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POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

What improvements can the Postal Service make in their Kaizen process?: The U.S. Postal Service deploys Kaizen teams to make process improvements. Kaizen is a strategy to produce incremental improvements in processes. During Kaizen events, teams identify operational constraints that could potentially affect service performance. Once teams develop solutions for identified problems, results are shared with other facilities to review their processes and correct any defects. Our objective is to determine the effectiveness of using the Kaizen process to improve Surface Visibility load/unload scan percentages at the Atlanta P&DC.

Postal Regulatory Commission:

• Report: United States Postal Service FY 2016 Annual Compliance Report

Federal Register:

 Postal Service: Notices: First-Class Package Service Negotiated Service Agreement [2016-31674][PDF]; Priority Mail Negotiated Service Agreement [2016-31672] [PDF]; Priority Mail Express and Priority Mail Negotiated Service Agreement [2016-31671] [PDF]; FR Notice [2016-31673][PDF]

NATIONAL NEWS

FedWeek: The Postal Service has increasingly turned to non-career employees—who cost the agency less because they do not receive full employee benefits and privileges—but the exceptionally high turnover of such employees partially offsets the hoped-for savings, according to an IG report. The USPS currently has about 130,000 non-career employees to supplement its regular workforce in mail handling, processing and delivery but there is an annual turnover rate of 42.7 percent, well above even the relatively high 34.8 percent turnover that USPS had budgeted for, the report said. In 2015, that turnover cost the Postal Service \$95 million to hire and onboard replacements, it said, \$23 million more than would have been the case if the turnover target had been met.

St. Louis Post Dispatch: The Korte Co. has begun work on a \$92.5 million design-build distribution center project for the U.S. Postal Service in Portland, Ore. The 818,000-square-foot project includes a processing and distribution center with administration, maintenance and employee support areas. The distribution facility feature areas specified for a Business Mail Entry Unit and Postal Inspection Services.

INTERNATIONAL NEWS

INDIA: *The Hindu*: Principal Special Judge for CBI cases Gayathri Devi on Friday convicted and sentenced Kumandoori Panduranga Rao, the then Postal Assistant, Head Post Office, Tekkali, Srikakulam district, to undergo rigorous imprisonment for three years and slapped a fine of Rs. 36,000, for cheating the Postal Department.

CHINA: <u>*Pymnts.com*</u>: While some may be concerned about the fate of postal services, there clearly is demand in China. <u>According to China's State Post Bureau</u>, online purchases generate more than 21 billion of the 30 billion packages delivered this past year in the country. The year before saw 20 billion total packages, including both eCommerce and other parcels. And as Alibaba and JD.com are gaining international appeal, more shipments are going and coming overseas. Nearly 30 percent of the total are packages being shipped from the United States.

MALAYSIA: <u>New Straits Times</u>: Courier services are set to overtake traditional postal services as Pos Malaysia Bhd's biggest revenue driver, said its group chief executive officer Datuk Mohd Shukrie Mohd Salleh. Pos Laju now controls 40 per cent of Malaysia's courier segment.

CHINA: *East Day*: Since the founding of the People's Republic of China (PRC) in 1949, and especially since the introduction of the reform and opening-up policy in 1978, China's transport has undergone historic changes, making significant contributions to the country's social and economic development, and the people's safe and convenient travel. Since the start of the 21st century, the Chinese government has furthered the reform in transport, built a modernized comprehensive transport system, improved the management system, and modernized management capacity in transport, bringing China's transport to a new stage that incorporates multiple modes of transport and promotes their coordinated development.

December 29, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission: Order Requiring Additional Information: On February 3, 2011, the Commission approved the addition of Priority Mail—Non-Published Rates (PMNPR) as a category, and Priority Mail—Non-Published Rates as an underlying

product, on the competitive product list. The Commission also directed the Postal Service to file "[a] copy of each contract along with the financial model inputs used to generate rates for each contract . . . within a reasonable time, e.g., within 10 days of the effective date of the contract. From June 9, 2011, through December 22, 2014, the Postal Service filed nine PMNPR contracts with the Commission. Four of those nine PMNPR contracts were filed with the Commission outside the applicable 10-day timeframe. On December 28, 2016, the Postal Service filed notice of entering into 238 PMNPR customer agreements. These 238 customer agreements went into effect during calendar year 2016, ranging in dates from January 17, 2016, through December 16, 2016.

USPS INDUSTRY ALERT: Shuqualak, Mississippi, Post Office To Reopen On Friday, January 6, 2017. The Shuqualak Post Office located at 135 Pine Street, Shuqualak, Mississippi 39361, sustained water damage from torrential rains and flooding in August, requiring the temporary suspension of the Post Office. Repairs have been made and the Post Office will reopen on Friday, January 6, 2017. Hours of operation at the Shuqualak, MS, Post Office are Monday through Friday, 8:30 a.m. to 11:30 a.m. and 12:30 p.m. to 3:30 p.m.; Saturday 8:00 a.m. to 10:00 a.m.

USPS INDUSTRY ALERT: Attention PostalOne![®], Business Customer Gateway Users, FAST, Program Registration, and CAPS Users:

- January 2017 Price Change The January 2017 Price Change goes into effect Sunday, January 22, 2016. New postage statements associated with the January 2017 price change are available on *Postal Explorer*[®] at <u>pe.usps.com</u>. The January 2017 Proposed Structural Changes and *PostalOne*! R45.0.0.0 Release Notes can be found on PostalPro at: <u>postalpro.usps.com</u>/.
- *PostalOne! & BIDS* Release 45.0.0.0 *PostalOne!* & BIDS Release 45.0.0.0 will deploy on Sunday, January 8, 2017 between 12:00 AM to 10:00AM CT. The *PostalOne!* system will not be available during this time. A new Mail.dat® client download 45.0.0.0_PROD will be required after this release. All previous versions of the Mail.dat client will be expired.
- *PostalOne!* Releases 45.0.0.0 Deployment to Test Environment for Mailers (TEM) will occur on Monday, January 9, 2017 between 6:00 AM to 4:00 PM.. The *PostalOne!* TEM environment will not be available during this time.
- Seamless Acceptance and Service Performance (SASP) Release 24.0.0.0 will deploy on Sunday, January 8, 2017 between 12:00 AM to 12:00 PM CT.
- **Program Registration Release 18.0.0.0** will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The Program Registration application will not be available during this time.
- Centralized Accounts Processing System (CAPS) Release 42.0.0.0 will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The CAPS application will not be available during this time.
- Facility Access and Shipment Tracking (FAST) Release 32.0.0.0 will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The FAST application will not be available during this time.

Federal Register:

- Postal Regulatory Commission: New Postal Products [2016-31436] [PDF]
 - **Postal Service:**
 - Notices:
 - First-Class Package Service Negotiated Service Agreement[2016-31519][PDF]
 - Parcel Select Negotiated Service Agreement [2016-31523] [PDF]
 - Parcel Select Negotiated Service Agreement [2016-31524] [PDF]
 - Priority Mail Express and Priority Mail Negotiated Service Agreement [2016-31520] [PDF]
 - Priority Mail Express and Priority Mail Negotiated Service Agreement [2016-31522] [PDF]
 - Priority Mail Negotiated Service Agreement [2016-31516] [PDF]
 - Priority Mail Negotiated Service Agreement [2016-31517] [PDF]
 - Priority Mail Negotiated Service Agreement [2016–31518] [PDF]

NATIONAL NEWS

<u>CNBC</u>: <u>Amazon</u> has been awarded a patent for a giant flying warehouse that acts as a launchpad for drones to deliver items within minutes. The U.S. e-commerce giant described plans for an "airborne fulfillment center" (AFC) such as an airship or blimp that would float at an altitude of around 45,000. The airship will be stocked with lots of products. When a customer places an order, a drone or unmanned aerial vehicles (UAV) will fly down and deliver the package. Amazon insists that this would require little power because the drone would be gliding down rather than having to take off and land.

INTERNATIONAL NEWS

NIGERIA: <u>All Africa</u>: The Nigerian Postal Service (NIPOST) has assured Nigerians of its commitment to intercept every illegal item that passes through the mail processing centre at the international airport, especially items that could undermine national security. Postmaster General of the federation, Bisi Adegbuyi, who gave the assurance on the occasion of the official handing over of elephant tusks that were intercepted by NIPOST and the Nigerian Customs, to the Director General, National Environmental Standards and Regulations Enforcement Agency (NESREA), in Lagos recently, said NIPOST would continue to collaborate with the Nigerian Customs to achieve the feat.

INDIA: <u>Business Standard</u>: <u>CBI</u> has registered a case against two postal department employees in <u>Andhra Pradesh</u> for allegedly converting over Rs 13 lakh of demonetised currency with new notes in fraudulent manner within two days. <u>CBI</u> spokesperson said the agency had registered a case on a complaint from Superintendent of Post Offices, Kakinada Division, <u>Andhra Pradesh</u> against a Treasurer MSK Srinivasa and and B Subhakara Rao Post Master Grade-III of Kakinada Head Post Office, unknown public servants and private individuals.

SINGAPORE: *The Straits Times:* Singapore Post on Thursday (Dec 29) announced the appointment of a new group chief executive officer, ending a year-long wait for anxious investors after the abrupt resignation of former group chief executive Wolfgang Baier last December. Mr Paul William Coutts, 60, will helm SingPost with effect from June 1 next year. He will also join the postal and e-commerce group's board as a non-independent director on that date. Mr Coutts' appointment was unanimously approved by the board and has received all required regulatory approvals, SingPost said in a statement to the Singapore Exchange.

December 28, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

- Fiscal Year 2016 Statistical Tests: The Postal Accountability and Enhancement Act of 2006 requires the U.S. Postal Service to report its annual review and mail volume to the Postal Regulatory Commission. The Origin-Destination Information System-Revenue, Pieces, and Weight (ODIS-RPW) is a continuous, national probability statistical sampling system that provides statistical estimates of destinating mail revenue, volume, and weight. The Postal Service uses the data to develop new postage rates, conduct studies, prepare its budget, and support decisions on mail operations. As part of this process, data collection technicians conduct statistical mail tests. The tests include sampling live mail and collecting data to estimate stamp use to calculate postage bought by the public but not used. The U.S. Postal Service Board of Governors contracted with an independent public accounting firm to express opinions on financial statements and internal controls over financial reporting. The firm uses the ODIS-RPW data to support its opinions. The U.S. Postal Service Office of Inspector General coordinates audit work with the independent public accounting firm to ensure adequate coverage.
- **Fiscal Year 2016 Decision Analysis Summary Report**: The U.S. Postal Service Office of Inspector General (OIG) reviews decision analysis reports (DAR) in advance of Investment Review Committee (IRC) meetings to determine whether the requested investments are reasonable business decisions or are in the best interest of the U.S. Postal Service (Project Number 17BDA001CP000). The purpose of this memorandum is to summarize the business process issues that the OIG identified during fiscal year (FY) 2016. The Postal Service uses DARs to recommend investments to the IRC for approval. These investment projects can include the purchase of vehicles or support equipment, lease renewals, or research and development proposals. DARs describe a problem the Postal Service is facing or an opportunity it may have, along with the details needed to justify the expenditure. All investment projects must be justified either as an economic opportunity or as a means of sustaining existing postal operations into the future by correcting or eliminating a problem. The DAR provides the details needed, including back-up documentation, to enable the IRC to make informed decisions regarding the use of postal funds.

USPS DMM Advisory: USPS Marketing MailTM Update. The USPSTM is working closely with the Industry during 2017 on various potential indicia uses for implementation in 2018. We have heard the industry concerns about "open rates," and are exploring options that will not require the term "Marketing Mail" to be used. We thank you for your feedback and look forward to our ongoing collaboration.

NATIONAL NEWS

Transport Topics: A cargo plane emblazoned with "Prime Air" descended from an empty sky at Lehigh Valley International Airport in Pennsylvania on Dec. 20, 90 minutes from the bustle of New York City, loaded with crates of goods during the peak holiday shopping season. It's one of 40 jets leased by Amazon.com Inc. for a new cargo service to meet delivery demand from the retail giant's customers. Exclusive payload data reviewed by Reuters and interviews with airport officials around the country show that Prime Air planes are flying nearly full, but with lightweight loads, taking away valued business from FedEx Corp. and UPS Inc. *Idaho Press:* The year 2017 will again be a challenge for the United States Postal Service. Let's again "Think outside the Mailbox" while still using the same principles that make the U.S. Postal Service user-friendly for all Americans at the best possible price. The U.S. Constitution guarantees a Postal Service for all. Privatizing the USPS would only reduce service to rural areas such as Idaho even more. Expanding services such as banking, and offering U.S. Mint products would help create a financially stable Post Office in each community to create a "Center of Operations." The burdensome pre-funding for future retiree health benefits 75 years into the future still exists even when it should have expired in 2016. Why "punish" an entity that benefits us all? Congress must pass positive laws to make the USPS stronger now and in the future. The 2016 fiscal year has so far netted the USPS a \$610 million operating profit for 2017, proving that the Postal Service can benefit all Americans using no tax dollars while employing many veterans. This is a family business that we can all use to keep America strong. Thank you for your continued support.

Boston Globe: Deadly synthetic opioids are streaming into the United States amid a flood of mail that arrives unscreened from abroad every day, overwhelming the Postal Service and fueling the drug epidemic gripping much of the country, security experts and Massachusetts lawmakers say. Nearly 1 million packages a day enter the country without any advance electronic information that might flag the presence of dangerous opioids such as fentanyl, much of which is manufactured in China, said Juliette Kayyem, a former assistant Homeland Security secretary. An estimated 340 million pieces of mail each year pass unchecked through the Postal

Service and US Customs without the prior electronic screening that was authorized by Congress 14 years ago but has yet to be fully implemented, Kayyem said.

NewsChannel9: Online retail giant Amazon is teaming up with good-will to encourage donations. Donors can use the "give back box" platform to ship donations to good will for free through UPS or the US postal service. The offer is good for all boxes - not just those from amazon -- as long as the box meets UPS or postal service regulations. All you have to do is fill the box with stuff you don't want. Then print a free shipping label at GiveBackBox.com. You can drop your box off at UPS or the U.S. Postal Service, and they'll deliver it to the nearest participating Goodwill location.

Weatherford Democrat: The United States Postal Service always receives an avalanche of orders during the holiday, but one service in particular, Amazon, is changing the demand that is being placed on one of America's oldest mail carriers. Negotiated in 2013, Amazon has a contract with USPS that essentially makes them the majority carrier for Amazon orders. "We deliver Amazon on the daily basis, so that includes Sundays," said Weatherford post office rural carrier and safety coordinator, Corrie Johnson. "We deliver mail. That was the majority of our deliveries. Paper. Now it's more packages. We're right up there with UPS and FedEx."

INTERNATIONAL NEWS

FINLAND: <u>Uutiset</u>: Finland's postal carrier Posti has announced that it will hire more permanent mail carriers to ensure smoother service in the capital city area. This after weeks of service lapses late in the year. Since 2014 over 2,000 postal workers have left Posti as the result of redundancies and discontinued contracts.

LITHUANIA: <u>The Baltic Course</u>: Russian Post's unilateral decision to change its procedures for handling international parcels may disrupt the delivery of these postal items to Lithuania, Lietuvos Pastas (Lithuanian Post) has warned, reports LETA/BNS. *Russian Post* has said that starting on Jan. 1, 2017, all incoming foreign mail will have to go to Mirny, a town in Eastern Siberia more than 4,000 kilometers from Moscow. International mail is currently handled in the capital or other major Russian cities. "This decision by *Russian Post* is inadequate. It has not been discussed in advance with international partners -- members of the Universal Postal Union," said **Aurimas Ciagus**, sales and marketing director at *Lietuvos Pastas*. Russia is on the list of the top ten foreign destinations where postal items from Lithuania are sent to.

AUSTRALIA: <u>The Mercury</u>: Christmas is traditionally a busy time for the nation's postal service, so it's perhaps not surprising that there is a surge of complaints about deliveries at this time of year. Cards and gifts sent and expected from places near and far are tracked to ensure their arrival before Christmas, and disappointment is keenly felt when they don't. But this Christmas seems to have been accompanied by an unusual number of complaints from Mercury readers about items not having made it to their ultimate destination. Nobody can doubt the astonishing logistical challenge Australia Post faces at this time of year. An additional 1500 staff are drafted in to help with parcel volumes increasing from the already unprecedented million parcels per day volumes being experienced by late October.

CANADA: The Province: The release of the recent House of Commons Government Operations and Estimates committee report. The Way Forward for Canada Post, had some good things in it for the majority of Canadians who believe Canada Post is a vital public service that must be strengthened. First, the report breaks with the Stephen Harper government and Canada Post management strategy of being the only major country trying to end home delivery. The report recommends that home delivery be restored to what it was before the 2015 election campaign began. While the rollback should be all the way back to December 2013, when the end home delivery policy was first announced, this recommendation is an important step forward in reversing policy aimed at reducing service rather than strengthening it. Second, the report also recommends that Canada Post maintains five-day delivery which is a plus not only for citizens but for the many businesses that depend on this kind of coverage. Thirdly, the report recommended that Canada Post offers Broadband Internet delivery in rural Canada as a new service, as is done in countries such as the U.K., France and Italy, PHILLIPINES: Filipino Times: The Overseas Filipino Worker (OFW) bank is set to open in Saudi Arabia to cater to the OFWs' needs. The bank will be opened by the third quarter of next year, with an authorized capital of P3 billion, the Department of Finance (DOF) said Tuesday. While the requirements and procedures to establish the OFW Bank are still being completed, the state-owned Land Bank of the Philippines will set up by September a representative office in Saudi Arabia to cater to the banking needs of some 800,000 Filipino workers based in the Middle Eastern country, Finance Secretary Carlos Dominguez III said. He said the OFW Bank will be established through the LandBank's acquisition of the Philippine Postal Savings Bank, which will be converted into a LandBank subsidiary that will be owned 30 percent by OFWs. "The acquisition of the Postal Bank will be completed by the third quarter of 2017, after all required procedures are completed and approvals are secured. The LandBank has sufficient resources to complete this transaction," said Dominguez, who chairs the LandBank board of directors.

UK: *Triangle*: The 2016 edition of the 'UK Domestic Express Parcels Distribution Survey' recently published by Triangle Management Services, has found that B2C shippers tend to switch between carriers frequently, whilst B2B shippers tend to stay with their main domestic parcels carrier for longer. This is creating a divergent market with different dynamics. Carriers tend to offer very similar services but the economics behind them differ widely. It will be interesting to see which carriers move ahead in one or both segments over the next twelve months. In B2C, consumer demands for fast and free deliveries means shippers are looking to increase service delivery options or cut costs. In B2B, the dynamics are different, the environment appears calm but this could all change next year due to increased marketing efforts by the carriers to offer shippers more choice.

NORWAY: <u>Post & Parcel</u>: Thinfilm and Prime Vision have announced that they will be collaborating to deliver "innovative" smartpackaging solutions across the broader mail and parcel industry. In a joint <u>statement</u>, the companies said: "Thinfilm and Prime Vision will leverage Thinfilm's NFC (near field communication) tags – both SpeedTap and OpenSense – in helping address key postal- and logistics-related needs. Applications will initially target increased mail/parcel security, enhanced e-commerce functionality, and improved consumer communication.

December 27, 2016

NATIONAL NEWS

Chronicle of Philanthropy: Nonprofits will pay anywhere from 2.8 percent to 4.3 percent more in 2017 to ship presorted fundraising, promotional, or informational letters, also known as standard-mail letters.

INTERNATIONAL NEWS

INDIA: <u>Pune Mirror</u>: Penalising the Indian postal department for deficiency in service, the permanent Lok Adalat in its judgment on December 23 ordered it to pay up Rs 3,000 as compensation to a consumer. Prakash Ladkat, a resident of Bhawani Peth, said that on June 7, he had sent a speed post package, making a payment of Rs 40. The package, containing the job confirmation letter of his son, was supposed to reach Bangalore. The letter that was to be delivered via speed post through the Sir Parshuram (SP) College post office on Tilak Road was addressed to Pro- Team Solutions in Ganganagar, R T Nagar, Bangalore — the corporate head office of the company. However, instead of sending the package to Bangalore the next day, the article was returned back to the sender in Pune. **NIGERIA:** <u>Pulse</u>: The Federal Government announced yesterday that the **Nigerian Postal Service** (NIPOST) will start providing e-commerce and e-government service from 2017. Minister of Communications, **Adebayo Shittu**, made the disclosure saying e-commerce and e-government duties would be added to the parastatals primary mandate of letter and parcel distribution.

December 26, 2016

NATIONAL NEWS

Rasmussen Reports: Americans say they didn't use the U.S. Postal Service quite as much this holiday season, but they give the federal agency slightly higher marks for its job performance than they have in the past. A new Rasmussen Reports national telephone and online survey finds that 17% of American Adults say they used the USPS more this holiday season than they have in previous years, down from 21% last year. Slightly more (19%) used the USPS less, while most (62%) say their use of the Postal Service was about the same as in past years.

December 25, 2016

INTERNATIONAL NEWS

INDIA: *The Tribune:* In a historic development, the Punjab circle of the Postal Department connected the priority mail and parcel service, including Speed Post and Express Parcel, with flights taking off from Guru Ramdassjee International Airport in the holy city. Parcels in local post offices and meant for delivery in metros and other cities across the country, including Mumbai, Bangalore and Chennai, will now be sent through flights to their destinations. PM Swain, Chief Postmaster General, Punjab and Chandigarh, launched the air linkage of priority mail to all destinations at the head post office today.

December 24, 2016

POSTAL/FEDERAL NEWS

Federal Register:

- Postal Regulatory Commission: Changes to Procedures for the Freedom of Information Act [2016-30905] [PDF]
- Postal Regulatory Commission: Statutory Review of the System for Regulating Market Dominant Rates and Classifications [2016-31052] [PDF]
- Postal Regulatory Commission: Postal Rate and Related Classification Changes [2016-31075] [PDF]

NATIONAL NEWS

Government Executive: The U.S. Postal Service could finally have its payments into the federal employee pension account calculated using assumptions from its workforce specifically, rather than the federal workforce as a whole, which has long been a sticking point at the mailing agency. USPS leadership has for years argued its payments into the Federal Employees Retirement System and the Civil Service Retirement System have been too pricey due to the difference between the demographics of its employees and the rest of government. Salary growth and workforce characteristics of the Postal Service differ significantly from those of other federal organizations—postal workers generally remain in a similar pay grade throughout their careers while non-postal feds generally see their salaries increase significantly; and postal workers generally die younger than the rest of the federal workforce. Under a proposed rule issued by the Office of Personnel Management on Thursday, the Postal Service would make payments into the pension funds using a separate calculation based exclusively on its employees.

December 23, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

 Proposed rule: Changes to Procedures for the Freedom of Information Act FR Document: 2016-30905 Citation: 81 FR 95069 PDF **USPS DMM Advisory: USPSTM Announces A Phased Transition For Marketing MailTM.** In January 2017, Standard Mail[®] will undergo a name change and be rebranded as USPS Marketing MailTM. It is expected that this name change will better communicate to mailers how this mail class can be used. In response to feedback from the mailing community, we are implementing this change in a phased transition period to allow both hardware and software changes to be implemented successfully.

- The new indicia and/or postage markings should not be used for letter or flat mail until January 2018 at the earliest.
- Tray label and pallet markings will be deferred until mid-2017 at the earliest.

Other types of changes, such as changes to postage statements and forms, can move forward with the January 2017 price change. This phased transition period will allow both hardware and software changes to be implemented successfully. A schedule will be published in early 2017 to assist mailers with implementation. The *Domestic Mail Manual* (DMM[®]) and DMM Advisories are available on *Postal Explorer* (pe.usps.com).

NATIONAL NEWS

Engadget: Shipping presents to loved ones during the busy holiday months can be a stressful endeavor, but the <u>US Postal Service</u> is testing something new this year that puts a seasonal spin on the task. Officially called "The Most Wonderful Ornament," the <u>Christmas</u> decoration changes color as the the status of your package is updated. When your package is out for delivery, the ornament lights up blue. Red means the box has been dropped off and green will glow when the recipient has opened it. So, how does this work? Well, using cellular technology and a sensor that determines when the box is open, the USPS can provide delivery updates in a much more festive fashion than having to check your phone on computer regularly. The ornament is integrated with the existing tracking system to fetch information and flash its light the appropriate color. It can also plug into a string of lights to get its power via USB adapter.

INTERNATIONAL NEWS

AUSTRALIA: <u>News.com</u>: Dozens of complaints about missing parcels and Christmas cards are pouring into the national carrier's Facebook and Twitter accounts every hour, as the clock ticks ever closer to Christmas Day. Frantic with just one more working day to go until the holidays, desperation is reaching its peak among those who are yet to receive their items. And there is little comfort for Australians whose gifts have been misplaced, stolen or lost in transit. Sydney's Rachel Cassidy reported that her parcel, a tracked delivery, was "brought to me by neighbours having been found in the middle of the road, run over and opened by some scumbags". An Australia Post representative promised to investigate and suggested: "In future it may also be best to ask the sender to send it with signature on delivery or even sign up to our parcel lockers".

IRELAND: *Independent*: An Post has been approached by a number of international postal organisations seeking to buy its new direct-mail software for use in their local markets. Admailer, which was launched in Ireland in August, has already far exceeded An Post's revenue projections and has attracted interest from around the world. It uses census data to allow advertisers to target areas with a high percentage of their target audience within data-protection rules. "We are in discussions with Australia Post, New Zealand Post and the Italian post, who want to buy the intellectual property," said Liam Sheehan, sales and marketing director of An Post. "We would licence it to them as a service." He said that the organisation had forecast sales of around \notin 4m for 2017 but that they were now expected to be around double that.

UK: *Post & Parcel*: The UK Government has issued a tender document inviting companies to provide administration services for the Royal Mail Statutory Pension Scheme (RMSPS). The RMSPS transferred to the public sector in April 2012 and the current contract expires in March 2017. The procurement documents are available at: https://gpsesourcing.cabinetoffice.gov.uk. According to a <u>notice</u> posted on the website Tenderlake, the contract is valued at £31m. The tender was issued on 16 November and the closing date for applications is 14 December. The contract will start on 1 April 2017 and run through to 1 October 2024.

JAPAN: *The Japan News*: Japan Post Co. said Thursday it will raise the charges for sending so-called second-class mail, including postcards, and postal rates in some other categories, for the first time in 23 years, from June 1 next year. Rates for normal post cards, excluding New Year's greetings cards for 2018, will be raised to ¥62, from the current ¥52. Charges for nonstandard-sized postal items including those for "Yu-Mail" delivery services will also face a markup. The full-fledged rate hike, excluding past hikes in line with consumption tax increases, is aimed at keeping its postal operations in the black.

December 22, 2016

Passing of Cameron Bellamy

PostCom and its members are saddened to have to report that Cameron Bellamy, former board member, passed away on December 20th. Cameron had a strong influence on the direct marketing industry for well over 25 years. He transformed the industry with innovative software and services that delivered greater automation, transparency, and improved return on investment for his customers — the more complex the mailing, the better.

Cameron was a vocal champion of the postal industry and contributed his expertise and leadership in multiple capacities. He served on the board of directors of Postcom, was active in the NPPC and IdeaAlliance, frequently spoke at industry conferences, and lent his testimony to Government Accountability Office (GAO) and Postal Regulatory Commission (PRC) proceedings.

Cameron's legacy, charisma, and vision are evident in the incredible company that he built to last; a strong management and operational leadership team continues his important work as we embrace the future of direct marketing and integration of traditional methods with digital channels. His dedication to building a family-oriented company culture was exemplified by his personal love of and commitment to dogs and rescue shelters that became one of Grayhair's most enduring brand identity traits.

As important as his professional contributions have been, Cameron's life is perhaps best defined by the love he gave to his family and friends and by the impact he had in the community. We want to share Cameron's obituary with you to more fully represent the broad

POSTAL/FEDERAL NEWS

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- Centralized Accounts Processing System (CAPS) Release 42.0.0.0 will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The CAPS application will not be available during this time.
- Facility Access and Shipment Tracking (FAST) Release 32.0.0.0 will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The FAST application will not be available during this time.
- If you have any questions please contact the *PostalOne!* Help Desk at 800-522-9085.

Industry Alert: Midland Post Office Closed Temporarily. MIDLAND, NC — The Midland Post Office is closed temporarily in order to perform necessary repairs to the building. A mobile Postal unit has been deployed to the Midland Post Office site to offer retail services, beginning Thursday, Dec. 22, until the building reopens. The mobile unit offers cash-only sales until further notice.Post Office Box customers can still pick up their mail that is already in their PO Boxes, but there will be no additional PO Box delivery until the building reopens. After today, customers can pick up PO Box mail at the mobile unit. Mail delivery will not be affected. Carriers who deliver from Midland will deliver mail from nearby Stanfield and Locust Post Offices. Midland Post Office is located at: 13379 Hwy 601 Midland, NC 28107. "We are still able to offer our customers many of the retail services from the mobile unit and mail delivery will continue as normal," said Mid-Carolinas District Manager Sandy Wyrick. "We apologize for any inconvenience to our customers."

Federal Register:

- Postal Regulatory Commission: New Postal Products [2016-30797] [PDF]
 - **Postal Service:**
 - Notices:
 - First-Class Package Negotiated Service Agreement[2016-30789][PDF]
 - Priority Mail and First-Class Package Negotiated Service Agreement [2016-30790] [PDF]
 - Priority Mail Negotiated Service Agreement [2016-30798] [PDF]
 - Priority Mail Negotiated Service Agreement [2016–30799] [PDF]

NATIONAL NEWS

<u>Pymnts.com</u>: As retailers will soon enter the peak returns rush that follows the holiday shopping season, UPS is reportedly making an investment in logistics provider Optoro Inc., a company specializing in retail returns and reselling. First launched in 2010, Optoro Inc. provides a software to sort and analyze unwanted and returned merchandise, using its client's own sales information and algorithms to route returns to online marketplaces and other channels so retailers receive the best returns on their returns. Its current customers include Home Depot, Best Buy, Target and Jet.com.

<u>Courthouse News</u>: Denying private contractors' request for a restraining order, a federal judge ruled the U.S. Postal Service must abide by an arbitration order to give more than 100 routes to its own union workers. Earlier this month, the National Star Route Mail Contractors Association <u>asked</u> the Washington, D.C. federal court for an injunction to keep the Postal Service from abiding by an arbitration decision that settled a labor dispute with the American Postal Workers Union. The union had argued the Postal Service violated a collective bargaining agreement by awarding private contracts for transport of the mail without prior notice to the union. An arbitrator agreed, finding it breached a "national agreement" that requires advance notice and discussion before it uses third-party contractors for specific routes.

INTERNATIONAL NEWS

BARBADOS: <u>Nation News</u>: The Barbados Postal Service has sealed a silver award from the International Postal Union for a high standard of performance by its Express Mail Service (EMS). The silver level certification for the inbound delivery of Express Mail in 2015 acknowledges the work of the department, which is its best performance ever for the year.

December 21, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

- Non-Career Employee Turnover: In Fiscal Year 2016, the U.S. Postal Service employed an average of about 130,000 noncareer employees, who do not receive full employee benefits and privileges, to supplement its regular workforce and reduce staffing costs. But non-career employee turnover cost the Postal Service about \$95.1 million in fiscal year 2015. In our new audit report, we identify several opportunities to reduce non-career employee turnover.
- Internal Controls Over Segmented Inventory Laughlin Post Office, Laughlin, NV: Our new audit determines whether accounting records for segmented inventory at the Laughlin, NY, Post Office, were accurately presented and whether internal controls were in place and effective.
- International Cost and Revenue Analysis Report: The Postal Accountability Enhancement Act of 2006 (PAEA), Section 3652, requires the U.S. Postal Service to "analyze costs, revenues, rates, and quality of service" and submit an Annual Compliance Report to the Postal Regulatory Commission (PRC) no later than 90 days after the end of each year. The PAEA also requires the Postal Service to annually report costs, revenue, volumes, and quality of service to the PRC. The PRC uses the information in these reports, including the International Cost and Revenue Analysis (ICRA) report for international products, to determine whether the Postal Service complied with the statute. The Postal Service maintains a product costing system designed to comply with the PAEA, develop product costs, and generate information to support management decisions. Because Postal Service accounting systems do not provide all required product information for reporting purposes, the Postal Service employs various statistical systems and special studies to generate the ICRA.

Federal Register:

- Postal Regulatory Commission: New Postal Products [2016–30664] [PDF]
- Postal Service:
 - Final Rule: New Mailing Standards for Domestic Mailing Services Products [2016-30381] [PDF]
 - Notices:
 - Priority Mail Express Negotiated Service Agreement[2016–30681][PDF]
 - Priority Mail Negotiated Service Agreement [2016–30682] [PDF]
 - Priority Mail Negotiated Service Agreement [2016–30683] [PDF]
 - Priority Mail Negotiated Service Agreement [2016–30684] [PDF]
 - Priority Mail Negotiated Service Agreement [2016–30685] [PDF]

NATIONAL NEWS

<u>CNBC</u>: Amazon received a patent that covers technology to give it extra anti-hacking protections when drones are out are doing deliveries, according to the U.S. Patent and Trademark Office. Amazon, which has dubbed its drone delivery service <u>Prime Air</u>, recently had <u>its first actual drone delivery using the technology</u>. The e-commerce giant initially filed in 2014 for the patented technology covering "countermeasures of threats to an uncrewed autonomous vehicle."

Federal News Radio: The U.S. Postal Service did everything right in 2016. It focused on growing its biggest areas of business while still making improvements across the board. It used data and technology to improve processes and make them more efficient. It improved service in all categories. And it still lost money. "Despite the overall revenue growth, the positive controllable income, and aggressive management of the business, the postal service cannot overcome our systemic financial challenges without legislative reform and changes to our pricing system," Megan Brennan, postmaster general, said during a presentation in November.

INTERNATIONAL NEWS

SRI LANKA: *Hiru News*: Postal Trade Unions stated that over 1.5 million postal matters have piled up in the Central Postal Exchange. The strike which was launched on Monday demanding solutions to 7 issues including recruitment and promotion procedures will be called off at midnight today. Meanwhile, a protest march by postal workers was blocked at the Presidential

Secretariat. Later 8 representatives were allowed in to have a discussion with the authorities. The protest was dispersed after an officer of the Presidential Secretariat promised them to find solutions to the issues within two weeks.

IRELAND: *Post & Parcel*: Ireland's Minister for Communications, Climate Action and the Environment Denis Naughten is seeking Government approval to introduce legislation to remove the current price cap on An Post's stamps. Naughten has said that the price increase was necessary if An Post were to maintain the five-days-a-week postal delivery service. In a <u>notice</u> posted on its website today (6 December), An Post said that it "welcomed" the Minister's statement. The notice said: "The global trend of e-substitution for postal mail is impacting now on An Post's business to the extent that significant losses in the mails business will result in An Post making a loss of $\notin 12-15m$ in 2016 and a much greater loss in 2017. These losses are not sustainable. Consequently An Post welcomes the statement by Minister Denis Naughten to provide An Post with the freedom required to bring its postal pricing in line with European peers by repealing the price cap mechanism.

December 20, 2016

POSTAL/FEDERAL NEWS

DMM Advisory: PRC Ruling on Collect on Delivery Service:

On Thursday, December 15, 2016, the Postal Regulatory Commission (PRC) denied the Postal Service'sTM proposed Collect on Delivery (COD) Hold for Pickup classification change. COD will continue to be offered as a carrier delivery service, with a limited hold for pickup option. To mitigate additional software changes, the Postal Service will accept files containing the updated COD Hold for Pick Up change, as long as the files allow carrier delivery for COD service. There generally is no need for vendors to revert the software to the current requirements. Software vendors who have not made the COD Hold for Pickup change do not need to move forward with it.

Industry Alert: PRC COMMENCES FIRST BROAD REVIEW OF POSTAL RATEMAKING SYSTEM:

Today, the Postal Regulatory Commission (PRC) announced that it will begin its review of the system for regulating rates and classes for Market Dominant products that was first established in 2006. The law requires that the PRC begin its review of the current rate system ten years after the date of enactment of the Postal Accountability and Enhancement Act, to determine whether it's achieving the objectives established by Congress. If the PRC finds that the objectives, taking into account the factors, are not being met, it has the authority to either propose rules that modify the system or adopt an alternative system to achieve the objectives. <u>Order No.</u> 3673 outlines the parameters and timing by which the PRC will complete its review.

The PRC's review will engage in a comprehensive evaluation of all aspects of the ratemaking system provided within 39 U.S.C. 3622, including:

- The annual limitation on the percentage changes in rates
- The schedule for rate changes
- The 45-day notice before the implementation of rate adjustments
- Expedited rate changes due to extraordinary or exceptional circumstances
- Class level application of the annual limitation
- The rounding of rates and fees
- The use of unused rate authority
- Worksharing discounts

Comments are due <u>no later than March 20, 2017</u>. Reply comments will not be accepted. The PRC has placed a link entitled, "10 *Year Rate System Review*" on the homepage of its website, <u>www.prc.gov</u>, to simplify comment filing for members of the general public.

Postal Regulatory Commission:

• RM2017-3: On December 20, 2006, the Postal Accountability and Enhancement Act (PAEA) was signed into law. 1 The PAEA required that the Commission establish a modern system of regulating rates and classes for market dominant products.2 The PAEA also mandated that the Commission review this system 10 years later to determine if it is achieving the objectives, taking into account the factors, established by Congress. If the Commission determines that the system is not achieving the objectives, taking into account the factors, the Commission may, by regulation, make modifications or adopt an alternative system as necessary to achieve the objectives.

NATIONAL NEWS

Linn's Stamp News: *Linn's* reported Dec. 13 that the United States Postal Service is offering a <u>new spray-on postmark with a holiday</u> theme. The new postmark is showing up on the mail received in *Linn's* offices here in Sidney, Ohio, and the covers we have seen indicate that this year's holiday postmark is disappointing from the collector's point of view. Spray-on postmarks are applied automatically to mail by the U.S. distribution centers using ultra-high-speed equipment. Spray-on postmarks are seldom sharp and more often than not are blurry.

INTERNATIONAL NEWS

UPU: <u>Post and Parcel</u>: Walter Trezek, Co-chair of the e-Logistics Working Group of Ecommerce Europe, has been appointed Chair of the Consultative Committee of the Universal Postal Union (UPU). The Consultative Committee enables postal stakeholders who are

not public postal operators or regulators to add their voice to UPU deliberations. The Committee represents the interests of the wider postal sector, providing a framework for effective dialogue and playing a key role in developing a more global vision of the issues affecting the sector.

ENGLAND: *Proactive Investors*: With Post Office staff the latest to join those taking part in a wave of strikes in the run-up to Christmas, there was another walk-out today at postal service operator <u>Royal Mail PLC (LON:RMG)</u>. The FTSE 100-listed firm revealed that its chief finance officer (CFO) Matthew Lester will leave the company after its annual general meeting in July 2017. Mr Lester, who joined <u>Royal Mail</u> as CFO in autumn 2010, worked on the privatisation of the business in 2013. Royal Mail said a process to identify his successor has been initiated, with both internal and external candidates to be considered

SRI LANKA: *Hiru News*: Postal Trade Unions state that postal services throughout the country have been disrupted due to their strike. Joint Postal Trade Union Federation stated that workers attached to over 90 per cent of post offices have already joined the strike. Postal Trade Unions launched a 48-hour strike last night on 7 issues including resolving inefficiencies in recruitment and promotion procedures. Federation convener Chinthaka Bandara said that the strike was launched as their demands were not solved as pledged during a recent discussion they had with subject minister M.H. Abdul Haleem. Meanwhile, the Postal Department has taken steps to cancel leaves of all postal employees to prevent the breakdown of postal services as a result of the strike. Accordingly employees' leaves are cancelled from mid-night yesterday till mid-night tomorrow. However, participating at a media briefing held in Kandy yesterday Minister M. H. Abdul Haleem said that an invisible hand is behind the strike.

December 19, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Here is the latest edition of "Mail Spoken Here"

Industry Alert: Plant-Verified Drop Shipment Update:

In conjunction with the upcoming price change occurring on January 22, 2017, plant-verified drop shipment (PVDS) mailings will be verified and accepted as follows:

Current Prices — PVDS mailings verified and paid for on or before January 21, 2017, using the current prices, will be accepted at destination entry postal facilities through Monday, February 8, 2017, when presented using eInduction[®] or eVS[®] processes or with appropriate verification and payment documentation (PS Form 8125 or PS Form 8017).

New Prices — PVDS mailings may be verified and paid for beginning January 8, 2017, using the new prices, provided the shipments are not deposited at destination entry postal facilities until January 22, 2017 or later, when presented using eInduction or eVS processes or with appropriate verification and payment documentation (PS Form 8125 or PS Form 8017).

For mailings with electronic documentation, mailers must enter a Mail Arrival Date that is on or after January 22, 2017.

For mailings with hard copy postage statements, USPS[®] acceptance employees must enter a Mail Arrival Date that is on or after January 22, 2017.

Postal Regulatory Commission:

- <u>RM2017-2</u>: The Postal Regulatory Commission (the Commission) proposes to revise its rules governing requests for agency records made under the Freedom of Information Act (FOIA), 5 U.S.C. 552, in accordance with the FOIA Improvement Act of 2016 (the Act), Pub. L. No. 114-185, 130 Stat. 538. Pursuant to section 3(a) of the Act, the head of each agency "shall review the regulations of such agency and shall issue regulations on procedures for the disclosure of records under [FOIA]" to implement the Act within 180 days of its enactment date.
- <u>**RM2014-1</u>**: In Order No. 2224, the Commission authorized the Customized Delivery market test to proceed.[1] In that order, the Commission set forth requirements for future expansions and data collection reports. For market test expansions, Commission regulations require the Postal Service to provide 10 days advance notice before expanding the Customized Delivery market test to additional geographic areas. 39 C.F.R. § 3035.6; Order No. 2224 at 12-13, 21. In addition, to facilitate the Commission's evaluation of market disruption under 39 U.S.C. § 3641(b)(2), Order No. 2224 required expansion notices to include, at a minimum:</u>
 - The geographic area(s) where the Postal Service intends to offer Customized Delivery during the market test;
 - Examples of businesses that offer similar products or services in those areas;
 - The range of prices these businesses charge for similar products services; and
 - A description of the market test's impact on small business concerns.
- Order No. 2224 at 13. The Commission directed the Postal Service to file data collection reports within 40 days after the close of each fiscal quarter during which the market test is conducted consistent with 39 C.F.R. § 3035.20(d). *Id.* at 20-21.
- <u>Press Release</u>: President Obama reappointed Robert G. Taub and Mark Acton as Commissioners of the Postal Regulatory Commission (Commission) for new terms that expire October 14, 2022. Both Commissioners were confirmed by the United States Senate on December 10, 2016. The President also designated Taub as Chairman of the Commission; he has led the Commission as Acting Chairman since December 4, 2014. Following a unanimous vote of the Commissioners at its public meeting earlier this month, Commissioner Acton will be designated as Vice Chairman for calendar year 2017.

NATIONAL NEWS

The Street: It's Monday morning; you wake up feeling refreshed from a day of Sunday couch-potatoing only to realize something is bugging you. You brush it aside, until you look at the calendar reading "December 19" and you suddenly panic, realizing you haven't purchased gifts for the holidays. However, you might take solace in the fact that the largest American-based shipping companies are

scrambling as well. "This is likely the busiest day for UPS (UPS) and it will be one of the busiest for FedEx, (FDX) with both companies anticipating handling about double their average daily volume," *CNBC's* Morgan Brennan reported this morning on "Squawk Alley."

The Street: A governance crisis has put a big question mark on the future of the United States Postal Service (USPS) just in time for the holiday mail season, which is expected to peak Monday as Americans scramble to send off millions of greeting cards, letters, and packages ahead of holiday shipping deadlines later this week. Responsibility for overseeing the postal service is the job of the nine presidential appointees to the USPS Board of Governors. Together, they function like a corporate board of directors--governors guide long-term strategy, control expenditures, set postal policies, and select both the Postmaster General and her deputy.

INTERNATIONAL NEWS

FRANCE: Recode: The French postal service will soon start a new drone delivery program to carry parcels on a set nine-mile route following approval from the French aviation regulatory authority. It's just an experiment for now, not a fully launched program, and will only operate once a week. But it is the first time a federal postal service will use drones to deliver on a regular route. The DPDgroup, a subsidiary of the French national postal service, has been perfecting its drone delivery project since 2014 in the south of France, working in partnership with Atechsys, a French drone company. In September 2015, the drone delivery project demonstrated its aircraft could fly in complete autonomy carrying a package weighing over three pounds a distance of nearly nine miles. CROATIA: Total Croatia News: Croatian Postal Bank (HPB) and Croatian Post (HP), through the Bank in Post Office project, will create the largest distribution channel of banking and financial services in the country. Banking services will be available to people even in the remotest parts of the country, announced the two companies on Monday, reports Poslovni.hr on December 19, 2016. UK: *Express*: There were fears that flights might be badly hit after the Met Office issued a severe weather warning for fog for a large swathe of land stretching from the South Coast to the Vale of York and East Anglia. But forecasters said the fog had eased overnight to a lighter mist in some areas and would continue to break up throughout the day. Both Heathrow and Gatwick Airports warned passengers on their websites of delays and cancellations overnight, but this morning Gatwick said "reasonable" visibility meant there was no impact on flights, while Heathrow was a little misty with just a few knock-on effects from delays at the weekend. UK: Huffington Post: In February this year I wrote about the 'Great Royal Mail And Post Office Swindle', the manner in which Royal Mail was privatised and the disastrous business decision to split the delivery and retail arms of the Great British postal system. Privatising Royal Mail and retaining the Post Office in the public sector was nothing to do with business sense but rather to ease the path of Royal Mail privatisation. The voice of the Communications Workers Union was not listened to and despite the Government claiming the Post Office was safe in their hands and would become the shop window of government, it is now being franchised and privatised via a self defeating business plan. To put that terrible decision into perspective no other postal administration in the world has split these two fundamental arms of a fully integrated national postal service.

SWITZERLAND: *Post & Parcel*: NEC is scheduled to supply 13 systems for three of Swiss Post's large-scale mail sorting centres by February 2019. The mail centres are located in Mülligen, Härkingen and Eclépens. According to NEC: "The CFCs automatically identify the destination of small postal items and process them based on their size, thickness and weight, as well as adjust their alignment and manage the application of postmarks, all of which was formerly carried out by hand." The CFCs are capable of processing up to 38,000 postal items an hour.

JAPAN: <u>ACN Newswire</u>: NEC Corporation (TSE: 6701) today announced that Swiss Post, Switzerland's national postal service, has signed a contract for Culler Facer Cancellers (CFC) in support of postal automation. NEC is scheduled to supply thirteen systems for three of Swiss Post's large-scale mail sorting centers by February

2019(1). <u>http://www.acnnewswire.com/topimg/Low_NECMail1219.jpg</u> NEC's Latest Mail Processing Systems (Culler Facer Cancellers) at Swiss Post These CFCs automatically identify the destination of small postal items and process them based on their size, thickness and weight, as well as adjust their alignment and manage the application of postmarks, all of which was formerly carried out by hand.

December 18, 2016

INTERNATIONAL NEWS

FRANCE: *Jacobin*: In workplaces across the advanced capitalist world, the drive toward liberalization, privatization, and corporate globalization is taking a toll on workers' mental health. In France, where conflicts over labor rights are at the <u>forefront</u> of public life, trade unions at the postal services (<u>La Poste</u>) are currently locked in intense negotiations with management over working conditions that have been linked to escalating levels of psychological distress among its 250,000 employees.

EGYPT: *Daily News*: Egypt Post has started offering some civil status services through postal service centres around the country, according to the cooperation protocol with the civil status department affiliated to the Ministry of Interior. Essam El-Sagheer, chairperson of Egypt Post, said that the services offered include birth, family, marriage, divorce, and death certificates, and the renewal of IDs. One pound will be collected to submit the application, and an additional three pounds as a cost of the service, plus the regular fees paid by citizens when requesting the service on the internet.

UK: *The Evening Standard*: A dispute between <u>Southern Railway</u> and train drivers has already brought a large portion of the travel network to a standstill this month, but action from other industries is set to cause further chaos. British Airways cabin crew are to strike on Christmas Day and Boxing Day over a pay row and Virgin Atlantic pilots will take industrial action over union recognition. And a long-running pay dispute means more than 1,500 check-in staff, baggage handlers and cargo crew at 18 airports will strike for 48 hours just before Christmas. Post Office workers will strike next week, including on Christmas Eve, after their union said an offer it made to resolve a row over jobs, pensions and closures was rejected.

POSTAL/FEDERAL NEWS

Federal Register

- Postal Regulatory Commission
 - NOTICES: New Postal Products, 91962-91963 [2016–30417] [PDF]

NATIONAL NEWS

Sierra Sun Times: The U.S. Postal Service announced that Monday, Dec. 19, will be the busiest mailing day of the year. Of the 12 million customers visiting the nation's 31,000 plus Post Offices, 7 million will visit the world's largest Post Office — usps.com. "With a click of your mouse you can ship from your house," said U.S. Postal Service Chief Customer and Marketing Officer and Executive Vice President Jim Cochrane, referring to the ability to schedule next-day package pickup online at usps.com. "Our dedicated employees are ready to serve our customers with prompt service. Doing business with us is fast and easy during the busy holiday season and all year long. And with usps.com, your Post Office is as close as your desktop or smartphone. Additionally, you can buy stamps and postal products at more than 64,000 grocery stores, drug stores, office supply stores, ATMs and other locations."

Postal News: On December 16, 2016, the NPMHU and the Postal Service announced that they had reached a tentative agreement to establish the terms of their 2016 National Agreement. The agreement is subject to ratification by a majority vote of the Union's membership. The balloting process will begin no later than early January, with a 30-day period for return of ballots. The contract will cover a period of three years and four months. At its core, the tentative agreement will continue to protect the jobs and living standards of all career mail handlers employed by the Postal Service, both now and in the future. The agreement also has substantial improvements for more than 5,000 Mail Handler Assistants (MHAs).

INTERNATIONAL NEWS

GERMANY: *Fiji Times Online*: Germany's postal service, wants to use electric vehicles, and it's going to great lengths to achieve that goal. It will build its own electric vans, in fact. In 2012, Deutsche Post debuted prototype electric vans built by startup StreetScooter, and in 2014 it acquired the company outright. Now, the service is ready to start building its own StreetScooter electric vans, according to Europe Online. Deutsche Post expects to build 2000 vans this year, which will join a handful of electric vans of various types already in operation.

CANADA: *Our Windsor*: The parliamentary report on Canada Post is oddly unsatisfying. It recommends that some Canadians who lost home mail delivery get it back but says others shouldn't. It says the post office should continue to be self-financing but doesn't explain how. It rejects out of hand the suggestion Canada Post get back into the banking business as a way to cover costs, saying the Crown corporation should stick to what it knows best.

December 16, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Congratulations to Lincoln, GTB, and Structural Graphics for Winning the 2nd Quarter of the 2017 Irresistible Mail[™] Award: The USPS Product Innovations team announces that the Lincoln Motor Company's "*See It First*" campaign for the Lincoln Continental is our newest Quarterly Winner. Congratulations to GTB for designing, and Structural Graphics for printing the winning campaign. The "See It First" campaign provided consumers a private viewing of the new Lincoln Continental before it was available in showrooms. The mail piece contains a video in print folder with a 4.75" screen, and a tri-fold brochure. The folder plays a video that introduced the car's heritage and features, while the brochure describes the ownership experience and offers a framed print to those who preorder the car.

USPS Office of Inspector General:

• Self- Certification Process for Domestic Competitive Product Negotiated Service Agreements: Negotiated Service Agreements (NSAs) are contractual agreements between the U.S. Postal Service and specific mailers. NSAs provide customized pricing and classifications, with specified terms and conditions, and may include modifications to current mailing standards and other postal requirements. NSAs can provide millions of dollars in revenue and contributions from new business, which benefits the Postal Service. The Postal Accountability Enhancement Act of 2006 (PAEA) requires the Postal Regulatory Commission (PRC) to review domestic competitive product NSAs within 15 days of the Postal Service filing them. The PAEA also requires the Postal Service to ensure that each competitive product covers its direct and indirect costs and complies with statutory requirements. The Postal Service must also ensure that all competitive products collectively cover an appropriate share of their direct or indirect costs.

USPS INDUSTRY ALERT: Attention PostalOne![®], Business Customer Gateway Users, FAST, Program Registration, and CAPS Users:

January 2017 Price Change - The January 2017 Price Change goes into effect Sunday, January 22, 2016. New postage statements associated with the January 2017 price change are available on *Postal Explorer*[®] at <u>pe.usps.com</u>. The January 2017 Proposed Structural Changes and *PostalOne*! R45.0.0.0 Release Notes can be found on PostalPro at: <u>http://beta.postalpro.usps.com/node/2638</u>.

PostalOne! & BIDS Release 45.0.0.0 – *PostalOne!* & BIDS Release 45.0.0.0 will deploy on Sunday, January 8, 2017 between 12:00 AM to 10:00AM CT. The *PostalOne!* system will not be available during this time. A new Mail.dat® client download 45.0.0.0_PROD will be required after this release. All previous versions of the Mail.dat client will be expired.

PostalOne! Releases 45.0.0.0 Deployment to Test Environment for Mailers (TEM) - will occur on Monday, January 9, 2017 between 6:00 AM to 4:00 PM.. The *PostalOne!* TEM environment will not be available during this time. Seamless Acceptance and Service Performance (SASP) Release 24.0.0.0 will deploy on Sunday, January 8, 2017between 12:00 AM to 12:00 PM CT.

Program Registration Release 18.0.0.0 will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The Program Registration application will not be available during this time.

Centralized Accounts Processing System (CAPS) Release 42.0.0.0 will deploy on Sunday, January 8, 2017between 4:00 AM to 10:00AM CT. The CAPS application will not be available during this time.

Facility Access and Shipment Tracking (FAST) Release 32.0.0.0 will deploy on Sunday, January 8, 2017 between 4:00 AM to 10:00AM CT. The FAST application will not be available during this time. If you have any questions please contact the *PostalOne*! Help Desk at 800-522-9085.

Industry Alert: **PRC Special Services Pricing Decision:** On Thursday, December 15, 2016, the Postal Regulatory Commission (PRC) issued its order in the USPS Special Service Price filing from October 12, 2016. In the order, the PRC approved the Postal Service's planned price adjustments relating to Special Services. In addition, the PRC approved an errata filed on December 6, 2016 involving a small price reduction. Both take effect on January 22, 2017, as planned. However, the PRC denied the Postal Service's proposed Collect on Delivery classification change. The complete order can be found on the PRC website at: http://www.prc.gov/docs/98/98180/Order%20No.%203670.pdf.

Federal Register:

- Postal Service
 - First-Class Package Service Negotiated Service Agreement [2016–30227] [PDF]
 - First-Class Package Service Negotiated Service Agreement [2016-30238] [PDF]
 - Priority Mail and First-Class Package Service Negotiated Service Agreement [2016–30231] [PDF]
 - Priority Mail and First-Class Package Service Negotiated Service Agreement [2016–30232] [PDF]
 - Priority Mail Express and Priority Mail Service Negotiated Service Agreement [2016–30228] [PDF]
 - Priority Mail Service Negotiated Service Agreement [2016–30234] [PDF]
 - **Postal Regulatory Commission**
 - NOTICES: New Postal Products, 91208–91209 [2016–30239] [PDF]

NATIONAL NEWS

SupplyChainDive: FedEx's recently changed dimensional shipping formula will increase packaging costs by an average of 3.9%, Packaging Digest reportedMonday. Dimensional weight calculation will move from 166 to 139, meaning the smaller and tighter the packaging, the better the rate achieved. The move aims to enable the shipper to reduce air space within its trucks, allowing for maximized capacity in shipping. The dimensional weight calculation was last increased in 2011, where shippers were able to bargain with FedEx in an effort to avoid a higher charge, redesign their packaging to diminish empty air space, charge their customers or take the hit of the increase and lose money.

Engadget: Uber may have already jumped into the logistics and trucking business with its purchase of Otto's self-driving truck platform, but as one of the biggest shippers in the country, Amazon can't afford to sit back on its heels. As *Business Insider* reports today, Jeff Bezos and company are building their own in-house "Uber for trucking" app meant to connect truck drivers with cargo and secure Amazon's place in a massive \$800 billion industry. The app is slated to launch in the summer of 2017 and, like Uber and Otto's own efforts, its meant to eliminate third party freight brokers and their pricey commissions -- which is obviously beneficial for a high-volume retailer like Amazon. On a more local scale Amazon's trucking app sounds similar to the <u>expanded Amazon Flex</u> program, which allows anyone to pick up shifts as Amazon delivery drivers using their private vehicle. According to *Business Insider*, the trucking app will go the extra mile for truck drivers too, offering real-time pricing, driving directions and recommendations of the best truck stops along the route.

INTERNATIONAL NEWS

INDIA: *The Sangai Express*: Manipur Postal Division has urged all the civil society organisations to exempt postal mail vans from all kinds of road blockade and bandh. The Department of Posts has been working relentlessly to deliver mails in different parts of the State despite the ongoing economic blockade and counter economic blockade. It is unfortunate that postal mail van carrying mails from Imphal to Noney was stopped by agitators of counter economic blockade at Khumbong though there was no destruction or damage was done. The vans carry important documents and parcels including exam materials for students which need to be delivered

on time. As such, civil society organisations should exempt postal mail vans from the purview of the economic blockade and counter economic blockade, Superintendent of Post Offices, Manipur Postal Division said.

December 15, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Publish Date Delay for Upcoming January 2017 Mail Direction Files. Due to an observed Postal holiday, there will be a publish date delay for the upcoming January 2017 Mail Direction Files. Please note that the January 2017 Mail Direction Files (MDF) will be published on January 3rd, 2017 on the FAST website. As usual, notification will be sent out to notify FAST users when the Mail Direction Files (MDF) are posted on the FAST website. Questions and inquiries should be directed to the FAST Help Desk at FAST@usps.com or by telephone at 877-569-6614.

NATIONAL NEWS

<u>Washington Post</u>: Between 10 and 11:30 p.m., as most of this city is winding down for the night, the FedEx Express World Hub is revving up for its busiest hours of the day. Some 10,000 workers pour into the campus, ready to begin a mind-bogglingly complex ritual of steering packages to customers' doorsteps on time. Hundreds of equipment operators zoom around the 880-acre site on warehouse tugs, pulling behind them trains of silver shipping containers shaped like half-igloos. In an earsplitting operation dubbed "the matrix," package sorters corral boxes into a single-file line for a trip down a tangle of conveyor belts. On this particular night at FedEx's largest global facility, workers will sort some 1.3 million express packages. That number only swelled when holiday shopping kicked into high gear. This logistical symphony has been decades in the making, the product of billions of dollars in investment in automated sortation systems and <u>Boeing 767 cargo jets</u>. During the peak hours on this night, air traffic controllers in the Tennessee city will usher in about 150 flights, an average of one every 40 seconds. Analysts say infrastructure such as this makes FedEx and its rival, UPS, extremely difficult to dislodge from their thrones atop the U.S. shipping industry. And yet as dominant as they are, the stalwarts are also vulnerable, facing a fresh wave of potential disruption

PostalVision 2020: Event attendees at PostalVision 2020's "Delivery by Design," one-day event to be held **January 23, 2017**, will be an integral part of key discussions around USPS Mailbox monopoly issues. The event will focus on looking at today's mail/parcel delivery environment and the growing challenges from projected ecommerce growth. Participants will explore the existing delivery landscape, trends for tomorrow, and the challenges for users, service providers and other stakeholders. This event will complement parallel efforts by the U.S. Government Accountability Office (GAO) in its Congressionally-requested study of the USPS monopoly. Washington Free Beacon: The National Labor Relations Board, a federal labor arbiter, ordered the Postal Workers Union to return more than \$700,000 to about 7,000 workers who lost job opportunities to outsourcing. A pair of mechanics lodged a complaint with the agency, saying that the union improperly allocated an \$8.6 million settlement awarded to workers who lost out on employment opportunities when the Postal Service (USPS) outsourced maintenance and installation work to private contractors. Federal News Radio: The last member of the U.S. Postal Service's Board of Governors vacated his position on Dec. 8, leaving the group — which is supposed to have nine members — completely depopulated. That's never happened before, and it's leaving the USPS' future uncertain. "Because this is an unprecedented situation, in some ways we don't know exactly what's going to happen after Dec. 8," Charles Crum, director of Operations Research at the Postal Service Office of Inspector General, said on *USPS and its Future Month.* "But what we do know is there are a number of important duties that can't legally be done without the presidentially appointed governors."

SAT PR: 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.

INTERNATIONAL NEWS

UK: <u>*The Guardian*</u>: Post Office workers will go ahead with <u>five days of strikes next week</u> after talks over jobs, pay and pensions broke down on Thursday. The Communications Workers Union (CWU) said the <u>Post Office</u> had rejected its offer to suspend strike action in exchange for suspension of the closure of main post offices and for "meaningful negotiations" on pensions and jobs. Terry Pullinger, deputy general secretary of CWU, which acts for about 4,000 postal workers, said: "Our members and this union have tried everything possible to resolve the dispute. The latest response from the Post Office is bitterly disappointing and an indication that the employer is determined on forcing through their plans irrespective of the concerns of the customers, staff and the union.

December 14, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Springfield, LA Post Office to Reopen on Thursday, December 15: The Springfield Post Office, located at 32170 2nd St, Springfield, LA 70462, will reopen on Thursday, Dec. 15. Post Office operations were temporarily suspended due to flash flooding from torrential rain in August. The Postal Service appreciates the patience of our customers as repairs were being made. Hours of operation at the Springfield Post Office, LA is Monday through Friday, 8:00 a.m. to 4:00 p.m.; Saturday 8:00 a.m. to

10:00 a.m. The Post Office is closed on Sunday. For the list of offices with suspended retail and delivery operations, visit <u>http://about.usps.com/news/service-alerts/business-weather-updates.htm</u>.

Industry Alert: Fair Bluff, NC Post Office has Reopened: The Fair Bluff Post Office, located at 1115 Main St, Fair Bluff, NC 28439 reopened today. Post Office operations were temporarily suspended due to Hurricane Matthew in November. The Postal Service appreciates the patience of our customers as repairs were being made. Hours of operation at the Fair Bluff Post Office, NC is Monday through Friday, 9:00 a.m. to 12:30 p.m. and 1:30 p.m. to 4:00 p.m.; Saturday 10:30 a.m. to 12:30 p.m. The Post Office is closed on Sunday. For the list of offices with suspended retail and delivery operations, visit http://about.usps.com/news/service-alerts/business-weather-updates.htm.

USPS Office of Inspector General:

Most Favored Customer Pricing: Contracting Officers at the U.S. Postal Service include the most favored customer pricing clause (MFCP clause) in contracts to ensure USPS receives the same prices for goods and services as other customers. Our audit team examined a sample of these contracts and found that some Contracting Officers had been arbitrarily enforcing the MFCP clause. You can read our full report and recommendations at http://go.usa.gov/x86dk.

NATIONAL NEWS

Mashable: The U.S. Postal Service wants to make gift giving just a little more magical. The postal service has released a free augmented reality smartphone app a la *Pokémon Go*, just with a little less competition and a little more holiday cheer. In order to use the app, you need to pick up one of the postal service's Priority Mail boxes. Senders can choose between two different animated messages: a reindeer in Christmas tree lights or a penguin accompanied by other wildlife near an igloo.

INTERNATIONAL NEWS

SOUTH AFRICA: <u>*AllAfrica*</u>: The Minister of Telecommunications and Postal Services, Dr. Siyabonga Cwele engaged the ICT Sector on the implementation of the National ICT Policy White Paper. This is the fourth consultation with the sector since Cabinet approved the White Paper on 28 September 2016. The White Paper was introduced to facilitate radical transformation of the industry to diversify participation by SMMEs, black, youth and woman enterprises. It also seeks to enable competition throughout the value chain of the sector, which will allow smaller companies to access capacity from a wholesale service provider.

ENGLAND: *Wall Street Journal*: Amazon.com Inc. said Wednesday it made its first customer delivery by drone, putting the online retailer in the lead to use drones as a new delivery method. The first customer, a British man near Cambridge in the U.K., last week ordered a Fire TV and a bag of popcorn, Amazon said. Amazon's drone took 13 minutes to deliver the 4.7 pound package to a two-story farmhouse after flying over the English countryside, Amazon <u>showed in a video</u>. The delivery marks the start of operations for Amazon's drone program, which aims to get packages to customers in 30 minutes or less, after three years of skepticism and regulatory hurdles.

ASIA: <u>*The Business Times*</u>: With the pre-Christmas rush at its peak, a serpentine network of conveyor belts at Singapore Post's new logistics centre moves parcels destined for addresses across the world in time for the festive season. It is a scene repeated in sorting offices around the globe in December, the busiest time of the year for postal firms with armies of workers toiling to get presents delivered on time. But times are changing and the explosion of online shopping is forcing traditional delivery companies such as SingPost to adapt or be damned. The growth of websites such as Amazon and Alibaba means customers can avoid crowded high streets and buy anything from mobile phones to sports equipment online and send them straight to loved ones.

UAE: <u>*Zawya*</u>: The <u>Dubai</u> Courts has entered into a strategic partnership with <u>Zajel Courier Services</u> for faster, more efficient and accurate postal service delivery of legal documents to its customers. The collaboration ensures one-day delivery period for Dubai Courts' individuals, government and non-government customers living in Dubai and two days for those residing in other emirates. The agreement is in line with the Court's commitment to make legal transactions easier, faster and simpler for higher customer satisfaction and happiness according to the government's efforts to make Dubai the world's happiest city. As part of the partnership, Zajel is tasked to oversee the Courts' postal service requirements in yet another example of a growing public-private partnership in the UAE in line with the directives of the country's leaders to widen the private sector's participation in the state's growth and development process.

December 13, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

Establishing New Retail Access Points: The U.S. Postal Service's retail network is larger than McDonald's, Starbucks, and Walmart combined — with over 46,000 physical retail access points. These access points are locations where customers can purchase Postal Service products. They include traditional brick-and-mortar post offices and alternate access points such as self-service kiosks, contract postal units, community post offices, village post offices, and USPS approved shippers. Population shifts, business growth, and technological developments continue to impact customer preferences and the Postal Service's retail footprint. The Postal Service recognizes the importance of cost-effectively aligning retail access points with these changes because it costs the Postal Service at least twice as much to collect one dollar of revenue at a Post Office compared to most alternate access points.

- Notice: Market Dominant Price Adjustment: 89997-89998 [2016-29782] [PDF]
- <u>MT2014-1</u>: USPS Expansion of Customized Delivery Market Test
- <u>MT2014-1</u>: Customized Delivery Data Collection Report

NATIONAL NEWS

Wall Street Journal: United Parcel Service Inc. and FedEx Corp. are straining to keep up with holiday shipping volumes that have blown past expectations, delaying the delivery of some of the millions of online orders shoppers have placed since Thanksgiving. UPS has relocated hundreds of staff from its headquarters and other corporate offices to help at shipping hubs struggling to handle record demand, according to people familiar with the situation. Already in advance of the busy holiday season, both UPS and FedEx had extended delivery windows on some routes, suspended delivery guarantees and refunds for certain weeks and stopped promising to deliver express packages by a certain time in some cases. Despite these measures, analysts say on-time delivery rates for UPS and FedEx were down slightly during the weeks following Thanksgiving, compared with their average rates during the rest of the year.

INTERNATIONAL NEWS

CANADA: <u>CBC News</u>: A House of Commons committee is recommending Canada Post come up with a plan to reinstate door-todoor delivery in parts of the country that lost the service in the last year and maintain a freeze on the installation of community mailboxes. The report, released today, also muses about expanding Canada Post's mandate to provide what it calls critical digital infrastructure, including email services or "the basis for a Canadian social network." The report comes months after the Crown corporation and its biggest union stared down the threat of a work disruption amid questions about the future of the mail service. **UK:** <u>Daily Mail</u>: Thousands of postal workers are set to stage five days of strikes next week in a dispute over jobs, pensions and branch closures. Members of the Communication Workers Union (CWU) who work as counter staff plan to walk out for three days on December 19, 20 and 24. Their fellow members who are cash-handlers and deliver money to post office branches will call a 48-hour strike for December 22 and 23, according to the CWU.

December 12, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

 <u>And Then There Were None</u>. On December 8, the U.S. Postal Service Board of Governors Chairman James Bilbray served his final day. The board is now without any independent governors for the first time since the Postal Reorganization Act of 1970 created the governing body. We discuss what this means for the Postal Service's future

NATIONAL NEWS

<u>Cleveland.com</u>: Wondering when your Christmas presents will arrive? This holiday season UPS will let you track your package as it drives around town, on a live animated map. The <u>UPS Follow My Delivery</u>, which launched this year, uses GPS information from the companies' trucks and package scanning information.

Broadway World: PhysicalAddress.com continues to expand its North American operations by opening a new address in New York's financial capital of the world: Wall Street. The new location based at 99 Wall Street in the Financial District of New York follows successful launches in Laguna Beach, California and Las Vegas, Nevada. PhysicalAddress.com's presence on Wall Street will offer clients a prestigious, virtual business address for as low as \$30.98 a month.

INTERNATIONAL NEWS

AZERBAIJAN: <u>Azernews</u>: Azerbaijan's postal operator Azerpost Ltd. will soon put into operation the first payment terminal e-GovPay with a currency exchange function, the company told Trend on December 12. The terminal will be commissioned after the official opening of the first "single window" centre of Azerpost. The opening ceremony of the center will be held in the coming days. **NEW ZEALAND:** <u>Diginomica</u>: New Zealand Post is a 'state-owned' organization with over 8,000 employees and an annual revenue of nearly NZ\$ 1.65 billion (\$1.18bn). Founded in 1840, it has a long, 175+ year history, during which the company has been through a lot of change. However, the last couple of years it has truly been fighting disruption, primarily because its core postal service market has quite literally dried up.Its CFO David Walsh cites three key areas where the business is fighting disruption:

- 1 The most obvious being the postal market. The market for 'sending letters' is declining at a rate of more than 10% per year. Five years ago it was a market of over a billion deliveries, now it's just 650 million. This puts tremendous pressure on the company's topline and consequently an even larger gap on its bottom-line.
- 2 Secondly the postal business model is shifting 180 degrees both in terms of its focus from letter to parcel and its operations from off-line to online. As such New Zealand Post has to fight a new breed of (international and domestic) competitors and has to claim its position by winning business through strong partnerships and excellent customer service.
- 3 Last but not least, something completely different is happening. New Zealand Post, contrary to its name, is not only a postal service. It also operates the largest wholly owned New Zealand bank, Kiwi Bank. Here the business faces another range of challenges the expectation for aggressive growth in a sector that's undergoing massive digital disruption and challenges.

December 11, 2016

NATIONAL NEWS

Sierra Sun Times: This ACI op-ed, published in FORBES, discusses the U.S. Postal Service's monopoly on the use of your mailbox. When a private delivery service puts your package into your mailbox, the Postal Service can remove your package and then require consumers to pay the postal service to retrieve their own package. With the growth in online shopping, there is a need to modernize this archaic regulation. Using the same flawed arguments that have been put forth by some private delivery company executives, Pociask proposes giving other delivery companies access to your mailbox. What he doesn't discuss in his Forbes article is why mailboxes are reserved for the Postal Service in the first place. The fact is that exclusive mailbox access isn't some kind of gratuitous privilege. Rather, it reflects common-sense ways of helping the Postal Service shoulder its enormous and unique responsibility: its universal service obligation of delivering mail and packages to every home and business in America at affordable prices, and not just delivering packages to the most profitable addresses or with hefty surcharges. Regulators, courts, and experts who have studied the issue in depth agree that exclusive access provides many important benefits to the American people, and that open mailbox access would take away those benefits.

INTERNATIONAL NEWS

KENYA: *Businessdailyafrica*: The Corporation says it is waiving all private box rental arrears up to 2015. Customers will be required to pay up their 2016 dues to benefit from this waiver. As of October, 50,000 of the corporation's 450,000 rentable boxes were idle as customers defaulted on their fees. An estimate by the *Business Daily* indicates that if all the defaulters are in the individuals category, which attracts charges of Sh2,320 per year for a box, the corporation could forego Sh116 million in revenue for each year of written-off debt. The amount could, however be more if customers claim waivers for more than one year or if some of the defaulters are corporates that are charged higher annual rental fees than individuals. Posta argues that the write off will act as an incentive to draw customers back to using its services. "We want to increase our revenues. There is no point in having idle boxes," Postal Corporations corporate communications manager Gichuki Njeru told the *Business Daily*. Under the campaign, customers who pay two years' worth of rental fees in advance will get a 10 per cent discount. The Postal Corporation can legally reposes and resell the boxes of defaulting customers.

INDIA: <u>India Today</u>: The apex consumer commission has pulled up the Postal Department for "deficiency in service" by delaying delivery of an application form of a man for the post of a Civil Judge which made him miss the chance, saying its attitude was of "a deliberate attempt" to hide the real reason for the wrong doing. The National Consumer Disputes Redressal Commission upheld the state commissions order directing the department to pay Rs 25,000 as compensation and Rs 10,000 as litigation expenses to Rajasthan native Gajanand Sharma.

December 10, 2016

NATIONAL NEWS

<u>APWU</u>: The APWU prevailed in an arbitration that keeps hundreds of Clerk Craft jobs in the union's bargaining unit. The decision clarifies what ability the Postal Service has to change craft work assignments for new machinery. When the new Small Parcel Sorting System (SPSS) machines were installed, the Postal Service first assigned all of the work to the Mail Handler Craft. After a closer and better review, the USPS reassigned some of the functions, including facing and separating packages as well as sweeping in rotation, to the Clerk Craft. The National Postal Mail Handlers Union (NPMHU) filed a complaint over the USPS decision to change the work assignments.

December 9, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

Can the Postal Service increase its mail processing productivity? The U. S. Postal Service has about 265 mail processing facilities nationwide. Mail processing is an integrated group of operations required to sort and distribute mail for dispatch and eventual delivery. The Postal Service calculates productivity for its various mail processing operations using the Mail Processing Variance Model. Mail processing variance data includes actual versus targeted productivity at the national and site specific levels and can be used to identify savings opportunities. We plan to determine if the Postal Service effectively uses the Mail Processing Variance Model to increase mail processing productivity.

NATIONAL NEWS

WHSV.com: "Americans want a good solid postal service." Senator Mark Warner said. Two Virginia lawmakers want to improve postal delivery, especially in the rural areas of their state. "In places where the population is smaller and in some instances where the other options for package shipment and things are less the postal service is so important," Sen. Tim Kaine, former vice presidential nominee, added. Senators Mark Warner and Tim Kaine wrote a letter to a senate committee that oversees the U.S. Postal Service. They asked that any USPS reform bill include improvements for the delivery service. They also asked the committee to take a look at technology's impact on the service and how it keep up in the ever-changing climate.

<u>CourthouseNews</u>: A federal judge found that the U.S. Postal Service must face discrimination claims for turning down a custom stamp critical of the Supreme Court's Citizens United decision. Ukraine-born artist Anatol Zukerman brought the suit saying the Postal Service has permitted a company called Zazzle to carry out the government's postage-customization program in a discriminatory manner.

INTERNATIONAL NEWS

IRELAND: <u>The Clare Herald</u>: Legislation to provide for the repeal of Section 30 of the Postal Services Act, 2011 has been approved by the Government this week. No price increase will take place until the legislation is enacted. Under the Postal Act, ComReg still retains regulatory functions including pricing oversight. CEO of An Post David McRedmond confirmed that international consultants, McKinsey & Company have been appointed to undertake a root and branch review of the company to identify the structural changes necessary to restore the company to a sound financial footing.

IVORY COAST: <u>BBC</u>: Ivory Coast has adopted a new system of postal addresses that will allow the whole country to receive mail deliveries for the first time. Every location is identifiable by a unique combination of just three words, allocated to 3m-by-3m squares. Until now, the head of Ivory Coast's post office told the BBC the service had relied on post office boxes. But not all Ivorians will have phones with internet access needed to access their unique code via an app. The new system is likely to help the middle classes, and make it easier for companies to deliver parcels straight to their doors. Mongolia is the only other nation to use the system, called what3words.

EUROPE: *OPI*: Online merchants that sell goods across mainland Europe look set to benefit from simpler and more practical postal standards. After 12 months of intensive negotiations, the 41st European postal standardisation plenary meeting, which took place on 2 December in Warsaw, Poland, decided that the final vote on the technical specification for interfaces for cross-border parcels will be launched in January 2017. Pan-European trade association Ecommerce Europe, working under a mandate from the European Commission, has been overseeing the work to harmonise postal and supply chain management standards to enable one item label for the delivery of merchandise to final customers.

RUSSIA: <u>Post and Parcel</u>: Russian Post has announced that it is amending its procedures for handling incoming international parcels in order to make "the delivery of shipments from foreign online stores faster and more convenient". In a <u>notice</u> posted on its website today, Russian Post said that it is encouraging foreign postal administrators to recommend that online retailers send their packets to the Russian Federation as registered items. Russian Post said that this will increase the level of customers service and provide more transparency. Russian Post said that the new procedure comes into effect on 1 January and an alert has been sent to all the designated postal operators in Universal Post Union (UPU) countries.

MALAYSIA: <u>The Star</u>: POS Malaysia has submitted a proposal to the Communications and Multimedia Ministry to increase postal rates, Sin Chew Daily reported. Its chief executive officer Datuk Mohd Shukrie Mohd Salleh said the company had not adjusted its rates for the last six years.

December 8, 2016

POSTAL/FEDERAL NEWS

Office of the Inspector General:

 Management Alert – Security of Mail Transported on Trailers: New management alert presents concerns regarding mail on a U.S. Postal Service contractor's trailer that was missing for 25 days at the end of May. Read the full document and our findings here: <u>http://go.usa.gov/x8yE9</u>

Postal Regulatory Commission:

• <u>MT2016-1</u>: USPS Quarterly Data Collection Report

Industry Alert: 2017 Tactile, Sensory & Interactive Mailpiece Engagement Promotion and 2017 Emerging & Advanced Technology Promotion Webinar. Thursday, December 8, 2016 2:00 p.m. ET. Pre-registration is required. Lines are limited so please sign up today! The USPS Mailing Services team invites you to attend an informational webinar on Thursday, December 8th to review the upcoming 2017 promotions with a focus on the Emerging & Advanced Technology Promotion and the Tactile, Sensory & Interactive Mailpiece Engagement Promotion. The 2017 promotions will continue to build upon the engagement strategies of past promotions, to demonstrate that direct mail continues to be a relevant part of the marketing mix and to encourage customers to adopt and invest in technologies and innovations that enhance how consumers interact and engage with mail. Interested advertising professionals, marketers, mailers and mail service providers should plan on attending this webinar to learn about all of the new and updated requirements for both of these returning promotions. Click the following desired meeting links, then "*add to my calendar*" and save. Once saved, enter the meeting invite through your outlook calendar and click "*Join WebEx meeting*" to complete the required pre-registration. Attendee Information: Click *here* to register for the webinar or use the URL: https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=m6d9b5ad103ee50af31f7e00a4fc791c7; Call-in toll-free number: 1-855-860-7461 (US); Conference Code: 553 970 9242; Meeting Number: 745 655 615. More information and full descriptions of the 2017 Promotions can be found by clicking <u>here</u> or visiting the URL: https://ribbs.usps.gov/index.cfm?page=mailingpromotions. If you have any questions, please contact the Program Office at *tactilesensorypromo@usps.gov* or *EmergingTechPromo@usps.gov*.

Industry Alert: ***UPDATE*** Intermittent Mail.dat Submission Issues Ticket 1936867/ Critical Incident 1936710 Attention PostalOne![®] and Business Customer Gateway Users: Critical Incident (CI) 1936710 is continuing to be worked. To remediate this, a

new Mail.dat Client Download, 44.0.4.5, will be made available on the Electronic Data Exchange page for mailers experiencing this issue. This new client is *optional*, mailers not experiencing this issue do not need to download this client and the current client 44.0.0.0_PROD will remain active. If mailers continue to encounter an issue after attempted resubmission, they should contact the *PostalOne*!® Help Desk at 800-522-9085. eInduction mailers who experience this issue should use Ticket 1936867 and use the eInduction contingency plan as shown below. For eInduction mailings presented at the dock, PS Form 8125s are not required to be submitted. Mailers and Dock employees will follow the eInduction Contingency Plan. The instruction below are to be followed for eInduction containers:

- 1 Accept and scan all placarded containers *NOTE*: If the load is a mixed load (containing eInduction containers and regular PVDS Mail) reconcile any containers to 8125 forms.
- 2 Collect 1 placard from each unloaded container for those not reconciled to 8125 forms
- 3 In the SV-IMD update all unresolved containers with a 99M barcode to Accept status
- 4 Release reconciled containers, and containers from which a placard was removed, into operations
- 5 Retain container placards and, for mixed loads, PS Form 8125s for reconciliation.

If eInduction mailings are held at the dock for any reason, mailers should contact the FAST Help Desk at 877.569.6614.NoneInduction mailers will continue to submit PS Form 8125. We apologize for the inconvenience.

Federal Register:

Postal Regulatory Commission: Notice: New Postal Products: 88712-99713 [2016-29425] [PDF]

NATIONAL NEWS

<u>The Intelligencer</u>: Ten years ago, the U.S. Postal Service was preparing for a rush of holiday greeting cards. This year, the government agency expects to deliver some 750 million packages. We went to the Langhorne Post Office to see how they get it all done without hiring additional staff.

Fox43: Auditor General Eugene DePasquale today praised national legislative efforts to help prevent the shipment of dangerous synthetic drugs into the country through the United States Postal Service. Drug traffickers are killing thousands of Americans by using the mail system to ship dangerous drugs, like fentanyl, a potent synthetic opioid pain medication.

The Daily Caller: Nobody is in charge at the U.S. Postal Service's (USPS) Board of Governors after today when the last Senateconfirmed governor's term expires, leaving Postmaster General Megan Brennan and Deputy Postmaster Ronald Stroman large and in charge, with no oversight. Without the board, Brennan and Stroman can't choose a permanent Inspector General (IG), select a firm for independent financial statement audits, submit the IG's semiannual reports to Congress, or raise or lower mail rates, among other functions, according to a <u>November USPS IG report</u>. "This unprecedented situation could have broad ramifications for the Postal Service," the report said. "If someone at the Postal Service were to act on on these matters, it would be done without statutory authority and subject to legal change." The number of governors on the postal board has dwindled as nobody has been appointed to new terms since 2010. Former Democratic presidential candidate and Vermont Independent <u>Sen. Bernie Sanders has blocked multiple</u> presidential appointments to the board, according to outgoing governor James Bilbray, a former Democratic congressman from Nevada. Meanwhile, the USPS's deficit reached \$5.6 billion this year.

INTERNATIONAL NEWS

RUSSIA: <u>The Siberian Times</u>: Two new Tu-204S cargo jets purchased by Russian Post have gone into service, as a direct result of surging e-commerce. Until now, the postal service has used cargo facilities on other air carriers, or rail. But it is now seen as more efficient and offering a better service to have their own 'airline'. Director general Dmitry Strashnov explained: 'The launch of post aviation is a new step in development of postal logistics that will allow us to reduce delivery time to Far East and Extreme North.' The initial services flew from Vnukovo airport in Moscow to Irkutsk and Anadyr, and from the capital city to Nizhnevartovsk and Yakutsk.

GERMANY: <u>Cleveron</u>: Today Smart Mile Solutions launched its first European project in the city of Nagold, Germany, installing the very first PackRobot on German soil. PackRobot is an innovative self-service parcel station, provided by Smart Mile's technology partner Cleveron. PackRobot will be part of Smart Mile's shared Urban Delivery platform in Germany, launched from its German subsidiary citydibs Deutschland GmbH. The Smart Mile platform puts consumers in control over receiving their online purchases, reduces inner city traffic and carbon emission and stimulates the local economy. After starting in Nagold Smart Mile Solutions will expand into other cities in Germany and across Europe.

December 7, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

- <u>Postal Service Board of Governors' Travel and Miscellaneous Expenses for Fiscal Year 2016.</u> Our new audit report asks: Were travel and miscellaneous expenses of the USPS Board of Governors properly supported, reasonable and compliant with Postal Service and Board policies? And how much did those expenses total? Find out here: <u>http://go.usa.gov/x8mhd</u>.
- <u>Cost Segment 14 Transportation</u>: The Postal Accountability and Enhancement Act of 2006 requires the U.S. Postal Service to file an Annual Compliance Report (ACR) with the Postal Regulatory Commission (PRC) within 90 days of the end of each fiscal year. The report analyzes costs, revenue, rates, and quality of service for all products and determines whether each product is covering its attributable costs, which are costs directly or indirectly caused by that product. The Postal Service develops the cost

segments report as part of the ACR filing. In fiscal year (FY) 2015, there were 17 active cost segments. One of them, Transportation, includes the cost of contracted air, highway, rail, and water. Our objective was to assess whether the inputs into the Transportation Cost Segment were accurately calculated, recorded, and attributed to products in FY 2015. This is one in a series of cost segment audits based on its significance to the Postal Service.

Federal Register:

Postal Regulatory Commission: Final Rule: Changes to Attributable Costing FR Document [2016-29270] [PDF]

Industry Alert: USPS Industry Alert: Blizzard Impacts in North Dakota Retail and delivery operations have been impacted in the North Dakota region, as a result of a snow blizzard that hit the area. Delivery will be attempted in areas where roads are passable and where it remains safe to do so. There are no reports of impacts to mail processing facilities at this time. Due to road/highway closures, some delays in transportation arriving at various impacted facilities can be expected. For the list of offices with suspended retail and delivery operations, visit http://about.usps.com/news/service-alerts/business-weather-updates.htm. For updates and more information, visit http://about.usps.com/news/service-alerts/business-weather-updates.htm. For updates and more information, visit http://about.usps.com/news/service-alerts/business-weather-updates.htm. For updates and more

INTERNATIONAL NEWS

BRAZIL: <u>Investinbrazil</u>: Banco do Brasil and the Post Office signed an agreement to continue the distribution of products and services of the financial institution in the Banco Postal service network for up to 36 months. The announcement was made this Monday (5). Banco Postal is a correspondent in the provision of basic banking services, a result of a partnership between the Post Office and a financial institution. The agreement establishes a new model of monthly remuneration based on a fixed part of R \$ 5 million, and the remainder, according to the performance of the business, through variable commissioning, according to the volume of services rendered.

NETHERLANDS: <u>MarketWatch</u>: <u>PNL</u> on Wednesday rejected Belgian postal service Bpost SA's (BPOST.BT) roughly \$2.73 billion revised final proposal to buy the company, saying it believed the combination wouldn't be successful and would be likely to trigger regulatory changes. PostNL cited Belgian state influence and a "complicated" governance structure at various corporate levels for its belief, saying those factors would make a combined company "inefficient and not agile to respond to its challenges."

December 6, 2016

POSTAL/FEDERAL NEWS

USPS: <u>News Link</u>: USPS has asked automotive suppliers to submit proposals for commercial off-the-shelf, right-hand drive delivery vehicles. "As the Postal Service continues to assess the delivery fleet mix, we are exploring a wide variety of available options, including commercial off-the-shelf vehicles as a result of this request for proposal," USPS said in a statement. The proposals are due Jan. 6.

NATIONAL NEWS

Fleet Equipment: The U.S. Postal Service (USPS) has <u>narrowed the field of finalists</u> for designing the next-generation prototype of its mail delivery truck. The six companies will now design, build and deliver a total of 50 vehicles within one year, after which the USPS will put them through their paces for six months before selecting one winner. The company selected to supply 142,000 new vehicles for the fleet will be awarded a \$6.3 billion contract.

Federal News Radio: You could empty nine cans of <u>Silly String</u> in the USPS boardroom and not hit anyone. That's the big weird thing about USPS. It has no Board of Governors. All the terms of the nine presidentially-appointed members have expired, and only Postmaster General Megan Brennan — a Postal employee technically — and Deputy Postmaster General Ron Stroman are left. President Obama has sent several names for the Board to the Senate, but the august body been busy with other things, like trying to sustain the stalemate of the last eight years. According to last month's report from the <u>USPS inspector general</u>, here are some of the things the Postal Service can *not* do or have legally without a Board of Governors.

- Find or appoint a Postmaster General or Deputy, and set their pay
- Approve a budget or financial statements
- Make capital expenditures or issue debt
- Set policy
- Establish or change postal rates
- Create and market new products like, say, drone delivery
- Have a long-term strategy
- Transmit the annual report of USPS to Congress
- Appoint or remove the inspector general

INTERNATIONAL NEWS

CANADA: <u>BNN</u>: The Canadian Union of Postal Workers announced Monday its members have ratified a tentative deal reached last summer with Canada Post. Rural and suburban mail carriers voted 55% in favour of the new contract, while urban postal workers voted 63% in favour. The deal represents a 2.5 per cent salary increase for urban carriers over two years, while rural and suburban carriers are to receive three per cent over the same period.

IRELAND: <u>NewsTalk</u>: Minister for Communications Denis Naughten is set to as Cabinet for a major increase in postal charges and a repeal of the postal price cap – put in place by the regulator – for mail services that are not subject to competition. Naughten wants a relaxing of current regulations so that An Post can adjust prices. The postal price cap is currently in place until June 2019.

December 5, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Here is the latest edition of "Mail Spoken Here"

USPS Office of Inspector General:

- Consolidation of Mail for Transportation Memphis Network Distribution Center How efficient is the U.S. Postal Service mail consolidation? USPS has over 8,300 highway contract routes (HCRs). These are competitive fixed-price contracts the Postal Service awards for transporting mail network distribution centers (NDCs) and other designated stops. The Postal Service has 21 network distribution centers NDCs it uses to increase operational efficiency by consolidating mail processing and dispatch. in our new audit, our objective was to assess the efficiency of consolidating mail (loading, unloading, and trailer utilization) for long-distance HCRs at the Memphis NDC.
- The OIG Reports to Congress: Our Semiannual Report to Congress is a record of our work over a 6-month period that reflects our mission of ensuring efficiency, accountability, and integrity in the U.S. Postal Service. As required by law, we publish the SARC as we affectionately call it twice a year. In our just-released report, for the period April 1 September 30, 2016, we issued 91 audit reports, management advisories, risk models, and white papers, and the Postal Service accepted 86 percent of our recommendations. We completed 2,586 investigations that led to 389 arrests and \$321 million in fines, restitutions, and recoveries, \$30.4 million of which was turned over to the Postal Service.Our efforts focused on identifying ways to improve Postal Service efficiencies, reduce strategic and financial risk, and lower operational costs. Among the reports featured in this semiannual report are audits on the effects of network consolidation on mail service, the condition of postal facilities, and postal products that did not cover their costs in the most recent fiscal year. The role of a federal inspector general includes evaluating the challenges facing its specific agency. Starting with this report, we've added a section on management challenges, in which we've identified the top challenges facing the Postal Service, such as financial difficulties and business constraints; workplace relations and culture; changing customer demands and competition; service performance; and cybersecurity. These strategic challenges will guide our work in the new fiscal year.

NATIONAL NEWS

Fox Business: Petabytes, mainframes, tier-four data, the cloud; it's not just technological mumbo-jumbo but the science behind getting your packages delivered on time. For UPS (<u>UPS</u>), technology is the backbone of global business. With a reported annual revenue of \$48.9 billion and over 4.7 billion packages delivered annually, for UPS, information technology is more than just emails.

INTERNATIONAL NEWS

CANADA: <u>The Star</u>: A union spokeswoman says members of the Canadian Union of Postal Workers have ratified the <u>tentative</u> <u>agreement</u> reached last summer with Canada Post. Lise-Lyne Gelineau, president of the union's Montreal section, tells The Canadian Press rural and suburban mail carriers voted 55 per cent in favour of the new contract, while urban postal workers voted 63 per cent in favour. The agreement represents a 2.5 per cent salary increase for urban carriers over two years, while rural and suburban employees are to receive three per cent over the same period.

AZERBAIJAN: <u>Azernews</u>: Azerbaijan, located at the heart of the Silk Road network, has great transit opportunities as a bridge between Europe and Asia. The roads leading from East to West and West to South bypass Azerbaijan, and the country offers huge benefits in the transport sector relying on its developed infrastructure. Starting in the 2000s, the country embarked upon a national program to rejuvenate its transportation infrastructure in a bid to renew its ancient relevance as a key logistical node in the center of Eurasia.

December 4, 2016

INTERNATIONAL NEWS

AUSTRALIA: afr.com The Australian Financial Review's David Marin-Guzman and Aaron Patrick have revealed disturbing insights into employee representation at one of the biggest remaining government businesses, Australia Post. Their revelations illustrate how the labour movement has exploited workplace regulation, turning it into an exercise of power and patronage run by the intertwined interests of trade union officials and the Australian Labor Party.

December 3, 2016

NATIONAL NEWS

Linn's: Don't look for major postal legislation from lame duck Congress: If you wanted a signal that the lame duck Congress would be unlikely to pass a major postal bill, the notice came from the chairman of the House Oversight Committee on Nov. 30. "Chaffetz Applauds House Passage of Bill to Improve Mail Delivery," proclaimed a news release from Rep. Jason Chaffetz, R-Utah.And what

was the legislation that provoked this declaration from the House committee that oversees the United States Postal Service? It was a measure that "consolidates 10 House-passed postal naming bills" and directs the USPS to "designate single, unique ZIP codes for five communities in Nevada, New York and Florida."

What they think?: The Postal Service Reform Act of 2016 (H.R.5714) before the 114th Congress provides meaningful progress in removing regulatory requirements that are drowning the Postal Service in debt. Without passage the Postal Regulatory Commission may change its postal rate process resulting in drastically increased rates.

INTERNATIONAL NEWS

AZERBAIJAN: <u>Azernews</u>: Baku due to its favorable position can become an international hub for postal mails from Asia to Europe. Director General of the Universal Postal Union (UPU) Bishar Hussein said about this during the Bakutel 2016, the 22nd Azerbaijan International Telecommunications and Information Technologies Exhibition and Conference held in Baku from November 29 to December 2.

December 2, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

Report: Fall 2016 Semiannual Report to Congress

Federal Register:

• Postal Regulatory Commission: Notices: New Postal Products, 87085-87086 [2016-28907] [PDF]

Industry Alert: 2017 Tactile, Sensory & Interactive Mailpiece Engagement Promotion and 2017 Emerging & Advanced

Technology Promotion Webinar. Thursday, December 8, 2016 2:00 p.m. ET. Pre-registration is required. Lines are limited so please sign up today!

The USPS Mailing Services team invites you to attend an informational webinar on Thursday, December 8th to review the upcoming 2017 promotions with a focus on the Emerging & Advanced Technology Promotion and the Tactile, Sensory & Interactive Mailpiece Engagement Promotion. The 2017 promotions will continue to build upon the engagement strategies of past promotions, to demonstrate that direct mail continues to be a relevant part of the marketing mix and to encourage customers to adopt and invest in technologies and innovations that enhance how consumers interact and engage with mail. Interested advertising professionals, marketers, mailers and mail service providers should plan on attending this webinar to learn about all of the new and updated requirements for both of these returning promotions. Click the following desired meeting links, then *"add to my calendar*" and save. Once saved, enter the meeting invite through your outlook calendar and click *"Join WebEx meeting*" to complete the required preregistration.

Attendee Information: Click *here* to register for the webinar or use the

URL: <u>https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=m6d9b5ad103ee50af31f7e00a4fc791c7</u>; Call-in toll-free number: 1-855-860-7461 (US); Conference Code: 553 970 9242; Meeting Number: 745 655 615. More information and full descriptions of the 2017 Promotions can be found by clicking <u>here</u> or visiting the URL: <u>https://ribbs.usps.gov/index.cfm?page=mailingpromotions</u>. If you have any questions, please contact the Program Office at <u>tactilesensorypromo@usps.gov</u> or <u>EmergingTechPromo@usps.gov</u>.

INTERNATIONAL NEWS

UKRAINE: <u>AGRO Perspectiva</u>: The European Bank for Reconstruction and Development (EBRD) is extending a US\$ 10 million loan to Ukraine's TC Meest Express LLC (Meest Express), a leading provider of postal and logistic services for worldwide delivery to Ukraine, eastern Europe and the CIS region. The EBRD financing will help Meest Express to implement its strategy of increasing their market share in Ukraine and achieve a expansion of its current network of 400 pick-up and drop-off points by 2020. *NETHERLANDS: <u>Dutch News</u>*: After three failed bids for Dutch postal service PostNL, Belgium's Bpost is back again, swelling its offer on Wednesday to \in 5.75 a share, an increase of \notin 0.10 over the previous attempt.

December 1, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- R2014-6: Data Collection Report on PHI Acquisition, Inc.'s Negotiated Service Agreement with USPS
- <u>RM2016-13</u>: Changes concerning attributable costing

NATIONAL NEWS

FEDWeek: A House postal reform bill (HR-5719) that would remove postal employees and retirees from the general FEHB population "would affect how health care is provided to all federal annuitants and employees," the Congressional Budget Office has said. The CBO analysis is the first official assessment of the impact of splitting the pool of FEHB-covered persons as proposed in that bill, which has cleared the committee level in the House. That committee vote is considered a major step toward postal reform since the issue has languished in the House for many years. A Senate bill similar in many ways has bipartisan support; although time is fast running out for further action this year sponsors believe momentum is building for eventual passage.

Publishing Executive: Sure, your publishing company has had its hands full with digital media the past few years. As soon as you got a handle on monetizing your website, along came smartphones and ad blockers to trash your business plans. Meanwhile, your print magazine has kept chugging along, probably not as profitable as it used to be but still bringing in most of your revenue. If you're like many publishers these days, that faithful old jalopy needs some attention—maybe a tune-up to meet the needs of a changed audience, maybe a complete overhaul of its business model. It's time to ask some tough questions about your magazine that could result in that old engine running more profitably.

PostalVision 2020: PostalVision 2020 today announces more **key speakers** for its **January 23, 2017**, "Delivery by Design" one-day event to be held at George Mason University's Schar School of Policy and Government, in Arlington, VA. The event will focus on looking at today's mail/parcel delivery environment and the growing challenges from projected ecommerce growth. Participants will explore the existing delivery landscape, trends for tomorrow, and the challenges for users, service providers and other stakeholders. This event will complement parallel efforts by the U.S. Government Accountability Office (GAO) in its Congressionally-requested study of the USPS monopoly.

FedEx: With convenient new locations where you already shop, there's no need to make an extra trip to ship or drop off a package. Now you can pack and ship via FedEx Express and FedEx Ground at Office Depot[®], giving you the power to ship where you shop at over 1,500 Office Depot[®] and OfficeMax[®] locations along your way.

<u>ABC 7</u>: The U.S. Postal Service is testing out a new high-tech service in the New York City area that gives people a quick glance at their mail before it's delivered. The pilot program sends customers an email each morning with scanned images of the mail that will be delivered to their home that day. The USPS calls this feature "Informed Delivery."

INTERNATIONAL NEWS

GERMANY: <u>Fraunhofer Institute of Material Flow and Logistics (IML)</u>: The Fraunhofer Institute of Material Flow and Logistics (IML) has revealed the findings from its latest ZF future study, which looks at last-mile logistics. The study found that in the year 2030 delivery drones will still be a niche solution, but ground-based delivery robots will be commonplace in both major cities and rural regions.

CANADA: Canada Post: The Canada Post segment lost \$60 million before tax in the third quarter, when the risk of a work disruption prompted commercial customers to make other arrangements to deliver their parcels and mail.