for supplying data by specialist personnel during office hours or SEK 789 outside normal working hours. For data delivery by employees without special competency, compensation will be SEK 151 during working hours or SEK 168 outside office hours.

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

French *La Poste* has to support its subsidiary *Banque Postale*, again.

The boycott of downstream access mail at *Royal Mail* has been averted for now.

Shortly after the Beligian post's IPO on June 21, shareholder *CVC* exercised its overallotment option.

Given the planned amendment of the postal law, *PostNL* also foregoes compensatory payments for the provision of the universal service in 2012.

The French letter market further declined in 2012, too.

Deutsche Post successively expands its online advertising business.

On June 26 *Swiss Post* and its subsidiary *PostFinance* have been converted into public companies as planned with retroactive effect from January 1.

Despite the concerns from the ministry of finance, *India Post* filed an application for a banking license on Thursday last week.

GeoPost gets down to business with its announced expansion of its international parcel and express business.

EItella increasingly sets its sight on e-commerce.

The Dutch's post parcel service was massively impaired by a strike last week.

Employees of *TNT Express Italia* protest against planned job cuts with walkouts on June 28 and July 2.

The Finnish post is struggling with the quality targets.

■ Quickmail, the first privately run mail delivery service in Switzerland, drew a 'satisfactory' conclusion for he first six months of the current fiscal year.

The Spanish post launched a comprehensive auction of real estate.

Deutsche Post expands its E-Postbrief with a document management assistant.

BDPD plans to invest nearly 117m euros into a new hub in the United Kingdom.

Two federal associations called on the government to sell off its remaining shares in *Deutsche Post*.



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

From the Federal Register: Postal Regulatory Commission: Notices: New Postal Products, 40203-40204 [2013-15909] [TEXT] [PDF]

July 2, 2013

Ohio Newspaper Association: Ohio's two Senators and two northwestern-most members of its House delegation asked Postmaster General Patrick R. Donahoe on Monday to delay closing the Toledo-mail processing and distribution center. In a bipartisan, bicameral letter, Reps. Marcy Kaptur (D., Toledo) and Bob Latta (R., Bowling Green) and Sens. Sherrod Brown (D., Ohio) and Rob Portman (R. Ohio) raised concerns that the impending facilities consolidation, under which most work now done in Toledo would be transferred to Pontiac, Mich., will cause delays in mail delivery and not produce projected savings. The congressmen wrote the letter based on the inspector general's audit of the U.S. Postal Service's 2010 elimination of its Lima processing facility.

Post & Parcel: Cross-border parcel shipping business OCS Worldwide has become the first Global Direct Entry (GDE) international partner for the US Postal Service. The new status means that UK customers – particularly ecommerce merchants – will have a new trackable shipping route to reach any address in the United States. USPS began setting up its Global Direct Entry Wholesaler Program back in August 2012, with the aim of forging links with wholesale shippers around the world who can tender international inbound shipments and parcels to the Postal Service after they have been cleared by customs. The new programme was set up by USPS to remove many of the complexities involved in shipping international mail and parcels into the US. In accessing the US mail delivery network, the programme also provides processing software, flexible permits and marketing support to assist with international inbound shipments entering the United States.

<u>Ukzambians</u>: The Zambia Postal Service Corporation (ZAMPOST) has established 25 community post offices across the country to decongest the main post offices in the town centres.

MSN Money: Postal workers and managers have been joined by scores of MPs as they stepped up their campaign against controversial plans to privatise the Royal Mail with a call to "wake up Westminster." Politicians from the Labour, SNP, Plaid Cymru, Green and SDLP parties took part in a packed meeting in Westminster, amid growing warnings about the impact on jobs and services if the sell-off goes ahead. Dave Ward, deputy general secretary of the Communication Workers Union, said 96% of union members had voted against privatisation, and the public didn't want it to happen, leaving politicians the only ones supporting the "tired, old argument."

Sacramento Bee: Canada Post's mobile app hit a major milestone over the weekend as it was downloaded for the one-millionth time. The increasingly popular app was launched in 2011 as part of Canada Post's strategy to enable Canadians to access postal services on the go. Parcel tracking, shipping rate look-ups, and epost - Canada Post's digital mailbox - are among the services Canadians can access through their smartphones. The app also offers Picture Postage, which allows users to create their own stamps, greeting cards and postcards. Available on all platforms, the app has consistently ranked among the top five free business apps in Canada.

BGR: In an effort to increase revenue and keep investors happy, Facebook has begun rolling out more advertisements across its popular social networking site. The company recently announced its latest milestone, revealing that it is now has more than one million companies actively advertising on the site. Not everyone is happy about its new monetization strategy, however. Paul Tassi, a contributor for *Forbes*, argues that Facebook has so many advertisements that it is beginning to look like a "domain squatter landing page." He compared the company's ads to those found on other competing social networking sites such as Google+, Twitter and Pinterest, and noticed that Facebook had the largest amount of advertisements by a wide margin. In fact, both Google+ and Pinterest are ad-free, while Twitter only shows a single "promoted tweet."

Great Fall Tribune: National union negotiators and United Parcel Service Inc. have agreed to an "indefinite extension" of their current contract while they work on resolving some issues rejected by local members of the International Brotherhood of Teamsters in a recent vote. A representative from UPS said the extension will allow

negotiators to hammer out the finer points of the next five-year contract, but the president of the Teamsters Local 89 blasted the move.

Deutsche Post DHL

Postal Technology International: Deutsche Post DHL will expand the number of drop-off points available for private parcel shipments in Germany by the end of 2014. The German postal provider aims to open an additional 20,000 DHL parcel shops, primarily in the country's metropolitan areas.

Direct Marketing News: Direct mail is the Staten Island of multichannel marketing campaigns. Like the fifth borough of New York City, this communication channel is too often forgotten. Despite the lip service around developing fully integrated campaigns, most of that integration seems relegated to the growing sprawl of digital networks and devices. So, over the past few years the U.S. Postal Service (USPS) has been actively developing tools and incentives designed to better connect direct mail and digital channels, and guide the mailstream into the digital world.

Tech Crunch: Outbox, the startup that digitizes your postal mail then puts it online for access via web, iPhone, Android or iPad, has raised \$5 million in Series A funding. The round was led by previous investor Floodgate and included investment from Founders Fund, Correlation Ventures, TDF Ventures, WTI, Expansion VC, and Peterson Ventures, as well as other angel investors. In total, Outbox raised from over 80 people using AngelList. This makes it the largest round ever raised on AngelList Invest, we've confirmed with AngelList founder Naval Ravikant, though not the largest total raise on AngelList. With Invest, accredited investors put in small amounts online, and AngelList creates an LLC on-the-fly that invests in the startup directly.

From the Federal Register:

- **Postal Regulatory Commission:** *Notices:* New Postal Products, 39783-39784 [2013-15852] [TEXT] [PDF]
- **U.S. Postal Service:** *Notices:* International Product Changes: Priority Mail International Regional Rate Boxes, Non-Published Rates, 39784 [2013-15767] [TEXT] [PDF]

Deutsche Post DHL

Llyod's Loading List: DHL Supply Chain is still the market leader in contract logistics, controlling 8% of the overall market with revenues of €13 billion (\$16.9 billion) in 2012, according to the latest report by Transport Intelligence (TI). In second place was CEVA with revenues of €3.9 billion. Interestingly, the report shows the top ten players hold a combined market share of just 22% in a sector worth €159.3 billion in 2012.

The Drum: Royal Mail has appointed Publicis Chemistry to handle its marketing services for Royal Mail Letter, Parcelforce Worldwide and MarketReach. The agency's work will begin with advertising for the MarketReach service which launched in July 2012 to offer business solutions. Other activity will include driving stamp collecting as a hobby for children and promoting Royal Mail's parcel delivery service.

<u>Wall Street Journal</u>: India's central bank has received 26 applications for an unspecified number of bank licenses [and postal services] it plans to issue.

Multichannel Merchant: The United States Postal Service expects to see real time tracking in all 67 of its districts by the end of 2013. The USPS introduced the intelligent mail device, also known as IMD Wireless, in January 2013, and is currently being used in 55,000 post offices nationwide. The IMD's work as a "companion device" to the USPS's current intelligent mail data acquisition system scanner, which provides wireless transmission of data, according to a USPS press release. According to the release, "the IMD wireless solution will enable the IMDAS device to transmit product service information, as well as operational data for current programs like managed service points (MSP), collection point management system (CPMS), and global positioning system (GPS) data every 15 minutes." The new shipping solution, according to the release, also provides for a migration from the current local

intelligent mail server (LIMS) to a web based regional intelligent mail server (RIMS) that will enhance future capability while retaining all of the current LIMS functionality.

The Star: Canadian retailers using postal code information to target customers. Retailers say they ask customers for postal code information to improve service. But not all customers are happy about it.

EQH&S: OSHA, the U.S. Postal Service, and the American Postal Workers Union have agreed to terms of a settlement that the safety agency states will improve safety in all postal facilities nationwide. This grew out of negotiations stemming from inspections at 42 USPS sites in 2009 and 2010 that found violations of OSHA standards on electrical work practices. After USPS contested the citations, OSHA sought USPS-wide relief before the Occupational Safety and Health Review Commission. The settlement covers every Postal Service facility in the country, including processing and distribution centers and post offices. The service has updated its written policies and procedures on electrical work, prohibiting workers from working on electrically energized equipment except for a defined set of tasks that can be done only while equipment is energized, such as troubleshooting and testing. USPS has agreed to assign a trained electrical work plan coordinator at each facility and to provide and require the use of electrically protective gloves and full-body arc flash protection for energized work.



Audit Reports:

• Small Business Growth: There is an opportunity for the Postal Service to retain and grow revenue from its existing and prospective small businesses by improving the efficiency of its postmasters' and sales staff's efforts. The Postal Service can improve the effectiveness of growth in the small business market by developing and implementing a strategy to place organizational priority on generating small business revenue; further leveraging the relationship postmasters have with local small businesses by establishing a process for postmasters to obtain funding to join local civic organizations; enhancing collaboration between postmasters and sales staff and developing clear communication paths to support postmasters; and improving the availability and usage of quality sales-related tools, data, and training. We estimate these collective improvements could result in additional small business revenue of \$122 million in fiscal year 2013.

• Virtual Post Office Box Roundtable Discussion Summary (Report Number MS-WP-13-003)

Patriot News: Two Harrisburg-based U.S. Postal Service inspectors who helped crack a \$100 million international fraud case involving MoneyGram have been honored with a first-time award issued by the Federal Trade Commission. Inspectors Nicholas Alicea and Michael Hartman earned the Consumer Shield Award from the FTC's criminal liaison unit for leading the long-term investigation into the MoneyGram fraud that involved networks of scammers in the United States and Canada.

July 1, 2013

The Chief: U.S. Representative Darrell Issa, whose views on reforming the Postal Service diverge sharply from those of postal unions, floated two ideas more appealing to labor groups in draft legislation he has circulated. The California Republican's bill retains most of the provisions detested by unions when he introduced similar legislation in the last Congressional session, including allowing the USPS to immediately eliminate Saturday delivery and forbidding no-layoff clauses.

At the Postal Regulatory Commission:

- MT2013-2: Notice of the USPS of Market Test of Experiemental Product International Merchandise Return Service Non-Published Rates (IMRS-NPR) and Notice of Filing IMPR-NPR Model Contract.
- <u>Periodic Reports/Data Reports</u>: Summary Description of USPS Development of Costs by Segments and Components FY2012; Narrative Explanation of Econometric Demand Equations for Market Dominant Products as of November, 2012.

RiaNovosti: The head of the Russian postal service's main delivery department in Moscow has been dismissed due to numerous violations under his watch, including the so-called mail collapse in April when a backlog of hundreds of international parcels began stacking up at Moscow airports, a source in the Russian Post said Monday. "Mail is frequently kept outside, in the snow and rain, or carelessly thrown out of train cars. These issues were a major reason for the departure of [department head Vladimir] Kim," the source told the Prime news agency, a RIA Novosti affiliate. Kim, whose resignation went into effect on Friday, is the latest in a series of senior managers to leave the postal service since a new boss was appointed to head the state company in April. Kim had overseen the Moscow department since 2010.

BBC: Royal Mail has offered 125,000 workers the three-year pay rise, as well as bonuses and other changes to conditions. But the Communication Workers Union (CWU) described the offer as "misleading and unacceptable". The government is planning to sell the operator to the private sector. Business Secretary Vince Cable has spoken of a possible share sale before the end of the year. In its latest offer, Royal Mail said any pay deal made now "would not be affected by any change in ownership of the company". Also see MSN Money.



<u>Pushing the envelope</u>: **Clerk or Kiosk or Both?** Postal customers often choose to stand in line at the counter of their local Post Office, even as an open self-service kiosk sits nearby. In some cases, customers might prefer to interact with a window clerk, perhaps to make sure they purchase the right service or because

they want to buy a specialty service not available from the automated kiosk. But some customers might be unaware that they can get many of the same services at a kiosk that they get from the window. For example, they can buy postage; weigh and send packages; use the ZIP Code lookup feature; and obtain fairly large quantities of First-Class Mail stamps (up to 100 self-adhesive packets). With about 2,500 kiosks in 2,300 retail locations and many of them accessible 24 hours a day, 7 days a week, kiosks are convenient and fairly simple to use.

Federal Times: Royal Mail has offered 125,000 postal workers an 8.6 per cent rise in basic pay over the next three years as it attempts to achieve industrial peace ahead of privatisation. The company's staff will also get a minimum of 10 per cent of the shares by the time the state's shareholding falls to zero, under government plans. Privatisation of Royal Mail is expected to begin over the next few months, probably through a stock market flotation this autumn of a majority stake, or even the whole company. Opposition from members of the Communication Workers Union is one of the remaining barriers. They recently voted by 96 per cent to oppose privatisation in a consultative ballot.

Virginian-Pilot: The effects of the U.S. Postal Service's financial woes - billions in debt, a maxed-out line of credit with the treasury, declining mail volume - are hitting South Hampton Roads. By the end of the summer, every letter dropped into a mailbox will be routed to Richmond to be sorted and sent to its destination. Officials are in the midst of transferring equipment to that facility from the mail processing and distribution center in Norfolk. The consolidation is one of the few efforts undertaken to staunch the postal service's financial hemorrhaging over the past five or so years. It is, however, entirely inadequate by itself to address such a sweeping problem. The postal service must undergo a broader, more comprehensive overhaul. For such a unique institution, that requires congressional action.

Deutsche Post DHL

Post&Parcel: Deutsche Post has expanded its online advertising business into the field of email marketing with the acquisition of Berlin-based agency Optivo. The German postal service has been building up its online marketing unit since 2010, but made its latest acquisition after carrying out tests on the impact of email marketing with several of its customers. It described Optivo as one of German's leading email marketing services, based around the Optivo broadmail software platform. The software allows companies to send customised newsletters and campaign emails, and evaluate the results. The system brings together social media, text messaging, mobile email, web and fax channels along with conventional email. It can integrate with existing IT systems and customer relationship management platforms. Deutsche Post said the software can send 20m emails each hour.

HAPPY BIRTHDAY MR ZIP! [Reading Eagle:] Today is the 50th birthday of the nation's Zoning Improvement Plan code, better known as the ZIP code. The code was designed to get mail sorted and delivered

faster, and it worked, in part because it allowed for automated sorting. So on the ZIP code's golden anniversary, July 1.