PostCom News Archives January 2018

National News

January 28

Bloomberg: Amazon.com Inc. is expanding a service launched to make more groceries, cleaning supplies and other products available for quick delivery directly from merchants without overwhelming the e-commerce giant's warehouses with additional inventory, according to documents reviewed by Bloomberg. The trial pushes Amazon's logistical reach beyond its own facilities and into those of its merchants, encroaching on services of long-time delivery partners United Parcel Service Inc. and FedEx Corp. Amazon is enticing the sellers who use the company's online marketplace with lower delivery costs, logistics software, warehouse inspections and recommendations. Amazon will oversee pickup of packages from warehouses of third-party merchants selling goods on Amazon.com and the delivery to customers' homes, work that is now often handled by UPS and FedEx. Amazon could still use these couriers for delivery, but the company will decide how a package is sent instead of leaving it up to the seller. Handling more deliveries itself would give Seattle-based Amazon greater flexibility and control over the last mile to shoppers' doorsteps, let it save money through volume discounts and help avoid congestion in its warehouses by keeping merchandise in the outside sellers' own facilities. Amazon is recruiting more sellers and has changed the name to FBA Onsite, according to documents reviewed by Bloomberg, associating the program with its popular logistics service Fulfillment By Amazon that launched in 2006.

January 27

PostalNews: Millions of Americans utilize USPS on a daily basis, yet the public desire for a Postal Service that serves the common good is trumped by the financial wealth and political power of relatively few owners of large corporations that utilize the Postal Service for advertising purposes. Even though the large mailers receive huge discounts for their mailings, they want to decrease their institutional postage costs even further by reducing service to the American public and cutting the wages and benefits of postal workers. The large mailers' agenda is essentially self-interest: To increase service and profit for them, and decrease service and good jobs to regular Americans. Given that large mailers bypass the plant network by drop shipping most of their mailings, large mailers push consolidations and the resulting mail delays in order to reduce overall costs for themselves. The future of the Clerk Craft and the APWU will be determined by how well we fight back against the self-interest of a few relatively wealthy individuals utilizing the Postal Service to their advantage.

<u>Linns</u>: We all enjoy the moment when we receive a personal note from a friend in the mail. But finding ways to encourage people to use the mails, specifically first-class letter mail, continues to be a challenge for the United States Postal Service. A recent visit to Starbucks for coffee, an essential fuel for this editor, had an additional pleasant surprise. Displayed at the counter were postcards picturing the American flag with the words "Honor, Duty, Service" and "Thank You!" Pens were available nearby, and the barista told me that Starbucks would mail the postcards at its expense to individuals serving in the military. Even if this was an isolated experience, I found it refreshing for a large corporation to encourage use of the U.S. mail, and to provide a way for us to thank those who are serving our country.

Reuters: Package delivery company FedEx Corp said on Friday it planned to spend more than \$3.2 billion in wage increases, bonuses, pension funding and capital investment, taking advantage of the lower tax rates. FedEx said the recent tax law changes would likely increase GDP and investment in the United States.

January 26

Linns: It's well known at the United States Postal Service that the surging growth of packages is helping save the agency from the ever-shrinking levels of letter mail. But now the Senate Permanent Subcommittee on Investigations is warning that the package growth brings with it lots of unwelcome mail. In a report released Jan. 24, the subcommittee said the Postal Service has become the carrier of choice for foreign drug dealers on the internet who are shipping thousands of dollars worth of deadly fentanyl by mail into the United States. In 2002, Congress required commercial carriers to obtain advanced electronic data (AED) on packages they planned to bring into the United States. But what the Postal Service would do about inbound mail was left to the discretion of the postmaster general and the Treasury Department. Sen. Tom Carper, D-Del., who has been one of the Postal Service's strongest allies in Congress, acknowledged unhappiness over the drug issue. Sen. Tom Carper, D-Del., who has been one of the Postal Service's strongest allies in Congress, acknowledged unhappiness over the drug issue. The Postal Service sent its vice president for network operations, Robert Cintron, to assure a Jan. 25 hearing before the subcommittee that the USPS and CBP were making "significant strides to combat the flow of opioids."

January 25

NYPost: China said Thursday it is ready to work with the United States in fighting illicit opioid shipments after congressional investigators found that Chinese opioid manufacturers exploit weak screening in the US Postal Service to ship large quantities of illegal drugs to American dealers. "Anti-drug coordination is one of the highlights of China-US law enforcement cooperation," foreign ministry spokeswoman Hua Chunying said at a regular briefing. "We stand ready to work with the US to enhance our coordination in this field." In a yearlong probe published Wednesday, Senate investigators found that Chinese sellers, who openly market opioids such

as fentanyl to US buyers, are pushing delivery through the US postal system. The sellers are taking advantage of a failure by the Postal Service to fully implement an electronic data system that would help authorities identify suspicious shipments. At a time of massive growth in postal shipments from China due to e-commerce, the investigators found that the postal system received the electronic data on just over a third of all international packages, making more than 300 million packages in 2017 much harder to screen. Data in the Senate report shows no significant improvement during 2017 despite the urgency. The US Postal Service said it has made dramatic progress in the last year in total packages with opioids seized by US Customs and Border Protection.

WashingtonPost: The Trump administration sent its first major signal Tuesday of its intentions for the federal-employee health-insurance program, seeking financial incentives for enrollees to hold down their spending on health-care and additional controls by insurance companies on prescription-drug costs. A letter to companies participating in the Federal Employees Health Benefits Program also calls on them to extend coverage for genetic testing and to strengthen efforts to prevent opioid misuse and to treat addiction. Almost all federal employees and retirees are eligible for coverage under the FEHBP, the largest employer-sponsored health-insurance program in the country. The program has about 4 million enrollees, approximately the same number of covered spouses and children up to age 26, and about 260 participating plans — a dozen available nationally and the rest only regionally. The government pays about 70 percent of a plan's total premium cost on average. The enrollee share of premiums has increased about 6 to 7 percent annually in recent years, about in line with other large employer-sponsored health plans.

Fortune: Investigators for the Senate Homeland Security subcommittee have traced transactions between Chinese sellers and American buyers and found sales that were responsible for at least seven overdoses in the past year. Over 500 transactions went to 43 states, with users spending some \$230,000. The majority of the Chinese dealers preferred payments in Bitcoin, though many accepted credit cards, PayPal, and other more traditional payment methods. The drugs were sent through the local postal system, then via U.S. Mail rather than couriers, which were more likely to be intercepted by U.S. Customs agents. The subcommittee's report says the postal service is failing to "recognize and prepare for" packages that contain illegal drugs, including fentanyl. "We now know the depth to which drug traffickers exploit our mail system to ship fentanyl and other synthetic drugs into the United States," said subcommittee Chairman Rob Portman. "The federal government can, and must, act to shore up our defense against this deadly drug and help save lives." Portman did not seem to be blaming the USPS, but rather saying the agency was unequipped to check for illegal substances being shipped, given the volume of mail it handles each day. The postal service, in a statement, said it is "working aggressively" to stem the flow of illegal drugs, but noted it is restricted in some ways its competitors are not. The USPS also has a very clear policy stating that if a controlled substance is unlawful (as these opioids are), then the mailing of them is also unlawful.

January 24

Senate.Gov: U.S. Senators Rob Portman (R-OH) and Tom Carper (D-DE), the Chairman and Ranking Member of the Permanent Subcommittee on Investigations (PSI), today published a stunning new <u>report</u> detailing the Subcommittee's findings from its nearly year-long investigation into how drug traffickers exploit vulnerabilities in our international mail system to easily ship synthetic drugs like fentanyl from China into the United States. Last year, 318 million international packages entered the U.S. with no advanced electronic data on shipper and recipient name, address, or contents--which is used by federal law enforcement agencies to target packages containing illegal items, like fentanyl. Tomorrow, the Senators will hold a public hearing titled "Combatting the Opioid Crisis: Exploiting Vulnerabilities in International Mail." The hearing will reveal the details of the investigation as well as policy recommendations resulting from the findings.

Slate: On Monday, Bank of America <u>ended</u> a free checking service used by some of its lower-income depositors called e-banking, which it had been gradually winding down for several years. For Americans with irregular incomes, even the modest direct deposits required to avoid getting hit with fees may be too much of a hurdle to clear. What this news mostly shows is that we shouldn't rely on for-profit financial institutions to provide basic, essential services to the needy. We should rely on the post office.

January 23

<u>USSenate</u>: Combatting the Opioid Crisis: Exploiting Vulnerabilities in International Mail Permanent Subcommittee on Investigations January 25, 2018 10:00AM Location: SD-342, Dirksen Senate Office Building

January 22

MailingSystemsTechnology: As most of the mail industry knows by now, the USPS reported revenue of \$69.6 billion for fiscal year 2017, which runs from October 1, 2016 to September 30, 2017. This is a decrease of \$1.8 billion compared to the prior year and can primarily be attributed to accelerated declines in First-Class and Marketing Mail volumes. In 2017, mail volumes declined by approximately five billion pieces (3.6%), while package volumes grew by 589 million pieces (11.4%). This trend is not surprising, as mail volumes have been declining for years while package volume is on the upswing. However, while this growth in package volume is indeed encouraging, it's important to remember that it comes nowhere close to compensating for the decline in mail pieces; overall USPS volume has declined by 4.9 billion pieces.

January 20

Inverse: Exactly one year to the day after Donald Trump was sworn in as the 45th President of the United States, the Federal Government shut down. But, don't worry, you'll still be able to get your mail. The United States Post Office has responded to questions about how the government shutdown impacts mail delivery. In short: it doesn't. And that's all thanks to the nature of the USPS itself. On Saturday, the official <u>Twitter</u> account for the U.S. Postal Service said "USPS operations will not be interrupted due to the Gov't shutdown, and all Post Offices will remain open for business as usual. Because were are an independent entity that is funded through the sale of our products and services, and not by tax dollars, USPS will not be impacted."

<u>Postalnews</u>: The Postal Service price changes that were <u>approved</u> last fall will take effect Sunday, Jan. 21. The changes will raise Mailing Services product prices approximately 1.9 percent, while most Shipping Services product prices will increase an average of 3.9 percent. The First-Class Mail single-piece Forever stamp price will increase 1 cent to 50 cents. Here are the other current and new prices:

- Letters (additional ounces): 21 cents (no change from current price)
- Letters (metered): 46 cents (current), 47 cents (new)
- Outbound international letters (1 ounce): \$1.15 (no change from current price)
- **Domestic postcard stamps:** 34 cents (current), 35 cents (new)
- Small flat-rate box: \$7.15 (current), \$7.20 (new)
- Medium flat-rate box: \$13.60 (current), \$13.65 (new)
- Large flat-rate box: \$18.85 (current), \$18.90 (new)
- Army/Air Post Office and Fleet Post Office large flat-rate box: \$17.35 (current), \$17.40 (new)
- **Regular flat-rate envelope:** \$6.65 (current), \$6.70 (new)
- Legal flat-rate envelope: \$6.95 (current), \$7 (new)
- Padded flat-rate envelope: \$7.20 (current), \$7.25 (new)

January 19

gchron: U.S. Rep. Gregory Meeks (D-Queens, Nassau) is calling for "robust Congressional oversight" of postal service in his district after several residents complained of missing mail. Meeks sent a letter to U.S. Postmaster General Megan Brennan on Thursday after a meeting he was supposed to have with a senior U.S. Postal Service official was postponed. "I was irate when I learned that your office had canceled this important meeting," the congressman said in the letter. "This is simply unacceptable." Constituents of Meeks' district have complained of missing mail for months. In his letter to Brennan, he called the delays "significant and unacceptable."

IoHud: U.S. Sen. Chuck Schumer and U.S. Rep. Eliot Engel are reviving their criticism of the postal service, issuing a new call for a community meeting to address chronically poor mail delivery in Larchmont and surrounding areas. In a joint letter to U.S. Postmaster General Megan Brennan released Thursday, the two federal lawmakers said they "strongly urge" the postal service to schedule a local meeting to discuss longstanding issues with the mail. "The Larchmont residents have been patient, accommodating and entirely understanding throughout this process while enduring endless issues," the letter said. "It is time for USPS to finally fix these issues, once and for all."

January 18

CNN: If Congress is unable to pass a funding proposal -- which, at this point, looks very possible -- the federal government will shut down Friday. A shutdown, however, doesn't mean every federally funded agency, program and service will grind to a halt. Whoever works for agencies and departments that are considered nonessential, including agencies that pay out small business loans and process passport requests, will cease to work until Congress is able to agree on a bill for the federal budget. Essential services, such as Social Security, air traffic control and the Transportation Security Administration, will continue to be funded even if some employees of those agencies are not. And the US Postal Service won't stop serving residents -- you'll still get your mail.

<u>PostalNews</u>: The Postal Service is continuing to test new equipment that makes it easier for customers in retail lobbies to drop off packages for shipment. The Automated Package Drop (APD) self-service machines allow customers to mail pre-paid and merchandise return parcels at their convenience. Retail Associate Denise Richards uses an Automated Parcel Drop machine being tested at a Brooklyn, NY, Post Office. Customers press a button on the APD to start the transaction and are prompted with instructions to scan the package's pre-paid barcode. Next, customers deposit the parcel through the machine's door and collect a paper receipt with the acceptance scan date, time and tracking information. The machines are currently being tested in five retail lobbies in California, Florida, New York, North Dakota and Virginia. The APD initiative is part of the organization's ongoing efforts to improve customer service and strengthen its package business.

<u>PostalNews</u>: The Postal Service has notified NALC that the retroactive payments for city carrier assistants (CCAs) resulting from implementation of the 2016-2019 National Agreement will be delayed by one pay period. The payments originally scheduled to be included in Pay Period 3 paychecks payable on Feb. 9 will now be in Pay Period 4 paychecks payable on Feb. 23. The back pay period covers Nov. 26, 2016, through Sept. 15, 2017. This payment will include the 2.2 percent general wage increase and the addition of two \$0.50-per-hour step increases in the new CCA pay scale where applicable. The two \$0.50-per-hour step increases are payable at 12 and 52 weeks of service. Eligible employees that served as CCA letter carriers between Nov. 26, 2016, and Sept. 15, 2017, and were employees of the Postal Service on or after Aug. 7, 2017. Former CCA letter carriers who were active on Aug. 7, 2017, and have since separated from the Postal Service should check back for further updates on when and how their back pay will be distributed.

January 17

<u>PostalNews</u>: On Jan. 12, the Clerk Craft and the USPS agreed on a \$36 million remedy settlement for the Postal Service's violations regarding the Sales Retention Team (SRT) Pilot Program. The money will be distributed among Clerk Craft employees to be identified by the National APWU. The Postal Service is required to cooperate and provide information necessary for the union to identify employees eligible for payment. The remedy settlement results from <u>Arbitrator Stephen Goldberg's decision on Dec. 8, 2016</u>, holding that the Postal Service violated the Collective Bargaining Agreement (CBA) by assigning injured workers to perform Clerk Craft work with Sales Retention Teams without first assigning the work to the Clerk Craft.

Washington Times: (Op-Ed Written by Fredric Rolando, president of the National Association of Letter Carriers). Now, let's clear up a few misconceptions about the Postal Service. The notion of privatization, called for by some, fails on several counts. It overlooks both the Constitution and the fact that USPS provides the best rates anywhere. Those European nations that have moved toward postal privatization (including Britain and Germany) often charge up to three times what USPS does, And, they target an agency highly popular with the public. A Gallup poll in early January asked people to rate 13 key government agencies. The Postal Service led with a 74 percent positive rating. USPS also enjoys strong bipartisan support among legislators from both metropolitan and rural areas. USPS' relationship with the private sector is sometimes misrepresented. The Postal Service delivers millions of the private carriers' packages the "last mile" — saving them money because letter carriers go to every address anyway, while generating revenue for USPS. At the same time, a December Consumer Reports study comparing delivery services by FedEx, UPS and the Postal Service, concluded: "(I)f cost is your main concern, we found that the Postal Service is often the way to go, though you should still shop around. And unlike the others, the Postal Service also offers a premium service that can deliver on Christmas Day in major markets." Finally, as regards postal finances, USPS' red ink is often mischaracterized. It stems principally from a 2006 congressional mandate that the Postal Service pre-fund future retiree health benefits decades in advance and pay for it within 10 years — something required of no other public or private entity. Most recent years, USPS has operated in the black, with earned revenue exceeding normal business expenses by about \$1 billion annually. In Fiscal Year 2017, the first stamp price rollback since 1919 helped produce an operating loss. Fortunately, pre-funding and the pricing process are being reexamined. What will benefit Americans and their businesses aren't radical schemes proposed by ideologues, rather commonsense adjustments to public policy. Once made, they'll allow this national treasure to continue providing residents and businesses with the excellent service they deserve — with no taxpayer money and with all the added value mentioned above.

January 16

<u>Post& Parcel</u>: FedEx has announced it will be realigning its specialty logistics and e-commerce solutions in a new structure under FedEx Trade Networks, Inc. (FTN). The realignment will take effect from 1 March. As a result of the realignment, FedEx Supply Chain results, currently reported in the FedEx Ground segment, and FedEx Custom Critical results, currently reported in the FedEx Freight segment, will be reported with FedEx Trade Networks in the FedEx Express segment effective March 1, 2018.

<u>Post& Parcel</u>: UPS Capital has announced the expansion of the UPS Capital Cargo Finance service with new options on in-transit cargo for US importers. In a <u>statement</u> issued today (16 January), UPS said the enhanced offering increases the amount a business can borrow from 70% of the supplier's commercial invoice to 100%.

January 15

Linn's: When Marvin T. Runyon was United States postmaster general, he banned his public relations spokesman from saying "no comment" to queries from the news media. That tradition died when Runyon, whose wife was a public relations executive, left office in 1998. It was nowhere more apparent than on Dec. 29, 2017, when Postmaster General Megan J. Brennan and her spokesmen left unanswered charges President Donald Trump made on Twitter about the U.S. Postal Service's package delivery contract with retailing giant Amazon. Despite the reluctance of the USPS to tangle with one of the president's tweets, there was no reluctance by one of the agency's top public relations officials to challenge a lesser-known critic who also questioned the USPS package business. It was "a misinformed and misleading rant" complained David Partenheimer, the agency's public relations manager, in a Jan. 5 response. Although it was not intended as a response to the president, Partenheimer's comments to THE HILL easily could be taken to be what the Postal Service also could have said to Trump's demand that the USPS sharply increase its prices for Amazon's parcels. "Some of our competitors in the package delivery space would dearly love for the Postal Service to aggressively raise our rates higher than the marketplace can bear," wrote Partenheimer. That would help the competitors "so they could either charge more themselves or syphon away postal customers," he added. The spokesman continued to praise the Postal Service's pricing policies, saying they were created to give "reliable, universally available and affordable delivery options" to postal customers. "These strategies are applied fairly and reasonably and reflect the needs of the public and the marketplace," Partenheimer said.

January 13

WSJ: One old-school retailing trick has survived the e-commerce shakeout—the lowly advertising circular. Some grocers and other retail chains have learned they risk losing business without a steady flow of paper mailings nudging shoppers to stores. Even online startups that don't have physical shops are embracing the idea. Most retailers still see digital advertising as a growing focus of their spending, and many continue to cut back on traditional print ads as well as mailers. But more are also experimenting with new ways to send out deals on paper, sometimes mining online behavior or databases of shopper trends to improve their so-called junk mail. Annual spending on newspaper circulars, coupons, direct mail and catalogs hit about \$76 billion in 2017, slightly lower than the previous year but up 85% versus 2012, according to Borrell Associates, a media consulting firm. The firm expects spending on some forms of mailed ads to fall as the U.S. Postal Service raises rates in coming years, said Kip Cassino, executive vice president at Borrell.

January 12

<u>TheHill</u>: Listening to <u>President Trump</u>, one might get the impression the U.S. Postal Service is unprofitable because it is undercharging Amazon.com. The USPS's financial plight, however, is not merely a parcel problem. The Post Office's problems are business-wide, because its expenses keep exceeding revenues. The Postal Service was designed to be self-sufficient — unlike other federal agencies, it does not live off dollars collected as taxes. Rather, it tries to cover its operating expenses by charging postage. Sorting and transporting mail is an inherently costly proposition. USPS delivers mail to 157 million addresses and post office

boxes in the nation (including Puerto Rico, the American Virgin Islands, etc.) It has 230,000 trucks and other vehicles to help it haul all that mail. But that is not the whole of it. USPS also runs a massive retail operation in the form of 31,000 post offices and another 4,000 contractor-run mail shops, each with their own overhead costs. The Postal Service has limited tools to control its overhead. Laws and political pressures harry its every effort to reduce delivery frequency (presently mandated at six days per week) and shutter money-losing post offices. This past year, USPS reported a \$2.7 billion loss. A look at the revenue side of the ledger reveals why. Mail volume is sliding. Less mail means less money.

BLS: In December, the Consumer Price Index for All Urban Consumers increased 0.1 percent seasonally adjusted; rising 2.1 percent over the last 12 months, not seasonally adjusted. The index for all items less food and energy rose 0.3 percent in December (SA); up 1.8 percent over the year (NSA).

January 10

Cleveland: President Donald Trump late Wednesday signed a bill to provide more money and equipment for detecting imported fentanyl, an addictive and deadly synthetic narcotic, before at reaches its United States distributors. The bill allocates \$15 million for U.S. Customs and Border Protection to buy and use portable screening equipment at ports of entry and mail facilities. The bill, known as the INTERDICT Act (for International Trafficking Emergency Response by Detecting Incoming Contraband with Technology) is one of several legislative pieces offered to help fight the opioid epidemic. The bill will make portable electronic screening devices available for ports of entry, mail and other receiving facilities. It also will help provide more Customs and Border Patrol scientists to screen the tests done in the field. The House passed the bill with almost no opposition and the Senate did so by unanimous consent, which did not require a roll call vote.

<u>USNews</u>: Democratic Sen. Claire McCaskill has introduced a bill that would put an end to a Postal Service quirk requiring some rural northern Missouri residents to have Iowa mailing addresses. Details of the bill were announced Wednesday. For years, some Missourians in Atchison, Clark, Harrison, Mercer, Putnam, Schuyler and Scotland counties have been assigned Iowa mailing addresses. The Postal Service has not explained why, and even impacted residents have said they've never been given a good explanation. McCaskill sent a letter to Postmaster General Megan J. Brennan in November seeking immediate action to rectify the addresses. Missourians with Iowa addresses have said it causes confusion on emergency calls, forces some residents to cast provisional ballots at the polls, and creates uncertainty in filing taxes.

<u>DailyCaller</u>: (Written by George Landrith, President and CEO of Frontiers of Freedom, a public policy think tank) Putting a greater on focus on package deliveries has come a significantly high cost for the Postal Service. For perspective, as the USPS has increased its parcel quantity, the agency's controllable costs have risen from \$66 billion in 2014 to \$71.6 billion projected for 2018. This kind of escalation proves greatly challenging as Postal leaders provide below-market prices just to keep retailers from abandoning USPS service. Furthermore, the Postal Service has willingly accepted an unbalanced international pricing structure. This deal written by the Universal Postal Union (essentially the UN for postal issues) has kept rates exceedingly low for foreign merchants sending items to the United States. Lastly, the Postal Service is seeking to balance out its finances by forcing more money out of stamped letters, its most common product. The USPS will do this thanks to its regulator (The Postal Regulatory Commission) which is now repealing much of nation's sensible mail pricing structures. If the USPS really wanted to rationalize its finances the agency should address staggering losses driven by Standard Mail Flats and Parcels. In 2016 alone, the USPS suffered a loss \$632 million as a direct result of making 6.3 billion of these deliveries.

January 9

The Hill: (Written by Fredric Rolando, President of the National Association of Letter Carriers in Washington, D.C.) A good deal of misinformation circulates about the U.S. Postal Service: some unfortunately contained in two Jan. 2 commentary pieces published on these pages. I appreciate the opportunity to provide some facts and context. First, the broad picture. The Postal Service, which doesn't use a dime of taxpayer money for its operations (by law it earns its revenue) provides Americans and their businesses with the industrial world's most-affordable delivery network. One issue raised is merely an attempted resurrection of a long-discredited claim – that negotiated service agreements (NSAs) between USPS and various companies are set at low prices to benefit the company involved, in this instance, allegedly Amazon. Similar arguments have been made for decades, and consistently rejected on the merits by the Postal Regulatory Commission, the independent overseer of USPS whose members are presidentially appointed from both parties. As for the notion that the Postal Service should be privatized to be more competitive, the idea fails on several counts. For starters, the government's duty to deliver the mail springs from the Constitution, as a way to bind this vast nation. Moreover, USPS provides the best rates anywhere. Those European nations that have moved toward postal privatization (such as Britain and Germany) often charge up to three times what USPS does. As for postal finances, the reason for the red ink at USPS is often misrepresented. Almost all of it is attributable to a 2006 congressional mandate that the Postal Service pre-fund future retiree health benefits decades in advance and pay for it within 10 years — something required of no other public or private entity. Fortunately, pre-funding and the pricing process are being reexamined. What will benefit Americans and their businesses aren't radical schemes proposed by ideologues serving narrow interests, rather commonsense adjustments to public policy.

Ecommercebytes: Five months after the USPS implemented a new practice to verify postage for packages paid online, sellers have been feeling the impact. Reports of "USPS label cost adjustment" have not been as widespread as some sellers may have feared, however. On August 1st, the US Postal Service rolled out the Automated Package Verification System (APV), which verifies shippers have paid the correct amount for postage purchased online. If found to be incorrect, the USPS then bills the shipper (or their postage vendor) if postage is due. Likewise, it compensates shippers for over-payments as well. You can read details in this July 20th post. While there hasn't been an outpouring from sellers impacted by the new system, there have been some cases reported. Some sellers may like the idea of APV, since it avoids annoying buyers since in theory they shouldn't have to pay for overdue postage or see

delays in cases where the Postal Service returns a package to the seller. Several industry players were unwilling to go on the record, but one expert told us there have been reports of some cases of packages being returned for postage due instead of being delivered on time with the APV coming into play.

FederalNewsRadio: The United States Postal Service, like many agencies, employs the use of technology in a wide variety of different applications. From package scanners to internal information systems, the postal service relies on well-honed management to keep its users and workers' identities protected. As an agency with thousands of stakeholders, the ID management strategy becomes even more important, according to the USPS vice president. There are hundreds of applications used by the postal service starting from the time information is relayed at the beginning of a transaction to the knock on the door and the actual delivery. Technologies, like behavioral analytics and two-factor authentication, ensure that identities and access are managed correctly. The government operates on a wide variety of partnerships between agencies, and the postal service is no different. Partnerships with other agencies, such as the State Department, have helped the postal service conduct background checks on its employees in order to validate information more securely. USPS is also working on an identity management strategy service that it will offer to other agencies and organizations as well as expanding its biometric collection in terms of fingerprinting and facial recognition.

<u>PostalNews</u>: While the U.S. Postal Service has recently withstood a barrage of negative attention, from getting hacked to announcing continued multibillion-dollar deficits, it enjoys the most positive image of 13 high-profile government agencies Gallup recently tested. The Postal Service is the nation's second-largest employer, and an agency virtually all Americans interact with to some extent in their daily lives. Younger Americans, who may have accumulated less experience with the service, have a very positive image of the job it is doing. All age groups give solid approval ratings to the Postal Service — however, their ratings decline from 81% among the youngest age group to 65% among the oldest. Seniors' ratings of the Postal Service, however, still exceed the ratings they give to all other federal government agencies tested in the Nov. 11-12 survey.

<u>Archive</u>: The Office of Personnel Management more than doubled the number of retirement claims it processed last month when compared with November, as the agency prepared for an annual surge of new requests. In recent months, the number of retirement claims processed by OPM had waned because, officials said <u>last year</u>, staff members were preparing for the influx of claims that occurs each January. The agency also lacked funding to pay for overtime while operating under short-term continuing resolutions. But in December, the agency significantly ramped up its processing efforts, completing 10,347 claims. That's more than double the 5,138 retirement requests OPM processed in the previous month, and the most in a single month since March 2017.

January 8

FederalNewsRadio: The U.S. Postal Service delivers your mail and packages. And depending on the outcome of pending negotiations, your neighborhood letter carrier could also be your local census-taker. Testifying before the Senate Homeland Security and Government Affairs Committee *last October*, Commerce Secretary Wilbur Ross told lawmakers that his department was in negotiations with USPS to use letter carriers part-time, as part of a field test the Census Bureau plans to conduct in April 2018 in Providence, Rhode Island. While the outcome of those negotiations remains an open question, the postal labor side of the equation appears generally open to the idea of taking on the added responsibility. Jim Sauber, the chief of staff for the National Association of Letter Carriers, a union that represents more than 200,000 postal employees, told Federal News Radio that USPS workers have long supported the Census Bureau's efforts to conduct its decennial counts. While many questions remain unanswered, like how the Commerce Department and Census Bureau would compensate the Postal Service for its work, Sauber said he generally supports a more formal partnership with the Census Bureau.

ABC17: The state appeals court has overturned a ruling against a Juab County company because the Labor Commission sent a notice of violation via FedEx and not U.S. Postal Service. In a ruling published Saturday night, the Utah Court of Appeals declared that you can't call it "certified mail" unless you send it through the postal service. The case centers around a 2016 safety violation citation issued to John Kuhni & Sons, an animal rendering plant near Levan, in central Utah. On Feb. 23, 2016, the Utah Labor Commission sent the citation to Kuhni & Sons via FedEx, the ruling states.

USAToday: The U.S. Postal Service is deeply concerned about America's opioid crisis and has been working aggressively with law enforcement and key trading partners to stem the flow of illegal drugs entering the United States. In collaboration with federal agencies and state and local law enforcement, improved investigative techniques have increased our ability to interdict opioids such as fentanyl. From fiscal year 2016 through 2017, the Postal Inspection Service has achieved a 375% increase in international parcel seizures and an 880% increase in domestic parcel seizures related to opioids. The Postal Service further executed an agreement with Customs and Border Protection to define responsibilities and leverage shared technological solutions to improve interdiction efforts and enhance global security. As to the STOP Act, the Postal Service fully supports its goal of increasing advanced electronic data. We've consistently advanced AED collection and sharing through negotiations with key trading partners. The Postal Service prioritizes obtaining AED from the largest volume foreign posts, which collectively account for more than 90% of inbound volumes, and which, unlike some countries, have the capability to provide the information. The Postal Service will continue to work tirelessly to address this serious societal issue.

January 6

TheHill: Written by David Partenheimerm, the public relations manager for the U.S. Postal Service - To set the record straight, the Postal Service has grown its package business at double-digit rates for the past three years. This is the result of significantly enhancing our offerings and service quality as the e-commerce delivery market grew. Our package offerings provide consumers with affordable shipping options that are available throughout the nation, consistent with the Postal Service's universal service mission. Moreover, the revenues provided through these package offerings provide essential support to pay for the network and infrastructure that enables us to fulfill our universal service obligation. Hence, all users of the mail benefit from the Postal Service's

package products. Consumers also benefit from the fact that we provide retailers with affordable shipping options. One of our offerings, called Parcel Select, allows shippers to drop packages directly at distribution units for next-day delivery, thereby leveraging our universal delivery network. This offering generated \$5.6 billion in revenue for the Postal Service last year and helps power America's e-commerce economy.

<u>PIWorld</u>: Few would deny that 2018 is shaping up to be a fraught and contentious year politically. But, it isn't likely that political news of the headline-grabbing, "breaking" variety is going to have all that much to do with issues of primary concern to the printing industry. Those issues, nonetheless, are real, and the need for printers to understand and engage with them has seldom been more urgent. Taxation, the future of the U.S. Postal Service, health care reform and the regulatory climate are never out of the political picture as far as the printing industry is concerned. But this year, each has new elements that point straight at business owners' bottom lines. The new year has brought no immediate fixes. But, two developments - one in Congress, and the other in the agency with regulatory oversight over the Postal Service - may start changing the picture for better or worse in 2018.

January 5

NextGov: U.S. Postal Service workers still inspect potential safety hazards and manage equipment using printed checklists, but trading in the pen and paper for a mobile device would make the process more efficient and accurate, researchers found. In recent years, the Capital Metro Postal Service has increased the number of safety policies, procedures and standards employees must follow. But as requirements grow, so too has the burden of manually entering checklist data into the computer system. Automating this process with a survey product like Qualtrics or SurveyGizmo would streamline the system, reduce human error and make it easier to analyze data, according to a Postal Service Inspector General report. The IG recommended the Postal Service begin testing programs to automate the manual checklist process, and Capital Metro management is shooting to launch its first pilot by April 30

FederalNewsRadio: The pay freeze on the vice president and certain senior political officials will stay in place in 2018, unless Congress says otherwise in an upcoming spending bill. The current continuing resolution holds a pay freeze from 2013 levels. The Office of Personnel Management said it doesn't know how long that freeze would remain. Congress must change the pay rate for the vice president and other senior political officials in its next appropriations bill to undo the 2013 freeze. A U.S. Postal Service executive announced he will retire after more than 40 years with the agency. James Cochrane will step down as USPS' chief customer and marketing sales officer. During his time at the Postal Service, Cochrane helped develop an intelligent barcode system used to track mail and packages, and helped pioneer flat-rate shipping. Prior to that, Cochrane served as the Postal Service's chief information officer and advocated for better data analytics at the agency.

FEE: President Donald Trump really hates the Post Office, it appears. The only upside to Trump's remarks, however, is that they are only half true. The process of having special rates for one particular company is known as establishing a workshare discount. These discounts are determined by excessive haggling between the USPS and individual companies on the basis of many different factors that include corporate size, the amount of shipping a firm will do, etc. On the other hand, USPS is in financial turmoil due to the agency's own internal mismanagement and bloated bureaucracy. Billions upon billions of dollars in unfunded pension liabilities and consistent quarterly losses have arisen over a period of several years — not Amazon's short-term meteoric rise to online shopping supremacy. The other component of the Postal Service's overall loss is found on the business side of the agency — not just the management and administrative sides. Because e-mail and digital communication technologies have evolved to be the most commonly used methods of communication, paper letter delivery has severely dropped. The financial state of the Postal Service is also not benefited when an outside regulatory authority controls fee rates for services (all shipping fees, prices for postage stamps, etc.). Price controls alone can cause a series of problems in the marketplace and among the financial health of an entity of any size.

January 4

TameBay: The United States Postal Service, or USPS, previously announced that they will be raising their tariff on the 21st of January. And in response, eBay has revealed that they have negotiated some discounts on the fees for sellers. As eBay says in their announcement: "eBay has been able to negotiate with the USPS on behalf of sellers and secure a significant discount for eBay labels. While this still means a slight increase in the average cost of shipping an item using USPS, sellers who use eBay labels can save up to 25% on First Class Package Service and up to 24% on Priority Mail*. Plus, tracking is automatically uploaded, so you can print a shipping label from anywhere. You can even schedule free pick-ups." These discounts are only available to US based Sellers using the eBay Labels service and further details can be found here.

Forbes: Amazon is looking at a key factor -- fulfillment -- that likely has a huge impact on customer satisfaction and is attempting to gain greater control of those parts of the customer journey. Here are all the ways Amazon is investing in improving the experience in the form of retail delivery innovation. Amazon isn't ditching USPS, but it is trying to gain more control over this aspect of the customer experience by essentially replacing mailboxes with locker units, which were initially provided on commercial properties. Another big innovation Amazon is working on is allowing drivers to deliver packages safely inside a customer's home -- or a secured area on the property such as a shed, garage or even a car. Amazon is largely an online retailer (although that is quickly changing), and thus it cannot offer what many other retailers do when it comes to returning items. However, the company recently kicked off an exciting new partnership with leading apparel retail chain Kohl's to accept returns of Amazon orders at 82 of its Chicago and Los Angeles locations.

<u>PostalReporter</u>: The Postal Service will extend voluntary early retirement (VER) offers to eligible mail handlers and clerks, beginning Jan. 8. The offers will contain three retirement-effective dates from which eligible employees may choose: Jan. 31, Feb. 28 and March 31. While USPS has been taking aggressive steps to cut costs and increase efficiencies, additional operational changes are necessary. The Postal Service is exercising the Voluntary Early Retirement Authority (VERA) delegated to it by the U.S. Office of Personnel Management. This VERA action is part of ongoing efforts to rightsize the Postal Service's workforce and reposition its network

through attrition to match current workloads. Employees who accept the offers will be able to retire before they reach the standard requirements for age and years of service. The Postal Service is not offering separation incentives to accept the early-retirement offer.

January 3

Linns: For years, top officials at the United States Postal Service have been hoping for some presidential interest in their agency's financial plight. On the morning of Dec. 29, President Donald Trump gave the Postal Service far more attention than it ever desired. Michael Plunkett, president of the Association for Postal Commerce, urged the president to remain interested postal issues. "PostCom appreciates that the President is interested in the performance of the Postal Service," he told *Linn's*. "... We hope this is an indication that further action on appointing and approving Postal Governors is forthcoming," he said. "As to prices," Plunkett said, "USPS should have flexibility to negotiate with its customers, especially in the competitive products space where Amazon operates. "But a fully staffed and qualified Board of Governors and Postal Regulatory Commission are essential to ensuring such deals result in net benefits to USPS and the public. If the President really wants to make a difference, he should appoint a full slate of Governors and [Postal Regulatory] Commissioners post haste."

TheRegisterGuard: Setting aside the inappropriateness of a president using his position for personal vendettas, Trump's mini-tirade overlooks key factors in the USPS's woes, most of which are caused by Congress. One is a mandate passed by Congress in 2006 that the USPS pre-fund retiree health care benefits 75 years in advance — an unheard-of requirement. The postal service receives no tax dollars for operating expenses — it relies on sales of postage, products and services — although it can borrow from the federal government. Its nine-member governing board has been operating without a quorum — and now has no members — because Congress has failed to act on presidential nominees for several years. President Trump recently nominated three members who, if confirmed, would still leave the board short of a quorum. The Postal Regulatory Commission, which has oversight over USPS — and whose members are appointed by the president, with the advice and consent of the Senate — has capped annual price increases by the postal service, restricting its income. There might be an argument to be made for looking at increasing the rates the postal service charges UPS, Fed-Ex, Amazon and other shippers — increases that likely would be passed on to these companies' customers. (Amazon uses the USPS for about 40 percent of its deliveries.) This line of business has been a profitable one for the USPS, helping to subsidize losses in delivering first-class letters and service to rural areas. Even in the digital age, the services provided by the U.S. Postal Service are needed by American consumers and businesses. Any proposed fixes to alleviate the USPS's ongoing deficits need to be made with an eye to repercussions and unintended consequences.

January 2

The Hill: The Postal Service is a large government agency America uses to deliver catalogues we never ordered. It's hemorrhaging money, and whenever it comes up with solutions to stay relevant in an age of free, instantaneous communication, Congress reliably jumps in to scuttle reform. The best way to fix the Postal Service isn't to keep it tethered to bureaucrats afraid of change or unions. It's to privatize it. Our technocrat friends over in Europe have been doing just this, selling off large chunks of calcified government for decades. In 1995 Germany privatized Deutsche Post. The Dutch, Belgians, and Austrians have privatized their own postal services, with respective governments retaining some of the stock. Between 2013 and 2015 the British sold off the Royal Mail and its iconic red wall boxes, ending five centuries of public ownership. The mail still gets delivered. In the United States only the Postal Service can act as a letter carrier — competition is forbade by law. Private companies are allowed to deliver "extremely urgent" mail at a minimum of \$3 or twice the first-class rate, which is the loophole FedEx and UPS operate out of. They can't compete with the Postal Service on postcards or regular mail and packages. On top of this monopoly the Postal Service doesn't pay taxes, is exempt from local zoning rules, and has access to low-rate loans from the Treasury. Despite these many perks, it regularly bleeds red ink. The Hill: The U.S. Postal Service (USPS) is as determined as ever to make customers pay more as they defend ludicrous schemes keeping the agency deep in debt. The cost of First-Class postage is slated to increase from 49 to 50 cents on Jan. 21 as part of a desperate move by postal officials to stem the financial bleeding. As the Taxpayers Protection Alliance (TPA) has previously documented, increases in postage rates promote risky behaviors with non-postal business ventures and shore up liabilities in a massively-underfunded pension system buoyed by unrealistic promises. The USPS will also use the rate hikes to pay for "Made in America" fleet acquisitions that will likely be equipped with unnecessary, expensive technology. Ratepayers buying postage remain largely unaware of the bizarre hierarchy of subsidization that results from USPS's fee schedule.

Prospect: There are many parts of modern life that are so routine that we take them for granted and never contemplate how much planning, effort, time and resources goes into them. So take a step back and consider what the Postal Service does for you. It will come to your house, take a letter that you've written, move that letter by truck or plane or boat thousands of miles as far as it needs to go, and deliver it to the person you've sent it to, all in just a few days. The fact that this has been the case for your entire life doesn't mean it isn't amazing. The Postal Service will take that letter to any address in the United States no matter how much it costs to do so, because they're required to by law, no matter how far they have to go. FedEx and UPS don't deliver to many addresses, and when they have a package that needs to go to someplace off the beaten path, they often literally bring their packages to the post office and mail them, because it's much cheaper that way. And they do it hundreds of millions of times a day. In 2017, they delivered 149 billion pieces of mail, or more than 400 million every day. They process almost half of the entire world's mail volume. They maintain 31,000 post offices, many of which are in places where no private company would put an outlet because it isn't profitable (these figures are taken from the latest USPS *annual report*). You may have heard that the Postal Service loses money, which is true. Even if we put aside the fact that nobody asks whether the Army or your local fire department are turning a profit, there are two big reasons why the Postal Service is always in the red. The first is those incredibly low rates they charge, and the second is that by law they are required to prepay retiree health benefits for current employees, which no other government agency or private company has to do. If they were not laboring under that requirement, they'd be profitable.

Manteca: Big businesses seem to benefit from indirect subsidies from the United States Postal Service in the form of rates that do not cover basic costs given USPS lost \$5.6 billion in 2016. President Trump last week tweeted the Postal Service charged Amazon too little for its delivery service enabling Amazon to fatten its bottom line. The Amazon strategy is no long-term friend of the Postal Service that it is viewing more and more of a competitor for dollars in regard to urban deliveries while leaving USPS to handle more costly rural delivery of Amazon wares thanks to the federal mandate that basically is dictating universal mail delivery service. Also working to the detriment of the Postal Service are two other things: The Congressional mandate they pre-pay retirement health benefits for all employees and the fact rate hikes are capped by annual inflation. Complicating matters is how the government is making things such as free smartphones available for those who can't afford them as well as subsidized internet service that are providing the means to further erode the value of the monopoly the Post Office holds on door delivery of first class mail. Eventually the need for the mail service will become marginal at best. Congress over the years has put the Post Office in the bizarre position of being a "free standing" government agency that has to make it on its own and then turns around and hamstrings them with mandates that make it impossible for them to stand on their own two feet.

<u>Gallup</u>: Majorities of Americans now rate the job performance of eight of 13 key government agencies as "excellent" or "good"; the U.S. Postal Service (USPS) again tops the list with a 74% positive rating. The Centers for Disease Control and Prevention (CDC) and the Secret Service trail the Postal Service as second and third on the list, respectively.

Africom: Shares of Amazon.com took a minor hit this morning after President Trump criticized the U.S. Postal Service for giving the e-commerce giant a low rate on package delivery-and suggested it should raise its rates. In a tweet on Friday, Mr Trump said Amazon should be charged "MUCH MORE" by the post office because it is "losing many billions of dollars a year" while it makes "Amazon richer". But with the tweet, the president also waded into a long-running, Byzantine debate over how much the Postal Service should charge for its services. While he was at it, Trump followed up with a tweet about the Deferred Action for Childhood Arrivals (DACA) program and his border wall, making us all feel thankful for the new 280 character limit. The tweet gave Trump the opportunity to slam Amazon, which has been a frequent target of his ire. The U.S. Postal Service has lost money for 11 straight years.

January 1

PostalNews: As with most random Trump tweetstorms, this one apparently originated from a segment on the pro-Trump Fox News show, Fox and Friends. At least that's what Fox News says: His comment seems to be in response to a "Fox & Friends" segment about tech trends in the new year which was aired Friday morning. The piece focused on Amazon making shopping easier for its customers. The network didn't provide a link to the segment, and the only tech segment available from yesterday's show didn't mention USPS, but given the network's fierce loyalty to all things Trump, and Trump's well known TV watching habit, the claim is certainly plausible.

International News

January 31

FINLAND: Post& Parcel: Finland's national postal operator, Posti, has collaborated with Swedish telecoms company Telia to develop a new smart letterbox that leverages Narrowband (NB) IoT technology to report when letters have been deposited and when the letterbox is full. Sami Reponen, chief process officer, Posti, said, "With a billion addressed mail items sent each year, this information conserves the environment and saves costs. "For instance, if the time needed to process each item sent via Posti would take just a second longer than today, annual expenses would increase by €13m (US\$16m). If we are able to save even 30 seconds of working time on unnecessary letterbox visits, the total benefit is significant. "The goal is that each mail carrier and driver receives the necessary information on a continuous basis and that we are able to centrally monitor the movements of mail in real time."

UNITED KINGDOM: AICIO: After months of negotiations, UK postal services provider Royal Mail and the Communication Workers Union (CWU) have finalized the details of a tentative deal to end an ongoing pension dispute. "We have indeed now reached a negotiators agreement with Royal Mail Group on all of the issues of concern and all of the issues that we campaigned on," said Terry Pullinger, deputy general secretary postal of CWU, in a video announcement to members. "The negotiators believe that it does match the right balance between all of the issues we wanted to take forward." The agreement also covers issues such as pay, a shorter working week, culture, and operational changes. The CWU's Postal Executive Committee will hold a two-day meeting on Jan. 30 and Jan. 31 to go through the agreement and make a final decision.

January 28

CANADA: The Star: The federal government's planned postal reforms are vague and, in themselves, unsatisfying. But they keep Canada Post's home mail delivery service alive and, if properly addressed, could provide the basis for a system that works. Of the reforms announced last week by Public Services Minister Carla Qualtrough, the one that received most attention was the decision to let roughly 4.2 million households keep door-to-door mail delivery. Canada Post had planned to eliminate home delivery entirely as a cost-saving measure. But it managed to convert only 830,000 of 5 million households to so-called community mailboxes before Justin Trudeau's Liberals were elected to government.

MANILA: <u>Interaksyon</u>: The Philippine Postal Corporation (PHLPost) has advised the public to use the prescribed PHLPost boxes sold at all post offices and postal outlets nationwide. These PHLPost boxes are intended for mailing and sending of goods anywhere in the country and abroad. The public may choose from among the seven different 'standard' sizes of PHLPost boxes available, depending on the volume of the items sent by the customer. The boxes are made of durable material to ensure that all packages are received by the addressees in good condition. The boxes provide markings for proper handling and space for the labels.

January 27

BAHRAIN: DVIDHub: The NAVSUP FLC Bahrain postal team processed over 200,000 pounds of mail this season—158,781 pounds of incoming mail and 52,067 pounds of outgoing mail. In addition to postal team, the NAVSUP FLC Bahrain Fleet Mail Center which supports forces in Bahrain, Djibouti and UAE mailed more than 875,000lbs of mail to 15 homeported ships and 18 deployed Navy and Military Sealift Command ships to Sailors deployed throughout the 5th fleet area of operations.

January 26

EUROPE: Post&Parcel: E-commerce and grocery retailers are beginning to understand that their customers are demanding increasingly sophisticated last-mile solutions. The smart retailers know that people buy groceries much more frequently than other goods and see this as a chance to get a larger slice of their "buying cake". They also realize that when customers do their regular grocery shop (online or in-store), other higher margin items will be bought at the same time. Postal operators and major delivery companies without competence in fresh delivery risk being outsiders in this increasingly important segment. Moreover, a solid standing in temperature-controlled delivery could be an entrée to new complementary segments that will develop over time. E-commerce returns already pose a challenge to delivery networks – returns of perishable foods are even more complex, and failure can result in food being thrown away. Failed deliveries pose another problem. If a delivery is left in a "safe place" or with a neighbor, there is no temperature control and frozen items might thaw.

NIGERIA: The Eagle Online: Abdulkareem Baba, the Director Strategy and Business Development, Nigerian Postal Service, says the agency is set to maximize Information Communication Technology to enhance postal services in the country. Baba said this in an interview with the News Agency of Nigeria on Thursday in Abuja. Accordingly to him, NIPOST will use ICT in its operations to promote socio-economic diversification of the nation and more revenue generation.

UNITED KINGDOM: *Reuters*: Britain's Royal Mail and the Communications Workers Union (CWU) said on Friday negotiators had finalised the details of a proposed agreement to end a row over plans to replace the firm's defined benefit pension scheme. The matters under discussion also include pay, a shorter working week and culture and operational changes. The proposed agreement will be considered by the CWU's postal executive committee next week and then be put to a vote for CWU members and approval by the Royal Mail's board. The CWU has been at odds with Royal Mail since April over its plans to save billions of pounds on its pension contributions and has attempted to call a strike.

January 25

CANADA: Sudbury: This morning the federal government made public its vision for a renewed Canada Post. Some four million households can now rest easy that their door-to-door service will not be cut, but more than 800,000 are still out in the cold. However, if you lost it, kiss it goodbye, says North Bay CUPW President Keith Bradford

GLOBAL: DigitalJournal: Postal automation system market is estimated to exhibit high growth potential during the forecast period owing to rapid adoption of digital technology and increasing need for automation in industrial sector. Major driving factor in the growth of postal automation system market are the technological advancements and growing urbanization. Growth of digitization is another major factor driving the growth of postal automation system market. Growing demand for innovations and increasing technological advancements is another major factor responsible for fueling the growth of postal automation system market.

NIGERIA: PMNews: Mr Abdulkareem Baba, the Director Strategy and Business Development, Nigerian Postal Service (NIPOST) says the agency is set to maximize Information Communication Technology (ICT) to enhance postal services in the country. Accordingly to him, NIPOST will use ICT in its operations to promote socio-economic diversification of the nation and more revenue generation. Baba said the outreach for the post all over the world and all over the country could be used to create financial inclusion and empower as many people as were exposed to it.

January 24

CANADA: <u>CTVNews</u>: The federal Liberals are terminating a program launched by the former Conservative government to convert existing home mail delivery in Canada to community boxes. But some 840,000 families who have already started walking down the street for their mail since the conversions began in 2014 won't see door-to-door delivery restored. The move is expected to upset postal workers who have demanded the post office turn back the clock on mailbox conversions. It also means Canada Post won't realize savings it estimated at \$350 million annually from converting the remaining 4.2 million addresses across the country that still get mail dropped at their doorstep.

UNITED KINGDOM: Post&Parcel: Amazon and eBay are still the UK's most popular online marketplaces, according to a new study commissioned by Royal Mail – and a simple delivery and returns experience is a big draw for online shoppers. According to the survey, 80% of marketplace shoppers buy monthly from Amazon, including 17% doing so weekly. 76% of marketplace shoppers purchase from eBay every month and 16% do so on a weekly basis. The study, part of Royal Mail's annual Delivery Matters report, found that clothes (32%) are the most commonly purchased item from online marketplaces, closely followed by books (31%). Consumers are choosing to buy on marketplaces due to low prices and deals (76%) and the range of products available (70%). They pick marketplaces over online retailers because they can find better deals (60%), purchase items they can't find elsewhere (51%) and there's more variety of the item they're looking for (38%).

January 23

FRANCE: <u>Post& Parcel</u>: French retail group Carrefour and La Poste are teaming up to accelerate the development of nationwide home delivery services for food and non-food shopping. In a statement issued today (23 January), Carrefour and La Poste said the plan was for the Carrefour Livraison Express service to reach 15 French cities by the end of 2018. The companies added: "After successful roll-out in Paris and its immediate surroundings, followed by Lyon, Bordeaux, Toulouse and Montpellier, the Carrefour and La Poste groups will deploy the Carrefour Livraison Express service in 10 new cities in 2018: Clermont-Ferrand, Dijon, Grenoble, Lille, Nancy, Nantes, Nice, Reims, Rennes and Strasbourg. "This one-hour delivery service has been operated, since its creation in 2016, by Stuart, a subsidiary of the La Poste group specialized in urgent urban deliveries."

FRANCE: *Post& Parcel*: Bruno Le Maire, the French Minister of the Economy and Finance, and Philippe Wahl, CEO of Le Groupe La Poste, have signed a Public Service Agreement between the State and La Poste for 2018-2022 – and La Poste said the new agreement includes a number of "innovations". In a statement date 16 January and published on its website today (23 January), La Poste said: "The Public Service Agreement details the State's undertaking to support the four public service missions enshrined in legislation, namely, guaranteeing quality postal service; maintaining a territorial network of 17,000 retail outlets, particularly in rural areas; offering bank services to fragile population groups; and ensuring the delivery of an independent, quality press in France, in exchange for which La Poste commits to respecting ambitious quality indicators. "Moreover, the 2018-2022 Public Service Agreement develops the innovation introduced in the 2013-2017 Agreement, that is, citizens' commitments, illustrating La Poste's desire to contribute actively to the general interest by backing the development of the digital society and local services and by committing to responsible sustainable development."

GREECE: <u>Tornos</u>: The placement of Greece's state-run Post Office (EL.TA) under the umbrella of the Hellenic Corporation of Assets and Participations S.A., itself a memorandum-mandated obligation, essentially means increased efforts to restructure the loss-making postal service. One prospect directly on the table is a reduction in EL.TA's payroll through a voluntary retirement scheme, even though annual losses are still forecast amid ever-increasing competition from private carriers. At the same time, EL.TA unionists argue that the ultimate aim by the government is to intentionally depreciate the postal service in order to place it on the sale block for a fraction of its value. Specifically, during the first nine months of 2017, EL.TA's revenues fell in terms of its traditional mail delivery services, dropping by 8.3 percent from the corresponding period of 2016, or 1.2 million euros in absolute terms.

January 20

UNITED KINGDOM: *FT*: Royal Mail has taken the unusual step of offering to write the regulations needed to help end a long-running pension dispute with tens of thousands of staff. The UK's privatised postal service made the proposal in a meeting with government officials in December, according to people with knowledge of the situation. Royal Mail's decision to close a generous retirement fund on the grounds that it was no longer affordable almost led to a nationwide strike by staff belonging to the Communications Workers Union last year, with the walkout only thwarted by a court injunction. But a resolution is now in sight with the two parties in the final stretch of protracted negotiations over pensions, pay and working practices. The CWU said it backed Royal Mail's efforts to bring about collective defined contribution pensions.

January 19

INDIA: *TheHindu*: In an effort to be more customer-friendly, post offices will soon go entirely online to facilitate access to speedy and reliable services across the State. At present, most counter operations, including booking of Speed Post, is being done manually and updated online later. Once the Core System Integrator (CSI) project is in place, customers will have access to real time update of their articles booked from the time of booking to delivery. They can begin to track the articles within minutes of booking.

ISRAEL: Israelize: Israelis are doing more and more of their shopping online, averaging two orders per second during 2017, according to the Israel Postal Company. This translated to 61 million packages delivered in Israel from ecommerce retailers, 15 percent more than in 2016, according to press reports. And that figure does not include packages handled by other services such as GCX, which reported a 50% increase in its Israeli online order deliveries in 2017, adding up to №28 million (\$8.25 million) of merchandise. The explosion in Israeli ecommerce purchases spurred the Israel Post to open 430 additional distribution centers for parcels in 2017 as well as a 13,000-square-meter online trade center in Modi'in, capable of processing 100 million parcels per year. Recently it signed a lease on a 30,000-square-meter space in the Modi'in industrial zone to house offices and logistics for the online trade center. Amazon reportedly is in negotiations to rent 25,000 square meters of storage space in central Israel in order to lower shipping costs for Israeli customers.

ITALY: <u>Reuters</u>: Poste Italiane said on Thursday it aimed to reap at least 1.8 billion euros (£1.6 billion) in fees this year from selling postal bonds and certificates on behalf of state lender CDP. State-controlled Poste last year signed a three-year distribution contract with CDP that awards the Italian post office between 1.55 billion and 1.85 billion euros depending on performance targets. The targets for 2018-2020 factor in an average decrease of 4 billion euros a year in net inflows of postal savings, the head of Poste's banking division Andrea Novelli told an analyst call.

NIGERIA: WorldstageGroup: Director General of the Bureau of Public Enterprises (BPE), Mr. Alex A. Okoh has said that the planned restructuring and modernisation of the Nigerian Postal Service (NIPOST) will lead to its unbundling to have standalone business components that will project the NIPOST brand, provide efficient service and be put on a profitable path. He noted that NIPOST has great potentials and that given the right incentives and business strategy, it would become efficient, profitable and provide value for money. Okoh said that the final decision on the restructuring would be dependent on the outcome of the work of the Advisers engaged for the transaction.

UNITED KINGDOM: *The Times*: Fears that Royal Mail could be crushed by Amazon and more nimble online delivery companies in the key Christmas period proved unfounded as the privatised postal giant said parcel volumes were up by 6 per cent. It also sent out bullish signals that its drawn-out disputes on future pension provision and pay will be settled amicably. Royal Mail is the former state-owned monopoly sold off by the coalition government in 2013. It employs more than 150,000 people and is highly unionised through the Communication Workers Union (CWU). Last year it had £9.7 billion of revenues and made £335 million in pre-tax profits.

January 18

KOREA: *Koreatimes*: The South Korean postal service is introducing 10,000 electric cars to replace mopeds that have caused workers fatigue and are limited to carrying 35 kilograms of mail and parcels. Korea Post will test the new one-person vehicles in March, service President Kang Seong-ju said on Thursday. The cars can carry loads up to 150 kilograms. "We will bring in 10,000 electric cars by 2020," Kang said at the first meeting of the service's new task force at Korea Post's main office in Jung-gu, Seoul. Kang heads the task force comprising 17 employees and experts. "The new cars will reduce the workers' fatigue and raise their efficiency." Based on the test and discussions with the workers' union, the service will decide whether to increase the car's capacity and safety features.

UNITED KINGDOM: *Reuters*: Royal Mail on Thursday reported a rise in nine-month revenue, helped by higher parcel volumes and strength in its international business. Parcel volumes during the period rose 6 percent, with 149 million parcels handled over the key December trading period. The postal and parcel delivery company said revenue rose 2 percent for the nine months ended Dec. 24, with revenue at its European parcels business climbing 10 percent. The company said it now expects addressed letter volumes to be in the middle of the 4-6 percent decline range it had previously forecast for the full year. Letters performance was better-than-expected, with addressed letter volumes down 5 percent in the nine-month period, Royal Mail said.

January 17

CHINA: Post&Parcel: The latest report from UK-based market research firm Apex Insight has revealed that the global parcel delivery market generated US\$350bn in 2017, up from US\$310bn in 2016. Asia-Pacific is listed as the largest regional parcels market by value, accounting for around 40% of the global market. North America and Europe combined represented just over 50% of the market. The Global Parcel Delivery Market Insight Report 2018 also found China to be the key growth market, representing almost 60% of the Asia-Pacific regional total by value. Chinese parcel volumes reached 31.2 billion in 2016, over 50% up on 2015. As in previous years, the USA is still listed as the largest country market in value terms, although China has surpassed it in volume. In Europe, Germany remains the largest market with the UK having been the fastest-growing of the main countries (7% CAGR). Global online sales approached US\$2.3tn in 2017, having grown at a rate of 25% per year. The largest online retail country markets are the USA, UK, China and Japan. Growth is high in both emerging and developed economies, epitomized by China with online retail growth of more than 40% per year. Globally, online now accounts for just over 10% of total retail sales, up from around 5% in 2012. KOREA: Korea Times: Korea Post will introduce a five-day workweek for mail carriers this year, the postal authority said Wednesday. Under an agreement with its union, the system, which has been introduced in other public sectors, will be tested at 24 post offices across the country from March to June and expanded to other places in July. The move is part of the Moon Jae-in

administration's campaign to strike a balance between work and private life for workers. If the test operation goes well in the first half of the year, the system will expand nationwide in the second half, according to Korea Post.

MALTA: TheIndependent: The Malta Communications Authority last week published the results of its latest business perception survey. The survey was carried out using a sample of 394 respondents which is representative of the Maltese business community. 83% of respondents claimed to be satisfied with the overall quality of postal services as provided by MaltaPost. The majority of respondents (57%) claimed to have received the same volume of addressed letters, consistent with findings from previous research carried out in 2014. When asked about sent letters, the majority of respondents claimed to have sent the same volume of addressed letters (49%), while the proportion of respondents who claimed to have sent more letters, decreased from 7% in 2014 to 4% in 2017. Those respondents who claimed to have sent more letters, cited reasons such as marketing campaigns (40%) and an increasing client-base (33%). The majority (86%) pointed to email as the reason for sending fewer letters, followed by online payments (21%) and eBusiness solutions (such as websites) and messaging services (9% and 13% respectively). When compared to smaller businesses and bulk mailers, large businesses showed the greatest openness towards the idea of a 2-day lead-time, whereby a letter is delivered 2 days after it is posted (as opposed to the current D+1 delivery service offered by MaltaPost). Unlike their smaller counterparts, larger businesses were more likely to send a parcel (42% vs. 24%).

QATAR: The Peninsula Qatar: Qatar Postal Services Company (Qatar Post) yesterday announced the introduction of more flexible options for its Business Delivery Services (BDS). BDS is a tailored service for corporate organisations which provides them the opportunity of having mails picked up and delivered from corporate PO Box to the company premises and vice-versa at their own convenience weekly. Previously, mails are delivered at a fixed yearly rate of QR7,000 for up to six deliveries per week but with the new package, organisations can now enjoy the service with the flexibility of choosing between one, three or five deliveries per week at corresponding rates. The BDS is available on all days except Fridays and mails are delivered to every location in Qatar.

TAIWAN: Bernama: Chunghwa Post Co, Taiwan's national postal service, officially put 1,627 electric scooters into service Monday as part of a company plan to phase out its entire fleet of nearly 9,000 gasoline-powered motorcycles by 2023, Taiwan's Central News Agency (CNA) reported. In line with the Cabinet's new air pollution control action plan, the state-run company last year began planning to gradually phase out its gasoline-powered motorcycles and replace them with electric one. Chunghwa Post will fully replace all its 8,946 gasoline-powered motorcycles with electric ones by 2023, about 12 years earlier than the government's scheduled 2035 for a full ban on sale of gasoline-powered motorcycles, according to the company. The 1,627 electric scooters will be used in Taipei, New Taipei, Taoyuan and Kaohsiung, and in Yilan County and offshore Penghu County.

January 16

ISRAEL: <u>Hamodia</u>: Next in line for government privatization is the Israel Postal Corporation (IPC), according to a report in Yisrael Hayom Tuesday. The report quoted government officials as saying that income at the IPC was significantly down in recent years. IPC officials at the meeting told the ministers that there were many services they hoped to offer, but were unable to do so due to government regulation. Privatization would remove the requirement for some of those regulations and enable the IPC to be more competitive. Like postal services around the world, the Israel Postal Corporation also faces significant challenges from email and other electronic message distribution services, which have badly hurt the letter business; the Corporation's income from letters falls some 6 percent to 8 percent a year. However, those losses are more than made up for by the increased traffic in packages, due to the rise in overseas shopping, the report said.

January 15

TAIWAN: *MalaysianDigest*: Chunghwa Post Co., Taiwan's national postal service, officially put 1,627 electric scooters into service Monday as part of a company plan to phase out its entire fleet of nearly 9,000 gasoline-powered motorcycles by 2023, Taiwan's Central News Agency (CNA) reported. In line with the Cabinet's new air pollution control action plan, the state-run company last year began planning to gradually phase out its gasoline-powered motorcycles and replace them with electric ones, said Deputy Transportation Minister Wang Kwo-tsai. The air pollution control action plan, unveiled last year, lays out several targets: cut in half the number of air quality red alert days by 2019, replace all public vehicles with electric-powered ones by 2030, and require all scooters and cars to go electric by 2035 and 2040, respectively. Chunghwa Post will fully replace all its 8,946 gasoline-powered motorcycles with electric ones by 2023, about 12 years earlier than the government's scheduled 2035 for a full ban on sale of gasoline-powered motorcycles, according to the company.

January 12

BORNEO: BorneoBulletin: Minister of Communications Dato Seri Setia Awang Haji Mustappa bin Haji Sirat yesterday stressed on the value of and need for fast and reliable postal services, which can spur in e-commerce business activity within the country. The need for speedy postal services is particularly important in this day and age, where people are ever more interconnected, and businesses are continuously striving to expand outside the country and vice versa, the minister said.

NORWAY: The Local: Norway's Ministry of Transport has proposed cutting down post deliveries to every second day. The cutbacks could cost 2,500 jobs, reports news agency NTB. A steep decrease in the volume of post sent by Norwegians is cited as the reason for the potential cuts to postal services, writes the agency. Reduced demand means the cost of maintaining deliveries five days a week is reaching a critical level. Delivering post only every other day would make savings of 500 million kroner annually from 2020 and 650 million kroner annually from 2025.

January 11

UKRAINE: <u>Ukrinform</u>: Tariffs for postal and communication services for Ukrainian enterprises, institutions and organizations in 2017 grew by 19.1% compared with the previous year, the website of the State Statistics Service of Ukraine reports. Thus, tariffs for postal services for enterprises in 2017 increased by 66.6%, tariffs for local telephone services grew by 15.7%. Also, tariffs for mobile phone services rose by 11.9% and for international telephone services - by 7.2%. Compared to 2016, tariffs for interurban telephone services remained unchanged. As earlier reported, according to the State Statistics Service, tariffs for postal and communication services for enterprises in 2016 increased by 7.1% compared with 2015.

January 9

CHINA: Post& Parcel: FedEx has officially opened its new FedEx Shanghai International Express and Cargo Hub at Shanghai Pudong International Airport. The 134,000-square-metre facility is equipped with a dedicated Customer Care Centre as well as cold-chain facilities. FedEx currently has 66 weekly flights in and out of the Hub. With a fully automated sorting system, the new facility can process up to 36,000 packages and documents per hour. The facility can send real-time information, including flight and shipment status, to customers' mobile devices so they can arrange pick-ups accordingly and reduce logistics cost. With dedicated areas for China Customs and China Entry-Exit Inspection and Quarantine (CIQ), the Hub simplifies operations and improves the Customs clearance process.

Czech Republic: *Post& Parcel*: Following a surprise rejection in November, the Czech national regulator eventually awarded a postal licence for 2018-2022 to Czech Post on 12 December. "I am happy we persisted in the struggle and finally won the licence. We will thus maintain a network of 3,200 post offices and deliver according to given parameters in the coming years," Martin Elkán, the post's CEO said. The legislative procedure to select the USO provider for the period 2018 – 2022 began in July last year and Czech Post was the only applicant. However, Czech Telecommunication Office, the national regulation authority, turned down the application, citing as a formal reason the post's not adhering to the cost-orientation pricing principle.

FINLAND: Post&Parcel: Finland's Posti has reported that it delivered more than 37m parcels in 2017, up 9% on the previous year. Record-breaking online sales during the holiday season contribute to the increase, the company said in a <u>statement</u> issued last week. The company saw particularly strong take-up of its parcel locker service. In addition to parcel volume, Posti also delivered around a million letters containing goods per month, mainly sent from Chinese online stores.

NORWEGIAN: Teslarati: The Tesla Semi continues to get the attention of companies beyond the United States. Posten Norge, a Norwegian postal service that's otherwise known as Norway Post, recently placed its order for the Tesla Semi, bolstering its commitment to electrify its fleet of long-haulers. According to Norway Post press head John Eckhoff, the Tesla Semi meets the needs of the European state-owned firm, which is currently aiming for a full transition towards an emissions-free fleet by 2025. Considering the features and capabilities of the Tesla Semi, the massive long-hauler could play a significant role in ensuring that Norway Post does achieve its goal.

SWITZERLAND: Post&Parcel: Swiss Post has reported that it delivered more than 20,000 children's letters and cards to Santa Claus over the festive season. In a <u>statement</u> issued today (9 January), Swiss Post said: "19,448 of the 20,188 children's letters received were answered. At 96 percent, this corresponds to the long-term average. Unfortunately, the remaining letters could not be answered by Santa Claus because of missing sender information or insufficient details about the author.

January 8

CHINA: Xiahuanet: Chinese express firms delivered an estimated 40 billion parcels last year, up 28 percent year on year, the national postal service regulator said Monday. Overall postal business is expected to reach 976 billion yuan (150 billion U.S. dollars), up 32 percent year on year, with revenue rising by 23.5 percent, according the State Post Bureau. While couriers delivered over 100 million parcels each day last year, consumer satisfaction stood at 75.7 percent, up only one point from 2016. Postal infrastructure expanded steadily last year with over 1,000 storage and delivery centers built.

INDIA: Ahmeda: The postal department can no longer throw the rule book at you and wash its hands off its responsibility of

successfully delivering your parcel. According to a recent consumer court ruling, India Post is liable to compensate a customer for the lost parcel, the value of its contents besides payment towards causing mental harassment and legal charges incurred. The court, in its ruling, also said the responsibility of a government unit towards the public it serves is double that of its private counterpart.

IRELAND: Post&Parcel: An Post delivered 1.74m parcels in the five week lead-up to Christmas, which was a new record and up 27% on the previous year. In a statement sent to Post&Parcel, An Post said: "Parcel volumes from key customer Amazon alone showed an increase of more than 30% on 2016. Among the parcel customers featuring heavily in An Post delivery offices over Christmas were Irish brands Arnotts, Brown Thomas, Gifts Direct and Smyths Toys alongside international brands Zara, H&M and IKEA. An Post secured a greater share of the supply-side parcels market (where the supplier pays) due to an improved service specification which includes Saturday deliveries and later cut-off times for next-day delivery. These changes were agreed with our Union partner in July 2017. An Post also secured a higher share of the consumer parcels market with the extension of the AddressPal service to include AddressPal USA and a returns service ReturnPal." An Post said that its mail volumes "performed better than expected" in December as they were "down by just over 6%" (in line with global trends of declining mail volumes).

MALAYSIA: <u>TheEdgeMarkets</u>: The market seems to have shrugged off the unexpected resignation of Pos Malaysia Bhd group CEO Datuk Mohd Shukrie Mohd Salleh, as the share price has rebounded from its recent decline. Citing his intention to make a career change, the company announced Shukrie's resignation on Dec 11. In the same announcement, the company said Datuk Azlan Shahrim had been appointed as the covering group CEO until a suitable candidate is appointed.

MALTA: <u>Independent</u>: A study conducted by the Malta Communications Authority has shown that businesses in Malta were not too pleased with the idea of a 5-day postal schedule week, and many were also willing to pay higher postal price in order to maintain the

6-days schedule. Currently, MaltaPost delivers mail on a 6-day schedule, between Monday to Saturday. When asked whether they would find a 5-day delivery week acceptable, only 44 per cent replied they would. Moreover, 86 per cent of those who deemed a 6-day schedule necessary said that they were willing to pay higher postal prices in order to maintain a 6-day schedule. Asked whether they would prefer Monday or Saturday to be removed if the schedule were to shorten, 80 per cent of respondents replied that they preferred removing Saturday from the schedule, rather than Monday. The study also showed that in the past three years, postal services in Malta were not that much in decline when it comes to businesses. The majority of respondents (57 per cent) claimed to have received the same volume of addressed letters, consistent with findings from precious research carried out in 2014. UNITED KINGDOM: CityAm: Royal Mail's main union insisted confidence was growing a deal could be struck to avoid industrial action after a fresh round of talks this week. In a short update to its members, the Communication Workers Union (CWU) said further ground had been made during highly secretive negotiations with Royal Mail leaders. "Our confidence grows that we will reach a negotiators agreement which will address all of the issues we have campaigned on," a statement by the CWU read. CWU negotiators are set to provide an update to the union's executive committee next Tuesday, with further details cascaded down to the postal giant's rank and file shortly afterwards.

January 4

AUSTRALIA: Post&Parcel: Australia Post has announced that it made more than 37m parcel deliveries during December. Australia Post Chief Operations Officer and Executive General Manager, eCommerce Delivery, Bob Black said more than 2,000 extra staff were employed to handle the record volumes and help ensure Australians received their Christmas goodies. "In the final week before Christmas, we delivered more than 11m parcels alone, and more than 100m greeting cards and letters. Speed of delivery was a key consideration for many customers, with several days in the week before Christmas recording increases of more than 30% across our Premium and Express services." Black said that customers had also made extensive use of Australia Post's delivery options, including weekend deliveries and extended trading hours, as well as parcel redirections, parcel pick up directly from Australia Post facilities, and safe drop, which allows a resident to nominate a safe place for parcels to be left at their property when they are not at home.

January 3

GERMANY: <u>Post&Parcel</u>: United Arab Emirates-based Gulf Islamic Investments (GII) has bought two Amazon logistics centres in Dortmund, Germany for \$144m. According to reports published by Forbes and other sources, the logistics centres are leased out to Amazon on a long-term unbreakable lease.

INDIA: Gizbot: With an aim to resolve complaints more efficiently, the Department of Posts has introduced Complaint Tracker in Postinfo App. The app has the number of features like tracking consignments, Post Office search, postage calculator, insurance premium calculator and interest calculator. Postinfo app also comes with three different calculators- Postage, Premium, and Interest and with the postage calculator allows you to calculate the postage amount to be paid based on its weight, while premium calculator helps you to calculate the premium payable for different Postal /Rural Postal Life Insurance Policies and interest calculator shows the interest rate for various savings schemes.

NETHERLANDS: *Post& Parcel*: PostNL has reported that it will continue with its baggage delivery service, following a successful pilot in 2017. In a statement issued on 29 December, PostNL said that it ran a pilot of the "Bagageservice" in March, for travelers traveling from Schiphol and Eindhoven airport. PostNL commented: "This service has two variants: The check-in service, where luggage is picked up from home and checked in for the traveler. The standard service, where luggage is collected at home and delivered at the airport, was offered via the PostNL website, the NS and other travel organizations. The traveler can then check in the suitcases himself at the airport."

UNITED KINGDOM: *Post& Parcel*: The continued surge in online shopping will see over £2.5bn of unwanted Christmas presents returned to retailers this year in the UK, according to estimates from LCP Consulting. The majority will be returned between mid-December (following Black Friday) to mid-January. LCP said that, in order that to improve the efficiency of returns, successful retailers are implementing: Returns-ready packaging, Returns labels in original package, Easy drop off/collection points and Credit on first scan, not after the retailer has processed the return.

January 2

UNITED KINGDOM: Tamebay: We've been adding up the numbers according to our estimated <u>Royal Mail and CWU Mediation Process Timeline</u> and whichever way we add up the weeks there's nothing stopping the CWU from now calling postal strikes should they wish to. So far as we can tell, the legal restrictions imposed by the mediation agreement ran out on or around the 27th of December and the CWU have their mandate for strikes from <u>the ballot</u> which took place at the beginning of October. However there are a number of mitigating circumstances which could make it very unlikely that postal strikes will happen before the ballot validity runs out – strikes have to be held within 6 months which means if there is no industrial action by March a new CWU ballot would be required. Strikes could of course still take place, the CWU have said "We have reminded Royal Mail Group that we are still in dispute and we will not hesitate to serve notice for industrial action if we suspect, at any moment, that we are losing impetus or that progressive talks have stalled or are going backwards".

Postal/Industry News

January 30

Federal Register: Postal Service - Meetings; Sunshine Act, 4296–4297 [2018–01936], [PDF]

Industry Alert: Discontinued Support of FTP for IV-MTR Support for non-secure file transfer protocol (FTP) in the Informed Visibility® Mail Tracking & Reporting (IV®-MTR) application is being discontinued. As previously announced, the United States Postal Service (USPS) extended the deadline for IV-MTR customers to convert to a secure transfer method (e.g., Secure FTP) until January 31, 2018. On January 27, 2018, the option to choose FTP as a data transfer method was removed from the IV-MTR web application preventing "new" FTP selections from within the application.

On Wednesday, January 31, 2018 at approximately 09:00 EST, the IV-MTR application will modify each remaining FTP feed to be accessible manually via Online Download within the web app. The collection of scan data for each FTP feed that was modified to Online Download will continue, and mailers will be able to access their data through either Online Download or by selecting an available Secure FTP server. This approach ensures no data will be lost but will only be available through a secure method. We do not want the conversion to a secure transfer method to be an impediment to your continued data access.

Instructions are provided in the <u>Actions for Transitioning to a Secure Transfer Method</u> document. For additional information about IV-MTR and the migration, please visit the <u>IV PostalPro</u> webpage.

If you need any assistance, please contact the IV-MTR Help Desk at 1-800-238-3150, Option #2, or InformedVisibility@usps.gov.

January 28

Office of the Inspector General: <u>Getting Real with Artificial Intelligence</u> - Artificial intelligence (AI) is becoming the new norm for customer service. In fact, in the very near future, finding that missing package might be as easy as going to USPS.com and talking with a chatbot. Learn more about AI and how USPS used it this past holiday season in our latest "Pushing the Envelope" blog: https://go.usa.gov/xnGVn

Industry Alert: The Temporary Emergency Committee of the Board of Governors of the U.S. Postal Service ("TEC") will meet February 9 in open session at Postal Service headquarters, 475 L'Enfant Plaza, SW, Washington, DC. The public is welcome to observe the meeting beginning at 8:30 a.m. ET in the Ben Franklin Room on the 11thfloor. The TEC is expected to discuss the following items:

- 1. Call to order
- 2. Remarks of TEC Chairman/Postmaster General & CEO
- 3. Approval of previous minutes
- 4. Quarterly Financial Report
- 5. Quarterly Service Performance Report
- 6. Tentative agenda for April 10 meeting
- Adjourn

Open session meetings of the TEC of the Board of Governors are available on live audio webcasts

at http://about.usps.com/news/electronic-press-kits/bog/welcome.htm. Three hours after the conclusion of the open session meeting, a recorded audio file will be available for listening. In compliance with Section 508 of the Rehabilitation Act, the audio webcast will be open-captioned.

Financial Briefing

Following the TEC's open meeting on February 9, Postmaster General & CEO Megan J. Brennan and Chief Financial Officer Joe Corbett will host a telephone/web conference call to discuss the financial results in more detail. The call will begin at 10:30 a.m. ET and is open to the news media and all other interested parties.

How to Participate:

Important Notice: To ensure your computer is set up to join the event, click on the link www.webex.com/lp/jointest/

US/Canada Attendee Dial-in: 844-340-4622

Conference ID: 1475169

Attendee Direct URL: https://usps.webex.com/usps/onstage/g.php?MTID=ef48820aeaa353c88133eef97ceea011e

If you cannot join using the direct link above, please use the alternate logins below:

Alternate URL: https://usps.webex.com

Event Number: 997 229 291

January 26

Federal Register: Postal Service - Notices: Privacy Act; Systems of Records, 3777–3778 [2018–01466] [PDF]

January 25

Office of the Inspector General: <u>Inbound ePackets Cost Attribution</u> ePackets are lightweight packages that allow faster deliveries from 29 countries to the United States through agreements between foreign postal services and the U.S. Postal Service. They also offer shippers lower prices, parcel tracking, and free returns for undeliverable packages. In their latest report, OIG auditors assessed the accuracy and transparency of ePackets costing and returns. Read the full report here: https://go.usa.gov/xnfAE

January 24

Industry Alert: Acting Chief Customer and Marketing Officer/Executive Vice President – Jacqueline Krage Strako The Postmaster General and Chief Executive Officer, Megan J. Brennan, announced internally that Jacqueline (Jakki) Krage Strako will be detailed to the position of Chief Customer and Marketing Officer and Executive Vice President, effective February 3. Here is an excerpt of the announcement: In her new assignment, Jakki will be responsible for developing and executing strategies that align with customers so that we can more effectively meet their needs in an increasingly digital and rapidly evolving marketplace. She will drive our product development and marketing, industry engagement, as well as sales and customer care. Jakki's 28-year postal career has spanned operations, finance, budget, and industrial engineering. Throughout her career she has been a passionate advocate for the customer, and an effective leader, strategist, and problem solver. She brings a deep understanding of the organization, our customers, and the marketplace to this important role. She has been instrumental in managing and strengthening relationships with many of our largest customers and business partners, and in delivering excellent results for our organization. Please join me in congratulating Jakki and offering her your continued support in her new assignment.

Industry Alert: Discontinued Support of FTP for IV-MTR Support for non-secure file transfer protocol (FTP) in the Informed Visibility® Mail Tracking & Reporting (IV®-MTR) application is being discontinued. As previously announced, the United States Postal Service (USPS) has extended the deadline for IV-MTR customers to convert to a secure transfer method (e.g., Secure FTP) until January 31, 2018.

On January 27, 2018, the option to choose FTP as a data transfer method will be removed from the IV-MTR web application through a patch release, preventing "new" FTP selections from within the application.

On January 31, 2018, the IV-MTR application will modify each remaining FTP feed to be accessible manually via Online Download within the web app. On February 1, 2018, USPS Data Transfer Services (DTS) will disable FTP support. The collection of scan data for each FTP feed will continue, and mailers will be able to access their data through either Online Download or by selecting an available Secure FTP server. This approach ensures no data will be lost but will only be available through a secure method.

We do not want the conversion to a secure transfer method to be an impediment to your continued data access.

Instructions are provided in the <u>Actions for Transitioning to a Secure Transfer Method</u> document. For additional information about IV-MTR and the migration, please visit the <u>IV PostalPro</u> webpage.

If you need any assistance, please contact the IV-MTR Help Desk at 1-800-238-3150, Option #2, or *InformedVisibility@usps.gov*.

January 23

Federal Register: Postal Service - Privacy of Information: Adding Clarifying Language Concerning Purpose of Contract or Interagency Agreement, 3085 [2018–01084], [PDF]

Office of the Inspector General: <u>Thinking Strategically About PVS</u> It takes a lot of vehicles to move 154 billion pieces of mail each year. And a lot of fuel to power those vehicles. This week's Pushing the Envelope blog looks at a recent audit of fuel costs and consumption strategies for the U.S. Postal Service's Postal Vehicle Services fleet – around 4,300 vehicles -- to see how effective they are and how they might be improved. Read more on our blog here: <u>https://go.usa.gov/xnwSM</u>

January 22

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

Postage Stamp Denominations

We revised <u>604</u> to update the current postage stamp denominations table and other information related to purchasing stamps and printing stamped envelopes and cards. This revision reflects changes resulting from the January 2018 Price Change. We published this information in the January 4, 2018, *Postal Bulletin*.

Dual Shipping Labels

We revised <u>602.2.0</u>, <u>Addressing</u>, to add a new subsection to provide information regarding the use of "dual" shipping labels. We published this information in the January 4, 2018, <u>Postal Bulletin</u>.

Hold For Pickup Expanded to Collect on Delivery (COD at Retail)

We revised 503, 507, 508, 604, 609, and the Index, to expand the availability of Hold for Pickup service combined with Collect on Delivery (COD) when purchased at USPS® Retail Post Office locations, with any product available with COD service, correct minor omissions made in January 2017 pertaining to COD service, and from prior edits to Forms Glossary. We published this information in the January 4, 2018, *Postal Bulletin*.

International Inbound Mail Entry

We revised <u>608.2.3</u>, *International Mail*, to add information regarding international inbound mail entry at domestic offshore locations. We published this information in the *December 7*, 2017, *Postal Bulletin*.

Products Mailable at Nonprofit Marketing Mail Prices

We revised <u>703.1.6.11</u> to include low-cost item adjustments referenced in the Internal Revenue Code. We published this information in the *December 7, 2017, Postal Bulletin*.

New Mailing Standards for Domestic Mailing Services Products

We revised the DMM in various sections to implement the changes coincident with the price adjustments and other minor DMM changes. Prices are available under Docket Number R2018-1 on the Postal Regulatory Commission?s Web site at www.prc.gov. We published this information in the *December 7, 2017, Postal Bulletin*.

Domestic Mail Manual Simplification

We revised the DMM in various chapters to continue our simplification initiative without changes to standards to make it quicker, easier, and more convenient. We published this information in the *November 9, 2017, Postal Bulletin*.

Extra Services Forms

We revised <u>503</u>, to reflect the elimination of four extra service forms at certain retail offices. We published this information in the *November 9*, 2017, *Postal Bulletin*.

USPS Retail Ground – Limited Overland Routes Price Eligibility

We revised <u>153.1.0</u>, *Prices and Fees*, to add information regarding USPS Retail Ground[®] limited overland routes (LOR) prices. We published this information in the *October 26*, 2017, *Postal Bulletin*.

New PC Postage Provider

We revised <u>604.4.1.4</u> to add EasyPost as a new authorized PC Postage provider. We published this information in the *October 26*, 2017, Postal Bulletin.

Retail Postage Payment Methods

We revised various sections of the DMM to clarify the payment methods for retail customers. We published this information in the *October 26, 2017, Postal Bulletin*.

Our next scheduled DMM update is March 5, 2018.

January 21

Industry Alert: *Attention PostalOne!* ®, *EPS/eBilling,CAPS Users: PostalOne!/BIDS Release 47.0.1.0* is complete and the *PostalOne!* system is available. Release Notes are posted on PostalPro

at: https://postalpro.usps.com/Releases/Jan2018Release. If you experience any issues, contact the Postal One! Help Desk at (800)-522-9085.

This release corrected the following Known Issues

- · ALM 11997 Issue impacting Postal Wizard Carrier Route postage statements. The system is no longer incorrectly throwing a warning stating the minimum quantity required is 150 pieces.
- ALM 12003 Issue impacting Mail.dat Version 15-1 Periodical submission failures. The mapping issue has been corrected. **CAPS Release 47.0.1.0:** is complete and the CAPS system is available

EPS/eBilling Release 3.2.0.0 is complete and the EPS/eBilling system is available.

January 19

Office of the Inspector General: <u>Delivery Charge Codes</u> The U.S. Postal Service maintains city carrier labor cost data in its Time and Attendance Collection System (TACS). Our latest audit report assessed the reliability and accuracy of TACS data for city carrier labor costing. Could the Postal Service improve the reliability and accuracy of TACS data for use in city carrier labor costing? Read the findings here: https://go.usa.gov/xnw8x

Industry Alert: National Postal Forum (NPF), the Nation's Premier Mailing and Shipping Conference, at San Antonio, Texas - May 6-9, 2018 Thousands of mailers and leaders in the mailing and shipping industry will convene in San Antonio, TX this May to leverage and learn more about the latest innovations in mailing technology. The theme for NPF 2018, "Informed Customers – Customer Experience Delivered," will highlight innovative technology and ways the U.S. Postal Service is using it to enhance the customer experience.

NPF marks its 50th year in 2018 and is known for highlighting the most up-to-date tools, services and information, as well as the best educational and networking opportunities for the mailing industry.

Customers are encouraged to register now to benefit from five specific educational workshop tracks that target different segments of the industry, and beginner and advanced courses. The workshop tracks are:

- Leveraging Customer Experience with Data Analytics: Attendees will learn techniques for improving analytics to improve the customer experience.
- **Mail and Future Emerging Technologies:** These workshops will focus on the evolution of Informed Delivery and other USPS innovations.
- Streamlining Your Mail Center Operations: Learn methods to effectively manage mailing operations.
- Shipping Innovations in an Evolving World: Learn tips and tricks to maximize returns in the competitive shipping market.
- Direct Mail the Cornerstone of Omni Channel and Digital Campaigns: In-depth study of the relevance of direct mail and the impact of the digital age; using direct mail to improve advertising performance with omni-channel marketing.

A key component of the Forum is interacting with USPS leaders, and hearing officer-led sessions on the preparation, entry and delivery of mail. Here is a teaser of a few officer-led sessions:

- Transforming "1's and 0's" into an Informed Customer Experience Isaac Cronkhite, VP, Enterprise Analytics
- Enhancing The Customer Experience With First-Contact Solutions Pritha Mehra, VP, Mail Entry & Payment Technology
- Innovating Today for Tomorrow's Customers Gary Reblin, VP, Product Innovation

And, as always, the highlight of the Forum will include the keynote address from the Postmaster General and Chief Executive Officer, Megan J. Brennan.

The 2018 Forum features four days of postal and industry leadership seminars, instructional workshops and networking events designed to help the mailing industry and associated businesses achieve greater success.

For more information, visit www.npf.org to view detailed information on workshops, events and speakers.

Industry Alert: Attention PostalOne!® and Program Registration Users: PostalOne!/BIDS will deploy on Sunday, January 21, 2018 from 4:00 AM to 8:00 AM CT. The PostalOne! system will remain available. Release notes are posted on PostalPro at: https://postalpro.usps.com/Releases/Jan2018Release CAPS Release 47.0.1.0 will deploy on Sunday, January 21, 2018 from 4:00 AM to 8:00 AM CT. The CAPS application will remain available during this time frame. eBilling/EPS Release 3.2.0.0 will deploy on Sunday, January 21, 2018 from 6:00 AM to 8:00 AM CT. The eBilling/EPS application will be available during this time frame. If customers experience any issues, they should contact the PostalOne! Help Desk at 800.522.9085.

Office of the Inspector General: <u>Fiscal Year 2017 Bank Secrecy Act Program</u> Read our recently released audit report on the Postal Service's Bank Secrecy Act for Fiscal Year 2017 at: <u>https://go.usa.gov/xnwxC</u>

Industry Alert: Attention PostalOne! Users: **Reminder** - January 2018 Price Change Information The January 2018 Price Change goes into effect on January 21, 2018. New postage statements are available on Postal Explorer® at <u>pe.usps.com</u>. The Postage Statement information is in the January 2018 Price Change "Documents" link. Postage Statement Usage As of January 21, 2018, new postage statements are required for:

- First-Class Mail®, PS Form 3600 FCM
- Periodicals, PS Form 3541
- International Mail, PS Form 3700

New prices are required for all mailings, no exception. Customers are required to transition to the new postage statements beginning January 21, 2018. Customers who cannot make the change to the new postage statements by January 21, 2018, must apply for an exception through their local BMEU office following the instructions for the January 2018 Price Change Postage Statement Exception Process posted on PostalPro at https://postalpro.usps.gov/Releases/Jan2018Release/psexceptioninstructions.

Plant-Verified Drop Shipment Mailings

In conjunction with the upcoming price change occurring on January 21, 2018, plant-verified drop shipment (PVDS) mailings will be verified and accepted as follows:

Current Prices — PVDS mailings verified and paid for before January 21, 2018, using the current prices, will be accepted at destination entry postal facilities through Monday, February 5, 2018, when presented using eInduction[®] or eVS[®] processes or with appropriate verification and payment documentation (PS Form 8125 or PS Form 8017).

New Prices — PVDS mailings may be verified and paid for beginning January 7, 2018, using the new prices, provided the shipments, when presented using eInduction or eVS processes, or with appropriate verification and payment documentation (PS Form 8125 or PS Form 8017), are not deposited at destination entry postal facilities before January 21, 2018.

- For mailings with electronic documentation, mailers must enter a Mail Arrival Date that is on or after January 21, 2018.
- For mailings with hard copy postage statements, USPS® acceptance employees must enter a Mail Arrival Date that is on or after January 21, 2018.

Known Issues List: List of known issues is posted on PostalPro at https://postalpro.usps.com/knownissues/1.9.18List **Mail.dat Versions:** Effective January 21, 2018, Mail.dat Version 15-1 will be retired and mailers need to use Mail.dat Versions 17-1 or 17-2. The Postal Service Technical Specification for Mail.dat, Version 4, Release 47

(https://postalpro.usps.gov/Releases/Jan2018Release/maildattechspecsv4) contains additional information.

January 16

Office of the Inspector General: Facility Security Review The U.S. Postal Inspection Service is responsible for ensuring the security of USPS facilities, including 21 highly automated Network Distribution Centers (NDCs). By providing security training and guidance to Postal Service security employees, USPS ensures the protection of its employees, customers, and the mail. This week's Pushing the Envelope blog examines the results of our audit on security procedures at certain NDCs. Read more at: https://go.usa.gov/xnvbM. Industry Alert: Support for non-secure file transfer protocol (FTP) in the Informed Visibility® Mail Tracking & Reporting (IV®-MTR) application is being discontinued. We have extended the deadline for IV-MTR customers to convert to a secure transfer method (e.g., Secure FTP) to January 31, 2018. This is to ensure all customers who transitioned from IMb Tracing to IV-MTR have time to move to a secure transfer method. We do not want the conversion to a secure transfer method to be an impediment to your continued data access. Instructions are provided in the Actions for Transitioning to a Secure Transfer Method document. For additional information about IV-MTR and the migration, please visit the IV PostalPro webpage. If you need any assistance, please contact the IV-MTR Help Desk at 1-800-238-3150, Option #2, or InformedVisibility@usps.gov.

Industry Alert: Due to inclement weather in Memphis, Tennessee many flights were canceled this morning affecting delivery of Priority Mail Express products. The flights have been rescheduled for this afternoon but will impact delivery in all USPS areas; Capital Metro, Eastern, Great Lakes, Northeast, Pacific, Southern, and Western. We will provide updates as more information becomes available.

Industry Alert: Want a Package Redelivered? Scan the QR Code Using Your Smart Device! The Postal Service has renamed and redesigned one of its most used forms--PS Form 3849, *Delivery Notice/Reminder Receipt*. The new name of the form is "We ReDeliver for You!" The redesigned form is user friendly for customers, clerks, and carriers. The revisions allow us to provide more detailed information to customers regarding delivery attempts. The form comes in different colors – peach for Monday through Saturday deliveries and yellow for Sunday. These changes are a result of improved technology and the ever-changing needs of our

customers. The revised form will be used nationwide beginning January 21 (see front and back images of current and redesigned forms below). The new form contains a Quick Response (QR) Code, a new option that simplifies scheduling redelivery for customers with a smart device. Users can scan the QR Code using an Android or iOS device to access www.usps.com/redelivery, and select the redelivery date for the item(s). It's that easy --We ReDeliver for You!

Office of the Inspector General: <u>Returns Season Is Upon Us</u> Did you know that about 15 percent of all goods purchased online are returned? So as shopping online increases so does the amount of package returns. With projections of over 2 billion packages delivered this holiday season, that's roughly at least 300 million returns. Our latest Pushing the Envelope Blog discusses U.S. holiday-related retail returns. Read more on our blog here: https://go.usa.gov/xnVXm

January 12

Industry Alert: Attention PostalOne! and Business Customer Gateway Users: The Memphis TN area is experiencing inclement weather today, Friday, January 12, 2018. Due to the weather we are operating with a reduced staff. We apologize for any delay in response to your issue. We are responding to calls and emails and we appreciate your patience during this weather event.

January 10

Industry Alert: New Customer Supplier Agreement Approval Structure The approval structure for Customer Supplier Agreements (CSAs) was modified with FAST Release 37.0.0.0 which completed on Sunday, January 7, 2018. The required approvals were reduced from seven to four, which helps to streamline the process and allows for CSAs to be implemented sooner.

January 7

Industry Alert: Attention PostalOne!®, MicroStrategy Users: Two issues have been identified after yesterday's software deployment.

Postal Wizard

Issue: ALM 11997 – An issue has been identified impacting Postal Wizard Statement claiming Marketing Mail Carrier Route Letters. When submitting a Postal Wizard Postage Statement PS Form 3602 claiming Carrier Route Letters, Postal Wizard is displaying an incorrect warning stating "Carrier Route Price lines require a minimum of 150 pieces." This is incorrect for Carrier Route Bundle preparation for Marketing Mail letters, which requires a minimum of 10 pieces per the DMM.

Work Around - There is no work around. This is a warning display issue only. The Postal Wizard statement is able to be finalized and there is no financial impact.

SASP Processing: Due to yesterday's SASP deployment, the SASP cutoff to pass Seamless data to the Mailer Scorecard was missed this morning. It is expected that both yesterday's and today's Seamless data will be available on the Seamless Tab of the Mailer Scorecard tomorrow.

January 6

Federal Register: Postal Regulatory Commission - FY 2017 Annual Compliance Report, 839–841 [2018–00082] [PDF]

January 4

Office of the Inspector General: Facility Security at Network Distribution Centers

The United States Postal Service uses its

Vulnerability Risk Assessment Tool to identify security risks and vulnerabilities at Network Distribution Centers (NDCs). The 21

NDCs across the country are mail processing centers that handle standard mail and packages. Our latest audit report examines whether the U.S. Postal Service effectively addressed security deficiencies identified at NDCs. See our findings at: https://go.usa.gov/xnyUt

Office of the Inspector General: Postal Vehicle Service (PVS)

fleet moves mail between Postal Service processing facilities, inner-city delivery offices, and local businesses and mailers. The PVS fleet currently consists of over 4,300 vehicles that usually travel within a 50-mile radius of their Postal Service locations. In our latest audit report we evaluated the effectiveness of PVS fuel cost and consumption strategies. Read our findings and recommendations here: https://go.usa.gov/xnyuW

January 3

Office of the Inspector General: Internal Controls Over Local Purchases and Payments – Hartford, CT, Main Office The OIG uses its Field Financial Risk Model to identify post offices with potential financial control risks. The purpose of our latest audit report was to determine whether internal controls were in place and effective for making local purchases and payments at the Hartford, CT, Main Office. Read the full report and findings now: https://go.usa.gov/xny2v

Industry Alert: Chief Customer and Marketing Officer/Executive Vice President – Jim Cochrane Retiring The Postmaster General and Chief Executive Officer, Megan J. Brennan, announced internally the upcoming retirement of Jim Cochrane. Here is an excerpt of the announcement: After more than 43 years of exceptional leadership, service, and accomplishment James (Jim) P. Cochrane will begin a new chapter in his life as a postal retiree beginning February 2. Jim has had a lasting impact on the Postal Service and the mailing and shipping industry. In his recent roles as Chief Customer and Marketing Officer, and Chief Information Officer, and in numerous prior roles in Operations, Sales, Marketing, and Information Technology, he has been an innovative leader, anticipating our business challenges, identifying growth opportunities, and formulating and executing strategies to improve our ability to compete for customers. Throughout his career, Jim has been a tireless advocate for the customer, and for improving the experience every customer has with us. Jim has actively engaged and collaborated with our business partners in the industry, and played a vital, leading role in strengthening these important relationships.

January 2

Office of the Inspector General: <u>Fiscal Year 2017 Selected Financial Activities and Accounting Records</u> Did the U.S. Postal Service fairly state selected accounting transactions and whether key controls surrounding those transactions were operating effectively during FY-17? The Sarbanes-Oxley Act requires USPS to report the scope and adequacy of its internal control structure and procedures and also assess their effectiveness. Our latest Audit examined whether the fulfilled those requirements. Read the full report here: https://go.usa.gov/xnyYe

Function 4 Efficiency – Suncoast District The U.S. Postal Service financial systems track Function 4 operations, which include customer service activities of employees at various postal facilities. Our latest audit report examines Function 4 operational efficiency in USPS's Suncoast District. Read our findings here: https://go.usa.gov/xnyg9

Industry Alert: Attention PostalOne!® and FAST Users: The January 2018 Price Change goes into effect on January 21, 2018. New postage statements associated with the change are available on Postal Explorer® at pe.usps.com. The Postage Statement information is in the January 2018 Price Change "Documents" link. As of January 21, 2018, the new January 2018 postage statements are required for First-Class Mail® and First-Class Package Service® (PS Form 3600-FCM), Periodicals (PS Form 3541), and International Mail (PS Form 3700). When mailing other products, you may continue to use the January 2017 statements (USPS Marketing Mail™ PS Form 3602-R, Nonprofit USPS Marketing Mail™ PS Form 3602-N, and Package Services and Parcel Select® PS Form 3605-R) with the new prices until the next price change.

<u>Please Note</u>: All January 2017 facsimile postage statements are required to incorporate all changes to the Mailer and Mailing sections by January 21, 2018.

PostalOne!/BIDS Release 47.0.0.0 will deploy on Sunday, January 7, 2018 from 12:01 AM to 10:00 AM CT. The *PostalOne!* system will not be available during this time frame. Release Notes are posted on PostalPro at: https://postalpro.usps.com/Releases/Jan2018Release.

• A **new Mail.dat Client 47.0.0.0_PROD** will be required with this release. All previous versions of the Mail.dat clients will be retired. Users must download Mail.dat client version 47.0.0.0_PROD from the Business Customer Gatway (BCG) using the following path: Mailing Services/Electronic Data Exchange {Go to Service}/ Mail.dat download (Windows 32 bit, Windows 64 Bit or Solaris)

The Test Environment for Mailers (TEM) will deploy on Monday, January 8, 2017 from 9:00 AM to 12:00 noon CT. The TEM environment will not be available during this time.

Facility Access and Shipment Tracking (FAST) Release 37.0.0.0 will deploy on Sunday, January 7, 2018 from 12:01 AM to 10:00 AM CT. The FAST system will not be available during this time frame.

Seamless Acceptance and Service Performance (SASP) will deploy on Sunday, January 7, 2018 from 12:01 AM to 10:00 AM CT. The SASP application will not be available during this time frame.