# Postal/Industry News

March 31, 2017

**Industry Alert:** *Attention PostalOne! Users: PostalOne!* **Release 45.1.0.1** will deploy on Sunday, April 2, 2017 from 4:00 AM to 8:00 AM CT. The *PostalOne!* system will remain available during this time frame. Release notes are posted on Postal Pro at: <a href="https://postalpro.usps.com/node/3729">https://postalpro.usps.com/node/3729</a>. If you have any questions, contact the *PostalOne!* Help Desk at 800-522-9085.

**Federal Register: Postal Regulatory Commission:** Motions Concerning Mail Preparation Changes ,16015–16018 [2017–06355] [PDF]

March 30, 2017

Office of the Inspector General: Internal Controls Over Single Drawer Accountability – Lacona, IA, Post Office. In the OIG's latest internal controls audit report, we reviewed a shortage in cash and stamp stock reported at the Lacona, IA Post Office in August of 2016. OIG auditors found that internal controls to reduce risks of stamp and cash shortages in Lacona needed improvement. For more information about our findings and recommendations read our report at <a href="https://go.usa.gov/xXNaC">https://go.usa.gov/xXNaC</a>

**Industry Alert:** *Attention PostalOne! Users: PostalOne!* **Release 45.1.0.1** will deploy on Sunday, April 2, 2017 from 4:00 AM to 8:00 AM CT. The *PostalOne!* system will remain available during this time frame. Release notes will be posted on Postal Pro later today. If you have any questions, contact the *PostalOne!* Help Desk at 800-522-9085.

March 29, 2017

Office of the Inspector General: Fleet Specialty Credit Cards – Eastern Area. Each U.S. Postal Service-owned vehicle – a total of over 227,000 — is assigned a fleet credit card to pay for commercially purchased fuel, oil, and maintenance expenses. Our auditors recently released a detailed report on the use of these fleet specialty credit cards as well as the effectiveness of controls over them in the Eastern Area. Check it out here <a href="https://go.usa.gov/xX5kw">https://go.usa.gov/xX5kw</a>

March 28, 2017

**Industry Alert: Latest Issue of Mail Spoken Here** 

March 27, 2017

Office of the Inspector General: Internal Controls Over Single Drawer Accountability – [Redacted] Post Office. We have released a new report on the Postal Service's internal controls. Read the report on our website to learn what we found: <a href="https://go.usa.gov/xX98T">https://go.usa.gov/xX98T</a>

Office of the Inspector General: <u>Transportation Tops the List</u>. If there was ever any doubt about how essential transportation is to the U.S Postal Service's operations, take a look at the list of the USPS' top ten suppliers for fiscal year 2016. Five of them provide transportation services, with FedEx topping the list for the 14th straight year. The Postal Service cites the strategic importance of transportation companies "to provide distribution and delivery services allowing us to serve our respective customers' needs." Take a look at the data that was gathered in this week's OIG blog at <a href="https://go.usa.gov/xX8dp">https://go.usa.gov/xX8dp</a>

March 26, 2017

Industry Alert: Attention Business Customer Gateway and PostalOne!® Users. PostalOne!/BIDS Release 45.1.0.0 has deployed and the PostalOne! system is available. Release Notes and Release Overview are posted on PostalPro at: https://postalpro.usps.com/node/3602. Mail.dat Client Information:

- A new <u>mandatory</u> Mail.dat Client 45.1.0.0\_PROD will be required on March 26, 2017. This mandatory client will support release functionality.
  - To download the client from the Business Customer Gateway (BCG) use the following path: Mailing Services/Electronic Data Exchange {Go to Service}/Mail.dat download
- All other Mail.dat Clients, as shown below, will be retired on March 26, 2017.
  - · 45.0.0.0
  - 45.0.1.0
  - · 45.0.3.0

Program Registration Release 18.1.0.0 is complete.

March 25, 2017

Federal Register: Postal Service: Production or Disclosure of Material or Information, 15138–15139 [2017–05916], [PDF]

Industry Alert: Attention Business Customer Gateway and PostalOne!® Users - PostalOne!/BIDS Release 45.1.0.0 will deploy on Sunday, March 26, 2017 from 2:00 AM to 10:00 AM CT. The PostalOne! system will not be available during this time. All MicroStrategy reports will be unavailable during this time. Release Notes and Release Overview are posted on PostalPro at: <a href="https://postalpro.usps.com/node/3602">https://postalpro.usps.com/node/3602</a>.

#### **Mail.dat Client Information:**

- A new <u>mandatory</u> Mail.dat Client 45.1.0.0\_PROD will be required on March 26, 2017. This mandatory client will support release functionality.
  - To download the client from the Business Customer Gateway (BCG) use the following path: Mailing Services/Electronic Data Exchange {Go to Service}/Mail.dat download
- All other Mail.dat Clients, as shown below, will be retired on March 26, 2017.
  - · 45.0.0.0
  - · 45.0.1.0
  - · 45.0.3.0

*Program Registration Release 18.1.0.0* will deploy on Sunday, March 26, 2017 from 4:00 AM to 10:00 AM CT. *SASP Release 24.0.5.0* will deploy on Sunday, March 26, 2017 from 4:00 AM to 10:00 AM CT.

# Federal Register:

- Postal Regulatory Commission: New Postal Products, 15073-15074 [2017-05870] [PDF]
- **Postal Service:** Priority Mail Express and Priority Mail Negotiated Service Agreement, 15074 [2017–05835] [PDF] Priority Mail Negotiated Service Agreement, 15074 [2017–05836] [PDF]

Office of the Inspector General: Cost Segment 3 – Clerks and Mail Handlers. At the end of each fiscal year, the U.S. Postal Service is required to file an Annual Compliance Report with the Postal Regulatory Commission. The Postal Service develops a cost segments report, including the Segment 3, which outlines the accrued salaries, benefits, and related costs of clerks and mail handlers. Our new audit report assesses whether the inputs into Segment 3 are accurately calculated and recorded. Read it here: <a href="https://go.usa.gov/xx8bp">https://go.usa.gov/xx8bp</a>

March 23, 2017

Office of the Inspector General: Internal Controls Over Postage Label Refunds – Quartz Hill Contract Postal Unit, Lancaster, CA. In the OIG's latest internal controls audit report, we used data analytics to identify anomalies in postage label refunds at the U.S. Postal Service's Quartz Hill Contract Postal Unit (CPU) in Lancaster, CA. OIG auditors discovered postage label refunds at almost 30 times the national average for CPUs. Read the report to discover what we found and our recommendations for improvement: https://go.usa.gov/xX82p

March 22, 2017

Industry Alert: Intelligent Mail Package Barcode (IMpb) Compliance Assessment Changes July 2017. In July 2017, the Postal Service will simplify IMpb Compliance Assessments by combining the presence and quality verifications for the Barcode, Address Information, and Shipping Services File (SSF). This simplification will reduce the IMpb compliance categories from six to only the three IMpb quality categories. In addition, the Postal Service will begin assessments for these three IMpb quality compliance categories in July 2017. Please reference the attached IMpb Fact Sheet available via PostalPro at <a href="http://postalpro.usps.com/shipping/impb">http://postalpro.usps.com/shipping/impb</a> for further information.

# Federal Register:

Postal Regulatory Commission: New Postal Products, 14767-14768, [2017-05695] [PDF]

#### Postal Service

- First-Class Package Service Negotiated Service Agreement, 14768 [2017–05582] [PDF]
- Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement, 14768 [2017–05590] [PDF]
- Priority Mail Negotiated Service Agreement, 14768 [2017–05581] [PDF]

# March 21, 2017

Industry Alert: *Postal Wizard Enhancements coming March 26, 2017.* The Postal Service is changing the "look and feel" of Postal Wizard to create a more user friendly and efficient experience. The overall redesign will deploy in a phased approach with changes to First-Class Mail and USPS Marketing Mail occurring as part of the March 26, 2017 *PostalOne!* release. For a brief demonstration of the enhancements click here: <a href="Play recording">Play recording</a>. Upcoming enhancements include simplified postage statements and enhanced functionality such as streamlined data entry, reduction in the number of screen prior to postage statement submission, and improved

performance. The new user interface will function across all bowsers including, Internet Explorer, Firefox, Safari and Chrome. The enhanced Postal Wizard screens will run parallel to the existing Postal Wizard screens so users can familiarize themselves with the new interface and provide feedback to the Postal Service.

Office of the Inspector General: Internal Controls Over Local Purchases and Payments – Norwalk, CT, Main Office. In the OIG's latest internal controls audit report, we used data analytics to focus on anomalies in the local purchases and payments at the U.S. Postal Service's Norwalk, CT Main Office. The OIG evaluated whether internal controls were in place for local purchases and payments between Fall 2015 and Fall 2016. Read the report to discover what we found and our recommendations for improvement: <a href="https://go.usa.gov/xXKQ7">https://go.usa.gov/xXKQ7</a>

Federal Register: Postal Regulatory Commission: New Postal Products ,14525–14526 [2017–05556] [PDF]

Industry News: Greg Crabb Appointed Vice President and Chief Information Security Officer, United States Postal Service. Gregory S. Crabb has been appointed vice president and chief information security officer, effective March 18. Crabb has been acting in the role since July 2016. He is responsible for protecting Postal Service employees, customers, infrastructure and information systems from digital threats. Additionally, Crabb will work with the Inspection Service on investigative responses to cybercrimes involving the mail. He also will lead efforts to develop digital products. In a memo this week announcing Crabb's appointment, PMG Megan J. Brennan noted he brings "extensive experience" to his work, including serving as a postal inspector for 21 years. During his tenure with the Inspection Service, Crabb led efforts that focused on cybercrime, protecting revenue, strengthening export screening processes and protecting Postal Service assets. Link: <a href="https://link.usps.com/2017/03/20/new-appointment/">https://link.usps.com/2017/03/20/new-appointment/</a>

Office of the Inspector General: Relying on Risk Models - Risk models and data analytics have become an essential tool in business and government. Our auditors not only use traditional auditing technique in their work to promote efficiency and effectiveness at the U.S. Postal Service, but also incorporate the latest in data analytics and risk models. These tools allow our auditors to concentrate on areas of highest risk and also complete the audits more efficiently. This week's blog focuses on four audits that used risk models to identify financial anomalies in local postal operations. To learn more, visit https://go.usa.gov/xX2gk

March 20, 2017

Industry Alert: Join in and Learn About the Official USPS Professional Certification Training Programs Offered at National Postal Forum. Are you ready to learn about the exclusive opportunity for National Postal Forum (NPF) attendees to expand their professional credentials? Back by popular demand, three official USPS certification programs will be offered again at this year's NPF. A webinar highlighting the benefits of these certifications and what attendees can expect to learn will be offered on Friday, March 24, 2017 at 12:30 PM ET. Join facilitators from the USPS National Center for Employee Development and officials from the NPF to learn more about curriculum and registration details. The US Postal Service official certifications available are:

- The Executive Mail Center Manager (EMCM) course teaches the skills needed to manage more effectively, boost productivity and cut costs. The curriculum focuses on mail center operations, mail center safety and security, mail center finances, basic mail design and general managerial techniques. This is a life-time certification with annual renewals available.
- The Mail Design Professional (MDP) course is centered around effective mail design compatibility and optimizing postage costs through automation. The course provides in depth training on postal standards related to designing letter and flat mail to facilitate processing on high-speed automated equipment while maximizing cost effectiveness and reducing processing delays. This certification is viable for two-years.
- The Certified Direct Mail Professional (CDMP) course is designed for the mailing industry professional to develop and strengthen core skills that build and maintain successful direct mail business within this highly-competitive environment. Designing direct mailpieces, evaluating marketing strategies, managing mail lists, and incorporating emerging technologies are just a few of the topics that will be discussed.

The webinar is designed to provide you with an overview of the training offered and how these classes will be held, in a way for you to benefit from additional strategic sessions at NPF, as well as networking opportunities. Additional costs for these certifications apply. Class size is limited and pre-registration is required. Registration is now available on the NPF official website.

The NPF will be held at the Baltimore Convention Center in Baltimore, MD from May 21 – May 24, 2017. These certification classes

will be offered on-site in dedicated classroom areas.

Please see instructions to participate below:

Attendee Information
Join WebEx meetings
https://uspsmeetings.vi

Show global numbers

https://uspsmeetings.webex.com/join/yks1b0 | 740 268 801

Join by phone 1-678-3172063 Call-in number 1-855-8607461 Call-in toll-free number Conference Code: 514 366 5611 Federal Register: Postal Regulatory Commission: New Postal Products,14387–14388 [2017–05412] [PDF]; 14387 [2017–05420] [PDF]

March 18, 2017

Office of the Inspector General: Congressional Inquiries — Gateway District. The U.S. Postal Service frequently receives inquiries from members of Congress and their staff, often about mail service, plant operations, delivery, or decisions regarding Postal facilities. Following a Congressional request, OIG auditors evaluated how congressional inquiries were handled and coordinated between Postal Service Headquarters and local management in the Gateway District. Read more about the findings at https://go.usa.gov/xXB4S

Office of the Inspector General: <u>Fiscal Year 2016 Postal Service Selected Financial Activities and Accounting Records.</u> Federal laws require the U.S. Postal Service to audit its financial statements as well as report on the scope and adequacy of controls over its financial reporting. Our audit report assessed whether the accounting transactions for Fiscal Year 2016 were fairly stated in the general ledger, and if selected key controls were operating effectively. You can view the complete report at <a href="https://go.usa.gov/xXB9D">https://go.usa.gov/xXB9D</a>

March 17, 2017

**Federal Register: Postal Service:** Environmental Assessments; Availability, etc.: Purchase of Commercial Vehicles, 14238 [2017–05304][PDF]

**Industry Alert: PostalPro Availability.** PostalPro is experiencing an unplanned outage at this time and is not accessible. We are working to get the site back online but do not currently have an estimated time. We apologize for any inconvenience.

**Industry Alert: Postal Wizard Enhancements.** The Postal Service is changing the "look and feel" of Postal Wizard to create a more user friendly and efficient experience. The overall redesign will deploy in a phased approach with changes to First-Class Mail and USPS Marketing Mail occurring as part of the March 26, 2017 *PostalOne!* release. Effective March 26, Postal Wizard users will see simplified postage statements and enhanced functionality which includes:

- Streamlined data entry as similar functionality will be grouped together
- Reduced number of screens before submission of the postage statement
- · Improved performance

Mailers will see two new postage statement options (shown below):

- · 3600 Simplified Postage Statement First-Class Mail Simplified Electronic Form
  - 3602 Simplified Postage Statement USPS Marketing Mail Simplified Electronic Form

An example of the enhanced functionality includes a four step process to submit a postage statement:

- Account Information
- Mailing Details
- Rates
- Summary

The new user interface will function across all bowsers including, Internet Explorer, Firefox, Safari and Chrome. The enhanced Postal Wizard screens will run parallel to the existing Postal Wizard screens so users can familiarize themselves with the new interface and provide feedback to the Postal Service.

March 16, 2017

Industry Alert: Attention Business Customer Gateway and PostalOne!® *Users. PostalOne!/BIDS Release 45.1.0.0* will deploy on Sunday, March 26, 2017 from 2:00 AM to 10:00 AM CT. The *PostalOne!* system will not be available during this time. All MicroStrategy reports will be unavailable during this time. Release Notes and Release Overview are posted on PostalPro at: https://postalpro.usps.com/node/3602.

### **Mail.dat Client Information:**

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  - · 45.0.0.0
  - · 45.0.1.0
  - · 45.0.3.0

**Program Registration Release 18.1.0.0** will deploy on Sunday, March 26, 2017 from 4:00 AM to 10:00 AM CT. **SASP Release 24.0.5.0** will deploy on Sunday, March 26, 2017 from 4:00 AM to 10:00 AM CT.

March 15, 2017

Federal Register: Meetings; Sunshine Act, 13876 [2017–05303] [PDF]

Industry Alert: *Update*: Cap Metro Area - Resumption of Operations. All operations in the Baltimore, Capital and Northern Virginia districts have returned to normal, with the exception of some localized, limited impacts due to local weather conditions. Western NY District - Resumption of Operations. All retail and mail processing operations for the Western NY District have resumed as of this morning; with the exception of some localized, limited impacts due to local weather conditions. Central PA District - Resumption of Operations. All retail and mail processing operations for the Central PA District have resumed as of this morning; with the exception of some localized, limited impacts due to local weather conditions.

**Industry Alert: Albany District Retail Impacts Due to Winter Storm Stella.** The following retail offices in the Albany District are closed today due to Winter Storm Stella impacts:

Post Office	ZIP
Blenheim	12131
Brookfield	13314
Charlotteville	12036
Ellenburg	12933
Hamden	13782
Hartwick	13348
Lyon Mountain	12952
Maryland	12116
Mooers	12958
Redford	12978
Saranac	12981
Schuyler Lake	13457
Stittville	13469
Tunnel	13848
Vermontville	12989
West Chazy	12992
Wells Bridge	13859

**Industry Alert**: **Northeast Area- Hours of Operation.** All Northeast Area Processing and Distribution Centers (P&DCs) plants are re-opening tonight. All Retail and Delivery operations are expected to open. The following District plants are open:

Albany

Connecticut Valley

Greater Boston

Greater Newark

Long Island

New York

Northern New Jersey NDC

Triboro

Westchester

Industry Alert: Albany District Retail Impacts Due to Storm Stella. Albany District Retail Impacts Due to Storm Stella are as follows:

follows: Earlville-

Earlville- 13332- no retail or delivery Sherburne- 13460- no retail or delivery Smyrna- 13464- no retail or delivery

Hubbardsville- no retail, RMPO- no retail this is 2 hour office.

March 14, 2017

**Industry Alert: Northeast Area-Processing and Distribution Centers (P&DC) Hours of Operation.** The following Northeast Area Processing and Distribution Centers (P&DCs) will be open for drop shipments and processing. This does not include BMEU operations at this time. Due to weather conditions, mailers should call and confirm appointments at plants and BMEUs before traveling.

Long Island P&DC
 New York JAF
 New York Morgan
 Triboro P&DC
 4:00 p.m. open
 7:00 p.m. open
 7:00 p.m. open

**Industry Alert: Operations Suspended – Washington DC.** Due to heavy snow and ice in the Washington D.C area, operations have been temporarily suspended at the following locations:

Techworld PO	20001
National Capital PO	20002
Northeast PO	20002
Calvert PO	20007
Cleveland Park PO	20008
Temple Heights PO	20009
Benning PO	20019
Fort Davis PO	20020
Frederick Douglass PO	20020
Randle PO	20020
Farragut PO	20036

Due to weather conditions, mailers should call and confirm appointments at plants and BMEUs before traveling. Please follow <u>USPS</u> <u>Service Alerts</u> on usps.com for updates.

**Industry Alert: Closures - Philadelphia** The Greater Philadelphia district has announced the following retail offices are closed due to Winter Storm Stella impacts:

Nicetown	19140
Mayfair	19136
Holmesburg	19136
Castor	19149
Mount Airy	19119
Wadsworth	19150
North Philadelphia	19132
Fairhill	19133
Chestnut Hill	19118
Land Title	19110
Continental	19106
John Wanamkers	19107
B Free	19106
Penns Landing	19147
30th Street Station	19104
Pocopson	19366
Edgemont	19028
Swarthmore	19081
King of Prussia	19406
Fairview	19409
Audobon	19407
Norristown	19401
Southeastern Retail	19399
Eagleville	19403
Bridgeport	19405
Blooming Glenn	18911
Erwinna	18920
Hilltown.	18927
Forest Grove	18922
Pineville	18946
Zionhill	18981
Spinnerstown	18968

Due to weather conditions, mailers should call and confirm appointments at plants and BMEUs before traveling. Please follow <u>USPS</u>
<u>Service Alerts</u> on usps.com for updates.

Office of the Inspector General: Highway Contract Route Survey Compliance – Southern Transportation Category Management Team In the latest publication in a series of reports on U.S. Postal Service highway contract routes (HCRs), our OIG audit team details the effective use of surveys in HCR oversight. These surveys are used by administrative officials to help manage contract renewals. We found that in the southern transportation category management team, these surveys were not being used effectively. To read more about our findings and recommendations, visit the report here: https://go.usa.gov/xXrFS

**Industry Alert: Closures - Greater Boston District.** The Greater Boston District has announced the following retail offices are closed due to Winter Storm Stella impacts:

- Midtown Mall (Worcester) 01614
- State House 02113
- Charles Street 02114
- Cathedral 02118
- Charlestown 02129
- Chelsea 02150
- South Waltham 02453

**Industry Alert: Operations Suspended: Central PA District** Eastern Area has announced that retail and mail processing operations have been suspended for: Central Pennsylvania District: 169-188, 195-196. Due to weather conditions mailers should call and confirm appointments at plants and BMEUs before traveling.

Industry Alert: Update: State of Emergency for Connecticut, New Jersey, and New York (Albany District Added) The following Northeast Districts have suspended retail, delivery, and mail processing operations due to the severity of the storm and the States Governors implementing a state of emergency.

New York NY: 090-099, 100-102, 104
Westchester NY: 105-109, 124-127
Long Island NY: 005, 115, 117-118
Triboro NY: 103, 110-114, 116
Albany District: 120-123, 128

Other Northeast Area Districts have impacts to selected facilities. Mailers should call and confirm appointments at plants and BMEUs before traveling. Other states in the Northeast identified previously as under a State of Emergency, remain under a State of Emergency.

### March 13, 2017

Office of the Inspector General: Examining Changes in Postal Product Costs After removing inflation and cost changes due to volume decline, unit costs of First-Class Mail, Standard Mail, and Package Services went down from fiscal year (FY) 2006 to FY 2015, even amid a concurrent growth in delivery points. This is among the findings of a new white paper from the Postal Service Office of Inspector General (OIG). Working with an expert in postal costing and economics, the OIG examined how four factors beyond Postal Service Control impacted cost changes (inflation, product mix, individual volume change, and overall volume change), then considered other factors that were at least partially within the Postal Service's control. Read Examining Changes in Postal Product Costs.

Office of the Inspector General: Looking at Product Cost Changes Cutting cost can be difficult for any business and the same is true for the U.S. Postal Service. The OIG recently released a white paper discussing some of the changes in postal product costs and found that when costs beyond USPS's control are accounted for, unit costs for three products have decreased. Our blog this week highlights this report and the interesting questions for the Postal Service and stakeholders about which strategies might best help keep costs in check going forward. Let us know what strategies you would recommend here: https://go.usa.gov/xXC7A

# March 10, 2017

Office of the Inspector General: Kaizen Project at the West Valley Processing and Distribution Center, Phoenix, AZ The Kaizen processes are used by organizations (including the U.S. Postal Service) to examine small- and large-scale operations and improve efficiencies. This self-initiated audit was to examine the use of Kaizen processes in the West Valley Processing & Distribution Center Phoenix, and determine whether the Postal Service complied with the Kaizen process in evaluating the Scan Where You Band operation. Read our audit report to discover what we found: https://go.usa.gov/xXCXF

# March 9, 2017

**Industry Alert: Michigan-Post Offices Operating on Manual Mode Due to Power Outages.** Due to high winds in the Michigan region, wide spread power outages have been reported. The following Post Offices are operating on manual mode and customer service may be affected. All units are expected to have restored power by March 11.

Arcadia Creek PO 49007 Belding PO 48809 Blanchard PO 49310 Byron Center PO 49315 Cannonsburg PO 49317 Clarksville PO 48815 College Park PO 48221 Fenwick PO 48834 Freeport PO 49325 Gowen PO 49326 Henderson PO 48841 Lake PO 48632 Lake Odessa PO 48849 Livernois PO 48210 Luther PO 49656 Mecosta PO 49332 Oak Park PO 48237 Saint Johns PO 48879 Shelbyville PO 49344 Vassar PO 48768 Woodland PO 48897

# **Federal Register:**

Postal Regulatory Commission: New Postal Products,13145–13146 [2017–04642] [PDF]
Postal Service: Product Changes, Priority Mail Negotiated Service Agreement,13146 [2017–04592] [PDF]; 13146 [2017–04593] [PDF]

March 8, 2017

Federal Register: Postal Service: Production or Disclosure of Material or Information ,12921 [2017–04480] [PDF]

Office of the Inspector General: <u>Hiring Custodians in Des Moines Post Offices</u>. We received a Congressional request to determine whether or not the U.S. Postal Service complied with its policies and federal laws related to hiring preference-eligible veterans and providing reasonable accommodation requests for custodian positions in Des Moines, IA. Read our Audit report to discover what we found: <a href="https://go.usa.gov/xXawE">https://go.usa.gov/xXawE</a>

March 7, 2017

Office of the Inspector General: Non-Career Employee Background Screening in the Los Angeles District. In order to be hired as a non-career employee for the U.S. Postal Service, individuals must undergo a multilevel background screening process. Due to the high volume of hiring and turnover rates in the Los Angeles District, USPS OIG auditors assessed their screening process and found inconsistencies in the employment process. Our most recent audit report goes into detail on what OIG found and what is recommended to improve the process. Visit our website to read the report: https://go.usa.gov/xXa3s

Industry Alert: Crystal City, VA Finance Unit – Closed Due to Heavy Smoke from Overheated HVAC. The Crystal City Finance Unit (22202) has been temporarily closed due to heavy smoke from an overheated HVAC system. The management company has been working diligently to restore the system in order to resume business. The finance unit is expected to reopen tomorrow.

**Industry Alert: Lena, IL PO – Closed Due to Power Outage.** The Lena, IL PO (61048) is experiencing a power outage due to severe weather overnight. The facility will remain closed until power is restored.

**Industry Alert: Leonard, TX PO – Closed Due to Roof Damage and Broken Gas Line.** On Monday, March 6<sup>th</sup>, the Leonard, TX Post Office (75452) sustained roof damage due to high winds; in addition to the roof, a gas line was broken. The lobby will remain closed until all repairs have been made.

Industry Alert: Parthenon, AR Post Office Closed Due to Tornado. Mail being temporarily forwarded to the Jasper Post Office. PARTHENON, AR – Overnight, the Parthenon Post Office sustained severe damage from a tornado and will be closed until further notice. Customers may pick up their mail at the nearby Jasper Post Office until operations can be restored. Until the Parthenon Post Office reopens, alternate retail services and mail service for Post Office Box customers with ZIP Code 72666 will be provided during normal business hours by the nearby Jasper Post Office, 412 W Court St., Jasper, AR 72641. Customers do not need to complete a change of address form. The Postal Service regrets any inconvenience to its customers and will work to restore operations

for this office as soon as possible. Customers can call 1-800-ASK-USPS or go to the Postal Service's Website <u>www.usps.com</u> to get the location of other nearby Post Offices and approved postal retail service providers.

March 6, 2017

Office of the Inspector General: Keeping it Fresh While there has been a long-standing relationship between the magazine industry and the Postal Service, a recent industry blog pointed out the inability of magazines to market subscriptions well using direct mail. This week's Pushing the Envelope blog points out the latest innovations to enhance direct mail pieces, and the continued relationship between mail and digital. Have you received any digitally-enhanced mail? Read the blog at <a href="https://go.usa.gov/xXczy">https://go.usa.gov/xXczy</a>

March 4, 2017

# **Federal Register:**

Postal Regulatory Commission: Revising Procedures for Freedom of Information Act: 12506-12508 [2017-04308] [PDF]

March 3, 2017

# Office of the Inspector General Internal Controls Over Financial Differences - Cardiss Collins Postal Store, Chicago,

IL Financial differences identified at the Cardiss Collins Postal Store were not always properly researched and resolved. We reviewed 91 financial differences and found 24 did not have adequately detailed records of research and were not resolved as of November 7, 2016. The customer service supervisor responsible for overseeing the process set an internal requirement of 30 days to resolve differences for the unit. However, she stopped monitoring differences that remained unresolved after 30 days and only addressed the most current differences. She stated she had competing priorities and was unable to focus on all financial differences. Visit our website to read all the findings: <a href="http://go.usa.gov/x9ucY">http://go.usa.gov/x9ucY</a>

Office of the Inspector General: Internal Controls Over Financial Differences – James A Farley Station, New York, NY The OIG's Field Financial Risk Model identified the James A. Farley Station in New York, NY, as having the highest value of financial differences in the New York District from April 1, 2016, to June 30, 2016. Financial differences are variances in financial activities at U.S. Postal Service retail units, such as differences between banking deposits and receipts, errors with transmitted sales and money order data, and stock shipments not received by the unit. The value of the differences is expensed to the unit. A manager or designee must identify the cause of the differences, adjust the financial records, maintain detailed records, and ensure timely resolution. A reason must be annotated for any unresolved differences. Visit our website to read the findings: <a href="https://go.usa.gov/xXcNa">https://go.usa.gov/xXcNa</a>

March 2, 2017

Industry Alert: Congratulations to The Standard Group for Winning the 3<sup>rd</sup> Quarter of the 2017 Irresistible Mail<sup>TM</sup> Award. It is our great pleasure to announce that The Standard Group's "Holiday Inkling Mystery Game" campaign is our newest Quarterly Winner. Congratulations to The Standard Group for designing and printing the winning campaign. The "Holiday Inkling Mystery Game" campaign leveraged mail, email and social media to invite its customers, prospects and employees to go online and play the game. The invitation featured a creative opening, and 16 customized elements including a pop up cube with a picture of the customer's sales person dressed as a character in the game. Conversion was tracked via PURLs, and active players received daily reminder e-mails to solve the mystery in order to receive prizes. The "Holiday Inkling Mystery Game" joins 1<sup>st</sup> Quarter winner "Toyota Sienna Superhero" from Gulf States Toyota and 2<sup>nd</sup> Quarter winner "See It First" from the Lincoln Motor Company and Structural Graphics as contenders for the Grand Champion title. Only *one* finalist spot remains to be claimed.

The judges would also like to recognize the following submissions as Honorable Mentions:

- "Alphabet Postcard Campaign" designed and printed by Gabriel Group
- · "Imaginary Friends" designed by GS Marketing for Gulf States Toyota and printed by Japs-Olson
- · "January 2017 Business Mailer" designed by CustomInk and printed by Carlson Print Group
- "New Year Direct Mail Campaign" designed by Advertising Specialty Institute (ASI) and printed by Americar Press
- "Share the Love" designed by Yokel Local Internet Marketing Inc. for Designline Graphics Inc (printed in-house)
- "Taco Tuesday" designed and printed by Superior Graphics

About the Irresistible Mail<sup>TM</sup> Award The USPS Irresistible Mail Award is a quarterly contest that recognizes innovative and effective mail piece designs. The contest is FREE and easy to enter. Quarterly winners are showcased by the Postal Service and compete to become Grand Champion at the 2017 National Postal Forum. For more information and to enter, please visit www.irresistiblemail.com/award.

March 1, 2017

# **Federal Register:**

# **Postal Service:**

• Electronic Induction (eInduction) Option,12180–12181 [2017–03912] [PDF]

• Seamless Acceptance Program ,12181–12182 [2017–03911] [PDF]

Office of the Inspector General: Lessons from Around the World As the post that handles almost half of the world's mail volume, the U.S. Postal Service knows a thing or two about mail. But that doesn't mean it can't learn something from other posts. Our research team collaborated with WIK-Consult to look at how five international posts regulate postal prices and service. You can read about the findings in our new blog at <a href="http://go.usa.gov/x9hku">http://go.usa.gov/x9hku</a>.

**Industry Alert: Weather Impacted Post Offices for Greater IN District.** Greater Indiana District - Severe weather moved through Indiana overnight causing widespread power outages. Multiple offices have been impacted as a result of the storms. The following offices are without power:

POST OFFICE	ADDRESS	ZIP CODE
CANAAN	8988 N MAIN ST	47224
COMMISKEY	1780 W COUNTY ROAD	47227
DUPONT	10545 NW FRONT ST	47231
FLAT ROCK	2732 W STATE ROAD 252	47234
НОРЕ	739 MAIN ST	47246
LINWOOD	4401 E 10TH ST STE 18	46201
MEDORA	17 S PERRY ST	47260
MILLERSBURG	214 E MAIN ST	46543
MONROE CITY	102 W 9TH ST	47557
NORMAN	12718 W STATE ROAD 58	47264
ORLEANS	201 W WASHINGTON ST	47452
PAOLI	202 N GOSPEL ST	47454
SEELYVILLE	9538 E US HIGHWAY 40	47878

**Industry Alert: Weather Impacted Post Offices for Gateway District (IL)** Gateway District - Severe weather moved through Illinois overnight causing widespread power outages. Multiple offices have been impacted as a result of the storms. The following offices are without power:

POST OFFICE	ADDRESS	ZIP CODE
BEECHER CITY	101 S SWEAZY ST	62414
MOUNDS	110 N FRONT ST	62964
VERGENNES	725 HACK AVE	62994
VILLA GROVE	110 N MAIN ST	61956
OLIVE BRANCH	22475 RAILROAD ST	62969
PULASKI	225 E COMMERCIAL AV	62976
THEBES	815 POPLAR ST	62990
ULLIN	121 S CENTRAL ST	62992

**Industry Alert: Weather Impacted Post Offices for Ohio Valley District.** Ohio Valley District - Severe weather moved through Indiana, Ohio, and Kentucky overnight causing widespread power outages. Multiple offices have been impacted as a result of the storms. The following offices are without power:

POST OFFICE	STATE	ADDRESS	ZIP CODE
AMELIA	ОН	7 S KLINE AVE	45102
BETHEL	ОН	213 N EAST ST	45106
BROOKSVILLE	KY	208 MADISON ST	41004
BROOKVILLE	IN	1019 MAIN ST	47012
BROOKVILLE	ОН	22 MULBERRY ST	45309
BURLINGTON	KY	2600 BURLINGTON PIKE	41005
CARROLLTON	KY	520 HIGHLAND AVE	41008
DRY RIDGE	KY	80 S MAIN ST	41035
FELICITY	ОН	323 W WALNUT ST	45120
FLORENCE	IN	404 5TH ST	47020
FLORENCE	KY	7101 TURFWAY RD	41042
FOSTER	KY	138 3RD ST	41043
GEORGETOWN	ОН	201 E GRANT AVE	45121
NEWPORT	KY	420 COLUMBIA ST	41071
NEWPORT	ОН	19 GREENE ST	45768

POMEROY	ОН	212 E 2ND ST	45769
RIPLEY	ОН	100 S 2ND ST	45167
UNION	KY	1664 FROGTOWN RD	41091
WILLIAMSTOWN	KY	205 N MAIN ST	41097

Updates will be provided as Post Offices become fully operational.

**Industry Alert: Weather Impacted Post Offices for Appalachian District** Appalachian District - Severe weather moved through West Virginia and Virginia overnight causing widespread power outages. Multiple offices have been impacted as a result of the storms. The following offices are either without power or inaccessible due to flooding:

POST OFFICE	ADDRESS	ZIP CODE
ROSEDALE, VA	18542 U S HIGHWAY 19 STE C	24280
FAYETTEVILLE, WV	120 W MAPLE AVE	25840
FRAMETOWN, WV	7441 ELK RIVER RD	26623
GASSAWAY, WV	400 ELK ST	26624
KENNA, WV	100 KENTUCK RD	25248
MADISON, WV	650 S MAIN ST	25130
OAK HILL, WV	208 MAIN ST E	25901
ROSEDALE, WV	11957 ROSEDALE RD	26636
WYATT, WV	151 JOETOWN RD	26463
GASSAWAY, WV	400 ELK ST	26624

Updates will be provided as Post Offices become fully operational.

Industry Alert: Attention Business Customer Gateway and PostalOne!® Users. PostalOne!/BIDS Release 45.1.0.0 will deploy on Sunday, March 26, 2017 from 2:00 AM to 10:00 AM CT. The PostalOne!system will not be available during this time. All MicroStrategy reports will be unavailable during this time.Release Notes and Release Overview are posted on PostalPro at: https://postalpro.usps.com/node/3602. Mail.dat Client Information:

- A new <u>mandatory</u> Mail.dat Client 45.1.0.0\_PROD will be required on March 26, 2017. This mandatory client will support release functionality.
  - To download the client from the Business Customer Gateway (BCG) use the following path: Mailing Services/Electronic Data Exchange {Go to Service}/Mail.dat download
- All other Mail.dat Clients, as shown below, will be retired on March 26, 2017.
  - 45.0.0.0
  - · 45.0.1.0
  - 45.0.3.0

*Program Registration Release 18.1.0.0* will deploy on Sunday, March 26, 2017 from 4:00 AM to 10:00 AM CT. *SASP Release 24.0.5.0* will deploy on Sunday, March 26, 2017 from 4:00 AM to 10:00 AM CT.

# **NATIONAL NEWS**

#### March 31, 2017

**NonProfitMailers:** Summary of rate review comments submitted to PRC by parties other than Alliance of Nonprofit Mailers, MPA—The Association of Magazine Media, and Postcom—The Association for Postal Commerce.

#### March 30, 2017

BuffaloReflex: Ensuring continued Postal Service access in Missouri's small towns and rural communities was the focus of meetings U.S. Senator Claire McCaskill had with representatives from the National Association of Letter Carriers and the American Postal Workers Union. McCaskill, a longtime advocate for postal service in rural communities, is widely credited with having waged a successful campaign over several years to save rural post offices and maintain delivery standards. Last year, McCaskill introduced bipartisan legislation to protect hundreds of post offices around the country from indefinite "emergency closure" and called out the Postal Service for its use of these "emergency suspension" authority to close down Missouri post offices. And McCaskill was a leading sponsor of the Rural Postal Act, a bill that aimed to improve postal service, delivery times, and standards in rural communities that have been disproportionately affected by cuts to the Postal Service. The effort sought to restore overnight delivery, return a faster First-Class mail standard, make six-day delivery permanent, and enact strict criteria the Postal Service would have to meet before closing a post office to ensure that rural communities are still able to easily access the mail system.

Cincinnati: Sen. Rob Portman, R-Ohio, is pushing a bill he says would help staunch the flow of deadly synthetic opioids through the U.S. Postal Service — a stream of illegal drugs that has unleashed a new wave of overdose deaths across the country. Portman's bill has attracted the support of powerful and predictable allies — including law enforcement officials and anti-addiction advocates. But it's also become a magnet for an array of private interests that see the proposal as a potential benefit to their bottom lines. Among the companies backing Portman's anti-opioid bill: United Parcel Service, the private shipping company that competes with the postal service, and online pharmacies that compete with unscrupulous Internet drug sellers.

#### March 29, 2017

Whatheythink? NPES-Idealliance 2017 Legislative Conference brought a timely and unified message to Capitol Hill, March 22 - 23, when nearly 50 printing, imaging and mailing industry executives met with 46 congressional offices urging support for postal reform legislation, immediate 100% expensing of capital investment, and other top government affairs priorities of high importance to the \$1.4 trillion industry that employs 7.5 million workers. The urgent need for the legislation is heightened even further due to the impending review of United States Postal Service (USPS) postage rates by the Postal Regulatory Commission (PRC), as required by the 2006 Postal Accountability and Enhancement Act. Provisions in H.R.756 that would provide greater financial stability and sustainability to the Postal Service, such as more fully integrating postal retirees into the Medicare system, would help mitigate against large and debilitating rate increases that could result from the PRC review.

<u>FreeportPress</u>: With the exigent price hikes finally removed from USPS rates, business mailers have been enjoying the first postal decrease in a century. The breather, it appears, could soon be over...and mailing professionals are not taking it sitting down. While the temporary rate increase was designed to get the Postal Service through the recession and accompanying drop in mail volume, some have been arguing for months that the hike should be permanent. The USPS argues that removing 4.3% hike is a leading reason for their bleak economic outlook. That, plus the onus of having to prefund their retiree health plan, is unsustainable, according to Postmaster General Megan Brennan. They want hikes that are higher than the inflation-based cap currently in place. The mailing industry isn't buying it, saying the organization has plenty of opportunities to fix their own situation instead of relying on their captive audience of mailing customers to foot the bill.

### March 28, 2017

**KSUT:** On April 14, the Postal Service is set to launch a nationwide service that allows users, in a sense, to peek at their mail before it arrives in their mailbox. Users will have the option of getting an email with photos of the front of card- and letter-size mail pieces that are due to arrive that day, or a day or two later. The email is sent on days when mail is being processed and delivered. It shows up to 10 grayscale images in each email with a link at the bottom to see the rest. Users can also view the images for seven days on their dashboard, which they can find on informeddelivery.usps.com.

**TheHill**: As Congress and the new administration pile up priorities and program reforms, the fiscally challenged United States Postal Service (USPS) is ripe for monumental changes. Unfortunately, legislation that has started moving through the House of Representatives falls far short of what is needed. The bill also includes a provision to alter the USPS benefit system so that more than 400,000 employees are transferred into Medicare. This massive shift would add beneficiaries to a program that its actuaries said will slip into the red in 2028, two years earlier than predicted in 2015. In other words, the bill fails to fix what is broken, still allows the agency to foray into activities that are already well-served by competitive private companies, burdens taxpayers with new liabilities, and glosses over the lack of transparency and accountability by calling for a superficial report. Properly fixing the USPS so that it will

be functional for generations to come without needing taxpayer support requires looking beyond the Postal Service Reform Act of 2017.

<u>PatientDaily</u>: Legislation designed to tie U.S. Postal Service retiree health care plans more closely with Medicare could needlessly saddle seniors with two insurance premiums, according to one health policy expert who has studied a bill introduced in the U.S. House of Representatives. If passed, the bill would also transfer tens of billions of dollars from Medicare to the Postal Service to cover unfunded future liabilities. The passage of such a bill would lead to a series of negative financial effects, including the transfer of some \$50 billion a year from Medicare to cover Postal Service liabilities and force seniors to buy insurance they do not need or want.

#### March 27, 2017

**FolioMag:** As the Postal Regulatory Commission's 10-year review of USPS postage rates moves forward, the MPA has teamed up with a pair of mailer organizations to argue the case for affordable shipping. The MPA, along with the Alliance of Nonprofit Mailers (ANM) and the Association for Postal Commerce (PostCom), submitting comments to the PRC this week calling on it to "retain the inflation-capped pricing structure that has protected captive users of the Postal Service's monopoly services for the past decade." The three associations' common stance is that declines in postal volume have actually stabilized in recent years, following steep drop-offs from 2007 to 2010, and that operating revenue is increasing, contrary to the Postal Service's portrayal of the situation.

<u>TheVerge:</u> Amazon has been testing its Prime Air delivery drones for years now, but this week IT made its first public demo of the system in the US. A Prime Air drone dropped off some bottles of sunscreen for attendees at the company's invite-only MARS conference in California on Monday. Amazon says it's the first time its drones have flown for the public in America, with all other US flights taking place on private property. Autonomous drone delivery is still prohibited in the US, and Amazon has complained that the regulatory system is too slow to adapt. It's moving faster in the UK, explaining why Amazon does a lot of testing there, but the biggest problem for tech companies and regulators alike is arranging for reliable low-altitude air traffic control.

# March 26, 2017

<u>USPS</u>: While the U.S. Postal Service welcomes constructive dialog surrounding the Postal Regulatory Commission's (PRC) 10-year review of the pricing system for market-dominant products, we cannot let false and irresponsible claims made by several mailing industry leaders in a recent *The Hill* op-ed go unchallenged. Although we remain optimistic about our future with continued aggressive management and legislative and regulatory reform, the Postal Service is not currently "in good financial shape," despite what the authors say. To the contrary, we continue to face very serious, but solvable, financial challenges. Despite our achievements in improving operational efficiency and growing revenue, we cannot overcome systemic financial imbalances caused by legal and other constraints. Because the current pricing system is not achieving the objectives of the 2006 postal law, including the objective to ensure that the Postal Service is financially stable, the Postal Service has proposed an alternative pricing system that does not include a price cap.

*AmericanPrinter*: BCC Software is pleased to announce a special edition of its monthly webcast, Lien In, on April 4, 2017, focused on the Informed Visibility® initiative featuring Stephen Dearing, Director of Corporate Reporting, for the United States Postal Service®. Dearing will join host, president of BCC Software, Chris Lien for a live, hour-long educational session, helping attendees understand Informed Visibility's impact on the print and mail industry. Click to register for the webcast.

# March 25, 2017

Linns: If you think that Postmaster General Megan Brennan has a difficult job trying to convince Congress to help the financially struggling United States Postal Service, you're right. But that's only one of the fights that the nation's 74th postal chief is facing. Brennan's other, less-known struggle could be just as difficult. She is trying to convince the four-member Postal Regulatory Commission to remove a 10-year-old price cap that limits the size of stamp price increases to no more than the rate of inflation. Not surprisingly, major mailers are buying none of Brennan's arguments. In a joint filling, three major mail groups have told the PRC that allowing rate increases larger than inflation "would be a devastating mistake." Far from being in financial trouble, the Association for Postal Commerce, Alliance of Nonprofit Mailers, and the Association of Magazine Media say "reports of the Postal Service's impending demise are greatly exaggerated." Allowing high rate increases, they say, will only allow the Postal Service to raise funds that will be "squandered" on overly generous contracts with postal unions and "laxer control of costs."

#### March 24, 2017

<u>PostalNews</u>: NALC submits comments in PRC's rate-setting review. Chief among NALC's recommendations is that the PRC should eliminate the price cap on so-called "market dominant" products such as First Class Mail. The cap has failed to provide the means to achieve the most important objective of the 2006 Postal Accountability and Financial Act (PAEA): financial stability for USPS. NALC's submitted comments were reinforced by the inclusion of a study performed at the union's request by well-known experts, including two former PRC research directors. The study concluded that capping USPS' rates at the rate of growth in the CPI prevents the agency from achieving financial sustainability.

<u>PostalNews</u>: On March 10, the APWU signed a <u>Memorandum of Understanding (MOU)</u> with the Postal Service that remedies the situation where Motor Vehicle Service Postal Support Employees (PSE) who had been granted a salary exception were converted to career status within the same craft but to a lower level and received a starting salary rate in accordance with the <u>June 6, 2014 MOU</u> "Re: Resolution of Postal Support Employee (PSE) Salary Exception Issues," and its April 3, 2015 addendum.

<u>PostalNews</u>: In a comment letter to the U.S. Postal Regulatory Commission today, ABA advocated for maintaining stable postal rates based upon the Consumer Price Index. Given that the banking industry is one of the largest users of the Postal Service, ABA emphasized that its members are committed to stable pricing and common-sense postal reform that would allow the USPS to continue operating in an efficient, self-sustaining and affordable manner. However, the association did recommend that the USPS improve workshare pricing — that is, discounts offered to mailers that perform activities that reduce the Postal Service's cost. Providing greater discounts could help lower the effective cost of mail, and in turn allow mail to remain an attractive, affordable option for customer communication.

# March 23, 2017

**Post& Parcel:** Transport companies and carriers again feature heavily in Husch Blackwell's recently-published Top 150 U.S. Postal Service Suppliers list. All told, the US Postal Service (USPS) spent over \$14bn in 2016 on outside purchases, about half of that for transportation. Transport contractors fill half of the first ten spots on the Top 150 for fiscal year 2016 (which ended on 30 September). FCA US, formerly known as Chrysler Group, was at number 4 with \$270m in revenue. In April 2016, USPS agreed to purchase 9,113 Ram ProMaster commercial vans from FCA. Six of the companies ranked from 11 through to 20 also provide transport services to USPS.

### March 22, 2017

<u>PostalNews</u>: USPS is offering comments on the 10-year pricing system review being conducted by the Postal Regulatory Commission (PRC). Under a 2006 postal law, the PRC must review the system used for regulating rates and classes for market-dominant products, including First-Class Mail, USPS Marketing Mail and other mail categories. The goal is to determine if the current system is meeting its objectives, which include enabling the Postal Service to be financially stable. If the current system is not meeting the objectives of the law, the PRC can modify it or adopt a new system. In <u>comments</u> filed March 20, USPS recommended changes to the current system.

<u>PostalNews</u>: In an effort to deal with formidable rival Amazon, eBay has launched a new program giving shoppers guaranteed three-day shipping on 20 million products. Called "Guaranteed Delivery," it also includes free shipping on "millions" of those items, according to eBay, and will roll out in the US starting this summer. eBay points has 1.1 billion items listed at any given time, of which 67 percent already ship for free and 63 percent arrive within three or fewer days. With "Guaranteed Delivery" items, however, eBay will either refund the shipping or give you a coupon if they don't arrive on time.

*WashingtonPost*: Federal agents have asked to seize more than 100 mail parcels in the Washington, D.C.-area since October, suspecting each was being used by drug traffickers to ship narcotics. The cases are a fraction of a nationwide surge in drug deals conducted through the U.S. Postal Service and are only some of the 2,000 cases opened by the U.S. Postal Inspection Service.Federal auditors report almost 35,000 pounds of marijuana was seized from U.S. Postal Service parcels in 2015. The packages include "heavy taping," feature addresses from states in which marijuana is legalized and often use the U.S. Postal Service's "click and save" stickers, which investigators said are added to make illegal parcels appear to be legitimate business packages.

#### March 21, 2017

**PostalNews:** From the American Postal Workers Union: On March 16, the House Oversight and Government Reform Committee "marked-up" and approved the Postal Reform Act of 2017 (H.R. 756). Recognizing the need to set the Postal Service on sound financial footing, the APWU supported H.R. 756 advancing through committee. The favorable vote to move the bill out of the Oversight Committee is one of several key steps in a lengthy legislative process. After H.R. 756 was introduced in January, President Dimondstein and APWU's Legislative Department requested clarifying language to ensure that prescription drug benefit coverage under FEHB would not decrease through Medicare integration. A manager's amendment (a change to the bill by its sponsor) was offered by Chairman Jason Chaffetz to address this concern. The manager's amendment was adopted by the Committee.

FolioMag: As the Postal Regulatory Commission's 10-year review of USPS postage rates moves forward, the MPA has teamed up with a pair of mailer organizations to argue the case for affordable shipping. The MPA, along with the Alliance of Nonprofit Mailers (ANM) and the Association for Postal Commerce (PostCom), submitted comments to the PRC this week calling on it to "retain the inflation-capped pricing structure that has protected captive users of the Postal Service's monopoly services for the past decade." The three associations' common stance is that declines in postal volume have actually stabilized in recent years, following steep drop-offs from 2007 to 2010, and that operating revenue is increasing, contrary to the Postal Service's portrayal of the situation. Included in the comments submitted to the PRC by the three associations are some suggested means by which the USPS might improve its financial situation, ranging from specific to over-arching. Among them: reducing compensation for employees, which the associations argue are

overpaid compared to their counterparts in the private sector; placing renewed emphasis on driving productivity; conceiving new sources of revenue, like advertising on mail trucks; and, simply, making better decisions when it comes to management and pricing.

### March 20, 2017

**DeadTree:** The increasing use of non-career letter carriers has caused a steady rise in motor vehicle accidents and liability, postal officials said this week. The U.S. Postal Service's liability for motor vehicle tort claims (paid to victims of accidents) rose from \$48 million in Fiscal Year 2015 to \$88 million in FY2016, the Postal Regulatory Commission recently pointed out. The lower pay, paltry benefits, and more flexible schedules of the 70,000 or so City Carrier Assistant (CCA) and Rural Carrier Associate (RCA) positions are probably saving the Postal Service at least \$500 million in annual compensation. But the inexperienced employees have also meant more mis-delivered mail, employee injuries, lower productivity, higher turnover, and ballooning recruiting and training costs, according to the USPS.

**PostalNews**: The National Active and Retired Federal Employees Association (NARFE) is deeply disappointed the House Committee on Oversight and Government Reform approved the Postal Service Reform Act of 2017, H.R. 756, without addressing the serious concerns of 76,000 postal retirees who would be forced to enroll in Medicare under the bill. "NARFE, as an organization representing postal retirees and as a customer of the Postal Service, is committed to supporting legislation that provides much needed reforms to USPS that allow for its long-term stability. However, we remain disappointed that the Committee failed to once again consider our simple, fair and reasonable alternative: maintain automatic enrollment of current postal retirees into Medicare Part B, but provide them with a short opt-out window of 60 or 90 days. Without this option, the bill breaks an unwritten promise regarding retiree health benefits and replaces the individual postal retiree's choice of health insurance with a paternalistic requirement, at significant cost to the Medicare program."

Contractors Perspective: Transportation contractors once again dominate the top spots in our annual list of the Top 150 U.S. Postal Service Suppliers. In fiscal year 2016, USPS spent over \$14 billion on outside purchases, about half of that for transportation. As it has since 2002, Federal Express Corporation lands atop the list, this year with \$1.678 billion in revenues – about a \$300 million increase from last year. FCA US, LLC, formerly known as Chrysler Group LLC, raced to No. 4 on the list with \$270 million in revenue. In April 2016, USPS agreed to purchase 9,113 Ram ProMaster commercial vans from FCA. Rounding out the transportation-related companies in the Top 10 are trucking companies Salmon Companies (No. 5, \$242 million), Eagle Express Lines, Inc. (No. 8, \$179 million) and auto-supplier Wheeler Bros., Inc. (No. 9, \$177 million). Package and logistics giant United Parcel Service is ranked No. 11, earning \$161 million in postal revenues. Six of the companies ranked No. 11 through 20 also provide transportation services to USPS.

# March 18, 2017

<u>FederalNewsRadio</u>: Members of the House Oversight and Government Reform Committee have lobbied hard for postal reform this year, and have already briefed President Donald Trump about their intention to have a pair of bills arrive on his desk soon. For the first time in recent years, this attempt to remedy the U.S. Postal Service's troubled business model has received the support of four major postal unions, private industry and the committee's leadership from both parties. "This is a big day. We've been working on a postal reform bill for a long time," committee Chairman Jason Chaffetz (R-Utah) said. "This is the next step in a process that has been very bipartisan from start to finish." Both postal reform bills cleared the committee, and now head for a full House vote.

**BroadwayWorld:** A new United States Postal Service (USPS) discount program, which grants 2-5% off postage costs to US-based direct mail companies and their clients, is under way. Official DirectMail2.0 partners will qualify for these discounts on all mail that is sent between March 1, 2017 Aug. 31, 2017 with DirectMail2.0 technology. This could total tens of thousands in savings. The Postal Service is billing this promotion as their "Digital to Direct Mail" experience, which features two separate discount promotions. The first, the Emerging and Advanced Technology program, offers 2% off postage for first-class mail from March 1 - Aug. 31, 2017. The second is the Direct Mail Starter program, which offers 5% off postage (up to 10,000 pieces) to businesses and nonprofits who are not currently using direct mail, and runs from May 1 - July 31, 2017.

# March 17, 2017

**TheHill:** The House Oversight Committee on Thursday approved two bipartisan bills aimed at putting the U.S. Postal Service on better financial footing. The committee passed the bills by voice vote. One of the bills makes a number of changes to the Postal Service, which has faced financial challenges in recent years. The bill would automatically enroll eligible USPS retirees in Medicare, make reforms to the Postal Service's governance, bolster the use of centralized delivery, allow the USPS to increase postal rates by 1 cent for a first-class stamp and to provide non-postal services to state and local governments. The Oversight Committee also approved a bill that would authorize the Treasury Department to diversify the investment strategy for the Postal Service Retiree Health Benefits Fund.

<u>News4Jax</u>: The budget proposal President Trump unveiled Thursday would slash discretionary spending at many agencies, with the exception of defense and border enforcement. While the document doesn't specify how many jobs would be cut, experts say tens of

thousands of government jobs could be eliminated if Congress approves this budget. The U.S. government has just over 2 million civilian employees, not including the Postal Service, which is an independent agency that is not funded by taxpayers.

*WashingtonPost*: Under President Trump's budget proposal, federal employees at many agencies may need to acquaint themselves with a lately dormant but still much-feared term: Reduction in Force. If Trump's budget is enacted into law, it would hike defense spending by \$54 billion — and pay for it with an equal cut in domestic spending at other federal agencies. Trump has said that reducing the size of the federal workforce — better known by its acronym, RIF — is a top priority. RIFs have not been used widely for decades. It is a complex process that catalogues and ranks employees based on the work they do and where, their employment status, veteran status, length of service and performance ratings.

#### March 16, 2017

<u>FedWeek:</u> The House Oversight and Government Reform Committee is set to move a postal reform bill (HR-576), one of the topics of rare bipartisan agreement in that panel and potentially a breakthrough in the long-stalled reform effort. The committee had passed similar legislation last year but too late to shepherd it all the way through to enactment. The measure addresses business-type issues unique to that agency because of its self-funding nature, including stretching out an obligation to pre-fund retiree health care and allowing it more freedom to raise rates and to branch out into new services.

**TheHill:** According to Megan Brennan, United States Postmaster General, enactment of bipartisan postal reform, H.R.756, along with a favorable resolution of the Postal Regulatory Commission's (PRC) pricing system review and continued aggressive management actions to control costs and grow revenue will enable to the Postal Service to meet its financial obligations and continue to provide affordable, reliable, and secure delivery service to every business and home in America. Despite achievements in growing revenue and improving operational efficiency, we cannot overcome systemic financial imbalances caused by statutory and other mandated constraints. Without action, our net losses will continue and our financial position will worsen — threatening our ability to meet America's evolving mailing and shipping needs. Enactment of the bill, a favorable outcome to the PRC's pricing system review and continued aggressive management actions will allow the Postal Service to focus 100 percent of our efforts on growing and improving our vital delivery service to meet the needs of our customers and the expectations of the American public today and beyond.

# March 15, 2017

<u>CPI</u>: <u>CPI for all items rises 0.1% in February; food and shelter indexes increase but gas falls.</u> On a seasonally adjusted basis, the Consumer Price Index for All Urban Consumers increased 0.1 percent in February after rising 0.6 percent in January. The index for all items less food and energy rose 0.2 percent in February after increasing 0.3 percent in January.

#### March 10, 2017

*OpenPR*: The global postal packaging industry is transforming itself in an era of globalization, technological transformation, and innovation. The structural drop in physical letter mail volumes across the globe makes significant challenges for the postal packaging industry. Although postal operators around the world remain to rebalance their business portfolios by shrinking their dependency on domestic markets and traditional mail businesses. Letter mail still shows a significant share of revenue for postal packaging. It is expected that the sales in key markets such as the US, China, Japan and France are expected to rise steadily over 2016-2024. Most of the postal packaging operators are participating in environmental sustainability by making environment-friendly mailer packaging products.

#### March 8, 2017

<u>PRWeb</u>: USLegal, Inc. today announced a partnership with Earth Class Mail, a leading provider of virtual mail and address services. The alliance enables USLegal.com to offer additional services to its customers including online postal mail management, document scanning, check deposit, and workflow automation.

# March 7, 2017

**PostStar:** U.S. Rep. Elise Stefanik, R-Willsboro, on Feb. 28 co-sponsored a resolution Rep. David McKinley, R-W.Va., introduced Jan. 6 urging the U.S. Postal Service to restore service standards to levels in effect on July 1, 2012, according to the Library of Congress government information web site. The Postal Service would return to previous 2- and 3-day delivery standards, restore overnight delivery service within cities and towns, and would be less likely to consolidate postal operations, according to the American Postal Workers Union. The resolution – H Res 31 – had 125 co-sponsors, as of Tuesday – 26 Republicans and 99 Democrats.

<u>USAToday</u>: For more than three years the Postal Service has been operating at a profit, to the tune of \$3.7 billion overall. Revenues have steadily risen as the economy improves and as online shopping boosts package revenues. On Feb. 9, USPS announced a \$522 million operating profit for fiscal year 2017's first quarter. This is earned revenue; the Postal Service receives no taxpayer

money. Consensus legislation supported by a broad coalition of key lawmakers, industry groups, and postal management and labor addresses the onerous pre-funding burden while strengthening the invaluable — and profitable — postal networks.

# March 6, 2017

*Trucks.com:* The chronically beleaguered United States Postal Service may be headed for a refresh, courtesy of major reforms proposed in Congress. A Morgan Stanley report this month suggests that a streamlined, flexible USPS could pose a threat to the two private logistics behemoths [UPS and FedEx], particularly in e-commerce delivery services. "This is clearly a time of fast-moving, secular developments in the logistics/last mile parcel delivery space, but all signs point to increased — not reduced — competition," according to the report. USPS is operationally profitable. Its first-class mail revenue is declining more slowly year-over-year than forecasts projected. It has made \$14 billion in cost reductions since 2008. The agency's net income demonstrates that the core operations aren't necessarily in disarray. The primary financial culprit is retiree healthcare benefit spending — if Congress can clean that up, USPS wouldn't need to institute price hikes. And even if the agency decides to charge more for its services, it likely won't target e-commerce parcel delivery. If anything, a reformed USPS would lower prices for package services while boosting stamp prices. Currently, USPS' competitive products are priced at \$4 a unit, compared with \$8 at UPS and FedEx Ground, Morgan Stanley found. So a 50 percent increase at USPS would still put the price 25 percent below the private competitors'.

#### March 3, 2017

Linn's Stamp News: The way United States postal inspectors are telling it, Khalid M. Hussain, the longtime manager of the Stamp Fulfillment Services center in Kansas City, Mo., ran a rogue operation for years that sold U.S. mint stamps overseas at deep discounts. At the same time at his offices in the underground stamp center known as "the caves," Hussain was giving away, or selling at discounted prices, philatelic products sent to his facility for disposal or destruction. The problem, the inspectors say, is that neither operation had approval from U.S. Postal Service headquarters in Washington, D.C. That's the ugly picture that emerges from a newly released investigative report.

# March 1, 2017

<u>USAToday</u>: The postal service operates under a 2006 law that governs what it can charge for stamps, how much it must pay into retiree health funds and how it operates its business. Some provisions of the law expired last year, including the provision that forced the postal service to pay a staggering \$5.4 billion to \$5.8 billion annually to the health fund. Now the House is considering a bipartisan bill that would revamp that costly health plan and could lead to an increase in stamp prices – moves lawmakers say could help USPS thrive.

**Post& Parcel**: Ford demonstrated its concept for autonomous parcel delivery vehicles – dubbed "Autolivery" – as part of its "City of Tomorrow" display at the Mobile World Congress in Barcelona. Self-driving vans could quickly and efficiently transport everything from groceries to urgently needed medical supplies on the ground, with drones potentially able to take to the air for the final leg of the journey to reach destinations inaccessible by car, such as high up in a tower block – or where parking would be difficult, impractical, or unsafe.

InternetRetailer: The Postal Service, facing sharp declines in demand for its market-dominant products like letter mail, came to the realization that its future relies on hitching a ride with e-commerce's growth and exploiting the key advantage it has over UPS and FedEx—it visits 156 million U.S. residence and business addresses six days a week and, in some cases, seven. The Postal Service in recent years has made that investment and is now reaping the benefits as more high-volume shippers, including Amazon.com Inc., steer parcels its way. In the Internet Retailer 2012 Top 500 Guide, 90 retailers listed the Postal Service as their primary shipping carrier, representing \$64.46 billion in online sales. Four years later, 120 retailers representing \$132.26 billion in sales listed USPS as their primary carrier. Capital investments to improve its technology, sorting systems and delivery fleet are allowing the Postal Service to present itself as a viable shipping option for high-volume e-retailers. Ongoing investments include more automated parcel sorting systems and new vehicles with 28% more cargo space to accommodate the boxes and padded envelopes that carry online orders. The Postal Service is also actively marketing its services to merchants through its national sales team, old-fashioned direct mail (it pays its standard rate) and television commercials.

### INTERNATIONAL NEWS

#### March 31, 2017

**SWITZERLAND:** Recode: The Swiss Post has started to fly drones to deliver laboratory samples between two hospitals in the city of Lugano — area population 150,000 — near the Italian border. The national mail service partnered with California-based drone company Matternet to supply the drones and flight system, and has been flying them since the middle of March. In the past two weeks, the drones have completed around 70 successful autonomous flights. The drones flew on their own without anyone directly piloting or watching the drones in person. This program puts Switzerland ahead of the U.S. in the race to drone delivery, where flying a drone beyond the line of sight of an operator requires getting a special waiver from the the Federal Aviation Authority.

#### March 28, 2017

*UAE: GulfToday:* The UAE has won the Silver Level in the EMS Performance Awards which recognise excellence in EMS among postal operators globally, thus becoming the first Arab country to win the award since its launch in 2001. The award was received by Acting CEO of the Emirates Post Group, Abdullah Mohammed Alashram, at Universal Postal Union (UPU) headquarters in Berne, Switzerland. The award is one of the most important in the field of postal services which are aimed at achieving the performance rates of between 95 to 98 per cent in main performance indicators.

*UKRAINE: Unian:* Ukrposhta, Ukraine's State Postal Service, intends to bring Amazon into Ukraine as early as by the end of 2017, according to Ukrposhta CEO Ihor Smilyanskiy, RBC Ukraine reports. "We are ready in terms of logistics, but this is about international agreements, and in this case we have to deal with the U.S. mail service, which is a large monopoly, so they don't move too fast," he said. The rest is cooperation with Ukraine's customs authorities which Smilyanskiy believes should increase their staff to ensure stable clearance procedures. Ukrainian state-owned postal service Ukrposhta intends to raise tariffs for its services by an average of 50% under the decision of the National Commission for Regulation in the Sphere of Communications and Informatization.

# March 27, 2017

**POLAND:** <u>WarsawVoice</u>: Poland's postal services operator plans to take over 20% of the security services market in five years. While security firms are concerned that the state-owned giant could steal some of the market, particularly in orders from state-controlled firms, they claim higher competences.

#### March 25, 2017

*MALAWI:NYASATimes:* Minister of Information and Communications Technology Nicholus Dausi has urged the Malawi Postal Corporation to embrace Information Communication and Technology in order to compete on the liberalized market. "You need to be very innovative in your service delivery in order to compete with the private sector. And one way of doing that is to embrace ICT in your programs and services to be at par with your counterparts in the private sector," he advised. -Dausi observed that Malawi Postal Corporation has infrastructure all over the country, even in the remotest areas and well placed to start money transaction service delivery using ICT.

**UNITED KINGDOM:** Post& Parcel: As Royal Mail and Parcelforce's new postal tariffs come into effect next week, Pitney Bowes is advising small businesses to review how these changes will impact them. As previously reported by Post&Parcel, new Royal Mail and Parcelforce postal tariffs will mean first and second class stamps will rise by a penny on Monday (27 March), taking first class stamps to 65p and second class stamps to 56p. This latest increase in postage costs is a wake-up call to small businesses to review how they manage their communication costs," commented Ryan Higginson, Vice President & UK/ROI Country Leader, at Pitney Bowes. Pitney Bowes is advising SMEs follow a 5-step plan to improve their shipping and mailing and making sure that they are benefiting from the latest digital innovations that now also offer advanced tracking solutions and guaranteed security.

# March 23, 2017

EUROPE: Post& Parcel: The latest International Post Corporation (IPC) performance measurements indicate that the quality of the postal service in Europe is being "challenged" by changing market conditions. The IPC UNEX 2016 measurement results unveiled today (24 March) show that 83.2% of international priority and first-class letter mail in Europe was delivered within three days of posting and 95.2% within five days. Average delivery time was 2.7 days. With international letter mail volumes on the decline, operators have had to find ways to ways to reduce costs. Some have done this by changing their transport options – by switching from air to ground, for example. Others have revised their domestic service standards, which has impacted the international mail transit times from posting to delivery to the addressee.

**NEW ZEALAND:** Stuff: An Oamaru taxi company, which has taken to delivering mail through the night, is ready to replicate its success by offering franchises across New Zealand. Whitestone Post, a postal service which utilises taxi company Whitestone Taxis, has operated in Oamaru for the past three years. The company had a target to have mail delivered by 6am the next day and guaranteed

to deliver by 10am. Not once had they missed a guaranteed delivery. Whitestone Post is now preparing to move into other regions, with franchises expected to be offered across the South Island in about two weeks' time.

NIGERIA: <u>TheGuardian</u>: Nigerian Postal Service (NIPOST) has begun a massive overhaul of men and machinery to position it as the biggest ecommerce and epayment player in the country despite the delay in the passage of the so-called postal reform bill. Postal Reform Bill which has been on back and forth motion since its first introduction at the National Assembly in 2004, remains a clog on the wheels of courier sector growth and expansion in Nigeria. Mr. Bisi Adegbuyi, post master general of the Federation, said a six-commercial business units including an e-commerce department had been put in place in order to take advantage of emerging business trends. Adegbuyi said, "The restructuring is in line with the principle of delegation and devolution of powers to enable NIPOST to run in a more efficient manner to engender operational efficiency, better service delivery, diversification and inclusive growth process by all the members of staff of the organisation."

**SINGAPORE:** Post& Parcel: Singapore Post will be starting a road trial of a prototype three-wheel electric mail-delivery scooter this month. The postal operator is running the trial with the research platform TUMCREATE. Three SingPost postmen have been assigned to provide "real-world feedback" for further development, while a manufacturing partner is being sought to convert the prototype into a market-ready product. The vehicle's all-electric drive produces zero local exhaust emissions and, with relative simplicity and fewer moving parts compared with combustion engines, reduces maintenance costs and downtime. Additionally, it offers near-silent operation, thus curbing noise disturbance, especially during deliveries in residential areas.

UNITED KINGDOM: FinancialTimes: Royal Mail hit a two-month high on Thursday amid hopes that it is nearing an agreement to close its defined benefit pension scheme. The UK postal operator began a consultation in January about the future of the £7.4bn scheme. Resolution now looks "imminent", according to JPMorgan Cazenove analysts, who estimated that investors have already priced in £100m a year step-up in pension charges. JPMorgan put a 545p target on Royal Mail, which closed up 2.3 per cent to 418p. Resolution should broaden the addressable market for the stock, which is geared to parcel volume growth in "arguably the most developed market" for ecommerce, the broker said.

March 22, 2017

**PAKISTAN:** Nation.com: The government has introduced a number of new postal services to cater requirements of present day needs under Pakistan Postal Department (PPD) reforms agenda. The new services included Electronic Money Order Service, Mobile Money Solution, Pakistan Post Logistics Company and Project for automation of postal services.

**SAUDI ARABIA:** ArabNews: Mobily has signed a collaboration agreement with Saudi Post, following which Mobily products and services like voice and data SIM cards, recharge vouchers and e-vouchers will be available in all Saudi Post branches across the Kingdom. The agreement comes following Saudi Post's policy of collaborating with leading companies in different sectors to enhance postal services for citizens and expats across the Kingdom. It is noteworthy that Mobily provided all the necessary equipment for Saudi Post offices besides training the postal organization's staff to smoothen service delivery.

**DENMARK:** ComputerWeekly: Swedish-Danish logistics company PostNord has announced up to 4,000 job cuts in Denmark over the next two to three years as a result of increasing digitisation. According to the company, mail volumes in its Danish business have fallen by 80% since the start of the millennium.PostNord Denmark has axed around 3,000 full-time jobs since 2013, but this is has not been enough to offset poor financial performance caused by the fast introduction of digitisation. At the heart of the transformation push is a new production model, which will see separate production processes and infrastructure for mail phased out.

INDIA: Finextra: Any institution that works to establish financial inclusion takes on the role of becoming a emissary of trust - trust in the economy. Postal networks have often been the most effective tools of establishing inclusion and yet remain the least accredited and overlooked. A study by the Universal Postal Union (UPU) states that 1.4 million postmen go door-to-door daily establishing a daily 2 million odd contact points across the world. Postal networks therefore become the strongest channels of inclusion globally and India has one of the most ambitious projects at hand. Globally, 50 percent of adults have an account at either at a financial institution, post office or both institutions, 12 percent have an account at the post office as well as a bank, and 3 percent (6 percent of all account holders) have an account at the post office only. Roughly 28% of the world's adults use postal services for payments (for example, invoice payments and social benefits) and remittances. According to UPU research 1.5 billion people worldwide currently go to post offices for these types of transactions, but only 1 billion have accounts.

**NEW ZEALAND:** Scoop: The cost of sending a medium sized letter within New Zealand by FastPost will increase 50 cents from \$1.80 to \$2.30, from 1 July 2017. New Zealand Post is making this change, along with increases for other products following its annual price review. The amount of letter volumes continues to decline significantly, at a rate of approximately 60 million items a year. Despite significant and ongoing cost reductions, this has had an impact on revenue and some price increases are necessary. Prices will increase for all FastPost letter sizes, along with increases for some courier, international and business products, international air parcels and bulk mail.

**SINGAPORE:** TheNewspaper: While many of us depend on the postal system to get our overseas purchases, it can also be used for crime. Central Narcotics Bureau (CNB) statistics show that the number of people arrested for buying drugs and drug-related paraphernalia online had increased significantly from 30 in 2015 to 201 last year. Immigration and Checkpoints Authority (ICA) scans every inbound postal article from 8am to 4.30pm every day, before it is delivered. Last year, it cleared more than five million postal articles.

### March 21, 2017

IRELAND: Post&Parcel: An Post has announced that the standard domestic letter rate for items up to 100g within Ireland will increase from €0.72c to €1.00 while the standard international letter rate up to 100g will rise from €1.10 to €1.35. An Post said that increases of between 12% and 39% across the full range of mail services were "necessary" in order for the post operator to continue to meet its Universal Service Obligation. In related news, Ireland's Commission for Communications Regulation (ComReg) announced today that the Communications Regulation Act 2017 has now been enacted – and it repeals section 30 of the 2011 Act and the current five-year price cap. As a result, ComReg will no longer have any statutory power to regulate the prices of universal postal services on an "ex ante basis" (before the prices are increased). What this means in practice is that An Post will be able to increase prices, without requiring any advance approval from ComReg, and ComReg cannot limit the size of such price increases. However, An Post will still have to comply with the "tariff requirements", which specify that prices have to be affordable, cost-oriented, uniform through the state, transparent and non-discriminatory. Furthemore, ComReg will continue to monitor An Post's compliance, on an ex post (after the event) basis.

**NIGERIA:** <u>Vanguard</u>: The Nigeria Postal Service has created an e-commerce department to take advantage of emerging business trends in the world. This is part of the restructuring of the postal organisation into six business commercial units for efficient service delivery in addition to the collapse of the organisation's 38- territory structure into a seven-zone structure.

**UNITED KINGDOM:** itv: Jersey Post are blaming new price increases on higher costs from Royal Mail and the fall in value of the pound. The cost of a local letter is going up by 1p and letters to the UK, Isle of Man and other Channel Islands by 3p. The company say less post being sent, as well as the rising number of houses they deliver to are also responsible for the hikes. The cost of some international letters has gone up, but those weighing up to 100g are now cheaper to send.

#### March 19, 2017

INDIA: <u>TheBetterIndia</u>: With ATMs being set up around the country and lower saving schemes, India Post is emerging as a cost-effective alternative to conventional banks. In addition to delivering snail mails and money orders, India Post has been running a number of small savings schemes since 1882, including savings and recurring accounts as well as time deposits. Opening a bank account in the post office takes a mere ₹20 and the minimum balance to be maintained is ₹50. Its most recent development is a series of India Post ATMs, that are being opened around the country, from Jammu & Kashmir to Kerala. The government is also running pilot projects of the India Postal Payments Bank in Raipur and Ranchi.

# March 18, 2017

**INDIA:** NewIndianExpress: The Department of Posts (DOP) Friday informed the Parliament that it has seen a growth in earnings by over 11 per cent. The total revenue earned has been Rs 12,940 crore in 2015-16. The government has planned to set up 650 Indian post payment banks by September. 1,000 ATMs have also been proposed to be established to help customers having accounts in a post office savings bank. Post offices also serve as saving banks, pay pensions, sell Cash Certificates on behalf of other ministries besides providing purely postal services.

**KENYA:** <u>DailyNation</u>: The Postal Corporation of Kenya has proposed up to 64 per cent increase in mail box charges as it moves to reverse a trend of declining revenues. Under the proposed rates, the prices paid by companies, charities and for box rental in remote areas will rise by between 38 per cent and 64 per cent. The cost of sending letters and parcels internationally will also rise by as much as 43 per cent.

**PAKISTAN:** <u>Pakistan Today</u>: In times of the fourth generation of internet, postal services are still important, particularly for the people living in rural and suburban areas, Minister for Parliamentary Affairs Sheikh Aftab Ahmad said. Talking about postal services, he said that the importance of the services could not be denied even today. "People living in far-flung areas were the biggest beneficiaries of the institution of the post office," he said.

# March 17, 2017

FINLAND: YLE: National postal carrier Posti and Finland's brewery product leader Sinebrychoff have agreed that Posti will take over delivery of the company's beverages nationwide. Posti says the move does not affect any existing services such as snail mail. Postal employees will also shelve the products for some of the retailers and make sure empty bottles and cans as well as packaging materials are returned or recycled. The deal is intended to boost efficiency, so that no Posti lorry would drive cross-country with just half a load. Posti endeavours to fill each of its delivery trucks with items of all shapes and sizes. Posti currently employs

more than 800 logistics contractors. Posti already home delivers meals to the elderly, and is piloting web-based food ordering services in five Finnish regions. Cool and frozen products are next on Posti's expansion list.

**TURKEY:** Hurriyet: Türk Telekom has signed a cooperation protocol with Turkey's national postal service PTT for real estate development, the telecom company said in a written statement on March 17. "The protocol aims to determine the general principles of secondary protocols in order to build cooperation on real estate development, project management and building management activities, carry out, support and promote collaborative studies for the joint interest and service requirements of the parties on the jointly-owned independent areas on the same parcel and mutually used real estates of the parties," it said.

CHINA: WSJ: Alibaba and its main rival, JD.com, are ramping up their efforts to grab a slice of the online grocery-shopping market by using a new form of courier service. The service works like the Uber of delivery, and is similar to Instacart, the Silicon Valley-based grocery-delivery startup valued at roughly \$3.4 billion after a funding round earlier this month. In hundreds of Chinese cities, shoppers can click on an app on their phones and have groceries appear at their door within an hour. One startup delivers grocery orders from more than 60 Wal-Mart stores in China. Compared with the U.S. counterparts, delivery is cheap. Instacart has pushed more of its customers into an Amazon Prime-like service that charges a flat fee of \$14.99 a month, or \$149 a year, for unlimited grocery deliveries.

CHINA: Sixth Tone: Back in February, parcels piled up at YTO Express depots, customers complained about late deliveries, and couriers refused to work following the end of the Chinese New Year holiday. YTO, like the other delivery chains that make up China's "Big Five" — STO, ZTO, Yunda, and SF — has built up its nationwide coverage by aggressively franchising its operations to local contractors. These contractors, in turn, agree on a commission rate and market themselves under the company's name. Most operate out of low-rent, back-alley commercial spaces; some specialize in express delivery, and others do not. Lax franchise management and inadequate training mean that customer satisfaction with China's courier services remains low. A further battle in the escalating price war has been fought between delivery services and digital sellers. The billions of orders coming out of China's booming e-commerce sector have effectively taken couriers hostage, with each of the Big Five sourcing at least 70 percent of their business from online clients.

**UNITED KINGDOM:** FinancialTimes: Royal Mail is considering a proposal from a trade union for what it says is a new kind of pension arrangement that would share some financial risks between workers and employer. The privatised postal service has said funding its existing defined benefit scheme, which pledges a secure income to pensioners, will become unaffordable after 2018. It wants to replace this with a less-generous, although now commonplace, defined contribution system, where the employer chips in but the risk of investments is transferred to the employee.

### March 16, 2017

INDIA: TheHindu: A one-day strike call given by the Confederation of Central Government Employees and Workers left services of post offices in Vellore and Tiruvannamalai district paralysed. Leading unions such as the Federation of National Postal employees Organisations (FNPO) and National Federation of Postal Employees (NFPE) supported strike. Vast majority of postal employees participated in the strike. Work at two head post offices, 70 sub-post offices and more than 400 branch post offices were affected. K.Pichandi, Divisional Secretary of NFPE, said Union Ministers Arun Jaitly, Rajnath Singh and Suresh Prabu had assured them that issues in the 7th Pay Commission would be sorted out in four months. Even after months, the issues were not resolved. Hence the strike.

**POLAND:** The News PL: Postmen and postal workers on Thursday launched protests across Poland demanding a hike in wages. Employees unaffiliated to trade unions want pay rises of PLN 1,000 (USD 248, EUR 232) a month gross. They are currently paid PLN 1,500 net a month on average, Polish Radio reported. The protestors also want a reorganization of postal areas and restoration of some bonuses. After the protests the workers were to hand in a petition to post office bosses.

# March 14, 2017

NIGERIA: <u>Daily Trust</u>: Federal Government has unbundled the Nigerian Postal Service into seven zones and six business units in a bid to enhance its revenue generating capacity. The reform programmes will take off in the second quarter of 2017. The Zonal arrangement purely for Postal administrative convenience is aimed at entrenching the principle of delegation and devolution of powers as well as aids accelerated decision making process particularly in key operations areas like mail routes delineation, deliveries and postal enquiries.

THAILAND: NationMultimedia: Line Man, an on-demand professional services assistance app "serving the needs in your daily life at any time", has releases its new Postal service – beta version (for Android only). The company said Postal was aimed at local merchants and small and medium-sized enterprises, "offering nationwide, door-to-door parcel delivery – fast, affordable and secure". It said that after the "great success" of its food delivery service, Postal was an expansion of its services. Line Man said the service included parcel pick-up from a customer's door, with delivery to destinations nationwide at a "reasonable price".

**BRAZIL:** <u>BusinessInsider</u>: Correios, a Brazilian postal service, launched its own mobile virtual network operator (MVNO) service. MVNOs buy up bandwidth from established carriers and sell it under their own brand. For example, in the US, Cricket is an MVNO that uses Sprint's wireless network, branded under its own name. Correios aims to have a user base of 8 million subscribers by 2022.

CHINA: Logistics Asia: In recent years, Hong Kong has witnessed a rise in the number of postal items addressed in traditional Chinese characters. This has in turn boosted the need for automated sorting and processing of addresses written in traditional Chinese characters in addition to those handwritten or printed in English. This new function has been introduced to 15 systems delivered to Hongkong Post by NEC on several occasions since 2008 that are currently in operation at the Central Mail Centre in Kowloon Bay. The introduction of this function enables the automatic sorting and processing of up to 564,000 postal items with addresses written in traditional Chinese characters per hour, thereby contributing to the improvement of Hongkong Post's operational efficiency.

*IRELAND: IrishNews:* The Irish Postmasters' Union (IPU) will hold a protest tomorrow outside the GPO in Dublin in opposition to potential closures of up to 200 post offices around the country. IPU general secretary Ned O'Hara said the Government must immediately intervene and stop An Post from stalling a €56m network development plan devised by businessman Bobby Kerr. An Post's CEO, David McRedmond, said that it wants to stall any decision on future planning for the post office network until at least next May, while it works on a separate post office strategy of its own, and has signalled the potential for significant post office closures.

*IRELAND:* Business Irish: An Post is expected to seek the closure of more than 200 post offices and the co-location of many more to convenience stores in a radical restructuring plan being formulated for the ailing postal network. Decisions will be made as early as summer as An Post management battles crippling losses. More than half of all the post offices in the State are losing money. Last week the company announced that it needed to increase the price of stamps to avoid a cash squeeze in the near future, and buy time for a fundamental restructuring of the company. At the moment there are close to 1,150 post offices, with Ireland having a particularly high ratio of post offices per head of population.

NIGERIA: SunNewsOnline: Report from the National Bureau of Statistics released at the weekend has indicated that the Nigerian Postal Service (NPS) earned N8.84billionn as revenue in 2016. According to the report, stamp duty generated the highest amount of revenue of N4.09billion, representing about 46.34 per cent of the revenue generated in the year, while EMS/Speed post, parcel clearance/delivery fee and international mail income followed closely with N1.36bn, N726.85 million and N715.73million revenues generated, representing 15.38 per cent, 8.23 per cent and 8.10 per cent of the total revenue respectively. The agency handled a total of 33.7 million mails domestically and internationally in 2016; 21.06 million ßmails which represent about 63 per cent of the mails handled locally while 7.7 million mails or 23 per cent of the total mails were dispatched abroad. Also, 4.94million mails or 15 per cent of the total mails were received from abroad and delivered in Nigeria.

# March 12, 2017

UNITED ARAB EMIRATES: Menafn: Emirates Post Group has hosted a symposium on 'Positioning EMS for Growth' for senior management in the Arab region, from March 7th to 9th in Dubai, under the aegis of the Universal Postal Union, UPU. In a message to the symposium, UPU DirectoGeneral, Bishar Hussein, projected that over the next four-year period the EMS market share would grow faster that the e-commerce market growth, if EMS Cooperative members ensure high quality of service through consistent reliability and visibility, give customers the value-added features they want, ensure ease of use and price right to deliver a strong value proposition.

# March 10, 2017

*NIGERIA:* <u>Premium TimesNG</u>: The Nigerian Postal Service, NPS, earned a total sum of N8.84 billion as revenue in 2016, the National Bureau of Statistics, NSE, has said. According to a report released by the bureau titled "Annual Postal Services Data 2016", Stamp Duty generated the highest amount of revenue of N4.09 billion, representing about 46.34 percent of the total revenue generated in the year. The bureau stated further that the agency handled a total of 33,683,640 mails domestically and internationally in 2016.

SWITZERLAND: Post&Parcel: Swiss Post has reported that it achieved a "solid" operating income of 8,188m francs for 2016, but its operating profit (EBIT) of 704m francs was 119m francs down on 2015. The number of addressed letters fell by 3.8%, and while PostMail still recorded an operating profit of 317m francs, this was down from 358m in 2015. Operating income was up, from 2,820m francs to 2,906m francs. In a statement issued yesterday (9 March), the postal operator said that "declining consignment volumes, pressure on margins in the logistics business and the low interest environment in the financial sector" all had a "significant impact" on the 2016 performance.

**ARMENIA:** Para Armenian: Haypost CJSC, the National Operator of Postal Communication of Armenia, on Tuesday, March 7 announced the launch of a PosTransfer project, a new global postal money transfer system under the Universal Postal Union. The first stage of the project will be implemented in Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan and Ukraine. The new system will be fully launched across the the Commonwealth of Independent States by the end of the year. The decision to create a unified system of money transfers was adopted in the UPU Congress in Istanbul in September 2016.

#### March 6, 2017

*GERMANY:* <u>Post& Parcel</u>: Deutsche Post DHL Group is working with the German armed forces to help integrate soldiers into the civilian labour market after they leave military service. Between 10,000 and 15,000 soldiers leave the Bundeswehr (the German aired forces) each year. Deutsche Post DHL Group employs about 200,000 people in Germany. In 2015, the company announced that it would create up to 10,000 new jobs in the parcel-delivery sector by 2020.

INDIA: <u>Post& Parcel</u>: Working in partnership with India's largest intralogistics automation integrator, Armstrong, Pitney Bowes recently installed a TrueSort automated parcel sorting solution at Gati-KWE, the express distribution and supply chain solutions provider. The automated TrueSort system is capable of processing a combination of parcels, polywrap bags, magazines and flats. The system leverages Pitney Bowes proprietary Business Logic Processing (BLP) software which provides access to the full parcel processing data stream for tracking, reporting and making critical business decisions.

#### March 4, 2017

CANADA: Yahoo Finance: Canada is missing out on more than \$1.3 billion a year in tax and duties on e-commerce shipments, according to new research. The study by consultancy Copenhagen Economics found that there is a significant discrepancy in how packages sent to Canada are treated by customs, depending on if they are shipped via postal carriers or express services, such UPS or FedEx. The research, which was prepared on behalf of UPS, found that sales tax is collected on only 25 per cent of shipments sent through postal carriers, compared to 100 per cent on those done through express operators. It also found that customs are only collecting import duties on six per cent of packages sent by postal carriers, which pales in comparison to the 98 per cent taken on those that arrive by express operator shipment.

# March 2, 2017

UNIVERSAL POSTAL UNION: PRNewswire: Hudson Institute released Crisis in the Mail: Fixing a Broken International Package System, a report by Dr. Arthur Herman, senior fellow at Hudson Institute. Based on findings by the Hudson Institute Postal Commission, the report outlines how U.S. domestic commerce and national security is disadvantaged by regulations developed by the United Nations' Universal Postal Union. The Hudson Commission has highlighted areas for meaningful reform and specific recommendations that would level e-commerce advantages and strengthen US protection against illegal and malicious foreign packages. Crisis In the Mail includes actionable recommendations for Congress, federal agencies, and the United Nations to address areas of reform.

### March 1, 2017

**ENGLAND:** MarketWatch: Ofcom is looking at changing postal regulation rules to reflect the shifting changes in online shopping, after Royal Mail PLC (RMG.LN) failed to meet its target to deliver 93% of first-class mail within one working day, mainly due to the surge in online shopping deliveries around 'Black Friday.' Royal Mail is exempt from performance targets during December, to reflect the volume of pre-Christmas deliveries. However, retail promotional days, such as 'Black Friday' and 'Cyber Monday' usually fall in November.

**ENGLAND: BelfastTelegraph:** Royal Mail will not be forced to make sweeping changes to the way it operates after a review by Ofcom found current safeguards are "working well". Ofcom said safeguards already in place, such as a cap on second class stamp prices to protect vulnerable consumers, are generally "working well for people and businesses who use the post". Only last week Royal Mail announced the price of stamps is to increase. A first class stamp will increase by 1p to 65p and second class by 1p to 56p when the changes are introduced on March 27. Ofcom also said there is scope for Royal Mail to go beyond cost-cutting plans already in place and warned, while the company's delivery performance has improved since 2012, some targets are still being missed and could result in significant fines. The 500-year-old postal service was privatised in 2013 under the coalition government.

**NIGERIA:** WorldStage Group: The Post Master General of Nigerian Postal Services (NIPOST) Bar Bisi Adegbuyi has promised to reposition the post offices across the country to make them viable for the benefit of the people. According to Adegbuyi: "The Universal Postal Union sees NIPOST as very important agency and they are ready to assist us in any area we may need help such as in the area of capacity building among others. We are partnering with private organizations which are going to leverage on our existing infrastructure to uplift the postal agency, in-spite of the advent of internet which has been a source of worry for us." Adegbuyi

promised to clear all outstanding allowances and salary arrears of the workers as management has already started with those on the salary level 1-5 staff of the agency.