

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."

1800 Diagonal Rd., Ste 320 * Alexandria, VA 22314-2862 * Ph.: +1 703 524 0096 * Fax: +1 703 997 2414

Postal News for July 2014

July 31, 2014

The Independent: Faced with competition from supermarkets and falling newspaper sales, British newsagents are delivering the post to replenish their income. Brian Webb, who operates a newspaper delivery service in Wisbech, Cambridgeshire, said his "Webb's Postal Service" was delivering 1,000 letters a day for a cut-price 30p – less than half the price of first-class mail. His letters carry a "Webb's Postal Service" stamp and are delivered around Wisbech and 22 neighbouring villages by a fleet of 12 vans. All senders of mail must be existing newspaper or magazine-buying customers of his Webb's of Leverington newsagent and all deliveries must be in the local neighbourhood.

Major customers include local doctor's surgeries, schools and estate agents.

*⊠***INDUSTRYALERT**

Network Rationalization Phase II Webinar August 15, 2014 at 2:30 p.m. (EDT) The Postal Service Network Operations team invites you to a Network Rationalization Phase II webinar to provide more information about the transportation and logistical requirements involved with the 2015 Network Rationalization implementation plans. Please join Dave Williams, VP Network Operations and his staff for an informative webinar on Friday, August 15 at 2:30 p.m. The Postal Service is committed to working closely with our customers to help them plan their mailings and mitigate potential issues during this change. Attendee Information US/Canada Attendee Dial-in: (888) 890-1547 Conference ID: 72407448 Attendee Direct URL: https://usps.webex.com/usps/onstage/g.php?t=a&d=998566920 If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: https://usps.webex.com Event Number: 998 566 920

CNN Money: Goldman Sachs says that customers are abandoning the big-box pioneer in droves. Online shopping is clearly hurting the store. E-commerce is making Walmart's vast breadth of merchandise less appealing to shoppers. I

Direct Marketing News: Direct mailers' primary interest in the U.S. Postal Service is rates. They like them low. They don't like exigent or emergency or any other kinds of rate increases outside of the price caps set down by the Postal Accountability and Enhancement Act of 2006, and they're not so crazy about them. They feel they and their huge Standard Mail volumes are floating this particular government boat while the Internet sucks away First Class Mail like a Dyson DC65 Animal and "underwater products" are allowed to stay buoyant due to their largesse. Though First Class volume continues to decline at a steady pace, big mailers still need to cheer it on, because it's more profitable on a per-piece basis than Standard and helps keep to them from paying even more. In the six months ended March 31, First Class contributed \$5.5 billion (the amount of the annual retiree health benefits bill the Postal Service can't pay) more in revenue than Standard Mail did—and did it with 8 billion fewer pieces. But that can't last for long. First Class is in a free fall. What big mailers need to root for most as a rate hedge in the future is USPS's shipping and package business. Not only does it own the highest growth rate of all the Post Office's lines of service at 8% to 11%, but its upside is enormous....In the meantime, direct mailers, you send out a few million packages now and again, don't you? Do the patriotic and rate-rationalizing thing and choose USPS for your package delivery needs. I hear they'll be a good buy once UPS and FedEx move to dimensional pricing in 2015.

CNN Money: Harte Hanks, a leading marketing services organization that partners with top brands to establish deeper relationships with its customers and prospects, today announced financial results for the second quarter ended June 30, 2014.

Washington Post: The struggling U.S. Postal Service is hiring someone to do its firing. The Postal Service, which has sustained financial losses, is preparing for a reduction in its workforce in the beginning of 2015 as efforts to make big changes to mail delivery have eluded Congress (as most reforms do). There are...just under 4,000 postmasters being offered a one-time payment of \$10,000 to voluntarily leave.

Stars and Stripes: Servicemembers stationed overseas will soon see much of their forwarded mail arrive faster at their new duty station when they transfer, Military Postal Service Agency officials say. By November, servicemembers moving back stateside or to another overseas location will be able to log in to USPS.com to change their address and can expect the U.S. Postal Service to immediately reroute mail. While this service is standard in the states, it isn't yet available for APO and FPO addresses. The new process conforms to services provided by the USPS since 2003.

July 30, 2014

Wall Street Journal: The U.S. economy surged in the second quarter, more than offsetting a first-quarter contraction and putting growth back on an upward trajectory in 2014. Household spending—roughly two-thirds of the economy—advanced at a 2.5% rate last quarter. That's an increase from the first quarter's modest 1.2% gain.

Wall Street Journal: Money spent lobbying the government is a good indication of the biggest issues at stake in politics–and who's trying to influence their outcomes. Before Congress breaks for summer, here's a look at which companies and industries have spent the most on lobbying them. The numbers comes from analysis of data from the Senate Office of Public Records by the Center for Responsive Politics, a nonpartisan nonprofit that's been tracking lobbying money in government since 1998. So far this year, \$1.62 billion has been spent on lobbying.

<u>United Parcel Service</u>: UPS has released its 12th annual Sustainability Report announcing that in addition to reducing overall carbon emissions in 2013, the company also met its 2016 goal of reducing its air and ground fleet's carbon intensity by 10 percent three years early. Thus, the company has set a new goal to achieve a 20 percent reduction in carbon intensity from transportation by 2020.

La Jolla Light: USPS seeks new site for La Jolla letter carriers, downplays importance of audit requested by Congress

KCBS: Consumer advocate Ralph Nader is trying to use his influence to persuade the U.S. Postal Service to not close Berkeley's Main Post Office.

At the Postal Regulatory Commission: This is a reminder notice of the PRC Technical Conference on elasticity of postal demand, to be held at the Commission on Wednesday, August 13th at 9:30 am. Details are available here: http://www.prc.gov/Docs/89/89992/Order_2117.pdf

Today, Senators Tom Carper (D-Del.) and Tom Coburn (R-Okla.), Chairman and Ranking Member of the Homeland Security and Governmental Affairs Committee, held a business meeting to consider the following legislation: Presidential Nominations The following nominations were ordered reported favorably by voice vote en bloc: Stephen Crawford to be a Governor, U.S. Postal Service; David Michael Bennett to be a Governor, U.S. Postal Service; Victoria Reggie Kennedy to be a Governor, U.S. Postal Service. The following nomination was ordered reported favorably by voice vote 4-3 (with 2 votes "present") Hon. James C. Miller III to be a Governor, U.S. Postal Service.

Dutch News: Postal firm PostNL, which recently abandoned Monday letter deliveries, is planning to experiment with delivering packages on Sunday. The trials, part of an agreement with online retailer Coolblue, begin at the end of August and will run for three months. PostNL says it will be the first postal company on mainland Europe to deliver parcels seven days a week.

Wall Street Journal: The U.S. economy rebounded strongly this spring after a first-quarter contraction, eking out positive growth over the past six months and raising hopes for sustained growth in the second half of 2014. Gross domestic product, the broadest measure of goods and services produced across the economy, advanced at a seasonally adjusted annual rate of 4.0% in the second quarter, the Commerce Department said Wednesday. Economists surveyed by The Wall Street Journal had forecast growth at a 3.0% pace for the quarter. The new numbers are unlikely to have an immediate influence on Federal Reserve policy makers as they conclude a two-day meeting Wednesday. The output figures, however, could weigh on the Fed's calculation for when to start raising short-term interest rates. A return to consistently stronger growth could support the argument to increase rates sooner.

Seeking Alpha: On Sunday night, The Wall Street Journal published an opinion piece by Richard Fisher, president of the Federal Reserve Bank of Dallas. The text serves as a warning to complacent investors that the Fed cannot keep interest rates near zero indefinitely. Fisher noted that Janet Yellen was also aware of the potential risks of maintaining the Fed's current stance. The possible market-spooking outcome this week or in the weeks ahead is if the Fed signals an interest rate hike may be coming sooner rather than later. Again, it is not the act of raising rates that matters, but the timing.

WFMY News: It sounded like the perfect job opportunity. Good pay, great benefits and plenty of positions open. But the only beneficiaries were con-artists who cooked up a scheme to defraud vulnerable job seekers. Anyone looking for a job wants to hear words like these "The airlines are currently hiring for the following entry-level positions: fight attendants, ticketing, baggage handlers, no experience is necessary." A voicemail recording goes on to say employees could earn \$14 - \$22 an hour, health insurance benefits, and paid vacation included. For a fee of \$39 the company -- American Careers-- would usher people through the hiring process to work for the airlines. The problem? U.S. Postal Inspector Frank Schissler explained, "People would either receive nothing in return for their money or merely would receive an airline hiring guide."Postal inspectors began tracking American Careers after receiving hundreds of complaints. Schissler said, "It appeared the company was connected with the airlines and was able to provide hiring assistance, or would actually do hiring. People were urged to call a phone number and then provide their basic information and then submit a check or money order to the company." Postal inspectors say that was a red flag. "They didn't allow you to use a credit card because of course you can dispute the charge with your credit card company."

News4JAX: It's a scheme that would have been easy to fall for. It unfolded on eBay and victims lost hundreds of thousands of dollars. Berry Younce used the user name "sq20" to post ads on eBay saying he had computers for sale. "This was quite a big scam throughout the whole country," said Christopher Davis, a U.S. postal inspector. "Mr. Younce is basically selling the computers on the Internet, but not really having the product." Here is how Davis said it worked. "He is posting computers, but people kept underbidding the cost to purchase it. Therefore, since he did not have the computer people were bidding on, he would have to go buy it at a larger cost." Eventually, postal inspectors received several complaints about orders not being fulfilled through eBay.

EReuters: United Parcel Service Inc's quarterly profit more than halved as the world's biggest courier company took a charge related to retirement liabilities of some union employees.

From the Federal Register:

Postal Regulatory Commission

NOTICES	
New Postal Products,	
44218 [2014–17850]	[TEXT] [PDF]
44217–44218 [2014–17853]	[TEXT] [PDF]
44219–44220 [2014–17855]	[TEXT] [PDF]
44219 [2014–17857]	[TEXT] [PDF]
44218–44219 [2014–17943]	[TEXT] [PDF]
Postal Service	
NOTICES	
Product Changes:	
Priority Mail Negotiated Service Agreement,	
44221 [2014–17894]	[TEXT] [PDF]
44220 [2014–17895]	[TEXT] [PDF]
44220–44221 [2014–17896]	[TEXT] [PDF]
44220 [2014–17897]	[TEXT] [PDF]
44220 [2014–17899]	[TEXT] [PDF]

Transport Intelligence: Amazon has a claim to have one of the largest logistics operations in the world. However the success of the enterprise is unclear with the latest set of results displaying a continued absence of profits. Last week the company reported an increase in losses for the quarter, with net sales up by 23% to \$19.34bn but operating profit negative by US\$15m. The same period last year saw an operational profit of \$79m. Amazon's accounts do not give the sharpest picture of the internal cost dynamics of its operations, it being hard to differentiate the performance of different parts of its business. Operational logistics costs are very substantial, accounting for more than twice Amazon's spending on marketing and more than the entire costs of the 'technology and content' business. Already high at over 14% of sales, the past quarter has seen logistics spending edge-up to 15% of sales. And it is important to remember that these are operational costs and exclude capital investment

Ecatholic Sentinel: The Post Office will not change a re-zoning plan that leaves the campus of the Sisters of St. Mary of Oregon in two different ZIP codes. Sister Adele Marie Altenhofen, Sisters of St. Mary of Oregon Ministries Corporation President, and Sister Charlene Herinckx, superior general, met with representatives of the Beaverton and Aloha Post Offices July 25. The nuns were informed that the decision regarding the new ZIP codes had been made on the national level and could not be changed. Postal officials said that ZIP codes exist for their sorting purposes and that the decision was made to maintain Farmington addresses in 97007. Maryville's address is on Farmington Road. The Sisters' convent and the other ministries on the large campus — including Valley Catholic School — will be in the new 97078 ZIP code.

Reuters: Italy's post office operator Poste Italiane, which the government has slated for privatisation, said on Tuesday it would need more funding to be able to keep up a comprehensive mail delivery service. "A comprehensive postal service is not sustainable any more, and a careful review needs to be done of its structure and how to finance it," Poste Italiane said in a statement.

Reuters: Portugal's recently privatised postal service CTT posted a slightly higher than expected 14 percent rise in its first-half net profit on Tuesday as revenue in its financial services business increased by 21 percent. Net profit rose to 36.1 million euros (\$48 million), exceeding the average of analysts' forecasts of 34 million euros. Total operating revenue rose almost 2 percent to 356.5 million euros, despite a continuing decline in regular mail traffic that has been decelerating. Express delivery and parcel service traffic rose almost 12 percent, but revenues in the segment still dipped 1 percent. CTT's financial services business includes sales of savings products such as Treasury certificates and have been on the rise. The Republic: A Glen Burnie man has pleaded guilty to stealing more than 2,000 aluminum carts from the U.S. Postal Service and selling them for scrap. Fifty-seven-year-old Roland Michael Muir entered the plea Tuesday in federal court in Baltimore. He faces to up to 10 years in prison at sentencing Oct. 28. According to his plea agreement, Muir and a conspirator drove a box truck owned by Muir's employer to two U.S. Postal Service bulk mail centers in Capitol Heights. Authorities say Muir and the conspirator stole the carts, called over-the-road containers, used spray paint to cover the U.S. Postal Service markings, and sold the carts to metal recyclers. Prosecutors say the two got more than \$323,000 for the carts, which the postal service valued at \$2.8 million.

Seeking Alpha: Somehow when no one was looking the price of Pitney Bowes stock has jumped from \$13.91 on July 1st, 2013 to \$27.93 at the close on June 30th of this year. May 8th last year marked the first dividend payout at the current rate of 18.8 cents per quarter, down from 37.5 cents previous. With the exception of the November 2007 payout, Pitney Bowes had increased its dividend annually for 40 years. During that period they have split the stock 2 for 1 four times. In the last 12 months the stock of Pitney Bowes has increased roughly 100% while the broader S&P 500 has grown closer to 20%

CBS Money Watch: When the U.S. Postal Service advertises that its Priority Mail service comes with \$50 of insurance included, you might assume that it comes with, well, \$50 of insurance. But that's not always the case, and the National Advertising Division (NAD) has asked the Postal Service to make more clear the limitations and exclusions. While the Postal Service disagreed with the NAD's determination that the insurance claim was misleading, it has agreed to make changes. The issue is that while \$50 insurance can be included with Priority Mail postage, which starts at \$5.60, it comes with quite a few catches. You can read all <u>34 exclusions and limitations</u> just to be sure.

July 29, 2014

EXAMPLE 1 IMpb impacts for Market Dominant products August 12 at 10 a.m. (EDT) This webinar provides a basic review of the features, benefits and requirements of the Intelligent Mail package barcode (IMpb), and the impact of IMpb on Market Dominant products. Join us as we discuss new requirements and conditions relating to the January 26, 2014 IMpb implementation. Please visit us on the USPS Industry Outreach website to view the upcoming webinar schedule and webinar archive presentations. Instructions for participating in the webinar appear below: Attendee Information: Event number: 993 436 661 Event address for attendees:

https://usps.webex.com/usps/onstage/g.php?d=993436661&t=a Teleconference information: U.S./Canada Attendee Dial-in: (888) 890-1547 Conference ID: 7017133

24/7Wall Street: Tuesday's earnings report from United Parcel Service Inc. disappointed investors, not because the package delivery service missed estimates but because the company expects to invest more money to help it avoid the problems it had delivering packages during the past holiday season. Companies that invest in the future at the expense of paying off existing shareholders often get punished, and UPS was taken to the woodshed Tuesday. UPS is getting a taste of what the U.S. Postal Service (USPS) gets from the U.S. Congress every time it reports a new quarterly loss (as it has in 19 of the past 21 quarters).

Belarus in Focus: As of October 21st, the limit for duty free import of goods for personal use by international mail will be increased from EUR 120 to EUR 200. As a result, Belarusians will buy more goods on foreign websites, the assortment of goods will expand, the demand on non-cash foreign currency will increase, and payments outside Belarus might increase substantially. However, the postal services might not be prepared for an increase in parcels' volume, which may affect the processing speed of the mail traffic and transfers abroad. Consequently, the limit might be revised once again.

Research and Markets: European Parcels: Market Insight Report 2014 The parcels market has continued to grow in most countries in spite of the recession. A key factor has been the growth of home shopping. This has acted as a spur to innovation - in promoting the development of innovations to improve the delivery experience, from defined time-slots, to text messages to the establishment of chains of parcel shops. Home shopping growth looks set to continue, creating further opportunities for those companies which are able to deliver the quality and range of

services that the market requires. In this environment industry consolidation has continued with the major networks continuing to make add-ons to fill geographical and service gaps - although the EU acted to prevent the major deal that was in prospect: UPS's proposed acquisition of TNT, on competition grounds.

Office of the Inspector General: The Road to a New Delivery Fleet What should the postal vehicle of the future look like? The U.S. Postal Service recently put that question to its carriers and vehicle maintenance personnel and is currently reviewing the feedback. It's an important question because the delivery fleet is aging and the Postal Service needs to quickly replace it.

Wall Street Journal: A key test of how much responsibility shippers like FedEx Corp. and United Parcel Service Inc. bear for the contents of the packages they deliver will begin this week in federal court. The Justice Department indicted FedEx earlier this month, charging conspiracy to distribute controlled substances because of the shipper's alleged role in transporting painkillers and other prescription drugs that had been sold illegally. FedEx is scheduled to be arraigned in the proceeding Tuesday morning in San Francisco.

Reuters: FedEx Corp has hired some of the hard-hitting attorneys who represented home run slugger Barry Bonds to defend against criminal allegations that FedEx knowingly shipped packages from illegal online pharmacies.

KVUE: FBI agents and postal inspectors arrested a Rowlett man Monday morning in connection with hundreds of "white powder" hoax letters mailed from North Texas over the course of six years. The U.S. Attorney's office said Hong Minh Truong, 66, is charged in a federal complaint with being responsible for false information and hoaxes. See also <u>Politico</u>.

July 28, 2014

Ederal Times: The Postal Service is looking for a technologically savvy go-getter to help the agency plan, coordinate and execute future layoffs. The agency posted an opening for a Reduction-in-Force administrator on its internal job board and encouraged career non-bargaining postal employees to apply for the position. The starting salary would range from about \$60,000 to \$104,000, according to the job posting. The Postal Service is offering buyouts and early retirement options to more than 3,000 postmasters before it proceeds with a reduction-in-force (RIF) in early 2015. The agency has been working with employee groups for more than two years on its PostPlan, which would reduce the hours at many post offices by two, four or six hours a day and replace some postmasters with non-career employees or part-time career employees. The Postal Service has already reduced its workforce by about 320,000 employees since fiscal 2000, but Postmaster General Patrick Donahoe has said postal reform legislation would allow the service to move from 485,000 career employees to 400,000 over the next few year. That is what Donahoe believes to be the ideal number.

<u>Center for Effective Government</u>: "People Use Government to Stay Connected: The Post Office"

DMM Advisory: July DMM Update. Postal Explorer 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. Today we updated our mailing standards to include the following changes:

- **Domestic Mail Manual Streamlining** --We revised Sections <u>203</u>, <u>207</u>, <u>601</u>, <u>608</u>, <u>703</u>, and <u>705</u>, continuing our initiative to reduce the size of the DMM without changes to standards.
- **eDoc Volume Criteria for Single-Piece First-Class Mail** -- We revised DMM <u>604.5.1</u> to permit less than the current minimum volume for permit imprint mailings when mailers submit electronic postage statements and piece-level barcode information for single-piece First-Class Mail. We published this information in the June 12, 2014, Postal Bulletin.
- Clarification-Centralized Account Processing System (CAPS) -- We revised various sections of the DMM to correct references to Centralized Account Processing System (CAPS) inadvertently listed as Centralized Account Payment System. We published this information in the June 26, 2014, Postal Bulletin.

- Clarification of Permit Fee Waiver in Participation Requirements for Full-Service -- We revised DMM <u>705.23.3c.</u> to clarify the permit fee waiver in participation requirements for Full-Service pieces. We published this information in the June 26, 2014, Postal Bulletin.
- **Deferral of Effective Date: Elimination of Business Reply Mail (BRM) Parcels** -- We revised DMM <u>505.1.4.1</u> to defer the effective date for eliminating mailers' option to use Business Reply Mail (BRM) to pay postage for parcel-shaped items. We published this information in the June 26, 2014, Postal Bulletin.
- **Revised Postage and Fee Refund Criteria**-- We revised DMM 604.9.0 to update the hourly charges and related postage threshold used in assessing certain types of postage refunds and to provide the allowable time periods for requesting refunds for extra service fees. We published this information in the June 26, 2014, Postal Bulletin.

At the Postal Regulatory Commission:

* Comments of Valassis Direct Mail, Inc.

* <u>Public Representative Comments Addressing Notice and Order on the Postal Service's Exigent Surcharge</u> <u>Removal Plan</u>

* Valpak Direct Marketing Systems, Inc. and Valpak Dealers Association, Inc. Comments on Report of the United States Postal Service Regarding Surcharge Removal Plan

* Comments of the National Postal Policy Council

* Initial Comments of the Greeting Card Association on Exigency Rescission Plan

* Comments of MPA (The Association of Magazine Media), Alliance of Nonprofit Mailers, Association for Postal Commerce and Direct Marketing Association, Inc

Wall Street Journal: Looks like postal reform has not made it to Congress' legislative short-list.

Pocket No R2013-11: Rate Adjustment Due To Extraordinary or Exceptional Circumstances. Comments of MPA - The Association of Magazine Media, Alliance of Nonprofit Mailers, *Association for Postal Commerce* and Direct Marketing Association, Inc.

The Road to a New Delivery Fleet: (Blog) What should the postal vehicle of the future look like? The U.S. Postal Service recently put that question to its carriers and vehicle maintenance personnel and is currently reviewing the feedback. It's an important question because the delivery fleet is aging and the Postal Service needs to quickly replace it. In fact, our recent audit on the topic found the current fleet can only meet delivery needs through fiscal year 2017 – and that assumes no unexpected decrease in vehicle inventory or increase in the number of motorized routes.

Target Marketing: In the neighborhoods of tomorrow, door-to-door mail delivery will be a thing of the past. If U.S. Rep. Darrell Issa (R-Calif.) gets his way, door-to-door delivery will be gone within a decade for 15 million addressesOpens in a new window. Issa estimates \$2 billion in savings from the bill approved on Wednesday by the House Committee on Oversight and Government Reform, which the congressman heads.

Columbia Dispatch: As Mike Roth steps into Amazon.com's newest warehouse, he spreads his arms wide and asks what is different about this one from the 96 other warehouses the Web giant operates around the world. To anyone who has ever set foot in one of those 1 million-square-foot buildings, known in Amazon parlance as "fulfillment centers," the answer is obvious: There is not a product in sight. No books. No toasters. No toothpaste. There aren't the rows and rows of shelves on which those products are shelved. There aren't any workers who stow the products, pick them from the shelves or box them up. Instead, the newly opened warehouse is teeming with sealed parcels, full of items Amazon customers have ordered. Those packages zip along a maze of conveyor belts, where computers and workers sort them to ultimately deliver them to individual post offices in Seattle; Portland, Ore.; Spokane, Wash., and points between. By controlling the delivery process right up to the last mile, Amazon can

get packages to customers on Sunday, a service it announced with the U.S. Postal Service in November. And with the opening of the Kent facility, Sunday delivery has begun in the Pacific Northwest.

Postalnews: Looks like more RIFs in your future: the US Postal Service is looking for someone to coordinate reductions in force (RIFs) nationwide. A recent job posting advertises an opening at USPS Headquarters for an EAS-23 "RIF Administrator".

E<u>eCommerce Bytes</u>: A spokesperson for the U.S. Postal Service told EcommerceBytes that a database migration on the agency's Click N Ship website on July 16th was the cause of technical issues that online sellers experienced, and she extended an apology to customers. The USPS extends a discount to sellers who purchase postage online. So when its Click N Ship service went down earlier this month, it was a time-consuming and costly problem for merchants who use it.

July 27, 2014

Huffington Post: The United States Postal Service (USPS) management just ran into a possible game-changing obstacle to its shameful pursuit of a fully privatized post office: labor solidarity.

Colombo Page: The Sri Lankan government has decided to revise postage rates with effect from August 01. The proposal for the revision of the postage rates has been approved by the cabinet of Ministers, says Postal Department. The Department will increase the minimum postage by 100 percent to Rs. 10 from present rate of five rupees. However the Postal Department has decided to reduce charges for certain services. The gazette notification with the revised postage rates will be issued next week, the Postal Department announced. Usually, the postage rates are revised every 3 years. However the Department has not made postage revisions for six years.

Berkeley Daily Planet: Ralph Nader will speak on the front steps of the Berkeley Main Post Office, 2000 Allston Way, on Tuesday, July 29, 2014 at 2:30pm about the fate of the United States Postal Service, privatization and the importance of our public commons.

Sunday Times: The loss-making Postal Department has decided to make use of funds meant for the postal network improvement project to host a regional gathering. The decision has been taken after the Cabinet turned down a request for funds to host the executive committee meeting of the Asia-Pacific Postal Union from September 15 to 19. Some 100 delegates are expected to attend the event. The Postmaster General has directed the officials to go ahead with the planning of the event and told them to use Rs. 20 million from the postal network improvement project under which computer software for the department is to be developed.

<u>RRStar</u>: The U.S. Postal Service tracked earlier this year how frequently the blue collection boxes were being used. As a result, the postal service decided to remove 39 boxes, some averaging fewer than 25 pieces of mail in a day. In most cases, the boxes taken out were also located within a mile of a different collection point.

July 26, 2014

The Postal Regulatory Commission has reposted a vacancy announcement for the position of <u>Deputy General</u> <u>Counsel</u>. Applications must be received by August 8, 2014.

Postalnews: Sen. Bernie Sanders on Friday addressed the annual convention of the National Association of Letter Carriers. He drew standing ovations from the big convention crowd in Philadelphia for opposing cuts in sevices and jobs at the U.S. Postal Service at a time of rising revenue. Sanders is the chief sponsor of legislation to modernize the U.S. Postal Service, save Saturday mail and prevent other unnecessary cuts in services provided by one of the most popular and important institutions in America.

Sunstar: The Philippine Postal Corporation (PHLPOST) and the Department of Budget and Management (DBM) launched on Friday the first ever DBM Procurement Service Hub in the PHLPOST regional office in Barangay Macabalan, this city.

Altanta INtown: If it seems like your mail is being delivered later and later these days, you're not imagining it. According to a report at CNN, cost-cutting measures and a shrinking work force, means U.S. Postal Service carriers are delivering mail after 5 p.m. more than four days a week. Atlanta, Washington DC, Richmond, Arlington and South Florida topped the list of cities and areas receiving mail after 5 p.m. The results were issued in a new report this week by the U.S. Postal Service Office of Inspector General.

All Africa: The Ministry of Communications, inaugurated three Boards for three of its agencies in Accra. The agencies are the Ghana Metrological Agency, Ghana Post Company Limited and the Postal and Courier Regulatory Services Commission.

Trefis: United Parcel Service is set to announce its second quarter 2014 earnings results on July 29 2014. We expect that growing e-commerce sales will help boost UPS' second quarter revenue and package volume. However, revenue per package will be a point of concern since, in the past few quarters, it has been declining due to the shift in customer preference towards more economical means of shipping packages. (Also see Forbes)

What They Think: Welcome to the always interesting world of USPS pricing strategy. Where else can someone say that they raised prices +9.4% and wonder why volume went down -6.7% and revenues only went up +2% compared to the same period of the prior year. Perhaps it was the weather, which got the blame for all things economic in Q1!

Post&Parcel: Parcel volumes continue to climb ever higher, spurred by the amount of goods bought online while postal traffic is in steady decline. This week, Ireland learned of yet more transformation which, although not as tempestuous in itself as other developments, could still be felt far beyond the country's borders. An Post, the national postal operator, has revealed plans to create a network of household locker boxes which, it suggested, might begin operation during 2015.

FEDweek: The Postal Service could generate an additional \$382 million in fiscal 2014 by improving customer outreach through its Business Service Network, through which it supports some 23,000 large customers, the USPS inspector general has said. It said that up to 53 percent of the accounts that require outreach were not contacted proactively and that the average resolution time for customer service requests was five days, rather than the BSN's three-day goal. Delays are sometimes the result of BSN staffing having to go through other areas of USPS to help resolve customer concerns. Giving BSN greater access to more resources such as Intelligent Mail barcode data could help BSN resolve questions faster, according to the IG. It recommended that all BSN customers have the opportunity to provide feedback through the customer experience surveys, and encouraged the Postal Service to expand the methodology used to evaluate BSN staff to include metrics, such as revenue growth or timeliness in resolving issues, that more accurately reflect performance.

DMM Advisory: Domestic and International Mailing — Price Change. This week, the final rule domestic and international competitive services price change Federal Register Notices for the September 2014 price change were posted on the Federal Register web site.

• Domestic Competitive Products Pricing and Mailing Standards Changes (Shipping Services) — We provide revised mailing standards in the Domestic Mail Manual (DMM®) to reflect changes to some of the prices for Priority Mail® and the mailing standards for Premium Forwarding Service Commercial® competitive products. See the entire notice at http://www.gpo.gov/fdsys/pkg/FR-2014-07-22/html/2014-17138.htm and on Postal Explorer at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com. The proposed pricing files are posted on Postal Explore® at pe.usps.com.

 International Product Changes (Shipping Services) — We provide international classification changes and the corresponding mailing standards changes in the International Mail Manual (IMM®) for Priority Mail Express International®. We are adding Lebanon as the most recent country to establish an Express Mail Service (EMS) operational exchange agreement with the Postal Service. See the entire notice at http://www.gpo.gov/fdsys/pkg/FR-2014-07-22/html/2014-17136.htm and on Postal Explorer at pe.usps.com.

Boston.com: Danny Nickerson only asked for birthday cards for his sixth birthday, and boy, did the world deliver. As of 2 p.m. on his birthday, July 25, Danny has received over 50,000 cards, confirmed a postal worker from the Foxborough branch of the US Postal Service.

July 25, 2014

Linn's Stamp News: The member of Congress who wrote the 2006 law that has been widely blamed for the United States Postal Service's financial crisis is defending that act but warning that lawmakers are unlikely to come quickly to the agency's rescue. Former House Committee on Government Reform chairman Tom Davis laid that forecast before a July 16 Pew Charitable Trust seminar on whether banking services should be offered by the USPS. Now a lobbyist for the consulting firm of Deloitte LLP, Davis told the daylong meeting that the Postal Service "is still very savable" and could be quickly rescued by Congress. But Davis also argued that the Postal Service is essentially powerless in Washington, D.C., and that most officials tend to ignore its calls for help.

Constitution Daily: Measures to introduce banking at United States Postal Service offices are that latest moves to combat annual budget concerns about the cash-strapped agency. But such moves would certainly face scrutiny by Congress .

New audit started: <u>Seamless Entry Scorecard</u>. Seamless Acceptance and eInduction are two processes currently being implemented by the Postal Service. These processes are expected to automate mail verification by comparing system data to electronic documentation at induction and as mail flows through automated processing equipment. They leverage full-service Intelligent Mail barcodes on mailpieces, handling units, and containers, and electronic documentation. In addition, these processes use sample scanning at induction and on mail processing equipment scans to evaluate mail quality, payment, and location.

Dalje.com: The supervisory board of the state-owned Croatian Postal Bank (HPB) has appointed Tomislav Vuic president of the management board as well as new Board members, HPB said on Friday. The supervisory board made a decision on the appointments yesterday, in accordance with conclusions adopted by the government. The new management board members have been appointed to five-year terms starting on September 10.

Businessweek: A few months ago, I wrote about the head of a national postal service who is grappling with the same issues afflicting the U.S. Postal Service—declining first-class mail volume and the need to make dramatic service cuts because of it. But unlike U.S. Postmaster General Patrick Donahoe, who has been largely thwarted by special interests and timid political leaders, Norway Post Chief Executive Officer Dag Mejdell is transforming his country's mail system into one with a digital future. He once worked for a company that made explosives. That might help him in his present position. I recently talked to Mejdell about his strategy and why he believes postal employees, and all Norwegians, will support the changes.

Daily Mail: Why there is hardly any need for first class stamps: Top economist says email has overtaken post and the six days a week service won't last another five years

The Times: Royal Mail Group has launched its first bond issue as a privately-owned company, nine months after privatisation.



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

- According to postal commenter, Kent Smith, "Some postal policy discussions often seem particularly narrow and divorced from a framework that might generate more imaginative solutions."
- President Obama nominates member to USPS BOG. Rep. Richmond proposes bill to allow post offices to offer banking services. Military mail changes will save \$4M annually. Senate committee to vote on BOG nominations. Union boss: Don't privatize the post office. USPS OIG Crum speaks about 3D printing. Amazon's 'sortation centers' bite off more of delivery's 'last mile.' Editorial: time to privatize mail service. Congress punts. Murphy, Himes statement on USPS announcement to cease plans to re-route mail. FedEx cries foul over Postal Service price cuts. Carper hasn't given up hope on postal reform. Six-day mail clears major hurdle.
- Announcements concerning the Domestic Mail Manual and USPS industry alerts. •
- This week's listing of postal notices in the Federal Register. •
- Announcements on recent reports, projects, and blog entries of the USPS OIG. •
- International postal news •
- Postal previews •

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Daily Journal: A U.S. Postal Service employee has pleaded guilty to stealing more than 20,000 pieces of mail since 2005. Forty-seven-year-old Jeffrey Shipley of Millersville entered the plea in federal court in Baltimore on Thursday. According to his plea agreement, Shipley was a letter carrier in Brooklyn, Parkville and Catonsville. Prosecutors say he stole mail, stools, mail bags, signs and other items from the Postal Service. Authorities say a search of Shipley's home in March uncovered more than 20,000 pieces of mail, including credit cards, gift cards, checks, passports, jewelry, and other items. Shipley agreed to quit his job, and could be sentenced to up to five years in prison.

July 24, 2014

The Telegraph: Britain's bicycling postmen will finally be consigned to history, the chairman of Royal Mail said in rare moment of controversy at the FTSE100 group's first ever annual meeting. The bosses of the newly privatised company were braced for investor ire on issues ranging from pay, parcels and the French competition probe announced last week. But the demise of the traditional British pedalling postie was about as bad as it got. The remuneration report, which includes a £1.5m deal for chief executive Moya Greene, received the highest number of objections, amounting to 3.5pc of the vote. But the remaining 96.5pc of investors approved the deal.

NOLA: Rep. Cedric Richmond, D-New Orleans, proposed legislation Thursday that would allow the U.S. Postal Service to offer banking services such as check cashing, savings and checking accounts and small loans. Richmond's bill, The Providing Opportunities for Savings, Transactions and Lending Act, or POSTAL Act, would also require the Postal Service to offer a "postal card," that would act as a debit card allowing customers to conduct in-store, mobile and online.



Department of Defense: Changes to military postal operations will save the Defense Department \$4 million annually while providing services comparable to those of any U.S. Postal Service office, a senior Military Postal Service Agency official told DoD News. James Clark, chief of the agency's operations division, said the changes will go into effect during October and November. "As it relates to the Internet Change of Address and Postal Automated Redirection System, we are automating the redirection process of first

class military mail," he said. "It will improve transit times. It would save costs in both transportation and labor overseas, and improve overall services." The Military Postal Service Agency facilitated the transition to a more efficient system that's in line with the USPS and will produce millions of dollars in savings for DoD.

I<u>Irish Independent</u>: It is a persistent problem for the online shopper - ordering a package but not being home when the postman calls. But semi-state An Post believes it has found the solution. The postal service has started on plans for the manufacture of up to 80,000 new delivery boxes. The company has begun searching for a manufacturer to enter a three-year contract to manufacture new specialised boxes that will be placed at people's homes. An Post said that the plan was a response to a steady growth in customers' online and catalogue shopping preferences and in anticipation of future growth.

Contra Costa Times: A once-renowned U.S. postal inspector out of San Jose has been indicted on charges he rifled through damaged mail and stole valuable items over a two-year span, and also for a separate count of marijuana trafficking, according to federal authorities. While the mail-theft allegations against Quan Pham Howard, 52, surfaced after his arrest in late June, the charge of possessing with intent to distribute marijuana was not widely known until an announcement Wednesday by the U.S. Attorney for the Eastern District of California. Howard was also formally indicted by a federal grand jury for possessing stolen U.S. mail and the delay and destruction of U.S. mail. If convicted, he faces up to 15 years in prison and potential fines of up to \$750,000. According to the criminal affidavit submitted by the Postal Service's Office of the Inspector General, between April 2012 and this past June, Howard instructed employees at the U.S. Postal Service's San Jose Processing and Distribution Center to call his office or cell phone whenever valuable items were found loose in the mail. He reportedly told these employees that he was going to reunite the items with their owners.

July 23, 2014

Committee on Homeland Security and Government Affairs: BUSINESS MEETING Wednesday, July 30, 2014 10:00 a.m. SD-342, Dirksen Senate Office Building On the Nominations of: * Hon. James C. Miller III to be a Governor, U.S. Postal Service.* Stephen Crawford to be a Governor, U.S. Postal Service. * David Michael Bennett to be a Governor, U.S. Postal Service. * Victoria Reggie Kennedy to be a Governor, U.S. Postal Service.

Sky News: Royal Mail has averted the prospect of an embarrassing row with its biggest shareholder after a lastgasp decision by the Government to support its pay policies at this week's annual meeting. Sky News has learnt that Whitehall officials were in talks with the postal operator on Wednesday morning about their concerns over some aspects of Royal Mail's remuneration policy. Both the company and the Government refused to be drawn on the details of the impasse, but senior sources said that the Department for Business, Innovation and Skills (BIS) had decided less than 24 hours before Thursday's AGM to vote in favour of the binding resolution. The fact that ministers had yet to take a decision about whether to support Royal Mail's pay policy so close to the shareholder vote suggests a degree of conflict that was not anticipated by the City.

Express: Cut-throat competition from rival parcel couriers has hit Royal Mail and it is pinning its hopes on job cuts and efficiency improvements to deliver on annual targets. Price-cutting by the likes of UPS, TNT and Yodel contributed to a one per cent fall in parcel revenue in the three months to June 29, the formerly state-owned postal group said. It also blamed the strength of the pound, strong comparative revenue last year from price rises and online retailer Amazon's decision to do its own deliveries. But Royal Mail was confident of matching full-year expectations thanks to cost-cutting, including about 1,600 job cuts announced in March that should save it œ25million this year.

The Moscow Times: Online marketplace eBay still sees Russia as its top priority in emerging markets, the company said Wednesday, directly contradicting media reports that harsh new laws and the possibility of sanctions could squeeze the company out of Russia. Poor delivery infrastructure is a classic barrier for Russian Internet

retailers, many of whom have been forced to eschew state postal services in favor of faster in-house alternatives.



Postal Regulatory Commission	
PROPOSED RULES	
Postal Price Elasticities,	
42743 42745 [2014 17249]	[TEXT] [PDF]

<u>The Motley Fool</u>: United Parcel Service's CFO Kurt Koehn made a big strategic announcement this month -he told German daily newspaper Sueddeutsche Zeitung that the company will invest \$1 billion in Europe over the next three to five years. Though the full details won't be revealed until November, Koehn provided some interesting snippets. Investments will be mostly in Germany, with emphasis on developing more logistics hubs. In terms of sector specialization, health care will be the focal point. If we look at Germany's growth prospects and UPS' course of action in recent times, the announcement does not surprise; here's why.

Daily Caller: The president of the American Postal Workers Union (APWU) accused Congress and Wall Street Tuesday of manufacturing a financial crisis in order to privatize the post office. "A congressionally manufactured financial crisis is being used to justify new assaults on postal jobs and on the 239-year old public Post Office" APWU President Mark Dimondstein said in a statement. Dimondstein claims the attacks are being orchestrated by "Congress, Wall Street and the Postmaster General himself" in order to legitimize calls for privatization.

Solution of the Inspector General:

- <u>Package Services: Get Ready, Set, Grow!</u> Package Services: Get Ready, Set, Grow! July 21, 2014 (RARC-WP-14-015) -- A new white paper from the U.S. Postal Service Office of Inspector General, Package Services: Get Ready, Set, Grow!, discusses elements of a package strategy for the Postal Service as well as recent trends in the package delivery market. As some e-retailers like Amazon invest in their own capabilities to replace shipping and last-mile delivery and as package delivery companies modernize and broaden their services in response to customer demand, the Postal Service needs to consider expanding beyond its traditional expertise of delivery. The Postal Service has the opportunity to enter higher-revenue segments of the package delivery market by offering one-stop, end-to-end solutions that meet the emerging needs of customers.
- <u>A Package of Opportunity</u> The Internet may have eaten into the U.S. Postal Service's First-Class Mail volume and revenue, but digital devotion does bring good news, too. Package shipping is on the rise, due in large part to the ever-increasing popularity of online shopping. The Postal Service's future could brighten considerably because of this expanding market, but is the Postal Service prepared to compete effectively in it?

Postal Technology International: Purolator International, a leading provider of cross-border logistics between the USA and Canada, has expanded launched Purolator Logistics a new integrated solution that enables customers to improve overall supply chain efficiency, reduce distribution costs and improve speed to market. To complement Purolator's current freight, courier, transportation and logistics services, Purolator Logistics will provide customers with a one-stop shop for several logistics capabilities including warehousing, fulfillment and returns processing.

Purolator Logistics addresses the growing needs for supply chain services for companies doing business in Canada.

Partoom

The latest issue of PostCom's <u>PostOps Update</u> has been posted on this site. In this issue: USPS to Move Ahead with Phase 2 of Network Rationalization; USPS Announces Suspension of CASS Cycle O; Monthly Labeling List/Mail Direction File Changes to Begin; PostalOne! October Release Postponed to Early November; USPS Files for Priority Mail Pricing Change Effective September 2014; USPS Hub Implementation Likely to be Delayed; USPS OIG Audit Report on Undeliverableas- Addressed (UAA) Mail; USPS to End CD/DVD Product Fulfillment October 2014; USPS OIG Says Significant Opportunities to Improve USPS BSN; USPS Implements Mailpiece Design Analyst (MDA) Help Desk Enhancements; USPS Clarifies Permit Fee Waiver for IMb Full-

Service; eDoc Volume Criteria for Single-Piece First-Class Mail; USPS Revises Charges, Criteria and Thresholds for Postage/Fee Refunds; PostCom's Operations Planner.

Federal News Radio: Charlie Crum, Director, Office of Inspector General, USPS 3D printing can help the Postal Service save a lot money, gas, and time, according to its Inspector General. 3D printers can make things like screws and containers using plastics and powders. Charlie Crum is a director at the Postal Service OIG. His office has a plan to help the agency jump into the 3D printing business, and he shared that plan on In Depth with Francis Rose.

July 22, 2014

Federal News Radio: "As Maine goes, so goes the nation." A popular saying between the 1830s and 1930s when the winning presidential candidates always carried that state. "What's good for General Motors is good for the USA." A popular statement attributed (incorrectly) to GM President Charlie Wilson, who was also President Eisenhower's Secretary of Defense. "The successful federal agency of the 21st century will look like the U.S. Postal Service!" Say what? Is that a misprint, a misquote or what? Right or wrong, it is what some people are saying, about the makeup of the federal government in the not-so-distant future. The question is whether the role model for government in the 21st century will be something like Apple, or, more likely, the rapidly-shrinking USPS? The once dominate communications operation is now downsizing like mad. It struggles to survive because of both technological (can you say email and texting?) innovations, and political challenges. Maybe especially the latter. The USPS is under the gun. It loses business (and revenue) to private delivery services. So-called snail mail is declining as more people pay bills and bank online. It also faces a burden Congress imposed on it, but not other federal agencies: It must pre-fund its projected retirement costs.

Wall Street Journal: Amazon.com Inc. is taking more control of its delivery operations, a move that will likely give it an edge in same-day delivery options and bolster its challenge to traditional brick-and-mortar retailers. The company recently opened up a new "sortation center" in Kent, Washington, the Seattle Times' Jay Greene reports. Unlike traditional fulfillment centers where employees sort and prepare items for shipment, this warehouse is full of sealed packages that move along conveyor belts, where workers and computers sort them and prepare to ship them to individual post offices. Increasing delivery speed is a top priority for Amazon, Mr. Greene writes. By controlling the delivery process up to the last mile, Amazon can deliver packages to customers on Sunday, a service it announced last year. Speedier delivery by Amazon is yet another challenge to brick-and-mortar retailers still grappling with their e-commerce and fulfillment efforts. As more technology companies, including Google Inc., get into the delivery business, these retailers will need to find a way to optimize their own e-commerce and shipping offerings to best meet customers' needs.

The Tennessean: Amazon.com is expanding its Nashville area operations with plans for a new sorting center in the airport area that will create 100 jobs. The online retail giant has leased a 214,000-square-foot warehouse at 50 Airways Blvd. off Briley Parkway for the operation. The sorting center would be the first in Tennessee for Amazon.com, which has more than 2,000 Nashville area employees and more than 5,000 statewide. he company will continue to work with the U.S. Postal Service, along with other carriers, a spokeswoman said.

Solution of the Inspector General:

• <u>City Letter Carriers Returning After 5 P.M. - Capital District (Audit Report)</u>

"What the OIG Found -- The number of city carriers returning after 5 p.m. is a growing problem in the Capital District, increasing by 14 percent from FY 2011, Quarter 1 to FY 2013, Quarter 4. City carriers returned after 5 p.m. because mail coming from processing facilities did not always meet times established in the integrated operating plan and management did not always properly supervise city delivery operations. Adhering to integrated operating plans will improve mail arrival time at delivery units. Further, better supervision of city letter carriers will reduce the number of carriers returning after 5 p.m., increase carrier safety, and reduce late mail delivery. In other matters, external stakeholders suggested the Postal Service take additional safety measures

such as providing brightly colored, reflective clothing to make city carriers more visible and identifiable in the dark. Other suggestions included providing additional safety training and realigning delivery routes so carriers can deliver mail earlier in the day in dangerous areas."

 Management Alert Late Payments for Highway Contract Routes Indianapolis, IN, Processing and Distribution Center

"This management alert presents the results of our review of Late Payments for Highway Contract Routes at the Indianapolis, IN, Processing and Distribution Center (Project Number 14XG008NO001). This alert responds to concerns Postal Service Network Operations management brought to our attention about contractors who provide exceptional services(changes in normally scheduled transportation operations including extra trips and late leaving trips) and are not being paid timely."

Washington Post: Mail is being delivered after 5 p.m. almost 70 percent of the time to residents and businesses in the District and the Maryland suburbs in violation of U.S. Postal Service policy, <u>an investigation released Tuesday</u> found. The number of letter carriers who are still on their routes after 5 p.m., even in the winter darkness, and the delayed delivery of letters and packages has grown so dramatically in recent years that the Capital District now ranks as the worst area in the country for late mail service, a report by Postal Service Inspector General David Williams concluded. The delivery delays have resulted from a cascade of service cuts as the mail agency, reeling from multi-billion-dollar losses as Americans turn more and more to the Internet to correspond and do business, has shaved costs. Full OIG report.

Crain's Chicago Business: Chicago is the spotlight today for a national battle between the American Postal Workers Union and Staples Inc. The union says about 2,000 of its workers, in town for a convention at McCormick Place, will gather this afternoon outside the Staples at 111 N. Wabash Ave. in the Loop to decry a partnership that allows the office supply company to offer postal services at its stores. The trial partnership, begun last fall in 82 stores in four states, raised the ire of the union, which said the move weakened the post office's influence and put postal work in the hands of lower-paid, less-trained Staples retail staff. None of the 82 locations were in Illinois. Protests have taken place in California and are slated for at least two other cities this week. Earlier this month, after the American Federation of Teachers agreed to boycott Staples stores to support the postal union, the retailer said it would end the pilot program. But according to the union, that means only that Staples will remove Postal Service signage from its counters. All Staples stores will now be part of the Postal Service's Approved Shipper program, which is available in thousands of locations operated by third-party retailers and allows the stores to continue providing postal service.

At the Postal Regulatory Commission:

- RM2014-5 PRC-LR-RM2014-5/1 Postal Elasticity Paper <u>http://www.prc.gov/docs/90/90051/Postal%20Elasticity%20Paper.docx</u> <u>http://www.prc.gov/docs/90/90051/RM2014-5%20Library%20Reference.docx</u>
- National Payroll Hours Summary Report, Pay Period 15, FY 2014 <u>http://www.prc.gov/docs/90/90050/Letter PayrollHours PP15 20140722145240.pdf</u> <u>http://www.prc.gov/docs/90/90050/NationalPayrollSummary_PP15_2014.xlsx</u>

The Chronicle Herald: If the Canadian Union of Postal Workers is wondering why it can't seem to rally Canadians to protest Canada Post's plans to phase out home delivery in this country, perhaps the union should reflect on its own divisive behaviour. In between rallies in Halifax in June protesting the loss of home mail delivery, the CUPW local here was apparently busy organizing its participation in a recent pro-Palestinian, anti-war march in Halifax tied to the ongoing Gaza crisis. But instead of focusing on domestic postal issues that directly affect their workers, along with millions of Canadians, CUPW, as it's done for years, continues to put the union's reputation, time and money behind a one-sided position on a foreign dispute with no bearing on postal service in Canada. CUPW has been involved in a long list of extra-jurisdictional causes, from its pro-Palestinian efforts to sending

delegates to support the Castro revolution in Cuba. At the very least, the union has undermined public support for itself in the process. Certainly, with the current Canada Post plan to kill home delivery and to shed thousands of jobs being implemented, it's curious the union would spend any time at all on Gaza marches.

The Economist: Two examples of the infrastructure that has helped make China a mighty trading power can be found on the outskirts of Shanghai: Yangshan, the world's busiest container port, and Pudong airport, the world's third-biggest handler of air cargo. Radiating out across the country are more than 100,000km (62,000 miles) of expressways and a comparable length of railways. Given all this new infrastructure, you might expect China to have a world-class logistics industry, too. It does not. Logistics covers transportation, warehousing and the management of goods. Its Chinese translation, wu liu, literally means "the flow of things". But that flow within the country is costly and cumbersome. Much of the investment in infrastructure has gone to lubricate exports. Now, as China's government shifts its focus to consumption at home it is finding that the domestic logistics industry is woefully inefficient.

E<u>eCommerceBytes</u>: Sellers are reporting major technical problems with USPS Click N Ship, a service they use to print online postage, with one avid user calling the glitches "the biggest ecommerce story of the month."

American Postal Workers Union (In: After noting that some have called Postmaster General Patrick Donahoe's actions criminal, and a clear violation of the law that created and maintains the Postal Service as a fundamental right of the people, APWU President Mark Dimondstein called the PMG "Wall Street's Trojan Horse, the privatizer from within."

From the Federal Register:

Postal Service		
RULES		
Domestic Competitive Products Pricing and Mailing Standards Changes,		
42460 42461 [2014 17138]	[TEXT] [PDF]	
International Product Changes,		
42458 42460 [2014 17136]	[TEXT] [PDF]	

The Telegraph: Small businesses may be forced to increase their prices after a vote for independence, according to a "non-partisan" guide for small businesses published today that warns they could face higher costs. The guide also warned small firms there was no certainty over what would happen to the cost of delivery and it is "possible that a new Scottish postal service would have to adjust because of expensive delivery to remote, isolated, and difficult to access areas of the Highlands and Islands.

Daily Local News: Two-hundred thirty-nine years ago this week, way back in 1775, the U.S. Postal System was established by the Second Continental Congress, with Philadelphia's own Benjamin Franklin as its first postmaster general. While many write off today's Postal Service as outdated and old-fashioned, I'd like to suggest a few reasons why it's a powerfully frugal ally in these expensive times. According to Wikipedia, the US Postal Service delivers 212 billion pieces of mail each year to more than 144 million homes and businesses in the U.S., not to mention the American Virgin Islands, American Samoa, Puerto Rico and Guam. It's amazing to know that this not-for-profit, self-supporting agency can send a one-ounce letter cross-country for just 49 cents. It's a godsend to small business owners if you're the owner of a small business these days, the USPS is one of your greatest assets. The USPS makes it a priority to hire veterans whenever possible. Nothing against the other mail carriers, they're great, but in this day and age where we owe such a huge collective thanks to our Armed Forces, it's great to know that the USPS puts their money where their mouth is.

Crange County Register: Congress is once again engaged in a fight over whether the U.S. Postal Service should deliver mail on Saturdays. But all the wrangling just goes to show that this should be a business decision, not a political decision. So should mail be delivered on Saturdays? Should the Postal Service be allowed to branch off into

other lines of business to grow revenues, as it has also proposed? What should the price of stamps be? There is no way to determine the answer to these questions in such a politicized, monopolized atmosphere with price controls and various other congressional dictates. The only objective way to find out would be to privatize the Postal Service and let that question be answered by consumers' demands and the companies able and willing to supply them. If businesses see a profitable opportunity to deliver mail on Saturday, or any other day for that matter, and consumers are willing to pay the price to make it so, there is your answer. To determine the solution any other way is to substitute arbitrary decisions and political calculations for sound economics.

Tamebay: Amazon is such a behemoth that it is now negatively impacting Royal Mail, so much so that just two days before Royal Mail's first ever shareholder meeting they're warning parcels business is down. It's pretty amazing that just one company can impact the postal service so greatly, although competition was also a factor. In addition to the minimum order value, Amazon's own courier Amazon Logistics are delivering an ever increasing number of Amazon parcels to our houses, further lowering volumes to Royal Mail. Adding to Royal Mail's woes is the price of the pound lowering the attractiveness of UK goods to overseas customes. Royal Mail said "Export parcel volumes were lower than expected due to the impact of stronger Sterling and increasing competition in the export market".

Interactive Investor: Britain's Royal Mail said growing competition had cut its revenue expectations from parcel deliveries, leaving it reliant on tight cost control and its traditional letters business to hit full-year profit forecasts. Shares in the group, sold off to much controversy last October in Britain's biggest privatisation in decades, fell as much as 4.5 percent in early Tuesday trading. Parcel deliveries account for about half of Royal Mail's turnover and its growth in an industry buoyed by online shopping is a key investment focus for shareholders in light of declining letter volumes. But the group faces stiff competition in its main UK parcels market from the likes of UPS, TNT and Yodel, and it was dealt a blow in the past year when online retailer Amazon - its single biggest customer worth six percent of sales - moved to launch its own delivery service.

The Telegraph: Postal delivery service warns parcels revenue for year likely to be lower than expected. Moya Greene, the chief executive of Royal Mail, said in an update that while the business delivered "low single digit revenue growth" in the three months to June 29 helped by good performance in letters, performance in its key UK parcels division was disappointing. "Given the increasing challenges we are facing in the UK parcels market, our parcels revenue for the year is likely to be lower than we had anticipated," she said, blaming increasing competiton.

<u>Roll Call</u>: With the Senate's regular appropriations work all but dead and an unexpected supplemental spending request for child migrants consuming time and energy on Capitol Hill, a government-wide continuing resolution now appears to be a near certainty for the fall.

Politico: Democrats and Republicans on Capitol Hill are united on one thing: The best strategy this election year is to punt on any big decisions. Congressional inaction is a time-honored tradition in the months before an election. But the stagnation in this Congress even in the face of mounting national and international challenges only bolsters the perception that this is really the least productive in history. And a thaw doesn't appear to be in the offing as each party commits to seeking an elusive, post-election upper hand. "The best politics is good government. And good policy delivers good government. And we've flipped that completely," said Democratic Sen. Joe Manchin, who's mulling over leaving the Senate in 2016 and returning to his governor's perch in West Virginia. "Politics rules the day. Don't worry about policy, don't worry about good government, just worry about politics: who has 51 [in the Senate] and who's got 218 [in the House]."

The Motley Fool: One of the two main unions for U.S. postal workers has spent the better part of a year protesting an arrangement that would allow Staples to sell postal services using its own staff. The American Postal Workers Union argued that the move could be the first step in a plan by the USPS to save money by closing post offices and outsourcing work to low-wage retail employees.

July 21, 2014

EXAMPLE: Billy Hayes, President, Communications Workers Union (U.K.)-- "Speech: American Postal Workers Union (APWU), Chicago"

Quad Graphics: The U.S. Postal Service recently announced it will resume its previously delayed plan to close more processing plants in an ongoing effort to streamline postal operations and reduce costs. But this is only a small portion of what needs to be done to achieve meaningful postal reform.

American Postal Workers Union: Delegates to the APWU National Convention are ready for action after several days of pre-convention workshops and conferences. Monday, July 21, will feature a State of Our Union address by President Mark Dimondstein, speeches by several members of Congress, and messages of solidarity by postal union presidents from the U.S. and abroad. Plans are in full swing for a Stop Staples protest on Tuesday, July 22, in the Chicago Loop at 111 N. Wabash.

Philadelphia Inquirer: Union carpenters shut out of work at the Pennsylvania Convention Center picketed the facility Friday and said they will protest every day next week when the National Association of Letter Carriers union (NALC) holds its convention. The protest will put unionized letter carriers in the position of deciding whether to cross a picket line to attend convention sessions. However, despite overtures from the Metropolitan Regional Council of Carpenters, the letter carriers union declined to cancel their convention - one of the city's largest this year, with an expected economic impact of \$24.8 million.

Example 1 Foster Folly News: A group of around 25 citizens from the Wausau, Florida area assembled at the Wausau Town Hall at 3PM on Thursday afternoon, at the request of the US Postal Service. The reason for the meeting, per a letter sent to all mail recipients served by the Wausau Post Office, was to determine the fate of the facility. Per the letter, the meeting would be the first of several to determine whether the post office hours would be cut or possibly that the post office would be closed permanently. However, the appointed hour came and went, and at 4PM the group decided that they had been stood up. A call to the USPO representative by Laurel Harvey, the long-time post mistress of the Wausau facility, met with the response that the meeting had not been put on the USPO calendar, and that they (the USPO) would not be attending.

Minuteman News Center: U.S. Senator Chris Murphy (D-Conn.) and Congressman Jim Himes (D-Conn.) released the following statement regarding the United States Postal Service's (USPS) decision to cancel plans to reroute mail from the Southport Post Office. Last week, Murphy and Himes held a community meeting with the residents of Southport to hear their concerns regarding the proposed rerouting of mail deliveries: We're pleased that the USPS has decided not to reroute mail from the Southport Post Office to the Commerce Drive Post Office. Last week, we spoke with dozens of residents in the Southport community who expressed concern that the proposed rerouting would delay mail delivery and compromise services. We were proud to take their feedback to the USPS and encourage it to keep this route intact. This feedback helped USPS recognize the importance of the post office to the community, and we commend the agency for responding to our concerns so quickly.

Dallas Morning News: A nine-member federal jury just ended former Dallas CEO William Moore's 25-year journey to punish the postal inspectors he claims conspired unsuccessfully to send him to prison in the 1980s, and he'll have to be satisfied with having had his day in court. The unanimous verdict was in favor of the five former postal workers he sued, and Moore will not collect any of the \$231 million he had asked for as part of his four-week law suit, which closed and went to the jury on Friday. The jury decided prosecutors had had probable cause to seek the 1988 indictment of Moore. He was CEO of Recognition Equipment, Inc. of Dallas in 1988 when he and the firm were indicted on bribery-related charges. A vice-chairman of the U.S. Postal Service board of governors had already been sent to prison, along with a consultant hired by REI to push its technology on the service. Moore claimed then and now that he knew nothing of the kickback scheme between the board member Peter Voss and the Detroit-based consultant he had urged Moore and REI to hire. The jury rejected all of his claims after deliberating about seven hours.

Postal One!: Attention Business Customer Gateway Users: The Business Customer Gateway will be unavailable in Production on Sunday, August 3 from 4:00 a.m. to 8:00 a.m. CT due to Customer Registration enhancements. This will be a full outage and no logins will be supported during this time period.

The Motley Fool: A few years ago the government snuffed out the possibility of profit-making businesses like Wal-Mart and Home Depot offering financial services to tens of millions of unbanked and underbanked consumers.

But now it thinks the loss-generating United States Postal Service ought to be able to run a bank.Rather than the pariah it was made out to be, Wal-Mart was actually the salvation the unbanked and underbanked needed. And it could all be achieved without a single penny of taxpayer money being spent. A Postal Service bank is simply a means of trying to preserve an ailing and failing institution, but one which offers no guarantee that it's bloated bureaucracy would be able to effectively offer financial services without digging an even deeper hole for itself, and possibly taxpayers. Better to trust in Wal-Mart, Home Depot, and other private -- and profitable -- businesses to meet the needs of the consumer than to try and recreate a government agency into something it's not.

RTE News: The rates charged by An Post for delivering domestic and international mail have increased from today. A standard letter sent within Ireland will now cost 68c, compared to a previous rate of 60c. The rate charged on a letter being sent outside of the island of Ireland rises to 1, compared to the 90c previously charged. Meanwhile, the cost of postage for a parcel weighing under 100g is now 50c higher; meaning it will cost 7 domestically, 20.50 to Britain and 25.50 to the rest of the world. The rate on most other weight categories has also increased, though domestic parcels weighing up to 5kg will cost the same at 14.50. In addition to an increase in standard postage rates, registered and express postal rates have also gone up.

EveForTransport: Now let's talk about parcels. In my last blog post I wrote about the move FedEx made to convert to dimensional pricing, matching UPS's decision. I should point out that USPS has applied to the Postal Regulatory Commission for approval to lower some priority mail rates starting on September 7 this year. The drop in pricing targets parcels transported up to 1,000 miles and weighing 3 to 40 pounds. Some zone pricing will drop more than 50 percent as the Postal Service tries to make some hay from the UPS and FedEx decisions to switch to DIM pricing. When shopping your parcel shipping business, it would be wise to take a look at USPS.

Seeking Alpha We now know the identity of the first casualty of the escalating online retail war between Wal-Mart Stores Inc. and Amazon.com Inc.; it is Staples. During 2013 Staples' online sales increased by just one percent, enabling Apple Inc. to take Staples' coveted number two spot on Internet Retailer's list of biggest online retailers. That gives Staples a big problem because online sales made up 45% of its revenue. Staples needs all the online sales it can get because revenues from its brick and mortar stores are dropping like a stone. The reason Staples' online sales growth has ground to a halt and may soon start falling is obvious: Wal-Mart. Wal-Mart's online sales rose by 30% in 2013 to \$10 billion. Walmart.com's sales have caught up with Staples', and they could soon overtake it. Wal-Mart is hurting Staples by offering many of the same items at comparable or lower prices. Wal-Mart is effectively killing Staples with its massive inventory and its ability to deep discount. Nothing shows Staples' vulnerability more than its reliance upon school supplies. The Wall Street Journal reported that Staples has killed a program to open post offices in its stores. The program was killed because the American Postal Workers Union was able to get two teachers' unions to join it in a boycott of Staples.

CocalGov.co.uk: Councils across the UK are well-versed in the do more with less' mantra. The pressure to save money, coupled with the drive to make existing operations more efficient, is constant, with a particular focus on IT functions and the removal of manual processes. And yet, when it comes to cost-saving opportunities, many councils are overlooking an everyday function one where manual processes are still relatively commonplace. Put simply, councils are faced with two options when it comes to processing mail either buy the infrastructure that enables the operation to be kept in-house or outsource to a third-party. Around a quarter of UK councils still operate an in-house model but, in a UK postal market that has been deregulated and open to competition since 2006, such a model often house is a face of the flexibility of the flexi

lacks the flexibility to adapt to market changes and opportunities.

Pensions & Investments: The \$28 billion United Parcel Service Inc. defined benefit plan has taken smart beta to a new level, allocating 40% of the equity portfolio to the alternatives to market-capitalization indexes. In total, the UPS smart beta allocation amounts to almost \$5 billion of the pension fund's \$12 billion in equities worldwide.

Reuters: New Zealand post on Monday said it planned to sell its Australian courier business as the struggling national postal service consolidates it operations. In a statement, NZ Post said it had started a process to sell Couriers Please Ltd, which operates in metropolitan areas in Australia. It offered no details on the value of the sale.

July 20, 2014

Greene and the chief's warning that its universal service obligation is at risk

Telecompaper: Chinese e-commerce company Alibaba has signed a partnership with Brazil's postal service Correios to help Brazilian small and medium-sized firms to sell their products in China through the Alibaba platform. Through the agreement, both firms will also seek t improve logistical arrangements between Brazi and China. Alibaba's portfolio includes Alibaba.com, AliExpress.com and Tmall.com, as well as online payment service Alipay.

Proactive Investors: The spotlight will once again shine on Vince Cable next week as Royal Mail's (LON:RMG) finances go under the microscope. The postal services group is due to issue an interim management statement on Tuesday, fresh from the news that French competition authorities are investigating its GLS France business. Deutsche Bank predicted "many challenges" ahead for the group in its note following the news, with little to please Royal Mail's backers. The German broker reckons it has to deal with a "structural decline in traditional mail volumes", as well as mounting competition from TNT Post UK, pricing pressures and wage inflation.

The Seattle Times: Amazon launches Sunday delivery from Kent warehouse. The retail giant's "sortation center" is a new style of warehouse that lets Amazon control packages longer and deliver them directly to neighborhood post offices.

Dead Tree Edition: The market for delivering items purchased on the Web is growing, but the U.S. Postal Service isn't playing fair, FedEx complained this week. The big delivery company is trying to stop USPS from cutting prices to deliver certain types of packages.

Sunday Express: Royal Mail shareholders are being urged to oust chairman Donald Brydon ahead of its maiden annual meeting this week. Influential shareholder lobby group Pensions Investment Research Consultants (PIRC) has expressed -concern that Brydon cannot devote enough time to both Royal Mail and FTSE 100 software group Sage, which he also chairs.

Trinidad Express Newspapers: Robert Hernandez, general manager of operations at Trinidad and Tobago Postal Corporation (TTPost), has resigned following an investigation into the purchase of 50 new motorcycles which could not be used.

Philadelphia Inquirer: For the letter carriers, the NALC convention, held every two years, is a good time to connect with friends in person. But it's not all good times. "This is the third convention to find a survival strategy for the postal service," said James Sauber, chief of staff for the union. "What is interesting is that business has turned around," he said, "but the political situation is still mired in dysfunction."

July 19, 2014

Dallas News: A case the government fought to keep out of court for 25 years is finally in the hands of a federal jury, after closing arguments Friday by lawyers for a former Dallas CEO who says five former postal employees owe him \$231 million for conspiring to have him indicted. He says the 1988 indictment was part of a vendetta by their bosses at the U.S. Postal Service.

Example 1 Example 1 Example 2 Example 3 Example 3 Example 4 Examp

financial prospects. The department has been making losses over years due to high operational expenses and losing competition to private courier services.

Sartma.com: The Falkland Islands Government has outsourced postal services to the private sector. In order to make all the necessary arrangements prior to the privatisation launch date of 1st August 2014, there will be some restrictions to services provided by the Post Office and the Philatelic Bureau over the coming weeks. Falklands Post Service Ltd will take over postal operations and the company hopes to alter and improve access to mailboxes over the first six months of operations as well as make improvements to the customer experience of the Philatelic Bureau.

Atlanta Business Chronicle: United Parcel Service Inc. has broadened again its coverage area for early morning deliveries. The Atlanta-based package shipping giant will add another 766 UPS Next Day AirEarly A.M. ZIPs beginning July 21 after adding more than 400 five months earlier this year. The Early A.M. service is the earliest morning delivery from UPS (NYSE: UPS), guaranteeing service to more than 87 percent of U.S. businesses.

<u>NNCNow</u>: Congressmen Rick Nolan heard from the public on Friday about the U.S. Postal Service (USPS) plan to close Duluth's mail distribution center. The postal service is proposing to close 82 distribution centers nation wide including the one in Duluth.

July 18, 2014

EDweek: The head of the Senate Homeland Security and Governmental Affairs Committee has used the occasion of confirmation for four members of the postal governing board to again call for congressional action on the stalled postal reform effort. Sen. Tom Carper, D-Del., moved a reform bill through the pane earlier this year but the bill still hasn't reached the Senate floor and the House similarly hasn't taken up a largely similar measure there. The committee held a friendly hearing for nominees to fill four of the nine governing board positions; the board conducts long-range planning, oversees ongoing performance and approves major expenses such as contracts and capital investments, among other duties. Said Carper: "I appreciate the nominees' willingness to serve and address the challenges facing the Postal Service. As important as the Board of Governors is, however, Congress holds the keys to the Postal Service's future. The men and women on the Board including those before us today, should they be confirmed have little chance of success unless we do our jobs and pass comprehensive postal reform legislation. "Bringing new talent to the board, combined with the enactment of a solid, bipartisan postal reform bill, is an important opportunity to make significant progress in the near future. But in order to fully realize this potential, Congress needs to act. I urge my colleagues in the full Senate to take up the bipartisan, comprehensive bill our committee passed earlier this year and join me in making the tough decisions necessary to make the Postal Service competitive and solvent in the years to come." He said that without legislation, USPS will be forced to take matters into its own hands to reduce costs, such as the closing of additional post offices and mailing distribution centers and

further modifications to delivery standards.

<u>PRC</u>: Docket No. MC2014-30: The Commisson has approved the USPS' request for minor classification changes to Priority Mail International (PMEI), by adding service to 15 additional countries.

Wall Street Journal: Chinese e-commerce giant Alibaba is cultivating is overseas customer base while preparing for its initial public offering in New York, which could be one of the largest initial public offerings in history. For the past few months, Alibaba has been going around the world France, Australia, Singapore and Italy to name a few signing agreements with governments and logistics providers to attract more overseas merchants to its Chinese online marketplaces. In the latest, Alibaba said Friday it will team up with Correios, Brazil's state-owned postal services company, to help the country's small businesses sell their products in China through Alibaba's websites using its Alipay electronic payment system.

Brown Cafe: UPS, a global leader in logistics, today announced its latest expansion plan in Brazil to increase territorial coverage, improve time in transit and quality in the solutions it offers its customers. The expansion in the state of Sao Paulo includes the opening of nine new operating facilities, which will increase the company's country-wide network by 78 percent to reach more than 200 cities. The nine operating locations will be strategically situated

in the cities of Sao Carlos, Ribeirao Preto, Franca, Bauru, Sao Jose dos Campos, Sao Jose do Rio Preto, Botucatu, Aracatuba and Presidente Prudente, and are set to be completed by May 2015.

Brown Cafe: While many supply chain executives are well aware of the risks facing their supply chains and the undesirable consequences, many are still not developing and executing strategies to properly manage identified risks. This finding is according to a new study, Managing Risk in the Global Supply Chain, sponsored by UPS Capital(R) Corporation, and conducted by the Global Supply Chain Institute at the University of Tennessee. UPS Capital (www.upscapital.com) is a business unit of UPS(R) (UPS) that enables smarter trade through cargo and parcel insurance, trade finance and payment solutions. One of the studies major findings was, of the 150+ firms surveyed, 90 percent did not formally quantify supply chain risk when outsourcing production, and not one of the surveyed participants used outside expertise to help assess supply chain risks.

EGeekWire: The U.S. Postal Service is known for working through rain, sleet and snow, but not on Sundays or holidays, right? That is changing, quickly, through a deal with Amazon. In many parts of the country, products ordered from Amazon now arrive at your home seven days a week, year-round. As GeekWire reported last week, the rollout is expanding nationally even faster than originally expected.



NALC: The full House of Representatives voted Wednesday to preserve six-day mail delivery appropriations language by passing H.R. 5016, the Fiscal Year 2015 Financial Services and General Government (FSGG) appropriations bill. The base bill was introduced last month without the six-day provision, which has been part of appropriations bills for decades. But following extensive lobbying efforts nationwide, that language was successfully reinserted into the bill that was approved on June 25 by the House

Appropriations Committee, thanks to an amendment co-sponsored by Reps. Jos, Serrano (D-NY) and Tom Latham (R-IA). Additionally, House Oversight and Government Reform Committee Chairman Darrell Issa's (R-CA) lastditch attempt to remove the language during the House rules process was defeated earlier this month.

FeetEx National Law Journal: FedEx Corp. was indicted Thursday on charges of shipping illegal drugs to online pharmacies that ended up in the hands of dealers and addicts. The indictment, brought by a federal grand jury in San Francisco, says FedEx has been shipping controlled substances and misbranded prescription drugs, such as Ambien and Diazepam, for illegal Internet pharmacies since 2000. FedEx continued the activities despite warnings from the Drug Enforcement Agency, the Food and Drug Administration and members of Congress in 2004.

EXAMPLE CWU: Government fails to listen to politicians on protection of the universal postal service. Under Secretary of State for Employment relations, consumer and postal affairs, Jo Swinson MP, yesterday showed a "level of complacency" towards the threat of the universal postal service obligation as MPs from all political parties spoke of the need for protection from competition.(Also see "Support for universal postal service campaign")

Section 2015 Post&Parcel: LibanPost has installed two new automated mail-sorting machines at its new Beirut Sorting Center to improve operational efficiency. The machines were supplied by French mail technology giant Neopost and began operations last month at the facility in the Rafik Hariri International Airport area. Neopost said the machines can each handle up to 10,000 letters per hour. The technology comes with integrated automatic reading and video coding functions, and as well as saving on operating costs, the machines come in a more flexible configuration with optimised processes that mean it saves on space as well. The installation should allow LibanPost to handle the whole country's letter volume, Neopost said.

Belfast Telegraph: ROYAL Mail and its staff are proud to provide the universal service to all 29 million addresses in the United Kingdom. Recently, we have seen companies like TNT Post UK establish their own mail operations which bypass Royal Mail's network. The universal service is sustained by the money we make in urban areas. We have been working to manage the decline in letter volumes by being more efficient and more customerfocused.

DMNews: The Postal Regulatory Commission has approved a request from a coalition of mailers to review the econometric elasticity demand model used by the U.S. Postal Service as background in researching rate changes,

such as the 4.3% exigent increase put in effect earlier this year. The PRC has scheduled a technical conference to examine the issue on August 14 at PRC headquarters in Washington.

ECNS.com: China Postal Savings Bank is adding more fuel to speculation it might be planning to go public. The bank has released a small statement, saying it is "working to bring in strategic investments and speed up transforming." Reports have been suggesting China's Postal Savings Bank is considering launching an IPO which could potentially be worth billion of US dollars. Postal Savings Bank of China is the only state-owned commercial bank that is not listed on the markets. Its total assets of last year came in at some 4 trillion yuan, or around 640 billion US dollars. This makes Postal Savings Bank the sixth largest bank in China.



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

- A reply brief has been filed with the D.C. Circuit of the U.S. Court of Appeals by a coalition of mailers (including PostCom) regarding the Postal Regulatory Commission's decision to limit the Postal Service's exigent rate increase to no more than two years.
- The Senate Committee on Homeland Security & Governmental Affairs held a nomination hearings this week for the USPS Board of Governors. The nominees were Hon. James C. Miller III, Stephen Crawford, David M. Bennett, and Victoria Reggie Kennedy. Here is a recap of the hearing.
- CBO estimates that enacting S 1486 would result in off-budget savings of about \$36 billion over the 2015-2024 period and on-budget costs of about \$19 billion over the same period. (USPS cash flows are recorded in the federal budget in the Postal Service Fund and are classified as off-budget, while the cash flows of the PSRHBF and the CSRDF are on-budget.) Combining those effects, CBO estimates that the net budgetary savings from enacting S. 1486 would be about \$17 billion over the 2015-2024 period. All of those effects reflect changes in direct spending. Enacting S. 1486 would not affect revenues. Pay-as-you-go procedures apply because enacting the legislation would increase on-budget direct spending. Finally, CBO estimates that implementing S. 1486 would have a discretionary cost of \$3.3 billion over the next 10 years, subject to appropriation of the necessary amounts.
- According to Bryan Klepacki of PostalVision 2020, "Postal reform and postal innovation have led to competing ideas about what the Postal Service (and postal ecosystem) is, how it should function and how it gets paid. As actors on several sides of the different issues clash, it seems like the elephant in the room gets ignored. The that central issue is that reform is necessary and the Postal Service is losing money. This is not to say that there aren't solutions out there, but some of the practical ideas conflict with the interests of some of the largest players in the ecosystem."
- PEW Charitable Trusts holds conference on financial services and the Post Office. Postal board nominees would hand rate-setting authority to USPS. FedEx to contribute \$580M to US pension plans in 2015. NALC fact sheet. CBO: Senate committee postal bill would save agency \$17B. False charges, reprisals against PO worker prompts anti-retaliation lawsuit by US Dept of Labor. Netflix quietly killed off Saturday DVD deliveries. DocuSign & FedEx Office team up to offer secure, digital signature service. A rare win for the unions? Staples abandons USPS trial. APWU President's statement on Staples pilot. USPS must ensure reassigned employees are qualified for new positions. FedEx investing \$41M to move SmartPost facility to Concord. Post Plan public meetings set. Will Congress deliver postal reform? Maintenance craft settle dispute on custodial staffing. Murkowski to FedEx: Alaska fed up. USPS State of the Business.
- Announcements concerning the Domestic Mail Manual and USPS industry alerts
- This week's listing of postal notices in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG
- Over There's . . . International Postal News
- Postal Previews

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



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Official wire: Today, President Barack Obama announced his intent to nominate Mickey D. Barnett to be Governor, Board of Governors of the United States Postal Service.

July 17, 2014

At the Postal Regulatory Commission:

- <u>CP2014-55</u>: Comments of Federal Express Corporation
- <u>CP2014-55</u>: Comments of United Parcel Service on Competitive Product Price Changes Rates of General Applicability
- USPS Report on PRC and Service Inquiries for June Report 2014
- National Payroll Hours Summary Report, Pay Periods 12-14, FY2014



<u>PostalVision2020</u>: Postal reform and postal innovation have led to competing ideas about what the Postal Service (and postal ecosystem) is, how it should function and how it gets paid. As actors

on several sides of the different issues clash, it seems like the elephant in the room gets ignored. The that central issue is that reform is necessary and the Postal Service is losing money. This is not to say that there aren't solutions out there, but some of the practical ideas conflict with the interests of some of the largest players in the ecosystem.

<u>Times-Herald</u>: In the near future, new homes may not get their own mailboxes. Instead, the U.S. Postal Service is moving toward "cluster mailboxes," similar to those seen in apartment complexes, for residential mail service.

Estate Journal: U.S. Postal Service reducing retail service hours in rural community post offices.

From the Federal Register: Postal Regulatory Commission *NOTICES* Postal Products Rate Changes, 41708 [2014-16835] [TEXT] [PDF]

The Cap Times: Sen. Mark Miller and Rep. Melissa Sargent: Mail processing here critical for small biz, economy

The Australian Financial Review: Australia Post has recently announced that it will cut 900 staff in the near future because of a downturn in postal deliveries. A way to keep as many Australia Post staff working could be to create a new Australian bank. In New Zealand, there is a bank called Kiwi Bank, which has branches located at New Zealand post offices. It offers customers the good old- fashioned service that appeals to people who prefer a much simpler form of banking. In Germany, Deutsche Post also has a bank of its own Post Bank and it too is very popular with German banking customers. In Australia, an "Australia Bank" could operate in a similar manner and it could have its branches at Australia Post Offices. An Australia Bank could give the big four more competition in the cities and suburbs and it could give Bendigo Bank's community banks friendly competition in the outer suburbs and rural areas of Australia. If an Australia Bank did become a reality, it could be a very profitable business for Australia Post

and keep as many jobs going as possible in the long term. As Australia Post is owned by the federal government, it could also be a profitable asset for Canberra.

Credit Union Times: Panelists cast doubts on whether the U.S. Postal Service could provide financial services to the under banked or unbanked during a webcast streamed Wednesday by the Pew Charitable Trusts. The forum followed a January report from the U.S. Postal Service's inspector general that said the USPS is well positioned to provide the services. (Also see <u>Houston Chronicles</u>; <u>Mint Press News</u>, <u>Orlando Business Journal</u>)

COUCHERCY CONTENT (TNTE), and Royal Mail Plc (RMG) said they're among delivery companies that may be fined by France's competition regulator in an investigation of the country's parcel market. TNT and London-based Royal Mail received notifications from the Autorite de la Concurrence regarding possible antitrust breaches by their divisions in France, the two European delivery services said today in separate statements. FedEx made the probe public in a July 14 filing. Those companies said the process could result in "material" fines or losses. Deutsche Post AG (DPW) and La Poste also said they have businesses that are part of the probe. For TNT and Royal Mail, a fine could "run into tens of millions of euros," according to Gert Steens, an analyst at SNS Securities in Amsterdam.

Youtube: A message to all employees of the United States Postal Service from Postmaster General Patrick R. Donahoe

July 16, 2014

Ranking Member Coburn Issues Statement on Postal Service's Rate Increase: Today, Homeland Security and Governmental Affairs Committee Ranking Member Tom Coburn, M.D. (R-OK) released the following statement regarding the U.S. Postal Service Board of Governors decision to increase postal rates:

"The Board of Governors is absolutely right to exercise its fiduciary responsibility to preserve the viability of the Postal Service absent Congressional action, but the issues facing Postal Service require a comprehensive long-term legislative solution," Dr. Coburn said. "I am hopeful both the House and Senate committees and the Administration continue to move forward in supporting bipartisan, commonsense reforms to make the Postal Service fiscally solvent."

Ranking Member Coburn, along with Chairman Tom Carper (D-DE) introduced the bipartisan Postal Reform Act of 2013 (S. 1486) in August.

Audit Report: <u>Undeliverable as Addressed Mail</u>. What the OIG found? The Postal Service has taken action to reduce and recover UAA mail costs by testing whether business mailers update their mailing lists regularly and assessing surcharges when mailings fail to meet an address accuracy threshold. The Postal Service, however, does not effectively or equitably determine surcharge amounts and does not always assess them. The Postal Service also automatically tests only 3 percent of mail for address accuracy and does not track UAA mail volume by mailer. The Postal Service could reduce and recover UAA mail costs by updating the amount and assessment of surcharges, increasing the address accuracy threshold, expanding mail verification, and tracking UAA volume by mailers. We estimate these actions could have multiple benefits. First, they could generate additional revenue. Use of these strategies would have increased revenue by \$11.9 million in FY2013. Second, the Postal Service would more equitably recover costs from those mailers responsible for UAA mail. Third, such incentives would be consistent with legal requirements that the Postal Service maximize incentives to reduce costs and increase efficiency.

WDIO: Rep. Rick Nolan (D-Minnesota) says Postmaster General Patrick Donahoe has agreed to personally review the Postal Service's decision to close the mail processing facility in Duluth. Nolan said Donahue made no promises during a 30-minute phone conversation last week, but listened to Nolan's concerns. Nolan says besides the

70 jobs that would be lost, there is no logical, sensible reason to close the facility, which he described as costeffective and expanding.

PR Web: Due to the complexities in running and managing the Postal Industry, the need for superior ICT solutions is necessary. There is a major need for the postal services businesses in Melbourne to offer efficient services that are profitable. Anahata has ventured into the market to provide affordable and customized ICT solutions in the Postal Industry. It delivers stable, compatible solutions that are cost-effective.

The Telegraph: Royal Mail is facing a French investigation into alleged breaches of competition laws in France. Britain's newly privatised postal delivery service said the investigation by the French competition authority, Autorit, de la Concurrence, is focused on its GLS France subsidiary and is part of a broader investigation into alleged activities within the postal delivery industry in the country.

Daily Business Buzz: Saving jobs and saving door-to-door mail delivery is what has prompted the town of Yarmouth to approve a request for a resolution that calls on Canada Post not to proceed with certain measures that have been announced. At its monthly meeting in July, council heard a presentation from Canadian Union of Postal Workers representative George Nickerson. The union is gravely concerned over Canada Post's five-point action plan that it unveiled late last year. A key component of the plan will see Canadians that receive their mail at their door be converted to community mailboxes instead. This, the union says, will result in job losses and inconveniences to the public.

Direct Marketing News: Three of four potential Postal governors favor giving the Postal Service primacy over the PRC in setting rates. Postal stakeholders were gratified to see four nominees put up last week to fill out a skeleton crew on the Postal Board of Governors. Mailers might have a change of heart, however, after yesterday's vetting of the candidates by a Senate committee revealed them to be ready to hand full rate-setting authority to the U.S. Postal Service.

July 15, 2014

Fierce Government: A Senate committee approved Postal Service reform bill would cost about \$19 billion, but eventually save the USPS \$36 billion over the next ten years, a Congressional Budget Office estimate says. The USPS net budgetary savings would come in at about \$17 billion over the period of 2015-2024, the CBO says. The bill (S.1486) was approved by the Senate Homeland Security Committee back in February and would create a special Postal Service healthcare plan under the Federal Employees Health Benefits Program that would cover all postal employees and retirees.

New Audit Started: Parcel Payment Technologies and Payment Strategies - Finance. The Postal Service offers services through a network consisting of nearly 32,000 Post Offices, stations, and branches, plus thousands of Contract Postal Units, Community Post Offices, Village Post Offices, retail establishments that sell postage stamps and other services as a convenience to customers, as well as their website, www.usps.com.With FedEx and UPS as well as regional and local delivery companies as primary competitors, the package delivery business is intensely competitive and is likely to remain so.

Insurance News: The U.S. Department of Labor has filed a lawsuit against the U.S. Postal Service on behalf of a maintenance employee at the St. Louis Network Distribution Center in Hazelwood, Mo., who reported unsafe working conditions and suffered reprisals, including false charges of making a terrorist threat. The lawsuit seeks exemplary damages to deter such conduct by the Postal Service in the future, compensatory damages for emotional distress, restoration of lost pay and benefits and compensation for attorney and other fees. The 35-year employee was suspended and given a termination notice, but has since been reinstated.

Berkshire Eagle: With \$113 billion in liabilities against \$23 billion in assets, the Postal Service would have vanished by now if it were a private industry. More cutbacks, consolidations and closings are inevitable in the years

ahead, although a more reasonable Congress could help the Postal Service reduce its deficit some while slowing the inevitable impact for communities.

Business Insider: The U.S. Postal Service hasn't yet killed off its Saturday mail deliveries, but Netflix has ceased delivering its DVD-by-mail orders on Saturdays, according to its website. A few disgruntled Netflix customers noted the streaming service quietly stopped delivering DVDs on Saturdays, switching to a standard five-day-a-week plan. According to the company's website, "Netflix generally processes shipments Monday through Friday, excluding holidays." Netflix DVDs that would have arrived Saturday will now be delivered on Monday. (Also see Huffington Post)

Edmonton Journal: Residents in Fort Chipewyan found the post office doors locked again Monday as service in the isolated native community 300 kilometres north of Fort McMurray remains interrupted for a second week. Everyone from seniors awaiting pension cheques to the local health authority and the RCMP are complaining without word from Canada Post when the situation described as a staffing issue will be resolved.

Wall Street Journal: Postal Savings Bank of China Co. Ltd, the banking unit of China's state-owned postal service, is seeking strategic investors ahead of a planned multibillion-dollar initial public offering. The Beijing-based bank, China's seventh-largest lender by assets, serves China's depositors through its thousands of post-office branches, giving it a reach that many of the country's lenders don't have.

Insurance News: CBO scores S 1486. CBO estimates that enacting the bill would result in off-budget savings of about \$36 billion over the 2015-2024 period and on-budget costs of about \$19 billion over the same period. (USPS cash flows are recorded in the federal budget in the Postal Service Fund and are classified as off-budget, while the cash flows of the PSRHBF and the CSRDF are on-budget.) Combining those effects, CBO estimates that the net budgetary savings from enacting S. 1486 would be about \$17 billion over the 2015-2024 period. All of those effects reflect changes in direct spending. Enacting S. 1486 would not affect revenues. Pay-as-you-go procedures apply because enacting the legislation would increase on-budget direct spending. Finally, CBO estimates that implementing S. 1486 would have a discretionary cost of \$3.3 billion over the next 10 years, subject to appropriation of the necessary amounts. (Also see <u>CBO</u>)

FeedEx<u>Market Watch</u>: DocuSign, Inc. (DocuSign) and FedEx Office announced a new collaboration that will bring DocuSign Digital Transaction Management (DTM) solutions to FedEx Office customers. New fully digital options from DocuSign will be available to FedEx Office customers securely, allowing them to instantly sign, send and print documents from anywhere in the world to any person on any device. DocuSign customers will also be able to print DocuSigned documents directly from DocuSign to any FedEx Office location.

Wall Street Journal: Days after the 1.6 million member American Federation of Teachers said it would join a postal workers union in boycotting Staples, the company said it would abandon a controversial pilot program that raised unions' ire. The labor movement hasn't had the best 2014 so far, with a bruising defeat for the UAW in its attempts to organize auto workers in the South, and an ominous Supreme Court ruling for public sector unions. But today, the American Postal Workers Union and its allies seem to be making progress in an important battle. The APWU has long opposed a trial program, which began in the fall of 2013, to offer postal services at Staples stores. The program, the union said, would undermine the role of post offices and shift postal worker jobs to lower paid and less experienced Staples retail staff. In April, it called on other unions to join it in boycotting Staples in protest of the program. And on Monday, days after the 1.6 million member American Federation of Teachers said it would join the boycott, Staples and the USPS told the WSJ the pilot program would be discontinued. The 82 Staples outlets offering postal services will shift to the more established Post Office Approved Shipper program already available in

thousands of retail outlets across the country.

FeelEx Pensions & Investments: FedEx Corp., Memphis, Tenn., said it expects to contribute \$580 million to its U.S. pension plans in 2015, according to its 2014 annual report released Monday.

NALC Fact Sheet: "Fact checking the postmaster general: The Postal Service's 'white paper' on postal finances

is misleading"

PostalOne! Helpdesk: MDA Customer Service Help Desk. New help desk platform helps streamline customer service. Today, the U.S Postal Service launched a new help desk platform for customers requesting assistance from a Mailpiece Design Analyst. Customers seeking assistance with technical mailpiece design questions, mailpiece reviews, assistance with Reply Mail artwork, advice and evaluations on mailpieces for automation compatibility, and Other Tests, Reviews and Services related to the design of a mailpiece can reach an MDA directly by calling 1-855-593-6093 or sending a request via email to MDA@usps.gov. The MDA Customer Service Help Desk is available to all customers, internal and external, Monday through Friday between the hours of 7:00AM and 5:00PM Central. The new system and process utilizes all available Mailpiece Design Analysts (MDA) and automatically routes customer calls and e-mails to the next available analyst. The goals of this new process include:

- Minimize Customer handling and wait time.
- Improve customer call back process by expediting customer connectivity with the MDA assigned to their ticket through the telephone menu option
- Enhance and simplify the customer experience through new telephone menu option
- Internally monitor customer interactions and responses to measure quality

For questions concerning business mail preparation or acceptance, mailers should consult with the local Post Office or Business Mail Entry Unit where they hold their permits and deposit their mail. You can locate the phone number and address of your District Business Mail Entry Office by clicking on the following link: <u>District Business Mail Entry Locator</u>.

Senator Carper press release: WASHINGTON Today, Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) held a hearing on four critical nominations for the U.S. Postal Service Board of Governors. The nominees, Hon. James C. Miller III, Stephen Crawford, David M. Bennett, and Victoria Reggie Kennedy, discussed how they would address the serious issues facing the institution, including rate changes, consolidation efforts, operations, revenue streams, and delivery standards, and help the Postal Service survive and thrive in the 21st century.

The hearing comes at a challenging time for the Postal Service. The Postal Service's current financial condition is serious and continues to deteriorate. Furthermore, earlier this month, the Postmaster General announced that the Postal Service will consolidate up to <u>82 mail processing facilities</u> in early 2015.

If confirmed, these nominees will have a pivotal role in guiding the Postal Service through its financial challenges. However, their jobs will be all the more difficult in the absence of comprehensive postal reform. The Board of Governors of the U.S. Postal Service is comparable to a board of directors of a private corporation. The Board includes nine governors who serve part-time for seven year terms. The Board is responsible for conducting longrange planning, directing and controlling expenditures, overseeing operational performance and practices, and setting policies on postal matters. The Board is also responsible for hiring the Postmaster General and Deputy Postmaster General, and for approving officer compensation, major contracts, and large capital investments.

"We're considering these nominations at what is a very challenging time for the Postal Service," said Chairman Carper. "But, as the nominees underscored, it's also a time that holds a lot of promise for the ailing institution. I appreciate the nominees' willingness to serve and address the challenges facing the Postal Service. As important as the Board of Governors is, however, Congress holds the keys to the Postal Service's future. The men and women on the Board including those before us today, should they be confirmed have little chance of success unless we do our jobs and pass comprehensive postal reform legislation. I am pleased that the nominees are supportive of our efforts here in the Senate. Bringing new talent to the Board, combined with the enactment of a solid, bipartisan postal reform bill, is an important opportunity to make significant progress in the near future. But in order to fully realize this potential, Congress needs to act. I urge my colleagues in the full Senate to take up the bipartisan, comprehensive bill our Committee passed earlier this year and join me in making the tough decisions necessary to make the Postal Service competitive and solvent in the years to come."

Without assistance from Congress and the Administration, the Postal Service faces insolvency and will be forced to take matters into its own hands to reduce costs, such as the closing of additional post offices and mailing distribution centers and further modifications to delivery standards. In February, the Homeland Security and Governmental Affairs Committee approved the Postal Reform Act of 2014 (S. 1486), a bipartisan and balanced approach to restore the Postal Service to sound financial footing. The bill would protect key postal operations and services, provide the Postal Service with necessary financial relief while maintaining employee and retiree benefits, and increase revenue by encouraging innovation.

July 14, 2014

Statement by Mark Dimondstein, President, APWU on Staples Announcement on 'Pilot Program' Performing USPS Work.

"A Staples announcement on July 14 indicating that the company is terminating its no-bid deal with the U.S. Postal Service and replacing it with an "approved shipper" program is a ruse. Staples and the USPS are changing the name of the program, without addressing the fundamental concerns of postal workers and postal customers. The Staples announcement and a letter from the USPS dated July 7 make it clear: They intend to continue to privatize postal retail operations, replace living-wage Postal Service jobs with low-wage Staples jobs, and compromise the safety and security of the mail. The people of this country have a right to postal services provided by highly trained, uniformed USPS employees who are sworn to safeguard the mail. This attempt at trickery shows that the Don't Buy Staples' movement is having an effect. We intend to keep up the pressure until Staples gets out of the mail business. The U.S. Mail Is Not for Sale."

FEDweek: An arbitrator has ruled that the Postal Service must determine that employees meet minimum qualifications when "excessing" them to a different craft, the American Postal Workers Union has announced. In 2012 it filed a grievance arguing that USPS had been reassigning craft employees without driver's licenses into letter carrier positions that required them in some cases, in violation of a collective bargaining agreement. The USPS conceded that point during arbitration, but the dispute continued in regard to the physical qualification standards required of letter carriers (that they be able to carry heavy mail bags and otherwise be mobile enough to deliver mail). According to APWU, the arbitrator said physical qualifications are part of the minimum qualifications craft employees must meet to be excessed to letter carrier positions, and ordered USPS to "make whole all employees and former employees adversely affected by the violations in question based upon the July 24, 2012, filing of this dispute."

U.S. Senate Committee on Homeland Security & Governmental Affairs: Nominations of <u>Hon. James C. Miller</u> <u>III, Stephen Crawford, David M. Bennett</u>, and <u>Victoria Reggie Kennedy</u> to be Governors, U.S. Postal Service. Here is a <u>recap</u> of today's hearing.

Nova News Now: Saving jobs and saving door-to-door mail delivery is what has prompted the town of Yarmouth to approve a request for a resolution that calls on Canada Post not to proceed with certain measures that have been announced. At it's July 10 monthly meeting, council heard a presentation from Canadian Union of Postal Workers representative George Nickerson. The union is gravely concerned over Canada Post's five-point action plan that it unveiled late last year. A key component of the plan will see Canadians that receive their mail at their door be converted to community mailboxes instead. This, the union says, will result in job losses and inconveniences to the public.

<u>Pew Charitable Trusts</u>: *Event.* Financial Services and the Post Office. A one-day conference exploring diverse perspectives on whether the USPS should offer financial Services.

Idaho Statesman: There's a brouhaha over a special U.S. Postal Service program to serve remote settlements in Alaska. Costing some \$76 million, paid for by everyone buying postage, the program doesn't affect the national economy. But it highlights issues we face as we want more services and social programs while not paying more in taxes and fees. The program's details are complex, but the basics are straightforward. The U.S. Postal Service has a mandate to provide mail service to all communities in the nation, including small remote towns, whether in Alaska or rural Minnesota.

Forbes: Netflix's tremendous success with consumers and investors points the way to a simple investment strategy: consider buying stock in companies whose CEOs actively lead the transition to a disruptive technology rather than hiving it off in a separate subsidiary to attack the parent as Clayton Christensen advises. Before getting into the details of this strategy, let's take a look at how Netflix in which I have no financial interest has been doing since CEO Reed Hastings decided in 2007 to shift Netflix from DVD-by-Mail to Online Streaming. Over those seven years, its revenues have increased an average of 23.6% a year to \$4.4 billion; its net income rose 12.5% a year to \$112 million; and its stock price soared a whopping 1,503% while the S&P 500 rose about 26%.

Target Marketing: Direct mail matters to marketers. Yet the USPS is on its knees due to the rise of email, mobile and the Internet. So could another innovation, 3D printing, save the U.S. Postal Service?

> FedEx Independent Tribune: The announcement Thursday that FedEx SmartPost plans to move jobs from Charlotte to Concord includes the addition of a new 330,780-square-foot distribution center in the Phase III portion of the International Business Park in Concord. SunCap Property Group LLC is building the \$27 million facility for FedEx SmartPost, which has said it plans to employ 59 full-time employees and 462 part-time employees at the Concord location by 2019. The new facility will triple the size of the operation, which currently is located at 8910 Pioneer Ave., Charlotte. SmartPost officials said that some of the employees will be transferred from Charlotte to the Concord office, but many openings will be created at the new site.

USPS: The Postal Service's Post Plan is designed to make sure America's communities continue to have access to our products and services as we right-size our Post Office network to reflect the nation's current use of our services. Listening to our customers and gathering their input via public meetings and surveys is a critical part of the plan. The schedules provided here give details on the date, time and location of public meetings for each Post Office being considered under the plan. The meetings are shown in alphabetical order by state and Post Office name. These schedules are subject to change. Please check with your Post Office to confirm meeting details.

The Baltic Course: The cost of sending an ordinary letter in Estonia rises from 45 cents to 55 cents. Prices rise for both for domestic and international letters and packages weighing up to 20 kg. If the decree is approved, the price increases take effect on September 1. AS Eesti Post Postal Services Division Manager Kaido Padar said that postal stamp price was last increased in November 2011 and the company is not able to provide the service at that price any more.

July 13, 2014

St. Albert Gazette: A new Canada Post outlet opened Monday at #10, 19 Bellerose Drive. The outlet is located inside London Drugs and will provide regular mail and parcel delivery services, said Phil Legault, Canada Post manager of media relations. "We are always examining our network and always looking to expand our network to provide more access points to Canadians," he said. Legault said Canadians are using the postal service differently now than in previous years. While there is less use of letter mail, Canada Post is seeing a rise in parcels and parcel delivery, he said. This creates the need for more outlets for easy pick-up, he said. New offices are also located close to or inside a store, such as the London Drugs. This allows people to combine their shopping with picking up their mail, Legault said.

Rapid City Journal: (An open letter to the USPS Postmaster General) I do hope this letter arrives at your office in reasonable time. Sarcasm aside, there was a time when I put a First Class stamp on a letter and mailed it, I had confidence, depending on its destination, it would get there overnight or within two or three days. There was a time

when newspaper publishers could expect their latest edition would reach mail subscribers in a reasonable time frame as well. Today, that confidence doesn't exist. And your latest plan to close more than 80 mail processing plants around the country including the Dakota Central facility in Huron will erase any shreds of remaining confidence.

Newsweek: Online retailer Amazon has defied new French legislation that bans the free delivery of books by offering postage for a single centime (1.4 cents). The legislation, which came into force this week, is aimed at preserving French bookshops against the offers available from online booksellers such as Amazon and French retailer FNAC. The law also caps the discounts made by retailers at 5%, in line with existing legislation. But according to France24, the FAQ page of the French Amazon site now carries the message: "We are unfortunately no longer allowed to offer free deliveries for book orders. We have therefore fixed delivery costs at one centime per order containing books and dispatched by Amazon to systematically guarantee the lowest price for your book orders."

ECNET: I'm sitting inside a white FedEx shuttle bus, rain pouring down heavily and thunder crashing loudly. For me, the unexpected delay is slightly inconvenient, but for thousands of employees here at FedEx's World Hub, it's a big deal. Hundreds of thousands of packages on 140 arriving airplanes have to be sorted, and right now everything's at a standstill. As part of CNET Road Trip 2014, I've come to this city of 655,000 in the southwest corner of Tennessee for a two-part visit to FedEx's home base. The first stop was the company's Package Lab, and today it's a look at the World Hub, FedEx's biggest express package distribution center, a massive facility that processes, on average, between 1.3 million and 1.5 million packages a night.

Reuters: Britain's biggest privatisation in years was blighted by a fear of failure and poor advice from stateappointed banks, a committee of lawmakers said on Friday following an inquiry into the 2 billion pound (\$3.4 billion) sale of Royal Mail. Britain sold a 60 percent stake in the postal service at 330 pence per share last October after a politically charged debate which pitted the coalition government against Royal Mail's heavily unionised workforce and the opposition Labour party. The stock quickly rose by as much as 87 percent, prompting criticism that the price had been set too low and the government had botched the deal. The price has since fallen back, but at 473p per share remains above where it was sold.

GMA News: Starting next Tuesday, the Philippine Postal Corp. will charge new rates for its domestic ordinary mail delivery service. "PHLPost has indicated that the price adjustment is necessary to cover the increase in its operations, including conveyance and transportation expenses. It was in 2010 when PHLPost had its last rate increase for ordinary mails," the mail service explained.

July 12, 2014

Post and Parcel: The Canadian Union of Postal Workers said a document obtained under the Freedom of Information Act, and labeled "secret", proved that the Prime Minister Stephen Harper commissioned confidential research into the potential of postal privatisation. A memo detailing the research was dated September 2013, the month ahead of Royal Mail's privatisation in the UK, which was featured in the report. It also came two months before Canada Post itself announced a major cutback programme that is to include eliminating doorstep delivery to cut operating costs. The Canadian Union of Postal Workers suggested that the postal cutback programme was linked to the possibility of privatisation.

<u>RTE News</u>: A letter bomb has been found at Northern Ireland's main postal sorting office in Mallusk Road, Newtownabbey. It was recovered at the distribution centre at an industrial estate near Belfast.

The News Virginian: The household budget looks bleak. There's bills to pay and, based on what you currently bring in, not enough money to cover it all. The automatic response is to look for things to cut, like trips out to eat or that planned trip to a baseball game. But if there was a way to change the way your bills come in and balance things out, wouldn't you do that instead? Why then, when a solution to the Postal Service's debt presents itself, does Congress not bring that to a vote? Mail collected in Waynesboro, Staunton or Augusta County doesn't immediately go to its intended location. First, it's driven to Richmond, where the piles are sorted and distributed as needed. Then the piles for each of the respective areas are brought back, sorted and given to carriers. To be fair, the Richmond

division is rated as one of the most efficient in the nation, by USPS rankings. Still, it seems odd to send the mail on a 194-mile round trip, especially for a department that's looking to save money.



<u>Federal Times</u>: Editorial by Jack Killackey, Executive Vice President of the National Association of Postal Supervisors) Our leaders in Congress continue to delay in providing the Postal Service with the reforms it needs to return to financial prosperity and thrive in the digital age. Instead, the Postal Service continues to plunge deeper into debt. Sadly, most Americans don't know why the Postal Service is failing.

It's not due to poor service or a decline in public support. Mail service, in fact, continues to set new performance records. The postal blues are largely the fault of Congress, which in 2006 required the Postal Service to pre-fund future retiree health benefits for 75 years into the future and to pay this mammoth obligation in a span of only 10 years. This resulted in an annual bill to the Postal Service of over \$5.2 billion. For the past three years the Postal Service hasn't made the gargantuan payment because it flat out doesn't have the money. Remember, the Postal Service does not receive taxpayer funding from the federal government; it relies solely on postage and postal services for its revenues.

New Audit Project: Parcel Payment Technologies and Payment Strategies Finance. The Postal Service offers services through a network consisting of nearly 32,000 Post Offices, stations, and branches, plus thousands of Contract Postal Units, Community Post Offices, Village Post Offices, retail establishments that sell postage stamps and other services as a convenience to customers, as well as their website, www.usps.com. With FedEx and UPS as well as regional and local delivery companies as primary competitors, the package delivery business is intensely competitive and is likely to remain so. The Postal Service noted a strategy in their five-year Business Plan to identify and build innovative capabilities that enable future revenue growth opportunities. Currently, customers can present parcels at retail counters and use cash, credit, and debit cards for payment. We would like to identify possible payment technologies and strategies to enhance revenue growth in the Postal Service's shipping and package services that would be more convenient to the individual consumer. What do you think?

Cyprus Mail: POSTAL charges will go up by nearly a quarter next month, but they still remain still among the cheapest in Europe, chief postal superintendent Sofronis Tsiartas said yesterday. The increase will come into effect on August 1, which Tsiartas said was deemed necessary by the Commissioner for the Regulation of Electronic Communications and Post, who regulates the rates and profit levels of the Postal Services.

Press Release: The U.S. Senate Committee on Homeland Security and Governmental Affairs Chairman Tom Carper (D-Del.) and Ranking Member Tom Coburn (R-Okla.) will hold a public hearing to consider the nominations of Hon. James C. Miller III, Stephen Crawford, David M. Bennett, and Victoria Reggie Kennedy to be Governors of the U.S. Postal Service on Monday, July 14, 2014 at 3:00 p.m. in room 342 of the Dirksen Senate Office Building in Washington, D.C. For more information or to watch a live stream of the hearing, please click <u>HERE</u>. (Note: Please refresh the hearing webpage at the scheduled start time. Streaming will start once the hearing begins.)

WHAT: U.S. Senate Committee on Homeland Security and Governmental Affairs hearing to consider the nominations of Hon. James C. Miller III, Stephen Crawford, David M. Bennett, and Victoria Reggie Kennedy to be Governors, U.S. Postal Service

WHEN: Monday, July 14, 2014; 3:00 p.m.

WHERE: 342 Dirksen Senate Office Building, Washington, D.C.

Members of the media: If you plan to attend, please email <u>Jill_Farquharson@hsgac.senate.gov</u>. Please note that media are required to display current Senate press credentials. Please plan to arrive prior to the scheduled start time of the hearing. Television producers should contact the Senate Radio and TV Gallery in advance if possible to ensure that Committee staff can accommodate you.

Huffington Post: In an expected show of solidarity with postal employee unions, the 1.6 million-member American Federation of Teachers will vote Saturday on a proposal to boycott Staples. A leading postal employee union launched a boycott of the office supplies retailer earlier this year, after the U.S. Postal Service announced a new pilot program that would offer certain postal services at select Staples stores. With those services to be handled by non-union Staples employees, the American Postal Workers Union and its allies have criticized the move as a deliberate step toward privatization of the post office. With the AFT possibly entering the fray, the boycott stands a reasonable chance of hurting Staples' bottom line, especially just ahead of back-to-school season. Nearly all U.S. teachers shell out some of their own money to buy school supplies. According to one survey, the typical teacher spends hundreds of dollars per year to help stock the classroom.

The Oregonian: An intriguing business partnership recently made its debut in the Portland area. According to reports from Portland-area customers, the United States Postal Service in recent weeks started delivering Amazon packages on Sundays and holidays. The deliveries were made possible by a contract signed last fall, and the service already was available in a handful of other cities. Now, Portland-area residents get an opportunity to participate in an important experiment. The Wall Street Journal described the deal as a "marriage of one of the country's most successful enterprises with one of its most troubled." That's probably a bit of an overstatement about each business. Amazon is wildly popular, but its profits are modest. And the Postal Service faces myriad problems, but its financial hole is smaller than it looks because of the way Congress requires it to account for retirees' health care benefits. But the Postal Service and Amazon do have a chance to help each other by generating revenue for the USPS and increasing convenience for Amazon's customers. Here's why the deal could be a significant step forward for the U.S. mail system. By establishing the partnership with Amazon, the Postal Service is playing offense and seeking new revenue instead of simply adopting a defensive posture and looking for ways to cut service.

APWU: The APWU and USPS signed a major settlement July 9 that resolves a longstanding dispute over custodial staffing and results in the conversion to career of all Maintenance Craft Postal Support Employees, Maintenance Craft Director Steve Raymer has announced. The agreement stipulates that the MS-47 Handbook Transmittal Letter 5, which governs custodial work and staffing, will be implemented as written.

The Guardian: Taxpayers lost out on œlbn because the government and its City advisers underpriced the privatisation of Royal Mail, a committee of MPs says today. In a highly critical report, the Business, Innovation and Skills (Bis) committee said the government worried too much about pushing the privatisation through at the expense of getting the best price for taxpayers. Royal Mail was privatised in October when the government sold 60% of its stake at 330p a share, valuing the company at œ3.3bn. On their first day of trading, the shares jumped by 38% far higher than normal for a flotation and continued to rise after that. They hit a high of 615p on 15 January and closed at 474p on Thursday, valuing Royal Mail at œ1.4bn more than the sale price.

July 11, 2014

Artic Sounder: For hundreds of Alaskans frustrated by the difficulty of getting supplies shipped to Alaska, help may be on the way. Sen. Lisa Murkowski recently took the issue to the president of FedEx, asking for the shipping company to change some of its protocols. The problem lies with those who live in communities like Dillingham and many others where there is no residential mail delivery service. FedEx would not take post office box addresses, and since the company ships a large percentage of packages for companies like Amazon.com, the problem was a big one for those in rural areas who depend on ordering goods from medical supplies to groceries online. In some cases, FedEx contracts with the U.S. Postal Service for the last leg of its delivery to Alaska villages, but when the packages arrive at their destination, wether they make it to their intended party or not depends in great deal on the postmasters of those offices and how well they know their clientele. This became a huge issue last winter in Dillingham when a change in staffing at the local post office led to numerous packages being delayed, returned and lost in transit.

Property Casualty 360: Federal and state efforts to deter cyber threats are being discouraged by large companies because in most cases they will raise compliance costs, according to a top insurance industry official.

Uprising Radio: There was a time in the United States when you could walk into a post office to mail a letter and also do your banking. The Postal Savings System started in 1911 and allowed millions of Americans, many of them new immigrants, to save money. Although postal banking was shut down in 1967, at its peak the US postal service

was holding \$3.4 billion dollars worth of savings. Today, sixty eight million Americans or about one in four households do not even have bank accounts. In January the Office of the Inspector General of the US Postal Service put forth a proposal to bring back banking services to postal customers. While bankers and payday loan companies vehemently oppose the plan, the United States Conference of Mayors at its annual meeting in June fully endorsed the proposal.

<u>KFVS 12</u>: Missouri lawmaker has sent a letter to United States Postal Service (USPS) officials asking for the Fremont, Missouri Post Office to be reopened. Congressman Jason Smith (R-MO) sent the letter on Friday. The post office closed since flood waters damaged the town at the end June 2014.

Service of the Inspector General: Business Service Network - Audit Report

From the Federal Register: Postal Regulatory Commission NOTICES New Postal Products , 40168 40169 [2014 16220] [TEXT] [PDF] 40168 [2014 16221] [TEXT] [PDF] Postal Product Amendment , 40169 [2014 16175] [TEXT] [PDF]

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

- The U.S. Senate Committee on Homeland Security and Governmental Affairs Chairman Tom Carper (D-Del.) and Ranking Member Tom Coburn (R-Okla.) will hold a public hearing to consider the nominations of Hon. James C. Miller III, Stephen Crawford, David M. Bennett, and Victoria Reggie Kennedy to be Governors of the U.S. Postal Service on Monday, July 14, 2014 at 3:00 p.m. in room 342 of the Dirksen Senate Office Building in Washington, D.C.
- The Postal Regulatory Commission evaluates the Fiscal Year 2013 performance goals and Fiscal Year 2014 performance plans of the United States Postal Service. The Commission had in previous years provided this analysis in its Annual Compliance Determination report. However, the Commission has determined that issuing its analysis in a separate report allows the Commission to provide a more in-depth review of the Postal Service's goals and plans than in previous years.
- In this postal perspective, Donna Hanbery of the Saturation Mailers Coalition suggests that "[i]f the Postal Service does not prevail in its exigency appeal and it is stuck with a limit on its exigency surcharge, make a commitment now to your customers to forego taking a CPI increase in January 2015 and make a promise and pledge of rate predictability for the next two years.
- In this postal perspective, Kent Smith of Ursa Major Associates/Postal Vision 2020 said that "[w]hatever else the Postal Service is, it is first and foremost a delivery channel. Its operations are built around materials handling, distribution and logistics. Within that framework, it has been very innovative and successful. With so much attention focused on governance the business model, regulation and legislation one of the operational wonders of the world is deteriorating for lack of resources even as new technologies are offering exciting new opportunities for postal operations."
- Senator Carper comments on USPS' consolidation announcement. PRC schedules technical conference. Issa tries to derail six-day delivery - again! Dimensional pricing could add \$550 million annually for UPS, FedEx. NNA criticizes future USPS cutbacks. Why Postal Service banking is a bad idea. USPS sees benefits of big data. Casey: the most insane law by Congress, ever? Another fight looms over Saturday mail delivery. Is the internet doomed? Yes. And No. Murkowski gets FedEx to rethink its rural P.O. Box policies. USPS compiles/tallies complaints.
- Announcements concerning the Domestic Mail Manual and USPS industry alerts.
- This week's listing of postal notices in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- International postal news
- Postal previews

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ZAPWU

The U.S. Postal Service has informed the American Postal Workers Union that it is terminating

the no-bid deal with Staples and replacing it with an approved shipper' program. <u>The APWU's not buying it</u>. According to APWU President Mark Dimondstein, "[t]he USPS letter to the APWU makes it clear: The Postmaster General intends to continue to privatize postal retail operations, replace living-wage Postal Service jobs with lowwage Staples jobs, and compromise the safety and security of the mail." "This attempt at trickery shows that the Don't Buy Staples' movement is having an effect," Dimondstein said. "We intend to keep up the pressure until Staples gets out of the mail business."

Business Times: Logistics infrastructure is one of the foundational pillars of the e-commerce industry and the extension of railway logistics support is a positive initiative. It will expand the reach, speed and certainty of delivery to consumers. Lower delivery costs in turn will benefit consumers who will now be able to buy these products at better prices. the government must consider investing further in enabling postal services to cater to the needs of e-commerce companies. Our vast postal system can be used to develop a nationwide distribution network, especially given the investments being proposed in the Budget in bridging the digital divide via rural broadband investments and reduction in prices of mobile phones.

Radio New Zealand: Last November the state-owned enterprise said up to 2000 jobs would go, blaming declining mail volumes. Most of the jobs affected would be postal delivery staff, with the reduction in delivery days from the middle of next year. It was also cutting workers in the corporate and retail areas, and slashing the number of post shops from 139 to 50. A NZ Post spokesperson said some of the workers at the mail processing centres were moving to other jobs in the company and the rest would be made redundant.

A reply brief has been filed with the D.C.Circuit of the U.S. Court of Appeals by a coalition of mailers (including PostCom) regarding the Postal Regulatory Commission's decision to limit the Postal Service's exigent rate increase to no more than two years.

The Oregonian: An intriguing business partnership recently made its debut in the Portland area. According to reports from Portland-area customers, the United States Postal Service in recent weeks started delivering Amazon packages on Sundays and holidays. The deliveries were made possible by a contract signed last fall, and the service already was available in a handful of other cities. Now, Portland-area residents get an opportunity to participate in an important experiment. By establishing the partnership with Amazon, the Postal Service is playing offense and seeking new revenue instead of simply adopting a defensive posture and looking for ways to cut service.

July 10, 2014

Wall Street Journal: American retailers may have more than a weather problem. Near-term trends aside, store chains across the retailing industry are wrestling with what could be a permanent decline in shopper visits. Customers now use their mobile phones and computers to compare promotions, prices and products before heading into a physical store to buy clothes, electronics and increasingly, groceries.

Oakton Patch: Your next paycheck may not be in the mail it may be from the mail. The U.S. Postal Service is holding a job fair July 19 to fill more than 100 job vacancies in Northern Virginia. Positions include part time and weekend carrier assistants. Starting salary for these positions is \$15.30 per hour.

New York Times: Millions of Americans, often black, Latino, rural and poor, lack home broadband access. This lack of connectivity presents great challenges to accessing economic mobility. Students with home broadband graduate at higher rates, most Fortune 500 companies only accept job applications online and the vast majority of jobs in the next decade will require some digital literacy skills. To overcome the digital divide, we must first

acknowledge its existence, its causes, and agree, as we once did on postal roads and telephone service that our paths of communication are utilities that fill basic needs, and that government has a role in ensuring that every American has access.

Government Executive: A Republican lawmaker made a final stand this week to strike down legislative language requiring mail delivery six days per week, but his efforts ultimately fell short. Rep. Darrell Issa., R-Calif., wrote a letter to the House Rules Committee stating an appropriations bill containing a rider on postal policy was outside the parameters of the chamber's guidelines. Issa said the House Oversight and Government Reform Committee, which he chairs, has sole jurisdiction to create postal legislation. House Republicans' postal point man said the six-day requirement was costing the Postal Service \$2 billion annually, which the cash-strapped agency could no longer afford. "Without meaningful reforms, such as the implementation of a modified six-day delivery schedule, all Postal Service operations are at risk, not just Saturday delivery," Issa wrote to Rules Committee Chairman Pete Sessions, R-Texas, raising a "point of order" on the spending measure. In issuing the rules for debate and voting on the bill, however, Sessions' committee took a waiver on the point of order, allowing to six-day mandate to stand.

Financial Times: High quality global journalism requires investment. Please share this article with others using the link below, do not cut & paste the article. See our Ts&Cs and Copyright Policy for more detail. Email ftsales.support@ft.com to buy additional rights. http://www.ft.com/cms/s/0/e74cbc38-083e-11e4-acd8-00144feab7de.html#ixzz376BBxRTZ The sale of Royal Mail achieved poorer value for money for taxpayers than the big state sell-offs of the 1980s and 1990s, the government's own official historian of privatisation has concluded. The intervention by David Parker, an emeritus professor at Cranfield University, comes as a committee of MPs said the government's fear of failure and poor quality advice led to taxpayers missing out on œ1bn in last year's Royal Mail flotation. The Commons business committee also expressed concern that the government might have failed to get an adequate return on privatised Royal Mail assets, such as sites in London.

Government Executive: U.S. Postal Service employees have been misusing and abusing their official credit cards, and agency management has taken notice. After multiple reports in the last few months of USPS employees using their agency credit cards for non-work purposes -- including for gambling, groceries and eating out even when they're not on work trips -- postal officials have announced major changes to travel card policy. Effective July 14, the Postal Service will lower the credit limit on travel cards to \$1 for employees who have not used the card in the last two years. Employees can have their limits brought back up by contacting their local travel card coordinator and showing proof of upcoming travel. In May, USPS prohibited postal supervisors from taking cash advances on their agency-issued cards. The change went into effect on May 2 for officers and Postal Career Executive Service employees and May 15 for Executive and Administrative Service workers.

NorthJersey.com: Municipal officials say their patience has run thin waiting on a request for Clifton's postmaster to appear in front of council members to discuss unreliable and untimely mail service throughout the City.

DSupra: Canada's Anti-Spam Legislation (CASL) took effect July 1. The act bans commercial electronic messages (CEMs) sent to parties in Canada without consent and the installation of certain functions on computers in Canada without the knowledge and consent of the owner. The penalties are severe the legislation provides for up to \$1 million per violation for an individual, and up to \$10 ten million per violation for a corporation. Company directors can also be held personally liable for damages. While CASL does not ban CEMs, it requires that (1) prior consent be obtained, (2) identifying information be provided about the sender in the CEM, and (3) an ability to unsubscribe be available. Under the newly effective act, a commercial electronic message (CEM) is defined to include electronic messages sent to encourage commercial activity. A message communicated electronically by telecommunication, text, email, sound, voice, or image is an electronic message. Social media messages including those sent through Facebook, Twitter, and Instagram also may constitute CEMs. The sender of a CEM is obligated to prove the recipient gave consent. An "opt-out" method of consent is inadequate. Instead, the CEM recipient must affirmatively "opt in" to receiving the messages. It is suggested that businesses keep a record of recipients' consent to combat violation claims.

WITN: Processing mail, packages, and parcels out of one local processing plant will soon move further west. The change will leave some without jobs, others with possible delivery delays. Postal workers at the Rocky Mount Processing and Distribution Center are part of the USPS consolidation plan. Last week, the USPS notified workers

that by January 2015 the plant will shut down. All mail will then head 67 miles west to Raleigh's processing plant. That means if someone mails a letter in Greenville to another Greenville resident, it will head to Raleigh first.

The Murray Valley Standard: A package of initiatives has been announced by Australia Post to strengthen its regional and rural store network. The rural sustainability package aims to keep licensed post offices (LPOs) and community postal agencies (CPAs) viable. Improvements include improved access to point-of-sale technology for 432 LPOs, increased payments for many mail and parcel contractors, the introduction of a minimum payment for CPAs and an increase for LPOs, including the office at Murray Bridge's Southside Village. Australia Post managing director Ahmed Fahour said Australia Post wanted to provide reliability for the rural and regional people who needed them most.

PRNewswire: IWCO Direct, a leading provider of direct marketing solutions, announced it has installed an Inveloper wrap-based finishing system at its Chanhassen facility. By integrating with IWCO Direct's digital print technology, the Inveloper provides direct marketers the ability to increase direct mail open and response rates through more creative and personalized outer envelopes and selective inserting.



<u>Dead Tree Edition</u>: The imminent 3D printing revolution "might be a huge opportunity for the [U.S.] Postal Service," an in-depth study says. But, as usual with the USPS, where there are opportunities there are also caveats and hurdles.

At the Postal Regulatory Commission:

- RM2014-5 Order No. 2117 Notice and Order Scheduling Technical Conference "To better evaluate a petition to change an accepted analytical principle, the Commission may order that it be made the subject of discovery. 39 CFR 3050.11(c). Accordingly, as an initial step in this docket, the Commission finds it would be worthwhile to consider the elasticity of demand issue by exploring alternative methods that have already been developed and can be presented for discussion. Therefore, the Commission is scheduling a technical conference on August 13, 2014, at 9:30 a.m., in the Commission's hearing room." http://www.prc.gov/docs/89/89992/Order_2117.docx
- Postal Service Active Employee Statistical Summary (HAT Report), Pay Period 14, FY 2014 <u>http://www.prc.gov/docs/89/89995/HATreportpp14.pdf</u>
 <u>http://www.prc.gov/docs/89/89995/Letter_HAT_PP14_FY14_20140709144724.pdf</u>
- On-Roll and Paid Employee Statistics (ORPES), June, FY 2014 http://www.prc.gov/docs/89/89994/Letter_ORPES_JuneFY14_20140709144816.pdf http://www.prc.gov/docs/89/89994/ORPESJune2014.xlsx

July 9, 2014

The Hartford Courant: The cash-strapped U.S. Postal Service will raise fees on thousands of post office boxes rented to individuals and businesses in Connecticut, starting next month. The U.S. Postal Service, in a notice that will be posted in the Federal Register Wednesday, said post office boxes in 38 Connecticut zip codes, in dozens of towns from Baltic to Waterbury, will cost more because their pricing will be changed from "market dominant fee group" to "competitive fee group." What this means is the U.S. Postal Service is not a monopoly and there is competition from private post box providers in those areas. Usually competition leads to lower prices for a good or service. But not in this case.



<u>American Postal Workers Union</u>: In a message to House Rules Committee Chairman Pete Sessions (R-TX), Issa claimed jurisdiction over all issues related to the Postal Service, and asserted that the six-day delivery provision should be subject to a House Rule that prohibits

"legislation" in general appropriations bills.

The Princeton Times Leader: Consolidation has become par for the course in many businesses, but the U.S. Postal Service's recent announcement of closing three mail processing facilities in Kentucky and 80 nationwide reeks of bad business. Truth is that postal consolidations have been detrimental to delivery of all kinds of mail, including newspapers. Now there's another step in the wrong direction, and it will impact our area with Paducah being one of the three plants in Kentucky.

Politico: When Tom Coburn came to the Senate in 2005, he was the sharpest thorn in the side of his Republican colleagues. But now that he is leaving the upper chamber at the end of this year, other conservatives like Sens. Ted Cruz of Texas and Mike Lee of Utah are stepping up to replace him, and taking Coburn's confrontational style to an entirely new level. Indeed, the political ground has shifted so dramatically under Coburn's feet that the senator known as "Dr. No" for holding up scores of politically popular bills even found himself labeled last year by some fellow Republicans as part of the "surrender caucus" and a member of the dreaded party "establishment."

From the Federal Register:

- Postal Regulatory Commission NOTICES Postal Rate Changes , 38964 38965 [2014 16028] [TEXT]
 [PDF]
- Postal Service NOTICES Change in Rates and Classes of General Applicability for Competitive Products, 38965 38971 [2014 16012] [TEXT] [PDF]
 Product Changes: First Class Package Service Negotiated Service Agreement, 38971 [2014 16092] [TEXT] [PDF]
 Priority Mail Negotiated Service Agreement, 38971 38972 [2014 16104] [TEXT] [PDF]
 Transfer of Additional Post Office Box Locations to Competitive Fee Groups, 38972 38999 [2014 16091] [TEXT] [PDF]

DC Velocity: If one analyst is right, moves by UPS Inc. and FedEx Corp. to begin pricing some ground packages based on their dimensions rather than on their weight will yield more than half a billion dollars in additional annual revenue for the two companies.

July 8, 2014

INDUSTRYALERT CASS /MASS ANNOUNCEMENT July 8, 2014 Suspension of CASS Cycle O 2015 Primary Audience: CASS/MASS Software Developers, Integrators, Manufacturers What: The United States Postal Service (USPS) has made the decision to suspend CASS Cycle O originally scheduled for implementation in August 2015. After reviewing input from impacted stakeholders including mailers, software developers and service providers the consensus was that the benefits of continuing to pursue CASS Cycle O were not demonstrated. Given the limited benefits from CASS Cycle O implementation, and the recognition that there are other higher priority items requiring mailing industry stakeholder attention, continuing with CASS Cycle O efforts is not warranted. The USPS encourages CASS product vendors to evaluate the proposed changes originally scheduled for mandatory inclusion in CASS Cycle O for implementation as appropriate. The decision to include any of the proposed changes is entirely optional. The USPS will provide materials to accommodate testing but recertification of the CASS product will not be required unless the changes introduced impact the results expected from CASS Cycle N requirements. Software or hardware manufacturers that may bring a new CASS address hygiene product to market will be required to certify their product(s) based on CASS Cycle N standards.

Roll Call: When Sen. Patrick J. Leahy abruptly shelved legislation targeted at companies that file abusive patent infringement lawsuits back in May, the Vermont Democrat said it was because of a lack of consensus from stakeholders. But in an an interview with a home-state newspaper Leahy said he was "furious" that Majority Leader Harry Reid effectively shelved the bill.

Direct Marketing News: Tech expertise, high-level government experience, academic prowess, and celebrity could all be present on the Postal Board of Governors should four names entered into nomination for open posts be approved by Congress. The Senate Homeland Security and Governmental Affairs Committee will question the

candidates at a hearing next Monday. Their appointments would bring the board roster within one governor of its optimum number of nine. The important policies and big decisions of the past year have all been dealt with by four governors and the Postmaster General, barely a quorum.

The Nation: Thailand Post Co is examining its delivery process after a customer complained that she received a lump of stone in an Express Mail Service (EMS) parcel instead of the iPhone 4s sent to her by her sister. Thailand Post delivers more than 2 billion items per year, of which more than 91 million are EMS, 97 million registered mail, and more than 10 million parcel post.

Businessweek: It looks as if the long-awaited privatization of Greece's postal system, Hellenic Post, is finally underway. Greek News reported that CVC Capital Partners, a private-equity fund that has equity stakes in the Belgian and Danish postal services, is interested in a controlling share of the agency. Other suitors include Belgium's Bpost, France's La Poste, and TNT Express, a Dutch company. The Hellenic Post disposal has been plagued by delays. The Greek Ministry of Finance announced plans in 2010 to sell 39 percent of Hellenic Post as part of a larger plan to reduce the country's crushing debt.

The <u>U.S. Senate Committee on Homeland Security and Governmental Affairs</u> Chairman Tom Carper (D-Del.) and Ranking Member Tom Coburn (R-Okla.) will hold a public hearing to consider the nominations of Hon. James C. Miller III, Stephen Crawford, David M. Bennett, and Victoria Reggie Kennedy to be Governors of the U.S. Postal Service on Monday, July 14, 2014 at 3:00 p.m. in room 342 of the Dirksen Senate Office Building in Washington, D.C.

Financial Times: Post Office will enter the British mobile services market with low-cost, easily understood offers that it hopes will challenge the complex tariffs structures of the established operators. The UK postal network will become the latest group hoping to use its brand to sell mobile services after striking a deal to use the network owned by EE, the UK's largest operator.

Post & Parcel: Singapore Post will introduce Saturday deliveries for packages from the weekend, to make the most of growth in online shopping. The company said the new delivery option was part of a slew of measures it is taking to respond to the changing nature of the mail. As with Posts around the world, SingPost is currently facing declining domestic letter volumes and growth in its parcel business driven by e-commerce.

MSN Money: The Italian government's sale of 40 percent of the postal service Poste Italiane will take place after November, the company's president said on Tuesday in the latest indication that the listing slated for this year may be pushed back. The sale of the Poste Italiane stake by the end of this year is part of a privatisation plan adopted by Matteo Renzi's government in April, but Poste Italiana's management has recently indicated it may be delayed due to technical problems. The Treasury has said it hopes to garner 4-5 billion euros from the operation, which would go towards cutting Italy's huge public debt, the second largest in the euro zone after Greece's as a proportion of national output.

KHAS: What's the future of rural postal services? Locations across the country have closed their doors or cut their hours due to financial struggles for the United States Postal Service. What's causing the change? With new technology like social media and text messaging, the need for the postal service isn't what it used to be. But in many small towns here in Nebraska, people still depend on it.

Tulsa World: Tulsa's mail-processing plant is again being targeted for closure as part of a U.S. Postal Service consolidation plan to save money.

News & Tech: Robert M. Williams Jr., president of the National Newspaper Association and publisher of the Blackshear (Ga.) Times issued a statement strongly objecting to forthcoming closures planned by the United States Postal Service. The USPS said it would close or consolidate more than 80 mail-processing facilities after January, and lower service standards for periodicals and first-class mail. "We deeply regret our long-time partnership with the Postal Service is about to be further stressed by another degradation of service," Williams said in a letter to Postmaster General Patrick Donahoe. "NNA does not understand how rising prices, slower service and further

concentration of services into urban areas helps our nationwide mail service to survive Internet competition or any other threat."

July 7, 2014

GeekWire: After starting in selected cities around the country, Amazon and the U.S. Postal Service are closer to rolling out Sunday parcel delivery on a nationwide scale. In recent weeks, Sunday delivery has launched in Seattle and Portland, and various other cities are potentially only weeks from going live including the Boston area and a huge swath of California, including San Francisco and Silicon Valley. GeekWire made dozens of phone calls to post offices across the country to confirm that the service is coming soon, in an apparent push that puts the rollout ahead of expectations.

The Hill: The U.S. Postal Service fell short of its own goals for customer service last year, according to a new report from the agency's regulator. The Postal Regulatory Commission's report says that 78.4 percent of USPS's customers either from households or small- to medium-sized businesses said they were either very or mostly satisfied with the agency's service. USPS had been shooting for an 82.5 percent satisfaction rating. The agency conducts its own surveys to gauge customer approval that also include larger businesses. But those bigger companies were not included in the Postal Service's overall satisfaction score. The regulator's report comes shortly after the Postal Service announced that it would shutter as many as another 82 mail processing centers starting early next year.



A summary of the questions and answers (FAQs documents) from the webinar presentations on "NCOALINK vs. ACS Which is Best? " and the "Accessing and Understanding Mail Quality Report Mailer Scorecard" are attached and also available for viewing on the Industry Outreach page on RIBBS, under the heading "USPS Webinars and Workshops"

heading and sub-heading "PCC Workshops."

According to the Executive Director of the Saturation Mailers Coalition, "The Postal Service wants the freedom and flexibility to run like a business. I have a suggestion about how to act like a business. The Postal Service is in the customer service business. Although it has monopoly protection and exclusive access to every business and consumer mailbox in the United States, its ultimate survival will depend upon businesses using and trusting the Postal Service for advertising, shipping, and other commercial communications and transactions. Although consumers and the American public enjoy the convenience and the universal service provided by the USPS, it is ultimately underwritten by business mailers. Congress has shown little interest in helping the Postal Service survive or become sustainable. If business mailers leave the Postal Service for other media or distribution channels, Congress and taxpayers are unlikely to step up to provide the funding and resources needed to help the Postal

Service make ends meet."



<u>PostalVision 2020</u>: The mailing and shipping industry has been built around decades of manageable incremental innovation. The result is an ecosystem and postal operating system that is far better than it was just a few years ago. This model now faces disruptive innovation in the marketplace (alternatives to mail) and in core operating processes (new ways of doing things). Firms in the industry must adapt or they will

be left behind.

Buisness Standard: Postal Services in the country has beaten its revenue target three years in a row, exceeding the target by 9.5 per cent in fiscal 2013-14, Parliament was informed today. The government had set a revenue target of

Rs 7,522.02 crore for the Postal Services in 2011-12, while the Department registered revenue of Rs 7,899.40 crore.



At the Postal Regulatory Commission: In a report released today, the Postal Regulatory Commission evaluates the Fiscal Year 2013 performance goals and Fiscal Year 2014 performance plans of the United States Postal Service. The Commission had in previous years provided this analysis in its Annual Compliance Determination report. However, the Commission has determined that issuing its analysis in a separate report allows the Commission to provide a more in-depth review of the Postal Service's goals and plans than in previous years. The Commission's report addresses and makes suggestions related to the Postal Service's four performance goals: 1) Service, 2) Customer Experience, 3) Financial Results, and 4) Workplace Environment. A complete copy of the Commission's report can be found on the PRC website at www.prc.gov. http://www.prc.gov/Docs/89/89985/Final Performance Report and Plan.pdf

Postal Technology International: International logistics services provider to the retail industry Hermes has launched a new international delivery solution, which will enable retailers access to consumers in 20 European countries. The company claims that this is the most comprehensive solution of this type currently available on the market. The delivery service will also provide a cross border returns service, which has been designed to overcome the reticence of international customers to buy from overseas websites due to concerns about returning unwanted items. Research undertaken by Hermes UK last year found that 50% of people were fearful of difficulties with the returns process when buying from international websites.

Office of the Inspector General: "If It Prints, It Ships: 3D Printing and the Postal Service" White Paper.

Wall Street Journal: Shares in Dutch postal company PostNL were the strongest gainers in Europe Monday after the company raised its full-year guidance, citing progress with cost savings plans. PostNL said it now expects to report underlying cash operating income of between 260 million (\$353.4 million) and 290 million. It previously expected to report underlying cash operating income in 2014 at the high end of 180 million to 220 million. "This is clear positive after the reduction in 2015 guidance which sent the shares down sharply in February," said MainFirst in a note to clients. "With this year's guidance already being at the low end of the 2015 range and further improvements to come, we believe an upgrade of the 2015 guidance is implicit as well."

Post & Parcel: Brazil Post is testing a new concept of post office that includes use of automated parcel locker terminals as a way to add convenience to the process of sending and receiving packages. The state-owned company said the parcel terminals will allow customers to collect e-commerce purchases outside of normal post office opening hours. The machines can be designated as a collection point when items are being purchased from Internet websites, with customers receiving passwords via email or text message allowing them to open the secure lockers holding their purchases.

■<u>Post & Parcel</u>: Swiss Post is launching the letter box of tomorrow with E-Post Office, allowing recipients to decide online whether they wish to receive their letters as normal in their private letter box or in electronic form. PostFinance is the first company to be linked to the platform. E-Post Office is set to be gradually expanded. With E-Post Office, Swiss Post has developed an online platform that combines the advantages of physical letter delivery with digital options. Having been successfully tested over the past six months within Swiss Post, with more than 1,500 participants involved, E-Post Office will now be introduced throughout Switzerland.

U.S. News: More than a quarter of all American households about 68 million people rely at least in part on nonbank financial services like check cashing or payday lending. These unbanked and underbanked households pay more a lot more for the kinds of basic financial services the rest of us take for granted. In 2012, the average income for these families was about \$25,500, and they spent an average of \$2,412 just on interest and fees for nonbank financial services. That was just under 10 percent of their annual income or about the same amount as they spent on food. Many have been shut out of traditional banking. Luckily, there is an organization with the public mission, the infrastructure, the experience and the well-trained employees needed to help address this problem: the U.S. Postal Service.

U.S. News: Postal banking is rooted in a time before the emergence of an efficient, supervised banking system in our country. In fact, the U.S. Postal Service once offered savings accounts and other financial services, but these were eliminated in the 1960s after years of declining use as consumers found a better deal at their local bank branch. A report from the Postal Service's inspector general was produced by an office with zero experience operating a modern financial institution. It lacks any significant experience navigating state and federal banking regulations, underwriting loans, handling consumer financial data or building a nationwide financial services network. Because of a strong, convenient and competitive banking industry, consumers have many choices to manage their money.

Encouraging consumers to participate in this marketplace ensures the safety and soundness of the overall financial system and helps grow the nation's economy. The Postal Service is more likely to burden our already strained federal budget than increase access for consumers.

Procurement Leaders: In case anyone had doubts, it's now official that the "big data" revolution has gone mainstream: The US Postal Service is looking at big data and the analytical capabilities it promises to develop and implement its planned "Internet of Postal Things." If the Postal Service, which probably collects more data than most other organizations of any kind in the world, thinks analytics can help improve performance, there's no excuse for the rest of us to think otherwise. And, in fact, most CPOs share the Postal Service's enthusiasm. In a recent Procurement Leaders' poll, 61% of procurement executives said that they would be investing in such technology during 2014.

The Press Democrat: The U.S. Postal Service is moving ahead with plans to shut down operations at its Petaluma processing facility, a cost-saving move that union officials and two North Bay congressmen are criticizing, citing impacts they say it could have on local postal workers and customers.

Abilene Reporter-News: Abilene's U.S. Post Office Mail Processing Center is on a list of 82 facilities planned for consolidation in 2015, according to the U.S. Postal Service. Abilene's facility and a facility in Corpus Christi are listed as part of the Postal Service' "Planned Phase 2 consolidations" on a website devoted to its plans.

The Republic: One of North Dakota's two U.S. senators is urging the United States Postal Service to keep a mail processing facility open in Minot to help handle the rapid population increases that have come with the state's oil boom. U.S. Republican Rep. John Hoeven said this week that it's crucial the Minot Area Mail Processing facility stay open. The USPS announced Monday that it planned to close as many as 82 mail processing facilities, including the Minot facility, by 2015 in an effort to increase efficiency.

Genetic Engineering & Biotechnology News: Government gridlock continues to impact the U.S. as political gamesmanship not only occasionally threatens to shut the whole system down but more often just gums up the working bureaucracy. Immigration reform, U.S. Postal Service overhaul, and the long held-up Hurricane Sandy relief bill are just several examples of inaction that resulted from bipartisan bickering. Now we learn that a number actually over 200 of President Obama's nominees to run federal agencies have, in some cases, been languishing for years awaiting Senate approval. A number of the important appointees still await Senate confirmation.

<u>Morrow County Sentinel</u>: If you thought Round 1 of the U.S. Postal Services "network consolidations" caused problems in delivery services in Lima and most of Ohio the past few years, brace yourself.

Daily Indpendent: With the advent of digital technology, postal service all over seems to be fading fast into complete irrelevance. What should be done, from a marketing perspective, to stem the Nigerian postal service from going out of business? The answer to why the Postal Service seems to be going out of business is not farfetched - Clearly the advent of digital technology (with the Internet and its associated electronic mail or email, assorted forms of the mobile phone). This does not only hold true for Nigeria, where the Nigerian Postal Services or NIPOST is quite synonymous with postal service, but in most other parts of the world. It seems ages (even while I prepare this piece) recalling the days when those khaki-wearing postal workers called on houses in various parts of the country to deliver mails.

The Times-Tribune: More than six years after the U.S. Postal Service signed a lease for the space, and nearly \$190,000 in rent payments later, the Chinchilla Post Office has yet to open. Meanwhile, the Postal Service continues to pay Brian McCarthy Family LTD, the property owner, \$30,916.87 annually to rent the space, according to the spreadsheet. The lease agreement runs through May 2023.

Twin Cities Pioneer Press: There's a brouhaha over a special U.S. Postal Service program to serve remote settlements in Alaska. Costing some \$76 million, paid for by everyone buying postage, the program doesn't affect the national economy. But it highlights issues we face as we want more services and social programs while not paying more in taxes and fees. The program's details are complex, but the basics are straightforward.

The Roanoke Times: Most Americans have never heard of the Postal Accountability and Enhancement Act of 2006. The mind-numbing title alone sounds like it could put a hardcore insomniac to sleep. The truth is, it's one of the most insane laws Congress ever enacted. Who sponsored this cockamamie legislation? It was former Rep. Tom Davis, a Republican from northern Virginia who served in Congress from 1995 until 2008. He's now a Washington lobbyist for Deloitte, a huge accounting and consulting company. The surprising thing I heard from Davis was that he agrees the future-funding retirement provision was crazy. That was never in the original legislation, he said. Instead, the 90-page bill made a bunch of bureaucratic changes, few of which the average American would give a hoot about. It also placed a temporary moratorium on rate increases and established a less cumbersome system under which rates could be increased moving forward. But late in the game, the Bush White House threatened to veto it unless Congress added the future-funding-for-retirees provision. Congress went along because at the time it seemed like it was a better option than having the entire bill defeated, Davis said.

July 6, 2014

The Hill: Congressional efforts to revamp the cash-strapped U.S. Postal Service have run into a longtime roadblock Saturday mail delivery. Top Republicans like House Oversight Chairman Darrell Issa (R-Calif.) and the Postal Service's own executives say rolling back six-day letter delivery is crucial to the agency's fiscal health saving an average of \$2 billion a year. But GOP efforts to limiting Saturday delivery have hit a pair of snags in recent weeks, with Republican lawmakers representing rural districts balking along with Democrats - illustrating that such a plan doesn't appear to have the votes to make it through the House. Those problems have also raised even more doubts that a postal reform measure could pass this year, after years of fruitless negotiations.

The Motley Fool: United Parcel Service is America's biggest player in the \$32 billion ground package delivery market. The company has recently revised the pricing structure of its ground delivery business, and it's announced that it would now consider the size of the parcel, and ot just weight, when charging customers. The decision was not surprising, as archrival FedEx made a similar announcement in May. How does this change affect United Parcel Service's future revenue and earnings prospects? Will volumes suffer because of this change? Let's find out.

July 5, 2014

Silicon Beat: "Is The Internet Doomed? Yes. And No." In a thought-provoking and somewhat alarming survey by the Pew Research Internet Project, a large number of experts expressed a wide range of fears in their prognosis for our global online network. According to the breakdown in the report, experts most feared these Net threats: Actions by nation-states to maintain security and political control will lead to more blocking, filtering, segmentation, and balkanization of the Internet. Trust will evaporate in the wake of revelations about government and corporate surveillance and likely greater surveillance in the future. Commercial pressures affecting everything from Internet architecture to the flow of information will endanger the open structure of online life. Efforts to fix the TMI (too much information) problem might over-compensate and actually thwart content sharing. *[EdNote: Soooo. Have you thought about mail lately?]*

Examiner: The AFSCME (American Federation of State, County, and Municipal Employees) has endorsed the boycott of Staples by United States Postal Service employees for its recent anti-worker actions.

The Lima News: If you thought Round 1 of the U.S. Postal Services "network consolidations" caused problems in delivery services in Lima and most of Ohio the past few years, brace yourself. Mail service to most parts of the country is likely to get worse, and the blame rests at the feet of Congress, which continues to balk at taking up legislation that could improve the delivery woes. We don't not understand how rising prices, slower service and further concentration of services into urban areas helps our nationwide mail service to survive Internet competition or any other threat. Mail service to rural and small-town America is critical to local economies. We'd tell you to write your Congressman, but the chances of your letter getting delivered in a timely fashion may not be worth the cost of a stamp.

July 4, 2014

Stuff: Hundreds of workers could face drastic pay cuts under New Zealand Post's new franchising model. Last month NZ Post announced it would close the Mana, Thorndon and Karori PostShops and franchise postal services to private businesses. The announcements came as NZ Post tries to cope with the decline of postage - in the 2012-13 financial year, 63 million fewer items were posted than the year before, a 7.5 per cent reduction. The drop-off during 2013-14 is expected to be even higher.

CNET: Clarus Marketing, a company with a long history of free shipping services, does something even Amazon won't do -- offer consumers unlimited, prepaid return shipping for any online purchase. The subscription costs \$49 a year for FedEx Ground service and is limited to items that can fit in a standard-size box with a weight of 50 pounds or less. The service applies to any online store. The process is similar to any online store's return process: just print out a label, affix it to the box and drop it off at a FedEx pickup location.

The Motley Fool: Recently, Singapore Post linked up with Alibaba, one of the biggest e-commerce companies in the world. This signifies a strong entry into e-commerce for Singapore Post and also marks the third year of transformation for the firm. Some challenges in Singapore Post's operating environment remain. For one, operating costs are rising. Domestic mails volumes are decreasing and even though Singapore Post is undergoing a transformation into new areas like logistics and e-commerce, those are still very competitive spaces. Lastly, being a public service (delivery of mail) outfit, there are high service-quality expectations from customers; that might be hard to upkeep especially given declining mail density.

Post & Parcel: Spain's national postal service Correos has launched a "revolutionary" new service using automated parcel locker terminals. The company said its new HomePaq service will see parcel terminals installed in local communities to allow consumers to send and receive parcels with more convenience. Correos said the new service should particularly benefit e-commerce activity in Spain, allowing consumers to make purchases without having to be at home during the day to receive the goods.

Post & Parcel: Dutch postal service PostNL has sealed a final agreement with unions over a new pay deal for mail and parcel employees. The deal is based on a 1% pay increase retrospective for 2013, along with a pay rise of 0.5% from April 2013, 2.1% from 1 January 2014 and 0.5% from the start of July 2014. PostNL said the agreement sees employee contributions to their pension funds doubled to 4% from the start of 2014 in order to keep the pension programme "affordable".

Politicalnews.me: Waiting for days to get prescription drugs. Trips to the post office to find an empty box where your business-critical supplies should be. After hearing these and other rural Alaskans' frustrations about FedEx delivery problems that occur when FedEx hands packages over to the United States Postal Service in Anchorage for the final miles of delivery, Senator Lisa Murkowski's efforts led FedEx CEO to reconsider its protocols. For years, Alaskans who live in post office box only communities have had difficulties receiving FedEx and other packages because FedEx would not take P.O. Box addresses. Previously, if FedEx handed over a package to the USPS to complete the last leg of delivery to an Alaskan village that only has P.O. Boxes, those were technically undeliverable but many postmasters use discretion and still try to get the package to its destination. If the postmaster of that community does not know the recipient and what their P.O. Box is, the package is in limbo. Earlier this month, Senator Murkowski reached out to the President of FedEx (letter attached), asking that he find a practical solution that will ensure timely and effective delivery of packages to Alaskan communities that rely on their post office boxes to receive the merchandise they've ordered. FedEx and the United States Postal Service have taken some steps to fix delivery problems. FedEx noted in its reply to Senator Murkowski's request, that while the company is now calling the recipient to ascertain the P.O. Box address and inserting P.O. Box addresses on packages destined for post office box-only communities, there are still instances of delayed or undeliverable packages. In response to Senator Murkowski's letter and Alaskans' concerns, FedEx stated, "we are convening a

special task force to thoroughly analyze these issues and possible solutions."

From the Federal Register:

Postal Regulatory Commission

NOTICES	
New Postal Products,	
38335 [2014 15711]	[TEXT] [PDF]
Postal Service	
NOTICES	
Competitive Products:	
Gift Cards ,	
38335 38336 [2014 15730]	[TEXT] [PDF]

Wall Street Journal: U.S. employers added jobs at a robust clip in June and the unemployment rate fell, signs of labor-market strength as the economic recovery heads into its sixth year. Nonfarm employment advanced at a seasonally adjusted 288,000 last month, the Labor Department said Thursday. The combined gains for the prior two months were revised up 29,000. April's 304,000 increase was the strongest since January 2012. The unemployment rate, obtained from a separate survey of households, fell to 6.1% in June, the lowest level since September 2008. The improvement reflected more people finding jobs while the size of the workforce remained relatively steady. June marked the best five-month stretch of job creation since early 2006.

Education Week: For teachers, the official end of summer may be that trip down the aisles of a giant office supply store, looking to score on back-to-school deals. But one of most recognizable office-supply chains might be losing a hefty amount of teacher business, after provoking the anger of the national teachers' unions. At issue is a reported plan by Staples Inc. to install U.S. Postal Service counters at its stores. Those counters should, theoretically, be staffed by postal workers, just like a normal U.S. post office. But postal workers belong to a union that requires higher pay, and that means the company wants a cheaper option (e.g., its own employees). Union solidarity has led members of the National Education Association and the American Federation of Teachers to consider a boycott of Staples, which could be quickly approved. A Staples executive has said the company doesn't want to get into the middle of a union dispute, and will weigh the price of backlash. *[EdNote: Yes, folks. We're about to witness the late*

1980s Sears vs. postal union thing all over again.]

At the Postal Regulatory Commission:

- Deputy General Counsel <u>http://www.prc.gov/PRC-</u> DOCS/EMPLOYMENT/Deputy%20General%20Counsel%20PRC0914_3653.pdf
- Attorney Advisor http://www.prc.gov/PRC-DOCS/EMPLOYMENT/Attorney Advisor PRC0814_3652.pdf

The Hill: The U.S. Postal Service said this week that it would begin shuttering dozens of mail processing centers next year, a move it said was necessary because of congressional inaction on postal reform. "The uncertainty regarding legislative reform and review of postal rates in the courts continues to delay needed capital investments in network operations and undermine the future financial viability of the Postal Service," the agency said in the release. But Congress would need to strike a deal on some of the most contentious issues when it comes to the Postal Service's future, including Saturday delivery and the agency's required prepayments for future retirees' healthcare. **Postal unions were quick to criticize the consolidations**, which will lead to delays in mail delivery that labor groups say will reduce confidence in the postal system. [EdNote: Awww, come on. Put a little skin in the game.]

GovExec: U.S. Postal Service employees spent hundreds of thousands of dollars over the past few years on unauthorized cash withdrawals and personal purchases using government travel cards, according to a new report. USPS' inspector general found a lack of oversight allowed employees to take between April 2012 and March 2013 more than \$215,000 in cash advances with agency credit cards that "potentially did not comply with Postal Service travel policy." The advances were unrelated to official travel, exceeded the amount USPS allows or occurred too early for travel. The IG also examined a sample of 486 purchase transactions using USPS travel cards -- out of a total of 180,000 -- in the same period. The majority of those transactions were not used for official travel, as Postal

Service policy requires. Employees in the IG's subset charged \$4,000 worth of groceries and spent nearly \$5,000 eating out at restaurants while not on official travel.

NextGov: The hard-up U.S. Postal Service is asking citizens whether they would ship more items if novel payment technologies were accepted, as virtual currencies and smartphone transactions gain in popularity. The USPS inspector general website invites customers to post comments about "innovative payment methods" that would entice them to use agency retail counters. The poll is part of an ongoing audit. The IG likely will not have the results of the review until September, USPS IG Chief of Staff Agapi Doulaveris said in an email. Since the audit is in the preliminary stages, it is unknown whether bitcoins and other cryptocurrencies will be among the payment transactions explored. The virtual currency has yet to go mainstream in brick-and-mortar stores, so a nod from the Post Office would be a big deal. [EdNote: Bitcoin.....You know....The forever slug.]

I<u>trish Times</u>: *Okay, to be fair...*Nicolas Cary receives 100 per cent of his salary in bitcoin. Then again, he is the chief executive of the world's most popular bitcoin wallet service, Blockchain.info. His company's web wallet service has more than 1.7 million users, and has processed almost \$20 billion worth of transactions. It's not too bad for a business that was founded just three years ago. Cary says 2013 was a tipping point for bitcoin, as more than one million people started using the cryptocurrency, and some of the world's largest platforms including OKCupid started accepting it. More recently, travel site Expedia, gaming giant Zynga and online retailer Overstock. com announced they would accept it too. "A year ago today there were maybe 4,000 or 5,000 merchants on the entire planet that accepted bitcoin. Now there are about 100,000," Cary says. However, it's still very early days when it comes to digital currencies. "If bitcoin's entire history was a clock, we would only be in the second or third second on that clock." He believes bitcoin has the ability to drastically change financial services in emerging markets, where millions of people have no access to banks, current accounts or credit cards.

July 3, 2014

Politico: Alaska Sen. Mark Begich says fellow Senate Democrat Claire McCaskill is investigating contracting practices in his home state because she "refuses to try and understand the history and culture" of Alaska. On Wednesday, McCaskill's office blasted out a letter she sent to the Small Business Administration announcing her investigation into Alaska Native Corporations' participation in the SBA's small-and-disadvantaged business contracting program. ANCs are native groups' extended special contracting privileges that other minority companies do not receive according to ProPublica, and McCaskill (D-Mo.) has been raising questions about them for more than five years. *[EdNote: What's next? Alaska Bypass?]*

Politico: Headline from today's Politico -- "Congress dithers on the economy" How 'bout changing that headline to just read: "Congress dithers" ?

From the Federal Register:

- Postal Regulatory Commission NOTICES Postal Product Changes , 38077 38079 [2014 15587] [TEXT] [PDF]
- Postal Service NOTICES Product Changes: Priority Mail Negotiated Service Agreement, 38079 [2014 15600] [TEXT] [PDF]

Times of Malta: According to a survey carried out by the Malta Communications Authority, the majority of households claimed to have received and sent the same volumes of addressed letters as two years ago. However, a significant number of households declared that they have reduced the number of addressed letters and resorted instead to other alternatives such as e-mails and e-commerce. Meanwhile, 38 per cent of these households said that they would switch to non-postal alternatives, should the price of addressed letters be increased by 5-10 per cent. Results from the survey show that demand for parcel post services has grown. Indeed, in contrast to 47 per cent in 2011, this time more than half of the interviewed households said they had received a parcel during the last 12 months. One in five of the households revealed that their parcel was delivered by an operator other than Maltapost, with 41 per cent identifying DHL as the delivering operator.

Forbes: Do you possess "expertise and critical knowledge of the Internet of Things, data strategy and analytics, and the Postal Service's operations, infrastructure, products and services"? You might try and send your proposals to the United States Postal Service, which is looking for a supplier to help it make its "Internet of Postal Things Project" real. Just in case you're wondering what the hell I talking about, here's a quick recap.

This Day: Superflux, provider of print solutions is partnering Bulkpost Venture, a subsidiary of Nigerian Postal Services for effective delivery of bulk mail services in Nigeria. To solidify its partnership position, the solution company donated a 20 KVA generator to Bulkpost Venture. According to Superflux, such mails include dividend warrants, share certificates, notice of Annual General Meetings, exam slips, bill, religious tracts and correspondences among others. While handing over the generator to bulkpost on behalf of Speedyprints one of its subsidiaries, the Head of corporate affairs of Superflux group Ms. Folake Akindele said the generator would help Bulkpost run its operations seamlessly and further enhance demands from clientele.

July 2, 2014

Mobile Marketing Watch: On Tuesday, the Mobile Marketing Association announced the formation of MM25. The MMA says this effort comes in response to the Mobile Marketing Association's (MMA) new marketer first' mission and aligns with its commitment to help marketers around the world leverage the power of mobile. "The charter for MM25 is to work collaboratively with the MMA and the industry at large to identify areas of opportunity; initiatives and research that will allow marketers to more effectively and efficiently integrate mobile as core to their marketing strategies. The MMA is the world's leading global non-profit trade association comprised of more than 800 member companies, from nearly fifty countries around the world. Our members hail from every faction of the mobile marketing ecosystem including brand marketers, agencies, mobile technology platforms, media companies, operators and others.

Wall Street Journal: U.S. businesses went on a hiring spree in June, according to a survey of hiring released Wednesday. The higher-than-expected increase in private-sector payrolls could raise expectations for the government's employment report, due Thursday. Businesses added 281,000 new jobs in June, according to a national employment report compiled by payroll processor Automatic Data Processing Inc. and forecasting firm Moody's Analytics.

SouthernMinn Biz: Today, U.S. Sen. Al Franken (D-Minn.) pressed the U.S Postal Service to reconsider its plan to close four mail processing centers throughout Minnesota. The closures, he said, will hurt Minnesota's rural communities and drive more and more customers away from using the Postal Service. In a letter to the Postmaster General sent Wednesday, Sen. Franken said that shutting down these facilities is a shortsighted, irrational plan that will ultimately degrade customer service and cause more harm than good.

Minneapolis Star Tribune: The U.S. Postal Service is going ahead with plans to close four mail processing centers in Minnesota.

Sen. Thomas Carper: Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) released the following statement reacting to the Postmaster General's announcement that the Postal Service will consolidate up to 82 mail processing facilities:

"Given the U.S. Postal Service's ongoing financial difficulties, it shouldn't come as a surprise that the Postmaster General is moving forward with additional cost-cutting measures using the limited tools at his disposal. It is painful any time the possibility emerges that a community could lose a postal facility -- be it a post office or a mail processing center -- so I know that the impacted communities are grappling with the ramifications of what the Postal Service has said it plans to do. But I also know that communities are already frustrated. I have heard from a number of my Senate colleagues that the Postal Service is failing to meet the needs of its customers in many communities throughout the country, including some of those that would lose a processing center under this most recent plan. Closing more mail processing centers will only make these existing

problems worse and hurt the Postal Service's efforts to generate new mail volume and remain competitive in the growing package delivery market.

"Fortunately, there's another way to address the crippling financial challenges facing the Postal Service. Bipartisan legislation approved by my committee earlier this year would generate significant savings by addressing longstanding health care and pension issues that have drained the Postal Service of billions of dollars over the years. It would also free the Postal Service to compete more aggressively in some key areas and allow it to raise additional revenue over time. While we wait for these reforms to bear fruit, our bill would also keep these 82 plants open for at least two years.

"This isn't the first time the U.S. Postal Service has had to implement potentially damaging costcutting measures on its own to reduce costs. In the absence of comprehensive postal reform, it probably won't be the last. The hard truth is that these piecemeal efforts undertaken by the Postal Service are likely not enough on their own to fundamentally fix the Postal Service's serious financial problems. Only bipartisan, comprehensive reform can put the Postal Service back on solid financial footing and give the Postal Service the tools and resources it needs to reform itself and better serve its customers, and that reform can only come from Congress. As more communities and customers brace for more changes to their mail service, Congress can't remain idle. I urge my colleagues to join me this summer in addressing these concerns."

St the Postal Regulatory Commission:

 FY14 PRC Travel Spreadsheet October 1, 2013 - September 30, 2014 http://www.prc.gov/docs/89/89969/Copy of FY14 PRC Travel 3649.xlsx



- The United States Postal Service is planning to resume the rationalization of our network of mail processing facilities which began in 2012. To provide adequate time for planning and preparation, the Postal Service is providing this six-month advance notice of consolidations, for up to 82 facilities, which will begin early January 2015 and be completed by the fall mailing season.
- The United States Postal Service [has] filed notice with the Postal Regulatory Commission (PRC) to change Priority Mail prices, including a reduction in prices on average for businesses and other customers who use Commercial Plus and Commercial Base online shipping services. The price change will include a modest increase for Priority Mail prices at Post Offices and other postal retail outlets. The proposed changes, which would go into effect in September 2014, are intended to offer more competitive pricing and build on Priority Mail's popularity with customers.
- Here's a look at a recent Washington Post article on the Postal Service and its services to Alaska and what it means for the industry.
- The USPS on June 10, 2014, published a Sources Sought notice concerning "CDF, TOP, STC Services," which it said was to "solicit responses from interested suppliers to determine which are capable of providing the potential services described for the following type of material handling services: Consolidated Deconsolidated Facilities (CDF) for Standard Mail; Terminal Handling Services Optimization Program (TOP) for First- Class Mail Networks Programs; and Surface Transfer Centers (STC). The USPS in its notice listed 18 CDF locations, 10 TOP locations, and 4 STC locations. The due date for responses was June 25, 2014.
- The USPS Office of Inspector General (OIG), Risk Analysis Research Center (RARC) on June 24, 2014, published a Questions and Answers document as part of its June 17, 2014, solicitation for "The Internet of Postal Things Project." Responses to the OIG's solicitation are due by July 3, 2014.
- USPS awards \$69M to Chrysler for Carrier Route vehicles. USPS waives minimum volume requirement for Single-Piece FCM with eDoc. Permit fee waiver rules for IMb Full-Service. Two postal-related lawsuits files in U.S. District Court. PRC awards contracts for economic studies. APWU to launch vigorous

campaign against plant closures, consolidations. Is postal reform becoming one big cluster . . . box? House Republicans split, saving Saturday mail delivery. USPS offers postmasters early retirement ahead of RIFs.

- This week's listing of postal notices in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- International postal news.
- Postal previews.

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Postal Technology International: Itella and Balmuir, an interior design company, have begun testing a crossborder e-commerce solution where companies are offered a new way of marketing, selling and delivering their products directly to Russian consumers.

Postal Technology International: The Post Office has launched its Drop & Go summer parcel discount service that will offer small business customers and online sellers up to 50% off their medium parcels up to 2kg (4.4lb) when they use the free, fast track service at more than 11,000 branches across the UK. The service, which will run from June 30 to July 27, will also offer customers 25% off Royal Mail special delivery guarantee by 1pm when sending parcels between 1-2kg (2.2-4.4lb). Customers using Drop & Go simply hand over their mail at a fast-drop counter at their local participating Post Office. Following a few simple checks, the branch will then process the mail and take payment from the customer's prepaid Drop & Go card.

Herald Times Reporter: The U.S. Postal Service plans to close four Wisconsin distribution centers as the struggling agency keeps looking for ways to cut costs.

<u>IT News</u>: Steria, a leading provider of end-to-end IT-enabled business services, today announced the signature of a contract with Norway Post, to support their major IT modernisation program in order to change their entire systems portfolio as well as streamlining business process across all business units and subsidiaries.

The Jakarta Post: The postal service is apparently a favored method being used by drug smuggling syndicates nowadays. Another attempt to smuggle drugs into Bali has been thwarted by Bali customs officials, this time in three packages sent from Malaysia.

July 1, 2014

At the Postal Regulatory Commission:

- Domestic Rate History 2013; Special Services Fee History 2013; Domestic Mail Volume History, Domestic Mail Revenue History, and Special Services Revenue and Volume History, all 1970-2013 http://www.prc.gov/docs/89/89964/Letter_39CFR3050-60g_20130701163144.pdf http://www.prc.gov/docs/89/89964/RateHistFY2013.xlsm http://www.prc.gov/docs/89/89964/RateHistFY2013.xlsm http://www.prc.gov/docs/89/89964/RateHistFY2013.xlsm http://www.prc.gov/docs/89/89964/SSFeeHistoryFY2013.xlsm http://www.prc.gov/docs/89/89964/SSFeeHistoryFY2013.xlsm http://www.prc.gov/docs/89/89964/VolHistFY2013.xlsm http://www.prc.gov/docs/89/89964/VolHistFY2013.xlsm
- Summary Description of USPS Development of Costs by Segments and Components, Fiscal Year 2013

http://www.prc.gov/docs/89/89963/Letter_CSC_Econometric_20140701162335.pdf http://www.prc.gov/docs/89/89963/SUMDES13.zip

- Narrative Explanation of Econometric Demand Equation for Market Dominant Products as of November, 2013 http://www.prc.gov/docs/89/89962/Letter CSC Econometric 20140701162335.pdf http://www.prc.gov/docs/89/89962/MD.Prod.Demand.Narrative.pdf
- Docket No. CP2014-55 Notice Of The United States Postal Service Of Changes In Rates Of General Applicability For Competitive Products Established In Governors' Decision No. 14. Tthe United States Postal Service hereby gives notice of changes in rates of general applicability for competitive products specifically, for Priority Mail. In accordance with 3015.2(b), this notice provides the Governors' Decision establishing the changes, including a statement of explanation and justification, which orders the changes into effect on September 7, 2014, and a certification of the Governors' vote. Attached to the Governors' Decision is a schedule showing the new prices incorporated into a revised draft of the Priority Mail section of the Mail Classification Schedule.

Worcester Telegram: Open access to the Internet is vital to the free flow of information both for ideas and commerce. Vermont business owners and others told a field hearing of the U.S. Senate Judiciary Committee on Tuesday. A proposal being considered by the Federal Communications Commission that would allow Internet service providers to pay more to ensure a fast lane could hurt everything from job seekers at local libraries to

Vermont businesses that rely on high-speed Internet access to sell their products across the globe.

INDUSTRYALERT New Pricing Strategy to Grow Priority Mail -- U.S. Postal Service Capitalizing on Strong Package Growth. The United States Postal Service today filed notice with the Postal Regulatory Commission (PRC) to change Priority Mail prices, including a reduction in prices on average for businesses and other customers who use Commercial Plus and Commercial Base online shipping services. The price change will include a modest increase for Priority Mail prices at Post Offices and other postal retail outlets. The proposed changes, which would go into effect in September 2014, are intended to offer more competitive pricing and build on Priority Mail's popularity with customers. "The Postal Service is a vital business partner for small and large businesses and lowering shipping prices will save them money and improve their bottom line," said Nagisa Manabe, chief marketing/sales officer. "With our affordable shipping options, we hope to attract new business customers and become their preferred delivery service."

Both Commercial Base and Commercial Plus prices will be reduced on average, with most of the decreases concentrated in the ground zones weighing between 7-16 pounds. Price for Commercial Base customers will be reduced on average by 0.9 percent, and prices for Commercial Plus customers will decline on average 2.3 percent. "Unlike others in the shipping industry, the Postal Service is not implementing any new dimensional-weight charges, continuing our commitment to deliver the best value for our customers," said Manabe.

The Postal Service will continue to offer Priority Mail customers free insurance, expected delivery day, flat-rate packaging options and Regional Rate Boxes. Priority Mail is one of the Postal Service's most popular shipping products, helping to boost USPS package volumes and meet customers' needs for convenience at competitive prices. Last year, 871 million pieces were shipped through Priority Mail. "With the Postal Service, there are no shipping surcharges. We deliver on Saturdays for no extra charge, we pick up packages for free, and we deliver shipping boxes and envelopes, also for free. Just a few more ways we help businesses get the most out of their shipping, stated Manabe.

Commercial Base Pricing does not have any volume requirements and these reduced rates are available for customers who use Click-N-Ship, PC Postage products, permit imprints, or digital mailing systems (meters) that generate an IBI (Information Based Indicia) and submit data electronically to the USPS. y Eligibility for Commercial Plus Pricing is based primarily on shipping volume. For Priority Mail, 50,000 pieces are required within the prior year. In lieu of past volume, customers can instead complete a customer commitment agreement. Pricing at Post Offices and other retail outlets will have a modest increase of 1.7 percent on average. Highlights of the new proposed retail pricing for Priority Mail products include: (1) Small box - \$5.95 (2) Medium box - \$12.65 (3) Large

box - \$17.90 (4) Large APO/FPO box - \$15.90 (6) Regular envelope - \$5.75 (7) Legal envelope - \$5.90 (8) Padded envelope - \$6.10 The PRC will review the prices before they become effective Sept. 7, 2014, and must agree the prices are consistent with applicable law.3 The new price proposals will be available on the PRC website at <u>www.prc.gov</u>. The pricing adjustments are part of a broader strategy to position the Postal Service for the future. USPS is also streamlining its mail processing operations, which will allow the organization to invest in new package sorting equipment and other upgrades, as it continues to seek legislative changes to update its business model.

Ederal Times: The Postal Service is offering buyouts and early retirement options to more than 3,000 postmasters before it proceeds with a reduction-in-force (RIF) in early 2015. The agency has been working with employee groups for more than two years on its PostPlan, which would reduce the hours at many post offices by two, four or six hours a day and replace some postmasters with non-career employees or part-time career employees. Postmasters will get \$10,000 if they choose to resign or if they take an early or optional retirement option, according to documents emailed to employees by the Postal Service over the last few days. Those who take the incentives will leave the Postal Service Sept. 30, 2014. The incentive payment will be paid out December 5, 2014.

Malta Today: The majority of Maltese households reported receiving and sending the same volumes of posted letters despite a significant number declaring they reduced the number of letters sent. Households have now switched to electronic mail and eCommerce. 38% of these households said they would switch to non-postal alternatives, should the price of addressed letters be increased by 5% to 10%. The results were published in a survey by the Malta Communications Authority (MCA) carried out between March and April 2014, in order to evaluate household perceptions and satisfaction levels regarding postal services in Malta.

Federal Soup: The American Postal Workers Union is amassing labor support for a boycott of the Staples office supply chain as a way to push back against a U.S. Postal Service pilot program to place USPS counters manned by non-postal employees in the retail stores. Last week the head of the Service Employees International Union sent a letter to Postmaster General Patrick Donahoe and Staples CEO Ronald Sargent notifying them that the union had voted endorse APWU's "Don't Buy Staples" boycott.

Air Cargo World: Delegates from the air cargo industry took part in the first Professional Development Workshop from The International Air Cargo Association (TIACA) in the Netherlands.

<u>Furn To 10</u>: National Postal Worker Day is annually celebrated on July 1st.

Herald Sun: Australia Post has won its battle with online upstart Digital Post Australia, which will be shut down this month. Computershare, one of three backers of Digital Post, has blamed a lack of customers for the decision to axe the online mail platform. It means Australia Post can now corner the market with its rival service, Digital Mailbox.

Office of the Inspector General: Collaborative Consumption: Shipping Revenue Times Two Maybe this is the first time you've heard the term "collaborative consumption," but even if it's not, chances are you'll be hearing it a lot more. It refers to an economic model based on renting, lending, and sharing goods instead of buying them. In fact, not long ago, Time magazine listed it as one of "10 Ideas That Will Change the World."

Direct Marketing News: First, Rep. Darrell Issa (R-CA), frequent critic of the Obama Administration, sent a letter to ranking minority member Rep. Elijah Cummings (D-MD) urging him and his fellow Democrats to join Republican members in a bipartisan revision of his postal reform bill that would implement provisions from the President's 2015 budget. Next, Issa appeared at a Postal Service subcommittee hearing to support a bill calling for the conversion of 15 million addresses over 10 years to cluster box delivery on the premise that it would keep dropped-off parcels safe for recipients (though jobs less safe for postal workers). Issa then suggested that Congress approve five-day mail delivery and use the savings to pump up the Highway Trust Fund, which runs out of money this summer and is a political hot potato. That recommendation prompted reams of outraged editorials and a comment from Senate reform sponsor Tom Carper (D-DE) that the proposal "kicks the can down the road yet again on two pressing issues and fails to solve either problem." One can only wonder whether Issa's stratagem elicited

shrieks of horror or peals of laughter in the offices of USPS senior management, who have already financed the Federal Employee Retirement System and are begging for relief from pre-funding their retirees' healthcare benefits.

ECNS: Retail supermarket chain Post Mart has closed stores in Shandong and Jiangxi provinces and has sublet its stores in Henan province to contractors, as part of the efforts to stem losses from operations in rural China. Post Mart, jointly run by China Post and US-based China Horizon Investments Group, is a hybrid retailer with strong logistical networks and international retail experience. The company, though often called the rural answer to US retail giant Walmart, has yet to establish its presence in the unique and complicated Chinese rural market.

Yahoo! Finance: Government approval ratings have hit new all-time lows, according to Gallup, which has been measuring the standing of big institutions since the 1970s. The percentage of Americans saying they have confidence in Congress has dropped to the earthworm level of 7%, the lowest in the history of the poll. *[EdNote: There's a saying: You deserve the government you elect.]*

American Postal Workers Union: The APWU today denounced plans by the Postal Service to resume the closure and consolidation of up to 82 mail processing plants beginning in January 2015. "This is a direct assault on service to the people of the country, on postal workers and on the Postal Service's own network," said union President Mark Dimondstein. The closure of the plants will require the USPS to degrade service standards and delay mail.

Wall Street Journal: It is das Ende for "Der Club." German media conglomerate Bertelsmann SE announced earlier this month it would close its bookselling business in its German-speaking markets, after years of declining sales. The company's retail locations as well as the online store, branded under the "Der Club" label, will cease operations in Germany, Austria and Switzerland by the end of 2015, spelling the end to almost all of Bertelsmann's remaining bookselling activities. The decision isn't only the latest sign of how digitization is changing the book industry, but also a farewell to the core business that had originally made the German publisher a media giant the sale of books and other media via a "book club" subscription service.

Post & Parcel: La Poste will invest about EUR 6bn in its business and set aside EUR 2bn for acquisitions over the next six years, it said last week. Philippe Wahl, chairman and chief executive of the French national postal operator, presented plans to the board on Thursday for how he will push the company to achieve a EUR 25bn turnover by 2020, year-on-year growth of 2% and a group operating profit of EUR 1.9bn excluding the impact of acquisitions. The plan called for the acceleration of the company's development of its current business and the expansion into "new territories".

Post & Parcel: Irish national postal service An Post will be increasing its rates by 13% from next month. The standard domestic letter rate for items up to 100g will increase from 60c to 68c from Monday 21 July. Rates for international letters will also increase, with postage for a letter of up to 100g rising 11% to EUR1.

Federal News Radio: The U.S. Postal Service's 1990s-era, gas-guzzling delivery vehicles need replacing. Tom Day, the agency's chief sustainability officer, said USPS is already looking at new configurations and greener options for the future fleet while it waits on funds from Congress.