



Association for Postal Commerce

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Postal News for February 2016

February 29, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: Electronic Funds Transfer (COD/EFT) Gets New Spot on COD Label. Heads up, Collect on Delivery (COD) mailers: the Postal Service has updated the COD label (PS Form 3816), moving the COD/EFT selection box into its own space within the payment amount and remittance sections. Not only does the COD/EFT option provide remittances arriving in mailers' bank accounts within two business days, but it is also more secure. Updated COD labels are available at Post Offices or at the Postal Store at <https://store.usps.com/store/>, though you may use remaining supplies of the former label until they are depleted. The Postal Service is also retiring PS Form 3816-AS, *Collect on Delivery (COD) Card — Firm Mailings*, a rarely used form in today's environment of computer-generated shipping labels. For more information on this elimination, please visit https://about.usps.com/postal-bulletin/2015/pb22431/html/updt_004.htm.

USPS Industry Alert: USPS Officer Appointments.

- PMG Megan J. Brennan appointed Luke T. Grossmann as Vice President, Finance and Planning, reporting to the Chief Financial Officer, effective February 27. In this role, Luke will be responsible for all revenue and expense budgeting, forecasting and financial analysis, and program evaluation.

- PMG Megan J. Brennan also appointed Shaun E. Mossman as Vice President, Area Operations, Southern Area, effective February 27. Shaun has successfully acted in this position since November 2015, overseeing all postal operations—including mail processing, distribution, customer service, and administrative functions—in Alabama, Arkansas, Florida, Louisiana, Mississippi, Oklahoma, Texas, and parts of Georgia and South Carolina.

Postal Regulatory Commission:

- **ACR2015** Responses of the United States Postal Service to Questions 1-4 of Chairman's Information Request No. 16
<http://www.prc.gov/docs/95/95175/CHIR%20No.%2016.Responses.pdf>
- **RM2016-4** Comments of MPA - The Association of Magazine Media
<http://www.prc.gov/docs/95/95153/16-02-29%20MPA%20comments.pdf>

Hursch-Blackwell: "Top U.S. Postal Service Suppliers for Fiscal Year 2015"

Mid-Hudson News: A week after Greenburgh Town Supervisor Paul Feiner complained about mail delivery service in his town, he will discuss the problem with the chief operating officer of the US Postal Service later this week. Feiner said he constantly receives calls from residents saying their mail is late, delivered to the wrong address or lost. He said the problem is not just limited to Greenburgh. "I feel very, very strongly that our members of Congress should hold hearings on this horrible service we are getting from the US Postal Service," he said. "During the past few years and in the most recent months many of my constituents have complained their delivery, from not getting mail delivered to their home or mail being delivered to wrong addresses." Feiner is concerned for residents who do not receive reliable delivery service for medicines.

INTERNATIONAL NEWS

FRANCE: Wall Street Journal: Amazon.com Inc. is bolstering its European business: reports in France say Amazon is close to buying Colis Privé, one of the country's largest private parcel delivery services.

GERMANY: Handelsblatt: Frank Appel is the chief executive of Deutsche Post, the German postal service that ranks among the world's largest mail and courier firms. In an interview with Handelsblatt, he discussed the future of doing business in Germany.

February 28, 2016

NATIONAL NEWS

Dead Tree Edition: The idea of having the USPS provide more financial services than just selling money orders has noble intentions. But the proponents have avoided answering several key questions.

Salon: "Two words for Hillary if she wants to connect with the financially struggling: 'Postal banking'"

INTERNATIONAL NEWS

AUSTRALIA: Australian Financial Review: Australia Post chief executive Ahmed Fahour has signalled the death of the letter, declaring its mail service will "never ever make money again". And posties might have to feed pets, check meters and even check on the elderly to keep their jobs as mail continues to diminish as a business. The nation's 207-year-old postal service saw its net profit dive 84 per cent to \$16 million in the six months to December 31, after a record decline in the number of letters being sent. Despite introducing \$1 stamps, a two-tiered mail service and a reduction in staff, Mr Fahour said the demise of the letter means it is no longer viable as a profit-making division. It is switching its focus to parcels and lobbying to provide more government services such as Medicare payments.

February 27, 2016

POSTAL/FEDERAL NEWS

Federal Register: **Postal Service PROPOSED RULES** Requirements for Authority to Manufacture and Distribute Postage Evidencing Systems, 10158–10159 [2016–04237] [\[TEXT\]](#)

INTERNATIONAL NEWS

JAPAN: Post & Parcel: DHL Express has partnered with Kinko's Japan to open 16 DHL service points, bringing the total number of service points in the country to 170.

February 26, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **RM2016-5 Comments of the Association for Postal Commerce**
<http://www.prc.gov/docs/95/95113/PCom%20Cmts%20RM2016-5.pdf>
- **RM2016-5 Initial Comments of the United States Postal Service**
<http://www.prc.gov/docs/95/95126/USPS%20Initial%20Comments.pdf>

Attention PostalOne!® and Program Registration

Users: PostalOne! Release 42.0.6.0 will deploy on Sunday, February 28, 2016 from 4:00 AM to 9:00 AM CT. The *PostalOne!* system will be available during this time.

- **Mail.dat® Client Reminder:** (1) Mail.dat 42.0.4.0_PROD is required on February 28, 2016 (2) Mail.dat 42.0.0_PROD client will be retired on February 28, 2016
- **Program Registration Release 15.1.0.0** — will be deployed to Production from 4:00 am CST to 9:00 am CST on Sunday, February 28, 2016. There will be an outage and the application will be unavailable during that time.
- **Seamless Acceptance and Service Performance (SASP) Release 21.0.5.0** will deploy on Sunday, February 28, 2016 from 4:00 AM to 9:00 AM CT.

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NATIONAL NEWS

Government Executive: The U.S. Postal Service has long sold its decision to reduce the size of its physical footprint as a necessary evil, a painful cost-cutting measure required to adapt to the changing landscape of mail delivery. One problem: It did not cut costs. The second phase of the Postal

Service's consolidation plan actually lost money in 2015, according to a [report](#) USPS filed to its regulatory body and first reported by *Dead Tree Edition*.

Rambler Newspapers: All great things must change and sadly that includes the Rambler Newspaper's famous carrier home delivery. Yes! The time has come to send our carriers to the same place that cigarette girls and hat check boys go. Instead of searching your bushes, lawns and neighbors' back yard each Saturday morning for your copy of the Rambler, we are pleased to announce they will be hand delivered by the stately professional delivery personnel trained and maintained by the United States Postal Service.

Printing Impressions: Printing, paper and mailing Industry blogger extraordinaire D. Eadward Tree exits the comfort of his forest to deliver a first-class interview on the U.S. Postal Service — LIVE, for the first time — on Lasting Impressions. One man, one tree, one hot-button topic. *[EdNote: Check out the video interview.]*

Direct Marketing News: It was the worst Christmas present they'd ever gotten. It was like a bushel of coal in a mailbag for direct mailers and catalogers when, on the evening of [December 24, 2013](#), the Postal Regulatory Commission (PRC) approved the 4.3% "exigent surcharge," an emergency measure to allow the U.S. Postal Service to reclaim losses due to the Great Recession. But last night the Postal Service sent a "Yes, Mailers, there is a Santa Claus" letter, saying it intends to remove the surcharge on Sunday, April 10, when \$4.6 billion in extra revenue would be collected. ***[EdNote: And it won't be a gift coming from the Grinch who stole Christmas. No, it will be coming from the Postal Regulatory Commission and the U.S. Court of Appeals for the District of Columbia.]***

Quad/Graphics Blog: If you've seen the recent [Dead Tree](#) posting related to USPS' hiring binge, it should cause you to ask, "Why would any company that is losing total volume each year and has supposedly (*see footnote) consolidated more than 300 facilities in the last couple years need to hire 125,000 new workers, regardless of whether they are full-time or non-career/casual?" They wouldn't if they were accountable to a board of directors, shareholders and their customers.

Dead Tree Edition: The U.S. Postal Service announced the unthinkable today: On April 10, it will actually reduce the postal rates on most mail, including Forever Stamps, by more than 4%. On April 11, you should expect a disaster of biblical proportions. Fire and brimstone from the sky, dogs and cats living together in peace -- that kind of stuff. About 80% of the total costs for the Postal Service are attributed to labor. That number has not wavered noticeably for as long as I have been involved with postal issues, which is more than 30 years now. In a mature industry with declining volumes, more employees = more cost = higher prices. It's a simple formula, and it is not sustainable. And you definitely don't make up the difference by increasing prices (exigent surcharge) because you couldn't adjust to the "new normal" ... 8 years after it became the new normal!

eCommerceBytes: Amazon sellers encountered higher rates for certain USPS shipping services on Wednesday with no advance warning. Amazon raised the cost of shipping Priority Mail packages yesterday for merchants using its online postage printing feature. The US Postal Service had raised rates last month effective January 17. But Amazon sellers were initially greeted with a message that said "for the time being," Priority Mail and Priority Mail Express rates would remain at 2015 levels. It appeared to be against USPS rules to make such statements, and the message quickly disappeared, but the lower rates for Priority Mail and PME remained until yesterday. The lower Amazon rates had meant that some sellers disabled their Stamps.com accounts when printing PM labels on Amazon.

Wall Street Journal: Dismal holiday results from retailers are prompting executives across the industry to shrink or adapt their stores, and rethink the cost of growing their online operations. Kohl's CEO Kevin Mansell said the company was experiencing "wage pressure" in its stores, but hoped to offset that by reducing marketing costs and inventory. The company plans to reduce inventory by 10% per store, and is looking to use more personalized advertising to reduce its overall marketing costs.

INTERNATIONAL NEWS

INDIA: Money Control: Over 1.55 lakh post offices in the country would be computerised by next year with an outlay of Rs 4,909 crore under the IT Modernisation Project of the Department of Posts. "At present, the project is

at implementation stage and is likely to be completed by 2017," the Economic Survey 2015-16 tabled in Parliament today said. The project involves computerisation and networking of all post offices. Besides, it envisages networking and computerisation of all mail offices, accounts offices and administrative offices in the country, including approximately 1,30,000 branch post offices in rural areas run by 'gramin dak sevaks'. A total of 27,736 departmental post offices, including mail offices and administrative offices, have been networked and connected to a data centre, the survey said.

TAIWAN: *Taiwan Today*: Over the past several decades, Taiwan's national postal service, like its counterparts across the industrialized world, has faced significant challenges due to the rapid evolution of information and communications technology and rising competition from private couriers. In particular, the company has seen a drastic decline in its core business of delivering physical mail as people increasingly opt to use the Internet and mobile devices for communication. Chunghwa Post is embracing new technologies in an effort to expand its trusted brand to the digital realm. Accordingly, it has established e-commerce websites, and now makes extensive use of online platforms such as social networking site Facebook and social messaging application Line to promote its products and connect with current and potential customers. Since launching a Line account in April 2014, the firm has attracted about 7.4 million followers, equivalent to almost half of Taiwan's roughly 15 million smartphone users. These marketing strategies . . . have enabled Chunghwa Post to become more responsive to customers' needs and quickly capitalize on promotional opportunities.

AUSTRALIA: *Sydney Morning Herald*: Australia Post boss Ahmed Fahour is confident a new two-tier mail system and higher stamp prices will get the organisation back on its feet despite falling letter volumes. The national postal service made a profit of \$16 million in the six months to December, after posting a \$222 million loss in the 2014/15 financial year, its first loss in more than 30 years. The half year profit was down 84 per cent on the same period a year earlier, as letter volumes fell a further 9.5 per cent, but there was growth in Australia Post's parcel business. Tumbling demand for addressed mail prompted Australia Post to hike standard stamp prices from 70 cents to \$1 in January. A new two speed letter service also means regular post will be two days slower than a more costly one-to-four business day priority service.

February 25, 2016

POSTAL/FEDERAL NEWS

U.S. Department of Justice: *Brief of the U.S. Justice Department in the Exigency Appeal Case*

In its brief in the matter of the Postal Service's appeal of the Postal Regulatory Commission's ruling regarding the imposition of exigent rates for a period of time, the Department of Justice told the Court of Appeals for the District of Columbia that:

"[T]he Postal Service does not contest the Commission's resolution of the issue that required a remand. Instead, the Postal Service seeks to reopen an aspect of the Commission's reasoning that was upheld by this Court. During the remand proceedings, the Commission expressly declined to reopen that issue. Under precedents from this Court and the Supreme Court, the determination not to reopen an issue that had already been settled falls within the Commission's unreviewable discretion. And the Commission's decision not to prolong this long-running case was reasonable in any event. Because the only issue raised is not properly before the Court, the petition for review should be denied."

U.S Postal Service Press Release: "The exigent surcharge granted to the Postal Service last year only partially alleviated our extreme multi-year revenue declines resulting from the Great Recession, which exceeded \$7 billion in 2009 alone," said Postmaster General and CEO Megan J. Brennan. "Removing the surcharge and reducing our prices is an irrational outcome considering the Postal Service's precarious financial condition."

Postal Regulatory Commission:

- **R2013-11 Notice of the United States Postal Service of Removal of the Exigent Surcharge**

[http://www.prc.gov/docs/95/95102/2016-02-](http://www.prc.gov/docs/95/95102/2016-02-25%20Exigent%20Removal%20Notice.pdf)

[25%20Exigent%20Removal%20Notice.pdf](http://www.prc.gov/docs/95/95102/2016-02-25%20Exigent%20Removal%20Notice.pdf)

<http://www.prc.gov/docs/95/95102/Attachment%20A%20MCS%20CPI%20-%20FINAL.docx>

<http://www.prc.gov/docs/95/95102/Attachment%20A%20MCS%20CPI%20-%20FINAL.pdf>

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- **USPS FY 2017 Budget: Congressional Submission, Workpapers, and Summary Tables SE-1, 2 and 6**
http://www.prc.gov/docs/95/95103/Letter_FY2017_Budget_20160225153923.pdf
<http://www.prc.gov/docs/95/95103/USPS%20Congressional%20Budget%20Submission%20Summary%20Tables.pdf>
<http://www.prc.gov/docs/95/95103/USPS%20FY2017%20Congressional%20Submission.pdf>
<http://www.prc.gov/docs/95/95103/USPS%20FY2017%20Congressional%20Workpapers.pdf>

USPS Office of the Inspector General:

Union Steward Activity in the Capital Metro Area

- **Background.** The U.S. Postal Service has three major unions — the American Postal Workers Union, the National Association of Letter Carriers, and the National Postal Mail Handlers Union — that represent majority of non-rural bargaining employees. Each union has a collective bargaining agreement that allows it to certify Postal Service employees as union stewards who represent other employees at their work locations. The Postal Service must allow stewards official steward duty time during their scheduled workhours to investigate, present, and adjust grievances. Similarly, each employee has the right to participate in union activities, including seeking the representation of a steward. When it is necessary for a steward to conduct steward duty or the employee to meet with the steward, the steward and employee must request permission from their immediate supervisor. Supervisors must complete a Postal Service (PS) Form 7020, Authorized Absence from Workroom Floor, when employees leave work for various reasons and retain the forms for 3 years. The Postal Service designated 12 operation codes within the Time and Attendance Collection System to track steward duty workhours, which automatically accumulate in payroll code 070. During fiscal year (FY) 2014, the Capital Metro Area had 10,347 employees with 184,796 steward duty workhours valued at \$4,973,301, and in FY 2015 it had 11,026 employees with 196,060 steward duty workhours valued at \$5,306,816. Our objective was to assess management of union steward workhours in the Capital Metro Area.

What The OIG Found. Management in the Capital Metro Area did not always ensure union steward workhour data was accurate and consistent. Specifically, supervisors at 11 judgmentally selected facilities in the Capital Metro Area allowed employees who were not certified stewards, to improperly charge 5,650 workhours to 12 operation codes designated only for certified stewards during FYs 2014 and 2015. These employees should have used operation codes designated for “meeting time”. In addition, Capital Metro Area supervisors did not always complete or retain PS Forms 7020 to authorize the release of stewards to conduct steward duties. These conditions occurred because supervisors were not always aware of the correct use of the 12 union steward operation codes. In addition, supervisors were either unaware of the requirement to complete PS Form 7020 or believed it was not applicable. As a result, the union steward codes were overstated by 5,650 (15 percent) of the total 37,207 steward duty workhours at those 11 facilities for both FYs 2014 and 2015, while use of the designated operation code representing “meeting time” or other correct codes was understated. Because supervisors in the Capital Metro Area are not ensuring that employees accurately charge steward duty workhours, reported workhours are incorrect. Therefore, management could make operational decisions based on incorrect data. We also found some workhours in operation codes designated for steward duty were not accumulated in payroll code 070 due to Time and Attendance Collection System programming errors. These errors did not affect employees’ pay. During the course of our audit, management took action to correct this issue, which should help to ensure steward duty codes are appropriately tracked in payroll.

What The OIG Recommended. We recommended management issue guidance to supervisors and other appropriate management on the proper use of operation codes for employees involved in union-related activities. We also recommended providing supervisors training on steward duty timekeeping procedures and issuing PS Form 7020 guidance.

Federal Register:

- **Postal Service NOTICES** Product Changes:
First-Class Package Service Negotiated Service Agreement, 9521 [2016–03973] [\[TEXT\]](#) 9520 [2016–03976] [\[TEXT\]](#)
Priority Mail Negotiated Service Agreement, 9520 [2016–03967] [\[TEXT\]](#) 9520 [2016–03970] [\[TEXT\]](#)

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INTERNATIONAL NEWS

AUSTRALIA: ***Herald Sun***: Posties could soon be checking water meters and even looking out for elderly relatives and the family pet, as the nation's 207-year-old postal service looks to reinvent frontline roles. The news comes as Australia Post rolls out a trial of electric "postie trikes", to help take the daily weight of the online parcels boom. The trikes, made by Electric Vehicle Solutions in Abbotsford and with design refined by postie feedback, will be tested in three Melbourne suburbs in March. Snail-mail volumes have dipped 30 per cent since their 2008 peak, and Australia Post is looking to transform the roles its 10,000 posties play, calling them "the face of Australia Post and a valued part of every community". "We're looking at opportunities to ensure our posties have a sustainable future," said Christine Corbett, executive general manager of postal and eCommerce services.

February 24, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- ACR2015 Chairman's Information Request No. 17
<http://www.prc.gov/docs/95/95089/CHIR%20No.%2017.docx>
<http://www.prc.gov/docs/95/95089/CHIR%20No.%2017.pdf>
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- CP2014-1 Chairman's Information Request No. 1
<http://www.prc.gov/docs/95/95088/CHIR%20No.%201.docx>
<http://www.prc.gov/docs/95/95088/CHIR%20No.%201.pdf>
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- **CP2016-106** Public Representative Comments on Postal Service Request to Add First-Class Package Service Contract 43 to Competitive Product List
http://www.prc.gov/docs/95/95090/MC2016-81_PR%20Cmmts_FINAL.docx
http://www.prc.gov/docs/95/95090/MC2016-81_PR%20Cmmts_FINAL.pdf
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- **RM2016-2** Chairman's Information Request No. 7
<http://www.prc.gov/docs/95/95086/CHIR%20No.%207.docx>
<http://www.prc.gov/docs/95/95086/CHIR%20No.%207.pdf>
- **National Trial Balance, January, 2016 (FY 2016); and Statement of Revenue and Expenses, January, 2016 (FY 2016)**
http://www.prc.gov/docs/95/95092/Letter_NTB-SRE_January20_20160224151141.pdf
[http://www.prc.gov/docs/95/95092/National%20Trial%20Balance%20-%20Redacted,%20%20January,%202016%20\(FY%202016\).xls](http://www.prc.gov/docs/95/95092/National%20Trial%20Balance%20-%20Redacted,%20%20January,%202016%20(FY%202016).xls)
[http://www.prc.gov/docs/95/95092/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20%20January,%202016%20\(FY%202016\).xls](http://www.prc.gov/docs/95/95092/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20%20January,%202016%20(FY%202016).xls)
- **USPS Preliminary Financial Information (Unaudited), January, 2016**
<http://www.prc.gov/docs/95/95091/2016.2.24%20JANUARY-16%20FY%202016%20PRC%20final--report.pdf>
http://www.prc.gov/docs/95/95091/Letter_PFI_January2016_20160224151639.pdf

Attention Business Customer Gateway, PostalOne!, and FAST

Users: Customer Registration Issue 1158719 is still under investigation. The Business Customer Gateway, *PostalOne!* and FAST applications are intermittently affected. ***Mailings will continue to be accepted under the PostalOne! Contingency Plan*** posted on RIBBS at https://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/PostalOneExternalContingencyPlan.pdf. eInduction mailers should follow the eInduction Contingency Plan.

USPS Industry Alert: New IMb Tracing™ Service Type IDs for Bound Printed Matter and Reply Mail Effective May 22, 2016!

- **Bound Printed Matter:** Destination IMb Tracing services will be available for automation compatible Bound Printed Matter flats.
- **Reply Mail:** Origin IMb Tracing by Mailer ID will be available for Courtesy Reply Mail, First-Class Reply Mail, and Business Reply Mail.

More information about these new services and a list of the new Service Type IDs for use in the Intelligent Mail barcode for letters and flats is available on RIBBS® at this link: <https://ribbs.usps.gov/stids>.

USPS Office of the Inspector General: Does the Postal Service Have an Accurate Inventory of Its Information Technology Assets? -- The U.S. Postal Service supports and maintains over 145,000 desktop computers, 23,000 laptops, and 81,000 printers. Keeping an accurate physical inventory of these devices is critical to the security of the network. The Center for Internet Security considers the inventory of information technology assets to be the most critical security control. One lost device could compromise sensitive data about the organization or its customers. Do you think the Postal Service has an accurate inventory of its information technology hardware assets? Do you know of any instances of lost or stolen Postal Service information technology hardware?

Federal Register:

- **Postal Regulatory Commission NOTICES** New Postal Products, 9229 [2016–03887] [\[TEXT\]](#) 9229–9230 [2016–03888] [\[TEXT\]](#) 9230–9231 [2016–03889] [\[TEXT\]](#) 9230 [2016–03890] [\[TEXT\]](#)
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USPS Industry Alert: **Attention Shippers or Mailers who use Polybags to Mail Products or Pharmaceuticals.** We are requesting participation in MTAC Work Group 169--Parcel Machineability--to help this important workgroup review machineability of "polybagged" items in the mailstream. This work group is identifying ways to improve parcel processing and thus improve service. One area of concentration is polybags. Polybags tend to get "snagged" in processing, depending on the selvage, overlap, or type of contents. We are looking for polybag mailers/users to share their experiences with this type of bag in preparing items for mailing and whether their receiving customers have damage or service issues. If you wish to participate, please submit your name, company, telephone number, and email address to: productclassification@usps.gov at your earliest convenience. It would be helpful if you indicate how many of these bags you mail on an annual basis. For current parcel machineability requirements, please refer to: www.pe.usps.com --DMM 201.7.

NATIONAL NEWS

Reuters: Dallas Federal Reserve President Robert Kaplan said on Wednesday that he does not expect the United States to enter recession this year. Slowing global growth, tightening financial conditions and the U.S. Treasuries yield curve are chief among the factors he is analyzing in determining whether to support further rate hikes this year, Kaplan told an audience at an event in Dallas. Kaplan is among Fed policymakers advocating a patient and cautious approach to policy tightening in the wake of global headwinds.

Reuters: Other data on Wednesday showed the services sector contracted in early February for the first time since October 2013, suggesting a weakening of economic conditions outside the troubled manufacturing and energy industries.

Yahoo! Finance: A full-blown worldwide recession may not be happening, but the U.S. economy isn't out of the woods, according to one portfolio manager. "Talk of a global recession is overdone," said Jeff Rottinghaus, portfolio manager at T. Rowe Price. "However, we do think we're in a period of very slow growth domestically and internationally. And **in the U.S., you are maybe going to see GDP growth of 1% to 2%.**"

Wall Street Journal: Same-day delivery startup Deliv Inc. is getting a funding boost from an unlikely source: United Parcel Service Inc. The Palo Alto, Calif., company fetches goods from brick-and-mortar retailers to bring them to customers' homes nearby, one of a crop of such firms hoping to win the day in so-called last-mile delivery, typically the priciest leg of an order's journey. Last-mile delivery has proven a hotly contested battleground, with dozens of startups, the U.S. Postal Service and Amazon.com Inc. all vying for accounts with retailers, restaurants and grocery stores to bring goods to people's homes. Delivery is often within one hour at a fee of around \$5. Deliv works with mall operators to incorporate its software into tenants' online checkout systems. The startup has struck delivery deals with retailers like Kohl's Corp. and Macy's Inc. and Alphabet Inc.'s Google Express service, as well as other young companies like the meals-subscription service Plated. It counts about 4,000 retailers using its service.

Financial Times: Speculation has been rife that Amazon may be trying to disrupt a new industry: the business of delivering parcels. But analysts at Morgan Stanley reckon the ambitions of founder and chief executive Jeff Bezos are probably far narrower. The Seattle-based company has upended the retail sector by selling a vast array of products online and getting them to customers quickly. It's also made waves with its lucrative Amazon Web Services division, which allows companies to rent computing power. AWS now powers many big-name brands, such as Netflix. So it's little surprise that reports indicating Amazon has been in discussions to lease cargo aircraft and buy its own trucks have left investors wondering if the company plans to take on package delivery companies, like UPS and FedEx. But Brian Nowak, an analyst at Morgan Stanley, argues Amazon's ambitions are far less dramatic.

February 23, 2016



PostCom welcomes its newest

member: OpenMarket Inc. represented by David Lione Sr. Enterprise Account Director. OpenMarket, a division of Amdocs, helps enterprises use mobile to transform their business. It provides mobile engagement solutions for organizations to optimize their business and enhance relationships with their customers and employees. Major enterprises choose OpenMarket for its domain expertise, service flexibility, demonstrated performance, and global scale. It provides smart, interactive connectivity to more than 200 countries, enabling businesses to engage with nearly every mobile user around the world.

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **ACR2015** Responses of the United States Postal Service to Questions 1-15 of Chairman's Information Request No. 14
http://www.prc.gov/docs/95/95082/CHIR_No_14.Responses.pdf

<http://www.prc.gov/docs/95/95082/ChIR14.Q.1.3Digit.District.xlsx>
<http://www.prc.gov/docs/95/95082/ChIR14.Q.10-11.Fldr.3.Update.xls>

- **R2013-1** Order No. 3095 - Order Extending Time to Respond to Motion for Reconsideration
<http://www.prc.gov/docs/95/95080/Order%20No.%203095.docx>
<http://www.prc.gov/docs/95/95080/Order%20No.%203095.pdf>
- **RM2016-6** Order No. 3096 - Order Holding Rulemaking in Abeyance
<http://www.prc.gov/docs/95/95081/Order%20No.%203096.docx>
<http://www.prc.gov/docs/95/95081/Order%20No.%203096.pdf>
- **R2013-10** Motion for Reconsideration of Order No. 3047
<http://www.prc.gov/docs/95/95070/R2013-10R%20USPS%20Motion%20Reconsid.pdf>
- **RM2016-6** Motion of the United States Postal Service to Suspend Proceedings
<http://www.prc.gov/docs/95/95072/Motion%20to%20Suspend%20FINAL.pdf>

Federal Register:

- **Postal Regulatory Commission** *New Postal Products*, 9004–9005 [2016–03720] [\[TEXT\]](#) 9004 [2016–03721] [\[TEXT\]](#)
- **Postal Service** Priority Mail Express Negotiated Service Agreement, 9005 [2016–03677] [\[TEXT\]](#) Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement, 9005 [2016–03678] [\[TEXT\]](#)

USPS Office of the Inspector General:

- ***Is Revenue Forgone A Bad Debt?*** -- There is a long history of Congress requiring lower postal rates for certain postal services it believes should be supported such as reduced rates for nonprofit mailings and local newspapers and free mail for the blind. Congress pledged to pay for the difference in postage known as “revenue forgone” through appropriations. As time passed, however, the annual

bill for revenue forgone began to seem increasingly costly to appropriators. In the early 1990s, as concerns about the budget grew, Congress stopped paying the full amount for revenue forgone. While payments resumed last year, the past due amounts of \$105 million are still unpaid, and there is no guarantee that payments will continue. In total, the Postal Service is owed \$656 million for the past due amounts and the remaining payments. If interest had been included, this unpaid amount would today be \$1.6 billion. Although the annual \$29 million amount is small, receiving consistent payments is important for the Postal Service's finances. If Congress stops making the payments, the Postal Service may be forced to conclude that repayment is unlikely. In that case, the Postal Service would be required under accounting principles to declare the amount it has already booked as a bad debt. This could have a material effect on the Postal Service's bottom line. One solution may be to offset the Postal Service's \$15 billion debt to the Treasury dollar for dollar by the remaining amount owed to Postal Service, using identical interest rates, \$1.6 billion, or removing interest from both. This would eliminate the need for the revenue forgone installment payments to be part of the annual appropriations process, resolving a complication for appropriators, the Postal Service, and its auditors.

- **Forgone Baby Gone** -- In the grand scheme of postal finances, the revenue forgone payments might seem like an obscure footnote in the financial statements. But they are symptomatic of a larger problem: How the Postal Service's finances can get caught up in federal budget concerns, preventing it from operating in a businesslike way.

NATIONAL NEWS

Grand Forks Herald: Sen. Heidi Heitkamp is taking another step in her efforts to address issues North Dakotans may have with rural mail delivery service. The U.S. senator from North Dakota initiated **an online Fix My Mail survey** Tuesday. The survey includes six multiple-choice questions, plus a section to share personal stories of challenges North Dakotans have had with their mail delivery and service.

Linn's: For the revenue hungry United States Postal Service, they seemed like the perfect product. Produced with virtually no added costs, press sheets of imperforate self-adhesive stamps were hot sellers from the moment the first sheets went on sale in July 2012 with the issuance of the Major League Baseball All-Stars stamps. But barely four years later, sales of the sheets have become mired in controversy. Some collectors are accusing the Postal Service of operating in secrecy, keeping the numbers of imperforate sheets — also called no-die-cut sheets — a closely guarded secret until the moment sheets have gone on sale at first-day ceremonies. Even then, the number of sheets being offered often isn't known, the collectors say, until a clerk at a first-day ceremony announces all the sheets are sold. Despite the sheets' popularity, postal clerks often have only a few sheets at first-day events. Advance telephone orders sometimes have been rejected, well after a first-day event, these collectors fume. Some collectors are outraged that USPS Stamp Services has let one of its cash cows become bogged down. They blame bureaucratic incompetence, downright stupidity, or even perceived favoritism to selected customers.

Seeking Alpha: It's not often that you see an evolution that upends a traditional "old-school" business and transforms it into a business of the future, but that's exactly what's happening with the transportation and logistics industry. And one of the front-runners of that massive shift is United Parcel Service, which is seeing a shift in its basic business model as it rides the wave of e-commerce explosion over the next several years.

INTERNATIONAL NEWS

LUXEMBOURG: MSN Money: Jasper, a global Internet of Things (IoT) platform leader, and POST Luxembourg, Luxembourg's national telecommunications services operator, today announced the availability of their combined network and IoT platform, enabling enterprises to easily launch, manage and monetize IoT service businesses. Companies throughout Europe can now introduce IoT services with POST Luxembourg that enhance their customers' experiences while also unlocking new revenue channels. And enterprises looking to deliver IoT/M2M services outside of Luxembourg will be able to take advantage of Jasper Control Center through TERALINK Solutions, the innovative international business unit of POST,

which launched last year.

SOUTH AFRICA: Businessstech: The DA says that the South African Post Office (SAPO) Annual Report for the year ended 28 February 2015 has finally been tabled before Parliament – eight months late. According to the political party, the report reveals a record R1.45 billion loss – extended by 260% over the previous year.

SOUTH AFRICA: BDLive: The South African Post Office (Sapo) has debt of nearly R1bn and has asked the Treasury for a cash injection of between R2.5bn and R3.5bn to fund its turnaround, newly appointed CEO Mark Barnes told MPs Tuesday. Mr Barnes met Treasury officials on Monday to present his case for a cash injection and said in a briefing to Parliament's postal services and telecommunications portfolio committee that Sapo's turnaround plan had been well-received. Meetings have also been held with banks in a bid to secure interim bridging finance pending a cash injection. Sapo is currently supported by a R4bn state guarantee and will need more financial aid if its 2015-16 financial statements are to be finalised on a going concern basis.

NEW ZEALAND: Newstalk ZB: The postal union is urging New Zealand Post to take things slow and steady, as it looks for ways to remain viable. The state-owned postal service is laying off more staff after losing up to \$30 million a year from falling letter volumes and postal revenues. The company's now increasingly dependent on the strong performance of its KiwiBank arm.

February 22, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **ACR2015** Chairman's Information Request No. 16
<http://www.prc.gov/docs/95/95067/CHIR%20No.%2016.docx>
<http://www.prc.gov/docs/95/95067/CHIR%20No.%2016.pdf>

NATIONAL NEWS

NALC: The National Association of Letter Carriers has begun the collective bargaining process with the U.S. Postal Service.

INTERNATIONAL NEWS

EUROPE: Post & Parcel: PostEurop has welcomed a recent study by Copenhagen Economics which found that there is growing confidence in the dynamic EU e-commerce market, with a positive spill over into the European delivery sector. PostEurop, the association which represents European public postal operators, commissioned the report from Copenhagen Economics in order to feed into the debate on cross-border parcel delivery, which has been stirred up by the European Commission's "Digital Single Market Strategy for Europe". While the report confirmed that the European e-commerce market is thriving, with both domestic and cross-border online shopping on the increase, it also showed that the price of parcel delivery is driven by a number of supply and demand factors, and the price online shoppers pay for cross-border parcel delivery does not reflect the prices charged by delivery operators.

FINLAND: YLE: Bicycles that incorporate electric motors have quickly become common among postal workers delivering mail. More than half of bike mail is now delivered on electric versions. As a result the pension age of postal workers has increased by two years.

FINLAND - BALTIC STATES: Post & Parcel: Finland's Posti Group is building up a pickup point network in Estonia, Latvia and Lithuania. In a [statement](#) issued last week, Posti said that the network will encompass 1,200 item pickup points and will be the largest "pickup point" (aka parcel shop) network in the Baltic countries.

INDIA: Economy: India, with its gigantic population of over one billion, has already seen that the country's e-commerce might very well [explode within the near future](#). This is of course good news for the logistics giant India Post which, according to [MailOnline](#), has struggled with a huge deficit for years.

INDIA: NDTV: The dawn of online shopping is changing the lives of people in rural areas - and is breathing new life into India Post, the ailing state-run

postal network, which has struggled with a huge deficit for years.

February 21, 2016



PostCom FREE webinar - 2016 National Postal Forum (NPF)

Executive Overview. Please join Rose Flanagan, PostCom Board Member, on Wednesday March 9th at 2 pm EST for our 7th Annual PostCom NPF Executive Overview. This year the National Postal Forum is back at the Opryland Hotel in Nashville TN. Please join us to learn about the sessions being offered, hot topics, networking tips, exhibit guides, hotel guides and packing tips. PostCom will bring you the most up-to-date NPF information so you can make the most of your NPF experience. Rose Flanagan, a member of the mailing industry for 35 years, is an experienced NPF Delegate. She'll use her NPF knowledge to help you pre-plan both your days and nights in Nashville to maximize your time and improve your industry knowledge. Register [Here](#) for your FREE webinar seat now. Please register by Tuesday, March 8th.

February 20, 2016

POSTAL/FEDERAL NEWS

Federal Register: Postal Regulatory Commission *NOTICES* New Postal Products, 8764 [2016-03493] [\[TEXT\]](#) 8763-8764 [2016-03494] [\[TEXT\]](#) 8764-8765 [2016-03495] [\[TEXT\]](#)

NATIONAL NEWS

Dead Tree Edition: The U.S. Postal Service's aborted attempt to save money by consolidating its processing facilities backfired: It actually increased costs in 2015, USPS officials recently acknowledged. Higher transportation expenses from Phase II of the USPS's "Network Rationalization" effort more than wiped out the program's savings on labor and parts, the the Postal Service told the Postal Regulatory Commission.

TownHall: It's far too early to say what will or won't make it to the final draft of Sen. Tom Carper's legislation to reform the U.S. Postal Service. But it is a

safe bet the Postal Service's huge and growing deficit in funding for employee pensions and medical benefits will be addressed. Ask any casual observer of the Postal Service's increasingly dire fiscal situation, and they will say the "prefunding requirements" are a big part of the problem. This may be true, but removing this obligation would not come close to addressing the Postal Service's need for reform and cannot be allowed to be passed off as a one-shot solution. There is wide agreement the prefunding payment schedule is too high. The solution seems easy: Stop requiring the payments and you largely eliminate the red ink. It would be wise to take a look at the payment schedule, as long as Congress realizes that alone won't solve the problem of a bottom line that gets worse every year. It pays out \$1.8 billion every two weeks to its 486,000 career employees and 130,000 non-career employees, and it forms the hub of a \$1 trillion shipping industry that employs 8 million people. So yes, postal reform should address the prefunding requirement. But it also must require the Postal Service to take a long look at why it is in businesses served more than adequately by more efficient private sector firms and how long that arrangement can hold.

INTERNATIONAL NEWS

UNITED KINGDOM: Liberal Vision: The competition in parcels is pretty long established. Royal Mail's parcel division has operated in a deregulated market for many years and they are claiming some growth. This is difficult to verify given their unreliable internal recording procedures. However, the aforementioned decision by Amazon to facilitate their own deliveries is causing them problems. Royal Mail are also behind on technology and customer service. Many of their competitors deliver seven days a week, attempt redelivery, and provide detailed information via email to customers on their purchases. When it comes to door to door delivery of letter mail, the regulator, OFCOM, is required by the Postal Services Act to protect the USO and promote competition. The only competitor to emerge so far is Whistl who had started a delivery service in a few major cities, only to abruptly cancel operations quoting a lack of investment. As for the USO, the regulator is often being told by Royal Mail that it is a burden on them as a business with mail volumes continuing to fall. Given current trends it (the USO) is not likely to be sustainable in its current form.

UNITED KINGDOM: Post & Parcel: Royal Mail has announced that, from 29 March, the price of a First Class stamp will increase by 1p to 64p and the price of a Second Class stamp will increase by 1p to 55p. The price of a Large Letter First Class and Second Class stamps up to 100g will also rise by 1p. Royal Mail said that the charges are “necessary to help ensure the sustainability of the Universal Postal Service”, adding that it had “carefully considered” the impact of any change on its customers and its own business “before deciding to apply the smallest possible increase in stamped letter prices”.

UNITED KINGDOM: Express: When the latest price increase comes into force in a little over a month’s time that will have risen to 64p with a second class stamp costing 55p. The biggest hikes have come in recent years as a result of the decision taken in 2012 to scrap price controls. As of March 29 this year the price of first and second-class stamps will have risen by 39 per cent and 53 per cent respectively since April 2011. For people on a tight budget this all adds up. Send just one first-class letter every week and it will cost more than £30 over a year. When the basic state pension is £115.95 a week that is a significant amount. And while they may have been forgotten by the politicians a lot of people are still heavily reliant on the postal service and send far more than 52 letters a year. Indeed there are still plenty of us who send at least that many Christmas cards. Yet despite rocketing costs the postal service is not a patch on what it was 10, 20 or 30 years ago.

BRAZIL: Air Cargo World: Just over two weeks since Brazil’s antitrust agency, CADE (Conselho Administrativo de Defesa Econômica) approved of the planned FedEx takeover of TNT, an appeal has been filed by competitor, UPS. This could muddy the waters on the US\$4.8 billion deal, which so far has been moving forward without objection. FedEx and TNT said, jointly, that they will continue to work together to obtain clearance of the transaction in the relevant jurisdictions, including China, which has yet to give its approval. Officials from the two companies said they remain confident that the offer will close in the first half of this year as planned.

CYPRUS: Famagusta Gazette: Technological progress and advanced electronic communications as well as the recent crisis of the Cypriot economy have created major challenges for the local postal market. Cyprus` Post responded by exploiting the positive aspects of technological advancement

with a view to increasing productivity and effectiveness. The Post also used the economic crisis as an opportunity to adapt its services and simplify processes. Director of Cyprus` Post Andreas Gregoriou has spoken about the new role and the challenges faced by his Department. On the economic crisis, he explained that major organisations and clients are trying to reduce their expenses for postage. At the same time Postal Services` budget and development funds as well as human resources were reduced, all together creating functionality problems, he said.

February 19, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: National Postal Forum Program

Highlights. Innovations in the mail, changing customer expectations, and how the Postal Service is empowering the industry in the marketplace are some of the key topics that will be discussed at the National Postal Forum, Nashville, TN, March 20 – March 23, 2016. Postmaster General and Chief Executive Officer Megan J. Brennan will outline the impact of technology on the mail and the USPS response during her keynote address Monday, March 21, while Chief Marketing and Sales Officer Jim Cochrane will discuss marketing issues with Mark White, Chief Technology Officer with Deloitte Global Consulting Technology and Harris Diamond, Chairman and CEO of McCann Worldgroup during Tuesday's, March 22, general session. The National Postal Forum is an annual gathering of influential thought leaders, marketers and mailing experts who gather annually to share information and attend a variety of educational workshops. Other program highlights include the Sunday National Meeting of Area Focus Group sessions where USPS Chief Operating Officer Dave Williams leads a discussion with the industry on service, informed visibility and what's in store for this year's political and election mail. Another key highlight is the Sunday Postal Customer Council (PCC) Opening Session where USPS Vice President Jim Nemec leads the conversation about how to grow your local PCC and shares insights on best communication, membership and education practices. Registration for the National Postal Forum is available now at NPF.Org.

USPS Office of the Inspector General:

- **International Inbound Mail Verification**: This management alert presents our concerns regarding the international inbound mail verification process at select U.S. Postal Service international service centers (Project Number 16RG006MR000). These concerns came to our attention during our Extraterritorial Offices of Exchange review (Project Number 15RG034MS000).

Federal Register: Postal Regulatory Commission NOTICES New Postal Products, 8547 [2016-03383] [[TEXT](#)], 8547-8548 [2016-03431] [[TEXT](#)]

NATIONAL NEWS

Reuters: The U.S. Justice Department has started an investigation into whether top airlines have complied with contracts to carry mail cargo for the U.S. Postal Service, the three biggest U.S. passenger carriers said this week. Delta Air Lines Inc and American Airlines Group Inc have each received a civil investigative demand from the U.S. regulator about the Postal Service mail they carry, spokesmen for the companies said Friday. A similar inquiry by the Justice Department was disclosed on Thursday by rival United Continental Holdings Inc, which said it was asked in October to provide documents and oral testimony about the scanning of international mail carried under its U.S. Postal Service contracts. The three airlines said they are fully cooperating with the investigation.

Law360: Former cyclist Lance Armstrong told a DC federal judge Wednesday that the Postal Service knew professional cycling was a "cesspool" of doping when it sponsored Armstrong's career, illustrating his ongoing argument that the government won't be able to prove it was damaged by his alleged lies over performance-enhancing drug use.

FCW: USPS, which annually ships more than 40 billion pieces of mail, wants to evolve into a more digitally focused organization and has long deployed analytics as a tool to detect fraud. USPS' Advanced Analytics Center of Excellence is now looking for a centralized prototyping, problem-solving, analytical platform. The platform would need to be able to handle extremely large datasets, on the order of hundreds of terabytes, the RFI states. Support for structured and unstructured data in a Hadoop environment is another must, as is large-scale machine learning. The ultimate goal is a single platform that supports all the agency's analytics needs.

INTERNATIONAL NEWS

AUSTRALIA: ***Sydney Morning Herald***: Australia Post says it will virtually eliminate missed deliveries by next Christmas and claims to have already made headway reducing the number of parcel notification cards being left in mailboxes. Bob Black, executive general manager of Australia Post's parcel and ecommerce services, said delivery cards were left for about 15 per cent of those parcels – down from 21 per cent last Christmas.

February 18, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: Premium Forwarding Service – Commercial (PFSC) Simplifies Business Mail. The Postal Service's Business Customer Gateway can help large companies redirect mail arriving at multiple business street addresses and business Post Office Boxes on a recurring established frequency. Enrollment in PFSC must now be completed online; business customers must also link their electronic verification system (eVS) and Centralized Account Processing System (CAPS) accounts. For the yearly application fee and postage for each shipment, the Postal Service will collect the business mail from multiple street addresses and/or PO Boxes and forward it to one domestic address in either a Priority Mail or Priority Mail Express branded container. The Business Customer Gateway is located at <https://gateway.usps.com/eAdmin/view/signin> .

Federal Register: Postal Regulatory Commission NOTICES New Postal Products, 8261–8262 [2016–03281] [[TEXT](#)]

USPS Office of the Inspector General:

- **Should Rural Mail Carriers Drive Privately Owned Vehicles?** -- The Postal Service operates one of the world's largest transport and delivery fleets, with over 211,000 delivery, transport, and administrative vehicles. It maintains a diverse fleet of delivery vehicles, including long life vehicles, delivery vans, and light trucks. City mail carriers operate government vehicles, and rural mail carriers operate both government

and privately owned vehicles. Is it beneficial for rural carriers to drive their own vehicles? Do you believe it is safer for rural carriers to drive personal vehicles or government vehicles? City carriers are required to drive government vehicles but rural carriers are not. Should rural carriers be required to drive government vehicles?

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Postal Regulatory Commission:

- **ACR2015** Notice of the United States Postal Service of Filing a Revised Response to Question 11 of Chairman's Information Request No. 12 -- Errata
http://www.prc.gov/docs/95/95042/CHIR_No_12%20Rev%20Resp%20Q%2011..pdf
- **ACR2015** Response of the United States Postal Service to Question 7 of Chairman's Information Request No. 11
<http://www.prc.gov/docs/95/95043/CHIR%20No.%2011.Second.Response.Set.Q7.pdf>
- **ACR2015** Responses of the United States Postal Service to Questions 1-12, 16-18 of Chairman's Information Request No. 13
<http://www.prc.gov/docs/95/95041/CHIR%20No.%2013.First.Response.Set.pdf>
- **ACR2015 Chairman's Information Request No. 15**
http://www.prc.gov/docs/95/95032/CHIR_No_15.docx
http://www.prc.gov/docs/95/95032/CHIR_No_15.pdf
- **ACR2015** Responses of The United States Postal Service to Questions 2-5, 7, 9, 11 and 13-17 of Chairman's Information Request No. 12
http://www.prc.gov/docs/95/95028/CHIR_12.Resp.Q2t5.7.9.11.13t17.pdf

NATIONAL NEWS

Wall Street Journal: Alphabet Inc. Google is expanding its same-day delivery service to fresh groceries, the latest example of the tech titan's increasing push into consumers' daily lives. Google said it would begin delivering produce, meat, eggs and other perishable goods on Wednesday in parts of San Francisco and Los Angeles. The service is part of Google Express, which partners with retailers in some U.S. cities to deliver goods to consumers within hours of an order.

FedSmith: Want to find the salary of a particular Postal Service employee? FedSmith has updated the yearly salary figures for USPS employees at FedsDataCenter.com to include the [latest available data](#).

INTERNATIONAL NEWS

NAMIBIA: **Southern African News**: Namibia's postal service company, Namibia Post Limited (NamPost) has made significant strides in the past years, and this year the company plans to strengthen its international courier services. NamPost marketing manager Harold Akwenye said the company has made significant strides in the Southern African markets. The company is now able to deliver goods to all countries in the SADC region.

February 17, 2016



*PostCom welcomes its newest member: **Physicians Mutual Insurance Company**, P.O. Box 3313, Omaha, NE 68103-0313, represented by Barb Thompson, Manager, Mailing Services Support. Physicians Mutual Insurance Company, based out of Omaha Nebraska, was started in 1902. The company offers a wide variety of health and life insurance products, ranging from hospital and medical insurance policies to Medicare Supplement, from dental insurance to annuities to whole and term life insurance and funeral pre-planning.*

NATIONAL NEWS

Economy Watch: Millions of these unbanked Americans have fallen into the arms of payday lenders whose interest rates are uncapped. They can rise as high as 1,900%, but rates of 200%-500% are commonplace. Some borrowers seek payday loans for emergencies, but many use them to pay for necessities like food and rent in the low-wage US economy. Payday loan outlets frequently set up shop on military bases and nursing homes, where they are guaranteed a clientele with low fixed incomes. Sanders' solution

involves using the national Postal Service to offer basic financial services to the poor, such as small loans and remittances.

INTERNATIONAL NEWS

SLOVAKIA: *The Slovak Spectator*: The yellow tickets notifying customers about consignments at post offices will be replaced. State post service operator Slovenská Pošta plans to send people SMS or email notifications, the TASR newswire reported. Those interested in the service will have to register with the post office to obtain Poštová karta (Client card). They need also to fill in the application form they can download from the internet and then submit it to the post office. In the application, they can choose whether they want to receive the notification by SMS, email or both. When asking for the consignment, people will have to show the number they receive in notification and their ID. If they do not pick up the delivery, the post office will send them also the notification ticket.

February 16, 2016



The latest issue of PostCom's *Postal Executive Summary* is available on this site.

POSTAL/FEDERAL NEWS

USPS Industry Alert: Greg G. Graves will be detailed as Vice President, Area Operations, Western Area according to a recent announcement by COO and EVP David E. Williams. Greg will begin transitioning with Drew Aliperto to ensure a smooth and effective transition of Area leadership for our customers and employees.

USPS Office of the Inspector General:

- ***Finances Stabilize, or Maybe Not*** -- It's hard to know whether the U.S. Postal Service should have as its theme song "We're in the Money" or "Brother, Can You Spare a Dime?" Its just-released financial results for the first quarter of fiscal 2016 suggest both are accurate – depending on how you read the statements. It's not easy for customers to know

exactly what the Postal Service's financial position is – something Inspector General David Williams discussed in recent testimony to the Senate Committee on Homeland Security and Governmental Affairs. “It is very difficult to decide what is actually needed to stabilize the infrastructure when prefunding activities are commingled with actual ongoing financial operating data,” Williams said about the \$5 billion prefunding payments the Postal Service is required to make each year into the Retiree Health Benefit Plan. These payments show up as annual losses in financial statements even if no cash is spent. “Most stakeholders are simply lost attempting to understand postal financial reports,” he said.

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Postal Regulatory Commission:

- The USPS has filed its biweekly exigent report with the PRC. It said:

In accordance with Order No. 3030, issued on January 15, 2016,¹ the Postal Service hereby submits its second biweekly estimate of the incremental and cumulative surcharge revenue collected (“Biweekly Report”). As shown in the attached spreadsheet,² the Postal Service estimates that it has collected \$4.347 billion in cumulative surcharge revenue since implementation of the exigent surcharge, as of February 14, 2016, amounting to an increase of \$257 million since the close of Quarter 1 Fiscal Year (“FY”) 2016.³

<http://www.prc.gov/docs/95/95013/Exigent%20Biweekly%20Report%202.pdf>

- **ACR2015** Responses of the United States Postal Service to Questions 1-6, 8-10 of Chairman's Information Request No. 11
<http://www.prc.gov/docs/95/95015/CHIR%20No.%2011.First.Response.Set.pdf>
<http://www.prc.gov/docs/95/95015/ChIR.11.Q8a.Exclusion%20Descriptions.xlsx>
<http://www.prc.gov/docs/95/95015/ChIR.11.Q9b.Attachment.xlsx>

- **ACR2015** Chairman's Information Request No. 14
http://www.prc.gov/docs/95/95006/CHIR_No_14.docx
http://www.prc.gov/docs/95/95006/CHIR_No_14.pdf

NATIONAL NEWS

PostalVision 2020: A prestigious list of global postal industry leaders will gather to participate in the upcoming PostalVision 2020 event, to be held March 15-16, 2016, in the Washington DC area. Executives from a variety of foreign posts, the head of the USPS' global business group, the Universal Postal Union (UPU) product strategy manager, and leading international solutions providers will discuss how the "B2Me" phenomenon of growing consumer empowerment is driving changes throughout the global supply chain and postal ecosystem.

The Motley Fool: Despite Amazon's reputation for service, customers often complain that their packages arrive late, or not at all. Prime members, especially, complain about orders coming after the two-day window Amazon promises. Delivery is the one major aspect of Amazon's business that it does not control, relying instead on a range of shippers including FedEx, United Parcel Service, and the Postal Service. On a Reddit thread, many complain that **the Postal Service makes inadequate attempts to deliver packages, instead posting notices requiring customers to instead pick up their packages at the post office.** One thread on Amazon's own site has 328 posts under the title: "Amazon, Quit shipping via USPS and btw, you suck." Not only does this leave Amazon with frustrated customers and complaints, but the company often gives out credit for purchases or months of Prime membership as a form of compensation. Some customers have even become so frustrated with delivery headaches that they've sworn off the service.

INTERNATIONAL NEWS

ESTONIA: The Baltic Course: According to a decision by the European Commission, the state paid too much support to the Estonian state-owned postal company Eesti Post in 2012 for the delivery of magazines and newspapers and the company has to pay back 125,000 euros

SRI LANKA: Hiru News: Postal trade unions claim that there are nearly one hundred thousand letters piled up at the Central Mail Exchange that could not be distributed. General Secretary of People's Postal Service Association Jayantha Wijesinghe stated that the distribution of letters have been delayed due to the positions of second class Postmasters remaining vacant. The Central Mail Exchange is responsible for the distribution of mail in the city of Colombo and its suburbs. In addition, the Central Mail Exchange also handles ordering goods via internet from clients in foreign countries.

February 15, 2016

NATIONAL NEWS

Workers Compensation: Acting Bergen County Prosecutor Gurbir S. Grewal announced the arrest of CHRISTOPHER S. CASSESE, a 44 year old Bergenfield, New Jersey man, on insurance fraud and theft by deception related charges. The arrest came about as a result of an investigation conducted by members of the Bergen County Prosecutor's Office (BCPO) White Collar Crimes Unit under the direction of Chief Carmen MARTINO and the United States Postal Service Office of the Inspector General (OIG). In December of 2015, members of the BCPO White Collar Crimes Unit were informed by agents of the United States Postal Service, Office of the Inspector General that they were conducting an ongoing investigation into the activities of a United States Postal Service employee who worked out of the Bergenfield Post Office. The employee, who was identified as Christopher CASSESE, had been out of work on injury leave and had collected injury related compensation in an amount greater than \$20,000. The OIG investigation revealed that Mr. CASSESE was working at his own pest control business, Semper Fi Pest Control LLC, while out on injury leave.

Heartlander: Members of Congress are developing a plan to shift and reorganize costs incurred by the struggling U.S. Postal Service (USPS) in an attempt to reform the quasi-government agency's operations. The U.S. Senate Committee on Homeland Security and Governmental Affairs, chaired by Sen. Ron Johnson (R-WI), heard testimony on January 21, about legislation that would reform USPS, Senate Bill 2051, by shifting retirees' health care entitlement programs into taxpayer-funded programs such as Medicaid. SB 2051 would also change the process through which

underutilized post offices are closed or reorganized. Richard Geddes, an associate professor at Cornell University's Department of Policy Analysis and Management, says lawmakers' current plan is a bad idea. James Gattuso, a senior research fellow at The Heritage Foundation's Roe Institute for Economic Policy Studies, says the proposed reforms would make the problem worse, not better.

Bidness Etc: Under David Abney's lead, the logistics giant has witnessed consecutive annual growth in both the international and domestic market. United Parcel Service, Inc. announced on Wednesday that it has unanimously elected CEO, David P. Abney, as new Board Chairman. His predecessor, Scott Davis, will retire from the position at the 2016 annual board meeting. The decision is part of a strategy to augment growth for the logistics giant, which also includes refocus on improved customer service. The CEO said that the corporation will continue to expand internationally, increase global e-commerce, and accelerate growth in specialized markets.

Cornell University Library: The digital exhaust left by flows of physical and digital commodities provides a rich measure of the nature, strength and significance of relationships between countries in the global network. With this work, we examine how these traces and the network structure can reveal the socioeconomic profile of different countries. We take into account multiple international networks of physical and digital flows, including the previously unexplored international postal network. By measuring the position of each country in the Trade, Postal, Migration, International Flights, IP and Digital Communications networks, we are able to build proxies for a number of crucial socioeconomic indicators such as GDP per capita and the Human Development Index ranking along with twelve other indicators used as benchmarks of national wellbeing by the United Nations and other international organisations.

MIT Technology Review: "Why the International Postal Network Holds the Key to Global Well-Being"

eCommerceBytes: "USPS Responds to Questions about the 2016 Rate Change"

Washington Post: After years of singing the blues, postal officials had reason for a praise song. For the first time in almost five years, they reported a U.S. Postal Service quarterly net profit. The \$307 million in net income for the first quarter of fiscal year 2016, which ended Dec. 31, is a \$1.1 billion turnaround from the \$754 million net loss during the same period a year earlier. The president of the National Association of Letter Carriers, Fredric Rolando, heralded "**this impressive performance.**" "These results aren't a fluke," he said. "They stem from two structural factors: An improving economy has helped stabilize letter revenue, and Internet-driven online shopping has sent package volume sharply upward — up 16.2 percent over the first quarter of last year."

INTERNATIONAL NEWS

ROMANIA: **Business Review:** Posta Romana (The Romanian Post) has finalized its first exclusively digital communication campaign, with the help of atelieru.ro. Along with that the company has redone the website www.posta-romana.ro and has added a series of new services dedicated to the internet users. The campaign's focus was represented by the new online launched services (the money transfer, the press subscriptions, the track & trace service and the online service of filling in the necessary forms at the postal offices.

SCOTLAND: **Logistics Manager:** Whistl has won a seven year contract with Edinburgh based life insurance company Aegon. The postal operator will collect, sort and transport ten million items of mail yearly. The company has also been chosen by Dixons Carphone Warehouse for a 20 million items per year contract. As well as this, from Secured Mail it has a 37 million item per year contract for mailing house OTM Opus Trust Marketing and QVC from Royal Mail. Whistl has also secured a number of contract renewals, including: Sky, the AA, Cotton Traders, Direct Wines, Synertec, a number of banks, M&Co stores and Webmart.

LITHUANIA: **Digital Signage Today:** Signagelive, global suppliers of a cloud- based digital signage platform, and its channel partner Hansab UAB have been selected by Lithuania's postal network of financial services, PayPost, to provide a countrywide digital signage network, the company announced. The network is to be based on the Samsung Smart Signage

Platform and powered by Signagelive SoC software. The digital signage network is being used to reduce the organization's dependency on printed advertising and deliver a better customer experience by raising awareness of different products and services offered by the post office and its stakeholders in an engaging format, the company said. The digital signage network also is generating an additional revenue stream for PayPost through the sale of advertising airtime to third-party companies.

KENYA: AllAfrica.com: The government has pledged to offer the necessary support that will be required from time to time to the Postal Corporation of Kenya to ensure that critical services which will ride on the government agenda of growth and value addition to the economy is achieved. This was said by the Principal Secretary, Ministry of Information, Communications and Technology in charge of Broadcasting and Telecommunications, Mr Sammy Itemere during the launch of the Postal Corporation's Postal Registered Email (PREM) service at the Stanley Hotel. The branded service, which is a new technological innovation, will not only enrich the way people connect in a vast society, but also ensure a secure and efficient delivery system for Government, Corporate and individuals. The service will also be a platform for a speedy delivery of information and provide convenience and confidentiality desired by clients. The PS noted that Posta had integrated digital technology that has revolutionized its products and service delivery systems, taking advantage of the very dynamism and turning it into a vibrant window of opportunity as opposed to how evolving technology was perceived as a threat to the organization during the formative stages.

February 13, 2016

POSTAL/FEDERAL NEWS

Federal Register: Postal Regulatory Commission PROPOSED
RULES Procedures Related to Motions; Correction, 7720 [2016–02950]
[\[TEXT\]](#)

Attention PostalOne!®/BIDS and Program Registration Users:

- **PostalOne! and BIDS Release 42.0.5.0** will deploy on Sunday, February 21, 2016 from 12:30 AM to 9:00 AM CT. The *PostalOne!* system will not be available during this time.

Mail.dat® Client Reminder: Mail.dat 42.0.4.0_PROD is required on February 28, 2016. Mail.dat 42.0.0_PROD client will be retired on February 28, 2016

- **Program Registration will upgrade to Oracle 12cProgram Registration Oracle Database Software Upgrade** will occur (in the Production environment) from 4:00 am CST to 8:00 am CST on Saturday, February 20, 2016. There will be an outage and the application will be unavailable during that time.
- **Program Registration Release 15.0.2.0Program Registration Release 15.0.2.0** will deploy to production from 4:00 am CST to 10:00 am CST on Saturday, February 20, 2016. There will be an outage and the application will be unavailable during that time.

Postal Regulatory Commission:

- **ACR2015** Reply Comments of the Association for Postal Commerce
<http://www.prc.gov/docs/94/94994/PComACRReply.pdf>
- **ACR2015** Notice of the United States Postal Service of Filing of USPS-FY15-NP37
<http://www.prc.gov/docs/94/94993/Notice.FY15.NP37.pdf>
- **ACR2015** Reply Comments of MPA--The Association of Magazine Media
<http://www.prc.gov/docs/94/94989/16-02-12%20MPA%20reply%20comments.pdf>
- **ACR2015** Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Reply Comments on the United States Postal Service FY 2015 Annual Compliance Report
<http://www.prc.gov/docs/94/94988/Valpak%20ACR2015%20Reply%20Comments.pdf>
- **ACR2015** Responses of the United States Postal Service to Questions 1-4 of Chairman?s Information Request No. 10
http://www.prc.gov/docs/94/94992/CHIR_No_10.Public%20Responses.pdf
- **ACR2015** Responses of the United States Postal Service to Questions 7-11 of Chairman?s Information Request No. 9

<http://www.prc.gov/docs/94/94999/CHIR%20No.%209.Responses.Q.7t11.pdf>

<http://www.prc.gov/docs/94/94999/CHIR.9.Q.10.Attachment.xlsx>

<http://www.prc.gov/docs/94/94999/CHIR.9.Q.7.Attachment.xlsx>

- **ACR2015** Reply Comments of Pitney Bowes Inc.
<http://www.prc.gov/docs/94/94985/PB%20Reply%20ACR2015.pdf>
- **ACR2015** Reply Comments of the American Catalog Mailers Association
http://www.prc.gov/docs/94/94995/ACMA_Reply%20Comments_ACR2015.pdf
- **ACR2015** Reply Comments of the United States Postal Service
<http://www.prc.gov/docs/94/94996/FY2015%20ACR%20USPS%20Reply%20Comments.pdf>
- **ACR2015** Reply Comments of Amazon Fulfillment Services, Inc.
<http://www.prc.gov/docs/94/94997/16-02-12%20AFSI%20reply%20comments.pdf>
- **ACR2015** Reply Comments of Stamps.com
<http://www.prc.gov/docs/94/94986/SDC%20Com%20ACR2015%20v%20Final.pdf>
- **National Payroll Hours Summary Report, Pay Period 03, FY 2016**
http://www.prc.gov/docs/95/95000/Letter_Payroll_PP03FY16_20160212152159.pdf
http://www.prc.gov/docs/95/95000/NationalPayrollSummary_PP032016.xlsx

NATIONAL NEWS

Dead Tree Edition: The U.S. Postal Service hopes to bring on 125,000 new employees this year, continuing a recent hiring binge caused by the agency's blossoming package-delivery business. An e-commerce-driven surge in package deliveries, plus the addition of such new services as Sunday delivery, are fueling the hiring binge and employment growth. It's a huge turnaround for an organization that cut an average of 21,000 workers annually between 2000 and 2013 and rarely had to hire new ones. And it runs counter to government and news-media reports predicting further USPS cutbacks.

Post & Parcel: The Trade Facilitation and Trade Enforcement Act of 2015 [HR 644], which includes a provision to raise the de minimis threshold from \$200 to \$800, has now passed through the US Senate and House of Representatives. Yesterday (11 February), the US Senate agreed to the conference report by a vote of 75 to 20. The White House press office then issued a statement hailing the legislation as a “milestone” and announcing that President Barack Obama “intends to sign H.R.644 into law to help strengthen enforcement of the rules and level the playing field for American workers and businesses”. *[EdNote: PostCom was part of a coalition that supported the passage of the act.]*

Linn's: When President Barack Obama submitted his final federal budget to Congress Feb. 9, it was pronounced DOA — dead on arrival — by many. Little noticed among the myriad proposals was the president's plans for the troubled United States Postal Service. Admittedly, it wasn't easy to find the president's solution to the Postal Service's continuing financial woes. His ideas began on page 1330 of the appendix to the almost \$4 trillion fiscal 2017 spending plan, and they were in small type. Leaders of two major mailing groups — the Association for Postal Commerce and the Alliance of Nonprofit Mailers — told Linn's that they believe it is unlikely that Congress will endorse the president's postal plan.

February 12, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General:

- **Do You Receive Packages through the McNeil Station in Austin, Texas?** The Postal Service's goal is to provide the best customer service possible. Delivering packages to customers quickly and efficiently has become a central part of this commitment. The Postal Service uses package scanning data at various points in the delivery process to measure performance and to make package locations more visible to customers. To accomplish these goals, carriers are required to scan packages they deliver or attempt to deliver at the point of delivery. Customers can track package locations at up to 13 different points using the Postal Service's online Track and Confirm system.

Tracking begins when the Postal Service first accepts a package and ends when the package is delivered to the customer. As of fall 2014, the Postal Service has opened four Customer Care Centers designed to reduce customer call time and improve responsiveness. These centers now handle more than 56,000 calls daily. Other new services to improve customer service include customer service surveys, an interactive voice response system to increase call capacity, and outreach efforts to develop strategies and solutions with major mailers. What has been your experience with Postal Service delivery of packages to your address? The OIG would like to hear from you!

Postal Regulatory Commission:

- **ACR2015** Reply Comments of the Greeting Card Association
http://www.prc.gov/docs/94/94975/ACR2015_GCA_Reply.pdf

Federal Register: **Postal Regulatory Commission** NOTICES New Postal Products, 7596 [2016–02854] [\[TEXT\]](#) 7595–7596 [2016–02855] [\[TEXT\]](#) 7595 [2016–02856] [\[TEXT\]](#)

INTERNATIONAL NEWS

IRELAND: Diginomica: The national postal service is handling the shift from paper-based letters to electronic messages with a new approach to Big Data analysis.

February 11, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **ACR2015** Responses of The United States Postal Service to Questions 1-6 of Chairman's Information Request No. 9
<http://www.prc.gov/docs/94/94973/CHIR%20No%20%209.Resp.Qs.1t6.pdf>
- **USPS Notice of Filing (Public Filing) Quarterly Statistics Report Quarter 1 (FY2016)**

http://www.prc.gov/docs/94/94974/Letter%20-%20QSR-Q1FY2016_20160211155448.pdf

- http://www.prc.gov/docs/94/94974/QSR_FY16QT1.xls
- **Mailing Services (Market Dominant Products) Revenue, Pieces & Weight by Classes of Mail and Special Services for Quarter 1 YTD FY2016** Compared with the Corresponding Period of FY2015
http://www.prc.gov/docs/94/94972/Fy2016Q1_RPWsummaryreport_public.xls
http://www.prc.gov/docs/94/94972/LETTER%20-11-2016_20160211155145.pdf
- **ACR2015** Chairman's Information Request No. 13
<http://www.prc.gov/docs/94/94965/CHIR%20No.%2013.docx>
<http://www.prc.gov/docs/94/94965/CHIR%20No.%2013.pdf>

Federal Register: Postal Service Rules of Practice before the Postal Service Board of Contract Appeals, 7208 [2016–02741] [\[TEXT\]](#)

NATIONAL NEWS

Transport Topics: Internet search firm Google has just received a patent for what it calls an “autonomous delivery platform,” in which a self-driving box truck is used to deliver packages kept in locked compartments and accessed by customers using a smartphone or some other secure electronic device. While a spokeswoman for Google downplayed the significance of the patent, the idea provides yet another example of how technology can be used to automate the labor-intensive business of package delivery and provide a lower-cost alternative to current service providers.

Postalnews.com: The Postal Service and the union representing rural letter carriers have reached a tentative contract agreement. [The full text of the agreement can be downloaded here.](#) Here are some of the highlights: (1) The tentative contract provides the general wage increases for each year of the Agreement: 1.2% in 2015 (upon ratification, retroactive to November 14, 2015; 1.3% in 2016; and 1.3% in 2017. Cost-of-Living Adjustments (COLA) and method of determination will remain the same.

INTERNATIONAL NEWS

UN - NIGERIA: [This Day Live](#): A Lagos-based lawyer, Mr. Sonnie Ekwowusi has called for the immediate resignation of United Nations (UN) Secretary-General, Mr. Ban Ki-Moon following the diplomatic row trailing the newly-released UN gay stamps. Ekwowusi who is also a member of THISDAY Editorial Board, in a statement on Thursday, urged the UN chief to tender unqualified apology to the UN member States for unilaterally deciding to release the gay stamps without clearance from the member-nations. According to Ekwowusi, international law binds upon consensus, and not on unilateral decision of the minority. He said: "If nations have not come together and agreed that homosexuality and transgenderism should become a binding international law, why should Ban Ki-Moon and a few others go from behind and impose homosexuality and transgenderism on the rest of mankind? "

CANADA: [The Hamilton Spectator](#): A new study is delivering some potential solutions to Canada Post's woes, including a recommendation that postage rates should vary depending on where the mail is going. The paper by the School of Public Policy at the University of Calgary says the outlook for the Crown corporation isn't encouraging with the status quo. It notes that the number of letters delivered dropped by nearly a quarter between 2006 and 2013, and the rise in parcels sent to online shoppers hasn't been enough to offset the decline. Meanwhile, the number of addresses in Canada is rising by nearly a quarter million a year. Canada Post charges the same prices to all customers, even though delivery in urban areas is cheapest. The study recommends Canada Post charge different prices based on the type of sender, the volume and the mail's destination.

KENYA: [Daily Nation](#): The Postal Corporation of Kenya (PCK) has unveiled an encrypted email service for high value emails targeted mainly at corporates, as its revenues remain challenged.

EUROPEAN UNION: [Business Recorder](#): European Union regulators will investigate whether a series of Spanish measures granted to Correos since 2004 have given the state-owned postal operator an unfair advantage, following two complaints. The European Commission said the probe will focus on tax exemptions, capital increases and compensation for the distribution of electoral material given to Correos since 2004. The EU competition authority will also examine whether Spanish authorities over-compensated the

company for offering a universal postal service between 2004 and 2010. It can order Spain to recover the funds if the measures are found to have breached EU state aid rules.

February 10, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **Quarterly Service Performance Reports for Quarter 1, FY 2016**
http://www.prc.gov/docs/94/94954/Letter_QuartPerf_Q1FY16_20160210162056.pdf
http://www.prc.gov/docs/94/94954/Quarterly%20Service%20Performance%20Reports_Q1_FY16.zip
- **ACR2015** Notice of The United States Postal Service of Filing of USPS-FY15-NP36
<http://www.prc.gov/docs/94/94952/Notice.FY15.NP36.pdf>
- **ACR2015** Responses of the United States Postal Service to Questions 1-3 of Chairman's Information Request No. 8
http://www.prc.gov/docs/94/94951/CHIR_No.8.Q1_Resp.Attachment_A.xlsx
http://www.prc.gov/docs/94/94951/CHIR_No_8.Responses.pdf

NATIONAL NEWS

Yahoo! Finance: Two of the biggest names in tech also want to become big names in delivery. [Bloomberg](#) is reporting that Amazon is looking to build a global delivery network that would compete with giants UPS and FedEx. In the meantime, Google has a new patent to build self-driving delivery trucks that would allow customers to open storage boxes built into the vehicles.

Government Executive: The U.S. Postal Service turned a profit in a financial quarter for the first time in five years, though President Obama still proposed the agency slash 12,000 employees in his fiscal 2017 budget.

The Wall Street Journal: [Gannett](#) Co. is exploring whether its trucks can deliver more than newspapers. The publisher of USA Today and the Detroit

Free Press has consulted with parcel-industry experts and held preliminary talks with [Amazon.com](https://www.amazon.com) Inc. about having paper carriers also deliver packages, reports the WSJ's Laura Stevens and Lukas Alpert. With the newspaper business in decline, Gannett believes that [deploying its vast distribution networks for fast-growing online retailers can offset the costs](#) of its trucks and vans. But making the leap comes at a price. Newspaper deliverers receive federal tax breaks that go away when they start delivering packages. And Gannett will need to offer retailers package tracking and sorting capabilities that aren't necessary to get subscribers their morning paper. Losing the tax breaks was enough to convince [Tribune Publishing](#) Co. to abandon an earlier package-delivery effort.

INTERNATIONAL NEWS

CAMBODIA: [*Khmer Times*](#): Kerry Express, a subsidiary of WorldBridge International (Cambodia), yesterday signed a memorandum of understanding (MoU) with state-owned Cambodia Post to expand delivery services in the Kingdom, executives and officials said after signing the MoU yesterday. WorldBridge International (Cambodia) chairman Sear Rithy said that the deal will see Kerry Express share delivery services with Cambodia Post, which will increase the number of customers using the service. Kerry Express can build on Cambodia Post's network to make it faster, more cost-effective and more reliable, Mr. Rithy said, adding that his company will invest about \$17 million to upgrade service. "There are a lot of benefits in cooperating with Cambodia Post as we want Cambodians to see Cambodia Post as fast and cost-effective," Mr. Rithy said. He added that Kerry Express will expand the number of routes and destinations that Cambodia Post has. "Kerry Express will use more delivery trucks and vans to boost the service," he said.

ROMANIA: [*ACT Media*](#): The Romanian Post obtained, at the end of January 2016, certification for the latest versions of quality management standards (ISO 9001:2015) and environment management (ISO 14000:2015), by which the national postal service operator reduced energy consumption and utility expenses considerably, according to a press release. According to the source, once those certifications were obtained, procedures for better service quality, increasing safety in exploitation and employee training were

developed.

CHINA - RUSSIA: [China Topix](#): International parcels can now be shipped from Beijing to Moscow following the introduction of the Russia-China railroad delivery service, the logistics department of Russian Railways announced on Monday. In a statement, Russian Railway said that currently, international deliveries to Russia are only made by air and road. The railroad delivery service was put up on behalf of the federal post operator Russian Post.

DENMARK: [Copenhagen Post](#): Post Danmark is cutting paid lunch breaks for its employees as part of the company's plan to save about 157 million kroner annually on expenses, reports TV2. To compensate, employees, who are members of the HK Post & Kommunikation union will get 10 extra free days in 2016. However, their special holiday allowance will be reduced from 1.5 to 1 percent of their monthly salary.

DENMARK - SWEDEN: [Business News Wire](#): E-commerce broke records in the run-up to Christmas, and partly as a result of this, PostNord's B2C parcel volumes rose by 17% during the quarter. Meanwhile, the pace of digitization in Denmark remains rapid, resulting in lower mail volumes. Restructuring work continues with maintained intensity throughout the business to ensure long-term profitability and competitiveness. In total, mail volumes declined by 5% in the quarter, of which 9% in Denmark and 4% in Sweden. For the full year 2015 mail volumes fell by 8%, of which 16% in Denmark and 6% in Sweden. The substantially reduced mail income in Denmark is adversely affecting the result, why we are implementing a comprehensive restructuring program for the Danish business. Current postal regulations are not fully adapted to the increased digitization in the society and the consequent substantial drop in demand for classic mail services. Work on new postal legislation is under way in Denmark, and in Sweden the government established an investigation of the Swedish postal legislation. We welcome these measures since an amendment to the regulations is required to ensure a good postal service under reasonable economic conditions throughout Denmark and Sweden.

LIBERIA: [Heritage Liberia](#): Assistant Post and Telecommunications Minister for Administration-Designate, Mr. Abu Kamara, has underscored the need for the decentralization of the postal system in the country by outsourcing it. Mr.

Kamara is the immediate past Assistant Minister for Land and Rail Transport. He was appointed recently to the new post by President Ellen Johnson-Sirleaf, but the appointment is subject to confirmation by the Liberian Senate. Appearing on Monday, February 8, 2016 for confirmation hearing before the Senate's Committee on Post and Telecommunications, Mr. Kamara explained that the outsourcing of the postal service system to a private company will make the delivery of postal materials more effective and efficient.

UNITED KINGDOM: Post & Parcel: Customers using the Tracking function on the Parcelforce Worldwide website (www.parcelforce.com) will now be able to enjoy enhancements to the way information about their tracked item is displayed. Royal Mail Group's express parcels business, Parcelforce Worldwide, used feedback gathered from customer research to redesign its tracking results page, simplifying the display of information for customers tracking items through its network. The new features include a new, easy-to-understand visual display status bar of where a parcel is in its journey. Parcelforce Worldwide has also introduced PayPal as a payment option on its website www.parcelforce.com, expanding its range of payment options for customers.

February 9, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General:

- **Are Postmaster Costs Correctly Allocated to Products and Services?** -- We are conducting an audit to verify the accuracy of postmaster costs – mainly salaries and benefits – that are reported by the Postal Service as directly attributable to its products (such as First-Class Mail letters or Standard Mail flats). These costs must be accurately reported because they affect product prices and the law requires that revenue from each class of mail cover its attributable costs. Postal Service costs can be broken down into two categories: costs that are clearly related to a specific product (attributable) and costs that are not (institutional costs). Post offices vary in size from main offices with stations and branches to small rural offices operating

a few hours per day. As a result, the portion of postmaster activities that can be assigned to a specific product varies from site to site. In 1984, the Postal Regulatory Commission accepted a Postal Service study that determined 18.23 percent of postmaster costs for offices of certain sizes is directly attributable to products. Even though salaries have increased over the years, and organizational changes were made, the Postal Service continues to use the results of this study to allocate costs for the postmaster cost segment. Is the 18.23 percent attributed directly to products in the postmaster cost segment, calculated over 30 years ago, still accurate today? Can the accuracy of attributable postmaster costs be improved or automated using technological advances made over the past 30 years? How do you think postmaster costs can be accurately reported for each product?

- **UAA Challenge A Decade Later** -- While the decline in UAA mail over the past decade is at least partially due to an overall reduction in mail volume, a portion of the drop is probably attributable to the investment mailers have made in address quality. And address quality certainly continues to be important to the postal industry. The Mailers' Technical Advisory Committee, a venue for the Postal Service and mailers to share technical information and make recommendations on matters concerning mail-related products, has an ongoing forum for address quality issues. The Postal Service's Office of Address Management provides value-added products and services that enable business customers to better manage the quality of their mailing lists. Also, through a licensing program, private sector companies can obtain licenses from Address Management to offer address hygiene tools to mailers, such as Delivery Point Validation and SuiteLink services, a data-only product containing business addressing information. In fact, we recently took a look at how the Postal Service is monitoring those address management licenses and recommended management make some improvements, such as requiring site security reviews of licensees.

Postal Regulatory Commission:

- **ACR2015** Chairman's Information Request No. 12
http://www.prc.gov/docs/94/94946/CHIR_No_12.docx

- http://www.prc.gov/docs/94/94946/CHIR_No_12.pdf
- USPS Preliminary Financial Information** (Unaudited), December 2015
<http://www.prc.gov/docs/94/94943/2016.2.9%20DECEMBER-15%20FY%202016%20PRC%20Final.pdf>
http://www.prc.gov/docs/94/94943/Letter_PFI_December2015_20160209150928.pdf
- ACR2015** Notice of the United States Postal Service of Filing of USPS-FY15-46 and USPS-FY15-NP35
<http://www.prc.gov/docs/94/94935/Notice.FY15.46.NP35.pdf>
- ACR2015** USPS-FY15-46 - Public Material Provided in Response to Chairman's Information Request No. 7
<http://www.prc.gov/docs/94/94936/USPS-FY15-46.Preface.pdf>
<http://www.prc.gov/docs/94/94936/USPS.FY15.46.ChIR.7.Public.zip>
- ACR2015** Responses of the United States Postal Service to Questions 1-15, 17-29 of Chairman's Information Request No. 7
http://www.prc.gov/docs/94/94938/CHIR_No_7.Resp.Qs.1t15.17t29.pdf
- ACR2015** Notice of the United States Postal Service of Filing of Revised Version of USPS-FY15-NP27 -- Errata
<http://www.prc.gov/docs/94/94933/Notice.Rev.FY15.NP27.pdf>
- PI2016-1** Reply Comments of the United States Postal Service
<http://www.prc.gov/docs/94/94924/USPS.REPLY.COMMENTS.2.8.16.pdf>

NATIONAL NEWS

FedSmith: The Postal Service reported a net profit of \$307 million in the first quarter of 2016, a significant milestone for the agency which has suffered from heavy financial losses for the past several years. The profit represents a change of \$1.1 billion from the net loss of \$754 million for the same period last year. The change in net income was most significantly impacted by a \$1.2 billion favorable change in the workers' compensation expense as a result of interest rate changes. Q1 revenue came in at \$19.3 billion, an increase of \$613 million or 3.3 percent over the same period last year. The increase was driven by the record volume of packages delivered during the 2015 holiday season. The first quarter is typically the strongest quarter of the fiscal year for the Postal Service. "Shipping and Package revenue grew 13.5 percent over the same period last year, and was particularly strong during the

holiday shipping season. We projected and delivered more than a 16 percent increase in package volume,” said Postmaster General and Chief Executive Officer Megan J. Brennan. “We continue to grow our e-commerce business and remain focused on delivering the best value for our customers.”

R Street: Congressional inaction on nominees to the U.S. Postal Service’s Board of Governors has left the agency under the control of a Temporary Emergency Committee (TEC) for more than a year, a troubling precedent that could have wide-ranging impacts across the federal government, according to a new [study](#) from the R Street Institute. Federal statute dictates that the Postal Service board needs a quorum of six members to exercise its authority. But the U.S. Senate has refused to act on any of five nominations submitted by President Barack Obama to fill members’ expiring terms, leaving the board with just one governor serving alongside the postmaster general (PMG) and deputy postmaster general (DPMG). “On the one hand, the TEC solution can be understood as an effort by well-meaning governors to maintain operations in an unprecedented environment,” authors Kevin R. Kosar and Daniel J. Richardson write. “Nevertheless, there are aspects of this action that could prove challenging and set a troubling precedent for agencies that face similar challenges.” To date, the TEC’s functions appear very similar to those of the full board that preceded and created it. But the emergency action also blurs the distinction between the commission and single-administrator models of agency governance in important ways. The authors cite the USPS as a case study in how breakdowns in the appointment process can create instability for agencies and undermine congressional prerogatives. “Instead of the Senate’s failure to confirm leading either to new nominees or policy victories, the result has been an administrative solution that centralizes executive functions in fewer hands,” Kosar and Richardson write. “The danger is that this solution provides a blueprint to other agencies faced with similar pressures.”

Linn's: Helped by a surge of Christmas parcels, the United States Postal Service reported an operating profit of \$1.3 billion in the first quarter of fiscal 2016, which ended Dec. 31, 2015. That compares to a \$1.1 billion operating profit during the same period of fiscal 2015 (Oct. 1, 2014, to Dec. 31, 2014).

NASDAQ: The U.S. Postal Service swung to a profit for the holiday quarter, helped by strong demand for package delivery, a big surcharge and

continued favorable interest rate changes on workers' compensation. The agency, which has been hit by losses for several years, has been pushing increasingly into shipping as its traditional businesses—first-class and standard mail—continue to decline. For the three-month period ended Dec. 31, the agency said shipping and package revenue rose nearly 14% and was particularly strong during the holiday season. Package volume growth of 16% met expectations. Over all, the Postal Service reported a profit of \$307 million, compared with a year earlier loss of \$754 million. Operating revenue rose 3.3% to \$19.35 billion.

EIN: The U.S. Postal Service reported operating revenue of \$19.3 billion for the first quarter of fiscal year 2016 (October 1, 2015 - December 31, 2015), an increase of \$613 million or 3.3 percent over the same period last year. The increase was driven by the record volume of packages delivered during the 2015 holiday season. The first quarter is typically the strongest quarter of the fiscal year for the Postal Service.

WDBJ: The United States Postal service lost more than \$5 billion last fiscal year, despite seeing a more than 10 percent increase in its package shipping business. To try and survive, the USPS is consolidating and cutting services fast, which some say is giving a whole new meaning to snail mail. The new advertised time to send mail cross town in our area is two days, but many of you told us that mail is taking much longer than that. For more than two centuries the mail has been an integral part of life as we know it in the United States. But in the age of our high-tech lifestyle, the mail business is hurting.

eCommerceBytes: eBay made an interesting promise to help online sellers with several shipping problems involving Post Office window clerks. During its weekly chat with online sellers, eBay's Jim "Griff" Griffith provided instructions on how to report two common problems sellers encounter. The issue arose during the chat session when a seller reported problems with postal workers failing to scan packages. This is a hot topic as eBay moves to a new seller performance standard called On Time Shipping - a USPS scan of the package at the time it enters the mail stream is one way sellers can protect themselves. The seller had filed a complaint with the USPS regarding the failure of its carriers to scan packages. "I got a call in response to this complaint at 5:45 am - and the rep interrupted to say - carriers don't scan packages. I ended the call. IF the PO's own complaint resolution center

doesn't think packages should be scanned, how can we expect that they will be?"

eCommerceBytes: The USPS is now extending First Class Package Service (FCPS) beyond the previous 13-ounce limit to 15.99 ounces, resulting in savings for shippers. Nevertheless, it comes with some headaches for sellers. The change was rolled out on January 17 as part of the 2016 postal rate changes for shipping services. The first bump in the road was for eBay sellers, who found the marketplace's shipping label service was not initially ready for the change. A bigger challenge: understanding the change only applies to Commercial Base rates. Sellers who expect to get the lower rate at their local Post Office are disappointed to learn it's only available through online postage providers (but, not the USPS's own Click N Ship site - another wrinkle). And that leads to a yet another challenge sellers are facing: because FCPS for packages between 13 - 16 ounces is **not** available at the Post Office window, some postal clerks are rejecting packages that sellers drop off with Commercial Base rate labels affixed. Or worse, those packages show up in customers' hands with postage due. Some clerks and postal workers continue to believe that FCPS only goes up to 13 ounces (which is true for the postage they sell at the window - no wonder why they are confused!). Industry boards are documenting the confusion and frustration with the USPS changes.

eCommerceBytes: As online shopping evolves, so does the area of ecommerce package-delivery. Postal leaders will gather near Washington DC next month to explore the "B2Me consumer empowerment phenomenon" and how it impacts the changing global postal ecosystem. In its 6th year, PostalVision 2020 will be held March 15-16, 2016 at The Ritz-Carlton Pentagon City, Virginia. Speakers will include top executives from the US Postal Service, US Senate, US Dept. of State, USPS Office of Inspector General, US Government Accounting Office, and the National Association of Letter Carriers. PostalVision will focus on how the B2Me movement is changing the postal ecosystem and placing more demands on supply chain partners to meet consumer demands.

Lexology: An agency must use-it or lose-it under a fixed-priced contract. When an agency makes it impossible to receive a contractor's service under a fixed-priced contract, it must still pay the full contract price. So long as the

contractor is willing to live up to its end of the bargain, the contractor is entitled to payment regardless of whether it provided any service. And the agency's failure to tender work does not itself serve as a constructive termination, so the contract remains in effect until actually terminated. Those are the lessons of [Olbeter Enterprises, Inc., PSBCA No. 6543, January 12, 2016](#), involving a point-to-point mail transportation contract. During the course of the contract, the Postal Service closed one of its facilities, making it impossible for Olbeter to provide the contracted service.

GovTech: It's common for agencies to discount public comments when they are received on a social-media platform. Most government agencies have established processes, many times to comply with regulations, that might require such a comment to be formally documented and presented to decision makers. It's time we made public input via social media "official." Government has allowed public-participation policies and practices to fall out of step with contemporary communications habits, social-media adoption in particular.

INTERNATIONAL NEWS

UNITED KINGDOM: **Invezz:** "Royal Mail share price: Postal group faces increased parcel delivery competition"

JAPAN: **Nikkei Asian Review:** The tiff between Yamato Transport, a Japanese parcel delivery company, and Japan Post, the postal unit of [Japan Post Holdings](#), is intensifying. Yamato and Japan Post began bickering on Nov. 12 last year, eight days after the postal service's holding company went public, together with its two financial arms -- [Japan Post Bank](#) and [Japan Post Insurance](#). Yamato ran a print ad in 54 newspapers across the country calling for "Good competition, good service." It complains the postal unit continues to receive unfair tax advantages and other benefits, even after privatization. It pays lower property tax rates, for example, and its delivery trucks can unload in no-parking zones, the ad points out. "We are both private companies, and Yamato will continue to demand competition on an equal footing," said Masaki Yamauchi, president of Yamato Transport's parent company, [Yamato Holdings](#).

February 8, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **ACR2015** Chairman's Information Request No. 11
<http://www.prc.gov/docs/94/94925/CHIR%20No.%2011.docx>
<http://www.prc.gov/docs/94/94925/CHIR%20No.%2011.pdf>

NATIONAL NEWS

Press Release: Key participants from the U.S. Postal Service (USPS), U.S. Senate, U.S. Dept. of State, USPS Office of Inspector General (OIG), U.S. Government Accounting Office (GAO), and the National Association of Letter Carriers (NALC) will participate in the upcoming [PostalVision 2020 event](#) to be held March 15-16, 2016, to discuss issues related to the B2Me consumer empowerment phenomenon and how it impacts the changing global postal ecosystem.

eCommerceBytes: A congressman introduced a bill that would allow the United States Postal Service to offer basic financial services, and one aspect of the proposed legislation has the potential to impact ecommerce. Representative Cedric Richmond of Louisiana reintroduced the Providing Opportunities for Savings, Transactions and Lending (POSTAL) Act. The bill would allow US postal customers to open checking accounts, deposit funds in an interest-bearing savings account, and receive small-dollar loans. The bill would also require that the Postal Service offer customers a "Postal Card" that would function as a debit card and allow them to engage in in-store, mobile, and online transactions.

INTERNATIONAL NEWS

UNITED KINGDOM: Financial Times: Some of [Royal Mail](#)'s biggest competitors are building huge warehouses equipped with state of the art technology in a bid to grab a bigger slice of the growing online delivery market.

February 7, 2016

POSTAL/FEDERAL NEWS

***Attention Business Customer Gateway
and PostalOne!® Users: PostalOne! Release***

42.0.4.2 and the **PostalOne! Hardware Upgrade** have successfully completed. **Mail.dat® Client Reminder:**

- Mail.dat 42.0.4.0_PROD is required on February 28, 2016
- Mail.dat 42.0.0_PROD client will be retired on February 28, 2016

February 6, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General:

- **U.S. Postal Service Government Relations Responsiveness to Congressional Requests**

-
What The OIG Found. Government Relations did not consistently respond to congressional requests in a timely manner. Of the 143 requests, Government Relations did not respond to 25 requests (17 percent) within their internal goal of 10 business days. These responses ranged from 1 to 41 business days late. The mean, median, and mode response time for the 25 late cases were 20, 14, and 12 business days, respectively. Further, Government Relations did not account for the time between the date the request was received and the date it was assigned to personnel. Had these days been included, the response delays would have been greater. . . . The Postal Service policy does not prioritize requests from individual members of Congress and instead treats these requests as if they were submitted under the Freedom of Information Act. This policy does not recognize individual Congress members' need for information to carry out their legislative duties. Without specific policies, Government Relations may delay responding to congressional requests, which could negatively impact relations between Congress and the Postal Service. In addition, Government Relations should carefully consider any requests received from a member of Congress to enhance transparency and strengthen relations between Congress and the Postal Service. . . .

What The OIG Recommended. We recommended management develop and publish internal and external policies to include, but not

limited to, starting response periods when requests are received, establishing response due dates, date stamping incoming correspondence, documenting the date of request for all incoming email requests, sending notifications when requests are received or responses will be delayed, and responding to QFRs. We also recommended management revise policies to designate requests from individual members of Congress as having appropriate priority to promote transparency and positive relations.

- **City Delivery Office Efficiency – Colorado/ Wyoming District**

Background. City delivery office operations cover all duties a U.S. Postal Service letter carrier performs in the office. These duties include casing mail (placing mail in delivery order), preparing parcels for delivery, and retrieving accountable items. City carriers are delivering more packages and fewer letters to more addresses each year. To accommodate these changes, the Postal Service must deliver the increased package volume while maintaining efficiency. In 2015, Colorado/Wyoming District city carriers delivered over 1.7 billion mailpieces on 2,831 routes to more than 1.6 million delivery points. City delivery office workhours totaled 1,540,433 for this period. Our objective was to assess the office efficiency of city delivery operations in the Colorado/Wyoming District.

What the OIG Found. The Colorado/Wyoming District has opportunities to enhance efficiency in city delivery office operations. The district's percent to standard, a measurement used to assess office efficiency, was 120.76 percent — 12.53 percentage points above the national average of 108.23 percent. A percent to standard score greater than 100 percent indicates performance is less than the desired standard. From July 1, 2014, through June 30, 2015, 55 of the Colorado/Wyoming District's 136 delivery units (40 percent) used 179,619 more office workhours than necessary, or about 17 more minutes of office time per day on each route. These additional workhour costs were more than \$8.6 million. These conditions occurred because mail sometimes arrived late and the mail mix was sometimes incorrect, or carriers engaged in time-wasting practices. Also, mail arrival profiles (used to establish staffing levels and mail arrival times by type and

quantity) were non-existent, unsigned, or outdated. Finally, managers did not enforce policies and procedures. Eliminating extra workhours would increase overall efficiency at the delivery units and allow a cost avoidance of about \$8.8 million in the next year. We also identified inadequate safeguards over cash, money orders, and stamp stock at 12 delivery units. Management immediately initiated corrective action on these matters; therefore, we are not making a recommendation on this issue.

What the OIG Recommended. We recommended the district manager, Colorado/Wyoming District, eliminate 179,619 workhours at delivery units. We also recommended management eliminate inefficient office practices, prepare up-to-date mail arrival profiles, and ensure adherence to Postal Service policies and procedures.

NATIONAL NEWS

American Postal Workers Union: In a letter dated Jan. 29, 2016 the Postal Service notified the APWU that it plans to activate Flats Postal Automated Redirection Systems (FPARS) in 17 locations where there are Central Forwarding System (CFS) sites. Deployment of the new equipment is expected to impact employees in some locations as early as March 28, 2016. The FPARS program is an expansion of the Postal Automated Redirection System (PARS) program that automated Undeliverable As Addressed (UAA) letter processing. Implementation of FPARS requires hardware and software modifications to AFSM 100 machines. The new equipment will lift images from mail and apply labels to UAA flats. "It is anticipated that the deployment of FPARS processing will result in savings of approximately 1 million work hours annually at impacted CFS sites," management wrote in the Jan. 29 letter. The Postal Service anticipates a significant impact on employees at affected CFS sites; therefore, employees may be excessed.

Hood River News: Great acronym, great move: the Marijuana Advertising in Legal States (MAILS) Act has made its legislative debut, courtesy of Oregon Senators Ron Wyden and Jeff Merkley and their state counterparts, Reps. Earl Blumenauer and Suzanne Bonamici. This week the lawmakers introduced MAILS, a bill that would allow publications in Oregon and other

states where marijuana is legal to mail their publications containing written advertising for the product without fear of federal prosecution. The bill would reverse what the senators in a press release called “the outdated declaration by the U.S. Postal Service in December 2015 that prohibited the mailing of newspapers with ads offering to buy or sell marijuana, even if the marijuana-related ad complies with state law.”

Direct Marketing News: *From an interview between DM News editor Al Urbanski and Sen. Thomas Carper about iPost.*

URBANSKI: The one sticking point, you know, from our readers that I speak with, you know, is the rate increase. Their thinking is, hey, we are the main volume customers of the Postal Service. And they have this feeling that it's all on their backs with the rate increase. But I spoke with one who actually represents an association of some very big mailers who said, you know, who might have even been at that last hearing. He said the one thing he didn't hear brought up was the PRC's annual compliance report, when you bring up service. He said there were some offers, some guarantees that the Postal Service had made and it's in the compliance report that they did not come through. It was if mailers did X, you know, with work share, we would provide this. His thing was mailers did provide X, but the Postal Service fell short. And his direct quote to me was, "No other business I know says to its customers, 'We screwed up but you gotta pay.'" And I'm just saying when you come to the markup, you're probably going to hear some of that sentiment from some of the mailers. What's your answer for them? Does the Postal Service, aside from financial dealings, need to go a step further in making sure they provide those guarantees?

CARPER: Well, I'm not prepared to answer that specific question. I'll just go back to what I said before. The Postal Service has to provide better service. So there's real problems with service and it's not just residential customers, it's not just business customers. It's across the board. And I want to make sure we hold the Postal Service responsible.

Linns: When the Senate Homeland Security Committee got around to holding a hearing on the future of the United States Postal Service on Jan. 21, Postmaster General Megan Brennan spoke of a “broad consensus” that could resolve the Postal Service’s financial woes. But two weeks later, a group of 36 mailing organizations announced it was strongly opposed to a key provision in the measure that won Brennan’s endorsement. That

provision would override a rate decision and court ruling that would force the USPS to cut stamp prices in April. On Feb. 5, the Postal Service made public how it would cut stamp prices if Congress and the courts continue to reject its plea to retain all of the emergency rate increases that were approved in December 2013. In April, the price for a 1-ounce, first-class letter would drop by 2¢ to 47¢, under a schedule of proposed price changes posted on the [USPS Postal Explorer website](#). In a notice on its Postal Explorer website, the Postal Service said, “Absent Congressional or Court action to make the existing exigent surcharge for Market Dominant Products and Services part of the rate base or to otherwise extend it, the Postal Service will be providing notice to the Postal Regulatory Commission of the adjusted prices. The mailers declared their opposition Feb. 3 to avoid “any misimpression that a broad swath of the mailing industry is supportive of the rate-setting provisions” in Brennan’s proposal. Moreover, the mailers vowed they “are far from consensus at the present time on any legislative path forward.” Because the group contains some of the biggest and most influential mailing organizations — the [Association for Postal Commerce](#), the [Alliance of Nonprofit Mailers](#), the [Direct Marketing Association](#), and magazine publishers — their opposition has chilled the prospects for a quick ratification of legislation to address the Postal Service’s continuing financial woes.

February 5, 2016

POSTAL/FEDERAL NEWS

USPS Customer Alert: Absent Congressional or Court action to make the existing exigent surcharge for Market Dominant Products and Services part of the rate base or to otherwise extend it, the Postal Service will be providing notice to the Postal Regulatory Commission of the adjusted prices that are contained in the pricing files set forth below. The Postal Service intends to provide such notice of the adjusted prices to the Commission 45 days before it is anticipated that the exigent surcharge revenue target will be reached.

Market Dominant Pricing Files

[Excel - Draft 2/5/16](#)

[CSV - Draft 2/5/16](#)

[Draft Postage Statements 2/5/16](#)

Postage Statement List of Changes 2/5/16

Attention Business Customer Gateway and PostalOne!® Users:

- PostalOne! Release 42.0.4.2 will deploy on Sunday, February 7, 2016 between 5:00 AM and 9:00 AM CT. This will be a rolling deployment and the system will remain available.
- Mail.dat® Client Reminder: Mail.dat 42.0.4.0_PROD is required on February 28, 2016. Mail.dat 42.0.0_PROD client will be retired on February 28, 2016
- PostalOne! Hardware Upgrade – the second phase of the upgrade will be implemented immediately prior to the PostalOne! Release 42.0.4.2. The purpose of the hardware upgrade is to do a technical refresh of the database servers. During the upgrade, the PostalOne! system will remain available.
- Seamless Acceptance and Service Performance (SASP) Release 21.0.3.0 will deploy on Sunday, February 7, 2016 between 5:00 AM and 9:00 AM CT.

Federal Register:

- **Postal Regulatory Commission** New Postal Products , 6308 [2016–02289] [\[TEXT\]](#)
- **Postal Service** Priority Mail and First-Class Package Service Negotiated Service Agreement, 6308 [2016–02205] [\[TEXT\]](#)

USPS Office of the Inspector General: Deceased Lessors

Background. The U.S. Postal Service leases more than 23,000 properties and pays annual rent of over \$800 million. The Facilities organization negotiates, executes, and renews expiring leases. The U.S. Postal Service Office of Inspector General (OIG) developed a predictive risk model that analyzes various attributes of Postal Service facility leases, including those with deceased lessors. Our model compared lessors' Social Security numbers from the Postal Service's facility database to the Social Security Administration's death master file. We identified 321 instances where the Postal Service had deceased persons listed as

lessors with annual leases valued at more than \$5.3 million. As of October 2015, these lessors were deceased an average of 9.7 years. Postal Service lessors include individuals and business entities, such as limited liability corporations, partnerships, trusts, and estates. The IRS allows the owners of these entities to use a Social Security number for tax reporting when they establish the entity; however, if the owner dies, these owners must instead use an employer identification number. Our objective was to assess controls over updating lease information for deceased lessors.

What The OIG Found. The Postal Service did not always know which facility leases it had with deceased lessors and continued to pay some of them, and did not always maintain accurate lessor information in its facilities management system. We identified 338 active lease agreements associated with the 321 deceased persons listed as lessors (some lessors had multiple leases with the Postal Service). We also identified two leases where the lessor died before the lease was signed and referred these instances to the OIG Office of Investigations. Of the 338 active (and valid) lease agreements, the Postal Service made payments to:

- Seventy-eight deceased individuals with lease rents totaling about \$805,000 annually.
- Sixty-seven leases with annual rent totaling about \$1.6 million were with legal entities that continued to use deceased individuals' Social Security numbers when they should have used employer identification numbers.
- Seventy-seven leases with annual rent totaling about \$850,000 had multiple lessors, with the Social Security number of the deceased lessor listed as the primary Social Security number for the agreement.

The Postal Service did not have a process to confirm that lessors' information remained accurate during the term of the lease but relied on lessors' estates to voluntarily provide notification of a death. In addition, for 116 of the 338 leases with annual rent totaling about \$2.1 million, the Postal Service was aware that the lessors were deceased and updated lease information to include the new lessors in its facilities management

system; however, the system still identified deceased persons as active lessors. This occurred because Facilities personnel did not change all applicable fields in the system when they updated lease information. Maintaining leases with deceased lessors jeopardizes the integrity of Postal Service's financial and operational data and could damage its reputation and brand. In addition, there is a greater risk of fraud when payments are improperly made to deceased individuals.

What The OIG Recommended. We recommended management develop a process to periodically compare its lessor data file with external data sources, such as the Social Security Administration's death master file, to identify deceased persons listed as lessors and obtain updated lessor information. We also recommended management update lessor information in the electronic Facilities Management System.

NATIONAL NEWS

MPA-The Association of Magazine Media: MPA – The Association of Magazine Media ("MPA") appreciates the opportunity to submit this statement to supplement the record of your hearing, "Laying Out the Reality of the United States Postal Service." We write to express our strong opposition to the "Improving Postal Operations, Service, and Transparency Act of 2015" (iPOST) bill introduced by Senator Carper on September 17, 2015 (S. 2051), and discussed at length during the HSGAC hearing on January 21, 2016. MPA stands firmly in opposition to S. 2051's proposal to make the temporary "exigent" rates of postage now in effect permanent. We also oppose barriers in S. 2051 to cost-control measures, including multi-year moratoria on plant and post office consolidations and closings. In addition to these comments, MPA is a signatory to the February 3, 2016 letter submitted for the hearing record by a coalition of mailing associations and mailers that collectively represent a large percentage of Postal Service mail volume. That letter echoes these sentiments.

Federal News Radio: Lawmakers are still searching for ways to keep the Postal Service running full time while cutting back on the billions of dollars it has been losing every year. Two lawmakers from across the aisle said the Postal Service needs congressional help to shore up its failing business model

during a Feb. 4 event at the Bipartisan Policy Center in Washington. How exactly Congress will close the deficit gap and reform the Postal Service is a matter still up for debate, but changing the pre-funding health benefits requirement seems to still be on the menu.

The Hill: The Postal Service is at a crossroads. It has a monopoly on delivery of regular and first-class mail – it alone can put something into a mailbox. This is both its most profitable product and the one least sensitive to price increases. And although volume has fallen, the decreases appear to have leveled off and there are some indications it may start to rise again. And 55 billion pieces of mail a year still represents a substantial business. **But its cuts seem always to come on the monopoly side** – the side all Americans depend on to stay connected to the outside world. At the same time it was pushing to cut Saturday delivery, it sought to add Sunday delivery for its businesses that compete with private-sector shippers, such as Fed-Ex and UPS. And its big-ticket items – the 180,000 trucks it plans to buy for \$6.3 billion – all are driven by the businesses that must compete. Carper is right to address the Postal Service's health insurance and retiree financing problems. He is right to insist on better performance and more transparency – the agency's Inspector General says its financial reports are so confusing nobody can tell for sure what shape the Postal Service is in fiscally. But he needs to resist calls from lobbyists to grow the mission of this struggling agency and ensure it has the resources and people it needs to deliver our mail six days a week.

The Wall Street Journal: Condé Nast and Hearst Magazines, two of the country's largest magazine publishers, are forming a joint venture called PubWorx LLC to oversee the back-office operations of their print publications. The two companies are consolidating the circulation, procurement and production of their print magazines, which include titles such as Vogue, Vanity Fair and Wired at Condé Nast, and Cosmopolitan, Elle and Esquire at Hearst. The publishers say there will be economies of scale, especially in the area of procurement, which includes paper, printing and distribution. PubWorx, which opens for business on Feb. 29, will operate as a stand-alone business and offer its slate of services to other publishers as well.

Geek Wire: Amazon's net shipping costs reached an all-time high of \$1.85 billion during the fourth quarter of 2015 and surpassed \$5 billion for the full year — a record expense that illustrates why the e-commerce giant is getting into the business of shipping and delivering packages itself, aiming to cut costs and reduce its reliance on UPS, FedEx, the U.S. Postal Service and others. The soaring numbers, revealed in Amazon's [annual 10-K filing with the Securities & Exchange Commission](#), reflect a widening gap between what Amazon charges customers for shipping and what the company pays to send those items through outside carriers.

The Street: Exactly one year after Staples and Office Depot announced a merger plan that would create a dominant office-supply store monopoly in the United States and other markets, the American Postal Workers Union said today that it is expanding its opposition to the plan to other nations. The APWU is reaching out to overseas union allies and urging them to contact government officials in their countries, where regulators are now reviewing the merger. "We are working to protect consumers, businesses and other organization from higher prices and fewer choices," said APWU President Mark Dimondstein.

Leafly: A bill introduced in the U.S. Senate on Thursday would allow written marijuana advertisements in states where cannabis is legal. Oregon Sens. Ron Wyden and Jeff Merkley joined with Reps. Earl Blumenauer and Suzanne Bonamici to introduce the [Marijuana Advertising in Legal States \(MAILS\) Act](#), aimed at overturning a U.S. Postal Service ban on newspapers containing cannabis ads. In addition to the Oregon Congress members, the bill is being cosponsored by a pair of bipartisan cannabis supporters from California, Reps. Jared Huffman, Democrat, and Dana Rohrabacher, a Republican.

INTERNATIONAL NEWS

UNITED KINGDOM: Huffington Post: On Thursday 4 February 2016 the Government unveiled the privatisation of its final stake in Royal Mail, bringing the curtain down on five centuries of state ownership. It is amazing how the ideology of private ownership and free market competition, even in respect of natural monopolies, still dominates favorably in politics and the media despite the reality of worsening services, lack of investment and continuing price

increases in privately owned public utilities.

BOTSWANA: **Post & Parcel:** BotswanaPost is running a pilot project that will offer deliveries to physical mail boxes outside customers' houses instead of postal addresses.

INTERNATIONAL POSTAL CORPORATION: **Postal Technology International:** International Post Corporation (IPC), a cooperative association of 24 national postal services, has released the results of its latest survey into cross-border shopping habits and experiences. The *IPC Online Shopper Survey* has shown that 84% of cross-border online shoppers were satisfied with their delivery experience. It also showed that free shipping was offered to 59% of cross-border customers. Out of more than 4,000 respondents, IPC used 240 consumers, reflective of age and gender, from 17 different countries. This included Austria, Australia, China, France, Germany, Greece, Hungary, Ireland, Iceland, the Netherlands, New Zealand, Norway, Portugal, Spain, Switzerland, the UK, and the USA. The survey only included respondents who had shopped cross-border at least once in the four months leading up to the respondent cut-off date of October 2015. Herbert-Michael Zapf, president and CEO of IPC, said, "This survey undertaken in 17 global markets provides us with valuable insights to help postal operators understand and meet the evolving needs for cross-border e-commerce, and will therefore be repeated annually."

UNITED KINGDOM: **Postal Technology International:** Lettermail volumes have been declining in all countries for more than ten years. Since 2005, the volume of addressed letters has dropped on average in the Nordic countries by about 30% and in Western Europe by about 25% (H Nikali, 2013). The general industry consensus is that substitution to electronic communication is the main reason for the decline. The weak economic environment and, in some countries, competition explain also part of the losses incurred by European national postal operators. However, traditional media hasn't disappeared. In fact, mail is thriving. Digital technology has only transformed the way mail is used. Digital printing enables mail to be personalized, giving consumers the feeling they are in a one-to-one conversation. Moreover, the costs of producing mail digitally have decreased. Over the past five years, the cost of digitally printed mailings has fallen by 25% (according to Royal Mail studies on the top five British printers, 2014). Mail campaigns can now be

launched quickly and can closely follow purchasing trends. Furthermore, studies show that people still love receiving mail (Royal Mail MarketReach, 2013). Research reveals that consumers don't want to choose between mail and email – most want both. Consumers are very clear that mail and email have different qualities, which make each suited to different purposes. Email is seen as being quick, informal, suitable for follow-ups and easy to respond to. Mail grabs attention, is considered informative, makes recipients feel valued and gives a better impression.

UNITED KINGDOM: Invezz: The UK Government is to unveil the disposal of its remaining one percent stake in Royal Mail, according to a media report. Sky News has learnt that a written ministerial statement will be laid in Parliament later today to confirm the distribution of the stake -- worth £45 million at Royal Mail's current share price -- to the company's 140,000 employees.

February 4, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **ACR2015** Chairman's Information Request No. 9
<http://www.prc.gov/docs/94/94906/CHIR%20No.%209.docx>
<http://www.prc.gov/docs/94/94906/CHIR%20No.%209.pdf>

NATIONAL NEWS

eCommerceBytes: eBay appealed to international postal services to solve problems in cross-border parcel delivery, pointing to small businesses around the world who rely on postal shipping services. Stefan Krawczyk, head of Government Relations International at eBay, gave a keynote address at the Universal Postal Union (UPU) global conference on trade facilitation program in Switzerland in November. The UPU developed the program to focus on facilitating trade for micro, small and medium enterprises (MSMEs) through the postal network worldwide. Krawczyk said postal services face a golden opportunity in the ecommerce market, if they can offer reliable, affordable, fast and traceable cross-border delivery, according to the UPU summary of

his address.

February 3, 2016

Letter to Senate Committee Chairman Ron Johnson:

"As representatives of a significant portion of the mailing industry, using all types and classes of mail and representing billions of mail pieces and billions of dollars in postal revenue, we write to express our strong opposition to the "iPost" postal bill introduced by Senator Carper on September 17, 2015 (S. 2051), and discussed at length during the HSGAC hearing on January 21, 2016. Contrary to any misimpression that a broad swath of the mailing industry is supportive of the rate-setting provisions contained in S. 2051, the undersigned organizations stand firmly in opposition to at least one substantive proposal put forth by the Postal Service during the hearing, and contained in S. 2051 – that the temporary "exigent" rates of postage now in effect be made part of permanent law. We also are dismayed by the apparent retreat by the Postal Service on cost-reduction programs, as mirrored in S. 2051, which would create barriers to cost control by imposing multi-year moratoriums on facility and post office consolidations and closures "

POSTAL/FEDERAL NEWS

Federal Register: Postal Regulatory Commission RULES Product Lists; Update, 5596–5600 [2016–01947] **[TEXT]**

Postal Regulatory Commission:

- **ACR2015** Responses of the United States Postal Service to Questions 1 and 2 of Chairman?s Information Request No. 5
http://www.prc.gov/docs/94/94890/CHIR_No_5.Responses.pdf
- **ACR2015** Responses of the United States Postal Service to Questions 1-4, 8, 11, and 13-16 of Chairman?s Information Request No. 6
<http://www.prc.gov/docs/94/94895/CHIR%20No.%206.Q1t4.8.11.13t16.Responses.pdf>
http://www.prc.gov/docs/94/94895/ChIR.No.6.Q15_Response.xlsx
- **ACR2015** USPS-FY15-45 - Public Material Provided in Response to Chairman?s Information Request No. 6

<http://www.prc.gov/docs/94/94901/FY15.45.ChIR.6.zip>

<http://www.prc.gov/docs/94/94901/USPS-FY15-45.Preface.pdf>

- **ACR2015** Notice of the United States Postal Service of Filing of USPS-FY15-45 and USPS-FY15-NP34

<http://www.prc.gov/docs/94/94897/Notice.FY15.45.NP34.pdf>

NATIONAL NEWS

Press Release: Leading organizations in the mailing industry today released a letter in opposition to the “iPost” bill saying, “A solution to the Postal Service’s financial challenges that forestalls network rationalizing cost-savings measures is not a long-lasing solution at all.” The “iPost” legislation, Senate Bill 2051, introduced last September by Senator Carper (D-DE), would impose a multi-year moratorium on facility and post office consolidations and closures, while at the same time making permanent a temporary “exigent” rate hike which is due to expire in April. The letter is in response to a hearing on January 21, 2016 where the rate hike was discussed. **The letter, signed by thirty-six prominent organizations, states that “Contrary to any misimpression that a broad swath of the mailing industry is supportive of the rate-setting provisions contained in S. 2051, the undersigned organizations stand firmly in opposition to at least one substantive proposal put forth by the Postal Service during the hearing, and contained in S. 2051.”** The group emphasizes that the resolutions outlined in the “iPost” bill will not alleviate the Postal Service’s larger, fundamental problems. “Those problems will not be solved by imposing statutory rate increases and preventing cost-saving measures that have the potential to save the Postal Service billions of dollars per year...A solution to the Postal Service’s financial challenges that forestalls network rationalizing cost-savings measures is not a long-lasting solution at all.”

Alliance of Nonprofit Mailers: The Alliance of Nonprofit Mailers is writing to express our strong opposition to the “iPost” postal bill introduced by Senator Carper on September 17, 2015 and promoted at the Homeland Security and Governmental Affairs Committee hearing on January 21. The legislation, far from putting the Postal Service on the path to economic health, would be a big step backwards

INTERNATIONAL NEWS

LITHUANIA: Post & Parcel: Lithuania Post has reported that it handled 60.3m postal items in 2015, which was up 12.5% on the 53.5m postal items sent and received in 2014. Rasa Radzevičienė, the Directress of Postal Operations Division of Lithuania Post, commented: “An increased deluge of postal items has been mostly influenced by Lithuania Post collaboration with international logistics and courier companies operating in the Chinese market, delivering postal items from China to European countries.” E-commerce packages from China have accounted for a growing proportion of Lithuanian’s postal volumes in recent years. In 2015, according to Lithuania Post, China accounted for 45% of all incoming international postal items. After China, the main countries of origin for postal items coming into Lithuania include Germany, the United Kingdom, the United States, Holland and Poland.

IRELAND: Post & Parcel: An Post has announced that its DeliveryBox service has now been launched nationwide. The wall-mounted DeliveryBox, which began rolling out on a regional basis in October, can be used for both letters and parcels. An Post’s smart scanning system acts as proof of delivery, so there’s no need for a signature, and the customer is informed when a delivery has been made.

February 2, 2016

POSTAL/FEDERAL NEWS

U.S. Postal Service: Postmaster General and CFO Host Web Call on U.S. Postal Service Fiscal Year 2016 First Quarter Financial Results. **What:** Telephone/Web conference on U.S. Postal Service Fiscal Year 2016 First Quarter Results **Who:** Postmaster General and CEO Megan J. Brennan; CFO and Executive Vice President Joseph Corbett **When:** Tuesday, Feb. 9, 2016 at 10:00 a.m. ET. **How to Participate:** US/Canada Attendee Dial-in: (855) 293-5496 Conference ID: 42570997 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=eb740828eeadda7f20827ffb3e11ee93> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com> Event

Number: 992 721 285

Postal Regulatory Commission:

- **ACR2015 Initial Comments of the Association for Postal Commerce**
<http://www.prc.gov/docs/94/94886/PComInitCmtACR15.pdf>
- **ACR2015 Initial Comments of the Association of Magazine Media**
<http://www.prc.gov/docs/94/94884/16-02-02%20MPA%20comments.pdf>
- **ACR2015 Initial Comments of the American Catalog Mailers Association**
<http://www.prc.gov/docs/94/94887/Initial%20comments%20ACR2015%20%20.pdf>
- **ACR2015 Comments of the National Postal Policy Council**<http://www.prc.gov/docs/94/94880/NPPC-Comments-ACR-FY15.pdf>
- **ACR2015 Comments of Pitney Bowes Inc.**
<http://www.prc.gov/docs/94/94881/PB%20Comments%20ACR2015.pdf>
- **ACR2015 Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Initial Comments on the United States Postal Service FY 2015 Annual Compliance Report**
<http://www.prc.gov/docs/94/94882/Valpak%20ACR2015%20Initial%20Comments.pdf>
- **ACR2015 Comments of the National Association of Presort Mailers**
<http://www.prc.gov/docs/94/94878/NAPM%20ACR2015%20comments%20Feb%2002%202016.pdf>
- **ACR2015 Comments of the American Consumer Institute Center for Citizen Research**
<http://www.prc.gov/docs/94/94883/ACR%20%20report%20filing.pdf>
- **R2013-11 Notice of the United States Postal Service of Filing Biweekly Surcharge Revenue Report**
<http://www.prc.gov/docs/94/94871/2016-02-01%20Biweekly%20Revenue%20Report.pdf>
[http://www.prc.gov/docs/94/94871/ExigSrchgBIWEEKLY1\(2Q14-1Q16_Jan16\).xlsx](http://www.prc.gov/docs/94/94871/ExigSrchgBIWEEKLY1(2Q14-1Q16_Jan16).xlsx)
<http://www.prc.gov/docs/94/94871/ExigSrchgRev1Q16.xlsx>
[http://www.prc.gov/docs/94/94871/ExigSrchgRev2Q16\(Jan16\).xlsx](http://www.prc.gov/docs/94/94871/ExigSrchgRev2Q16(Jan16).xlsx)

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[Editor's Note: The Postal Service estimates that it has collected \$4.257 billion in cumulative surcharge revenue since implementation of the exigent surcharge, as of January 31, 2016, amounting to an increase of \$736.3 million since the close of Quarter 4 Fiscal Year ("FY") 2015.]

NATIONAL NEWS

Press Announcement: The Board of Directors of **Idealliance** and the Board of Trustees of **Epicomm** have voted to recommend the merger of the two industry **associations** to their respective memberships. The Boards approved the merger in separate meetings last week and both associations will now present the merger proposal to a vote of their memberships according to the regulations of their respective bylaws. Voting is expected to be completed by the end of February. If both memberships approve, the associations plan to complete their combination on July 1, 2016. In the interim, the organizations' staffs, Boards, and volunteer committees will work to ensure a smooth and productive combining of their organizations and member services. If the merger is approved, the combined organization will retain the name, Idealliance. The new association will be headquartered in the current Epicomm headquarters at 1800 Diagonal Road, Suite 320, in Alexandria, VA. Idealliance is also currently headquartered in that city. Johnson will be Chairman of the new organization and Idealliance Vice Chairman of the Board Dick Ryan, Vice President of Sales & Marketing, Publishers Press, Shepherdsville, Ky., will be Vice Chairman. Idealliance President and Chief Executive Officer David Steinhardt will serve as President and Chief Executive Officer of the new association and Epicomm President and Chief Executive Officer Ken Garner as Executive Vice President.

Wall Street Journal: United Parcel Service Inc. reported profits nearly tripled in the fourth quarter, exceeding Wall Street expectations, as more customers shipped via air and higher prices and cost-saving efforts paid off during its all-important holiday season. The delivery giant also gave an upbeat earnings forecast for 2016 on strong e-commerce demand even as industrial production falls in key countries amid a weaker global economic outlook.

SoCal Tech: Santa Monica-based **Anytime Mailbox** says that it is expanding its service, which lets users receive their postal (snail) mail anywhere at one of 38 locations, and have that mail scanned and sent to their computers, phones, or a tablet. The startup, led by Matt Going, said that, since founding in 2013, it has now spread to 70 locations in 35 different metro areas, where it

will receive mail scan that mail, deposit checks, recycle, shred, and also let users pickup that mail, starting at \$9.99 per month. The service is available at ROC Santa Monica, albeit at \$39.00 per month.

February 1, 2016



PostCom welcomes its newest member: Tobe Direct, Bolingbrook, IL represented Manager. Tobe Direct, one of the nation's leading direct marketing companies, was for Direct provides one-to-one direct marketing solutions that break through the clutter, al their customers on a more personal level. From targeted direct mail programs using va multi-channel marketing, Tobe Direct delivers a personalized user experience that imp increases customer satisfaction, and ensures a higher marketing ROI. As the direct m away from every door direct mail to a more targeted approach, Tobe Direct is leading variable data printing technology, a revolutionary multi-channel marketing approach, a techniques.



In a letter to Senator Ron Johnson, the Chairman of the Senate Committee on Homeland Security and Governmental Affairs, the Association for Postal Commerce has said it opposes the passage of any legislation that makes permanent the current exigency postal rate increases.

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **ACR2015 Chairman's Information Request No. 7**
http://www.prc.gov/docs/94/94870/CHIR_No_7.docx
http://www.prc.gov/docs/94/94870/CHIR_No_7.pdf
- **ACR2015 Comments on Annual Compliance Report**
<http://www.prc.gov/docs/94/94869/TPA%20PRC%20Comment%20ACR2015.pdf>

Taxpayers Protection Alliance -- "The lack of leadership is most notable in the continued absence of a complete Board of Governors. To ensure more accountability and better oversight, the Board of Governors should include individuals who will bring real focus to the problems that

continue to plague the agency. But leadership and accountability must go beyond the Board of Governors. Of the 10 current members and nominees, three meet the overall intent of our principles, one is strictly a public servant with no real world business management experience, two are political appointees and four may have fit into one of these categories, but more importantly, have served on the Board of Governors, overseeing, the U.S. Postal Service's financial demise."

NATIONAL NEWS

WindowBook: Window Book, Inc. is pleased to announce the release of their latest breakthrough: A new Multi-Carrier Shipping solution, DAT-SHIP, which is designed to help shippers truly optimize their shipping operation. DAT-SHIP provides shippers with the ability to rate shop to get the best shipping discounts and services across multiple carriers, process all modes of transit, print all the necessary paperwork, and avoid unanticipated costs of non-compliance. DAT-SHIP is offered as Software-as-a-Service (SAAS / cloud technology). and it is fully compliant with UPS®, FedEx, DHL, and USPS® regulations.

Printing Impressions World: Step aside, postal reform. The printing industry has a new darling in the cause du jour department. We teased you last year with promises of a surefire bipartisan fix to the technology squatting but, once again, trial lawyers and pharmaceutical firms managed to throw up roadblocks on the path to a legislative solution.

Cato Institute: The USPS has lost \$52 billion since 2007, and will continue losing money without major reforms. The problem is that Congress is preventing USPS from reducing costs as its sales decline. Congress blocks efforts to end Saturday service and close unneeded post office locations. Another problem is that USPS has a costly union-dominated workforce that impedes innovation. USPS workers earn substantially higher compensation than comparable private-sector workers. The way to tackle these problems is to privatize the USPS and open postal markets to competition. With the rise of the Internet, the argument that mail is a natural monopoly that needs government protection is weaker than ever.

eCommerceBytes: Chalk up another problem resulting from the January 2016 postal rate increase. The USPS inadvertently removed the ability for users to print postage for Priority Mail Regional Rate A and B boxes through its Click N Ship website when new rates went into effect on January 17 - the problem was fixed as of January 30th.

INTERNATIONAL NEWS

AUSTRALIA: Financial Review: Electronic conveyancing is growing in popularity and **real estate agents face digital disruption** to their trade. Now, the residential property industry in NSW pleading for residential tenancy laws to get up to speed with the twentieth century - not even the twenty-first - by recognising email as a means of communication. At a time when Australia Post **has brought in a two-speed mail service** to stem losses from falling letter volumes - and making cheaper letters two days slower than premium ones - the state's Residential Tenancies Act 2010 had to recognise and accept changing communication needs, Real Estate Institute of NSW chief executive Tim McKibbin said. "We have to accept that SMS and emails and those sort sorts of things are gaining every day in part of our work of communication," Mr McKibbin said. "The traditional postal service and facsimile and these sorts of things are losing ground. Our legislation needs to keep pace with contemporary technology."

SINGAPORE: AsiaOne Business: SingPost has been on an accelerated transformation journey from a domestic postal company into an international end-to-end eCommerce logistics provider. Significant acquisitions and ventures have been strategic to this transformation, including the acquisition of TradeGlobal.

ISRAEL: Times of Israel: Every Israeli child was brought up on the familiar jingle: "The mail's coming today, in a red van, and is bringing me a letter, a letter with a stamp." The red vehicles of the Postal Authority, however, are scarcely to be seen on the roads of Israel in recent months; even their more agile replacements, the red scooters, are visible only occasionally. The virtual collapse of the mail system in Israel in recent months serves as a constant, highly irritating, bothersome, reminder of the growing failure of government in the country.