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National News

November 30

Post&Parcel: The "IPC Global Postal Industry Report – 2017 Key Findings" has indicated that despite ongoing mail volume decline, industry revenue and profitability remain "robust" as posts continue to focus on growth, diversification and efficiency. Released today (30 November), the Key Findings demonstrate "continued though slightly slowing growth for the postal industry". In a statement sent to Post&Parcel today, the International Post Corporation (IPC) said: "After reporting 2% revenue growth in 2016, the industry recorded 1.4% growth in the first half of 2017. The performance gap between business units widened in H1 2017 compared to H1 2016: on average, mail revenue declined 1.3% while parcels revenue increased by 11.4%. Operating margins remain solid for both divisions."

Washington Examiner: As President Trump takes aim at some of his key campaign promises, the discussions around the potential renegotiation of the North American Free Trade Agreement (NAFTA) have further emerged. From the president's view, concerns persist about the nation's propensity to import more goods that we export to a number of large economies – thus creating trade deficits. Specifically, it is the deficit that the U.S. Postal Service has amassed as result of delivering packages and mail from abroad. By not appropriately accounting for the costs of delivering these items, the Postal Service has continued to offer exceedingly low prices for these services that have cost the agency millions of dollars. In fact, in the last three years, USPS losses on inbound international mail have come to more than \$315 million. The offering of artificially low rates for foreign sellers has contributed to the Postal Service's ongoing operating deficits. Not only does this harm taxpayers, who contribute to funding the federal government and its various deficits, but more directly it harms American businesses. The nation's entrepreneurs and companies of all sizes are or will be forced to pay more if USPS gives foreign sellers special access to subsidized shipping rates.

November 29

IndianExpress: A federal judge has set some limits on key evidence and testimony in Lance Armstrong's upcoming \$100 million civil trial, including harm inflicted on former team sponsor U.S. Postal Service and whether the government should have known the cyclist and his team were cheating to win when it signed the deal. If liable for damages, Armstrong could be subject to penalties in the range of \$100 million. Tuesday's ruling by U.S. District Judge Christopher Cooper in Washington sets ground rules for evidence that both sides want to present regarding harm to the Postal Service, doping use in cycling and the character and motivation of Armstrong and his former teammate Floyd Landis, who initially filed the lawsuit in 2010 and stands to gain up to 25 percent of the damages awarded. The ruling bars the government's expert witnesses from testifying that the Postal Service got no financial benefit whatsoever from its sponsorship, a decision Armstrong's lawyers consider a key victory for arguing whether the agency was actually damaged by his doping. The government experts will be allowed to testify as to whether the agency was damaged beyond the value of its original sponsorship.

Linns: Kimberly A. Frum of the USPS headquarters public relations staff answered that there are currently 147,000 blue collection boxes on the streets. "Routine density tests are being conducted at local levels to determine if a mailbox is being utilized," she said. If a mailbox is "the only means of sending a letter or other correspondence in a neighborhood business center or senior citizen complex, the Postal Service could decide to keep it there," she said. Before a box is removed, the USPS is suppose to post a notice of removal on the box 30 days before the box is actually pulled off the street, she said. The notice is supposed to direct mailers to the nearest collection box and list its collection times. "For decades, the installation and removal of the Postal Service's iconic blue collection mail boxes from streets across the country has been based on mail volume received in those boxes," Frum said. In recent years, Frum said the USPS has placed "great emphasis on stabilizing the number of collection boxes in use and in relocating low-use boxes to high-traffic areas such as shopping centers, business parks, grocery stores, etc. for increased customer convenience."

November 28

Post&Parcel: UPS has signed a major agreement with waste recycling provider Big Ox Energy, a subsidiary of Environmental Energy Capital, to purchase 10 million gallon equivalents of renewable natural gas (RNG) per year. The agreement will run until 2024 and represents the largest investment by UPS in RNG to date. In addition to the agreement with Big Ox, UPS had previously signed a five-year agreement with AMP energy for 1.5 million gallon equivalents of RNG per year from the Fair Oaks dairy farm in Indiana. The RNG agreements will help UPS reach its key sustainability goal of sourcing 40% of all ground transportation fuel from sources other than conventional gasoline and diesel by 2025. UPS used 61 million gallons of natural gas in its ground fleet in 2016; this included 4.6 million gallons of RNG, and the company is on track to use 14 million gallons of RNG in 2017.

GreenCarReports: The current fleet of delivery trucks used by the United States Postal Service have stood the test of time, but their high maintenance costs mean it's time to retire the iconic boxy vehicles. The USPS began soliciting bids in 2016 and five finalists now remain in the running: they are Workhorse/Hackney, AM General, Karsan, Mahindra, and Oshkosh. Two of the finalists offer electrified options—Workhorse and Mahindra—and environmental groups are urging the USPS to choose an electric future over one powered by fossil fuels. In fact, 13 groups penned a letter to the USPS last week in an attempt to persuade the government entity to choose an electrified delivery truck. If the USPS does choose an electric delivery truck, it would become the largest electric-car fleet in the world.

November 27

Post&Parcel: US retailer Walmart is looking to ramp up its roll-out of Cleveron's PackRobot parcel lockers to more than 500 stores. Walmart announced back in July that it planned to install the systems in 100 stores – but now that number as been raised fivefold.

<u>Post&Parcel</u>: A new survey from Escher Group has indicated that 95% of postal operators either currently offer or plan to deliver a customer app, and 89% offer or plan to offer Digital Mail products. These were among the key findings from an <u>online survey</u> that Escher Group conducted with respondents from more than 25 countries in July/August. The survey also found that 59% of postal operators foresee a growth in their physical presence and 77% of mail carriers are now equipped with a mobile device. Interestingly, the survey also revealed that only 14% of Posts currently have a successful loyalty program, but 39% plan to implement a loyalty scheme.

PYMTS: The Wall Street Journal reports that United Parcel Service (UPS) is adding on a surcharge to packages shipped to homes around Black Friday and the week before Christmas in a move to compel retailers to send their orders outside those peak periods. The surcharge has prompted eCommerce retailers to consider other delivery options, such as FedEx or the U.S. Postal Service (USPS). They might also simply pass the additional costs on to their customers, or delay shipments to cheaper times. UPS expects the surcharge — which went into effect Nov. 19 and lasts until Dec. 3, then returns mid-December — to smooth out the volume of packages it delivers during the holiday season. The carrier expects to deliver more than 30 million packages daily on 17 of the 21 delivery days between Thanksgiving and Christmas in the U.S. The surcharge tacks an additional \$0.27 onto ground packages shipped during the peak period around Thanksgiving and Black Friday, ending December 2. The week before Christmas, steeper fees go into effect, starting at \$0.27 for ground orders and increasing to \$0.97 for packages delivered in two and three days. While Moody's has forecasted UPS could generate up to \$200 million in revenue from the peak surcharges, the parcel service has declined to say how much it expects to make.

November 24

<u>LATimes</u>: In an era of explosive growth for online buying, retailers and shoppers are showing renewed interest in a humble purchasing device that uses paper instead of pixels. For the first time since 2011, Sears Holdings sent out the Sears Wish Book, a holiday tradition for generations of children. Although this year's catalog has the heft of a magazine rather than the phone-book size that the department store produced back when it was a retail juggernaut, the offerings are more extensive and searchable online. Consumers are getting fewer catalogs in the mail these days, 9.8 billion in 2016 compared to the 2007 peak at 19.6 billion; but they're paying more attention to them than ever, according to research by the Data & Marketing Assn. and the U.S. Postal Service.

November 22

The Hill: The leaders of the Senate Homeland Security and Governmental Affairs Committee are seeking details on federal efforts to prevent shipments of powerful synthetic opioids from entering the United States. Chairman *Ron Johnson* (R-Wis.) and the panel's top Democrat, Sen. *Claire McCaskill* (Mo.), sent letters Monday to the State Department, the Department of Homeland Security and the U.S. Postal Service requesting the information. "The opioid crisis in this country has reached epidemic proportions, and it is a multifaceted problem that demands a whole-of-government approach to resolve," the senators wrote. "While the causes of drug addiction are complex, the U.S. has seen an increase in the presence of synthetic opioids, like fentanyl and fentanyl analogs, which can easily be purchased from the 'dark web." McCaskill and Johnson want to know about the agencies' efforts to stop fentanyl from being shipped to the U.S. from China and other countries.

<u>Linns</u>: Your mail is going to a little less colorful. The United States Postal Service has announced that at many of its post offices, it no longer will provide colorful labels for some of the extra services that customers purchase. Instead it is planning to incorporate notice of these services into an intelligent package barcode that must be attached to letters and parcels. That means, effective Jan. 21, many post offices will no longer offer the following mailing labels:

- The black PS Form 3813 Insured Mail Receipt for \$500 and under domestic mail
- The blue PS Form 3813-P Insured Mail Receipt for domestic for more than \$500
- The magenta PS Form 153 Signature Confirmation Receipt
- The brown PS Form 3804 Return Receipt for Merchandise

Some post offices have already implemented the changes, and others still have some of the forms readily available in some lobbies, but the aim is to move toward greater use of the package barcodes and end use of the labels.

November 21

Post&Parcel: Deliv will be providing a same-day grocery delivery service for Walmart shoppers in the San Jose Area. In a <u>statement</u> issued on Friday (17 November), Deliv said that the service in San Jose "expands on the recent collaboration between Walmart, Deliv, and August Home that enables rapid, safe, and secure delivery when customers are not home".

Post&Parcel: FedEx is gearing for a record number of packages to be shipped through its global network over this year's peak season. In a <u>statement</u> issued yesterday (20 November), the company said that it expects to handle between 380m and 400m packages over the season, which officially starts on 24 November and runs to Christmas Eve (24 December). FedEx maintained that the growth of cross-border e-commerce is turning the peak shipping season into "a truly global phenomenon".

<u>PostalNews</u>: U.S. Senator Claire McCaskill is demanding answers from the United States Postal Service (USPS) about the status of the Laurie, Missouri postal facility that was abruptly closed in January under USPS' "emergency suspension" process, which is supposed to be temporary. USPS can make an "emergency suspension" decision to temporarily close a postal facility with little notice,

but they frequently remained closed for years, if they are ever reopened at all. The Laurie, MO postal facility was closed under "emergency suspension" in January, and Laurie officials have yet to hear from USPS about if and when the postal facility will be reopened. McCaskill also asked USPS to add its support to her bipartisan legislation that would prevent the Postal Service from using its "emergency suspension" process to indefinitely close postal facilities without notice to the community and opportunity to appeal. McCaskill *introduced the legislation* in May along with Republican Senator Jerry Moran of Kansas.

November 20

<u>LakeExpo</u>: U.S. Senator Claire McCaskill is demanding answers from the United States Postal Service (USPS) about why Laurie still doesn't have a post office. In a recent press release, McCaskill said she is working to get clarity on when—or if—the USPS will reopen a post office in the small city at Lake of the Ozarks. McCaskill's office says the abrupt closure of the Laurie, Mo. postal facility in January 2017 under USPS' "emergency suspension" process was supposed to be temporary. USPS told Laurie officials that a decision on reopening the postal facility would be made by September, but that has not yet occurred. USPS also gave conflicting information to Laurie officials and McCaskill's office about why a decision has not been made.

MorningConsult: There's no industry that Americans rate more highly than delivery services, according to Morning Consult's *Community Impact Rankings*. It's an oft-daily occurrence: the truck driver parked in your neighborhood, the delivery person who rings your doorbell and the arrival of a package. Or it's the mail being delivered each day. Experts say that level of frequency and visibility among millions of Americans is one reason why the U.S. Postal Service, United Parcel Service Inc. and FedEx Corp. are atop Morning Consult's rankings of companies that have the most positive impact on local communities. Sixty-six percent of adults say UPS has a positive impact on their local communities, tied with the U.S. Postal Service. That makes them the top-ranked brands *by this measure*. FedEx garners positive views from 63 percent, putting it in fourth place after Wal-Mart Stores Inc. Americans who cite a positive impact from the delivery services range across every demographic, transcending differences of age, region, income and the rural-urban divide.

November 17

GovExec: The Trump administration has reversed an earlier decision and will now allow undocumented immigrants with special status more time to prolong their legal residency in the country after the U.S. Postal Service admitted its actions delayed the delivery of applications past a deadline for renewal. The immigrants in question were applying to renew their status under the Deferred Action for Childhood Arrivals program, created by President Obama but ended by President Trump. The Trump administration had set a deadline of Oct. 5 for immigrants with DACA status to extend their legal residency by two years, but thousands of DACA recipients missed that date. The Postal Service confirmed a *report* by *The New York Times* that an "unintentional temporary mail processing delay in the Chicago area" may have caused many of those applications to arrive late at U.S. Citizenship and Immigration Services.

Benzinga: The United States Postal Service reported a 2017 net loss of \$814 million Tuesday representing a \$1.4 billion annual decline. Some may read this "bad to worse" trajectory as a negative for parcel peers, but FedEx Corporation and United Parcel Service, Inc. could actually catch a tailwind off the federal rival's nosedive. Bernstein analyst David Vernon maintains a Market Perform rating on FedEx with a \$212 price target and an Outperform rating on UPS with a \$132 price target. The package business has proven too expensive for USPS's small-scale operations, slowing mail deliverers and cutting into margins.

November 16

FederalNewsRadio: The U.S. Postal Service reported its 11th straight year of financial losses on Tuesday, but a number of pending regulatory changes could, in time, help put the agency on a path toward solvency. The Postal Service delivered 589 million more packages in FY 2017 than it did the previous fiscal year — an 11.4 percent growth rate in a business sector where USPS has routinely seen double-digit growth. However, USPS also delivered 5 billion fewer pieces of mail in FY 2017, a 3.6 percent decrease from the previous year. "This decline puts significant financial strain on the organization," Postmaster Megan Brennan told reporters on a conference call Tuesday, adding that USPS' letter and mail shipping business contributes to more than 70 percent of its yearly revenue. Despite the continued growth of its package delivery business, USPS ended fiscal 2017 with a \$2.7 billion loss, down from a \$5.6 billion loss in fiscal 2016.

November 15

WDRB: A new United States Postal Service app called Informed Delivery allows you to quickly to track your mail and to know immediately if your letters are lost or stolen. A picture of each envelope is taken as they're sorted at the post office. According to USPS Marketing Manager Alisa Zanette, this is the first time the USPS is connecting with people electronically. You can receive the photo of your letter when it goes out for delivery through email, text or through the USPS Informed Delivery app.

Recode: When Amazon recently announced plans to abruptly shut down the Amazon Fresh grocery delivery service in parts of nine states, it did not provide much of an explanation for the decision. But multiple sources tell Recode that Amazon has privately laid blame on the U.S. Postal Service, which was responsible for delivering Amazon Fresh orders to customers in most, if not all, of the affected delivery areas. Specifically, Amazon officials have told several food brands that the USPS had delivered an unreliable experience to customers with too many late or missed deliveries, according to people familiar with the discussions. Managers inside Amazon Fresh warehouses have also cited the Postal Service relationship as a reason for scaling back the delivery service, multiple sources said. In one instance, some workers were told that Amazon balked at new delivery rates USPS was going to charge the company for deliveries in the areas in which Amazon ended up curtailing the service.

<u>BLS</u>: In October, the Consumer Price Index for All Urban Consumers increased 0.1 percent seasonally adjusted; rising 2.0 percent over the last 12 months, not seasonally adjusted. The index for all items less food and energy rose 0.2 percent in October (SA); up 1.8 percent over the year (NSA).

November 14

<u>USNewsandWorldReport</u>: The beleaguered U.S. Postal Service reported a financial loss Tuesday for the 11th straight year, citing declining mail volume and costs of its pension and health care obligations even as it predicted another strong holiday season of package deliveries. It pleaded for more freedom to raise stamp prices to help keep pace with consumer demand for ever-quicker deliveries from online shopping. Without help, "our financial results will continue to deteriorate and likely at an accelerated rate," said Postmaster General Megan J. Brennan. "We cannot generate enough revenue or cut enough costs to pay all of our bills." The Postal Service reported a loss of \$2.7 billion for the fiscal year that ended Sept. 30. That was better than a \$5.6 billion loss in the prior year but was mainly due to fluctuations in interest rates that reduced workers' compensation expenses.

GovTech: United Parcel Service (UPS) is planning to convert its package delivery trucks from diesel to electric using new technology in New York City. The company partnered with the New York State Energy Research and Development Authority (NYSERDA) for the Bronx-based project, which supports Gov. Andrew Cuomo's plan to reduce greenhouse gas emissions 40 percent by 2030. NYSERDA is providing \$500,000 in funding to develop and test the conversions. If successful, it is expected that production of the new trucks will begin by spring 2018. The project plans consist of converting up to three UPS vehicles a day, which is a conversion of up to 1,500 trucks. That would be approximately 66 percent of UPS's NYC fleet operating in the five boroughs by 2022. TheHill: The applications to renew the status of dozens of Deferred Action for Childhood Arrivals (DACA) recipients were denied after they arrived past the deadline due to delays with the U.S. Postal Service, The New York Times reported. At least 33 DACA recipients in the New York region had their applications denied because the paperwork arrived after the Oct. 5 deadline, despite having sent it weeks in advance, according to the report. The U.S. Postal Service admitted that there had been an "unintentional temporary mail processing delay in the Chicago area." But U.S. Citizenship and Immigration Services (USCIS) officials refused to accept the delayed applications.

November 10

FCW: International shipments of the powerful and deadly opioid Fentanyl are on the rise, and lawmakers are pushing the U.S. Post Office and Department of Homeland Security for solutions. At the confirmation hearing for Kirstjen Nielsen, President Donald Trump's nominee to lead DHS, members of the Senate Homeland Security and Governmental Affairs Committee sought help in pushing the USPS and DHS to collaborate on sharing data on the shipments, as well as in developing systems to better monitor them. Currently, CBP doesn't have advance shipping data from USPS that can potentially flag opiate-bearing international packages.

November 9

AlamoSANews: The AARP Fraud Watch Network and the U.S. Postal Inspection Service jointly announced the launch of Operation Protect Veterans — a national campaign to warn those who have served in the military about scams and fraud schemes that target veterans. With a new AARP survey showing that veterans are frequently targeted by scam artists and victimized twice as often as the rest of the public, the goal of the Operation Protect Veterans education campaign is to leverage the extensive reach and communications capabilities of the two national organizations to help veterans avoid losing money to con artists. According to the Fraud Watch Network's recent survey 16 percent of U.S. veterans have lost money to fraudsters, as compared to 8 percent of nonveterans. Veterans also report that they are targeted by a large number of scams directly related to their military service or the veterans' benefits they receive. Eighty percent of the veterans surveyed said they have encountered veteran-specific scams.

FedWeek: An IG report has concluded that Postal Service purchase card transactions generally were "legal, proper and correct" although it found compliance issues with 19 of the 100 high-risk type transactions it reviewed in detail. The audit deemed transactions at high risk if they involved prohibited/questionable merchant category code purchases; single purchase limits; split transactions; purchases including sales tax; weekend/holiday purchases; purchases made through third-party vendors; or closed accounts. It said that of the more than 100,000 transactions in the measuring period used, more than 22,000 met at least one of those criteria. Of the sample, cardholders, or other authorized employees, did not submit purchase requests in the requisitioning and approval system for 15, and did not maintain accurate and complete records, including sales receipts or vendor invoices, to support purchases for four.

November 8

<u>Cision</u>: The AARP Fraud Watch Network and the U.S. Postal Inspection Service today jointly announced the launch of **Operation Protect Veterans** — a national campaign to warn those who have served in the military about scams and fraud schemes that target veterans. With a new AARP survey showing that veterans are frequently targeted by scam artists and victimized twice as often as the rest of the public, the goal of the <u>Operation Protect Veterans</u> education campaign is to leverage the extensive reach and communications capabilities of the two national organizations to help veterans avoid losing money to con artists.

<u>FederalNewsRadio</u>: The Office of Personnel Management lost ground in processing its retirement backlog in October, primarily due to a slowdown in the number of claims OPM processed. The total inventory of <u>backlogged retirement claims</u> rose by about 2,000, leaving OPM nearly 6,000 claims away from its self-ascribed "steady state" of 13,000. The number of claims OPM received was almost static between October and September; it rose by only 40 claims. The reason for the increase in backlog is that OPM only managed to process 6,818. That's 2,032 fewer claims than OPM received in October, and 2,289 fewer than it was able to process in September.

November 7

WashingtonTechnology: Lockheed Martin has won a potential \$215 million contract to provide new automated mail processing systems to the U.S. Postal Service. The company built its Enhanced Package Processing System to automatically process up to 25,000 packages an hour to over 400 unique destinations. This contract with USPS covers the delivery of up to 10 EPPS platforms, Lockheed said Tuesday. The USPS has targeted October 2018 for an initial deployment of an EPPS platform at a future processing and distribution center in Portland, Ore. Post offices use the technology to automatically separate mail pieces, read addresses and sort packages, priority and bundled mail.

Forbes: As the rates of the U.S. Postal Service continue on their precipitous ascent, how cheaply Chinese merchants are able to ship their products thousands of miles across the world to the United States has become emblematic of the stark trade imbalance between the countries as well as the disadvantages that American companies are up against as foreign competitors outmaneuver them in their own backyard. These super low shipping rates are being subsidized by the U.S. Postal Service. In 2011, the U.S. Postal Service *made special agreements* with the national postal carriers of China and Hong Kong (and subsequently South Korea and Singapore) to allow tracking-enabled packages not exceeding 36" or weighing over 4.4 pounds to be sent to the U.S. for extremely low rates. They called this shipping option the ePacket, and the rates are so low that it's cheaper to ship small parcels from China to an American city than it is to send that same parcel domestically. This state of affairs also makes Chinese merchants virtually immune to returns from U.S. customers, turning international e-commerce into a one-way street.

November 6

<u>WIVB</u>: All U.S. Postal Service (USPS) offices in western New York will be closed on Veterans Day. Veterans Day is this Saturday, November 11. The only deliveries that will take place are for Priority Express Mail. Normal operations will take place on Friday, and regular office hours and deliveries will resume the following Monday.

Geekwire: The Federal Aviation Administration followed up on a <u>White House mandate</u> to speed progress toward drone deliveries by laying out a streamlined plan for approving more advanced operations. Many of those operational features — such as flying beyond a drone operator's visual line of sight, night flights and flying over people — are considered crucial for the drone delivery schemes being tested by Amazon as well as Google's parent company and other ventures. The FAA's newly announced <u>UAS Integration Pilot Program</u> gives the key role to state, local and tribal governments. They would take lead responsibility for monitoring drone experiments, and serve as the primary points of contact with the FAA from start to finish.

<u>Post& Parcel:</u> FedEx expects to see a record number of packages passing through its global network over the 2017 peak holiday shipping season. In a <u>statement</u> issued yesterday (1 November), FedEx said it expects it will handle between 380m and 400m packages over the total season. "Changing market dynamics related to the growth of e-commerce are expected to once again drive the highest surges in demand on Mondays, and FedEx is expecting three Mondays during peak to more than double our average daily volume," said FedEx.

November 1

<u>FedWeek</u>: The Postal Service IG has praised the "extraordinary efforts" of postal employees in response to this year's series of hurricanes, the wildfires in California and an extended winter in much of the West, saying the agency's contingency planning for severe weather "is quite good." "No less noticed is the human response. Sometimes after a storm, a postal worker is the first direct contact a citizen has with another person," it said in a recent posting. "The resumption of mail delivery to a disaster-affected area is often a welcome event in recovery, especially when people are without power and phone service. Mail delivery allows for the exchange of information, not to mention relief checks and government services, and can even provide a small feeling of a return to normalcy," it said. "Postal employees are often dealing with disasters in their own homes, yet show up faithfully for work. Just look at the many employees who were personally affected by the recent hurricanes and wildfires," it added.

NGTNews: Clean Energy Fuels Corp. has <u>signed</u> multiple natural gas fueling agreements with United States Postal Service (USPS) contract-carriers in Florida, New York, Oklahoma and Texas, increasing the total number of USPS carriers fueling with Clean Energy now to 15. "The United States Postal Service takes our sustainability goals very seriously. Our carriers live in the very same communities we serve, and we continue to look for ways to reduce our impact on the environment. Since 2005, we have increased the use of alternative fuels by 141 percent, and we are encouraged that our contract-carriers are using alternative fuels as well," says Bridget Rice, Manager, Surface Transportation CMC at USPS.

FCW: Could the Census Bureau partner with the U.S. Postal Service for the 2020 census? At an Oct. 31 Senate Homeland Security and Government Affairs Committee hearing, Commerce Secretary Wilbur Ross testified that his department Commerce is "in negotiations" with USPS to use its postal carriers part-time to conduct census operations for the Providence, R.I., site in the Census Bureau's 2018 end-to-end test. "When the postal system worker has finished the day's work, [he or she] would become a temporary employee of ours, on our payroll, and then conduct the enumeration process," Ross said. "Our feeling is these are people with very good institutional knowledge" of assigned areas, allowing them canvass blocks more quickly than a less familiar enumerator. Ross also suggested that using postal workers could "overcome" feelings of governmental mistrust that factor into low census response rates while maintaining an accurate count.

TheState: As consumers demand ever-quicker and convenient package delivery, the U.S. Postal Service wants to boost its business this holiday season by offering what few e-commerce retailers can provide: cheap next-day service with packages delivered Sundays to your home. The program, available in 20 major U.S. cities, allows consumers to place online orders with participating retailers before a cutoff time Saturday, the Postal Service said. Postal carriers pick up merchandise from local stores for delivery the following day, similar to the Sunday package deliveries it now handles almost exclusively for online leader Amazon in much of the U.S. The

Postal Service hasn't disclosed which stores may sign onto the new pilot program, launched in advance of retailers' most competitive time of the year.

<u>Trucks</u>: Another prototype mail delivery truck in the running for a lucrative U.S. Postal Service contract has been spotted while awaiting testing. Spy photographers captured images of the truck, built by the Indian auto manufacturer Mahindra, recently on a USPS lot in Flint, Mich. The Mahindra truck is one of five entries under review by the USPS Next Generation Delivery Vehicle Program that is expected to select a new mail truck in the first half of 2018. The USPS contract is for up to 180,000 trucks. It is the latest mail truck test vehicle documented in the secretive program since another entry built by VT Hackney Inc. and Workhorse Group Inc. was seen in Leesburg, Va. last month.

Post&Parcel: UPS has announced the construction of a new package distribution facility in Aurora, Colorado, that will create more than 700 new jobs when fully operational. The 360,000ft² facility is expected to begin initial operations later this year in time for the holiday season. Kenneth Cherry, president of the UPS Desert Mountain district, said, "The Aurora facility is part of the strategic investments UPS is making to better service our customers and enhance its efficiency and processing capability. We appreciate the community support for UPS and are excited to offer the area new jobs to meet rapid expansion of both residential and commercial demand." The US \$90m project is part of a larger multi-year investment plan to expand and modernize UPS's global logistics network. From early 2016 through September 2017, UPS announced plans to construct nine new US facilities that will add more than 6,200,000ft² of facility space for increasing package processing capacity.

International News

November 29

INDIA: The Print: Citing a report by the central auditor, the postal department has made a strong pitch to the defence ministry to do away with using private courier companies, insisting that its 'Speed Post' facility makes "good business sense". The unusual letter comes weeks after the government decided to do away with Army Postal Units in peace locations as part of a larger plan to cut non-operational flab in the military. In the letter to defence secretary Sanjay Mitra, the postal department has mentioned that unlike private couriers, the government postal system is "legally bound by the provision" of the Post Office Act to see that "best care is bestowed on mails". The postal department has asked the defence ministry to direct all departments, public sector units and organisations reporting to it to use Speed Post and has assured "cooperation, advice" and customised packages for special requirements. It calls Speed Post unmatched in terms of network and being customer friendly.

PAKISTAN: Tribune: The Pakistan Post is facing a financial loss of Rs5.50 billion yearly due to lower-than-expected budgetary allocation and fading clientele on account of slow delivery of mails as compared to other fast-paced private mailing companies. The national postal service requested the Ministry of Finance to allocate Rs20 billion in the budget for fiscal year 2016-17, but only Rs16 billion was sanctioned.

November 28

AUSTRALIA: Post&Parcel: Australia Post has launched a new partnership to help remove the language barriers faced by many Australians when using certain services such as obtaining a driver license and opening a bank account. Australia Post will team up with LanguageLoop, a language service provider with more than 40 years' experience, to translate and certify foreign identity documents. The service will translate more than 160 languages into English and is available at more than 1,100 post offices across the country. The customer's original identity document will be scanned at a post office and sent electronically to LanguageLoop, which has a team of more than 1,000 translators. A hard copy of the translated and certified document will then be delivered directly to the customer through Australia Post's network. All documents processed through Australia Post for translation by LanguageLoop will be handled confidentially and translated by an Australian-based translator, certified by the National Accreditation Authority for Translators and Interpreters.

GERMANY: Post&Parcel: Deutsche Post DHL has achieved its target of putting 5,000 StreetScooter electric delivery vehicles into service before the end of the year. The deployment of the 3,700 StreetScooter Work and 1,300 Work L models will result in a reduction of more than 16,000 tons of carbon emissions each year. Maintenance costs are also estimated to be 60-80% lower than conventional delivery vehicles. DHL has also expanded its charging station infrastructure across Germany so that it is fully supportive of the current fleet. The company also uses 1,300 e-bikes and 900 e-trikes from StreetScooter, further helping to reduce the company's carbon footprint.

KOREA: KoreanTimes: Korea Post has succeeded in delivering mail and parcels to an island using a drone for the first time in Korea, the agency said Tuesday. With global e-commerce and logistics giants such as Amazon, Alibaba and DHL aggressively pushing for drone delivery systems, expectations are high on the benefits that the introduction of drone technology to postal services will bring for those in remote areas. Korea has more than 3,400 islands and islets, and mountains cover about 70 percent of its land area. Korea Post plans to launch a full-fledged drone delivery system by 2022. To this end, the agency will start establishing drone flight and control systems, and train maintenance workers next year. It will also test-run the project in 10 mountainous areas and islands nationwide between 2019 and 2021.

UNIVERSAL POSTAL UNION: <u>UPU:</u> This guide kicks off with a discussion of postcodes, explaining their importance and listing the different types that exist. One of the issues taken up is that of developing and implementing a postcode system for those member countries that currently lack postcodes altogether. Other topics are covered, too, including ways of disseminating information about postcodes and maintaining a postcode system once it has been established. Finally, the matter of making further improvements to an established postcode system is addressed.

November 27

CANADA: <u>PostalNews</u>: The Canada Post segment lost \$62 million before tax in the third quarter, traditionally the postal service's slowest period of the year. Year-to-date, the Canada Post segment is reporting a profit of \$13 million before tax heading into the holiday season when millions of Canadians are expected to make an unprecedented number of purchases online. The Canada Post segment's \$62-million loss before tax in the third quarter, which ended September 30, 2017, compares to a loss before tax of \$60 million for the third quarter of 2016. For the first three quarters of 2017, Canada Post reports a profit before tax of \$13 million, compared to a loss before tax of \$15 million for the same period in 2016.

CANADA: MarketsBusinessInsider: Canada Post President and CEO Deepak Chopra and Guy Dubois, National President of the Association of Postal Officials of Canada (APOC), signed a new three-year collective agreement today – four months before the current agreement expires. The agreement recognizes the valuable contributions of APOC members to Canada Post's success at serving Canadians. It includes wage increases in every year and improvements in health-care benefits. APOC represents more than 3,500 supervisors and support staff, such as trainers and route measurement officers, and some employees in sales. APOC members had ratified a tentative agreement earlier in November. The new agreement takes effect on April 1, 2018, immediately after the current agreement expires. It will be in effect until March 31, 2021.

ESTONIA: <u>EcommerceNews</u>: Omniva, an Estonian postal company which operates in the entire Baltic region, has started with expanding its network of parcel lockers. This month, it started with doubling the size of its locker offering, by adding 63 new parcel lockers to the Baltic network and expanding 100 existing parcel lockers. Omniva started the expansion of its parcel locker network

just in time for the holiday season. It's also in addition to laying the first cornerstone for Omniva's new logistics center near Tallinn, which should help the company sort parcels and letters much more efficiently. According to the logistics company, 8 new parcel lockers will be installed in Estonia, 30 in Latvia and 25 in Lithuania. Additionally, at least 37 parcel lockers in Estonia and another 100 across the rest of the Baltics will be expanded, by adding new parcel slots (42 to 260 per parcel machine).

SWITZERLAND: The Local: It may come as no surprise to many in Switzerland to hear that the country ranks third in the world for the amount of paper communication received into household postboxes. Despite digitalization, the Swiss still like receiving bills and other corporate communications on paper rather than electronically. Though paper communication in Switzerland is in decline, it's at a far slower rate than in other countries, he said.

November 24

ITALY: TheMarketMogul: Poste Italiane, the Italian version of the Royal Mail in the UK, is something different now. Since 2002, Poste Italiane has been transformed from a simple mail company to a multi-business corporation. When, in 2015, the Italian government sold 35% of Poste Italiane, worldwide private funds saw an exciting opportunity ahead. They were not particularly interested in the Italian mail delivery system, but they were attracted by the approximate €498bn worth of savings deposited in Poste Italiane. What is curious is that Poste Italiane's main banking arm, BancoPoste, does not hold a banking license. However, BancoPoste has all the functionalities of a commercial bank. It opens savings accounts, provides pre-paid visa cards and sells a rich range of financial products to its clients, which has been working very well. In 2016, it recorded total assets of €65bn and €802m pre-tax profits.

POLAND: The News: Poland's state-owned postal group Poczta Polska is to test electric delivery vehicles. The group wants to try out about 50 vehicles in ten Polish cities, with the tests to take three to six months. If the trials prove a success, Poczta Polska could introduce such vehicles into its fleet in two or three years, IAR added. Last year, the Polish government announced it would offer tax and other incentives to owners of electric vehicles in a bid to have one million electric cars on the country's roads by 2025. Poland is seeking to cut carbon emissions from transport.

SWITZERLAND: *eCommerceNews*: The entry of Amazon into the Swish ecommerce market seems imminent. The American ecommerce giant has signed a cooperation agreement with Swiss Post, which means the postal agency will carry out customs clearance for Amazon in the near future. Customs clearance is said to take a maximum of three hours, which makes 24-hour delivery from abroad possible. Amazon offers this delivery method as part of its Prime offer in Germany. With Amazon Prime, consumers in Switzerland would be able to access Amazon's complete online offering, which includes 229 million products. Amazon already follows this model in the Netherlands, Austria and Turkey.

November 22

SPAIN: ChannelNewsAsia: Whether bikes or drones, delivery firms are looking for ways to get packages to customers quicker as electronic commerce is revolutionising the retail market. Geopost, the parcel delivery unit of France's La Poste, is testing out drones and experimenting with neighbourhood mini-depots and bicycle delivery to help beat urban traffic gridlock. Its subsidiary SEUR in Madrid is developing mini-facilities where packages are brought before being distributed to customers nearby - an alternative to the current system where delivery vans are loaded at bigger centres, often located outside the city. Parcel delivery was the first to be liberalised in Europe, but it is the former monopoly postal services of France and Germany that have come out on top. Geopost is second to leader Deutsche Post's DHL, which is also testing drones in rural areas. US giant FedEx, trying out robots as well as drones, has bought TNT from the Dutch postal service.

TURKEY: <u>DailySabah</u>: Turkey's national post and telegraph corporation is preparing to begin deliveries by unmanned aerial vehicles, dubbed as drones, within next year. Speaking at the International e-Commerce Conference in the southern Antalya province, Kenan Bozgeyik, board chairman of the Post and Telegraph Organization (PTT), said Wednesday that they are currently working with Turkish engineers and universities to begin drone deliveries in 2018. Noting that Turkey already has domestically-developed drone technology, Bozgeyik said while it is not realistic to expect all posts will immediately switch to drone delivery, there are plans to carry out deliveries with PTT's own drones, with implementation differing from region to region. Bozgeyik said drone deliveries will initially be used in areas with suitable geographic conditions, with attention given to the package type and transportation challenges in target areas.

UNITED KINGDOM: Post&Parcel: Courier insurance firm Staveley Head has collated behind the scenes data from some of the UK's biggest retailers and delivery firms to find out how they handle the sheer volume of additional orders during the Black Friday shopping weekend. The research has revealed that an extra 19,000 delivery vehicles will be deployed in the UK to handle deliveries across Black Friday weekend, bringing the total number of vehicles deployed to 82,000. According to IMRG, approximately £7bn (US\$9.3bn) will be spent across the Black Friday weekend, running from Thursday, November 23, to Monday, November 27, 2017. From this total, £2.5bn (US\$3.3bn) will be spent on Black Friday alone, as previous data shows that the Friday accounts for 36% of the weekend sales. That means that on Black Friday itself, £1.7m (US\$2.3m) will be spent online by UK shoppers every single minute.

November 21

IRELAND: The Journal: The Minister of Communications Denis Naughten has secured government approval to immediately provide €30 million of State funding to protect the future of the postal network. The funding will allow a continuation of a five-day week postal delivery service to every address in the country. According to the Department of Communications, the funding will be subject to stringent conditions and key performance indicators, the delivery of which will be monitored on a monthly basis. The

funding will allow An Post to directly respond to the fact that over the last few decades there has been a shift away from the core service the post office has provided for people.

November 20

FRANCE: BreitBar: French courier Chronopost has announced that it will not deliver any packages to the heavily migrant-populated Seine-Saint-Denis suburb on the outskirts of Paris because the area is too dangerous. The company announced the measures last week saying that residents of the Paris suburb will have to travel to pick up locations to get their packages. They said that the danger to their delivery drivers was simply too high in the area which has been described as a no-go zone.

November 17

AUSTRIA: *Post& Parcel*: Austrian Post has reported a revenue increase of 2.1% to €1,404.7m for the first three quarters of 2017, as the 2.2% mail decline was "more than offset" by a 17.8% parcel growth. The 2.1% revenue growth figure reflects the position when the subsidiary trans-o-flex (which was sold in April 2016) is taken out of the 2016 figures. The revenue of the Mail & Branch Network Division was €1,054.6m. Operating earnings (EBIT) were up 3.3% €139.9m.

AUSTRALIA: <u>DailyMail</u>: Australia Post have been slammed for launching a prototype robot delivery service after it was revealed the machine can only carry one parcel at a time, and needs to be accompanied by a human. The autonomous robot - nicknamed 'Billy the Box' - is being trialled in New Farm, <u>Brisbane</u> in an experiment which began on Monday. The robot is only able to carry one parcel at a time, and will allow resident to accept deliveries from 6pm to midnight. When the robot arrives at a house, customers will receive a text message, and can unlock the robot by replying to the message. Curtin University robot expert Dr Eleanor Sandry said the technology was 'very much in its infancy'.

EUROPEAN UNION: Post&Parcel: PostEurop has argued that a well-functioning One-Stop-Shop with strong uptake is key to the success of modernising VAT. In a statement sent to Post&Parcel, PostEurop said: "E-commerce growth is a crucial element of the EU's Digital Single Market. When it comes to parcel delivery in a fast-growing e-commerce market, postal operators are trusted partners, connecting numerous e-suppliers worldwide with every single European citizen. At the heart of the VAT reform, postal operators welcome the overall approach of the Commission to modernise the VAT rules for cross-border e-commerce, combat VAT fraud and reduce the administrative burden on businesses and suppliers as outlined in their December 2016 proposal...Therefore, postal operators strongly urge that the Commission and the Member States, defer the removal of the "VAT de Minimis exemption", a long-established provision for imports of low value items, until the OSS is efficiently functioning for businesses and customers alike, allowing the postal industry to effectively support the growth of e-commerce and the VAT ambitions at the same time."

November 16

INDIA: <u>OutlookIndia</u>: A new pilot project ordered by the department of posts that comes under Ministry of Communications will grant a six-character alphanumeric digital address for every property for three postal pin code locations. These digital address codes will be used to provide e-locations and would be further linked to other information, such as property title and ownership, property tax records, information on utilities like electricity, water and gas, reported The Times of India. For example, the digital identity XYO24DQ will be an e-enabled address and can be alternatively used to the existing postal address.

November 14

CHINA: Post&Parcel: DHL Express has unveiled its €335m (US\$394m) expansion plan for its Central Asia Hub (CAH) located at Hong Kong International Airport in China. The hub has recorded an average 12% year-on-year growth in shipping volumes in the past decade and handles more than 40% of the company's shipments in the Asia-Pacific. The expanded CAH will be equipped with an enhanced material handling system that will increase the hub's throughput capacity from 75,000 items per hour to 125,000 packages per hour. When operating at its full capacity, the annual throughput of the expanded CAH is expected to grow by 50% to 1.06 million tons per annum.

INTERNATIONAL: Post& Parcel: More than 15% of postal delivery vehicles ran on alternative-fuels in 2016, according to IPC's 2017 Postal Sector Sustainability Report, which examines the carbon-management efforts of more than 20 postal organizations worldwide. Since 2012, the total number of vehicles in postal operations has increased by 77,000 (+13%), while the total number of alternative-fuel vehicles has increased by 31,000 (+42%). In 2016, alternative-fuel vehicles account for 15.7% of vehicles belonging to the 20 participants of IPC's Environmental Measurement and Monitoring System (EMMS) program, compared to 12.5% in 2012. Between 2015 and 2016, the total number of vehicles increased by 10,000, while the number of alternative-fuel vehicles increased by 12,000. This reflects a decrease in both the number of non-alternative-fuel vehicles and also traditional bicycles, and demonstrates participants' ongoing efforts to increase the proportion of alternative-fuel vehicle models within their fleets. Postal organizations participating in IPC's EMMS program include An Post (Ireland), Australia Post (Australia), Austrian Post (Austria), bpost (Belgium), Correios (Brazil), Correos (Spain), CTT Portugal Post (Portugal), Deutsche Post DHL Group (Germany), Le Groupe La Poste (France), New Zealand Post Group (New Zealand), POST Luxembourg (Luxembourg), Poste Italiane (Italy), Posten Norge (Norway), Posti (Finland), PostNL (the Netherlands), PostNord (Denmark and Sweden), Royal Mail Group (United Kingdom), South African Post Office (South Africa), Swiss Post (Switzerland), and the United States Postal Service (USA).

INTERNATIONAL: <u>Post& Parcel</u>: A new report from MetaPack, a provider of e-commerce delivery management software, has found that retailers and brands cannot afford to become complacent about the strategic role that delivery plays in their e-commerce strategies. The 2017 State of eCommerce Delivery Consumer Research Report found that half of all shoppers will abandon online shopping baskets if the delivery choices on offer are unsatisfactory, and that 60% will buy their goods from one online retailer over another if they offer more convenient delivery options. The report also found that 54% of consumers decide on who they shop with

because of the delivery options on offer and that 39% will never shop again with an online merchant following a negative delivery experience. Forty-three percent have also used social media platforms to voice their displeasure at a poor delivery experience and 54% say they want e-commerce sites to offer a one-hour delivery window in metropolitan areas. The research, which was carried out among 3,577 consumers in the UK, France, Germany, Spain, the Netherlands, Italy and the USA, asked respondents for their views on a wide range of topics from try-before-you-buy through to loyalty programs.

UNITED KINGDOM: *Post& Parcel*: Research by Royal Mail has revealed that over half (55%) of shoppers in China bought items from British brands during a three-month period, spending an average of £104 (US\$136) per month. The results showed that there is a real appetite for British goods, with 87% of those surveyed saying they like British brands and 76% saying they trust items bought from British retailers not to be counterfeit. China's e-commerce market is a busy place with the average online shopper spending £123 (US\$161) per month, compared to £89 (US\$116) in the UK. Three in four shoppers claim to have recently increased their rate of online shopping while confidence has risen 30% within two years. They are also tech-savvy, with 79% making purchases via their smartphone (up from 70% in 2015), compared to 28% of UK shoppers.

November 9

CANADA: <u>TheGlobalandMail</u>: Canada Post is promising relief for Canadian retailers who say the postal service is unfairly subsidizing their Chinese competitors. The federal Crown corporation says it has been forced to provide discounts on certain types of mail from China under a long-standing international arrangement, but it has recently negotiated price hikes that will start next year. International mail rates are set by a United Nations agency called the Universal Postal Union, which sets prices based on factors such as national income. The cost of sending mail from China to Canada was set at a low amount years ago, long before the advent of e-commerce and China's emergence as a major economic force. The rapid shift toward online shopping is raising a wide range of policy issues for governments around the world, affecting decisions on shipping rates, duty-free limits and how to collect sales taxes. Some of these issues are currently being discussed in the context of the renegotiation of the North American free-trade agreement.

November 8

GERMANY: *Post& Parcel Technology*: Deutsche Post DHL has expanded its parcel locker network to include more than 3,400 Packstations across Germany, meaning there are now 340,000 compartments available to customers in 1,600 cities and municipalities. Because of the network's density, 90% of the German population can now reach a nearby DHL Packstation in 10 minutes or less. Recently upgraded, the latest DHL Packstation boasts a smaller more compact design enabling it to be set up in places unsuitable for the larger, original Packstations. The new Packstations are already in operation in Hamburg, Munich, Frankfurt, Bochum and Cologne, and several hundred more are set to be deployed across Germany by the end of 2018. DHL Parcel is also making the Packstation easier to use. Toward the end of the year, it will be possible to print out mobile parcel stamps directly at the Packstation, rather than at DHL retail outlets.

November 7

THAILAND: BangkokPost: As a part of their continuing efforts to evolve with the times -- as well as to promote Thailand's abundant list of famous locally-sourced products -- the TPS has recently announced the launch of their heir new Thailand Post Mart service, a new e-shopping service that lets you shop for well-known local goods from provinces all over Thailand. Transactions also can be completed online instantly via credit and debit card transactions right from the website, or you can pay for the bill physically from any major bank and over-the-counter services such as TrueMoney, Big C and Tesco Lotus. The TPS admitted in their announcement last Friday that the service is currently in a preliminary stage, and hopes to launch the service in full in the near future.

November 6

CANADA: *Post& Parcel*: UPS Canada is using a cargo bike to deliver packages in and around the York University campus, as part of a pilot programme to test the potential of delivery by bike in the City of Toronto. The company said it would use the "learnings" to see if could use cargo bikes "on a larger scale, in Toronto and potentially other cities across Ontario and Canada". The bike is 2.8 metres long and 1.2 metres wide. Without packages, the bike weighs 217 kg and has a payload capacity of 408 kg. Depending on the size of the packages, the bike can hold up to 50 parcels. Safety features include a lockable, rear cargo door which opens 90 degrees to eliminate the obstruction of view for traffic around the bike, headlights, tail lights, turn signals, side markers and hazard lights. The lights are powered by a solar panel on the roof. The bike is equipped with adjustable side-view mirrors and a polycarbonate safety windshield with a windshield wiper.

INTERNATIONAL: *Post& Parcel*: International Post Corporation (IPC) has announced that the 2017 edition of its cross-border ecommerce shopper survey has been "considerably enlarged" in scope. In a *statement* issued today, IPC said that the survey has been enhanced "not only in extending geographical reach to about 29,000 respondents across 31 markets in the Americas, Asia-Pacific and Europe but also in providing more in-depth analysis on some of the topics that came out as key in the previous edition". The new countries added to the survey for 2017 are Brazil, Cyprus, India, Korea, Mexico and Russia. Fieldwork for the 2017 IPC cross-border e-commerce shopper survey was conducted in October using an online panel survey of regular cross-border online shoppers, while analysis of the answers will be completed in November. The public version of the survey's results will be available at the end of January 2018.

November 1

TAIWAN: <u>TaipeiTimes</u>: Chunghwa Post is planning to open at least five unstaffed post offices by 2019 as part of its strategy to develop digital financial services, the company said on Tuesday. The company has chosen Jinnan Post Office on Aiguo E Road in

Taipei to launch its first digital service station, Chunghwa Post vice president Wang Shu-ming said, adding that part of the post office would be renovated to accommodate self-help kiosks, desktop computers, tablet computers, interactive monitors and iPostBoxes. If the trial is successful, the company would replicate the business model and open unstaffed post offices in Taipei, Taoyuan, Taichung, Kaohsiung and on the east coast, she added. The company is planning to install virtual teller machines (VTMs) at the unstaffed offices, Wang said.

Postal/Industry News

November 29

Office of the Inspector General: <u>Delivering Peace of Mind</u> Certified Mail is the highest-selling service that the U.S. Postal Service offers. However, recent declines indicate that it is the time for innovation. Our latest OIG blog reviews a new white paper that examines Certified Mail and potential opportunities for improvement. Read the blog here: <u>https://go.usa.gov/xnkTw</u>

Office of the Inspector General: <u>Officers' Travel and Representation Expenses for Fiscal Year 2017</u> Our annual audit report of the U.S Postal Service officers' travel and representation expenses for fiscal year 2017 is now available. This audit determines whether travel and representation expenses for USPS officers were properly documented and compliant with policy. Read the full report at http://go.usa.gov/x9tjK

November 28

Federal Register: Postal Regulatory Commission - New Postal Products: 56279 [2017–25595] [PDF], 56279–56280 [2017–25666]

November 27

Industry Alert: Transition to Informed Visibility from IMb Tracing The cutoff date for migrating from IMb Tracing to Informed Visibility® (IV®) is November 30, 2017. December 1, 2017 marks the date IV® becomes the industry's source for mail tracking and reporting scan information. IMb Tracing system will sunset on December 31, 2017. However, that does not mean IMb Tracing data will be available to users until then. The USPS will begin shutting down existing schedules and data feeds of IMb Tracing users starting December 11, 2017. Mailers who have extenuating circumstances preventing them from migrating from IMb Tracing to IV before December 1, 2017 must email the Informed Visibility Help Desk at Informed Visibility@usps.gov prior to December 1, 2017 to determine mitigation options for keeping their IMb Tracing subscription active past December 11, 2017. The following information must be included in the email:

- Company Name
- Detailed explanation of extenuating circumstance
- List of CRIDS (Or the MID's you currently track on your mail pieces)
- · Planned Transition to IV Date in the month of December 2017

If you have already delegated your data through IV® to a service provider, then no action is required on your part. As a reminder, on November 22, 2017, the Postal Service stopped accepting new MIDs and/or Routing codes for addition to legacy IMb Tracing. All new MID's and/or Routing Codes must now be added to IV. For additional information about IV and the migration, the following items may be of particular interest: <u>IV Migration Overview</u> and other available technical resources found on the <u>IV</u> <u>PostalPro</u> webpage. Remember, the IV Help Desk is ready and prepared to assist mailers with the transition process. Please contact the IV Help Desk at 1-800-238-3150, Option #2, or <u>InformedVisibility@usps.gov</u>.

Industry Alert: *DMM Advisory Classification* — keeping you informed about classification and mailing standards of the United States Postal Service **Transition of Standard Mail to USPS Marketing Mail** - The Mailers Technical Advisory Committee (MTAC) formed Workgroup # 181 "Transitioning to Marketing Mail" in February 2017 to ensure a smooth and successful transition from the Postal Regulatory Commission (PRC) approved name change of Standard Mail to USPS Marketing Mail.

The Workgroup invited participants from all segments of the mailing industry supply chain to review software, labeling and mail piece postage markings to ensure all possible implications of this change are considered. The consensus now is that the following recommendations are appropriate:

- USPS will continue transition to USPS Marketing Mail.
- Indicia language will be Optional official launch date for language will be Jan 2019. However, customers wishing to use the language sooner may contact the PCSC for approval (pcsc@usps.gov).
- All mail shapes may use either Marketing Mail or Standard Mail verbiage.
- Nonprofit mailers may also use Marketing Mail if desired Indicia should read "Nonprofit MKTG Mail"
- Pallet placards, tray and sack label verbiage will not change. These will continue to be labeled as Standard Mail.
- Existing stamps will keep the same marking future print runs will be evaluated as needed.
- The DMM will be updated with proper markings.
- Testing and research results continue to be welcomed by the USPS. Results will be shared if large numbers of companies from a variety of industry test and share their results.

Regarding next steps; please note specific information for optional indicia use along with pallet, tray and sack marking will be provided as soon as possible. All PCSC requests to use the new Marketing Mail indicia will be acknowledged. Companies are encouraged to test the indicia marking and to share their results. The Postal Service will continually evaluate the usage of both

Standard Mail and Marketing Mail marking and will follow up with a DMM Advisory and Industry Alert on DMM updates when completed.

Federal Register:

Postal Regulatory Commission - New Postal Products, 56063–56064 [2017–25445] [PDF]

Postal Commission - New Mailing Standards for Domestic Mailing Services Products, 55947–55951 [2017–25488] [PDF]; Product Changes: Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement, 56064 [2017–25455] [PDF]

November 23

Federal Register: Postal Service - Product Changes: Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement, 55883 [2017–25342] [PDF]

November 22

Industry Alert: USPS GEARS UP FOR PEAK SEASON 2017 The U.S. Postal Service will deliver more than 15 billion pieces of mail this holiday season. Between Thanksgiving and New Year's Day, the Postal Service also expects to deliver 850 million packages - an increase of over 10% compared to last year. "The Postal Service is well prepared to meet our customers' needs during the holiday season, especially as demand for package deliveries continues to grow," said Megan J. Brennan, Postmaster General and CEO.

<u>Strategic Readiness Measures included in Peak Planning:</u> Expanded Delivery Window – carriers will deliver packages in the early morning, late afternoons and on Sundays during the holiday season where volume warrants; Nearly 1,600 vehicles have been leased to supplement existing fleet of 228,000 vehicles The Postal Service has expanded capacity with new equipment:

- § 7 Small Package Sorter Systems (SPSS)
- § 2 Parcel L&DC sorters
- § 28 Automated Package Bundle Sorters (APBS)
- § 3 APBS Induction Systems
- § 2 Automated Package Processing Systems (APPS)
- § 3 New Universal Sorters (USS)

Additional news and information, including all domestic, international and military mailing and shipping deadlines, can be found at the Postal Service Holiday Newsroom at *usps.com/holidaynews*.

Federal Register: Postal Regulatory Commission - Meetings; Sunshine Act, 55660 [2017–25461] [PDF]; New Postal Products, 55659–55660 [2017–25246] [PDF]

Office of the Inspector General: <u>USPS Board of Governors' Travel and Miscellaneous Expenses for FY 2017</u> The U.S. Postal Service Board of Governors directs and controls expenditures of the Postal Service, reviews its practices and policies, and establishes objectives and goals in accordance with U.S. Code. Each year, an annual audit of the Board's travel and miscellaneous expenses is required. For the findings of our audit, read the full report here: https://go.usa.gov/xnKGM

November 21

Federal Register:

Postal Regulatory Commission: New Postal Products, 54422 [2017–24906] [PDF], 55423–55424 [2017–25166] [PDF] **Postal Service:** Priority Mail and First-Class Package Service Negotiated Service Agreement, 55424 [2017–25132] [PDF] Priority Mail Express Negotiated Service Agreement, 55424 [2017–25129] [PDF] Priority Mail Negotiated Service Agreement, 55424–55425 [2017–25130] [PDF] 55424 [2017–25131] [PDF]

November 20

Office of the Inspector General: Open or Closed: Now You Can See The OIG's audit reports usually contain recommendations to help USPS increase efficiency or productivity. We're now making these recommendations easier than ever to see, along with USPS's progress on implementing them. Check out our new Recommendations Dashboard, which is the subject of this week's blog post: http://go.usa.gov/xnBcF

November 19

Industry Alert: Attention PostalOne!® Users: PostalOne! Release 46.0.2.0 is complete. Release notes are posted on PostalPro at: https://postalpro.usps.com/Nov2017Release.

November 17

Industry Alert: Mailer Cutover from IMb Tracing to Informed Visibility® is November 30, 2017 Mailers who currently rely on IMb Tracing exclusively for their mail visibility needs are encouraged to migrate to Informed Visibility by November 30, 2017. Informed Visibility provides mailers with a convenient, single-source for their mail visibility needs - providing near real-time expanded visibility as mail moves through the mail stream, increasing the value of mail and enabling Postal Service customers to better plan their mailing campaigns and resources. IV also enables customers to obtain visibility through online downloads. The Postal Service is targeting retirement of IMb Tracing by December 31, 2017. Mailers who elect not to cutover from IMb Tracing to IV will have to pursue their mail visibility needs through alternative methods. While assisting customers with conversion, an issue was

identified and related to several IV customers internal processing of the scan data files received from IV. For more detailed issue information, please reference the attached PDF. For any IV issues please contact Kevin Bray via email at kevin.p.bray@usps.gov or by phone at 404-792-3141. For additional information about IV and the migration, refer to the IV Migration Overview and other available technical resources found on the IV PostalPro webpage. For questions, or to get help setting up a secure data transfer method, please contact the IV Help Desk at 1-800-238-3150, Option #2, or InformedVisibility@usps.gov.

Industry Alert: *Attention PostalOne!* ® *Users: PostalOne!* Release 46.0.2.0 will deploy on Sunday, November 19, 2017 from 5:00 AM CT to 10:00 AM CT. This is a rolling deployment and the *PostalOne!* system will remain available.

Federal Register: Postal Regulatory Commission - Notices: New Postal Products, 54422 [2017–24906] [PDF]

November 16

Federal Register: Postal Service - Product Changes: Priority Mail Negotiated Service Agreement, 53532 [2017–24763] *[PDF]*, 53532 [2017–24764] *[PDF]*

November 15

Office of the Inspector General: <u>Postal Service Employee Sentenced to 36 Months' Probation for Delay or Destruction of Mail</u> Read the full press release <u>here</u>.

November 13

Office of Inspector General: <u>Tis the Scan Season</u> - The Postal Service is preparing for a 10 percent increase in the number of packages it will deliver (to 850 million) between Thanksgiving and New Year's Day. USPS recognizes that scanning accuracy is critical to the success of real-time visibility. Customers want to see their packages in transit from departure to delivery. And online retailers want to track USPS performance. Our blog this week discusses our recent audit report on the Postal Service's package delivery scanning process in city delivery operations. We welcome your comments on scans, the mobile devices, and your overall delivery experience. Read more at: https://go.usa.gov/xnDYX

November 9

Industry Alert: Postmaster General and CFO Host Media Call on U.S. Postal Service FY 2017 Financial Results. Tuesday, November 14, 2017 10:00 a.m. ET. Postmaster General & CEO Megan Brennan and Chief Financial Officer Joseph Corbett will host a media conference call to discuss the FY2017 financial results that will be released earlier in the day. How to Participate: To ensure your computer is set up to join the event, click on the link: https://www.webex.com/ip/jointest/ US/Canada Attendee Dial In: 844-340-4622 Conference ID: 2597149 Attendee Direct

URL: https://usps.webex.com/usps/onstage/g.php?MTID=e155a3970e3c030d38ac7aa046745d576 If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: https://usps.webex.com Event Number: 993 038 707 The briefing will also be available on live audio webcast (listen only) at: https://about.usps.com/news/electronic-press-kits/cfo/welcome.htm.

Federal Register: Postal Regulatory Commission - New Postal Products, 52074–52075 [2017–24412], [PDF]

November 8

Office of the Inspector General: Internal Controls Over Stamp Stock Shipments — San Juan, PR Using data analytics, OIG auditors have identified a number of post offices with lost or stolen stamp stock shipments served by the San Juan Stamp Office. Our latest audit report evaluates internal controls over stamp inventory at the San Juan Stamp Office as well as the Fernandez Juncos, Amelia, Bayamon, and Condado Contract Postal Stations in Puerto Rico. For the findings and recommendations, read the audit report at: https://go.usa.gov/xnivZ

Office of the Inspector General: <u>U.S. Postal Service's High-Risk Purchase Card Transactions</u>. The Council of Inspectors General on Integrity and Efficiency initiated a government-wide audit to determine risks associated with government purchase card transactions. Our auditors performed this audit in parallel with 22 other Inspectors General using the same general objective, scope, and methodology. The OIG obtained purchase card transaction data from U.S. Bank from October 1, 2016, through March 31, 2017 and applied seven criteria by quarter to identify high-risk U.S. Postal Service transactions. Read our findings and recommendations here: https://go.usa.gov/xnj4h

Federal Register: Postal Service - Notices: Product Changes: Priority Mail Express, Priority Mail, & First-Class Package Service Negotiated Service Agreement, 51885 [2017–24342] [PDF]; Priority Mail Negotiated Service Agreement, 51884 [2017–24343] [PDF]

November 7

Office of the Inspector General: Man Sentenced for Conspiracy to Commit Fraud-ID Theft with USPS Employee

November 6

Industry Alert: Mail.dat and Mail.xml Master Statements with Additional Postage Issue: For Seamless Master/Child postage statements that are auto-finalized, the additional postage due on the child statements is not being automatically withdrawn from the additional postage due permit account. When a postage statement is submitted with metered postage applied, additional postage may be due for the difference between rate applied to the piece and actual per piece cost after presort preparation. If a postage statement has both a Master and Child statement the additional postage due is not being withdrawn from the child statements additional postage

due permit account. This does not impact any other adjustment transaction types, i.e., postage assessments or verification failures. **Fix:** The fix is to modify the Seamless auto-finalization logic to deduct the additional postage due on the child statements. We will deploy this change on Tuesday, November 7, 2017. This will not require a *PostalOne!* outage. A Data Repair will be deployed on Sunday, November 12, 2017 to collect the postage due for postage statements that have Master and Child statements submitted with metered postage applied, when additional postage was due for the difference between rate applied to the piece and actual per piece cost after presort preparation, impacted between Sunday, October 29, 2017 and Tuesday, November 7, 2017.

Industry Alert: November DMM® Update Postal Explorer® (pe.usps.com) is your source for up-to-date mailing standards. The Domestic Mail Manual (DMM®) is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. Today, we updated our mailing standards to include the following changes: Periodicals - Record of Deposit We revised 207.5.2.2 to clarify the mailing standards for pending Periodicals applications. Specifically, this revision will add preparation and payment guidelines for a publication while mailing as a pending Periodical. We published this information in the October 12, 2017, Postal Bulletin. Barcode Standards We revised 204.2.0, Standards for Package and Extra Service Barcodes, to update barcode standards. We published this information in the September 28, 2017, Postal Bulletin. Ride-along Eligibility We revised the 207.15.2 by adding clarification guidelines for a Periodicals mailing with a USPS Marketing Mail ride-along. We published this information in the September 28, 2017, Postal Bulletin. Our next scheduled DMM update is January 21, 2018.

Office of the Inspector General: A Veterans Day Salute On Veterans Day, we give our gratitude to the over 21 million men and women who have served in the Armed Forces for our country. In this week's "Pushing the Envelope" blog, we discuss the importance of veterans to both the U.S. Postal Service and the OIG. Together we employ over 113,000 military members and veterans – almost a quarter of our combined workforces. Join us in thanking our nation's veterans: https://go.usa.gov/xnTMh

November 4

Federal Register:

Postal Regulatory Commission - New Postal Products, 51442–51443 [2017–24094] [PDF]

Postal Service - Product Changes: Priority Mail Express and Priority Mail Negotiated Service Agreement, 51444 [2017–24039] [PDF] Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement, 51443 [2017–24040] [PDF]

November 3

Federal Register:

Postal Regulatory Commission - Notices: New Postal Products, 51308 [2017–23969] [PDF]

Postal Service - Notices: Meetings; Sunshine Act, 51308–51309 [2017–24069] [PDF]

Industry Alert: Attention PostalOne!®, FAST, and Program Registration Users: FAST Appointment Closeout Resolved The recent timing issue between SV and FAST which caused a small number of cases where SV appointment scans were not successfully sent to FAST has been resolved. The changes were successfully deployed and validated on November 2. If you experience any other issues, please contact the FAST Help Desk at fast@usps.gov or 877-569-6614, option 2.

November 2

Office of the Inspector General: <u>Package Delivery Scanning — Nationwide</u> In the second half of 2016, the Postal Service scanned over 2 billion packages sent to over 136 million delivery locations. USPS carriers use mobile scanning devices to transmit package tracking data once the first delivery attempt is made. OIG auditors initiated an audit of package delivery scanning processes when data analytics indicated a rise in questionable or improper delivery scans, and found that there were around 1.4 million complaints related to delivery in fiscal year 2017. Read all findings in the full report here: https://go.usa.gov/xnTWH

November 1

Industry Alert: PostalPro - Your Primary Source for USPS Mailing Information. PostalPro leverages powerful search functionality, intuitive navigation, and a modernized, mobile-friendly design. The RIBBS website has transitioned to PostalPro: https://postalpro.usps.com/ in order to leverage powerful search functionality, intuitive navigation, and a modernized, mobile-friendly design. As of November 10, 2017 no new content will be posted to RIBBS, though the site will remain active. Please note that there are certain tools which are hosted on the RIBBS website and will be linked from PostalPro; as a result you may still see RIBBS in limited URLs. This was a project accomplished through a partnership between USPS and the mailing industry and we will continue to listen to your recommendations. Each page on PostalPro has a feedback tab that allows the user a quick way to let us know your thoughts. Thank you.

Federal Register: Postal Regulatory Commission - Rules, Supplemental Standards of Ethical Conduct, 50493–50496 [2017–23764], [PDF]; New Postal Products, 50696–50697 [2017–23758] [PDF], 50695–50696 [2017–23705], [PDF]

Industry Alert: Attention PostalOne!®, FAST, and Program Registration Users: FAST Appointment Closeout Update Recent issues related to the timing of the back-end processes between SV and FAST resulted in a small number of cases where SV appointment scans were not being successfully sent to FAST. However, per FAST rules, these partially complete appointments were automatically closed out 24 hours after the scheduled appointment time. SV batch logic has been updated to prevent this from happening in the future. The changes are scheduled for deployment to production on November 2. Again, we appreciate your cooperation and patience as we work through this issue. We will provide an update when the deployment is completed.