



Association for Postal Commerce

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Postal News from November 2010:

November 30, 2010

 In a recent report, the [Institute for the Research on the Economics of Taxation](#) has written: "The U.S. Postal Service currently provides a small number of nonpostal government services, such as accepting passport applications, offering Selective Service registration forms, and renting excess space to other government agencies. The Postal Service should work with other government agencies to offer more nonpostal government services. These activities will benefit the general public, other government entities, and the Postal Service itself if several important conditions are met."

 **At the Postal Regulatory Commission:** You can find the final financials from the U.S. Postal Service posted on the [PRC web site](#).

 You can find the 2010 Comprehensive Statement on Postal Operations on the [Postal Service's web site](#).



[Federal News Radio](#) has made available its recordings of an "Exit interview with Postmaster Potter." [[Recording One](#)]  [[Recording Two](#)] 

 The [Atlanta Business Journal](#) has reported that "United Parcel Service Inc.'s business mail services unit has opened a new processing center near Phoenix. UPS Mail Innovations said the new processing center in Tolleson, Ariz., UPS' 16th overall, will improve service to companies in Arizona and New Mexico that use UPS (NYSE: UPS) to manage their outbound mail processing. The Arizona facility processes about 20,000 mail pieces daily and delivers about 28,000 already-processed mail pieces daily to nearby Postal Service facilities for final delivery."

 [Hellmail](#) has reported that:

 [Billy Hayes](#), general secretary of the Communication Workers Union has written to George Thomson, leader of the National Federation of Subpostmasters asking why he was not allowed to address the NFSP Executive Council on the 22nd November. Mr Hayes is furious that the NFSP has chosen to support the new Postal Services Bill which will see 90% of Royal Mail sold to private investors without allowing the CWU to present its case for public ownership." The lack of support from the NFSP will be seen as a serious blow to the CWU's fight to keep the Royal Mail in public ownership.

 [Latvian Post](#) (Latvijas Pasta) is to increase domestic parcel rates from the 1st January 2011. It follows consultation with that Latvian Public Utilities Commission. The operator said that domestic parcel rates had not been revised for the last five years and prices no longer covered the real cost of providing the service.

 The [Claims Journal](#) has reported that "The U.S. Department of Labor's Occupational Safety and Health Administration has cited the U.S. Postal Service Processing and Distribution Center in Des Moines, Iowa, for two alleged serious and one alleged repeat violation of federal workplace safety standards for failing to properly train workers on powered industrial truck hazards. Proposed fines total \$46,200."

 [Intelisent](#) has told its readers that "Yesterday Dead Tree Edition published this post on Barriers to Intelligent Mail, identified by the Office of Inspector General here. I am referencing the same OIG doc below, but focusing on the OIG Recommendations and the USPS Responses. My comments included throughout."

 *Okay, cybermonkeys . . .* As the [Washington Post](#) has noted, "If you think cellphone bills are complicated now, just wait. Within weeks, some of the biggest wireless companies will offer super-fast Internet connections for cellphones that rival the speeds delivered to desktop computers. As competitors follow suit with their own juiced-up networks geared for the Web, consumers can expect a cornucopia of new services - along with new charges." [*EdNote: Isn't it time you rediscovered . . . mail?*]

 From [PR-Inside](#): "Australian Postal Corporation - Company Profile Report - a new company profile report on [companiesandmarkets.com](#)."

 From [Marketwire](#): "The government has recently announced that VAT will be introduced on selected postal services from January 31st, 2011. Neopost, the UK's leading mailroom equipment supplier offer a range of smart franking solutions which can manage these new changes in postal services. Most Royal Mail customers will be unaffected by this change, since most services will stay exempt from VAT, like First and Second Class stamped and franked mail and standard parcels. All the products that are going to attract VAT from 31st January, 2011 can be found at [www.Neopost.co.uk/VAT-ON-POST](#)."

**Have You Heard About The Latest In
Communication Technology?**

Two geeks were emailing back and forth about the discovery of a new, fantastic, communication medium.

It could be made of materials that are thin and light.

It could present information sparingly or intensely, in black and white or color.

It could be read easily in the brightest or faintest of lights.

It could be used without requiring the consumption of electrical energy.

It could be made from resources that are totally renewable and recyclable.

It could be carried easily and could be folded and pocketed.

Best of all . . . it could be sent to anyone anywhere around the world.

This phenomenal medium is called . . . "paper." And when you put a stamp on it, they call it "mail."

Mail. It's The Medium That Delivers.

A message brought to you by:


PostGom

Association for Postal Commerce

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 From [Business Wire India](#): "Pitney Bowes India Pvt. Limited introduces digital franking solutions to its customers across India. These solutions will enable organizations to streamline the mailing process and control their postal expenses to a considerable extent. The new generation franking solutions from Pitney Bowes are especially significant in today's business scenario as cost effectiveness and the economics of operations have become the new mantra of cost rationalization. The new digital franking technology has been launched under the proven DM platform which has been very successful across the globe. The technology has recently been approved by Department of Post in India. Pitney Bowes being a global leader in secured evidencing space, has leveraged its core competence in developing products with capabilities like 2D Bar Code to meet the unique specifications for transactional security as per India Post guidelines."

 [Post & Parcel](#) has reported that "The Department of Posts (DoP) has given the go-ahead to a major modernisation project of India Post. The scheme has been setup with the aim of advancing customer service levels and improving operational efficiencies, whilst also giving the operator sufficient capability to provide new services. Modernisation

and transformation of the postal network forms a major part of the India Post 2012 plan - which could lead to an investment of more than Rs 1,000 crore (approximately \$218m), according to sources in the country."

 [Hellmail](#) has reported that "Bulgarian Post EAD, reports that an audit carried out by PostEurop last week concluded that the operator met all the service quality requirements (Postal Directive 97/67/EC) established as a standard by Europe and the EU. The audit was carried out to assess whether Bulgarian Post had improved service quality following an audit in 2006 and improvements made to the storage, transportation, sorting and delivery of mail."

 **From the Federal Register: Postal Regulatory Commission NOTICES** Post Office Closings ,
74109–74110 [2010–30046] [\[TEXT\]](#) [\[PDF\]](#) 74108–74109 [2010–30075] [\[TEXT\]](#) [\[PDF\]](#)

 [Advertising Age](#) has reported that "According to BDO's Retail Compass Survey, 63% of chief marketing officers said this year's holiday budget was flat, compared to 55% in 2009 and 43% in 2008. But this year, just one-fifth said their budgets were lower than a year ago. That's an improvement. Most CMOs -- 42% -- said they allocate most of their holiday budget to print ads, down from 64% a year ago. And 27% said they'd be investing the bulk of their budget in online ads, including social-networking sites. That's up from just 18% last year."

 [Air Cargo Asia-Pacific](#) has reported that "Germany's Deutsche Post DHL has tipped its DHL subsidiaries will experience an annual growth of 13 to 15 per cent through 2015."

 The [Providence Journal](#) has reported that "President Obama's proposal to freeze the pay of federal employees for the next two years doesn't sit well with the groups that represent those workers as they criticized the president for trying to balance the budget on the backs of their members. "Of course, he's playing politics," said Derrick Thomas, a national vice president of the American Federation of Government Employees. Thomas oversees the federation's 2nd District, which represents 100,000 federal workers in New England, New York and New Jersey. "He's caving in to the Republicans, to the Cato Institute, to the Heritage Foundation, at the expense of his workers. "It's really disappointing."

 [WSOC](#) has reported that "Postal inspectors in Charlotte will start an investigation after a whistleblower called Eyewitness News. A viewer named Chris found a pile of someone else's mail at the bottom of a stack of postal trays last week. Chris had picked up the trays for his business. He did not want his last name used, but every piece of mail he found is addressed to a Charlotte P.O. box, mostly businesses, and was postmarked in September. It all appeared damaged, and many pieces were open."

 [UPS](#) has announced it is extending its popular UPS Mobile Apps and mobile Web site to customers in Germany, the United Kingdom, France, Italy and Canada. The Web site and native smartphone applications enable customers to ship and track packages as well as find the nearest UPS location.

 The [Washington Post](#) has reported that "Bowling to growing budget concerns and months of Republican political pressure on federal pay and benefits, President Obama today announced he would stop pay increases for most of the two million people who work for the federal government. The freeze applies to all Executive Branch workers -- including civilian employees of the Defense Department, but does not apply to military personnel, government contractors, postal workers, members of Congress, Congressional staffers, or federal court judges and workers. In a statement, Rep. Darrell Issa (R-Calif.), presumptive chairman of the House committee overseeing federal personnel issues, called Obama's decision "long overdue." He called on the president to institute other government spending cuts proposed in the GOP's campaign "Pledge to America". In addition to cuts outlined in the Pledge, Republican lawmakers have introduced several proposals to cut federal pay and benefits and curtail the size of the federal workforce, including cuts to the government payroll through attrition or firing federal workers who fail to pay taxes."

 **At the Postal Regulatory Commission: Sunshine Act Meeting, Public Invited TIME AND DATE:**
Wednesday, December 1, 2010 at 11 a.m. PLACE: Commission Hearing Room, 901 New York Avenue, NW,

Suite 200, Washington, DC 20268-0001. MATTERS TO BE CONSIDERED IN PUBLIC SESSION: 1. Election of Vice Chairman. 2. Review of postal-related congressional activity. 3. Report on international activities. 4. Review of active cases. 5. Report on recent activities of the Joint Periodicals Task Force and on status of the report to the Congress pursuant to Section 708 of the PAEA. 6. Report on the status of the Annual Report. MATTERS FOR CONSIDERATION IN CLOSED SESSION 7. Discussion of pending litigation. 8. Discussion of confidential personnel issues. 9. Discussion of contracts involving confidential commercial information.

November 29, 2010

The Passing of Dan Scapin

It is with great regret that we note the passing of an old colleague and friend, Dan Scapin, formerly of R.R. Donnelley and World Golor Graphics. The [New York Times](#) has a place where friends can share their thoughts and condolences.



The U.S. Postal Service Office of Inspector General invites you to comment on the following:

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

- **Stamp Distribution Networks: Finding New Efficiencies.** During fiscal year 2010, the Postal Service consolidated its existing stamp distribution network. Has the consolidation caused any impact on stamp distribution to your location? [LINK](#) here to let us know!

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

- **[CIRT Data Reliability - 11RR001IT000.](#)** The U.S. Postal Service Computer Incident Response Team (USPSCIRT) responds to computer incidents quickly and effectively to minimize the consequences of unauthorized access to Postal Service assets. These consequences may take the form of lost data confidentiality, loss of data integrity, lost revenue, damage to brand, reduced productivity, service degradation, or denial of service. The USPSCIRT validates and records incidents in an incident database that serves as a repository of incident data and a tool to facilitate the monitoring and resolution of incidents. Our review seeks to determine if the incident information stored within the computer incident tracking database is sufficiently reliable.
- **[Lima Consolidation - 11XG011EN000.](#)** As of October 15, 2010, the Lima, Ohio Processing and Distribution Facility was permanently closed and the mail processing operations were transferred to the Toledo, OH Processing and Distribution Center. We would like to know if the Postal Service could a better job of addressing customer service and stakeholder concerns before and after the consolidation. For this project, we will assess the operational impacts of the consolidation.



From the Federal Register: Postal Service NOTICES Change in Rates and Classes of General Applicability for Competitive Products , 73862-73909 [2010-29812] [\[TEXT\]](#) [\[PDF\]](#)

 The [Consumer Postal Council](#) has posted its review of Correios Portugal.

 According to the [New York Times](#), "For the magazine business, 2011 will be a year to watch — and not just because it could hold answers to lingering questions about the financial health of the industry. Next year will be the first in a decade and a half that the four largest American magazine companies will all have new leaders, making it

possible to judge whether the recent troubles in publishing can be addressed by changes in the executive suite. Or, if not, whether the problems run deeper than they now appear."

 From [PR-Log](#): "BBC Children in Need raised over £18m in this year's broadcast event, with help from address auto-fill and validation technology supplied by Postcode Anywhere. The address software, which was supplied free of charge, allowed donors to auto-complete an entire postal address from just the postcode. It was anticipated to speed up the time taken to process donations taken via the website by at least 50%. In total, over 45,000 payments have been processed for BBC Children in Need using this technology with around 33,000 being taken on the night of the event."

 [Dead Tree Edition](#) has told its readers that "High costs that outweigh any postage discounts and poorly trained Postal Service employees are keeping most business mailers from using Full Service Intelligent Mail barcodes, an extensive study concludes. Of the 290 business mailers surveyed by USPS's Office of Inspector General, 58% said they did not use Full Service IMBs because of high start-up costs and software requirements. Only 23% of the surveyed mailers said they were using Full Service."

 [Romania-Insider](#) has reported that "Romania will invest in the technological and informational development of state-owned postal company Posta Romana in the next two years, said Romanian Communications Minister Valerian Vreme. The investments will prepare the company for the liberalization of the postal services in 2013. Vreme stressed the ministry does not plan to sell its 75 percent stake in Posta Romana, adding that investment fund Fondul Proprietatea, which owns 25 percent of the company, might sell its stake to a private company." See also [Publics.bg](#).

 The [Wheeling Intelligencer](#) has reported that "A group of Flushing residents want the U.S. Postal Service to reopen their post office because they believe it was not closed via the proper channels."

 [Workday Minnesota](#) has reported that "One of the nation's three postal unions, the Rural Letter Carriers, said it would head for mandatory arbitration after talks with the U.S. Postal Service broke down Nov. 15. Meanwhile, another, the Postal Workers, extended the talks until Dec. 1 in hopes of reaching a new contract."

 [Federal Times](#) has told its readers that "Myths about the U.S. Postal Service fly fast and far these days. For instance, you may have heard that there are 36,000 post offices in the U.S., which is more retail outlets than Wal-Mart, Starbucks and McDonald's combined. In addition, many of these post offices are labeled "money losers." These statements, made more to shock than inform, are not accurate. Let's look at the facts."

 [Asian Investor](#) has reported that "Korea Post's insurance bureau is requesting proposals from fund managers with regard to active strategies for developed and emerging market equity. It is also looking for an adviser for alternative strategies, including private equity, commodities and real estate (both direct and via funds)."

November 28, 2010

 [AMEInfo](#) has reported that "Representatives of all GCC postal administrations attended the 24th meeting of the Committee of Heads of GCC Postal Organisations held in Kuwait in association with the Secretariat General of Gulf Corporation Council."

 According to the [Columbus Dispatch](#), "This holiday season, keep in mind that the package left on your front porch might be on someone else's shopping list. Police and delivery companies say that package thefts are, fortunately, infrequent."

 The [Memphis Commercial Appeal](#) has noted that "The United States Postal Service is routinely castigated for losing money, but in a series of internal audits it has identified \$94 million in unnecessary expenses linked to its lack of diligence under its FedEx mail-hauling contract. The Inspector General of the U.S. Postal Service audited all eight Postal Service regions across the country beginning in 2007 and ending earlier this year. It found the same

problems in each region: Mail that should have been shipped by surface transportation found its way onto expensive FedEx jets. First-class mail that could have been sent on cheaper commercial airlines instead went on FedEx jets. By failing to sort mail to specific locations into cargo crates, called bypass containers, it incurred FedEx sorting charges. Nothing in the audits reflects badly on the Memphis logistics giant, but the implications of the findings, once the cost-savings opportunities identified are achieved, could affect the amount of money flowing to FedEx."

The [Boston Globe](#) has reported that "The Republican, Representative Darrell Issa of California, who will take over as chairman of the House Oversight and Government Reform Committee, has said the **government needs "to go on a diet"** to help erase the annual budget deficit of \$1.4 trillion. His goal as chairman, he said in a recent speech, is to "focus on places where money can be saved, where we can literally close agencies or subagencies or programs." **Issa has already drawn up a list of big targets:** \$40 billion a year in fraud or waste in Medicare; tens of billions of dollars in subsidies to the government-controlled mortgage giants, Fannie Mae and Freddie Mac; **\$8.5 billion in losses by the Postal Service in the last fiscal year**; tens of millions of dollars spent on redundant programs within federal agencies or squandered through corrupt contracting procedures."

November 27, 2010

The [Business Standard](#) has reported that "With increasing competition across sectors for its different kinds of services, the over 150-year-old Indian postal system is set for a major technological advancement to improve its customer service, deliver new services and improve operational efficiencies. The Department of Posts (DoP) is understood to have given a go-ahead to its Information Technology (IT) modernisation project under the India Post 2012 plan, which has thrown opportunities of over Rs 1,000 crore for Indian and global IT vendors."

Novinite has reported that "Bulgaria's Parliament amended Friday the Postal Services Act to remove the monopoly of the state-owned company "Bulgarian Posts EAD". Thus, as of January 1, 2011, the monopoly of Bulgarian Posts on small parcels – less than 50grams – is eliminated. At the same time, the law assigns to the state company the universal postal services in the country for a period of 15 years based on the fact that Bulgarian Posts is the only entity in Bulgaria which has the infrastructure to provide these kinds of services. Their performance will be inspected and evaluated every 5 years."

According to the [Globe and Mail](#), "Purolator Courier Ltd., Canada's largest courier company, has let go of eight top executives in a housecleaning it says will simplify its management ranks, but one that rivals suspect may herald much closer ties with U.S. package delivery giant FedEx. The moves come as Canada Post struggles to leverage Purolator's leading market share in the intensely competitive courier business. In addition to competing with Canada Post, Purolator also competes in various services with FedEx, United Parcel Service, DHL and Canpar. The post office's mixed success with Purolator has triggered speculation that it might eventually put the subsidiary on the block as part of the Harper government's push for more privatization. At least three different companies have expressed interest in acquiring Purolator in recent years, according to sources."

According to [Bloomberg](#), "Companies facing the biggest pension deficit since at least 1994 are selling bonds at the fastest pace in more than seven years to plug the hole, betting that future returns will exceed their borrowing costs. United Parcel Service Inc., the world's largest package- delivery business, Dow Chemical Co., Northrop Grumman Corp. and PPG Industries Inc. sold at least \$5.25 billion of investment- grade U.S. corporate bonds in November to fund their pensions, making it the busiest month since June 2003."

The [Connecticut Post](#) has noted that "In a shrinking economy and in an industry that has had plant closings and layoffs, Neopost USA Inc. in Milford is growing and hiring. That is largely because of the company's "core values," said President and Chief Executive Officer Dennis LeStrange, which empower employees and emphasize customer service."

November 26, 2010

 [Fox News](#) has noted that "A new postmaster general is preparing to take the reins next week at an organization beset by staggering financial losses, union disagreements and an ongoing battle over how to fix itself with regulators and lawmakers."



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

- [Information Technology Contract Payment Oversight \(Report Number CA-AR-11-001\)](#). Postal Service officials must improve the oversight of IT contract payments to ensure invoices are first reconciled and then certified by designated Contracting Officers (COs) or Contracting Officer Representatives (CORs).
- [Substantial Savings Available by Prefunding Pensions and Retirees' Health Care at Benchmarked Levels \(Report Number FT-MA-11-001\)](#). Benchmarking results indicate the Postal Service has prefunded its pension and retiree health benefits plans at substantially higher levels than other entities. Many entities in the public and private sectors fund these future liabilities at less than 100 percent. By defining the prefunding requirements to standards set by other organizations, the Postal Service has an opportunity to substantially meet its obligation while conserving cash and improving its financial condition.

 [Reuters](#) has reported that "Italy's postal service will make an offer for Unicredit's MedioCredito Centrale unit next week to create a new "Bank of the South" aimed at spurring development in the poor Mezzogiorno region, the government said on Friday. Economy Minister Giulio Tremonti told reporters that the offer, to be made by Poste Italiane on behalf of a group of co-operative banks, would be presented on Tuesday."

 The [Azerbaijan Business Center](#) has reported that "A range of meetings with international experts has been held in Azerpocht Ltd (national postal operator) under the Ministry of Communications & Information Technologies of Azerbaijan within the frames of "ICT Week". The MCIT reports that Azerpocht's general director Gambar Beybalayev met with experts from the postal administration of Germany within which the sides exchanged views on the development of international mail and made interesting ideas and recommendations. During the meeting it was stressed that 30% of international parcels is received by Azerbaijan from Germany that testifies of high level of cooperation established between the countries."

 According to the [York Dispatch](#), the postmaster general "has asked Congress to lift a 2006 mandate that it pre-fund retirement benefits to the tune of \$5 billion a year, something he says no other large business or federal agency is required to do. **Lawmakers so far have refused to budge.** There are other changes the postal service would like to make, ones it says will put the 235-year-old agency on the path to solvency. Unfortunately, most require Congress and bureaucrats to get out of the way."

 [Informa](#) has reported that "Mobile advertising revenue will rise tenfold to about \$24.1 billion by 2015, with much of that growth coming from China and India, according to Informa Telecoms & Media."

 [Scoop.nz](#) has reported that "New Zealand Post Group has secured the services of Airways Corporation of New Zealand Ltd CEO Ashley Smout to head up its new Operations division."

 The [Columbus Dispatch](#) has reported that "The U.S. Postal Service has persevered through more than 200 years of rain, snow, sleet and hail, but whether it will survive until this time next year is questionable - unless Congress allows it to adjust its business model. **Worst of all, though, the agency's legacy costs - its pensions and its retiree health care - are choking the life out of it, and Congress is allowing it to happen.**"

 The latest from [National Public Radio](#): "Post Office Cuts Cause Economic, Emotional Blow."

 [Realdeal.hu](#) has reported that "A joint venture linking mobile provider Vodafone and Hungarian postal service Magyar Posta to sell mobile phones and subscriptions at Hungarian post offices is a total failure, hwsu.hu writes. Vodafone and Magyar Posta signed a contract for the "Postafon" service one year ago, and over the period number of subscribers has apparently not gone above 10,000, far below the expected 70,000."

 [Hellmail](#) has reported that "Croatian Post is one of many European postal operators that is gradually switching from petrol-fueled mopeds and vans to zero-emission electric vehicles. Croatian Post is currently testing the Ducati energia FreeDuck in Zargreb. The vehicle is capable, when fully charged, of a top speed of 45Km/h, the two electric motors powered by a 12v battery which can be charged in 8 hours. The company also manufactures a 100cc 4-stroke version."

 [Newsday](#) Editorial: "Congress needs to address Postal Service problems."

 In a letter to the current Chief Operating Officer of the U.S. Postal Service, [National Association of Postal Supervisors President Louis Atkins](#) wrote: "We continue to receive negative feedback from the field concerning the continuation of reductions to the number of EAS field positions during the heart of the 2010 Holiday Season While we are cognizant of the current financial and structural challenges facing the USPS, however, staffing disruptions within the management ranks at the most important time of the calendar year is disconcerting to our members and could only serve to add additional challenges on top of the ones we are already facing. Our concern is that simply that our folks in the field will be asked to do more with less. Considering the strained nature of our workforce and infrastructure, it would be unwise in my opinion and the opinion of our membership to potentially jeopardize our ability to meet our Universal Service Obligation."

 [Metro Edmonton](#) has reported that "Postal workers went door to door in a west end neighbourhood Wednesday evening, raising awareness about what they say are problems affecting both workers and Canada Post customers. Forced overtime because of a lack of relief carriers is an issue, said Bev Ray, Edmonton president of the Canadian Union of Postal Workers. "Now customers don't expect to get (their) mail in a timely manner," she said, adding that mail is sometimes not delivered until 9 p.m., or not at all."

 [Vietnam News](#) has reported that "The postal industry had undergone drastic changes and regional postmasters needed to work together more closely and share experiences in dealing with them, said the managing director of Pos Malaysia Berhad, Dato' Syed Faisal Albar. Albar made the remark at the opening of the 17th ASEAN Postal Business Meeting and the 4th ASEAN Post++ Meeting, which he is chairing, in the central central city of Da Nang. The meetings are gathering sectoral representatives from ASEAN member countries as well as dialogue partners from mainland China, Hong Kong, India, Japan and South Korea. Participants discussed issues such as regional e-commerce development, postal savings projects and marketing strategies for express shipping services."

 [The Star](#) has reported that "A former Pos Malaysia Bhd chairman is suing the postal services company and two others for alleged breach of contract and his purportedly wrongful dismissal."

 The [Yuma Sun](#) has reported that "the Postal Service is losing a battle with technology, and Congress will find itself having to deal with this iconic part of American society next year. The reason is that Congress continues to control mail delivery, even though the Postal Service is quasi-private. Congress sets requirements for delivery, including universal service at the same prices to all areas. The reality is that our current postal system is becoming an anachronism in our high-technology world and without the ability to full adapt itself to that new world, it will continue to have difficult balancing its costs with its revenue."

November 25, 2010

 The [Manchester Evening News](#) has reported that "Union bosses are stepping in to sort out problems which postal workers fear will bring Christmas deliveries to a grinding halt. Workers at the Wardley sorting office, which serves Walkden, Swinton, Boothstown and Little Hulton, claim they are struggling to deliver mail under a new regime and

have called in their union leaders to mediate. New working practices are being rolled out across the country, which staff at Wardley sorting office, on Shield Drive, on the Wardley Industrial Estate, say is stretching the system to breaking point."

 [DutchNews](#) has reported that "Ministers have asked the competition authority NMa to look into possible anti-competitive practices by budget mail delivery firms such as SelektMail and Sandd, the Financier Dagblad reports on Thursday. The investigation follows concerns that the new players are working below cost price in order to boost their market share."

 The [Jersey Evening Post](#) has reported that "postal deliveries could be scaled back from six days a week to five, the Economic Development Minister has said."

 [Post & Parcel](#) has reported that "Russian Post has increased staff wages by 7% during the first nine months of 2010. For the entire year, Russian postal employees will enjoy a rise of up to 12%, it has been reported."

 [Havana Times](#) has reported that "The Cuban Postal Company decided to temporarily suspend the sending of postal packages to the United States, where only regular and certified correspondence that does not contain any type of object will be able to be sent. The measure comes after the announcement of exceptional security measures taken by the US Postal Service in the face of recent terrorist threats in that country, limiting the reception of packages that weigh over 16 ounces, reported IPS."

 [Japan Today](#) has reported that "The ruling Democratic Party of Japan has decided to carry forward bills to roll back postal privatization measures."

 The [Courier Post](#) has noted that "The satellite facility, located at 788 Emerson St., will close at the end of business Jan. 28, the Postal Service said. Local mail delivery will not be affected."

 The [Wheeling Intelligencer](#) has reported that "The U.S. Postal Service plans to use a Flushing business as a "contract community post office" site."

 From [PR-Inside](#): "Australian Postal Corporation - Australia Company Premium Report - a new market research report on [companiesandmarkets.com](#)."

 According to the [Daily Mail](#), "Around three Post Offices are closing down every week and 900 could disappear by next year, shocking research revealed yesterday. The massive number of closures is a major embarrassment for a government which has repeatedly promised to protect the network."

 The [Dumfries & Galloway Standard](#) has reported that "Dumfries and Galloway Council is set to ask the UK Government to halt plans to privatise Royal Mail over fears it will lead to more rural post office closures. A majority of councillors backed a motion by the authority's Labour group to "keep the Post Office public" at a meeting on Thursday."

 [Voice of Vietnam News](#) has reported that "The 17th ASEAN Post and ASEAN Post +4 summit is being held in the Furama Resort in the central city Da Nang from November 25-27. The Group Managing Director and Chief Executive Office of PosMalaysia, Dato Syed Faisal Albar is presiding over both summits. Attending the 17th ASEAN Post summit are representatives from the postal departments of 9 ASEAN countries. They are discussing ways to enhance electronic transactions in the region and around the globe, the projects hopes to develop electronic commerce within ASEAN and international electronic money transfers. Attendants to the summit are also focusing on proposals from the private sector and developing new projects in the field of postal finance and marketing strategy for the express mail service and electronic commerce."

 [Hellmail](#) has reported that:

 [Croatian Post and Israeli Mail](#) have signed a technical cooperation agreement in Tel Aviv. It marks the beginning of a partnership aimed at combining technical expertise ahead of a second phase of restructuring of business processes.

 [Royal Mail](#) this week announced it will be discounting new or additional direct marketing campaigns throughout March and April next year by as much as 20%, to encourage advertisers to try new direct mail tactics. Mark Thomson, Media Director at Royal Mail, said: "Direct mail is back, pure and simple. It has regained its position as the consumer's favourite direct marketing channel because people love to receive well targeted, well crafted advertising mail. "And for the advertiser, direct mail's ROI is performing better and better and the discounts in this sale will help them to benefit from its increasing power even further."

 The [BBC](#) has reported that "The Jersey Competition Regulatory Authority (JCRA) has outlined plans for Jersey Post to face more competition. It has set out goals of developing a more competitive telecoms market, liberalising postal services and working more closely with Guernsey. The JCRA has decided to grant another postal license to TNT Post UK, to ship items for the mail-order industry."

 According to [The Courier](#), "Residents frustrated by a breakdown in Dundee East delivery office's new system have hit out at Royal Mail drafting in postmen unfamiliar with the patch. The postal authority also appears to be turning away locals who know the territory and have offered to help clear the backlog of undelivered mail. [Some] believe that postal workers who do not know the area may simply be getting lost."

 [Radio Netherlands](#) has reported that "Workers at Dutch postal company TNT are staging a national strike for two days starting Thursday morning. This comes after approximately 8000 postal workers rallied in The Hague last week to protest TNT plans to retrench 3100 staff. Although there is no plan for a rally this time, some 500 postmen are meeting to follow the current debate in the Lower House about the effects of last year's liberalisation of the Dutch postal market. A petition urging the cabinet to intervene and protect TNT employees will be handed to Social Affairs Minister, Henk Camp, just before the debate." See also [Dutch News](#).

 Also from [NPR](#): "'I don't think the Postal Service has caught on to this," photographer Martha Cooper says over the phone. That is: Officials haven't caught on to the fact that street artists are stealing postage stickers by the dozens for graffiti and street art. In fact, it's not really even stealing because you can go to the USPS site right now and order up to 500 stickers for free. Cooper's book, *Going Postal*, shows the many ways in which street artists have re-purposed those government materials, i.e., mailing stickers, for vandalism. In a sense, she says, "the government is supporting their art."

From the Federal Register:

- **Postal Regulatory Commission NOTICES** New Postal Products , 72845–72846 [2010–29734] [\[TEXT\]](#) [\[PDF\]](#) 72846–72847 [2010–29770] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service RULES** Express Mail Open and Distribute and Priority Mail Open and Distribute , 72686–72688 [2010–29801] [\[TEXT\]](#) [\[PDF\]](#)

 Be sure to check out [the NPR series](#) on "Snail Mail Struggles."

 According to the [New York Times](#), "In a matter of months, the movie delivery company Netflix has gone from being the fastest-growing first-class mail customer of the United States Postal Service to the biggest source of streaming Web traffic in North America during peak evening hours."

 The [Chicago Daily Herald](#) has reported that "The U.S. Postal Service is denying claims by a local postal workers union that a recent consolidation has resulted in massive delivery delays. In fact, officials say, service has improved."

 The [National Association of Major Mail Users](#) has reported that "[Canada Post](#) has introduced Canada Post Comparison Shopper, a one-stop shopping website that helps Canadians instantly find, compare and purchase products online. The site uses a ranking system that filters through over 4 million products from 500 well-known and respected retailers that actually sell to Canadians. The patent-pending system evaluates criteria like price, return policies and customer service to determine which retailer offers the best match for the consumer's search."

November 24, 2010

 From [Canada NewsWire](#): "Postal Workers in Edmonton will take to the streets tomorrow (Thursday, November 25th) to launch a door-to-door campaign called Porchlights for Posties to raise awareness of delivery problems affecting both workers and Canada Post customers."

At the Postal Regulatory Commission:

- RM2011-1 Comments of the Association for Postal Commerce and the Direct Marketing Association: Order No. 552
<http://www.prc.gov/docs/71/71016/COMMENTS-4.pdf>
- R2011-1 Comments of the Association for Postal Commerce
<http://www.prc.gov/docs/71/71009/Comments.pdf>
- R2011-1 Comments of the Affordable Mail Alliance (November 24, 2010)
<http://www.prc.gov/docs/71/71021/10-11-24%20AMA%20commts.pdf>
<http://www.prc.gov/docs/71/71021/10-11-24%20AMA%20App.%20A.XLS>
- R2011-1 Comments of the Major Mailers Association
<http://www.prc.gov/docs/71/71014/R2011-1%20Comments%20of%20the%20MMA.pdf>
- RM2011-1 Parcel Shippers Association Comments on the United States Postal Service Proposed Temporary Waivers for Reporting of Service Performance Measurement
<http://www.prc.gov/docs/71/71000/PSA%20Final.pdf>
- Postal Service Active Employee Statistical Summary (HAT report), Pay Periods 21, 22, 23, FY 2010
<http://www.prc.gov/docs/71/71002/HAT%20REPORT%20PP23%20FY2010.pdf>
<http://www.prc.gov/docs/71/71002/HAT%20REPORT%20PP21%20FY2010.pdf>
http://www.prc.gov/docs/71/71002/HAT_REPORT_PP22_FY2010.pdf
http://www.prc.gov/docs/71/71002/0025_001.pdf
- On-Roll and Paid Employee Statistics (ORPES), October, 2010 (Pay Period 22, FY 2011)
[http://www.prc.gov/docs/71/71001/On-Rolls_and_Paid_Employee_Statistics_National_Summary_-_October_\(PP_22-2010\).pdf](http://www.prc.gov/docs/71/71001/On-Rolls_and_Paid_Employee_Statistics_National_Summary_-_October_(PP_22-2010).pdf)
http://www.prc.gov/docs/71/71001/0024_001.pdf
- RM2011-1 United States Postal Service Notice of Provisional Partial Withdrawal of Request for Temporary Waiver
<http://www.prc.gov/docs/71/71003/RM2011-1%20partial%20withdrawal.pdf>
- R2011-1 Comments of the American Catalog Mailers Association (ACMA)
<http://www.prc.gov/docs/71/71019/ACMA%20Comments%20R2011-1%20final.pdf>
- R2011-1 Comments of the Saturation Mailers Coalition and Valassis Direct Mail, Inc.
<http://www.prc.gov/docs/71/71017/SMC%20Valassis%20cmnts-Incentive.pdf>
- RM2011-1 Public Representative's Initial Comments in Response to Postal Service Request for Temporary Waivers from Periodic Reporting of Service Performance Measurement
http://www.prc.gov/docs/71/71026/RM2011-1_PR%20Initial%20Cmnts_FINAL.doc
http://www.prc.gov/docs/71/71026/RM2011-1_PR%20Initial%20Cmnts_FINAL.pdf
- National Trial Balance, October, 2010, (FY 2011) and Statement of Revenue and Expenses, October, 2010 (FY 2011)
[http://www.prc.gov/docs/71/71028/National_Trial_Balance_-_Redacted,_October,2010_\(FY_2011\).xls](http://www.prc.gov/docs/71/71028/National_Trial_Balance_-_Redacted,_October,2010_(FY_2011).xls)
[http://www.prc.gov/docs/71/71028/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted.%20%20October.%202010%20\(FY%202011\).xls](http://www.prc.gov/docs/71/71028/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted.%20%20October.%202010%20(FY%202011).xls)
<http://www.prc.gov/docs/71/71028/NTB-SRE-FY2011.pdf>

- USPS Preliminary Financial Information (unaudited), October, 2010
http://www.prc.gov/docs/71/71025/OCT-10_PRC_-_Final.pdf
http://www.prc.gov/docs/71/71025/PFI_October_2010.pdf

 [Yahoo! News](#) has reported that "In Nigeria, South Africa and Indonesia, more than 90 percent of 18- to 27-year-olds use mobile phones as their primary means to access the Internet, even though smartphones aren't widely used, according to a survey by Norwegian browser company Opera Software. The countries with the highest percentage of respondents using desktop or laptop computers as the primary means of Internet access were countries where smartphones are more common among the top handsets used, including the U.S. and Germany, where the split between phone and laptop or desktop is about fifty-fifty. The most popular phone in India and Nigeria was Nokia's 5130 XpressMusic. Users in developing countries choose feature phones over smartphones and access the Internet is because the lack of fixed Internet infrastructure and the fact that people can't afford the iPhone 4 or the latest high-end Android-based smartphone." According to [Read Write Web](#), "The future of the web is mobile. However, the web analysts at Royal Pingdom have found that mobile web usage currently is spread unevenly across the world. The geographical areas that are accessing the web via mobile phones at the highest rates today actually aren't Europe or North America."

 The [Bay Citizen](#) has reported that "Filipinos were among dozens of workers holding a protest in front of the United States Postal Service (USPS) Evans branch in San Francisco last week, reports Henni Espinosa for the newscast Balitang America on The Filipino Channel. Filipinos form the largest Asian group among postal clerks in San Francisco. The American Postal Workers Union (APWU) estimates that 40 percent of the **1,600 clerks in San Francisco are Filipino.**" [*EdNote: Gosh! Silly me. I thought they were Americans.*]

 [Road Transport](#) has reported that "The Communication Workers Union (CWU) maintained its fierce opposition to the privatisation of Royal Mail during a debate with Richard Hooper at today's Future of UK Postal Services conference. Dave Ward, deputy general secretary at the CWU, says he believes Hooper's latest report on the future of the Royal mail is flawed. He welcomed the government taking on Royal Mail's pension deficit and regulatory reforms, but refused to accept that privatisation was progressive."

 [Hellmail](#) has reported that "Lithuanian Post is to introduce, initially, 50 new self-service terminals by the summer of 2011 across the country. The machines will be installed in major Lithuanian cities and the investment, which runs over three years, is expected to cost 2.5m. Pl."

 [TG Daily](#) has told its readers: "Think snail mail is dead? Well, it's not going down without a fight, as one company is now working on stamps with special connectivity for Android and iPhone devices. The stamps still function just like any other ordinary postal stamp, but they have a special image patterns on them that allow anyone - the letter's sender or receiver - to access exclusive online content. If you have an iPhone 3G, iPhone 3GS, iPhone 4, or Android phone, you need the Junaio app, which has gained notoriety for its universal acceptance of image-recognition codes. Once the user scans in a picture of the stamp, he or she will have access to content that the stamp creator designed. Royal Mail, which is behind the stamp revolution, hopes to make a splash with this new technology over the holiday season, and to do so has created a special collector's line of Wallace & Gromit stamps."

 The [UPU and Eurogiro](#) have signed an agreement to interconnect their networks to exchange postal payment services.

 [The Telegraph](#) has reported that "Around 150 post offices have closed down this year and many are likely to be shut indefinitely, trade unions have claimed."

 The [Washington Times](#) has reported that "Outgoing U.S. Postmaster John E. "Jack" Potter, who earned nearly a quarter million dollars in incentive pay in 2010 on top of a \$273,000 salary, is telling fellow Postal Service executives that from now on bonuses and salary increases will be tied to the agency's financial condition. Mr. Potter said in a memo obtained by The Washington Times that for fiscal 2011, the Postal Service's Board of Governors had decided that "all future officer executive pay and incentives will be linked to the Postal Service's financial condition." [*EdNote: Wow! Rocket science.*]

 "Even before Americans had a country, they had a post office. Since its creation in 1775, the post office has been delivering mail and helping knit together a sprawling nation. But today, the U.S. Postal Service is struggling as its customers migrate to the digital world. Americans are texting, e-mailing, faxing and networking instead of mailing each other paper greetings and documents. As a result, the USPS is seeing its business model crumble. Earlier this month, it reported an \$8.5 billion loss in the fiscal year that ended in September. This week, an [NPR series](#) explores the importance of the post office and considers what changes may be coming."



PostCom Members!! The latest issue of the [PostCom Postal Update](#) has been posted on this site. In this issue:

- No Jan 2011 Penalty for Non-Compliance with Container Association Requirements
- What Will Cause Loss of IMb Full- Service Discounts in January 2011
- IMb Data Issues Cause Exclusion from Service Measurement System
- USPS to Provide More Detailed IMb Full-Service Data in Future
- USPS Reports Improvements in IT Systems
- Industry Participants Needed for Secure Destruction Pilot Test
- NDC Preparation Requirements in the Works
- Flats Update
- Operational FSS Mail Preparation Available January 2, 2011
- Business Mail Acceptance Channel Strategy
- BMA Vision Document in the Works
- May 2011 Forum to Include Advanced Workshops
- Reply Mail IMb Requirements Update
- ACS Improvements Workgroup Issues Recommendations
- Phase One Completed for Enterprise Payment Initiative
- Keeping the "T" in MTAC: Container Label Discussion
- Full-Service Feedback Group Offers Recommendations
- USPS Lays Out Policy for Mailings with January 2011 Prices



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

- "Despite aggressive management actions to increase revenue and reduce expenses, the fiscal year 2011 Integrated Financial Plan (IFP) results in an Operating Plan with a net loss of \$6.4 billion and a cash shortfall of \$2.7 billion," said the Postal Service in its opening statement of the 2011 IFP. The Postal Service projects a net increase volume, a reduction in workhours, and net loss of \$0.9 billion before its required \$5.5 billion retiree health benefit payment due on September 30, 2011.
- The U.S. Postal Service submitted its fifth quarterly report concerning the Collaborative Logistics Market Test, regarding Quarter 4 of FY2010. This quarter the Postal Service transported 8.644 pallet position equivalents at a 97 percent on-time rate, producing revenue of \$498,923 (net \$471,460).
- Sam Pulcrano, USPS Vice President, Sustainability, spoke last week to the Mailers Technical Advisory Committee on the five-day delivery transition management status. Pulcrano said it was important to note that the USPS can not move to five-day unless congress strikes the language out of the appropriation bill or gives the Postal Service authority through some other mechanism.
- The Postal Service published its unaudited September results with the Postal Regulatory Commission. USPS lost \$795 million in September 2010. This brings the year-to-date loss to \$8.5 billion.
- The USPS on November 23, 2010, held a webinar to discuss its upcoming proposed standards for design of folded self-mailer letter-size pieces. The USPS shared the long-awaited results of its testing of samples submitted by PostCom members and others, as well as details on the ten categories of folded self-mailers it currently is proposing. The USPS has asked for industry feedback which it will take into consideration in formulating the actual proposed rules it will publish in the Federal Register in early 2011. The USPS said it does not expect the requirements to be implemented much before end of calendar year 2011 or early 2012.

- USPS manager of address management Jim Wilson last week told attendees of the Mailers Technical Advisory Committee (MTAC) meeting that the USPS is in the process of evaluating the comments received to its proposed changes concerning address correction notices for letters and flats qualifying for Full-Service Intelligent Mail and changes to Move Update standards. Wilson said the comments helped the USPS get a definitive understanding of some issues as well as indicating that the USPS needs to do a better job in terms of customer expectations (e.g., its policy on “temporarily away” change of address notices). He said the USPS likely will address some of the issues in its final rule, which it is aggressively working to publish so that industry has the information it needs to move forward.
- According to Post & Parcel, “Royal Mail’s chief executive Moya Greene claimed that criticism of the operator’s modernisation programme was unfair.”
- According to the Courier, Express, and Postal Observer, “Why would the Postal Service need a new Integrated Financial Plan less than a month after it was presented to the Postal Regulatory Commission? A new plan is needed to reflect changes in economic trends, costs of key inputs and operating plans.”
- To save the Postal Service, modernize. USPS and APWU extend contract negotiations. USPS speeds up FSS start-ups. UPS Logistics Technologies to be acquired by Thoma Bravo. NALC responds to USPS press release. PostCom filed comments in Move Update docket.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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



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The USPS on November 23, 2010, held [a webinar with PostCom and others to air its draft proposals for folded self-mailer designs \[slides\]](#) based on the results of its testing. The proposed formats are contained in the USPS' presentation slides, as well as charts comparing the specifications for each format to today's DMM requirements as well as those determined by the USPS in its Lean Six Sigma analysis of the test results. The USPS is recommending broader specifications than the Lean Six Sigma results, however, which are shown in the rightmost column of the presentation charts.

The USPS wants feedback on the proposed formats and specifications by December 6 sent to Craig Vance at 202-268-7595 or via email at gaylon.c.vance@usps.gov. The feedback will be used to craft the proposed rules the USPS will publish in early 2011 in the Federal Register for comment.

Per the USPS, please include in feedback: 1. By category, please describe any design elements or specifications that need further clarification and/or consideration for the Federal Register proposal? 2. What method of presenting the self-mailer formats in the DMM is most effective (e.g. similar to booklets are example illustrations by category beneficial)? 3. How may the revised standards affect your business (e.g. cost, volume impact, etc)?



DMM Advisory: IMb Services Update.

Reminder: Migrating to the IMb™ Webinars: In May 2011, eligibility for automation discounts in letter and flat mailings will require mailers to use an Intelligent Mail® barcode (IMb) on each mailpiece in Full-Service and Basic IM mailings, as the POSTNET™ barcode will no longer qualify for automation prices. To help in transitioning to the IMb, the Postal Service™ is conducting webinars entitled “Migrating to the IMb” between November 2010 and May 2011.

Reminder: Full-Service eDoc Verification Using MicroStrategy Webinars: will be held on Thursdays through December 16 (excluding November 25) from 2 p.m. to 4 p.m. EST. These webinars are tailored to provide mailers with details on the eDoc Verification process and enhancements to the MicroStrategy Mail Data Quality reports to support the new eDoc evaluation process. The webinar schedule and log on information for both webinars is posted on the [RIBBS®](#) website under [Intelligent Mail Latest News](#).

 [Airport Business](#) has reported that "ComSec this week began advising shippers, carriers, freight forwarders, and other companies involved in supply chain management to begin planning for new federal air cargo screening requirements. Under the Markey bill, according to ComSec, DHS is being directed to address three key areas of dedicated air cargo shipping."

 *Interested in e-paper? Then check out the piece published by [Engadget](#).*

 The [York Dispatch](#) has reported that "Some Hellam residents and businesses assumed it was another one of those exaggerated rumors when they heard the Hellam postal branch would be closing. But since February, the fate of the branch was up in the air, as it was among more than 162 postal branches nationwide that the U.S. Postal Service spent months evaluating to determine its viability. The Postal Service on Tuesday announced the decision to close the Hellam branch, 11 S. Prospect St., in late January."

 [BizReport](#) has asked: "Ever wondered if the shipping company you use has kid gloves or butter fingers? A recent test, using sensor technology to measure the ups and downs of a package's passage, gives a little insight into some U.S. carriers."

 [Brand Republic](#) has reported that "Martin Moran, the Post Office's head of financial services, has been drafted in to act as the company's marketing director, in the wake of Gary Hockey-Morley's departure."

 [Marketing Week](#) has reported that "Royal Mail is to repeat its "DM Sale" next year to encourage marketers to use direct mail."

 [Road Transport](#) has reported that "The new boss of Royal Mail has challenged accusations that the business is not doing enough to modernise itself. Royal Mail's truck fleet drivers were also singled out as being highly progressive."

 [Hellmail](#) has reported that:

- [UK Consumers](#) could potentially save a whopping £67.5million this Christmas if they send all their greetings cards by second class post instead of first class, says Consumer Focus.
- The [Communication Workers Union](#) (CWU), which represents thousands of postal workers in the UK, said today that the Postal Services Bill will endanger the post office network, that 150 post offices had already closed in the UK this year and the proposed legislation would force many more to close.

 The [Honolulu Star Advertiser](#) has reported that "Forty-three postal jobs in Honolulu will be eliminated by Jan. 15, but the employees have been guaranteed at least part-time work with the U.S. Postal Service, although they may have to relocate to the mainland."

At the Postal Regulatory Commission:

- **Postal Regulatory Commission PROPOSED RULES** Periodic Reporting Rules , 71643–71645 [2010–29558] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service RULES** Post Office Box Lock Replacement Fee , 71548 [2010–29732] [\[TEXT\]](#) [\[PDF\]](#) **PROPOSED RULES** Group E Post Office Box Service , 71642–71643 [2010–29537] [\[TEXT\]](#) [\[PDF\]](#)

 According to [DC Velocity](#), "As anyone who's ever had to gather weight and dimensional data on a pile of packages can attest, dimensioning systems (also known as cubing and weighing systems) can take a lot of the pain out of the process. Instead of wrestling with rulers or tape measures, all the user has to do is place the item or carton onto a cubing device (or in the case of a pallet, within range of a laser-based measuring system), and the rest happens automatically. In many cases, the process takes less than a minute. Not only are these systems speedy; they're also precise. The data they provide is accurate to within 1 inch on pallet dimensions; within 2/10 to 1/4 of an inch when measuring a carton in motion on a conveyor; and to within 1/1,000 of an inch when measuring a static carton."

 The [New Zealand Herald](#) has reported that "Posties are getting an early Christmas present - a four day weekend over the holiday season. Cabinet yesterday approved a proposal to allow postal workers a four day Christmas break plus Easter Saturday off."

 [BND.com](#) has reported that "If you're an Illinois resident that did not get a 2009 tax refund, here's how to check whether it was because of a mailing error. The IRS and U.S. Rep. Jerry Costello's office have lists of people who did not get their tax returns because the IRS did not have a correct address on file. The U.S. Postal Service returned more than \$4 million worth of tax refunds for 3,618 residents in Illinois as of Nov. 22."

 The [Globe and Mail](#) has reported that "Canadian inflation rate roared back to life last month, as broad gains in gasoline, electricity and **postal services** pushed consumer price increases to the fastest clip in two years."

 The [CBC](#) has reported that "Canada Post is calling job action by Winnipeg employees an illegal walkout, as letter carriers and the company wrangle over a controversial new sorting method."

 [Canada.com](#) has reported that "An illegal work stoppage by letter carriers at a postal depot in Winnipeg appeared to be over Tuesday. Canada Post and the Canadian Union of Postal Workers both said employees agreed to return to their jobs."

 As the [Daily Mail](#) put it: "What a Christmas con! Royal Mail dumps first-class promise for festive season."

 [Southern Maryland Online](#) has maintained that "Although the number of people who do holiday shopping by catalog is falling -- 15 percent in 2010, down from 20 percent in 2007, according to the National Retail Federation -- catalogs remain a prominent marketing tool, and they proliferate around the Christmas holiday."

 [Daily News and Analysis](#) has reported that "The officials of India Post were directed by the II Additional District Consumer Disputes Redressal Forum to pay a compensation of Rs15,000 for allegedly misplacing a parcel belonging to one of its customers."

 [WBAY](#) has reported that "The plan to potentially close a mail processing center in Oshkosh and move the operations to Green Bay drew hundreds of people to an informational meeting Tuesday night. It's a proposal that drew sharp criticism."

 [WFRV](#) has reported that "Postal workers are protesting a plan that would consolidate Oshkosh's mail services with Green Bay's."

 The U.S. Postal Service has filed its brief with the United States Court of Appeals for the District of Columbia Circuit, the next step in its appeal of the Postal Regulatory Commission's order denying the Postal Service exigent price request. The brief makes two main arguments: the PRC misread the statute governing exigency; and the PRC acted in an arbitrary and capricious manner by establishing new requirements that were not shared with or explained to the Postal Service. The ability to raise prices above the rate of inflation is a safety valve included in the law to insure that the Postal Service is financially viable and can continue to provide universal mail delivery service to all Americans. In its Sept. 30 decision, the PRC found that losing billions of dollars during the recession constituted an "extraordinary and exceptional circumstance." The PRC also lauded the Postal Service for doing all it

could to manage and control costs, but still denied the price filing. "The PRC erred by rendering the safety valve ineffective and passing the buck back to Congress," the brief states. The Postal Service was granted an expedited review of its case by the Court of Appeals earlier this month. See the [Federal Times](#).

According to [D. Eadward Tree](#), "On the way to creating its new color product that is supposed to make e-readers "Just Like Paper, Only Better," E Ink forgot a few basic things. Like elementary school physics. And the color yellow." [EdNote: Spoken like an old "ink on paper" kind of guy.]

November 23, 2010

[IT-Chiuko](#) has reported that "Texans Keith Dunbar has filed suit against Gmail, writes The Register. Dunbar, who uses a different postal service, argues that Google illegally "reads" his letter addressed to users of Gmail. Speech in the lawsuit comes on the algorithm of Google, which examines the contents of the letter to show for his reading of the relevant content. Dunbar said he did not give consent for such action on his letters. Google, he argues, violates the law on secrecy of electronic communications." [EdNote: Next time, put a digital postmark on it.]

The [San Jose Mercury](#) has reported that "The Postal Service has been fined \$220,000 for unsafe conditions at a Los Angeles-area mail processing facility. The Labor Department announced Tuesday that an OSHA inspection in June found electrical hazards at the Los Angeles International Service Center. The Carson facility has 488 employees." [EdNote: Aren't you glad the people who were charged with maintaining these facilities also aren't responsible for maintaining passenger jets?]

The [Rome Sentinel](#) has reported that "A food drive will be held from Monday, Nov. 29, through Wednesday, Dec. 15 at local Mohawk Valley Community Action Agency, Inc. offices. In Rome, food will be collected from 9 a.m. to 4 p.m., Monday through Friday, at the 1721 Black River Blvd. office. Community Action is collecting the canned goods and non-perishable food items to give to area food pantries in an effort to make up for the cancellation of the U.S. Postal Service food collection this year." [EdNote: For shame! Backing out of a food drive. Who cares what it cost? People very much need this kind of help.]

Mailers' Technical Advisory Committee (MTAC)

[Click here](#) to go to the November 2010 minutes containing hot links to the presentations.



The following reports have been posted today on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning a report, please contact Wally Olihovik at 703.248. 2201, or Agapi Doulaveris at 703.248.2286.

- [City Delivery Operations Workforce Planning \(Report Number DR-AR-11-001\)](#). The Postal Service's workforce planning process for city letter carriers did not always optimize available resources. In fiscal year (FY) 2009, the Postal Service could have avoided paying almost 7 million of the 28 million overtime hours for full-time city letter carriers by maximizing available, lower cost carrier resources to deliver the mail.
- [Full Service Intelligent Mail Program Customer Satisfaction \(Report Number DA-MA-11-001\)](#). Surveys of Full Service Intelligent Mail participants disclosed mixed results for program usefulness. For five of the six program benefit categories, one-third of the respondents described the program features as

very useful and the majority considered them at least useful. However, in three of the six benefit categories, one-third of the respondents described the program features as not useful at all. In addition, non-participants expressed several concerns with the Full Service Program, such as high start-up costs and limited program benefits. Not addressing these concerns could limit program participation and customer satisfaction.

At the Postal Regulatory Commission:

- R2011-1 Comments of the the Newspaper Association of America
<http://www.prc.gov/docs/70/70981/naa-rm2011-1-comments.pdf>
- USPS Report on PRC Rate and Service Inquiries for October 2010
<http://www.prc.gov/docs/70/70982/Service%20Inquiries%20for%20Oct%202010.pdf>
- R2011-1 Comments of the National Postal Policy Council
<http://www.prc.gov/docs/70/70985/NPPC-Comments-R2011-1.pdf>
- RM2011-4 United States Postal Service Request for Semi-Permanent Exception from Periodic Reporting of Service Performance Measurement Or, in the Alternative, Petition for Rulemaking Concerning 39 C.F.R. ? 3055.45(A)
<http://www.prc.gov/docs/70/70984/Exception%20request%20FCM%20flats.pdf>
- R2011-1 Public Representative Comments in Response to the United States Postal Service Notice of Market Dominant Price Adjustment
<http://www.prc.gov/docs/70/70988/PRCommentsFinal.docx>
<http://www.prc.gov/docs/70/70988/PublicRep.xlsx>
<http://www.prc.gov/docs/70/70988/PRCommentsFinal.pdf>
- CP2011-27 Order No. 595 - Order Concerning Filing of Changes in Rates for Inbound Air Parcel Post at UPU Rates
<http://www.prc.gov/docs/70/70991/Order595.doc>
<http://www.prc.gov/docs/70/70991/Order595.pdf>



The Early-Bird deadline for [MAILCOM 2011](#) is December 15, 2010.

 [A joint reply](#) from the Affordable Mail Alliance, Alliance Of Nonprofit Mailers, American Business Media, Association For Postal Commerce, Direct Marketing Association, Inc., Magazine Publishers Of America, Inc., Major Mailers Association, National Newspaper Association, National Postal Policy Council, Newspaper Association Of America, Time Warner Inc., and Valassis Direct Mail, Inc., to the opposition of the United States Postal Service to participants' motions to intervene has been filed with the United States Court Of Appeals For The District Of Columbia Circuit.

 [Zacks.com](#) has reported that "Below are the top five companies in the Air Freight & Logistics industry as measured by relative performance. This analysis was compiled based on yesterday's trading activity as we search for stocks that have the potential to outperform. FedEx ranks first with a gain of 0.63%; CH Robinson Worldwide ranks second with a gain of 0.04%; and Expeditors International of Washington ranks third with a loss of 0.25%. United Parcel Service follows with a loss of 0.46% and Atlas Air Worldwide Holdings rounds out the top five with a loss of 0.49%. SmarTrend currently has shares of CH Robinson Worldwide in an Uptrend and issued the Uptrend alert on July 14, 2010 at \$58.66. The stock has risen 24.2% since the Uptrend alert was issued.

 [Parcel2Go](#) has reported that "International package delivery company FedEx has published a sweeping new study about the best methods and practices for companies using social media. The research, which was carried out jointly with Ketchum, points to the power of Facebook, Twitter and the like in generating word-of-mouth support and for customer care."

 According to the [Washington Post](#), the USPS and APWU have agreed to extend the contract negotiation deadline until December 1. **The NRLCA and USPS have reached an impasse and will go to arbitration.** See also [ABC News](#), [Federal Times](#), and [Government Executive](#).

 According to the [Courier, Express, and Postal Observer](#), "The Board of Governors and Congress requires an Integrated Financial Plan that illustrates the financial course necessary for the Postal Service to be financially self sufficient under both the current business model and regulatory framework as well as alternatives to the existing model. The 2011 Integrated Financial Plan does not meet this requirement."

 [Post & Parcel](#) has reported that "Royal Mail's chief executive Moya Greene claimed that criticism of the operator's modernisation programme was unfair. Greene - who is only 14 weeks into her new role after leaving Canada Post - said the company is making "great progress", and also praised the government over plans of reform. Speaking at an industry conference earlier today, Greene said: "I have heard a lot about Royal Mail being slow to modernise, being inefficient, and the necessity to keep Royal Mail under a great deal of pressure to become more efficient. "What I have seen does not correspond to what I have heard. It is not 'fair comment' to talk about Royal Mail as if it were a company uninterested in change, unable to modernise, as if it were a company that did not understand the efficiency imperative that faces everybody in this industry."

 The [Courier, Express, and Postal Observer](#) has asked: "Why would the Postal Service need a new Integrated Financial Plan less than a month after it was presented to the Postal Regulatory Commission? A new plan is needed to reflect changes in economic trends, costs of key inputs and operating plans. The problem of changing economic trends, input trends and operating plan changes exists because by the time a plan is produced approved by the board of governors nearly all of the economic and cost assumptions used in the plan are out of date. The older economic forecasts most likely underestimate both revenue and costs."

 [Hellmail](#) has reported that:

 [Pitney Bowes](#) has been awarded a contract to provide hybrid mail solutions as a framework supplier of Buying Solutions – the national procurement partner for all UK public services.
 [The Greek regulator EETT](#) which has responsibility for regulating Telecommunications and Post in Greece, today published a study document called "The Greek Postal Market: Market Trends and Data for 2009." The study shows the recent changes and outlook of the postal market in Greece, a reference to charges for postal services in other countries in the European Union and a summary of major trends in global consumption market until 2020.

 According to [Gizmodo](#), "University researchers have found a way to turn paper into e-paper—that is, the same electronic screen in a Kindle."

 [Analytiqa](#) has reported that "Deutsche Post DHL intends to significantly increase its earnings in the coming years and become the industry's trendsetter in profitability as well. After announcing its Strategy 2015 based on the two pillars mail and logistics last year, the Group has now further specified its targets during an investor conference in Frankfurt."

 According to the [National Association of Letter Carriers](#), "A press release put out Sunday by the United States Postal Service is full of spin and distortions aimed at influencing public opinion. The National Association of Letter Carriers wants its members to know that we are responding to press inquiries regarding the USPS release as follows: The release, which addresses the status of negotiations with two unions, contains significant misinformation in a variety of areas. We recognize that the USPS faces major challenges that need to be addressed to secure its future, but this cannot be done responsibly if one party engages in blatant and self-serving attempts to mislead people."

 From [PRWeb](#): "Vicki Rolens, Managing Director of the Federation of American Consumers (FACT), says that the association has received a number of queries concerning the United States Postal Services (USPS). "People are understandably confused," she says. "Is USPS government run or private? Is it supported by postal rates or our taxes? Can it raise rates at will or must it obtain approval? Is it going broke? And, if it does go broke, what happens to my mail?" Rolens said the queries have prompted FACT to prepare a USPS report for its members."

 The [Mainichi Daily News](#) has reported that "Japan Post Holdings Co. said Monday it has agreed with China Post, the operator of China's nationwide postal services, to cooperate in delivering goods ordered online by Chinese

consumers through Japanese Internet mail-order companies. Japan Post plans to expand its international parcel delivery business by helping a range of Japanese online shopping firms keen on cashing in on growing demand among Chinese consumers for online mail-order services, it said."

 [Supply Management](#) has reported that "Some 59 per cent of procurement professionals think buyers would benefit from a privatised Royal Mail. The poll also showed 41 per cent of poll respondents believe buyers would lose out."

 According to [The Northwestern](#), "If you want to see one of the most poorly handled business decisions in Oshkosh in 2010, look no further than the folks at the U.S. Postal Service and their back and forth on whether to close mail processing operations in Oshkosh."

At the Postal Regulatory Commission:

Meeting of the Postal Regulatory Commission: Wednesday, December 1, 2010, at 11 a.m. Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. Parts of this meeting will be open to the public. The rest of the meeting will be closed to the public. The open parts of the meeting will be audiocast. The audiocast can be accessed via the Commission's Web site at <http://www.prc.gov>. The agenda for the Commission's December meeting includes the items identified below. PORTIONS OPEN TO THE PUBLIC: 1. Election of Vice Chairman. 2. Review of postal-related congressional activity. 3. Report on international activities. 4. Review of active cases. 5. Report on recent activities of the Joint Periodicals Task Force and status of the report to the Congress pursuant to Section 708 of the PAEA. 6. Report on the status of the Annual Report. PORTIONS CLOSED TO THE PUBLIC: 7. Discussion of pending litigation. 8. Discussion of confidential personnel issues. 9. Discussion of contracts involving confidential commercial information. CONTACT PERSON FOR MORE INFORMATION: Stephen L. Sharfman, General Counsel, Postal Regulatory Commission, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001, at stephen.sharfman@prc.gov or 202-789- 6820 (for agenda-related inquiries) and Shoshana M. Grove, Secretary, at 202-789-6800 or shoshana.grove@prc.gov (for inquiries related to meeting location, access for handicapped or disabled persons, the audiocast, or similar matters).

 [Government Executive](#) has noted that "With contract talks with two major unions having officially expired over the weekend, the U.S. Postal Service is facing a stalemate with the National Rural Letter Carriers' Association but remains in negotiations with the American Postal Workers Union under pressure of a revised deadline set for noon on Tuesday. Months of negotiations leading up to the Nov. 20 cutoff date pitted the USPS' desire to adopt more flexible schedules and use more part-time workers against the unions' goal of protecting members against wage freezes, benefit cuts and layoffs."

November 22, 2010

At the Postal Regulatory Commission:

- USPS Preliminary Financial Information (unaudited), September 2010
http://www.prc.gov/docs/70/70973/SEP-10_PRC_-_Final.pdf
- National Trial Balance, September, 2010 (FY 2010); and Statement of Revenue and Expenses, September, 2010 (FY 2010)
[http://www.prc.gov/docs/70/70972/National_Trial_Balance_-_Redacted,_September,_2010_\(FY_2010\).xls](http://www.prc.gov/docs/70/70972/National_Trial_Balance_-_Redacted,_September,_2010_(FY_2010).xls)
http://www.prc.gov/docs/70/70972/ntb-statement_of_revenue_September_2010.pdf
[http://www.prc.gov/docs/70/70972/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20September,%202010%20\(FY%202010\).xls](http://www.prc.gov/docs/70/70972/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20September,%202010%20(FY%202010).xls)

- CP2010-72 Order No. 593 - Order Approving Postal Service Request to Add Global Expedited Package Services-Non-Published Rates 1 to the Competitive Product List
<http://www.prc.gov/docs/70/70963/Order593.pdf>
<http://www.prc.gov/docs/70/70963/Order593.doc>

"The Postal Service seeks to add Global Expedited Package Services–Nonpublished Rates to the competitive product list within the Mail Classification Schedule (MCS).¹ This product grouping would create a classification in addition to existing Global Expedited Package Services (GEPS) products. Id. at 8-10. GEPS offers discounts to small and medium-size mailers of Express Mail International (EMI) and Priority Mail International (PMI). The existing GEPS product is similar to the new GEPS–Non-published Rates (GEPS–NPR). Each offers rates for EMI and PMI based on revenue tiers, entry points, country groups, and weight cells. Id. at 4-6. According to the Postal Service, nearly all current GEPS agreements would fit within GEPS–NPR. Any nonconforming agreement could be added to the competitive product list using the original GEPS product. Id. at 4. The Commission approves the Request with conditions."

- MC2010-29 Order No. 593 - Order Approving Postal Service Request to Add Global Expedited Package Services-Non-Published Rates 1 to the Competitive Product
<http://www.prc.gov/docs/70/70963/Order593.pdf>
<http://www.prc.gov/docs/70/70963/Order593.doc>
- MC2011-4 Order No. 594 - Order Concerning Classification Changes
http://www.prc.gov/docs/70/70966/Order_No_594.doc
http://www.prc.gov/docs/70/70966/Order_No_594.pdf



Sam Pulcrano's presentation to MTAC on "[Five-Day Delivery Transition Management Status](#)" has been posted on this site.

According to [Yahoo! News](#), "Mobile texting paradoxically sounds like "old news" as far as new technologies are concerned. After all, we were able to send each other texts before our mobile phones even had color screens. While the Western world has focused on smartphones and flashy apps that let you pull up RSS feeds, find information, or fling exploding birds at structures, SMS marketing is still a hugely important part of our mobile lives." [*EdNote: Hey . . . don't text me, bro'.*]

[Business Daily](#) has reported that "Postbank has entered the crowded multi-billion shilling money transfer market, intensifying turf wars in the sector dominated by telecoms companies and banks. Postbank Express, launched on Monday, targets the domestic market. The bank is celebrating its 100 years. Last year, the firm partnered with MoneyGram International to offer money transfers within the country and internationally. The Postbank product is entering a field where other tools; PesaPal, Mama Mikes, Western Union, Ushindi mobile money, among others, are in a cut-throat competition. Telecom firms have also introduced products in the financial services sector that allow bulk remittance payments, borrowing of loans, payment of bills, salary advances, financial education, and deposits."

From [PRLog](#): "According to sources present at the Postal Service's Innovation Symposium, there was apparent dissatisfaction with the postal service's overall customer service and the inability of middle management to make needed decisions within the organization, which may result in new ways of thinking, especially with the announcement of USPS Postmaster General John Potter's retirement."

[CBC News](#) has reported that "A number of Canada Post employees in Winnipeg walked off the job Monday to protest a change in the mail sorting procedure. Canada Post's website says the corporation is undergoing a "postal transformation," with Winnipeg being the first location where new sorting equipment and delivery methods are being rolled out before the changes are implemented across the country. The new, automated way results in postal carriers having to carry three bags along their routes. Under the old sorting method, done by hand, carriers ended up with two bundles because the sorters were able to combine flyers with mail destined for each house."

[Hellmail](#) has reported that:

[Estonia Post](#) is to deliver thousands of direct mail leaflets to Estonian citizens this week on behalf of the European Central Bank and Bank of Estonia. The leaflets focus on the introduction of the euro in January and explain basic security features of the banknotes. The information is to be delivered to 561,000 individual mailboxes.

[Alexander Kiselev, CEO of Russian Post](#), said last week at a meeting of the All-Russian Communications Workers Union, that he recognised that postal workers in Russia were poorly paid.



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

703.248.2286.

- [Audit Opinion on the Postal Service's Special-Purpose Financial Statements \(Report Number FT-AR-11-001\)](#)
- [Internal Controls over Powered Industrial Vehicles at the Salt Lake City Processing and Distribution Center and Salt Lake City Auxiliary Service Facility \(Report Number NO-AR-11-003\)](#). The Salt Lake City Processing & Distribution Center and the Auxiliary Service Facility were able to effectively manage workhours in tow and forklift operations. However, these facilities did not always manage internal controls over powered industrial vehicle safety and maintenance.

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

- **Trying to Guarantee Global Express Guaranteed®**. Global Express Guaranteed (GXG) is the Postal Service's premium international shipping option for documents and merchandise. FedEx provides international transportation and delivery of GXG packages. What do you think of GXG? If you have been a customer, please provide comments. [LINK](#) here to let us know!

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

- **Evaluation of the Postal Service's Input into the Cost and Revenue Analysis Report - 11RG001CRR000**. The Postal Service must report data on "costs, revenues, rates, and quality of service". We are seeking to determine total costs in a detail that allows them to be compared to product revenues to determine if each product's revenue was greater than or equal to its attributable cost. We are also obtaining background information on automated and manual data inputs for preparing the Cost and Revenue Analysis Report.
- **FY 2011 FCS Reviews - Plant Verified Drop Shipments (PVDS) (CAPPING) - 11BR002FF000**. This audit seeks to provide oversight of Field Testing and Compliance staff who evaluate operational effectiveness of plant verified drop shipments. We will conduct reviews at selected sites and issue management advisory reports after each site visited. We plan to summarize the oversight results into an advisory report at the end of the fiscal year.
- **Mail Volume Measurement for City Delivery Carriers - Greater Indiana District - 11XG008DR000**. We plan to evaluate the Postal Service's management of city delivery mail volume measurement,

recording, and reporting procedures for opportunities to reduce operating costs in the Greater Indiana District.

 The [Washington Post](#) has reported that "Rep. Jason Chaffetz (R-Utah), a rising star among Congressional Republicans, plans to stay with the House Oversight and Government Reform Committee when the new Congress begins in the new year."



 The [Denver Business Journal](#) has quoted Reed Hastings, Netflix co-founder and CEO as saying: "We are now primarily a streaming video company delivering a wide selection of TV shows and films over the Internet."

 The [Financial Times](#) has reported that "Adopting e-mail is an essential step to improving the service provided by Revenue & Customs, which has "fallen steadily" in recent years, according to a survey of tax advisers by the Institute of Chartered Accountants in England and Wales. Responding to postal queries on direct tax took at least three months in a third of cases, according to the poll, which said communicating with HMRC was one of the biggest problems facing tax advisers."

 The [Jamaica Observer](#) has reported that "THE Post and Telecommunications Department has heightened its security measures in light of a recent mail bomb terror plot overseas. As a result, the department is advising the public that they might experience delays in international mail sent between November 18 and December 8. The department said that other postal administrations across the world have increased their security measures in a vigilant move to spot terrorist attacks through the postal system."

 The [Virginian-Pilot](#) is of the opinion that "While the Postal Service's budgetary woes are many, perhaps none is more suffocating than its mandate to pre-fund retirees' health benefits at a level greater than other federal agencies. Last year, pre-funding retirees' benefits accounted for \$5.5 billion. If Congress acts quickly, the Postal Service will have the flexibility it needs to adapt in the marketplace and continue to operate without a government bailout."

 The [Jakarta Post](#) has reported that "State-owned postal company PT Pos Indonesia will focus on developing its logistics and financial payment services to offset the steady decline of revenue from the company's standard postal business over the last eight years due to the rise of email, the company says. GNP Sugiarta Yasa, the company's senior executive, said in Jakarta on Sunday that PT Pos' logistics service had seen revenue grow sharply in recent years in line with the growth of the country's economy. With the expansion in the logistics service, PT Pos hopes it can survive and maintain a healthy growth, he said, adding that the national logistics service, which had a total sales turnover of about Rp 75 trillion (US\$8.4 billion) a year, was quite promising for the future growth of the company."

 [Rediff](#) has reported that "E-mail will follow the fate of postal letters, which paved the way for e-mails, says Mark Zuckerberg, founder of social networking giant Facebook. Calling it slow and informal, he said the e-mail usage has already declined and the modern world is out of e-mails."

 The [Budapest Business Journal](#) has reported that "State-owned Hungarian postal company Magyar Posta could raise prices more than 10% for some services from January, although the average increase is not to exceed the rate of inflation according to official statements, daily Népszabadság reported on Saturday. Magyar Posta could contract with state-owned railway company MÁV for delivery services again, the paper said."



[Trading Markets](#) has reported that "German postal service group Deutsche Post is considering selling its US transportation unit Exel Transportation Services, daily Financial Times Deutschland reported today citing sources in the know. Deutsche Post is allegedly seeking to raise some USD60m (EUR43.6m) with the unit's auction, which has attracted interest from two potential buyers."

 European postal news site [Hellmail](#), this week launched a new Communications & Regulatory news feed alongside its popular Postal News feed. Sarah Sharpe, website administrator for Hellmail said of the new service: "The addition of communications and regulatory news reflects a blurring of communication platforms and at the same time more closely reflects changes in regulation across Europe as full market opening under postal

liberalisation applies to more countries. Our output is already fed directly to Google News, News Now, Feedburner, as well as national and international press - one of the reasons why so many companies rely on us to publish press releases. The new service will compliment that.

 The [Washington Post](#) has noted that "The U.S. Postal Service failed to reach new agreements with two of its largest labor unions Saturday, agreeing to continue negotiations with one while reaching an impasse with the other. The Postal Service and the American Postal Workers Union agreed to keep talking until noon Tuesday. But talks with the National Rural Letter Carriers Association ended in an impasse Saturday afternoon, the union said."

 According to the [Pittsburgh Tribune](#):

"Desperately needed privatization would have spared the U.S. Postal Service the phenomenal embarrassment of its outgoing postmaster general's stunningly golden parachute -- and saved it millions.

The Washington Times reports John E. Potter earned almost \$800,000 last year in salary, "special incentive compensation" and benefits -- a raise of more than \$60,000 over the prior year.

Cushioning his Dec. 3 retirement -- after 32 years of service including nearly a decade as postmaster general -- will be a \$1.35 million executive pension plan, an annuity that could be worth upwards of \$3 million and almost \$244,000 in accrued annual leave.

With the Postal Service losing \$8 billion in fiscal year 2010, that's positively disgusting. Yet the Postal Service Board of Governors, in a stunning disconnect between performance and compensation, praises Mr. Potter's "extraordinary leadership" and "results."

Privatized postal operations surely wouldn't reward such failure at all, let alone so lavishly. They'd clean house and control costs. Having to make money or go out of business, they'd reward success -- not perpetuation of an outmoded business model that's increasingly unsustainable in an age of e-mail and private package-delivery services."

 According to [ReadWrite Cloud](#), "Data centers hum day and night. More often than ever before we connect to these cloud environments through Wi-Fi networks. According to PCWorld, now it looks like the **radiation from Wi-Fi networks is making our trees sick**. According to the study, translated from Dutch using Google Translate, trees in urban areas of the Netherlands showed an increasing number of damage such as cracks, bumps, discoloration and various forms of tissue damage."

 [ThomsonLocal](#) has reported that "Direct marketing professionals have been advised to try something different in their direct mail campaigns. Chris Bibey, owner of MailMarlin.com, observed that people receive lots of direct mail every week, meaning that companies must do something to stand out. For example, he suggested that businesses send out sales letters or brochures if their competitors in the area are only utilising post cards. Elsewhere, Mr Bibey urged marketers to show consistency in their email campaigns in order to improve response rates. "Direct mail is not something you should use one month, forget about the next, and consider again in the future. Instead, get on a schedule, regardless of what type of mail you are sending, and stick to it," he added."

 The [New York Times](#) has reported that "W. Howard Lester, who in 1978 bought Williams-Sonoma, a small supplier of items for gourmet kitchens with four stores and annual sales of \$4 million, and transformed it into a retail home furnishing and mail-order giant with 609 stores and annual sales of \$3.4 billion, died Monday at his home in Indian Wells, Calif. He was 75. The cause was cancer, Williams-Sonoma said. Under Mr. Lester, Williams-Sonoma also expanded to include five more brands: Williams-Sonoma Home, Pottery Barn, Pottery Barn Kids, PBteen and West Elm. And it came to have seven direct-mail catalogs and six retail Web sites."

November 21, 2010

 [Hindustan Times](#) has reported that "Al-Qaeda has warned that it plans to continue attacks like the attempts last month to blow up two parcel bombs on US-bound cargo flights as part of its "operation haemorrhage", designed to cause maximum economic damage at a very minimal cost."

 According to the [Courier, Express, and Postal Observer](#), "Recent statements from APWU President Cliff Guffey clearly indicate that union leadership realizes that the next contract will result in a trade-off of job security and wages. In announcing the extension of negotiations for an additional three days, he stated "Every proposal we have made to preserve jobs for our members. Restoring work that has been outsourced or assigned to managerial personnel will bring stability to APWU members who have suffered extensive excessing and reassignments."

 [Dead Tree Edition](#) has told its readers that "After starting up just seven Flats Sequencing System machines in the past six months, the U.S. Postal Service says it will have another 10 handling live mail by the end of this month. USPS has greatly accelerated the pace of machine installations now that it has nailed down where the 100 machines in FSS Phase I will go and what ZIP codes they will handle."

 [Press Release](#): Contract negotiations with the American Postal Workers Union, AFL-CIO (APWU) and the National Rural Letter Carriers Association (NRLCA) expired at midnight Sat., Nov. 20. While negotiations with the NRLCA resulted in an impasse, the Postal Service and the APWU agreed to extend the negotiation deadline until Tue., Nov. 23 at noon ET. Should APWU negotiations fail as they have with the NRLCA, a process begins which could result in a third party determining contract terms and work rules for more than 324,000 employees whose wages and benefits exceeded \$20 billion last year.

 [Radio Liberty](#) has reported that "The postal service chief in the Russian Far East region of Kamchatka has been charged with large-scale fraud, RFE/RL's Russian Service reports. Police said an investigation showed that Vladimir Chechikov embezzled 1.2 million rubles (\$38,570) from the regional postal service by paying wages to "dead souls" or former employees. Money was paid to accounts in the employees' names where it was withdrawn by unidentified individuals."

November 20, 2010

 [The Scotsman](#) has reported that "the government is under pressure to water down its privatisation plans for Royal Mail after the postal services minister Ed Davey admitted that the German model is the best way forward. The Deutsche Post is 31 per cent owned by the German government, and critics of the coalition's plans to completely privatise the Royal Mail claim that Mr Davey has undermined his own case."

 According to [TheDay](#), "Legislation is being considered in Congress that would enable the U.S. Postal Service to close thousands of post offices that serve rural areas and small towns. The Senate bill (S. 3831) would eliminate the restriction against closing a post office solely for economic reasons and would eliminate the requirement that the Postal Service consider how such a closing would affect the served community. This is found in the bill, along with reducing the delivery to five days a week."

 [UPS](#) has announced an agreement to sell its UPS Logistics Technologies unit to Thoma Bravo, LLC, a leading private equity investment firm. Financial details were not disclosed. UPS Logistics Technologies, headquartered in Baltimore, employs about 145 people to create high-tech transportation routing and fleet management systems. More than 200,000 vehicles are managed through 3,300 installations worldwide representing a variety of industries. Specific transportation management applications provide street-level route plans, real-time wireless dispatch and GPS and strategic territory planning. Customers use the technology and tools for effective fuel management and driver productivity.

 [The Scotsman](#) has reported that "government plans to sell off the Royal Mail will put the future of local post offices in Edinburgh in jeopardy, a city MP has claimed. Edinburgh East Labour MP Sheila Gilmore said the UK Conservative-Liberal Democrat coalition's Postal Services Bill would end the historic link between the Royal Mail and Post Office Limited, which includes an agreement by the Royal Mail to use the post office network for its counter services. She said: "With this Bill, Royal Mail could choose to use other outlets for its counter services, such

as supermarkets or a high street chain instead, and could easily limit the number of outlets to those in town centres only."

 [Hellmail](#) has reported that:

 According to the latest figures, [Poczta Polska](#) (Polish Post) is delivering parcels (both standard and priority) faster than required by its statutory obligations. On-time delivery rates for standard (economy) packages were more than 98 percent, meaning that most packets arrived at their destination within a maximum of three days. The statutory requirement is 90%, giving it an impressive lead in terms of performance but even on priority parcels it achieved a level of 86% set against a benchmark of 80%, with most customers receiving parcels on time, the next day.

 Retailers are missing out on valuable revenue by 'shutting up shop' and prematurely closing their Christmas delivery operations, according to [a snapshot study carried out by Royal Mail](#).



From the Federal Register: Postal Service Market Test of Experimental Products: Alternative Postage Payment Method for Greeting Cards, 71155 [2010–29288] [[TEXT](#)]



At the Postal Regulatory Commission:

- CP2011-33 Order No. 592 - Notice and Order Concerning Parcel Return Service Contract 2 Negotiated Service Agreement
http://www.prc.gov/docs/70/70951/Order_No_592.doc
http://www.prc.gov/docs/70/70951/Order_No_592.pdf
- CP2011-34 Order No. 591 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements http://www.prc.gov/docs/70/70952/Order_No_591.doc
http://www.prc.gov/docs/70/70952/Order_No_591.pdf
- CP2011-35 Order No. 591 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements http://www.prc.gov/docs/70/70952/Order_No_591.doc
http://www.prc.gov/docs/70/70952/Order_No_591.pdf
- CP2011-36 Order No. 591 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements http://www.prc.gov/docs/70/70952/Order_No_591.doc
http://www.prc.gov/docs/70/70952/Order_No_591.pdf
- CP2011-37 Order No. 591 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements http://www.prc.gov/docs/70/70952/Order_No_591.doc
http://www.prc.gov/docs/70/70952/Order_No_591.pdf
- CP2011-38 Order No. 591 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements http://www.prc.gov/docs/70/70952/Order_No_591.doc
http://www.prc.gov/docs/70/70952/Order_No_591.pdf
- MC2011-6 Order No. 592 - Notice and Order Concerning Parcel Return Service Contract 2 Negotiated Service Agreement
http://www.prc.gov/docs/70/70951/Order_No_592.doc
http://www.prc.gov/docs/70/70951/Order_No_592.pdf
- Integrated Financial Plan, Fiscal Year 2011
http://www.prc.gov/docs/70/70957/2011_IFP.pdf

 [FleetOwner](#) has reported that "Increasing U.S. export volumes is being viewed in many quarters as critical to reviving the nation's economy in the long run, and truckers should stand to benefit handsomely from such a trend. "In my view, global trade is the quickest and surest way to accelerate global growth, create new jobs and improve living standards," noted Scott Davis, chairman and CEO of United Parcel Service, in a recent before the American Competitiveness Forum in Atlanta, a city that is also home to UPS' global headquarters."

 [Hawaii News Now](#) has reported that "The U.S. Postal Service has a special offer just in time for the holiday season. A limited-edition flat-rate box will be available at no charge. The flat-rate fee is \$14.50, and customers can

mail anything that fits inside and weighs up to 70 pounds. The boxes will be available at the post office starting Nov. 22, and supplies are limited."

November 19, 2010



At the Postal Regulatory Commission: MT2011-1 Collaborative Logistics Market Test - Fifth Quarterly Report

[http://www.prc.gov/docs/70/70947/Fifth%20Quarterly%20Report%20\(Q4.2010\).pdf](http://www.prc.gov/docs/70/70947/Fifth%20Quarterly%20Report%20(Q4.2010).pdf)



According to **Senator Thomas Carper** (D-DE) writing for [Politico](#), "the Postal Service projects it could run out of cash and borrowing authority in the next year — jeopardizing mail service. We can still avert this crisis if Congress takes a few steps to shore up the Postal Service's finances and liberates management to make changes. **To preserve key postal services — without resorting to massive price increases — we need to do three things: Fix the broken retiree benefits system, streamline operations and allow the Postal Service to offer additional products and services that can make money.** The comprehensive postal reform legislation I introduced last month could do just that. First, we must address the Postal Service's two biggest financial liabilities: excessive pension payments and the cost of retiree health care. Because of a complicated, outdated formula, the Postal Service has overpaid its obligations to the old Civil Service Retirement System by tens of billions of dollars. It should be allowed to use savings from fixing this problem to fund future retiree health benefits."



The presentations that were given by the Postal Service's [Paul Vogel](#) and [Linda Kingsley](#) at this week's MTAC meeting are available on this site.



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

- Despite cost cutting of \$11 billion over the past three years, the U.S. Postal Service has reported a \$8.5 billion loss for Fiscal Year (FY) 2010. The Postal Service experienced a 3.5 percent volume decline from FY2009, losing 6.2 billions pieces. At the same time, it cut 75 million workhours or 6.0 percent, on top of the 115 million it cut last year.
- The U.S. Postal Service has released its 2009 Annual Report. It highlights the difficult year the Postal Service has faced amid increasing electronic diversion. The Postal Service continues to focus on cost reductions and increased efficiencies.
- Both outgoing Postmaster General Jack Potter and incoming Postmaster General Pat Donahoe, who currently serves as Deputy Postmaster General and Chief Operating Officer, spent time at this week's Mailers Technical Advisory Committee (MTAC) meeting, talking about the need to focus on growing revenue and volume with a continued eye toward service improvement and cost cutting.
- Steve Forte, USPS senior vice president of operations, this week at the Mailers Technical Advisory Committee (MTAC) meeting shared the USPS' first service performance reports for market dominant products based on live Intelligent Mail barcode (IMb) data. Forte told the MTAC group that the Q4 FY 2010 results show "dramatic changes," from previous quarters.
- Paul Vogel, USPS President, Mailing & Shipping Services and Linda Kingsley, USPS SVP Strategy and Transition, spoke during this month's MTAC Strategy Day. Vogel's message focused on how the USPS is looking to turn around its current financial challenge through growing revenue. Kingsley focused on the Postal Accountability Enhancement Act and how the industry needs to consider what needs to be changed.
- The USPS this week at the Mailers Technical Advisory Committee (MTAC) meeting presented plans to improve its customer postage refund process, which fell short of what mailers had been hoping to hear from the agency. Issues with obtaining postage refunds have plagued the mailing industry for years and heated up earlier this year when the USPS began tightening up its mail acceptance and verification processes as part of its work toward SOX compliance. Mailers routinely wait months or even years for the USPS to process legitimate postage refund requests. Shortly following a presentation from newly appointed president of mailing and shipping services Paul Vogel – who told the MTAC audience that one focus area

the USPS plans to pursue is improving its customers' "experience" – meeting attendees got a reminder of just how much improvement that experience needs.

- According to Rep. Edolphus "Ed" Towns, D-N.Y., "the obstruction by key Republican senators who refused in late September to grant the U.S. Postal Service partial deferment of trust fund payments has driven the agency close to a breaking point."
- According to Lyle Ryter, a long-time veteran of Capitol Hill, "despite the news headlines that last year the Postal Service lost \$8.5 billion, you might think about stepping back to learn the realities behind the headlines. Separating sensational headlines from reality will be the first and most difficult challenges that you face in your new jobs and for those returning for another term."
- October CPI figure published. 2011 MTAC dates (revised). Issa to push for Postal Service changes. Millionaire postal execs are underpaid, consultant says. Guffy: 'real efforts' to reach agreement begin. Outgoing PMG's golden parachute. USPS grants EVP 25% retention bonus. Postal Service CHRO named among best of best in HR field. More USPS red ink to lead to bloodletting. Excessing: A delicate balancing act. PRC extends comment period in temp waiver docket. USPS revamps 'how-to' direct mail website.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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 [Direct Marketing News](#) has reported that "The US Postal Service is planning to improve the customer experience as part of its broader effort to create new revenue sources, postal officials said November 17 at a Mailers Technical Advisory Committee meeting. "A major goal of mine is that I want us to provide a better customer experience," said Patrick Donahoe, deputy postmaster general and COO, who will become postmaster general December 3. "[The USPS should consider] how we do some basic things around mail acceptance and how we deal with customers at the acceptance units. We should look at changing some of those things."

 From [PRLog](#): "For the overall holiday season, FedEx is expecting a total volume increase of approximately 11 percent compared to 2009. FedEx forecasts more than 223.3 million shipments will move through its global networks between Thanksgiving and Christmas. More than half of the holiday season volume increase will be from FedEx SmartPost shipments. FedEx SmartPost volume is largely driven by online retailers and cataloguers who ship high volumes of lighter shipments to residential customers. FedEx SmartPost has a completely integrated national network that picks up, sorts and delivers packages directly to U.S. Postal Service facilities for final delivery to residences. The affordable rate structure allows retailers to offer discounted shipping to customers during the holidays and beyond."

 [Yup](#). It's "get ready for the mail conferences time" again. Check out what you can expect to see at [Mailcom 2011 in Washington, DC](#).

 [Hellmail](#) has reported that "HubEurope has teamed up with Hermes to offer the first alternative home delivery service for Jersey-based fulfilment houses and retailers looking to ship products to the UK. The company will use

Hermes' position as the leading UK courier network to compete with postal operator Jersey Post for 60 million parcels and packets delivered to the UK each year."

 [Transport Intelligence](#) has a new report that examines the challenges facing European Mail markets."

 **From the Federal Register: Postal Regulatory Commission, Post Office Closing, 70956–70957 [2010–29204] [TEXT].**

 The [BBC](#) has reported that "The Royal Irish Regiment, based at Tern Hill barracks in north Shropshire, has said people's generosity has been causing chaos for the postal system. To support troops spending Christmas in Helmand province, people have been sending shoeboxes full of presents. Major Sean O'Hara said that these gifts have been blocking the postal system so that "gifts and letters from families aren't actually getting through."

November 18, 2010

 *We're shocked! Shocked, we tell you. The [Postal Service](#) has opposed any intervention by any of the parties who were going to be tagged with higher rates as a result of its exigency request. Perhaps we'll need to wait until after December 3rd for the Postal Service to come back to its senses.*

 **At the Postal Regulatory Commission:**

- R2011-1 Order No. 588 - Order Concerning Comments Due November 22, 2010
http://www.prc.gov/docs/70/70918/Notice_2_111710.doc
http://www.prc.gov/docs/70/70918/Notice_2_111710.pdf
- RM2011-3 Order No. 589 - Notice and Order of Proposed Rulemaking on Periodic Reporting
http://www.prc.gov/docs/70/70929/Order_No_589.doc
http://www.prc.gov/docs/70/70929/Order_No_589.pdf

 The [National Association of Postmasters of the U.S.](#) has expressed "outrage over retention payments to USPS executives at a time when the USPS is facing a financial crisis with plans to close and consolidate post offices and cut services to customers. Earlier this year Mr Vegliante placed a freeze on all Postmaster vacancies, creating management and service instability in more than 3,000 post offices across the nation. During FY-2009, the Pay-for-Performance ratings for Postmasters were arbitrarily lowered, resulting in a record number of Postmasters receiving no pay increase. NAPUS is opposed to providing financial incentives to retain it's top paid officers, which is not in the best interest of the Postal Service when we are facing financial turmoil."

 [Hellmail](#) has reported that:

 [Slovenian Post](#) has introduced a new service which allows customers in Slovenia to return packages, postage free, to foreign countries although for the moment, the agreement only applies to packages coming from Germany. Slovenian Post said it was planning to encourage other European operators to follow suit to encourage online sales and make returns simpler. Currently, packages can be returned free of charge from Slovenia to Germany which it said would facilitate and accelerate the exchange of trade items between the two countries and to increase online trade.

 The [UK MAIL GROUP plc](#) today published its interim results, showing revenue and profit growth for the 6 months ended 30 September 2010.

 Toomas Turk, procurement Head of Estonia Post Infologistics Division, was appointed as vice-chair of PostEurop AES Forum last week in Bern on PostEurop Management Board Meeting.

 [Logistics Manager](#) has reported that "Royal Mail should be relieved of its universal service obligation, consultancy Transport Intelligence argues in a new report – European Mail 2010. Instead, it argues that the government should contract mail delivery to a range of service providers who bid for regions on a "lowest-subsidy"

basis. The report says it is unrealistic to believe that Royal Mail has a sustainable future without some form of privatisation."

 From [PRWeb](#): "The Isle of Man Post Office emerging as a global player in the document scanning and data capture market."

 The [Stratford-upon-Avon Herald](#) has reported that "Stratford-upon-Avon sorting office is in chaos after a local revision of the service implemented last week has led to a backlog believed to be in excess of 40,000 items, while residents and businesses are suffering as they receive little or no service. As Christmas edges closer the Royal Mail sorting office is being inundated with calls and complaints from residents and businesses, to be been told by staff "it's absolute chaos" and they have no idea when the backlog will be cleared. Royal Mail have remained tight-lipped about the situation but it is understood managers from across the county have been drafted in to help clear the backlog."

 The [Syracuse Post-Standard](#) has reported that "Letter carriers in Central New York and other parts of Upstate had collected food from customers' mailboxes to help restock community food pantries for 22 years. The Postal Service decided to halt the drive after Empire Vision backed out as a corporate sponsor following the 2008 collection, according to Maureen Marion, a Postal Service spokeswoman. The company had paid for 1.5 million postcards letter carriers delivered to customers alerting them to the collection."

 According to [Marketing Daily](#), "A new forecast from accounting giant BDO predicts that Black Friday sales will gain 3.8%, Cyber Monday sales will increase 2.5%, and that -- surprisingly -- the humble email will become marketers' weapon of choice on the busiest shopping weekend of the year."

 **From the Federal Register: Postal Regulatory Commission Market Test Involving Greeting Cards, 70753–70754 [2010–29086] [TEXT] [PDF] Postal Classification Changes, 70754–70755 [2010–29083] [TEXT] [PDF]**

 The [Asahi Shimbun](#) has reported that "Japan Post Service Co. plans to do more than just deliver in coming months. It will soon start switching to electric motorbikes made in Italy to cut down on greenhouse gas emissions. Several hundred vehicles will be purchased this fiscal year as a first step toward replacing the 90,000 or so motorbikes in use nationwide to deliver the mail. Japan Post Service is also considering joint procurement of electric motorbikes with La Poste of France."

 [ConnectTriStates.com](#) has reported that "A Quincy man is behind bars after apparently trafficking meth through the mail. The Adams County Sheriff's Department and Illinois State police arrested 41 year-old Kelcey Clark yesterday at his home here on Broadway after a postal delivery. Police intercepted a package of meth mailed from out of state."

 The [Charleston Gazette Mail](#) has reported that "Federal inspectors have fined the U.S. Postal Service \$287,000 for what they said were willful violations of electrical safety standards at a mail processing facility in Bluefield. It was the second time in as many months that the U.S. Occupational Safety and Health Administration levied significant penalties for safety problems at a postal facility in West Virginia. OSHA inspectors launched a probe at the Bluefield facility in May, in response to a complaint about hazards. They ended up citing the Postal Service with four willful violations carrying a penalty of \$280,000 and one serious violation with a penalty of \$7,000."

 [Hellmail](#) has reported that "Johnny Thijs, CEO for Belgian Post (bpost) said this week that he was confident the company was ready for liberalisation of the Belgian postal market on 1st January 2011 although he anticipated changes over the next few years - especially with respect to the effects of declining mail volume and increasing competition."

 The [Financial Times Advisor](#) has reported that "Employee share ownership makes businesses more profitable and efficient so it should be retained within Royal Mail, an industry professional has told a parliamentary committee."

 The [Victoria Advocate](#) has reported that "The processing of mail might move to Corpus Christi under a proposed plan by the United States Postal Service. The approval of the plan would mean a loss of personnel at the Victoria mailing location."

 The [Wall Street Journal](#) has reported that "Deutsche Post AG, Europe's largest postal service, is moving a part of its core letter business online. The publicly traded German logistics giant, which also owns package-delivery service DHL, is hoping that security-conscious consumers in its home market will trade their regular e-mail for a new, secure e-mail service that costs the same per message as sending a standard letter. Outside Germany, trying to make money from email in a world dominated by free services like Microsoft Corp.'s Hotmail and Google Inc.'s Gmail might seem like a doubtful strategy. But many Germans are willing to pay to ensure the security of their private communications, so Deutsche Post's new E-Post letter has been winning customers. The company says it has registered one million users for the service since it began in July, but won't say how many E-Post letters have been sent"

 The [American Postal Workers Union](#) has told its members that "APWU President Cliff Guffey briefed the union's Rank and File Bargaining Advisory Committee on Wednesday morning, saying, "Our goal in these negotiations is to make our members feel as though they can stick around and feel secure in their jobs. That is our obligation." Guffey and other members of the union's negotiating team discussed their efforts to protect work performed by APWU members and to defend jobs. "Every proposal we have made to secure work for our members will also save the Postal Service money," he said. "If we are forced to go to arbitration, that will be a powerful argument," said Director of Industrial Relations Mike Morris. Management has expressed interest in the union's proposals to return subcontracted work to the APWU and to assign additional duties to the bargaining unit, Guffey said, but has not made any firm commitments."

 The [Milwaukee Journal-Sentinel](#) has reported that "The U.S. Postal Service, which is losing money as society transitions to digital communications, will eliminate 35 positions in metro Milwaukee branches and move the employees elsewhere, a Postal Service spokesman said Wednesday. It's the second round of cuts in recent months after the agency cut 82 clerks in late summer at the Main Distribution Center in downtown Milwaukee, which continues to employ 1,150, and cut an additional 23 positions in suburban branches, spokesman Jim Mruk said. "No one will be laid off," Mruk said. The federal agency will try to find other jobs within the postal service and will pay to relocate displaced workers to other parts of the country, if necessary, Mruk said."

 [Expatica](#) has reported that "About 8,000 striking postal workers protested in The Hague Tuesday against plans by Dutch-based international postal and courier company TNT to retrench 3,100 staff."

November 17, 2010

 According to the [Cato Institute](#), "The retiree health care benefit pre-funding requirement has become a rallying cry for the postal unions, as any threat to USPS solvency is a threat to the excessive compensation and benefits they've been able to extract from the postal service for their membership over the years. Policymakers should properly view the retiree health care benefit as a symbol of postal labor excess, which continues to weigh the USPS down like an anchor. Therefore, they should avoid allowing the USPS to further postpone these payments into the future, which could lead to a taxpayer bailout. Instead, policymakers should recognize that the USPS's financial woes require bolder action: privatization."

 **At the Postal Regulatory Commission:** The PRC has posted [the latest rolling CPI figure](#) as of October 31..... 1.799%.

 [Bloomberg](#) has reported that "United Parcel Service Inc. Chief Executive Officer Scott Davis is seeking

cooperation partners in Europe in a bid to expand the U.S. company's private clients business there, Capital magazine reported, citing an interview. The world's largest package-delivery firm has established contact with Deutsche Post AG among others, Davis is cited as saying. UPS is not interested in acquiring the package unit of Dutch postal company TNT NV, which may be put up for sale next year, according to the German magazine."

 The [Courier, Express, and Postal Observer](#) has noted that "Last week the Postal Regulatory Commission announced on its website that it has funded six studies examining the social value of mail. The Commission's studies provide a couple of snapshots as to the impact of the Postal Service on the markets and communities that it serves. The studies that the Postal Regulatory Commission funded are examples of studies that are necessary in order to fully develop a postal market policy and the business model that the Postal Service should follow and the regulatory structure under which the Postal Service should operate. Many of these studies could help clarify questions about whether the Postal Service could continue to provide the benefits that it provides the nation if it operated as a private sector corporation, a government corporation operating under standard business law, the current model, or as government department. Similar questions need to be asked about the impact of regulatory policy on the social benefits and economic impact of the Postal Service and private sector participants in the postal market."

 [Press Release](#): "The head of human resources activities for the nation's second largest employer with well over half a million employees has been selected as the first public sector executive to receive the nation's top honor in the field of human resources. Anthony Vegliante, chief human resources officer and executive vice president was named Fellow at the prestigious National Academy of Human Resources (NAHR) Nov. 4. Founded in 1992, the NAHR recognizes individuals for professional achievement by election as "Fellows of the NAHR" — the highest honor achievable. Fellows are widely known as leaders in the profession, have meritorious national reputations for shaping human resource thinking and policy and have demonstrated an unflinching commitment to success. "Tony is an outstanding HR professional who has made major contributions to the Postal Service and its employees while adhering to the highest ethical and governance standards," said NAHR President Richard Antoine. "There have been only 136 HR professionals who have been deemed worthy of admittance into the National Academy, and we are honored that Tony is able to join this elite group."

 [Mad.co.uk](#) has reported that "Royal Mail is continuing with its drive to boost commercial revenue through increased use of direct mail with an online tool that it claims will help marketers develop flexible Christmas campaigns. The postal operator says that Door Drops Online allows small and medium-sized businesses to create and book unaddressed mail campaigns online and arrange printing and direct delivery."

 According to the [New York Post](#), "United Parcel Service (UPS.N) expects a 7.5 percent rise in U.S. holiday shopping season deliveries and plans to hire about 50,000 seasonal workers to handle the increased volume."

 According to the [Washington Times](#), "Outgoing U.S. Postmaster General John E. Potter earned nearly \$800,000 last year - an increase of more than \$60,000 over the previous year - as the U.S. Postal Service faces the worst financial crisis in its history. The Postal Service said in filings that the postmaster's compensation still lags behind the pay of other chief executives in the private sector. But watchdog groups question the payouts after the Postal Service announced more than \$8 billion in losses for fiscal 2010 and is seeking permission to cut a day of mail delivery to save money. "How can they do this at a time like this?" said Leslie Paige, a spokeswoman for the nonpartisan Citizens Against Government Waste. "There's some sort of major disconnect there." Pete Sepp, vice president of the National Taxpayers Union, said postal customers will look at two bottom lines: compensation and annual losses. "For the sake of good PR alone, it may might make sense to revise the compensation system for manager so the performance and reward at least look like they're more directly related to each other."

 [FoxBusiness](#) has reported that "Austrian postal service provider Oesterreichische Post AG (POST.VI), or Austrian Post, Wednesday reported a 25% rise in third quarter net profit, as cost cuts and lay-offs helped compensate a continued decline in letter volumes, and reiterated its full-year guidance for slightly lower sales and stable earnings."

 The ARKA News Agency has reported that "Armenian transport and communications minister Manuk Vardanyan and director general of "Haypost Trust Management" company Juan Pablo Gechedjian signed a

memorandum of understanding Tuesday. A spokeswoman for the transport and communication minister Susanna Tonoyan told ARKA that the memorandum calls for setting up a bilateral commission that will be tasked with studying and presenting corresponding suggestions on the new role of the HayPost Trust Management, as well as a draft plan of major actions, including its investment projects."

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

-  Given the decreasing level of competition on Germany's letter market the Association of Courier, Express and Postal service providers (BdKEP e.V.) called on politicians to step in.
-  Swiss Post performed significantly better in the first nine months of this year than in the same period last year.
-  During the first nine months of this year, growth in the Chinese postal and express market remained at a consistent high level.
-  TNT Post's mail carriers protested with a 24 hour strike against the planned job cuts in the Netherlands. The strike began on Monday at midnight and ended Tuesday night.
-  On Monday this week the Dutch government appointed Ruud Vreeman as mediator in the dispute between postal companies and the unions. The former mayor of Tilburg is supposed to examine new possibilities to solve the ongoing dispute about salaries in the postal sector.
-  French union Sud made public an extreme case of consecutive temporary employment contracts at La Poste.
-  The European Commission has imposed several fines in the air cargo sector for illegal price fixing last week. Air France-KLM, British Airways, Air Canada, Cathay Pacific, Cargolux, Japan Airlines, LAN Chile, Martinair, SAS, Singapore Airlines and Qantas have to pay a total fine of 799.5m euros for illegal price fixing. Lufthansa provided the competition watchdog authority with information about the price cartel and will therefore not be charged, the EU-Commission announced.
-  Korea Express suffered a dramatic slump in profits on declining revenues in the first half year 2010.
-  The number of companies which offer their products or services online doubled in Germany last year. According to the Federal Statistical Office the number increased from 11% in 2008 to 23% in 2009. Especially small companies (less than ten employees) set up this additional distribution channel according to the authority.
-  Kuwait plans to open its postal market to competition.
-  Deutsche Post has entered a new era. CFO Larry Rosen told business journal »Börsen-Zeitung« (16.11), 'we left behind the burdens of the past and are now in a good position as we had planned'. He further said that the concern had no intentions for any larger acquisitions.
-  The employees of Panama's state owned postal company protested against the planned privatisation of the company. The 800 employees of COTEL will decide next Saturday if further action e.g. strikes will be taken.
-  The union representing postal workers in Sri Lanka urged the government to sack Post Master General M.K.B. Dissanayake.
-  New Zealand Post established an independent body to oversee arrangements for accessing the mail network. The Postal Network Access Committee will have four independent members and one NZ Post representative.
-  Austrian Post has launched the Premium Light Parcel service for its business clients. These parcels which are limited in size and weight (to a maximum of two kilograms), will be delivered by letter carriers 'for a price, well below two euros'.
-  Minister of Industry Paolo Romani and Massimo Sarmi, Poste Italiane's CEO, signed a new contract which regulates the relation between the state and the post. The agreement basically includes all legal and operational aspects of the universal service's provision.
-  Austrian Post appointed a successor for Carl-Gerold Mende, member of the management board and responsible for the Parcel & Logistics division. On Tuesday the company announced that Peter Umundum will succeed Mende on April 1 2011.



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

 The [Crewe Chronicle](#) has reported that "a soldier who has signed up to serve his country missed his last weekend out with his mates because of the postal chaos in Crewe. His complaint comes in the week South Cheshire Chamber of Commerce attacked the "appalling level of service" from Royal Mail. Jamie Hockenhull, 20, begins his training with the Royal Military Police on Monday and should have spent his last Sunday in Civvy Street with pals at the Classic Car Show at Birmingham's NEC. But his ticket was posted in Leeds on Tuesday last week still hadn't arrived yesterday. Jamie said: "It was my last day out with my mates. Of course I'm disappointed." His mum Mary phoned Royal Mail to try to trace the post – but no-one answered."

 From [PRLog](#): "BBC Children in Need will give their website a boost this week thanks to rapid address look-up software from Postcode Anywhere. The software, which is to be supplied free of charge, speeds up the time taken to process donations by allowing donors to auto-complete an entire postal address from just the postcode. This cuts data entry time by at least 50% and should allow the charity to take a considerably higher volume of transactions on the night."

 Postal news from [Hellmail](#):

 [Austrian Post](#) today posted its three quarter results for 2010, noting that whilst a negative sales trend had been observed, the first nine months of 2010 were "very satisfactory". The growth in parcel logistics almost offset declines in other areas. Efficiency measures, reductions in equipment operational staff costs also helped.

 [Russian Post](#) and the "Who else but me?" charitable foundation have announced a continuation of joint action to provide support for children in difficult circumstances including educational opportunities through distance learning and supplementary educational materials. Operating as "Postal Aid" via post offices throughout Russia, leaflets and a donation facilities will be available to promote the distance learning project which aims to target orphans, disabled children and children from large families. In addition, extra help will be on offer in the form of a team of volunteers to collect information about children with difficult living conditions or in need of assistance in education.

 [Press Release](#): "FedEx Express, a subsidiary of FedEx Corp., and the world's largest express transportation company, today won the coveted Ruban d'Honneur award for outstanding customer focus, at the prestigious European Business Awards ceremony in Paris. This award makes FedEx Express one of the top ten companies for customer satisfaction in Europe. The company was awarded the prize in recognition of the high level of importance it places on ensuring that customer satisfaction is held at the forefront of all FedEx Express business processes."

 **At the Postal Regulatory Commission:**

- **Postal Regulatory Commission RULES** Product List Update , 70124–70126 [2010–28884] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service RULES** 2011 Changes for Domestic Mailing Services , 70128–70132 [2010–28590] [\[TEXT\]](#) [\[PDF\]](#) New Incentive Programs and Other Changes for Domestic Mailing Services , 70132–70140 [2010–28412] [\[TEXT\]](#) [\[PDF\]](#)

 From [PR Urgent](#): "Companies are discovering that Newgistics offers shipping programs for distributors. Distributors rely on Newgistics as their primary source for reliable shipping programs. The company is the top, supplier for Transparent Returns Management Options, shippers find to offer an extreme value. Consumers look for retailers that understand their product return concerns. Newgistic shipping programs mean distributors get a modern shipping programs that meets expectations. For additional information retailers are invited to visit the company web site at <http://www.newgistics.com>."

 From [Business Wire](#): "Worldata Research, the analytic division of the leading direct/interactive marketing organization Worldata, is hosting the Direct Marketing Summit on November 17, 2010. This Premier Online Event for Direct Marketers will be the second virtual online conference, offered only to qualified leaders in the direct marketing industry."

 According to [NZBusiness](#), "It's direct mail – but not as we knew it. Steve Hart reports on the latest direct mail marketing initiatives, and the integration of mail with the digital world. We all understand the value of building that all-important one-to-one relationship with customers. But making that connection can be time consuming and a bit hit and miss – unless you have professional help. This is where direct mail organisations come in. Not only do they have access to reams of data about your potential customers, they can offer a range of creative ways to connect with them. These can include personalised colour brochures that promote web-based marketing campaigns as the worlds of print and digital combine."

 [Westlaw's News and Insights](#) has reported that "Three mail sorting companies will pay the United States \$4.2 million to end allegations that they defrauded the Postal Service by claiming entitlement to discount postage rates. The Justice Department announced the settlement by California-based companies Quicksort Inc., Quicksort LA Inc. and Quicksort Sacramento Inc. Oct. 20. The settlement puts an end to the government's allegations that the firms violated the False Claims Act, 31 U.S.C. § 3729, by obtaining discounted postage rates to which they were not entitled. The FCA is the government's primary tool for fighting fraud against federal agencies."

 The [Wall Street Journal](#) has reported that "United Parcel Service Inc. said its global shipments from Thanksgiving to Christmas should be up about 7.5% from last year at 430 million packages, although it also forecast a flat peak day. The package-delivery giant forecast 24 million shipments on what it projects will be its busiest day, Dec. 22, about even with last year's busiest day."

November 16, 2010

At the Postal Regulatory Commission:

- **Docket No. R2011-1: [Responses Of The United States Postal Service To Questions 1-3 Of Chairman'S Information Request No. 1](#)**
- Technical Conference Docket RM2011-1 Temporary Waivers from Periodic Reporting of Service Performance Measurement Commission Hearing Room, 901 New York Ave., NW, Suite 200 (will be webcast) 11/17/2010 10:00 AM

 **DMM Advisory: IMb Services Update. Migrating to the IMb™ Webinars:** In May 2011, eligibility for automation discounts in letter and flat mailings will require mailers to use an Intelligent Mail® barcode (IMb) on each mailpiece in Full-Service and Basic IM barcoded mailings. At that time, the POSTNET™ barcode will no longer qualify for automation prices. To help mailers transition to using the IMb, the Postal Service is conducting webinars entitled "Migrating to the IMb." These webinars will be held between November 22, 2010, and May 3, 2011.

Full-Service eDoc Verification Using MicroStrategy Webinars: will be held on Thursdays beginning November 18 through December 16 (excluding November 25) from 2 p.m. to 4 p.m. EST. These webinars are tailored to provide mailers details on the eDoc Verification process and enhancements to the MicroStrategy Mail Data Quality reports to support the new eDoc evaluation process. The webinar schedule and log on information will be posted on the [RIBBS®](#) website under [Intelligent Mail Latest News](#) on Wednesday, November 17.

 [SupplyChainDigest](#) has reported that "Over the last few weeks, first FedEx and then UPS in near tandem announced a series of published rate hikes for 2011. The headline news was that the average increase at FedEx will be 3.9% and for UPS 4.9%, in both cases net rate changes based on a combination of even high rate hikes combined with a reduction in fuel surcharges. But many shippers can actually expect to see their costs rise even more than those numbers."

 From [Business Wire](#): "UPS employees are as busy as Santa's elves as they prepare to deliver logistics and packages to and from businesses and consumers this holiday season. "With movements to and from warehouses to boats, planes, trains and delivery vehicles and then to customers' doorsteps around the world, UPS's global logistics capabilities really deliver the holidays." From Thanksgiving to Christmas, UPS expects to deliver approximately 430 million packages around the world. And on the busiest day of the year for UPS – Wednesday, Dec. 22 – the company anticipates delivering 24 million packages worldwide, a nearly 60 percent increase over UPS's normal daily delivery volume of 15.1 million packages and documents. To handle this surge in volume, the company plans to hire roughly 50,000 seasonal workers."

 [Procurement Leaders](#) has reported that "Senior supply chain and procurement executives in the US are becoming increasingly concerned that rising cost of raw materials and labour will dampen market growth as they try to climb out of the recent economic downturn."

 [Postalreporter.com](#) has a link to some of the most senior USPS execs' pay.

 In a contribution to [AmericaPost](#), Lyle Ryter, a long-time veteran of Capitol Hill and student of things postal, offered the following: "At the inception of every new Congress, public and private interest groups scurry around to assemble their agenda for the incoming freshmen and returning members. This is my briefing book for you and it will be very brief. I am not employed by the Postal Service but I do have the following message. The Postal Service is not bankrupt. Despite the news headlines that last year the Postal Service lost \$8.5 billion, you might think about stepping back to learn the realities behind the headlines. Separating sensational headlines from reality will be the first and most difficult challenges that you face in your new jobs and for those returning for another term."

 [CNBC](#) has said: "Need a quick three billion dollars, Uncle Sam? How about looking in your own pockets? Deficit cutters struggling to make ends meet in Washington are eyeballing an unusual pot of potential revenue: back taxes owed to the government by federal employees themselves. According to an IRS study last year, those employees and federal retirees owed a staggering \$3.3 billion dollars in delinquent tax payments to the government. The federal agency with the largest back-tax bill? The US Postal Service, where hundreds of thousands of employees owed a total of more than \$283 million, said the report."

 [Dead Tree Edition](#) has told its readers that "By government standards, the U.S. Postal Service's top executives, with their multimillion-dollar pension packages, are doing quite well. But their compensation is lagging further behind their counterparts in private industry, according to a USPS consultant."

 The [American Postal Workers Union](#) has told its members that "Real efforts" to reach an agreement with the Postal Service on the terms of a new contract began Monday afternoon when the union's top negotiators held a closed-door meeting with high-ranking postal officials, APWU President Cliff Guffey said. Meeting with management's representatives along with Guffey were: Executive Vice President Greg Bell, Director of Industrial

Relations Mike Morris, Clerk Craft Director Rob Strunk, Maintenance Craft Director Steve Raymer, and Motor Vehicle Services Craft Director Bob Pritchard. The union's top negotiators met with management on Nov. 15. "We had a good meeting," Guffey told the union's Rank and File Bargaining Advisory Committee Tuesday morning. "We discussed returning jobs to our bargaining unit."

 The [Washington Post](#) has noted that "**Postmaster General John E. Potter could earn about \$5.5 million in deferred compensation, retirement benefits and accrued annual leave for the rest of his life** when he leaves the U.S. Postal Service next month, according to financial statements. Potter also is eligible for up to two years of outplacement assistance and may continue receiving health-care insurance from USPS for up to one year after his departure. The details of Potter's compensation and separation package were publicly reported this week as part of the Postal Service's financial disclosure obligations under the Sarbanes Oxley Act."

 The USPS is granting Tony Vegliante a 25% retention bonus to remain in his position of Exec. Vice President and Chief Human Resources Officer. From the USPS' filing of its [Form 8-K](#):

"On November 10, 2010, the Postal Service entered into an Agreement for Retention Incentive (the "Agreement") with Anthony J. Vegliante, Executive Vice President and Chief Human Resources Officer, providing for the payment of certain annual retention incentives to induce Mr. Vegliante to remain in his position as Executive Vice President and Chief Human Resources Officer. The Agreement is effective as of November 1, 2010 and provides for payments to Mr. Vegliante of twenty-five percent (25%) of Mr. Vegliante's basic salary in effect as of November 1, 2010 and as of November 1, 2011. Mr. Vegliante will be entitled to receive such payment(s) within thirty (30) calendar days after November 1 of each twelve month period as long as he remains employed by the Postal Service as of that date, to the extent allowable by law. The Agreement provides that the parties may mutually agree in writing to extend the Agreement on an annual basis for each twelve month period commencing on November 1 of each year after November 1, 2011, so that the amount of the retention incentive for any such future period shall be twenty-five percent (25%) of Mr. Vegliante's basic salary in effect as of November 1 of the relevant year."

 From [PR Newswire](#): "Embracing electronic technology to promote the use of direct mail, the U.S. Postal Service recently revamped the companion website to Deliver, its magazine for marketers. The new "how-to" website, [delivermagazine.com](#), offers all the direct mail and multichannel marketing strategy of Deliver — and much more — including for the first time, a smart phone interface. [delivermagazine.com](#) provides direct marketers and agency professionals from businesses of all sizes with scores of articles, case studies, white papers and online marketing tools to help them grow their businesses through acquisition, retention and brand-building."

 According to [The Courier](#), "Royal Mail has said it is working as hard as possible to clear the backlog of mail still piled up at the beleaguered Dundee East delivery depot."

 [Hellmail](#) has reported that:

- [Royal Mail](#) today launched a new time-saving tool enabling customers to create and book their unaddressed mail campaigns online and arrange printing and direct delivery. Door Drops Online - [www.doordropsonline.com](#) - is designed specifically for small and medium sized businesses that may not have a relationship with a printer or logistic partner, enabling them to quickly arrange all aspects of their unaddressed mail campaigns with the printing and delivery managed by Royal Mail.
- [Gordon Banks](#), Labour MP for Ochil and South Perthshire, opened today's Committee stage of the Postal Services Bill by supporting an amendment in the form of a sunset clause that would place a time limit on the proposed sale of the Royal Mail, and if unsuccessful, for the plans to be discussed again in Parliament. Mr. Banks said a perpetual sale, if Royal Mail remained on the market, would drive the price down. He also said there was nothing in the Bill that prevents a piecemeal sale and that even Ed Davey must accept that this could not be deemed an acceptable solution.

 [WSYR](#) has reported that "Shortly after the New Year, the North Syracuse Post Office will process its final piece of mail. The post office will remain open through the holiday season. Its final day of operations will be Friday, Jan. 14. According to the postal service, local delivery for people living with addresses listed under the zip code 13212, will not be affected."

 **At the Postal Regulatory Commission: Docket No. RM2011-1:** The [Association for Postal Commerce](#) (PostCom) requests that the deadline for filing comments be extended until Wednesday, November 24, 2010.¹ The Commission has scheduled a technical conference for Wednesday, November 17, 2010 at 10:00 a.m. in the Commission hearing room.² PostCom seeks additional time to incorporate information presented at the technical conference into their comments. The Commission finds the request to extend the deadline for comments reasonable. The deadline for filing comments shall be extended until November 24, 2010. The deadline for filing reply comments shall be extended until December 6, 2010."

 According to the [Wisconsin State Journal](#), It's even worse than they thought. The U.S. Postal Service announced Friday it lost \$8.5 billion last year. That's billions more than expected and twice the red ink of the previous year. Ouch! It's time for Congress to get serious about stabilizing the service — without jacking up the price of stamps yet again. Congress should:

- Let the Postal Service reduce payments of retirees' health insurance premiums.
- Grant the Postal Service authority to reduce delivery from six days a week to five.
- Let the Postal Service close more of its offices and outlets.
- Lift the Postal Service monopoly on letters and mailbox deliveries to allow competition.
- Allow the service to develop more competitive products."

 Royal Mail's plans to raise the price of business post by 19 per cent could have a "devastating effect" on the future of mail, the [U.K. Direct Marketing Association](#) (DMA) has warned. The DMA's executive director, Chris Combemale, said such increases would deliver another blow to the UK's businesses, which are still feeling the impact of the recession.

 [ANGOP](#) has reported that "the country's postal network will be spread all over the country, announced over the weekend, in Cacus District, northern Malanje Province, the administrator for postal area of the Angola Mail Services, Fernando Silva. The programme comprises the rehabilitation and re-opening of 160 post offices until 2012."

 [Postal Technology International](#) has reported that "Royal Mail Group has announced that its operating profit fell to £52 million (\$84 million) in the six months to the end of September as mail volumes continued to decline and competition from rival operators and electronic media increased."

 The [Reuters](#) has reported that "Postal deliverers at Dutch mail and express group TNT went on strike on Tuesday, the first nationwide postal strike since 1983, escalating a dispute over the company's planned restructuring and job cuts."

 [10TV News](#) has reported that "Federal authorities are conducting an investigation after 10 Investigates captured video of a postal carrier throwing away mail in a Dumpster. The video showed the postal worker looking around, before he slid the Dumpster door shut, returned to his postal van and drove off."

 One writer for the [Washington Post](#) has noted: " I can't help but note that the U.S. Postal Service lost \$8.5 billion in the past year and may well go bankrupt next year. Why, in this age of multiple courier services, cheap phone calls and e-mail, is the U.S. Postal Service still a government-owned company? Germany privatized its postal service in 1995."

 [Dead Tree Edition](#) has reported that "By government standards, the U.S. Postal Service's top executives, with their multimillion-dollar pension packages, are doing quite well. But their compensation is lagging further behind their counterparts in private industry, according to a USPS consultant."

 The [Wall Street Journal](#) has reported that "Calling free trade key to robust U.S. and global recoveries, United Parcel Service Inc. (UPS) Chief Executive Scott Davis said Monday that more must be done to "defeat the tyranny of protectionism" and eliminate trade barriers. Davis, speaking at the Americas Competitiveness Forum taking place in Atlanta, offered a number of prescriptions for the U.S. in particular."

 [Home Media Magazine](#) has wondered: "Should Netflix be concerned following last week's disclosure by the U.S. Postal Service that it lost \$8.5 billion in its most recent fiscal year (ended Sept. 30) — a financial predicament some members of Congress believe leaves the USPS in jeopardy of maintaining operations a year from now without a bailout? Analysts don't think so."

 The business leaders of the [Electrification Coalition](#) gathered in Washington, DC, today to discuss the state of legislation designed to deploy electric vehicles and infrastructure and to release the Fleet Electrification Roadmap, a comprehensive analysis of the business case for electric-drive technology adoption among the more than 16 million commercial, corporate, and government fleet vehicles in the United States. The Fleet Roadmap also identifies the most significant technological challenges facing fleet operators, and recommends targeted public policies to help overcome those challenges, including: Federal fleet electrification, including the Postal Service."



[Welcome to PostCom Radio](#)

Join PostCom President Gene Del Polito, Quad-Graphics Postal Affairs Director Joe Schick, and Harte-Hanks' Vice President of Postology Charles Howard in a discussion of Standard Mail service. How it's measured? How it performs? And what you need to know to make the best of what the Postal Service offers.

(A Service of the PostCom Education Committee)

 The [New York Times](#) has reported that "A weakening currency traditionally helps a country raise its exports and create more jobs for its workers. But the declining value of the dollar may not help the United States increase economic growth as much as it might have in the past."

 The [Marietta Times](#) is reminding its readers that they shouldn't "look for your 2010 federal income tax booklet in the mail this year - it isn't coming. Hoping to save trees and an estimated \$10 million, the Internal Revenue Service won't be mailing the forms and instructions to taxpayers. "The IRS has been slowly cutting back on mailings, trying to get more people to e-file their taxes," said Walter Jack, manager with H&R Block Tax and Business Services in Marietta. "I think electronic filing will eventually become mandatory," he said. "But there are other ways people can file, including over the phone if they have a simpler form, like the 1040 EZ."

 [Wenatchee World](#) has reported that "the city's downtown post office could be headed for a change of address. Soaring costs and a drop in mail volume at the area's largest mail facility have prompted a federal study to determine if there are cheaper ways to handle Wenatchee's letters and packages. The study also could determine, just maybe, if downtown's postal patrons could be served by a smaller, lower-cost location — in another building with less space and lower rent. "We wouldn't abandon downtown," Wenatchee Postmaster Dannelle Kraude said Friday, "but we could reorganize operations into a smaller building that's less costly to operate." The cost analysis of Wenatchee's postal operations is part of a national effort to dramatically cut costs and streamline operations in the face of an \$8.5 billion loss for the fiscal year that ended Sept. 30. More than 32,600 outlets make up the U.S. Postal Service's system but, according to agency studies released earlier this year, many of those outlets fail to turn a profit."

 [Magharebia](#) has reported that "In the run-up to the feast of sacrifice, Algerian customers are ready to spend. Yet this year, celebrants' buying capacity is curtailed by an unprecedented situation. Algérie Poste, which handles more than 12 millions current accounts used mainly to receive wages, is running out of cash. Algerian customers, who are used to withdrawing their money from their Algérie Poste accounts, were astonished to find out that they could not take out money due to a shortage of cash. The situation led to lengthy queues at post offices."

 [Hellmail](#) has reported that "Swiss Post today announced a three year contract renewal with Canon (UK) Ltd and Canon Europe Ltd, continuing its long-term association with the UK and European headquarters of the global imaging solutions company."

 According to the [Jerusalem Post](#), "If the Postal Company thought it could rake in a payday by charging NIS 35 for every package, a little consumer guerrilla warfare was called for. There's a lesson in the brouhaha over the planned/attempted/ failed (depending on whom you believe) plan by the Israel Postal Company (formerly just the Post Office) to impose a fee of NIS 34.80 to NIS 38 (ditto on believing) on all packages/some packages/packages over a certain size and value (again ditto) sent from abroad. Actually, there are lessons, plural, telling us a lot about Israel, Israelis – and how the Internet really works."

 From [Market Wire](#): "Stamps.com, the leading provider of USPS(R) postage online and shipping software to approximately 400,000 customers, is pleased to announce a free webinar featuring social media expert John "ColderICE" Lawson. A Certified eBay Platinum PowerSeller, Lawson will share the social media strategies that have grown his e-commerce sales from some extra pocket money to millions of dollars each year."

 "[American Postal Workers Union President Cliff](#) Guffey and the other members of the APWU negotiating team briefed the Rank and File Bargaining Advisory Committee on Monday morning on the status of bargaining. The current Collective Bargaining Agreement expires Nov. 20. "Until now, the Postal Service has not been serious about negotiating. We hope to change that," Guffey said."



A new report has been posted on the U.S. Postal Service Office of Inspector General website (<http://www.uspsoig.gov/>). If you have additional questions concerning this report, contact Agapi Doulaveris at 703.248.2286. [Excess Space in Mail Processing Facilities in the Suncoast District \(Report Number EN-](#)

[AR-11-001](#)). The Postal Service has implemented various actions to streamline the plant network and eliminate excess capacity, but opportunities exist to improve the process and achieve additional cost savings. While the Postal Service has ongoing initiatives to optimize retail and delivery facility spaces, efforts to eliminate excess space in the mail processing network have been limited. The Postal Service could improve guidance on identifying and reporting excess space at mail processing facilities and develop accurate and reliable information in databases.

At the Postal Regulatory Commission:

- **A2011-1 Order No. 585 - Order Revising the Procedural Schedule** Holding Application for Suspension in Abeyance, and Granting Waiver of Online Filing Requirements
http://www.prc.gov/docs/70/70827/Order_No_585.doc
http://www.prc.gov/docs/70/70827/Order_No_585.pdf
- **A2011-2 Order No. 586 - Notice and Order Accepting Appeal and Establishing Procedural Schedule**
http://www.prc.gov/docs/70/70829/Order_No_586.pdf
http://www.prc.gov/docs/70/70829/Order_No_586.doc
- **Form 8-K, Current Report**
[http://www.prc.gov/docs/70/70830/2010%2011-15%20FORM%208-K%20\(1\).pdf](http://www.prc.gov/docs/70/70830/2010%2011-15%20FORM%208-K%20(1).pdf)
[http://www.prc.gov/docs/70/70830/Transmittal%20letter%208K%202010-11-15%20\(1\).pdf](http://www.prc.gov/docs/70/70830/Transmittal%20letter%208K%202010-11-15%20(1).pdf)
- **Annual Report, Form 10-K, Fiscal Year 2010**
http://www.prc.gov/docs/70/70828/Transmittal_letter_10K_2010_11-15.pdf
http://www.prc.gov/docs/70/70828/Transmittal_letter_10K_2010_11-15.pdf

November 15, 2010

 The [ARKA News Agency](#) has reported that "Improvement Of Postal Services And Recovery Of Roads To Be Armenian Transport Ministry's Top-Priority Focuses In 2011."

From [PR.com](#): "Shipping Sidekick (www.ShippingSidekick.com), the web's leading shipping rate comparison website, announced today that it has extended its offer for free digital postal scales until 6/30/11. Through this special offer, Shipping Sidekick is offering to its users free digital postal scales (after rebate*) for shipping just 20 items through the Shipping Sidekick discount shipping console. Three different digital postal scales are offered with capacity up to 330 lbs to suit most package and small freight shipping needs."



The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic: **Our Third Year**. Since Pushing the Envelope was launched in the late fall of 2008, we posted 118 topics (including this one) and received more than 3,800 comments from readers.

Going forward, we'd like to hear your views on what you want from this blog. What do you like? What would you like us to change? What topics should we cover next? And please keep commenting! [LINK](#) here to let us know!

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

- [Data Breach Incident Reporting - 11RG007IT000](#). Safeguarding personally identifiable information and preventing its breach are essential to ensure the Postal Service retains the trust of the American public. The objective of our project is to determine whether the Postal Service has implemented procedures for data breach incident reporting, handling, and notification.
- [FY 2011 FCS Review - Business Reply Mail \(capping\) - 11BR003FF000](#). Postal Service Field Testing and Compliance (FTC) testers perform operational effectiveness testing on key internal controls in the field. This project aims to provide oversight of FTC Postal Business Reply Mail testing. We will conduct reviews at selected sites and issue management advisory reports after each site visited. We plan to summarize the oversight results into an advisory report at the end of the fiscal year.
- [FY 2011 FCS Reviews - Business Mail Acceptance Units \(Capping\) - 11BR004FF000](#). The objective of this project is to provide oversight of Field Testing and Compliance for Business Mail Acceptance Unit (BMEU) testing. We will conduct reviews at selected sites and issue management advisory reports after each site visited. We plan to summarize the oversight results into an advisory report at the end of the fiscal year.
- [FY 2011 FCS Reviews - Postal Retail Units \(capping\) - 11BR001FF000](#). This project's objective is to provide oversight of Field Testing and Compliance for Postal Retail Unit testing. We will conduct reviews at selected sites and issue management advisory reports after each site visited. We plan to summarize the oversight results into an advisory report at the end of the fiscal year.



At the Postal Regulatory Commission: Docket No. RM2011-1: "The Association for Postal Commerce ('PostCom') would like to request that the comment period originally set in the Temporary Waivers from Periodic Reporting of Service Performance Measurement (Docket No. RM2011-1) for Friday, November 19 be moved to Wednesday, November 24 due to the scheduling of the technical conference for Wednesday, November 17 at 10 am. The extra time will allow participants to incorporate information from the technical conference into their comments."

According to the [American Postal Workers Union](#) (APWU), "It is no secret that low mail volume has led to massive excessing. The APWU has responded by fighting relentlessly to protect our members' rights. The battle is complicated enough without the addition of other parties. Recently, however, the installation of Flat Sequence Sorter (FSS) machines has affected members of our sister union, the National Association of Letter Carriers (NALC). Unfortunately, the NALC recently filed a Step 4 Dispute, which asserts that no Clerk Craft employee should be excessed into a Letter Carrier position unless all APWU positions have been filled — in every installation from Maine to Guam. Needless to say, the APWU disagrees."

The [Los Angeles Business Journal](#) has asked: "Has buying postage stamps over the Internet finally caught on with consumers and businesses? It appears so, looking at Stamps.com, the L.A.-based online seller of postage. For the last three quarters, Stamps.com's earnings have beat analysts' estimates as the company has boosted its

subscriber base among large businesses, and reduced the rate of cancellations among its consumer and small-business customers. Both trends sent the company's share price to a three-year peak of \$16 on Oct. 29."

 [Sofia Echo](#) has reported that "Bulgarian Posts intends to refinance its arrears by raising 15 million euro through a bond issue. The offering, part of the postal operator's development strategy, will have a five-year maturity. Bulgarian Posts has already called a tender to select the financial entities, which will handle its debt restructuring."

 The [BBC](#) has reported that "Police have launched an investigation into an attempted break-in at a post office in the south of Scotland. It happened almost five years to the day after the Kirkcudbright branch was the target of another raid. The latest attempt was made at about 2330 GMT on Saturday night when thieves tried to get in through the roof."

 [WTOL](#) has reported that "When the U.S. Postal Service closed a sorting center in Lima, OH, administrators miscalculated the amount of added workload to Toledo centers. As a result, residents in the 43458 zip code in Ottawa County are seeing delays and problems with mail service."

 [Federal News Radio](#) has reported that "The Postal Service has promised one approach to shrinking its continuing losses. Keep cutting jobs. The announcement of impending job cuts comes as the Postal Service is in contract negotiations with two of its unions, with two more scheduled to be negotiated next year. Rep. Darrell Issa, R-Calif., who is expected to head the House committee overseeing postal operations, said the loss "only underscores the urgent need for the Postal Service to trim its operating costs to match revenues."

 [Gloves](#) has reported that "E-commerce buyers and sellers from sites such as eBay or Amazon.com can breathe easy. Israel Postal Company Ltd. today announced that it never intended to include its package service at this stage. Most packages arriving from Amazon.com, DealExtreme, eBay, and other deliveries on this service will continue unchanged and no fee will be charged to release the packages from customs."

 [Dutch News](#) has reported that "The government has appointed an external mediator to look into problems in the postal delivery sector."

 [Prensa](#) has reported that "The 800 current employees of the national postal service COTEL will decide next Saturday whether or not to go on strike. The postal workers are reacting to the recent announcement of President of the Republic Ricardo Martinelli to privatize the institution."

 The [Jakarta Post](#) has reported that "State postal company PT Pos Indonesia has stopped express courier service for Yogyakarta, Surakarta and Magelang due to nearby Mount Merapi's ongoing volcanic eruption. Eighty percent of the Indonesian people still use Pos Indonesia's express courier service to deliver their mail and documents."

November 14, 2010

 According to the Rep. Edolphus Towns, writing for the [Federal Times](#), "The obstruction by key Republican senators who refused in late September to grant the U.S. Postal Service partial deferment of trust fund payments has driven the agency close to a breaking point. Because USPS was forced to make this \$5.5 billion payment into its already well-funded retiree health benefits trust fund, its cash reserves now sit at a dangerously low level, leaving it in a precarious financial position for fiscal 2011. The Postal Service is now suffering greatly from years of misguided Bush-era policies. Millions of Americans are relying on Congress to fix these past mistakes, and that's exactly what Democrats are working to do. Our proposal would reduce the annual trust fund payment to a more reasonable level and require the remainder of the payments into the retiree health benefits trust fund to occur in scheduled installments over 40 years, starting in 2017. Rather than play political football with the Postal Service, members of Congress need to put aside their differences and focus on executing a strategy that will keep the organization viable. We must begin the process of imposing a more reasonable and responsible payment schedule for retiree benefits while working in a bipartisan fashion to contain other costs, expedite the pace of innovation and strengthen management. Far too many Americans rely on the Postal Service for Congress to allow it to sink deeper in peril."

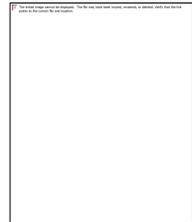
 Here's an interesting piece from [TechCrunch](#). "The Phone Call Is Dead." If you're a person who refuses to live or die by email, texting, Facebook, or Twitter, and you still believe a Blackberry is a tasty piece of fruit, you'll find the piece interesting. Dinosaurs of the world, UNITE!

 Have you heard of [ViaPost](#)? Check it out.

 [KPLC](#) has reported that " Crews began removing equipment from the mail processing plant at the main post office in Lake Charles on Saturday. According to postal workers, the equipment is being shipped to Lafayette as part of the U.S. Postal Service's decision to relocate the processing center, which serves all of Southwest Louisiana. As crews removed equipment from the back of the building, a group of postal workers picketed in the front."

November 13, 2010

 [WGMD](#) has reported that "A Rehoboth man has been appointed as a Governor of the US Postal Service by President Obama. Dennis Toner has served on the staff of Senator and now Vice President Joe Biden – before going into the private sector – launching Horizon Advisors. The US Postal Service Board of Governors is similar to a private company's Board of Directors – and is responsible for selecting the Postmaster General. Toner's term expires on December 8, 2012."



 [Japan Today](#) has reported that "Japan Post Holdings Co will promote 8,438 nonregular group workers to regular employees on Dec 1. Of about 208,000 nonregular Japan Post group employees, some 34,000 who met certain conditions such as working hours took written examinations and interviews."

 The [Postalnews Blog](#) has reported that "The U.S. Postal Service miscalculated the amount of mail it would handle and the amount of staff it would need to process that mail with the closing of a sorting facility in Lima. That's what postal officials told staff from U.S. Rep. Jim Jordan's office and Allen Economic Development Group Vice President Jeff Sprague Friday."

 According to the [Boston Globe](#), "A former letter carrier who was allegedly slapped and subjected to a racist rant by a local resident last year was not fired as a result of the incident, as some news media reports suggested, officials at the US Postal Service said yesterday."

 [Zawya](#) has reported that "On the sidelines of the 5th forum "ICT 4 All-Tunisie+5" held from November 10 to 12 in Hammamet, an agreement on co-operation in the new information and communication technologies sector was concluded on Friday, between Tunisia and Algeria . The agreement aims at developing technologies, products and services as well as promoting trade in the sector of postal services and ICTs. The agreement provides for the exchange of documents and information on mutual interest issues and for the promotion of human resources through a program of exchange of skills."

 **From the Federal Register:** Postal Regulatory Commission New Postal Product, 69715–69716 [2010–28584] [[TEXT](#)]

 The [Wall Street Journal](#) has asked: "Do we really need to implement costly new security measures simply because al Qaeda has discovered the mail bomb? Perhaps the real opportunity here is for innovation on our part. For once, we could decide not to overreact when the terror group shows us a new trick."

 According to [ABC News](#), "It's the biggest civilian employer after Walmart, but apparently the U.S. Postal Service is not too big to fail. Today, the Postal Service said that without Congressional action, it could be bankrupt by the end of next year. Some have suggested privatizing the service, but for now the post office still answers to Congress, and Congress has been reluctant to approve measures like closing local branches of the post office, a move that would save the institution money and help pull it into the black. The Postal Service has asked Congress to approve other cost-cutting measures such as ending Saturday service, raising the prices of stamps and cutting its obligation to future retirees."

 [Daily Finance](#) has reported that "Lower revenue and higher interest costs helped boost the U.S. Postal Service's annual loss in fiscal 2010 to more than double that of 2009. The Postal Service said Friday that it widened its loss for the year, which ended Sept. 30, to \$8.5 billion from a loss of \$3.8 billion in the previous year. Excluding the effects of interest-rate changes, which apply to its workers' compensation debt, the Postal Service took a \$6 billion loss on revenue that fell 1.5% to \$67.1 billion. Without the option of raising stamp prices, the Postal Service has requested other allowances, such as changing the frequency of mail delivery, closing unprofitable post offices and restructuring a \$5.5 billion obligation related to employee retirement benefits."

 [Government Executive](#) has reported that "Chief Financial Officer Joseph Corbett said the Postal Service was able to fulfill its financial obligations in 2010 thanks to higher revenue and reduced costs, but noted workers' compensation and requirements to prefund retiree health benefits at more than \$5 billion annually were out of the agency's control. Corbett said he expects growth in mail volume for the first time in four years, but noted USPS will have to manage the increase with fewer people. Labor costs account for nearly 80 percent of the agency's expenses. The board also approved the Postal Service's fiscal 2011 financial plan, which projects losses of \$6.4 billion."

 The [New York Times](#) has reported that "Rep. Darrell Issa, Republican of California, who is set to become chairman of the Oversight and Government Reform Committee in the next Congress, said on Friday that he would push for major changes at the Postal Service, which has announced an \$8.5 billion annual loss. "This loss only underscores the urgent need for the Postal Service to trim its operating costs to match revenues," Mr. Issa said in a statement. "Congress has an obligation to ensure that effective solutions are implemented and taxpayers don't get stuck paying for a bailout." Mr. Issa has long warned that ongoing losses by the Postal Service could force taxpayers to "bail out" the agency, which by law is supposed to be self-funded. He has cited the need to downsize the labor force and reduce costs to reflect declining demand and new market conditions."

November 12, 2010

 In response to the Postal Service's report earlier today, [Sen. Thomas Carper](#) issued a press release saying the following:

"This latest historic loss by the U.S. Postal Service is disappointing but not surprising given the serious financial peril in which it currently finds itself. The effects of the Great Recession combined with systemic flaws in the Postal Service's business model and a number of financial and operating restraints placed on postal management have brought the Postal Service to the precipice of financial ruin. They may also represent the most serious threat to the institution in its over 200 year history. If corrective action is not taken quickly, the Postal Service will likely run out of cash and borrowing authority by this time next year, placing its ability to continue operations in serious jeopardy. This report underscores the urgent need for Congress to move swiftly to consider comprehensive Postal reform legislation, which I introduced in September of this year, in order to avert a catastrophe for the Postal Service. I hope my colleagues and the Administration will take this report to heart and work with me to address the challenges facing the Postal Service so we can protect the vital services American families and businesses depend on."

 The Association for Postal Commerce has filed a request to intervene in the case pending before the U.S. Court of Appeals regarding the Postal Regulatory Commission's denial of the Postal Service's exigency rate requests.



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

- The USPS Board of Governors met November 12 to discuss the 2010 financials and comprehensive statement, the 2011 projections, and quarterly service performance. The Board re-elected Chairman Giuliano and Vice Chairman Thurgood Marshall for another year of service. It also recognized departing Postmaster General Jack Potter and Governor Carolyn Gallagher for their years of service, and welcomed newest Board member Dennis Toner.

- The Postal Service was granted expedited consideration by the DC Court of Appeals, for its recently filed appeal against the Postal Regulatory Commission's decision in the Postal Service's exigency request filed in July of this year.
- The Postal Service, this week, filed a petition for a rulemaking regarding the calculation of unused rate adjustment authority. In the petition, the Postal Service ". . . requests clarification and, if necessary, amendment of the Commission's Rules of Practice relating to calculation of unused rate adjustment authority under the price cap for market dominant products."
- In an open letter to all members of the Association for Postal Commerce, PostCom President Gene Del Polito has urged his members to begin a more probing inquiry into the kind of postal system their businesses will need in the decade ahead.
- In an open letter to all PostCom board members, the Chairman of the Mail Owner's Committee said "thru use of the various PostCom resources, the "Mail Owners" Committee will establish direct communications to build and maintain an open dialogue with the "Mail Owner" members that focuses on important topics and issues."
- Although the Postal Regulatory Commission (PRC) denied the USPS' exigent price increase request, which would have taken effect in January 2011, the USPS still plans to move forward with a new postage statement release in January. The USPS on an MTAC telecon noted that it still plans to move forward with required changes in postage statements effective January 2, 2011.
- According to PostCom members who drop-ship enter mail into the USPS network, issues with "re-directions" by the USPS are at an all-time high and effective management and communication of the changes by the USPS is at an all-time low. Reports of improperly communicated re-directs or re-directs without adequate advance notice are on the rise, and costing industry more to do business with the USPS.
- According to APWU President William Burrus, "on balance, this legislation is not worthy of support — unless major modifications are made."
- According to Courier, Express, and Postal Observer, "Walmart is not alone in offering free shipping as Amazon.com, JC Penney, LL Bean and Target all offer free shipping, although Amazon, JC Penney, and Target currently have minimum purchase amounts for their free shipping offers. How do these companies justify free shipping?"
- USPS introduced changes related to combined mailings of SM and Periodicals. PRC establishes docket for USPS market test. Has green stopped giving? Interview: Ruth Goldway, chairman of the Postal Regulatory Commission. FedEx Corp. Board declares quarterly dividend. Amid changes on Capitol Hill, USPS faces uncertain future. What's next? A new view of exigency. Report: 'Digital divide' great as ever. From Postal Technology International 2011 Annual Showcase.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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You can find a copy of the Postal Service's press release coming from today's meeting of the USPS Board of Governors on the [USPS web site](#). On Monday, November 15, the 2010 Annual Report also will become available on [usps.com](#).

At the most recent U.S. Postal Service Board of Governors meeting, the Postal Service noted that market dominant product prices would be rising in May 2011 (on average) by 1.3%. The maximum allowed under the PAEA price cap.



PostCom Members!! The latest issue of PostCom's [PostOps Update](#) has been posted on this site.

In this issue:

- Special Edition: Pre-MTAC "Primer"
- A Message from USPS Leadership
- USPS Financial Update
- Mailing and Shipping Services — New Direction
- Update on Innovation Symposium
- PAEA Requirement
- Flats Strategy Update
- Intelligent Mail Update
- Business Mail Entry Update
- Postage Refund Process Review
- Service Performance
- Update on Information Technology Plan
- 5-Day Implementation Planning
- Address Quality and Systems Update
- Secure Destruction Pilot Initiative
- Self-Mailer Test
- NDC Origin Entry Prep Update
- Resources for IMb Compliant Business Reply Mail
 - PostCom's 2010 - 2011 Operations Planner



From the U.S. Postal Service Board of Governors meeting: **USPS announces a \$8.5 billion loss for FY2010.** Full year report will be available on November 15. See also [Business Week](#) and the [Washington Post](#).

- Operating revenue of \$67.1 billion in 2010 declined \$1 billion from 2009
- Operating expenses equaled \$70 billion (excluding \$5.5 billion RHBF payment)
- Workhours were reduced by 75 billion
- USPS complied with Section 404 of the Sarbanes-Oxley Act as of 2010
- Net loss would have been \$6 billion but for the changes to interest rates that impact workers' compensation liability
- Louis Giuliani was re-elected Chairman of the postal board.
- Thurgood Marshall, Jr. will continue as Vice Chairman.
- The Board of Governors honored the PMG with the Benjamin Franklin Award.



The [Wall Street Journal](#) has reported that "The Obama administration is preparing a stepped-up approach to policing Internet privacy that calls for new laws and the creation of a new position to oversee the effort, according to people familiar with the situation." [EdNote: Get ready iDMers. Here comes the drop of the first privacy shoe. Time to "re-discover" mail.]



The [Northampton Chronicle](#) has reported that "postal union bosses have threatened strike action at a Northampton sorting office after two workers were sacked with help from information held on a 'secret' database. The Chron reported last month that the Communication Workers Union (CWU) was objecting to a computer system which logs minor breaches of work rules by Royal Mail sorting staff at Swan Valley, such as using mobile phones. Officials were concerned a dossier of supposed wrongdoing can be built up without staff members having the chance to challenge it." [EdNote: When you read stuff like this you begin to wonder: Isn't it possible for postal labor and management ever to get along? Must things always look as if they're in a state of war? Do citizens ever tire of endless conflicts within their posts?]



[Logistics Week](#) has reported that "It is with disappointment and concern that TNT Post has taken note of the demands and the impending day of action. TNT Post considers that the unions' demands are irresponsible and not

feasible. Despite the fact that, prior to the ultimatum, TNT Post management showed the unions the financial projections of the Dutch postal company, the unions have already announced a national day of action, even before their ultimatum runs out."

 The [Stabroek News](#) has reported that "The Guyana Postal and Telecommunication Workers Union (GPTWU) says it has notified the Ministry of Labour of its intention to pursue industrial action if outstanding matters affecting its membership at the Guyana Post Office Corporation (GPOC) are not resolved."

 The [Azerbaijan Business Center](#) has reported that "The branches of Azerbaijan's postal operator Azerpocht Ltd are about to offer two new financial services. Novruz Mammadov, the director of Postal Affairs Office of the Ministry of Communications & Information Technologies of Azerbaijan, says that in 2011 the Azerpocht's branches will start providing services on acceptance of deposits from the population and issuing credit cards."

 [Online Media Daily](#) has reported that "Video ad network YuMe is expanding to mobile, launching software development tools for the iPhone, iPad and iPod touch as well as a pair of new mobile ad units. By adopting its software, publishers and app developers will be able to use YuMe's ACE technology platform to tap into multiple video ad networks, including its own, to run video ads across iOS devices. The system also lets publishers bundle mobile video ad inventory with online inventory for direct ad sales and target specific devices for directly sold campaigns." *[EdNote: This is the sort of direction many direct marketers think marketing is going.]*

 [Hellmail](#) has reported that "Eye tracking research released this week by Royal Mail provides unique insight into how consumers interact with door drops and a blueprint for the perfect unaddressed mail campaign. The study highlights the importance of using bright colours and strong visuals to generate impact and stand out among consumers. Providing a compelling reason to interact with the door drop also came out of the study, with samples and vouchers proving popular."

 According to the [TechHerald](#), "A certified postal delivery in Hingham, Mass., got ugly when, after signing for a letter, a woman decided she wanted the signature card back because the mail was addressed to her husband. When the USPS employee refused, he was subjected to a racist verbal assault that ended with a physical attack. And what was the USPS employee's reward for remaining calm during this ordeal? He says he was fired."

 According to the [Lake Placid News](#), "Gripes and grumbles filled the small post office on state Route 73 in the center of Keene on Tuesday morning, as residents from Keene and Keene Valley shuffled through the door around lunch time. Keene Valley residents are now making the 10-mile round-trip to pick up mail after the closing of their own post office on Thursday, Oct. 28. "It's a real pain, to put it bluntly," said Keene Valley resident Bill Newman. "The most frustrating thing is the lack of communication with the postal service — there wasn't any opportunity to come up with a solution."

 The [Long Beach Gazette](#) has reported that "Barbara Stickler, president of NALC 1100, said that carriers are being "pushed to their limit." The increased workload has resulted from budget-saving measures throughout the U.S. Postal Service, which included workforce reduction, Stickler added. "Safety considerations are being ignored," Stickler said. "Management keeps pushing harder over the last couple years. The (U.S.) Postal Service stopped hiring letter carriers ... and assignments were consolidated. Long Beach has added over 1,500 new deliveries throughout the city."

 [Hellmail](#) has reported that "Yesterday the Postal Services Bill Committee heard evidence from a number of experts to help highlight areas of concern surrounding the forthcoming privatisation of the Royal Mail. Mike O'Connor, chief executive of Consumer Focus said he believed consumers could get a fair deal whether the Royal Mail was in private or public hands."

 [Forbes](#) has reported that "UPS has appointed as president of its Americas region a 27-year company veteran who worked her way up from part-time hub supervisor. Romaine Seguin will lead the division responsible for package, cargo and supply chain services in more than 50 countries and territories. She succeeds Stephen Flowers, a 30-year UPS veteran. Flowers will take a high-level posting in the UPS Global Freight Forwarding unit, UPS said."

🇺🇸 According to Arthur Laffer writing for the [Wall Street Journal](#), " the government should sell its stakes in public companies acquired via TARP, sell government-run enterprises that lose money (e.g., Amtrak and the Postal Service), end farm subsidies that pay people not to farm, cancel the rest of the stimulus and return all spending programs to their pre-stimulus levels. "

🇺🇸 [Scribd](#) has a piece on "Should Direct Mail *Still* Be A Part of Your Marketing Mix?"

🇺🇸 From [PRNewswire](#): " Valassis, one of the nation's leading media and marketing services companies, announced today that it has entered into a multi-year partnership with The Great Atlantic & Pacific Tea Company (A&P) to develop and execute in-store marketing and media programs. The new partnership will maximize efficiencies across the A&P family of supermarkets and ultimately create a shopping environment that directly meets consumers' needs." [EdNote: Requires no postage.]

🇺🇸 The [Associated Press](#) has reported that "Sticking stamps on all those holiday or birthday cards could become a thing of the past. The Postal Service wants to test the idea of letting greeting card companies preprint postage on the envelopes they include with their cards. Then people could buy the special cards, and just sign and address them and drop them in the mail. The post office hopes that by making it easier to send cards it will win back some of the business it has been losing to the Internet."

🇺🇸 [Press Release](#): "[BCC Software](#), a BÖWE BELL + HOWELL company and a leading developer of high-performance postal and data quality technology solutions that optimize client communications, has formed a partnership with Three Dog Logistics. This partnership gives BCC the opportunity to connect its customers with another leading logistics provider."

🇺🇸 [ABCNews](#) has reported that "FedEx expects to move nearly 16 million packages on its busiest day this year, Dec. 13. The prediction is FedEx's highest ever for a single day and 11 percent higher than last year. More than half the increase is from its partnership with the U.S. Postal Service, FedEx Corp. said Thursday. Those shipments are mostly for consumers who are ordering from online retailers during the busy holiday shopping season." See also [Reuters](#) and the [Wall Street Journal](#).

November 11, 2010

🇺🇸 [Dead Tree Edition](#) has told its readers that "Because the Postal Service is seeking a ruling on how to calculate its rate cap, mailers will probably have to wait a few weeks before learning what rate increases are in store for next year."

🇺🇸 According to [NewMediaAge](#), "Coupons issued via SMS and MMS will be the dominant form of mobile marketing by 2015, according to 61% of people surveyed by messaging company Airwide Solutions. The study, conducted by research company MobileSquared, quizzed employees from 31 mobile operators across EMEA about mobile marketing trends over the next five years. It found 58% of respondents predicted SMS and MMS ads would be the most widely accepted form of mobile advertising by 2015."

🇺🇸 From [Business Wire](#): "The results of a nationwide phone survey conducted by Ipsos Public Affairs and commissioned by Offers.com shows that while 63 percent of online shoppers search for online coupons or deals at least some of the time before making an online purchase, only 21 percent report doing so most or all of the time."

🇬🇧 [Thomson Local](#) has reported that "The Top 100 Mailers 2010 report, sponsored by Post-Switch and using data supplied by the Nielsen Company, shows that direct mail investment by the top 100 mailers in the UK has risen by 1.5 per cent compared to the previous 12 months to reach £896.1 million, marketingmagazine.co.uk reported. According to the study, political parties massively increased their investment in direct mail ahead of the General Election in May, with the Lib Dems upping their year-on-year spend by more than 2,000 per cent to £4.82 million. In addition, the research shows that the Conservatives increased their spend on direct mail by just over 400 per cent compared to the previous year. A spokeswoman for the Lib Dems told marketingmagazine.co.uk that direct mail and

leaflets were effective for "reaching a wide audience and particularly for getting to people who don't have access to the internet".

 According to [Gather Technology](#), "With the expected surge in interest and the ensuing crowd that will likely find these book readers under their Christmas trees, both mainstream and less traditional publishers are beginning to give consideration to e-books and their potential to, well, sell other things. Graphic novel company Wowio (as reported by Fox News) has intermixed graphic ads into its graphic novels. Such advertising helps offset some of the cost of these novels, which publishers hope will open the doors to wider readership, which might not want to put out the full price for a book they just aren't certain they will love."

 "The world's first color e-book has been launched by [Hanvon Technology Co., Ltd.](#) This announcement was made recently at the FPD International Exhibition in Chiba, Japan and also by the New York Times. Hanvon's e-book is the first to have high resolution color in large screen format that uses the new E Ink display technology. E Ink technology allows lower power usage and reading even in the glare of sunlight. Other makes of e-books are not ready to follow this trend however. The new display shows pictures akin to an old photograph and not in the vibrant colors. The animation it is capable of displaying are yet of the simple variety and cannot handle full motion video. It was touted, though by the director of display technologies at DisplaySearch, Jennifer K. Colegrove as "a very important development" that will usher "e-readers to a higher level". The new e-book has the size as an A4 paper. It utilizes a new windows interface that makes use of finger touch and electromagnetic pen technology. The many formats can be employed by this e-book as well as speak through TTS voice, include comments through PDF, and make instant Chinese to English translations the manufacturers claim. To increase its mobility, it is equipped to access WIFI and 3G wireless networks. The handwriting technology, according to the developers, allows for seamless interaction between the user and the electronic document for inserting comments, modifying excerpts, and doing some content editing."

 [Print CEO](#) has noted that:

- [The shift from traditional to digital marketing tactics and channels](#) is now a firmly-established reality. In a recent presentation for the Direct Marketing Association, Winterberry Group said that from 2007 through 2009, spending on several categories of digital marketing grew at compound annual growth rates that exceeded 10%. Over the same period, spending on direct mail fell at an annual rate of 10.7%, and spending on print advertising declined by almost 20% per year. For 2011, Winterberry Group expects spending on digital marketing to increase about 21% compared to 2010, while spending on direct mail might be up 1-4%. This trend is more than a disparity in growth rates. The evidence shows that digital marketing is growing at the expense of traditional marketing methods, including direct mail. In a recent survey by Forrester Research, 60% of marketers said they would fund increases in their digital marketing budget by taking money from traditional marketing programs. Forty percent of the survey respondents said they expect to cut direct mail spending.
- [Gartner expects media tablet sales](#) to reach 19.5 million units this year and to nearly triple in 2011, in one of the most aggressive market forecasts published so far. A blog on the Wall Street Journal site reported that Gartner analyst Carolina Milanesi believed tablet computers such as Apple's iPad, Samsung's Galaxy Tab and Cisco's Cius will cannibalize other portable devices such as e-readers, gaming devices, and media players. Consumers are "tech-savvy, they want the fashion, and the tablet isn't as complicated as the PC," adding that consumers also like that tablets are always-on and don't need to be rebooted.

 The [Daily Yomiuri](#) has told its readers that "A written culture and the culture of the printed word are foundations for all cultural activities. Should people lose interest in the printed word, their reading comprehension skills and linguistic ability will decline. According to a private research organization, electronic publishing accounts for only 2 percent of the overall publishing market. But some estimates suggest the electronic publishing market will grow 10-fold by 2020. There are, however, many people who still feel an attachment to books and the texture of paper pages. Many people surely would much rather prefer to see children leisurely flip through the pages of a book, rather than see them read books on an electronic device screen."

 The [Courier, Express, and Postal Observer](#) has reported that "Today, Walmart announced that purchases on its website will ship for free. Walmart is not alone in offering free shipping as Amazon.com, JC Penney, LL Bean and Target all offer free shipping, although Amazon, JC Penney, and Target currently have minimum purchase amounts for their free shipping offers. How do these companies justify free shipping?"

 [JapanFocus](#) has told its readers that "Three intertwined phenomena herald the decline, and perhaps ultimately the disappearance of the newspaper, the journal, and the book, certainly as we know them in the form of print publications. The first, noted above, is the centralization of capital in the spheres of publication and the media. Second, the new technologies that gave rise to the internet and multiple electronic publications and new forms of communication such as blogs and social communication networks, have transformed both the economics of publishing and the nature and size of readership. Third, over the last decade, coinciding with the centralization of ownership and control of print newspapers and magazines, there has been a proliferation of electronic sources: journals, magazines, newspapers."

 According to [bnet](#), "E-books are converting heavy readers into heavy e-readers at a surprising clip. It's small wonder that they're buying big-name authors to read on their Kindles. What isn't at all clear, though, is how long it will take to convert the occasional reader — if that's even possible. Publishers continue to hire people who specialize in digital marketing even though there's been no solid evidence that books can get sales traction through social media or other digital marketing."

 [PrintWeek](#) has reported that "UK mailing houses could be facing a significant hike in postal costs following a request by Royal Mail to allow it to pass on 'final-mile' costs to downstream access (DSA) providers."

 [Trading Markets](#) has reported that "Free shipping is the most effective sales promotion heading in to the holiday season according to Stamps.com(R), the leading provider of USPS(R) postage online and shipping software to approximately 400,000 customers. In its latest survey on e-commerce shipping practices, Stamps.com found that 64 percent of respondents report that free shipping, with or without minimum spend, is the most effective promotion they can offer during the holiday season, and 53 percent will be offering free shipping on more products this year compared to last holiday season. More than half (52 percent) of the survey respondents who use free shipping with minimum spend report their average order size increases by at least \$4."

 [Rediff](#) has reported that "India Post, the world's largest postal network, is set to become a major partner in financial inclusion. The Indian postal network is the largest in the world with 155,015 post offices in the country, 90 per cent of which, that is 139,144, are in the rural areas. While just around a quarter of the villages in the country have post offices, all inhabited villages have access to postal facilities."

 [ChannelOne](#) has reported that "The Regulatory Policy Institute has identified serious failings in the way Guernsey regulates its utilities. The Regulatory Policy Institute says they believe the regulatory system has not worked for Guernsey Post. They want issues surrounding the Universal Service Obligation to be addressed - potentially by taxing all postal companies to help subsidise Guernsey Post's delivery service."

 Postal news from [Hellmail](#):

 In the first three quarters of 2010, [Swiss Post](#) generated Group profit of CHF 741 million. This is an increase of CHF 188 million on the year-back period. The increase in earnings is due primarily to the success in the retail financial market and the positive trend in the logistics market. In the same period, the headcount increased by 603 full-time equivalents. Customers believe that the quality of postal services has remained at a very high level.

 [TNT Express](#) announced today it is taking a series of additional measures to protect its customers and their consignments as well as its employees and networks from the threat of bomb-parcels. The company has reinforced air and ground security controls, including the screening of consignments, in all countries where it operates. This covers TNT's own operations, but also that of its associates, subcontractors, and partner airlines involved in the transportation of TNT shipments.

 **From the Federal Register: Postal Service International Product and Price Changes** , 69334–69347
[2010–28118] [[TEXT](#)]

 The [Wall Street Journal](#) has reported that "The leaders of a White House commission laid out a sweeping proposal to cut the federal budget deficit by hundreds of billions a year by targeting sacrosanct areas of U.S. tax and spending policy, such as Social Security benefits, middle-class tax breaks and defense spending. On Social Security, the plan would gradually raise the retirement age to 68 around 2050 and 69 by 2075. But liberal panel members were less enthusiastic. Sen. Richard Durbin (D., Ill.) said he wouldn't vote for it, saying that "there are things in there that I hate like the devil hates holy water."

 The [Barbados Advocate](#) has reported that "Postmaster General Joel Brathwaite is calling on real estate developers to work hand in hand with the Postal Service when they are establishing housing developments, so as to make the work of the postmen and women of this island a bit easier."

 [Balita](#) has reported that "Logistics provider United Parcel Service (UPS) announced that it will be increasing its presence in the Philippines despite the pullout of its regional hub in Clark Field, Pampanga late last year. UPS was able to do this by transforming its hub into a business processing outsourcing unit that supports the logistics needs of its affiliates in the Asia-Pacific region"

 [KTAR](#) has reported that "The U.S. Postal Inspection Service is offering up to a \$10,000 reward for information leading to the arrest and conviction of whoever stole a mailbox off a Phoenix street. It's the second such reported theft in less than a week." [*EdNote: Maybe they should check with postal headquarters. Haven't seen a mailbox on the street in months.* 😊]

 [Fox12](#) has reported that "A national safety campaign has been launched by postal carriers to keep them safe this fall and winter. The National Association of Letter Carriers has started a campaign called Leave the Light on for Your Letter Carrier. The union wants postal customers to realize that now daylight saving time has ended, many workers will be finishing routes after the sun has set."

 From [PR Newswire](#): "Zeta Interactive, an award-winning digital marketing agency, and Valassis, one of the nation's leading media and marketing services companies, today announced the official launch of a digital insert initiative for the National Center for Missing & Exploited Children (NCMEC). [Bloomberg](#) *The printed versions of the Have You Seen Me?® missing child program that appear across the RedPlum™ media portfolio will be transformed into targeted e-mails featuring these same children.*"

 The [Springfield News-Leader](#) has reported that "The former postmaster at Republic was sentenced in federal court today for misappropriating postal funds, according to the U.S. Attorney's office. Donna Rippee, 64, of Republic, was sentenced by U.S. District Judge Richard E. Dorr to three years probation. The court also ordered Rippee to pay \$14,374.70 in restitution. On Feb. 1, 2010, Rippee pleaded guilty to misappropriating postal funds."

 The [Atlanta Examiner](#) has reported that "A mail carrier from Fayetteville pleaded guilty to relating to a federal investigation. "This mail carrier revealed the existence of a federal investigation to an unauthorized individual, and provided details of how the agents were acquiring evidence in the case," U.S. Attorney Sally Quillian Yates said in a news release. "This type of leak and abuse of position is not acceptable and he now has a federal criminal record."

 The [New York Post](#) has reported that "A Bronx mailman was arrested today for selling cocaine while on his delivery route." See also the [Wall Street Journal](#).

 [Scoop](#) has reported that "New Zealand Post announced today the formation of an independent-majority committee to oversee arrangements for access to its nationwide mail network by other postal operators. The new Postal Network Access Committee, which will have four independent members and one New Zealand Post representative, will hold its first meeting on 22 November 2010. It will operate initially as a four-member committee, with three independent members."

 [Zawya](#) has reported that "Kuwait plans to privatize its fixed-line phone and postal services."

 From the [American Postal Workers Union](#):

- [S. 3831 Needs Major Modifications](#). Of significant concern to postal employees is a bill sponsored by Sen. Tom Carper (D-DE), which includes both positive and negative features for the Postal Service: The "Post Act" (S. 3831) would correct in part the colossal policy blunder of requiring the Postal Service to pre-fund future healthcare liabilities. But the Post Act also includes significant negative features: It would give the USPS sweeping authority to close small post offices solely for financial reasons, and would require arbitrators to consider the financial health of the Postal Service when contract negotiations end in arbitration. On balance, this legislation is not worthy of support — unless major modifications are made.
- To commemorate retiring President William Burrus' last day at contract negotiations — and his more than 50 years of postal employment — Postmaster General John E. Potter made an appearance at the bargaining table Nov. 10 and presented [Burrus with the Postmaster General's Medal of Freedom](#). "Behind closed doors, we actually get along," Potter joked. "We both have one interest in mind — the interest of the postal employees. "Personally, I'm going to miss you, and I know the Postal Service is going to miss you," Potter said before presenting Burrus with the honorary medal. The PMG's Medal of Freedom is given in recognition of outstanding individual contribution to the Postal Service.

 The [Jerusalem Post](#) has reported that "the Israel Postal Company (IPC), which replaced the state postal authority remains state-owned but operates as an independent for-profit business. Among the "improvements" it has recently announced to the public is the introduction, from January 2011, of a minimum NIS 38 "service fee" to be paid upon the receipt of any package from abroad. The levy is mandatory regardless of the value of the package's contents and even if said package is exempt from customs duty. The fee could rise significantly depending on "the amount of work" involved in processing the package. Since such determination is likely to be inexact and not based on objective criteria, the charge may ultimately hinge on the whims of individual postal employees."

 **At the Postal Regulatory Commission:**

- **RM2011-2. [Petition for Rulemaking Regarding the Calculation of Unused Rate Adjustment Authority \(November 10, 2011\)](#)**
- **MT2011-1 Order No. 584 - Notice and Order Concerning Market Test of Experimental Product**
http://www.prc.gov/docs/70/70804/Order_No_584.doc
http://www.prc.gov/docs/70/70804/Order_No_584.pdf

November 10, 2010

 **DMM Advisory: Upcoming DMM Change: Attachments on Letter-size Mail.** An upcoming change in the December 6 update of the Domestic Mail Manual will allow attachments on letter-size mail when postage is paid at automation letter prices. The revision, which will be published shortly, provides the physical characteristics and preparation methods for perforated pockets with edges that are permanently affixed to a letter-size mailpiece. In short, a pocket is formed within a two-ply unit and sales offers, coupons, and similar printed advertising may be placed within or underneath the pocket. The perforated panel must be lifted to reveal the material inside. Perforated pockets may be applied to Standard Mail and Periodicals letter-sized mail and cannot contain personal information. Note that perforated pockets are not considered sealed against postal inspection.

 [Advertising Age](#) has reported that "Magazine apps aren't big among consumers' interests on the iPad, according to results of a study described to industry executives today by MediaVest, the big media-buying and -planning agency."

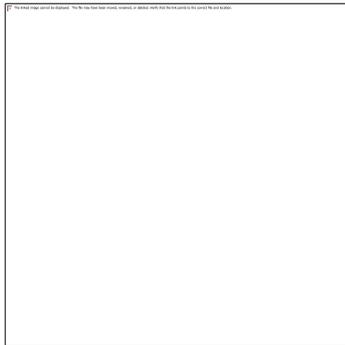
 **At the Postal Regulatory Commission:**

- R2011-1 Chairman's Information Request No. 1
http://www.prc.gov/docs/70/70799/CHIR_No_1.pdf
http://www.prc.gov/docs/70/70799/CHIR_No_1.docx
 "The Postal Service is requested to respond to the following questions to assist participants and the Commission in the analysis of the proposed classification and price adjustments for First-Class Mail and Standard Mail. In its Notice, the Postal Service provides a discussion intended to demonstrate compliance with rules 3010.14(b)(1) through (4).1 However, the Notice appears to be deficient with respect to 3010.14(b)(1) and (4). Responses should be provided no later than November 16, 2010."
- MC2011-5 Order No. 583 - Notice and Order Concerning Classification Changes Affecting Outside County Periodicals in Combined Standard Mail and Periodicals Mailings
http://www.prc.gov/docs/70/70802/Order_No_583.doc
http://www.prc.gov/docs/70/70802/Order_No_583.pdf

 [The New Statesman](#) has reported that "The UK government's plan to privatise the Royal Mail angered unions, business and pensioner groups as it sparked fears of reduced pension rights and forced redundancies. Dave Ward, the post workers' union leader, threatened that workers could even resort to a strike to prevent the coalition government's flagship privatisation going through."

 [ThomsonLocal](#) has reported that "Recently released figures from Royal Mail have suggested more companies are using direct mail as part of their marketing strategies."

 [Press Release](#): "On Tuesday November 2 at a meeting of the Political Forum of the Interactive Media in Retail Group (the influential UK e-commerce industry association) at Google's European HQ in London, unanimous endorsement was given for the Global Address Data Association's address-related policy agenda (GADA)."



[IFW](#) has reported that "DHL's global forwarding division was its star performer in the third quarter. DHL Global Forwarding posted double-digit revenue and volume gains from its air and ocean operations, as total revenue rose 35.8% year-on-year to €3.7 billion (US\$5.1bn) and ebit grew 34.2% to €102 million in the third quarter."

 [Online Media Daily](#) has reported that "**While broadband adoption has grown tremendously in the last decade, more than one in three U.S. households still lack high-speed Web connections** , according to a report issued Tuesday by the Department of Commerce's National Telecommunications and Information Administration. The report, based on a survey of more than 54,000 U.S. households, also said that that a significant proportion of residents -- one in four

households -- completely lacked Internet connections, dial-up as well as broadband. As with other reports about the so-called digital divide in the U.S., the NTIA found that home broadband use is more prevalent among urban residents than people who live in rural areas, whites than non-whites, and among those with higher incomes and educational levels. For example, 94% of households with more than \$100,000 income had home broadband connections, compared to 36% of households with less than \$25,000. And almost two-thirds (66%) of urban residents connected to the Web from broadband lines, compared to just 51% of people who live in rural areas."

  [The Herald](#) has reported that "Securing a bright future for Britain's post office network by modernising branches and extending the range of services they offer is a policy that will be universally popular, especially in communities where the local office has been caught in a vicious circle of dwindling custom and shorter hours. Nevertheless, Postal Affairs Minister Ed Davey's description of the Post Office as a tremendous national asset, with its business connotations, will not allay suspicion that all 11,500 branches of the network are under threat. As the Communication Workers Union (CWU) has pointed out, his statement that there will be no programme of closures is not the same as saying there will be no closures." See also the [Press and Journal](#) and [The Scotsman](#).

 The [Financial Times](#) has reported that "New financial services will be offered through the Post Office in an effort to turn around the fortunes of the UK's 11,500 branches but ministers have decided against a state-backed Post Office bank, disappointing businesses and unions."

 From [PR Newswire](#): "The U.S. Postal Service is known for delivering mail and packages throughout America, but did you know it is the largest contributor to the National Marrow Donor Program's (NMDP) Be The Match Registry?"

 "Ruth Goldway, chairman of the Postal Regulatory Commission, speaks with [Direct Marketing News](#)' news editor Frank Washkuch about how the US Postal Service can improve its financial situation as well as consumers' response to possible five-day home delivery."

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

 The upward trend in international trade brought a positive third quarter for Deutsche Post.

 Posten Norden reported a significantly increased operating result (133.5m euros, +28%) on decreasing revenues (3.3bn euros, -6.7 %) for the first three quarters.

 The German word mark 'Post' finally belongs to Deutsche Post. Last week the Federal Patent Court allowed an appeal by Deutsche Post against the cancellation of the 'Post' trademark in 2007.

 Again a court in France decided against La Poste's practice not to count consecutive temporary employment contracts as one period of employment.

 The launch of the secure e-mail platform DE-Mail which was originally scheduled for the beginning of 2011 will be delayed (CEP-News 19/10). Daily news »Welt« (05.11) reported that the adoption of the necessary law will be delayed until February 2011.

 South African Post Office (Sapo) will face a heavy drop in profits this fiscal year too.

 The company internetPOST AG, which plans to offer a nationwide network for electronic delivery of postal items to digitalised postal addresses to courier, express and postal service providers, was founded in Germany.

 The company is back to a level of profitability not seen since Deutsche Post took over [in 2002 editor's note]. Ken Allen, member of Deutsche Post's board and responsible for DHL, drew a positive conclusion of the restructuring measures. 'We've taken cost out without sacrificing quality', said Allen. Therefore the company had managed to keep 75% of its international clients in the US.

 FedEx could be among the big winners in midterm elections in the USA. Market observers now expect that the pending Federal Aviation Administration Reauthorization Bill will not include the provision that would reclassify FedEx employees under the National Labor Relations Act. The author of that provision, which has been disputed for years, Transportation and Infrastructure Committee chairman James Oberstar, lost his re-election.

 'What we need to do is to improve control at the pick-up point, have more aggressive screening as items enter our systems'. After parcel bombs were found in cargo planes Ken Allen, chief of DHL Express, advocated for a better monitoring of freight. However in an interview with »Financial Times« (07.11) he warned of over-reacting and actionism. 'A blanket approach could end up diverting time and funds from other important security areas', said Allen.

 Four international associations of the air cargo industry decided to establish a common advocacy group. TIACA, the International Air Cargo Association, IATA, the International Air Transport Association, FIATA, a trade association representing freight forwarding and logistics firms, and GSF, the Global Shippers Forum plan to pool their strengths in negotiations with policy-makers and regulating authorities.

 Bulgaria Post's monopoly will be abolished on January 1 2011. The according legal amendment was passed by the Parliament last Wednesday. Bulgaria Post will be obliged to provide universal services for 15 further years according to the law.

 Swiss Post and Canon (Switzerland) cooperate on forwarding encrypted documents.

 GLS, Royal Mail's European parcel network, took over its joint venture partner in Portugal.

 Deutsche Post put the domestic media budget for the two brands Deutsche Post and DHL out for a tender in Germany.

 'One stop solutions for the postal markets of tomorrow'. International postal industry experts will discuss this as part of the 'Zukunftsdialog 2010' event in Bonn. This event will take place for the eighth time on November 30 in Bonn and is organised by the German Federation of Postal Service Providers (BvDP). The range of topics extends from 'efficiency enhancement by process optimisation' to 'innovation - just a buzz word or the art to survive'. More information about the event can be found on the website BvDP.de.



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

 Press Release: "Logistic express is the Austrian magazine for logistics and reports about the branch as well as major customers and suppliers. Containing more than 15,000 articles at the online-platform Logistic express is one of the most considerable sources of information in the whole German-speaking area. Updating our news twice a day and publishing forwarded press-releases once a week comes naturally, before we send our newsletter to our more than 3,500 recipients. Creating one of our four yearly print-editions we do pay attention to give a general view of logistics. Our readers belong to decision-makers from industry, commerce, transports and logistics. We publish exciting stories to ponder, think-along and mastermind and report about energy, environment, traffic, techniques, quality, optimization of service and processes, intra logistics, transport logistics and purchase as well as companies and markets, leading figures, career and events regularly. See www.logistik-express.at."

 Postal news from [Hellmail](#):

- [Estonia Post Notes Increase In Online Magazine Subscription](#)
- [Hungarian Postal Service To Downsize Administrative Posts](#)
- [Finnish Postal Services Return To Normal](#)
- [Stalemate As TNT And Postal Unions Fail To Reach Agreement](#)
- [Consumer Focus - Post Office Survival Plan Could Be Risky](#)

 **From the Federal Register:** Postal Regulatory Commission Postal Rate and Classification Changes , 69142–69143 [2010–28309] [[TEXT](#)] 69143–69145 [2010–28362] [[TEXT](#)] Postal Rate Changes , 69145–69146 [2010–28371] [[TEXT](#)]

 "Last night in Bern, Switzerland, Ambassador Betty King, US Ambassador to the United Nations and Other International Organizations, announced the candidacy of Dennis Delehanty as Deputy Director General of the Universal Postal Union. Dennis has extensive postal experience, having worked for the U.S. Postal Service, the UPU and currently for the U.S. Department of State. Elections for the next Director General and Deputy Director General of the UPU will take place at the next UPU Congress in Qatar in 2012."

 [Dead Tree Edition](#) has posted: "9 Differences Between a School System and a Publishing Company: Lessons for Cathie Black."

 [Hellmail](#) has reported that "Hungarian postal operator Magyar Posta announced today that in order to increase efficiency and reduce costs, it would be shedding a number of jobs. Initially it will be concentrating on administrative roles that are effectively duplicated within the organisation but said that redundancies are likely to follow as it prepares for full market opening."

 According to [The Telegraph](#), "It was a classic example of joined-up thinking, Labour style. The previous government stripped the Post Office of as many functions as it could get away with – because it was cheaper and easier to deliver benefit payments and the like electronically – then professed horror when branches started losing money. The result was a brutal closure programme, which saw thousands of branches disappear and tore a hole in the fabric of many of Britain's communities. What is encouraging, then, about the Coalition's plans for the Post Office is not just its pledge to block future closure programmes, but that ministers appear to be thinking strategically about how to sustain the network."

 The [Daily Mirror](#) has reported that:

- The [Postal Trade Union Association](#) (PTUA) yesterday urged the government to replace Sri Lanka Post Master General M.K.B. Dissanayake. The Union said the PMG had no proper plan to turn the postal services into something profitable and was gradually reducing the number of services provided by the department."
- [All governments](#), in the last 25 years have in many forms tried their hand in running economic enterprises. Overall, it has been a terrible experience. For example take the five big loss makers which were once categorized as the 'biggest monsters' by a Minister of Finance, plus the Sri Lankan Airlines, have made operating losses amounting to Rs. 49 billion in 2009. The detailed distribution is alarming: Postal Rs 2.4 billion.

 According to [St. Louis Today](#), "The U.S. Postal Inspection Service is using funds seized from convicted fraudsters to pay for the cost of the mailing, which is being sent to each of the country's 129 million residential addresses."

 [Government Executive](#) has reported that "The Republican takeover of the House has left the future of the U.S. Postal Service up in the air as the agency faces continued concerns over cutting jobs and meeting obligations to its retiree health and pension funds. "It's highly uncertain as to how much [the next] Congress will accomplish," said Bruce Moyer, legislative counsel at the National Association of Postal Supervisors. "At the same time, on postal issues, the urgency of financial problems and the need to restructure the health and pension responsibilities could provide a significant incentive to getting a big fix done." Rep. Darrell Issa, R-Calif., who is slated to step up to chair the House Oversight and Government Reform Committee, has signaled that postal reform will be among the issues on his agenda."

 According to Butler Mailing Service President [Todd Butler](#), writing for Mailing Systems Technology, "If you would like help keeping the USPS vibrant and alive, with as little negative impact on the federal budget as possible, direct mail customers need postage rates that are affordable and able to entice new customers into the mail stream. We need a board of governors that have significant business experiences and are capable institutionalizing a pro-growth pro-customer agenda. We need a management team capable of delivering, not only the mail, but the least combined cost of delivery for postal products and a tolerable experience for customers when they interact with postal employees."

 [Publishing Executive](#) has reported that "New York City Mayor Michael Bloomberg has announced that Cathie Black, chairwoman of Hearst Magazines, has been chosen as New York City Schools Chancellor."

November 9, 2010

 **At the Postal Regulatory Commission:** [Three Research Contracts Awarded by Postal Regulatory Commission.](#)

 **DMM Advisory:** [Read it Here First! New Incentive Programs and Other Changes for Domestic Mailing Services.](#) Two advance-copy Federal Register notices were posted today on the Postal Explorer® website at pe.usps.com. We encourage you to check them out for complete details.

New Incentive Programs and Other Changes for Domestic Mailing Services — this final rule incorporates standards for two new Mailing Services incentive programs filed this month with the Postal Regulatory Commission (PRC). This final rule also includes DMM® revisions related to Move Update standards:

- Reply Rides Free — provides an incentive for mailers to include more content in their automation First-Class Mail® letters such as including marketing messages in bill and statement mailings that include a reply card or reply envelope under specified conditions. Qualifying customers will receive a postage credit equal to the second ounce for eligible letters weighing over 1 ounce, up to and including 1.2 ounces.
- The Saturation Mail/High Density Incentive Program — provides rebates for volume growth of 5 percent over an established volume threshold for frequent mailers of Saturation or High Density Standard Mail® letters and flats.

2011 Changes for Domestic Mailing Services — this final rule includes changes in terminology for some Standard Mail letter prices, discontinuation of the current exception that allows some rigid flats to claim flats prices, a change in the expression of decimal pounds for Package Services parcels, the list of Address Information System products and services, and the mailing standards in the DMM to implement the changes.

 **Simply Business** has noted that "Royal Mail is on thin ice with business owners. The organisation, which has long been criticised by the business community, is suffering from an exodus of customers dissatisfied with delays, short opening hours, and unpredictable service. According to a survey published last week, some four fifths of online business owners are now critical of the postal service. Given the growing importance of the online sector to the British economy, this should be of concern to Royal Mail. A significant and increasing proportion of businesses are now looking for a better way of getting their letters and packages delivered."

 **WLUK** has reported that "The United States Postal Service (USPS) is recommending consolidating mail

You Can't Soar Like An Eagle When You're Milked Like A Cow

Mail volumes and revenues are down. Postal costs are up. On the one hand, postal prices rise. On the other, there's the call to cut mail delivery from six days to five.

Because the postal purse has become Washington's favorite cash cow, Uncle Sam has his hand firmly in postage payers' pockets in an effort to balance the federal budget.

Five billion here. Five billion there. Next thing you know -- postal rates will rise, facilities will get slated for closure, and the frequency of mail service will get cut.

Some in Washington can't tell the difference between a postmaster and a tax collector. Congress' postal raids are nothing more than taxes in the guise of "postage." This lessens mail's value as a means of communication.

The nation already has a tax collector -- the IRS. It doesn't need another. What the nation needs is a productive, cost-efficient postal system. We shouldn't be making it harder to have one.

Mail. It's The Medium That Delivers.

A message brought to you by:



Association for Postal Commerce

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processing and distribution operations in Oshkosh with those in Green Bay."

 Ever been to the Postal Service's "[Deliver magazine](#)" web site? [Check it out.](#)

 The [New York Times](#) has reported that "Amazon.com said Monday that it would give magazine and newspaper publishers more of the revenue that it collects from the periodicals sold via the Kindle Store."

 The [Associated Press](#) has reported that "E Ink Corp., the company that makes the black-and-white display for Amazon.com Inc.'s Kindle, said it will begin selling screens that also show colors. The new technology, called E Ink Triton, displays 16 shades of gray, along with thousands of colors. As with other E Ink displays, people should be able to read it anywhere without having to squint."

 [CNET](#) has reported that "This year, U.S. consumers will have spent \$966 million on e-books, according to a report released yesterday by Forrester. By 2015, e-books will be close to a \$3 billion market, projects the research firm."

 **At the Postal Regulatory Commission:** There's a new message from the PRC chairman on the Regulatory Commission's web site. Among the items discussed: "The joint Commission-Postal Service Periodical Study is near completion and the findings, which are critical to resolving periodical cost coverage and pricing issues, will be posted on our website." We await with keen interest.

 The [Board of Directors of FedEx Corporation](#) today declared a quarterly cash dividend of \$0.12 per share on FedEx Corporation common stock. The dividend is payable December 17, 2010 to stockholders of record at the close of business on November 22, 2010." *[EdNote: Somehow I don't think you'll be hearing anything like this coming from the Postal Service's Board of Governors when they next meet. **Hey Congress!! CSRS overfunding and postal retiree health pre-funding NEEDS to be fixed!!**]*

 **Press Release:** "BCC Software, a BÖWE BELL + HOWELL company and a leading developer of postal and data quality technology solutions that optimize client communications, announces the launch of a new software solution for address validation and standardization, Accurant AQ. Deployable at all data touch points, Accurant AQ helps eliminate errors in address data as it enters a system by confirming it against the most current USPS® reference data. Records are standardized and enhanced with essential ZIP + 4® codes, postal carrier route, delivery point, and other valuable information, all of which help companies leverage postal discounts and ensure that mailpieces reach their destination."

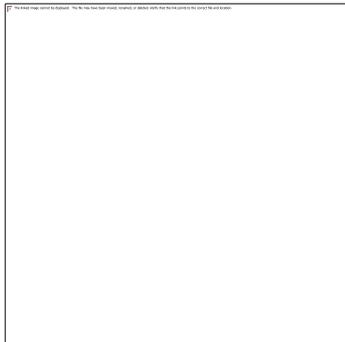
 According to the [Nielson Wiire](#), "as of the third quarter of 2010, 28 percent of U.S. mobile subscribers now have smartphones, cellphones with operating systems resembling those of computers."

 The [Wall Street Journal](#) has reported that "More than 60 years after the victors in World War II devised new rules for currencies at Bretton Woods, N.H., and more than 30 years after Richard Nixon blew up that regime, the search is on for a new way to manage the tensions that come from countries using their own national currencies. The latest spark for angst about global currencies was the Federal Reserve's decision to print \$600 billion more to buy U.S.

Treasurys. A byproduct of that decision is likely to be a weaker U.S. dollar."
[EdNote: A story to watch.]

 [DIY Week](#) has reported that "DHL will manage B&Q distribution operations."

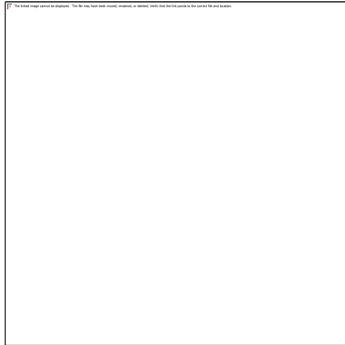
 According to [Post & Parcel](#), "Another company has joined the queue of technology specialists seeking the chance to switch part or all of the United States Postal Service delivery fleet to electric vehicles. MAG International, Inc., a California-based subsidiary of LadyBug Resource Group claimed yesterday (Monday) that it could convert the USPS fleet to electric for between \$25,000 to



\$30,000 per vehicle. It said industry averages for conversions were about \$40,000 per vehicle."

According to [The Telegraph](#), "We are losing the battle for online privacy. Online privacy norms are being dictated by companies with a vested interest in acquiring and selling our personal data"

[TameBay](#) has reported that "Royal Mail and Parcelforce have today announced the full impact of VAT changes which will affect the cost of postal services as of the 31st January 2011."



[FinChannel](#) has reported that "Deutsche Post DHL, one of the the world's leading postal and logistics groups, continued the sound performance of the first half of 2010 during the third quarter, generating another double-digit increase in revenue." See also [Bloomberg](#).

The [BBC](#) has reported that "Post Offices will open for longer, allow customers to access their current account, and offer information for jobseekers, under government plans. There will be no new closure programme for the network of 11,500 branches, said Postal Affairs Minister Ed Davey. Customers will be able to use counters and computer screens to access their current accounts held with other banks." See also [PublicService.co.uk](#)

The [Daily Mail](#) has reported that "The Government has decided against setting up a state-backed Post Office Bank because it would be too time-consuming and expensive, it was announced today. Ministers said they were keen for banking to be extended at the Post Office but that it was not the 'right time' for the proposal." See also [The Guardian](#).

"Steve Lawson, editor for [Hellmail Postal News](#) today said he welcomed plans by the coalition government to strengthen the role of post offices in communities but said it was essential that in addition to access to regular banking, citizens should also have access to simple bank accounts, particularly those living on limited means or that had been made bankrupt."

[Postal Technology](#) has reported that "Australia Post has been selected as the Australian distribution partner for the global launch of American Express's new prepaid, reloadable foreign currency card, which enables cardholders to make purchases and withdraw local currency from ATMs around the world."

According to the [Canadian Press](#), "Despite knowing for decades that terrorists could sneak bombs onto planes, the U.S. government failed to close obvious security gaps amid pressure from shipping companies fearful tighter controls would cost too much and delay deliveries."

[The Guardian](#) has reported that "The postal regulator today signalled an increase in stamp prices of up to 5p and greater commercial freedom for the Royal Mail under plans to tackle growing competition and maintain the universal postal service. Postcomm said Royal Mail will have the flexibility to increase prices on stamped mail by up to 10%, which could equate to a 5p increase in the cost of a first class stamp to 46p, and a 4p increase in the cost of a second class stamp to 36p. The regulator said Royal Mail should have the flexibility to increase the prices it charges customers from April next year on average by 7%, which would mean it could earn up to £280m in additional revenues."

According to the [Daily Mail](#), "Royal Mail has suspended deliveries to a man's bungalow because the garden is so overgrown - it poses a health and safety risk."

[Austrian Times](#) has reported that "The Austrian Economy Chamber (WKO) has praised the Post Partner programme as a "success". WKO President Christoph Leitl said today (Mon) the current reform of Post AG's network is showcasing creative solutions. The state-owned postal company currently cooperates with 1,000 so-

called Post Partners. Such "Partners" are grocery stores, telecommunication shops and town halls which also provide basic postal services."

 The [New York Times](#) has reported that "The Obama administration on Monday moved to tighten air cargo security, banning large toner and ink cartridges from passenger flights and demanding new inspections on "high risk" shipments headed to the United States on all-cargo flights."

 [CBC News](#) has reported that "Canada has joined the United States in banning printer toner cartridges that weigh more than 454 grams from checked baggage on flights. In addition, toner cartridges will not be allowed in any carry-on luggage on flights to the United States."

 [The Telegraph](#) has reported that "Germany has demanded that the European Union draw up a blacklist of unsafe foreign freight dispatchers as part of an urgent plan to improve air cargo security on board passenger planes following bomb plots originating in Yemen and Greece."

 [MSNBC](#) has reported that "The United States expanded its ban on air cargo shipments from Somalia in the wake of the package bomb plot originating from Yemen."



[Globe](#) has reported that "People who until now enjoyed buying inexpensive goods on eBay or other foreign e-commerce sites, will have to reconsider, after the Israel Postal Company Ltd. will, beginning in January 2011, will be required to send all incoming parcels to Customs, and will charge the addressees a \$10 release fee. When Israel Post was a government agency, parcels were not transitted through Customs, but now that Israel Post is a private company, changes have been gradually instituted at the company to enable the company to compete with international delivery companies operating in Israel, such as FedEx Corporation., United Parcel Service Inc., and DHL. Beginning in January 2011, all parcels entering Israel will undergo an inspection by Customs, which will decide on the value of the goods and whether duty should be paid on them."



[Bloomberg](#) has reported that "United Parcel Service Inc., the world's largest package-delivery business, sold \$2 billion of bonds to pay for pension-fund contributions as dollar- denominated corporate bond sales reached \$1 trillion for 2010."

 [Consumer Focus](#) has reported that "A major new piece of research from Postcomm and Consumer Focus, published today, has surveyed the needs of postal customers and tested their views on potential changes to the postal service. The survey found that residential and business customers alike acknowledge that the way they use the postal service continues to change. As a result, they appreciate that changes to the service may be needed. In the survey, residential customers and businesses were presented with a range of potential changes to the postal service and asked to trade-off different aspects in order to test which were most important to them. Customers are tolerant of small changes, such as slight increases in stamp prices or minor reductions in the quality of service, in order to retain the 'one price goes anywhere' guarantee. Consumers and businesses said they could accept reductions to the current system, such as changing to a five day a week service, but trade-offs would be needed to make a new system work for them. Customers stressed that any reductions to the current service would need to be balanced out with benefits, such as no large price increases and the introduction of new services like paid for evening deliveries. Any changes need to be carefully considered, as both business and residential customers place a high value on the universal service."

 [Hellmail](#) has reported that "The Communication Workers Union reacted angrily today to news that postal prices are set to reach as much as 12%, warning that it was "a sign of things to come" with privatisation of the Royal Mail planned for next year and argued the universal service would not be at risk if regulation had been better managed. Billy Hayes, CWU general secretary, said: "This is an unpopular price rise but the public should realise this is a sign of things to come under a privatised Royal Mail."

 The [Financial Times](#) has reported that "The postal regulator was accused of "fattening up" Royal Mail for privatisation on Monday after it unveiled plans to let the state-owned operator raise prices from next April by an

average of up to 12 per cent across all its regulated products. Postcomm also announced a lighter-touch regulatory regime to give Royal Mail more commercial freedom in markets where competition was gathering strength."

 [The Telegraph](#) has reported that "First class stamps are likely to increase by a record 5p from April next year, under plans to give Royal Mail "greater commercial freedom". See also [The Guardian](#).

 According to [Politico](#), "California Rep. Darrell Issa is already eyeing a massive expansion of oversight for next year, including hundreds of hearings, creating new subcommittees, and launching fresh investigations. Issa told POLITICO in an interview that he wants each of his seven subcommittees to hold "one or two hearings each week."



November 8, 2010

At the Postal Regulatory Commission:

- CP2011-28 Order No. 582 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements
<http://www.prc.gov/docs/70/70764/Order582.doc>
<http://www.prc.gov/docs/70/70764/Order582.pdf>
- CP2011-29 Order No. 582 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements
<http://www.prc.gov/docs/70/70764/Order582.doc>
<http://www.prc.gov/docs/70/70764/Order582.pdf>
- CP2011-30 Order No. 582 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements
<http://www.prc.gov/docs/70/70764/Order582.doc>
<http://www.prc.gov/docs/70/70764/Order582.pdf>
- CP2011-31 Order No. 582 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements
<http://www.prc.gov/docs/70/70764/Order582.doc>
<http://www.prc.gov/docs/70/70764/Order582.pdf>
- CP2011-32 Order No. 582 - Notice and Order Concerning Five Additional Global Expedited Package Services 3 Negotiated Service Agreements
<http://www.prc.gov/docs/70/70764/Order582.doc>
<http://www.prc.gov/docs/70/70764/Order582.pdf>
- MC2011-4 Order No. 581-Notice and Order Concerning Classification Changes
http://www.prc.gov/docs/70/70763/Order_No_581.pdf
http://www.prc.gov/docs/70/70763/Order_No_581.doc
- RM2011-1 Order No. 580 - Order Scheduling Technical Conference
http://www.prc.gov/docs/70/70762/Order_No_580.docx
- MT2011-1 Notice of the United States Postal Service of Market Test of Experimental Product ? Alternate Postage Payment Method for Greeting Cards
<http://www.prc.gov/docs/70/70747/Notice%20of%20Market%20Test%20Final.pdf>

Mailers' Technical Advisory Committee (MTAC)

[The agenda for the November 16 - 18, 2010 Mailers' Technical Advisory Committee \(MTAC\) Meeting](#) has been posted on this site.



[Now hear this: "This Week In Postal".....the latest podcast posted now!](#)



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

- Postal Service Customer Service – Is It Working for You? Are www.usps.com and 1-800-ASK-USPS useful, easy-to-use tools for Postal Service customers? Could improvements make the tools more user-friendly? What you think of the customer service tools that are available? Are there additional products and/or services you would like to see added to www.usps.com or 1-800-ASK-USPS? [LINK](#) here to let us know!

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

- [Information Technology Resource Consolidation - 11RG006IT000](#). The Postal Service relies on a complex Information Technology infrastructure to provide nation-wide computing services encompassing all facets of Postal Service operations to ensure critical systems and applications are available 24/7 to the functional groups that perform the core functions of the organization. The objective of this project is to identify opportunities to improve the efficiency and cost effectiveness of information technology resources dedicated to accomplishing this task.

The [Financial Times](#) has reported that "Two million savers with the Post Office, as well as those opening new accounts, are now protected by the UK's £50,000 safety net for deposits, in a move that analysts say should reassure customers."

YLE has reported that "Postal deliveries in Finland are returning to normal after workers and employers reached a contract deal on Sunday evening. However it is likely to take several days before service is fully restored in large towns. In rural areas, the situation is expected to be back to normal by Tuesday. See also the [Helsinki Times](#)."

Marketing Week has reported that "Royal Mail should take comfort from one thing among a mainly wretched set of first-half results announced last week. The postal operator registered its first major loss on delivering letters in eight years but bulk mail volumes, direct mail et al, are on the up."

The [Washington Post](#) has reported that:

- As the [Obama administration and Congressional Republicans](#) prepare to debate a series of government cost-cutting proposals in the coming months, the White House on Monday will tout four money-saving ideas proposed by federal workers that would help make small cuts in the federal deficit and lead to more losses for the U.S. Postal Service and newspaper industry.
- [W.M. Schlosser](#) of Hyattsville won a \$16.2 million contract from the United States Postal Service for construction of structures and facilities.
- [Motorola](#) has been a key provider of radios to the Pentagon and other national security agencies, offering large, heavy systems that are secure and operate over private networks. But the company has been weak in offering handheld devices that federal workers can use to collect or process data Motorola already has a device in use with its largest federal customer for mobile computing, the Postal Service, that allows carriers to track the mail they take out on their routes and to check in at waypoints. The equipment is "ruggedized," meaning it's built to deal with more wear and tear than devices typically available on the commercial market. Mears said that system was designed specifically for the Postal Service; Motorola is now hoping to sell standardized devices that will be more cost-effective.

Advertising Age has reported that "Green marketing, a movement so hot that not even a deep recession could kill it, is starting to show signs of consumer revolt. At the very least, it's a signal that green alone isn't enough of a marketing proposition; at most, it could signal consumers simply aren't buying the benefits of environmentally positioned products and brands."

 [Hellmail](#) has reported:

 The [Royal Mail](#) may increase its prices by up to 12% across all regulated products and the cost of first class stamped mail increasing by 5p to 46p, and a 4p increase in the cost of a second class stamp to 36p.

 A major new piece of [research from Postcomm and Consumer Focus](#), published today, has surveyed the needs of postal customers and tested their views on potential changes to the postal service. The research is being published against the backdrop of the Postal Services Bill which proposes major reforms to Royal Mail, and a general view that the postal service needs to modernise.

 [Poczta Polska](#), the Polish postal service, has introduced an option for internet traders to have parcels delivered to post offices and other collection points rather than the recipients address, using its E-Parcel service. Currently, nearly 1,200 post offices that can already operate the service, with a further 100 collection points expected by the end of the year. The new service has been introduced to reduce the chances of non-delivery and provide convenient collection points for buyers.

 [Lithuanian Post](#) said last week that in order to avoid running at a loss in 2011, it would amongst other changes, be increasing the processing costs of press periodicals. The distribution fee increases could be as much as 40 percent depending on volume. In September, the Lithuanian Parliament adopted amendments that saw financial support switch from newspaper delivery service providers to newspapers and magazine publishers.

 [Transport Intelligence](#) has reported that "TNT has announced it has signed an agreement to sell its 50% stake in Redmail to Styria Media Group. Redmail, a joint venture between the Styria Media Group AG and TNT Post, focuses on the regional delivery of newspapers in Austria and is part of the European Mail activities."

 The [Wall Street Journal](#) has reported that:

 [Postal Services Commission](#), or Postcomm, the independent regulator for postal services in the U.K., said Monday it has launched two important final consultations. The first deals with a phased move towards a lighter touch regulatory regime following a review of prices and regulatory controls for 2011-12. The second deals with proposed price increases to maintain the pace of Royal Mail's modernization, required to safeguard the provision of the Universal Service. See also [The Independent](#) and the [Daily Mail](#).

 [Dutch postal and express firm TNT NV](#) said Monday it won't meet union demands set out in an ultimatum sent last week, adding it can only further adjust restructuring plans if unions would accept lower wages for workers. TNT said it remains open for further discussions with the unions.

 [The Courier](#) has reported that "Managers from depots as far afield as Edinburgh have been drafted to sort mail at the West Pitkerro base, as Royal Mail chiefs battle to clear the backlog and get the new process working better before the Christmas peak period begins."

 [Hellmail](#) has reported that:

 [Finnish postal operator 'Posti'](#) (part of the Itella Group) said this week that industrial action by postal workers in Finland, which included an overtime ban by the PAU and is now expected to shift towards strike action, is continuing to cause delays to mail deliveries throughout Finland. See also [Helsingin Sanomat](#).

 Estonian Post is delivering thousands of euro calculators to people all over Estonia - some 561,000 in all. The calculators convert Estonian kroons to Euros, ahead of Estonia's switch to euros on 1st January 2011. Estonia is the 17th nation to join the euro. The whole process is expected to be completed by the 17th of November at a cost to Estonian taxpayers of over 300,000 euros.

November 7, 2010

 The [Muncie Star Press](#) has reported that "Postal Service managers are hosting a public forum on a proposal to move some mail processing operations from the Muncie Processing and Distribution Facility to the Kokomo Processing and Distribution Center."

 "[SNP Business and Enterprise spokesperson, Mike Weir MP](#), has condemned the efforts by the coalition government to squeeze small businesses after revelations that Royal Mail is demanding a 20 per cent reduction in costs from small suppliers ahead of privatisation. Mr Weir said: "It appears that small businesses are being forced to pay the price of privatisation with a further squeeze on their already tight margins as the coalition government try to make Royal Mail more attractive to a corporate buyer. "Not only are small businesses likely to be those worst hit by privatisation, since they have few alternative service options, and are unlikely to be able to access special deals on bulk usage of postal services, but they are now expected to bear the brunt of the cost of reducing Royal Mail's losses." See also the [Daily Mail](#).

 According to the [Shropshire Star](#), "Embattled Royal Mail has outlined plans to cut supplier bills by at least 20% as it seeks to bolster its balance sheet ahead of privatisation."

 According to the [Lafayette Journal-Courier](#), "As the economy continues to limp along, post office officials need to follow the lead of private industry. Yesterday's answers aren't always what fits the needs of today's consumer. A modern, more efficient and cost-effective Postal Service may take time to develop but it will be well worth the transition."

November 6, 2010

 **From the Federal Register: Postal Service RULES Domestic Shipping Services Pricing and Mailing Standards Changes**, 68430–68447 [2010–28119] [\[TEXT\]](#) [\[PDF\]](#)

 **Press Release:** "The U.S. Postal Service is getting into the holiday spirit. Today, post offices from Anchorage to Ashtabula and Honolulu to Houston are showing signs of the season. Building on the wildly successful advertising campaign, A Simpler Way to Ship, touting flat-rate shipping, the Postal Service offers its customers A Simpler Way to Holiday this season."

 **At the Postal Regulatory Commission:**

- MC2011-5 Notice of the United States Postal Service of Classification Change Related to Combined Mailings of Standard Mail and Periodicals <http://www.prc.gov/docs/70/70755/Not.MCS.Ch.Comail.pdf>

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

- **Webinar Reminder: *PostalOne!*® Release 25 Update and Creating Accurate Full-Service Electronic Documentation:** The webinar will be held again on Tuesday, November 9 at 10 a.m. EDT. The training will provide details on the November 7, 2010, *PostalOne!* release. Key features include enhanced reporting to assist with Full-Service electronic documentation (eDOC) preparation and billing options for Full-Service ACS charges. Log on information is posted on [RIBBS](#).
- **Reminder - *PostalOne!* Release 25.0 and FAST Release 15.0 Deployment:** *PostalOne!* production (including FAST OPS web services) will be unavailable from 9 p.m. CDT on Saturday, November 6 through 8 a.m. CST on Sunday, November 7. *PostalOne!* Test Environment for Mailers (TEM) will be unavailable Monday, November 8, from 4 a.m. CST through 2 p.m. CST. [PostalOne! Release 25.0](#) notes and [FAST Release 15.0](#) pre-release notes are posted on [RIBBS](#).
- **Confirmation Services™ Nine-digit Mailer ID (MID):** Effective January 31, 2011, all customers using a nine-digit MID for Confirmation Services (Delivery Confirmation™ or Signature Confirmation™) and Electronic Verification System (eVS®) will be required to use a conforming mailer identification (MID) number that begins with the number 9. Additional information can be found on Postal Explorer at pe.usps.com in [Postal Bulletin 22290, July 29, 2010](#).

 [Publishing Executive](#) has asked: "What does it mean for a magazine to be interactive? Audio and video seem to be what most publishers mean when they use the word interactive. We're seeing some truly terrible media inserted into editorial and advertising e-pages, mainly because it's possible."

 [Flight Global](#) has reported that "In a written statement to the Air Cargo Forum, a biannual gathering of the air cargo industry in Amsterdam held this week, Doug Brittin, air cargo manager for the US Transportation Security Administration said "significant steps" were being taken to tighten security in response to the incident, but went on to cite existing TSA initiatives such as its Certified Cargo Screening Program, which involves forwarders and shippers in checking air cargo shipments, and recognition of the cargo screening programmes of other national governments."

November 5, 2010

 According to [The Economist](#), "Sending explosives through the post has a long and murky history."

 The [U.S. Court of Appeals](#) has granted the Postal Service's motion for expedited consideration of its appeal in the "exigency" rate case.

 The [Azerbaijan Business Center](#) has reported that "The Ministry of Communications & Information Technologies of Azerbaijan has submitted to the Cabinet Ministers a proposal to facilitate the development of the country's e-commerce and e-payments. Novruz Mammadov, the director of the MCIT Postal Services Department, says that the proposals envisage increasing the total size of the cargo carried by postal services from \$200 up to \$1,000."



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

- Navigating the Postal Regulatory Commission Website Join PostCom for a FREE webinar on December 15, 1:00 pm Eastern. Register now, as space is limited: <https://www1.gotomeeting.com/register/769796928>
- The U.S. Postal Service announced this week that it plans to increase shipping price an average of 3.6 percent. These prices, pending the Postal Regulatory Commission review, will take effect on January 2, 2011. The price increase will include the USPS' competitive products (Express Mail, Priority Mail, Parcel Select, Parcel Return Service, Global Express Guaranteed, Express Mail International, and Priority Mail International).
- The Postal Service has filed with the Postal Regulatory Commission (PRC) a notice of market dominant price adjustment which affects First- Class Mail and Standard Mail prices and are planned to take effect January 2, 2011. These programs include Reply Rides Free and Saturation and High Density Incentive. The filing also includes an increase in the Move Update Assessment Charge Threshold.
- The Postal Service this week filed its supplement in MC2010-36, Transferring Commercial Standard Mail Parcels to the Competitive Product List. It has determined that the best course of action would be to move only commercial Standard Mail parcels to the competitive product list and leave the Standard Mail NFM's under market dominant until the next statutory price cap change. The supplemental filing did not address the USPS' plans to increase prices to cover the underwater cost of commercial Standard Mail parcels or how it will attribute its appropriate share of institutional cost.
- According to Fredric Rolando, President, National Association of Letter Carriers, "the bill by Sen. Tom Carper of Delaware that aims to reform the U.S. Postal Service has considerable merit insofar as it addresses fundamental policy errors that have damaged USPS finances. The legislation, however, also has significant drawbacks that would reduce the agency's ability to serve the public.
- The Courier, Express and Postal Observer said, "this week Direct Marketing News presented two contradictory headlines on the same day. Are advertisers "Abandoning the mail" or is it true that "direct mail gains new potency as online marketing evolves?" After reading both articles, what is a person to believe?"
- USPS Board of Governors to meet on November 12. USPS submits initial data collection report on SM program. OIG: Special-purpose financial stmts present fair information. USPS submits minor classification

change. USPS wage, benefits proposal: an insult to postal workers. UPS raising ground, air shipping rates. Abandoning the mail. Coupon clipping stages a comeback. Napolitano: Discussed 'enhanced air cargo screening.' With GOP win, Issa previews oversight plans - including postal. USPS 'honors' Sen Bryd with plant consolidations.

- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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 According to [Arizona IndyMedia](#), "The idiots at the U.S. Post Office now require a credit card to change your address or forward your mail."

 [Novinite](#) has reported that "Bulgarian postal services have been put on red alert after Sofia police intercepted a suspicious package addressed to the Israeli Embassy in the capital. The postal departments have been asked to screen arriving parcels and the officials to be extra vigilant while handling them."

 [Bloomberg](#) has reported that "Scott Davis, chief executive officer of United Parcel Services Inc., says a U.S. campaign season rife with blasts at China and sending jobs abroad masks what the new Congress means for global commerce: a chance to pass long- stalled agreements to remove trade restrictions."

 A writer for the [Macon Telegraph](#) has told his readers that "Legislation is being proposed in Congress that would enable the Postal Service to close thousands of post offices that serve rural areas and small towns. Senate Bill S.3831 would eliminate the restriction against closing a post office for solely economic reasons and would eliminate the requirement that the Postal Service consider how such a closing would impact the community served."

 [Post & Parcel](#) has noted that "Deutsche Post has seen more than one million people register with the company's E-Postbrief letter project. The company revealed that more than 60% of Germans are now aware of the hybrid service, 16 weeks after the official launch. Board member Jürgen Gerdes praised the innovative new product and is pleased with the up-take. "One million registered customers show us that this product meets a growing demand," he said."

 [Crain's NY Business](#) has reported that "Yemen bomb scare sparks calls for more screening of cargo flights at JFK, Newark and other airports where freight is big business. "Not practical," says a trade group. Calls for stepped-up regulation are raising concerns among some operators within the industry. "You're not going to achieve 100% security by trying to look at every package on a FedEx plane—there are thousands of them," said Brandon Fried, executive director of the Airforwarders Association, a trade group of freight-forwarding companies. "It's not practical. It will be expensive." His organization favors a risk-based model, which focuses the most thorough inspections on those shipments considered more risky. Such an approach, he claimed, would have flagged the Yemeni packages as suspicious from the get-go."

 According to [Tech Flash](#), "Amazon.com recently disclosed that it had settled a mysterious investigation by the U.S. Postal Service for a "nominal amount." Amazon never revealed what the investigation was about, and didn't specify the terms of the settlement. But now the details are coming to light. In response to a Freedom of Information Act request by TechFlash, the Postal Service released its settlement agreement with Amazon. According to the document, the Postal Service contends that Amazon "improperly mailed products," mainly from the video game category, from Jan. 1, 2006 to Jan. 31, 2009 and owes additional postage. Amazon disputes that contention but paid

\$1.5 million to the Postal Service to settle the matter. The two parties settled to "avoid the delay, uncertainty, inconvenience and expense of protracted litigation," the agreement states." See also <http://lammgl.files.wordpress.com/2010/10/2010-09-21-amazon-and-usps-executed-settlement-agreement1.pdf>

 **Government Executive** has reported that "op U.S. Homeland Security officials are ramping up efforts to prevent terrorists from transporting package bombs through the international aviation system, including holding a high-level meeting in Yemen where last week's terrorist plot was hatched."

 **DMM Advisory: Published Federal Register Notices.** The following two *Federal Register* notices were published today and are now posted on the Postal Explorer® website at pe.usps.com. We encourage you to check them out: for complete details.

- **Domestic Shipping Services Pricing and Mailing Standards Changes** — This final rule describes new prices and product features for Shipping Services, including Express Mail®, Priority Mail®, Parcel Select®, and recipient services such as PO Boxes and Hold for Pickup. The effective date is January 2, 2011.
- **International Product and Price Changes** — This final rule describes new prices and product features for competitive international products, including Global Express Guaranteed® (GXG®), Express Mail International® (EMI), Priority Mail International® (PMI), International Priority Airmail™ (IPA®), International Surface Air Lift® (ISAL®), M-bags, and international extra services such as International Postal Money Orders and international insurance for EMI and PMI. The effective date is January 2, 2011.

 **At the Postal Regulatory Commission:**

- CP2011-26 Order No. 575 - Notice and Order Concerning Changes in Rates of General Applicability for Competitive Products
http://www.prc.gov/docs/70/70736/Order_No_575.doc
http://www.prc.gov/docs/70/70736/Order_No_575.pdf
- RM2011-1 Order No. 577 - **Notice and Order of Market Dominant Price Adjustments and Classification Changes**
http://www.prc.gov/docs/70/70739/Order_No_577.pdf
http://www.prc.gov/docs/70/70739/Order_No_577.doc
- EMS Pay-for-Performance Agreements for Traffic Between the Postal Service and the Following Agencies of Foreign Governments: Entreprise des Postes Lao (Laos) and Paositra Malagasy (Madagascar)
http://www.prc.gov/docs/70/70740/Laos_Madagascar%20407%20d%20%20%20Filing.pdf

November 4, 2010

Mailers' Technical Advisory Committee (MTAC)

From the USPS MTAC co-chair: "I've heard reports of and been asked questions about misguided theories that apparently are being voiced, and I feel it necessary to address the accusation that USPS is looking at "penalties" as a new revenue stream. Here are the facts: * When USPS finds mail that doesn't meet the standards for the discount claimed when presented, the mailer must pay the price for which the mail qualifies. * This price adjustment is not a penalty, just the payment of proper postage. The truth is we would love to not have to collect a single penny from lost discounts. That would mean every piece of mail is in compliance, all mailings qualify for the price they claimed, USPS is not incurring costs to collect what is due, USPS and mailers are receiving full benefits of programs and services, and mailers who comply with the rules are not ultimately—and unfairly—picking up costs for those who don't. Actions and decisions can bring about either positive results or negative consequences. Ensuring mail qualifies for the price it pays is not a new revenue stream—instead, it's a protection of the revenue stream and everyone involved in creating it. I'm hopeful this sets the record straight."

 [Multichannel Merchant](#) has reported that "A new factor in determining dimensional weight to calculate delivery charges on ground shipments will add significant costs for most parcel shippers. This is going to result major rate hike for shippers, says consultant Rob Martinez, president/CEO of Transult. How exactly will shipping rates will increase? How can shippers address the dim-weight change?"

 [Hellmail](#) has reported that "French postal regulator Arcep has published its analysis of the French postal market for 2009. Activities in France amounted to 13.7 billion euros with volume around 19.4 billion items. The year was marked by a significant decline both in revenue (-4.2%) and in terms of volume (-4.3%)."

 From [PR Newswire](#): "Posta Telgraf Teskilati (PTT), General Directorate of Turkish Post, has chosen Diebold, Incorporated's (DBD 32.47, +0.03, +0.09%) Opteva(R) automated teller machines (ATMs) and Agilis(R) software in the expansion of its ATM network. As part of the agreement, Diebold will provide 830 Opteva ATMs equipped with coin dispensers, enabling cash deposit and bill-pay functionality, along with customized Agilis software that will operate PTT terminals. Deposit automation functionality combined with a customized software solution will help PTT reduce its operating costs, enhance self-service technology services, increase profitability and maximize consumer satisfaction."

 [Inside Costa Rica](#) has reported that "Starting Monday, the Correo de Costa Rica (Costa Rica Postal Service) will be doing more than delivering the mail, will start selling accident insurance policies of he Instituto Nacionla de seguros (INS)."

 **Press Release:** "Quad/Graphics, Inc., the second largest provider of print, digital and related services in North America, today announced it has purchased HGI Company, an award-winning, full-service, multi-faceted commercial and specialty products printer, building on the strategic partnership the two companies established earlier this year. The acquisition brings together HGI's expertise in the commercial and specialty products segments with Quad/Graphics' industry-leading technology and innovation to provide quick-turn, customized and value-added solutions on a global scale."

 [Novinite](#) has reported that "Amendments in the Postal Services Bill, effective January 1, 2011, eliminate the monopoly of the Bulgarian Posts on small parcels – less than 50grams. The cabinet approved Wednesday the amendments to include mostly the letters market, estimated by the Commission for Communications Regulation at BNG 30 M. The amendments provide for loyal competition and opportunities for other businesses wishing to provide letter mailing services without legal obstacles, the government's press release informs. In addition to the Posts, there are now 4 other operators of mailing services in Bulgaria – "Tip Top Courier," "Ekont Express," "MIBM Express," and "Star Post."

 The [Pioneer Press](#) has reported that "The new U.S. Postal Service facility in Eagan is up and running. The St. Paul Processing and Distribution Center, 3232 Denmark Ave., employs more than 900 people, processing mail for

Question: Who Uses Mail to do Business?

- ___ Art Galleries
- ___ Book Stores
- ___ Church Organizations
- ___ Drug Stores
- ___ Environmental Groups
- ___ Farm Organizations
- ___ Grocery Stores
- ___ Hardware Stores
- ___ Insurance Agents
- ___ Jewelers
- ___ Kennels
- ___ Libraries
- ___ Members of Congress
- ___ Newspapers
- ___ Opticians
- ___ Pizza Parlors
- ___ Quilters
- ___ Retirement Organizations
- ___ Synagogues
- ___ Theaters
- ___ Unions
- ___ Veterans' Groups
- ___ Wholesalers
- ___ X-Ray Suppliers
- ___ Youth Organizations
- ___ Zoos

Answer: All of the Above. And More.

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customers in ZIP codes starting with 540, 550 and 551. The 612,000-square-foot center, which sits on 92 acres, cancels an average of more than 700,000 letters each day and processes more than 6 million letters and up to 500,000 flats (magazines, newspapers, large envelopes) daily."

 The [CanWest News Service](#) has reported that "Like the rising costs of food and gas, it seems like Canadians will soon have to pay a little more on their next trip to the mailbox. Canada Post is proposing to increase the prices of domestic stamps by two cents every year for the next three years, according to a news release Thursday. The current cost of to mail a letter in Canada is 52 cents. But if this new proposal is approved, stamps will cost 54 cents in 2009; 56 cents in 2010 and 58 cents by 2011. Canada Post also proposes to implement a two-cent increase to 98 cents on letters, cards and postcards to the U.S. and a five-cent increase to \$1.65 on stamps to international destinations. Currently, there is a price-cap on stamps limiting any price increase to two-thirds of the rate of inflation as determined by the Consumer Price Index."

 The [Vancouver Sun](#) has reported that "Germany demanded that the EU take emergency action to secure air freight Wednesday after a set of parcel bomb deliveries targeting Angela Merkel and other European targets originated in Greece. Security services in Greece, Italy and Germany were investigating the co-ordinated campaign, which caused a continent-wide alert. Merkel told a German newspaper that the EU needed to agree to common rules on air cargo security, implying that freight-checking procedures were not up to the job of intercepting bombs." See also the [Calgary Herald](#).

 The [Daily Journal](#) has reported that "A former officer of a New Jersey postal workers union has admitted to conspiring with another officer to embezzle funds from the union's operating account."

 [Hellmail](#) has reported that:

 [Spanish postal operator Correos](#) announced this week that it has purchased 80 electric cycles to compliment its fleet of green vehicles. The new cycles are to be used for mail and parcel express deliveries in inaccessible pedestrian areas in major capital cities around the country.

 [Irish postal operator An Post](#) has launched an iPhone App which lets users track the progress of letters or parcels, find the nearest post office and calculate postage from an iPhone, iPad or iTouch. The An Post app is free to download and lets users access An Post's popular web services from their own device.

 The [Las Vegas Sun](#) has reported that "The U.S. Postal Service is again reviewing the possibility of closing the Desert Inn Retail Unit located at 2478 E. Desert Inn Road, near the Eastern Avenue intersection."

 [Dead Tree Edition](#) has told its readers that "To understand how Congressional leaders exert influence over the supposedly independent U.S. Postal Service, consider the agency's mail-processing centers in West Virginia."

 The [Wall Street Journal](#) has reported that "Janet Napolitano, the U.S. secretary of Homeland Security, said she is considering new measures to enhance security screening of packages on all-cargo flights, an issue she discussed with top global shipping companies Wednesday. Among other moves, a Homeland Security official said the agency is aiming to receive cargo manifests earlier "to enhance our security measures and increase additional screening." Napolitano also is looking at ways to broaden screening requirements for high-risk shipments, particularly on flights from "countries of concern," the official said."

November 3, 2010



[FT-AR-10-003](#)

A new report has been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsog.gov/>). If you have additional questions concerning this report, contact Agapi Doulaveris at 703.248.2286. [Opinion on the Postal Service's Special-Purpose Financial Statements \(Report Number](#)

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

 *Sen. Thomas Carper (D-DE) will be holding a hearing on S. 3831, the "Postal Operations Sustainment and Transformation Act of 2010" on December 2. Sen. Susan Collins (R-ME) is expected to introduce shortly a postal bill of her own.*

 According to the [Washington Post](#), "House Republicans made historic gains Tuesday, ensuring Rep. Darrell Issa's role as one of the Obama administration's top antagonists. Issa signaled late Tuesday that he will first focus on giving subpoena power to the government's 74 inspectors general, nonpartisan officials responsible for rooting out allegations of government waste, fraud, abuse and mismanagement. Giving subpoena power to the government's 74 inspectors general would immediately foster greater cooperation with their investigations, Issa said. The Oversight committee also **will turn its attention to the cash-strapped Postal Service**, with Issa vowing to find a way to make it profitable again while keeping first-class stamp prices below 50 cents. **"There are too many postal workers, too many distribution centers, too many post offices** and a reluctance to make those changes," he said, casting some of the blame on lawmakers who have worked to save hometown post offices from possible closure."

 [The Times Leader](#) has reported that "Nearly 200 residents of two western Pennsylvania housing projects have signed a petition fighting a U.S. Postal Service plan to stop door-to-door mail delivery because of concerns over carrier safety."

 [Post & Parcel](#) has reported that "The United States Postal Service is extending its flat-rate shipping services from next year, as it seeks to compete in the express and priority mail sectors."

 [Multichannel Merchant](#) has reported that "Logistics expert Gerard Hempstead, president of Hempstead Consulting, views the rate increase as "very modest" compared to FedEx and UPS. "But you have to understand that the USPS is more expensive than the other two already, and the other two give discounts off their tariff," he says. This makes it difficult for the USPS to compete even with negotiated service agreements (NSAs)."

 The [Courier, Express, and Postal Observer](#) has told its readers that "Most analyses of the Postal Service's proposed parcel rates and service initiatives will come from the shipper perspective. However, given the Postal Service's financial condition, they need to be viewed from the same perspective that investment analysts look at pricing decisions of FedEx and United Parcel Service. From this perspective, the changes look like a mix of hits and misses."

 From [PR Newswire](#): "Shipping packages to friends and family around the world in time for the holiday season can be as simple as taking a short trip to your computer with the tools, tips and transactions available at usps.com. Whether ordering shipping supplies, printing postage, getting information about mailing guidelines, filling out required customs forms or requesting free package pickup, the U.S. Postal Service is ready to help international shippers get a head start on the holidays."

 **DMM Advisory: IMb™ Services Update. Webinar: PostalOne!® Release 25 Update and Creating Accurate Full-Service Electronic Documentation:** The webinar will be held on Thursday, November 4 at 2:00 p.m. EDT and again on Tuesday, November 9 at 10:00 a.m. EST. The training will provide details on the November 7, 2010, PostalOne! release. The key features include: enhanced reporting to assist with Full-Service electronic documentation (eDOC) preparation, billing options for Full-Service ACS charges, and renewal of the Business Service Administrator (BSA) agreement. You will receive key information on what you can do today to avoid a Full-Service assessment that will take effect in January 2011. Finally, the webinar will provide an in-depth understanding on how to populate your electronic documentation to receive accurate Start-the-Clock information.

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

- **Optional Use of the Intelligent Mail Package Barcode**
We revised [401.2.0](#), [402.4.0](#), [423.1.0](#), [433.1.0](#), [443.3.0](#), [443.4.0](#), [453.3.0](#), [463.1.0](#), [463.4.0](#), [503.9.0](#), [503.10.0](#), [705.16.0](#), and [708.5.0](#) to provide standards for the optional use of Intelligent Mail package barcodes (IMpb).
- **Realignment of ZIP Code 458: Revision to Destination Entry Exhibits**
We revised [Exhibit 246.3.1](#), [Exhibit 346.3.1](#), [Exhibit 366.4.1](#), [Exhibit 446.3.1](#), [Exhibit 453.3.1.3](#), and [Exhibit 466.4.4](#) to align the destination network distribution center (DNDC) for mailings to 3-digit ZIP Code with a prefix of 458 that have moved from the Cincinnati network distribution center (NDC) to the Detroit NDC.
- **Option to Omit Horizontal Bars on Business Reply Mail Letters and Cards with Intelligent Mail Barcodes**
We revised [507.9.0](#) to permit customers producing letter-size (including cards) Business Reply Mail (BRM) pieces with Intelligent Mail barcodes the option to omit the horizontal bars that are printed below the postage imprint.



[Welcome to PostCom Radio](#)

Join PostCom President Gene Del Polito and Michael Ravnitzky (Chief Counsel to the Chairman of the Postal Regulatory Commission) in a conversation regarding the potential value-added uses of the Postal Service's vehicle fleet assets. For more information on this topic, check out the following URLs:

<http://tinyurl.com/PostalSensorPaper> and <http://tinyurl.com/PostalSensorSlides>

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

 Royal Mail faced a considerable drop in profits and a decline in turnover in the first half year (April-September).

 A considerable lasting decline of letter volumes and continuing competitive pressure caused TNT's profits to collapse in the third quarter.

 In a written statement dated October 21 the German Ministry of Finance finally submitted the new regulation for VAT exemption of universal services which took effect on July 1 2010.

 As in the previous two quarters Posten Norge increased profits in the third quarter despite slightly lower revenues.

 Finnish Itella again faced a decline in profits in the third quarter despite a slight business recovery.

 The deadlocked negotiations with the unions make it difficult for TNT to give details about the planned split up of the company in the short term.

-  Singapore Post (SingPost), normally accustomed to success, faced a decline in profits for the first time in two years.
-  Swiss Post can count on a significant profit increase of its PostFinance division this year.
-  DPD is testing rail based parcel transports in Germany since the beginning of November.
-  Jean-Paul Bailly will head French La Poste next year too.
-  Since early November parcel service Hermes offers its business customers in Germany the delivery to Switzerland and Liechtenstein.
-  The Georgian Post is supposed to be privatised.
-  Postage for domestic letters in Germany will remain stable next year.
-  Post Danmark will significantly increase postage rates on April 1 2011.
-  Together with two retailers Royal Mail launched an evening delivery trial.
-  Swiss Post views itself as a pioneer in the field of information and communications technology.
-  The Finnish postal union PAU tries to increase pressure on employers' side with industrial action in the run-up to collective bargaining.



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

 [IT News Africa](#) has reported that "South Africa's Communication Workers Union (CWU) has clashed with the South African Post Office (SAPO) over a new communications union widely viewed as a "Mickey Mouse" Postal Union. Hordes of SAPO members have embarked on a sit-in at the parastatal's head office in Pretoria since Tuesday demanding their right to choose a union.

 The [Associated Press](#) has reported that "Greece stopped all mail headed overseas and screened thousands of packages Wednesday in an attempt to stop a spate of bombings blamed on Greek militants targeting diplomatic missions and European leaders. A 48-hour ban on all outgoing mail deliveries abroad took effect after mail bombs reached the office of German Chancellor Angela Merkel and halted flights for hours at Italy's Bologna airport, where a package addressed to Italian Premier Silvio Berlusconi caught fire." See also the [Daily Mail](#) and the [Irish Examiner](#).

 **Press Release:** "Neopost Limited the UK's number one supplier of mailing solutions today announced the expansion of its apprenticeship scheme. For further information, please visit our career pages at <http://www.neopost.co.uk/careers>."

 National Association of Letter Carriers President Frederic Rolando, writing for [Delaware Online](#), has said that "The bill by Sen. Tom Carper of Delaware that aims to reform the U.S. Postal Service has considerable merit insofar as it addresses fundamental policy errors that have damaged USPS finances. The legislation, however, also has significant drawbacks that would reduce the agency's ability to serve the public."

 [FedEx Express](#) (FedEx), a subsidiary of FedEx Corp. and the world's largest express transportation company:

- [Has launched the next evolution](#) of its ambitious global advertising effort, "FedEx Delivers to a Changing World." The heart of the campaign is a digital experience that puts business trends and insights at visitors' fingertips through a dynamic global business data visualization experience. At experience.fedex.com, visitors can interact through a world map with data and content provided by The Economist Intelligence Unit on eight world trends initially, including air travel, people in cities, entrepreneurs and success, paper

trail, business growth, education, money and happiness, and research and development. Visitors also have an opportunity to analyze the data, share information, or participate in real-time, online polls.

- [Will acquire](#) the logistics, distribution and express businesses of AFL Pvt. Ltd. and its affiliate, Unifreight India Pvt. Ltd. This acquisition will give FedEx a more robust domestic ground network and added capabilities in India. FedEx expects that this transaction, which is subject to customary closing conditions, will close in its third fiscal quarter, which ends February 2011.

 As [Hellmail](#) has noted, "A not entirely unexpected announcement by the Royal Mail this week - that its letters division is barely a going concern. To make matters worse, online retailers are starting to become more than a little annoyed that the postal service is not in tune with modern business - all indicative of a postal service that has huge strides to make in terms of modernisation, very little time, and even less money available to do it all. Somewhere between being editor, consumer and business-driven, I still have enormous admiration for the Royal Mail and its workforce, squeezed as it is by the relentless march of digital communications and years of neglect by previous governments. However, these problems are not unique to the Royal Mail."

 The [Courier, Express, and Postal Observer](#) has told its readers that "The Postal Service has just released its 2011 rates for Express Mail, Priority Mail and Unregulated Parcels. Going through the entire proposal will take some time. However, a quick review of Parcel Select rates indicates that the Postal Service has not chosen to follow the rate increases of United Parcel Service and FedEx in its pricing of the last mile. Instead, its pricing for 2011 suggests an aggressive effort to gain market share over the last mile while focusing on ensuring that delivering parcels under 1 pound are profitable."

DMM Advisory: 2011 Shipping Services Prices and Incentive Program Proposals

Filed at PRC. Today we submitted two filings to the Postal Regulatory Commission (PRC), one for price changes for our competitive products, and another for mailing standards changes that include new incentive programs. The competitive products filing includes new Shipping Services prices which – following PRC review – will take effect on January 2, 2011. Overall, Shipping Services prices will increase an average of 3.6 percent. This includes prices for Express Mail®, Priority Mail®, Parcel Select®, Parcel Return Service, Global Express Guaranteed®, Express Mail International®, and Priority Mail International®. Innovations introduced in the competitive products filing include a new Padded Flat Rate Envelope for all Priority Mail categories and Legal Flat Rate Envelopes for Priority Mail and for Express Mail. For commercial base and commercial plus Priority Mail customers, an economical new Regional Rate Box will be available in two sizes. Prices are based on box size and zone—Regional Rate Box A maximum weight limit is 15 pounds and Box B maximum weight limit is 20 pounds. Critical Mail™ is another new product innovation for Priority Mail commercial plus customers. It is offered at flat rate prices for letters and flats and USPS-supplied packaging is required. Critical Mail travels in the First-Class Mail® stream and First-Class Mail service standards apply. Included in proposed mailing standards changes filed at the PRC today were two incentive programs that were originally filed with the price changes proposed in July:

- Reply Rides Free — encourages the inclusion of marketing messages in bill and statement mailings, and payment of bills using the mail. For qualifying customers, a 1.2-ounce piece is charged the 1-ounce price if a reply envelope or card is included in the mailing.
- The Saturation Mail/High Density Incentive Program — provides rebates for volume growth over 5 percent for frequent mailers of Saturation or High Density Standard Mail letters and flats.

Proposed mailing standards changes also include a small increase in the threshold below which the Move Update assessment charge applies. If approved by the PRC, the measures outlined in the filing take effect January 2, 2011. Note that the January 2, 2011, versions of postage statements must be used due to the numerous types of changes that were required to meet financial and data reporting requirements, including Sarbanes-Oxley. The new 2011 prices are available online on the Postal Explorer® website at pe.usps.com. [Federal Register](#) notices for both filings will also be available soon on [Postal Explorer](#). We will notify you through *DMM Advisory*.

At the Postal Regulatory Commission:

- **CP2011-26:** Notice of the United States Postal Service of Changes in Rates of General Applicability for Competitive Products Established in Governors? Decision No. 10-4
<http://www.prc.gov/docs/70/70713/Notice%20CP2011-26.pdf>
- **R2011-1:** USPS-R2011-1/1 - First-Class Mail Worksheets
http://www.prc.gov/docs/70/70716/USPS-R2011-1-1_FCM_Worksheets.xls
- **R2011-1:** USPS-R2011-1/3 - Impact of Move Update Assessment Charge
http://www.prc.gov/docs/70/70721/USPS-R2011-1-3_Move_Update.xls
- **R2011-1:** USPS-R2011-1/2 - Standard Mail Worksheets
http://www.prc.gov/docs/70/70719/USPS-R2011-1-2_Std_Mail_Worksheets.xls

Mailers' Technical Advisory Committee (MTAC)

The Postal Service will sponsor a webinar on *PostalOne!* Release 25 Update and Creating Accurate Full-Service Electronic Documentation on Thursday, November 4 at 2:00 PM EDT and again on Tuesday, November 9 at 10:00 AM EDT. The training will provide details on the November 7, 2010 *PostalOne!* Release and include enhanced reporting to assist with Full-Service electronic documentation (eDOC) preparation, billing options for Full-Service ACS charges, and renewal of the Business Service Administrator (BSA) agreement. The webinar also will provide an in-depth understanding on how to populate your electronic documentation to receive accurate Start-the-Clock information. Scheduled for approximately two hours, the training will provide you with key information on what you can do today to avoid a Full-Service assessment that will take effect in January, 2011. The log on information for Thursday's session is set forth below. Tuesday's log on information will be posted on RIBBS later this week.

Topic: *PostalOne!* Release 25 Update and Creating Full-Service eDoc (DNPDWR)

Date and Time: November 4, 2010 2:00 pm, Eastern Time (New York)

Event number: 997 585 790

To join the online event:

[Click here](#) to join, or copy and paste the following link to a browser:

<https://usps.webex.com/usps/onstage/g.php?d=997585790&t=a&EA=christine.simone%40usps.gov&ET=951d265740ec97905ed2884587c115fc&ETR=f6a09aa4ff049b60e8390a6c41c37693&RT=MIMxMQ==&p>

November 2, 2010

Mailers' Technical Advisory Committee (MTAC)

From the USPS MTAC co-chair: USPS filed two programs with the PRC—Reply Rides Free and Saturation Mail/High Density Incentives—that you've heard discussed at the Forum and in MTAC meetings. The filing also includes a change in the Move Update threshold. We also are announcing our Shipping Services price change and flat rate product innovations that will be implemented Jan. 2, 2011.



The U.S. Postal Service Office of Inspector General invites you to comment on This week's "Pushing the Envelope" blog topic: Mail to the Future? In China, several companies are offering to deliver mail as slowly as you want — even weeks, months, or years into the future. Some customers are using Future Mail

to send letters to their future selves, others use it to be sure their anniversary, birthday, or holiday greetings will arrive exactly on time. Do you think there could be a market for Future Mail here? [LINK](#) here to let us know!

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

- [Bad Check Prevention and Collection - 11BD007FF000](#). Postal Service customers have the option to pay for services via check. While this option is convenient for customers, there is a risk associated with check acceptance. The Postal Service receives more than \$20 million bad checks annually even though postal charges customers \$25 for each bad check. We would like to know if the Postal Service could do a better job of preventing and collecting bad check funds. We plan to review Postal Service bad check policies, test

check acceptance procedures, determine the financial impact of bad checks, and interview applicable management. In addition, we plan to identify best practices and new technological advancements that could reduce the quantity of bad checks and or improve collections.

- [Beckley, West Virginia Consolidation - 11XG003EN000](#). We plan to evaluate the transfer of mail processing operations from the Beckley, West Virginia Processing and Distribution Facility (P&DF) to the Charleston, West Virginia Processing and Distribution Center (P&DC). We will review the business case for the consolidation to include proposed efficiency gains, cost savings, security risks, service impacts, and stakeholder concerns. In addition, we will perform our own tests and analysis to determine potential impacts from the proposed consolidation.
- [Density of First Class Mail on Air Transportation - 11XG006NL000](#). Every day thousands of containers, with letters and large envelopes inside, are flown across the country to meet our service standards. As one might expect, in almost every case, it costs more to fly this mail than to send it on a truck or by train. This means it is more critical from a cost standpoint, that each container's capacity be used to its fullest. We plan to look at the use of these containers by assessing the density of a representative sample of containers and hopefully identify opportunities to reduce transportation costs and save money.
- [Efficiency of the Philadelphia P&DC - 11XG004NO000](#). We plan to review the efficiency of operations performed by the Philadelphia P&DC. To assess the efficiency of the Philadelphia P&DC. We will observe mail processing operations, analyze mail volumes and workhours, evaluate machine use, and interview Postal Service officials. In addition, we will benchmark productivity against other Group 1 P&DC's.
- [Financial Controls Over Passport Applications - 11BG006FF000](#). For this project, we are obtaining information and identifying issues regarding the Postal Service's passport procedures. These include using Post Offices to process applications and to take passport photos. Specifically, we are looking for any experiences or ideas for improving service. We want to ensure we are giving the best service possible and receiving full value for our services.
- [FY 2011 Audit of Statistical Tests \(Capping\) - 11BD001FF000](#). This audit's objective is to determine whether Postal Service statistical tests collect cost, revenue, and volume data in accordance with established policies and procedures. Origin-Destination Information System-Revenue, Pieces, and Weight (ODIS-RPW) is the primary probability sampling system that estimates revenue, volume flow, weight, and performance measurement. The Postal Service uses this data to develop new rates, assist in budget preparation, conduct management studies, and support management decisions concerning mail flow and service performance in transportation and operations.
- [Huntington, West Virginia Consolidation - 11XG002EN000](#). We plan to evaluate the transfer of mail processing operations from the Huntington, West Virginia P&DF to the Charleston, West Virginia P&DC. We will review the business case for the consolidation to include proposed efficiency gains, cost savings, security risks, service impacts, and stakeholder concerns. In addition, we will perform our own tests and analysis to determine potential impacts from the proposed consolidation.
- [Strategies to Optimize Retail Network - 11XG007EN000](#). America's mailing habits and preferences are changing. The Postal Service recognizes that to best serve the American people, it must match service availability with customer demands by providing better access through more convenient locations, expanded hours, and greater electronic alternatives. We would like to know if the Postal Service could do a better job of reducing retail facilities to reflect customer behavior that is shifting away from visiting traditional Post Offices. For this project, we are obtaining background information on strategies to reduce retail facilities and expand customer access.

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

 According to [Americas News Online](#), "The world can likely expect to see a massive increase in shipping costs soon. Last week, packages sent from Yemen with explosive material, and addressed to synagogues in Chicago, were found in cargo planes in England and the United Arab Emirates. Authorities now believe the bombs were intended to be detonated on the cargo planes. German officials say the packages contained 10.5 and 15 ounces of explosives – enough to create a “significant” effect."

At the Postal Regulatory Commission:

- **R2011-1:** United States Postal Service *Notice of Market Dominant Price Adjustment*
<http://www.prc.gov/docs/70/70707/Notice - Final.pdf>
<http://www.prc.gov/Docs/70/70702/USPS.Cov.Ltr.Nov.DCR.pdf>
- **R2010-3:** United States Postal Service Standard Mail Incentive Program 2010 Data Collection Report
<http://www.prc.gov/docs/70/70702/USPS.Cov.Ltr.Nov.DCR.pdf>
<http://www.prc.gov/docs/70/70702/PRC Report Two.xls>
- **Agenda** for the November 3 public meeting of the Postal Regulatory Commission **TIME AND DATE:** Wednesday, November 3, 2010 at 11 a.m. **PLACE:** Commission Hearing Room, 901 New York Avenue, NW, Suite 200, Washington, DC 20268-0001. **Matters for Consideration in Open Session** (Open Session will be audiocast) 1. Review of postal-related congressional activity 2. Report on international activities 3. Review of active cases 4. Report on recent activities of the Joint Periodicals Task Force and Status of the report to the Congress pursuant to Section 708 of the PAEA 5. Report on the status of the Annual Report 6. Report on vacancies and positions recently filled Chairman's Closing Remarks for Open Session **Matters for Consideration in Closed Session** 7. Discussion of pending litigation 8. Discussion of confidential personnel issues 9. Discussion of contracts involving confidential commercial information.
- **Docket No. MC2010-36:** [The Postal Service has requested](#) in this docket to transfer "commercial Standard Mail Fulfillment Parcels" to the competitive product list. 1 The Postal Service used the name "commercial Standard Mail Fulfillment Parcels" for the product in order to align the transfer request with the Mail Classification Schedule (MCS) changes proposed in Docket No. R2010-4. Those MCS changes would have resulted in the current Standard Mail Parcels and the portion of the current Standard Mail Not-Flat Machinables (NFM) used for fulfillment purposes to become "Standard Mail Fulfillment Parcels." 2 Thus, the Postal Service has essentially requested in the instant docket to transfer the current commercial Standard Mail Parcels and a portion of the current Standard Mail NFM to the competitive product list.

 The [Courier, Express, and Postal Observer](#) has noted that "This week Direct Marketing News presented two contradictory headlines on the same day. Are advertisers "Abandoning the mail" or is it true that "direct mail gains new potency as online marketing evolves?" After reading both articles, what is a person to believe?"

 The [Financial Times](#) has reported that "Royal Mail's operating profit fell by 72 per cent in the first half of the year to £52m, underlining its fragile trading position as the government prepares an ambitious plan to privatise the state-owned postal company. The company attributed the decline in the six months to the end of September, down from £184m in the same period last year, to a continuing drop in mail volumes and competition from rival operators and electronic media."

 [RTBNews](#) has reported that "Towards expanding the Postal Trade in providing services to the public, an agreement signing with Telecom Brunei, TelBru and a motorcycle rental company was held this morning. The signing took place at the Seri Complex Post Office in Bandar Seri Begawan. Representing the Ministry of Communication was the Permanent Secretary at the Ministry, Dato Paduka Haji Awang Alaihuddin, who also officiated the re-opening of the newly renovated Seri Complex Post Office. The signing of the plaque marks the start of services at the post office. Two agreements were signed today, namely the Agreement for Telephone Bill Payments at Post Office Counters with TelBru and the rental of motorcycles for the use of postal services personnel in daily mail delivery."

 The Future of UK Postal Services The Future of UK Post Marketforce [View the full programme here. Please](#)

**Before You
Raise Hearts and Minds
You Have to
Raise Money**

Money is the "Mother's Milk" of American politics. Good ideas, hard work, and wondrous visions are important, but the plain fact is that it takes cash to succeed in modern electoral politics, and it takes cash to get your messages before voters.

With almost 500,000 elected officials throughout the country, politics is a big business and like most businesses, those who communicate best are most likely to come out on top. Pro or con, right or left, liberal or conservative, whether a platform is based on four freedoms or a thousand points of light, the best message in the world is without value if it does not reach the voters.

Little wonder that year after year elected officials -- and those who would like to be elected -- use the mail to reach current supporters and to attract new ones. Like businesses nationwide, politicians know that when it comes to raising funds or talking about issues, nothing beats the targeting, affordability, and proven results that are made possible by mail.

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 [Postal Technology International](#) has noted that "Smartphone applications from Swiss Post and PostFinance have been downloaded more than 150,000 times altogether in the space of just a few weeks. These apps are an example of Swiss Post's pioneering role in bringing together physical and electronic postal services."

 [YLE](#) has reported that "Backlogs in postal deliveries continue on Tuesday as members of the Finnish Postal and Logistics Union (PAU) continue a series of spot strikes. National conciliator Esa Lonka is meeting with employers and postal workers on Tuesday to resolve the dispute over contracts."

 According to the [Boston Globe](#), "the discovery of last week's bomb plot originating in Yemen provided a bracing reminder that many packages that come to the United States aboard airplanes have not been scanned for explosives. Extremist groups still view civilian aircraft as a way to extend their reach into the United States, and the sophisticated US-bound package bombs that turned up in Britain and Dubai suggest a concerted effort to exploit gaps in the security system. The least the United States can do is demand compliance with a 2007 measure, introduced by Representative Ed Markey of Massachusetts, requiring the screening of all cargo loaded onto passenger aircraft. The industry was supposed to meet that standard by last August, but at that point more than a third of cargo still went unscreened."

 The [Washington Post](#) has reported that "The two package bombs discovered on cargo flights last week contained far more explosive material than the device that the alleged would-be underwear bomber planned to use last Christmas to down a Detroit-bound jetliner, according to German security officials. The officials said the bombs were so expertly built that the wiring was difficult to detect even when seen in an X-ray image."

 According to [Reuters](#), "Airlines could face pressure to put less cargo on passenger planes or improve blast protection after one of the parcels in the Yemen bomb plot was found to have flown in a passenger jet, analysts said on Monday."

 [Bloomberg](#) has reported that "United Parcel Service Inc.'s pilots union urged U.S. officials to tighten "inadequate" screening for all-cargo airlines after last week's discovery of explosive devices in packages sent from Yemen. The Independent Pilots Association wants better screening for large shipments and increased use of current resources such as x-ray machines, bomb-sniffing dogs and physical inspection, Brian Gaudet, a spokesman for the association, said in an e-mail."

 According to the [New York Times](#), "The Department of Homeland Security has established very good "risk rating" systems to prevent dangerous goods from entering the country. The problem is that these systems are used only for cargo on ships, not for that arriving by air."

 The [Associated Press](#) has reported that "the glaring weakness of the cargo shipping system has been laid bare by the Yemen-based mail bomb plot - but the cost of fixing it may be too high for governments, airlines and shippers to stomach during a global downturn. Analysts warn that the cost of screening every piece of air cargo that enters the shipping system in a bid to prevent terror gangs from downing airliners might bankrupt international shipping companies, hobble the already weakened airlines, and still wouldn't provide comprehensive protection. "In a worst case, it would stop world trade," James Halstead, a longtime consultant with the Aviation Economics firm, said. "The cost of the extra effort involved in putting in security checks to find these sorts of bombs would be almost too much to consider."

 [Reuters](#) has reported that "United Parcel Service Inc (UPS.N) said on Monday it would raise rates by a net 4.9 percent starting January 3, 2011, about a month after FedEx Corp. said it would hike rates. UPS, the world's largest package delivery company, said the net increase was for ground packages, all air express and U.S. origin international shipments." [EdNote: Plan on U.S. Postal Service competitive product prices to rise in January as well.]

 The [American Postal Workers Union](#) told its members that "Contract negotiations took a dramatic turn today as postal management presented its economic proposal, which would establish employees' wages and benefits for the next Collective Bargaining Agreement. There is zero possibility that the union will agree to wage cuts."

 [DM News](#) has reported that:

- The [US Postal Service's financial health](#) is directly tied to its sales volume. Therefore, the USPS is making plans to adjust its finances for 10 years from now, when mail volumes may drop to 150 billion pieces, from its 2006 peak of 213 billion pieces. Industry experts agree that the system that the Postal Service uses to fund retiree benefits has contributed to its financial predicament.
- [KeyBank](#), a division of KeyCorp, was spending an inordinate amount of time and budget on the creative portion of its direct marketing efforts to consumers and small business customers. For a division that drops more than 10 million pieces of mail annually, that approach was not working any more.

November 1, 2010

 [Press Release](#): "Advanced Topics in U.S. Postal Service Contracting" A special one-day seminar on identifying and resolving the most difficult, yet important, issues confronting postal contractors in bidding and contract performance. Registration: Contact Stephanie Dorssom at rsvp-sl@huschblackwell.com, 314.345.6646 or by visiting www.regonline.com/postalseminar2.

 [Al Bawaba](#) has reported that "Acxiom participated in the Universal Postal Union (UPU) Direct Mail Advisory Board (DMAB) held in Bern on October 27. The event was attended by global industry decision makers, with strong representation from the MENA region. The UPU meets annually at the DMAB Summit, a platform created to discuss industry developments and trends to tackle key issues."

 According to [HRE Online](#), "When the recession hit and compounded challenges already unique to the U.S. Postal Service, CHRO Anthony Vegliante rose to the occasion by helping to lead an agency-wide transformation."

 [Direct Marketing News](#) has noted that:

- [The threat of financial doomsday scenarios](#) at the US Postal Service, coupled with advancements that make customer communications possible in an instant, are forcing marketers to prepare for a day when the US Mail is a far smaller piece of their business plans. In a strategy that also helps them communicate with consumers more quickly, brands are increasing spending on digital platforms that are independent from the postal network. The move to digital marketing platforms is not limited to catalogs. Although corporate promotion of online payment methods is nothing new, marketers are now enticing customers to move to e-payment with sweepstakes and other incentives.
- [In the early days of Web marketing](#), the promise of the new channel's potential was over-the-top. In fact, many optimists argued that, in the future, the Web and e-mail were going to make direct mail obsolete. A funny thing happened on the way to the Web. Not surprisingly, the reality did not live up to the hype. When it was time to measure campaign successes, these marketing pioneers' lack of online direct marketing experience added up to some pretty disappointing results.

 [IsleofMan.com](#) has reported that "the Isle of Man Post Office has been forced to add VAT to a number of its products and services."

 The [Christian Science Monitor](#) has a piece on: "Your mail on an electric delivery cart: Postal Service goes greener,"

 [Hellmail](#) has reported that:

 The [Royal Mail](#) won three bronze awards last week for its achievements in improving performance at its Cardiff, Gatwick and Northern Ireland mail centres. The awards were presented at the World Class Manufacturing Association ceremony in London on Friday.

 [Finland's postal service](#) confirmed today that industrial action by the Finnish Post and Logistics Union (PAU) may be run into Tuesday (2nd November) which could mean delivery delays for several days. The company said the situation would be most felt in the Turku post centers area where mail sorting had now ceased.

 [Home delivery management company MetaPack](#) has launched Parcel-Track.com – an intelligent parcel tracking engine that has been developed and used internally by the company as a standard feature in their multi-carrier management software and which has now been made available as a standalone service. Available for the first time as a website, Parcel-Track.com also features as one of the time-saving apps on the newly launched flagship product from Pitney Bowes - the Connect + Series mailing system.  [Latvian Post](#) is to move from a six day delivery service to just five days from January 2011. Aivars Weiss, CEO for Latvian Post, said the dropping of one day from its delivery model was based on economic reasons but would not affect post office opening hours or express deliveries.

 From [PRWeb](#): "Window Book's Mail.dat 11-1 Validation Service is just the first of several new DAT-MAIL services, which are being rolled out to the marketplace in the near future. This service will help mailers validate any Mail.dat 11-1 files that their presort software vendors and/or service providers produce."

 The [Lincolnshire Echo](#) has reported that "business leaders have expressed their dismay at plans that could see daily postal deliveries across Lincolnshire delayed. Royal Mail has revealed plans to "reorganise delivery routes" for LN postcodes, which could mean county customers receive their deliveries "a little later than they're used to". But it is feared these changes could prevent companies and residents from getting their morning post until the afternoon."

 The [Copenhagen Post](#) has reported that "Post Danmark announced last week that the price of sending a regular 50-gram letter will soon increase from the current 5.50 kroner to 8 kroner. The 48 percent price jump takes effect as of April 1 next year, and prices for other types of mail will increase significantly as well. Large envelopes not exceeding 250 grams will cost 25 kroner to send, compared to the current 18.50 kroner, while postage for letters or envelopes weighing between 500g and 1kg will increase from 38.50 kroner to 46 kroner in April. Some larger packages, however, may end up being cheaper under the new price scheme, including those not marked for delivery that the recipient is required to pick up from their local post office."

 The [Financial Times](#) has reported that "Third-quarter operating profit at Dutch logistics group TNT NV fell by a fifth despite higher revenues, missing expectations as the operating margin at its troubled mail unit deteriorated. TNT shares hit a 12-month low and were trading down 2.6 per cent at €18.595 in early morning trading, the worst performers in Amsterdam's blue-chip index. TNT plans to spin off its mail business - Apr-09 TNT hit by declining mail volumes - Feb-22 Activist hedge fund swoops for 5% TNT stake - Dec-08 TNT, which is separating its express and mail units and preparing the mail business for a possible sale, said cost savings in mail were insufficient to offset volume declines, price pressures and a rise in pension and other costs. "The results were surprisingly bad in mail, which was going down (steadily) in terms of volumes. The operating result is way below consensus. In express, we expected higher operating income on such volumes," said Rabobank analyst Philip Scholte." See also the [Wall Street Journal](#), [The Guardian](#), [Automated Trader](#), and the [Associated Press](#).

 [MarketingWeek](#) has reported that:

- The [Royal Mail is to trial evening deliveries](#) as it looks to offer consumers buying goods online more choice over when they receive items. The news comes as the postal operator is slammed by a group of businesses that claim poor service is stifling growth in the online retail sector.
- [Royal Mail](#) has launched a new data service that it claims will help tackle identity fraud more effectively.

 [NewMediaAge](#) has reported that "More than four-fifths of UK online firms are critical of the Royal Mail and accuse it of "stifling" their development, according to research by Ebay. It surveyed more than 600 online businesses and found the postal operator needs to improve its service standards in five crucial areas including: notification of time of delivery; better weekend deliveries; more flexibility later in the day, with evening deliveries and evening opening times at post offices; and evening collection slots at postal depots." See also [The Independent](#).

 According to [Advertising Age](#), "The recession didn't help many industries, but it may prove the savior of print coupons. Even consumers in their 20s and 30s appear to be adopting the coupon-clipping habit, defying what once looked like long odds, declining newspaper circulation and the growth of digital media."

 World Marketing, Inc., a subsidiary of the Omaha World-Herald Company, announced today that it has sold its Phoenix-based fulfillment and lettershop production unit, Total Fulfillment, Inc. dba World Marketing-Phoenix, to Phoenix-based Prisma Graphic.

 [Hellmail](#) has reported that "Russian Post and supporters of the political party, United Russia, recently signed an agreement on cooperation and collaboration in the interests of Russian citizens. An official document was signed by the Director General of the Russian Post, Alexander Kiselev and supporters of United Russia."

 [YLE](#) has reported that "Talks continued Sunday aimed at agreement on a new contract for the nation's postal workers. The union representing workers has announced a series of spot strikes across the country beginning on Tuesday if no new contract is negotiated before then."

 [Dead Tree Edition](#) said that "Here's some bad news for both the U.S. Postal Service and postal employees who are eyeing retirement: The federal agency that has caused months of delays in processing retirement applications and issuing benefits checks isn't going to clean up its act any time soon. The Office of Personnel Management's Retirement and Benefits Office "characterized by lengthy delays in processing claims, might not get much better any time soon," writes Tammy Flanagan of the National Institute of Transition Planning, in a recent Government Executive article. The agency has hired additional employees to work on the backload of claims and eventually hopes to modernize its paper-based processing system."