



Association for Postal Commerce

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Postal News for April 2016

April 30, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General: Fiscal Year 2015 Decision Analysis Report Summary

The U.S. Postal Service Office of Inspector General (OIG) reviews decision analysis reports (DAR) in advance of Investment Review Committee (IRC) meetings to determine whether the requested investments are reasonable business decisions or are in the best interests of the Postal Service. The purpose of this memorandum is to summarize the business process issues that the OIG identified during fiscal year (FY) 2015.

USPS Industry Alert: IrresistibleMail.com Wins Webby Award and Webby People's Voice Award! IrresistibleMail.com has officially won a Webby Award and a Webby People's Voice Award! The Webby Award is bestowed based on an official judging panel from the International Academy of Digital Arts and Sciences. The People's Voice Award is given based on votes received by the general public. The Webby Awards is viewed as the leading international award honoring excellence on the Internet and is considered "the Internet's Highest Honor" by the New York Times.

NATIONAL NEWS

The Wall Street Journal: U.S. employers for the past four years created more than 200,000 jobs a month on average. That has driven the unemployment rate down to 5% last month from above 8% in early 2012. But wages have shown little progress. Wages and salaries for private-sectors workers advanced 2% in the first quarter from a year earlier, the Labor Department said Friday. The measure has grown near that rate, on average, since the start of 2012. The U.S. economy, like much of the globe, is stuck in a slow-growth rut.

Direct Marketing News: Last week the New Yorker ran a piece wondering how the Postal Service is expected to survive with falling stamp prices, the decreasing amount of mail sent every year, and the lack of innovative ideas coming down the pipeline to stay relevant in the

eyes of consumers. While the publication gets some things right: that the USPS is legally unable to do much more than deliver mail and packages, the title alone implies the USPS could fail. Which, as we explain below, is nearly impossible. The article also seemingly conflates the consumer use of the USPS with the USPS' economic prospects. So let's review the facts.

Quad/Graphics Blog: Political mail is handled the same as any other mail in its postal class. If sent as Standard Mail, it's supposed to be color coded for sortation like all other Standard Mail under the Standard Mail Service Standard. There may be some added attention to political mail as it enters the USPS as the postal service has to assure that no political mail is purposely held up to affect a candidate's campaign. But once it is in the mail stream, it is not handled in any special manner, which might adversely affect other mail. It would be very difficult, if not impossible, for the USPS to isolate political mail from other mail pieces in the system. In recent years, political mail volume has dropped as campaigns are using other media outlets — social media, radio, phone and television. This is another reason the impact of political mail on delivery performance is minimal. There is one caveat to this — there can be isolated cases of mail delayed due to political mail in areas with hotly contested local elections. Right before these elections, mail volume at the local level might be impacted. In national mail campaigns, this would not be easily seen in the in-home curve data, but may be felt quite significantly in certain markets.

INTERNATIONAL NEWS

SOUTH AFRICA: **Mybroadband.co.za:** The South African Post Office is one of the biggest headaches for the South African government, following a R1.5bn loss in the 2015 financial year, and a provisional loss of R1bn in the current year. Despite the challenges, new Post Office CEO Mark Barnes remains upbeat about the future of the state-owned enterprise. Barnes sees e-commerce as a new revenue stream for the Post Office, and has initiatives underway to capture a bigger slice of the online shopping logistics pie. It will not be easy, though. The Post Office still generates most of its revenue from standard postal services — with only 9% of revenue coming from courier services. Many other courier companies have established relationships with e-commerce players, and the Post Office will need to address its poor reputation and reliability before online shops see it as a viable option.

CANADA: **Metronews:** The union representing more than 50,000 postal workers says it expects the federal Liberals to refrain from legislating their way through a potential labour dispute at Canada Post — in contrast to what the previous Conservative government did five years ago. The union won a key court victory Thursday when an Ontario court found the Conservatives' back-to-work legislation that ended a dispute at Canada Post in 2011 was unconstitutional because it took away the union's right to strike. The government said Friday it is reviewing the decision and didn't indicate whether it would appeal.

April 29, 2016



PostCom Members !! The latest issue of the **PostCom Bulletin** is now available online. Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? **Send us by email** your name, company, company title, postal and email address. See what you've been missing.

POSTAL/FEDERAL NEWS

USPS Industry Alert: USPS Shipping Information Systems - Webinar Series -- IMpb Compliance Quality Metrics Tuesday, May 10, 2016, 11:00a.m. – 12 noon (EDT) Join us as the Postal Service continues to present its series of informational webinars on IMpb Compliance Quality Metrics targeted for implementation July 2016. The webinars will benefit customers who ship parcels with USPS, particularly small to medium customers who ship Competitive Products – Priority Mail, Priority Mail Express, First-Class Package Service, Parcel Select, and Parcel Select Lightweight. The next webinar scheduled in the series is: IMpb Compliance Deep Dive - Manifest Quality. Speakers: Juliaann Hess, Mgr. Mail and Package Information Systems Heather Dyer, Business Process Specialist, Principal. Registration required. Attendee Information: US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 78736006 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e48b3e8278cfdca023fc7f6983269779f> If you cannot join using the direct link above, please use the alternate logins: Alternate URL: <https://usps.webex.com> Event Number: 998 805 377

NATIONAL NEWS

Wall Street Journal: United Parcel Service Inc. reported 10% growth in quarterly income, helped by efforts to boost efficiency and lessen its costs delivering online orders to U.S. homes. Residential deliveries, up more than 6% in the quarter, are inherently more costly than shipments to businesses because the packages tend to require more driving and time. UPS has invested in software to improve delivery routes, added package pickup locations to pool deliveries, and is doing more so-called last-mile deliveries instead of paying the U.S. Postal Service for that service.

INTERNATIONAL NEWS

Finland: Post & Parcel: Finland's Posti Group has reported "a positive start to the year in Postal Services"- despite a net sales decrease.

Sweden - Denmark: **PostNord:** PostNord has reported that its net sales for the January-March quarter were down by 4% on last year, mainly as a result of a fall in mail volumes, but it has continued to see "strong growth in e-commerce throughout the Nordic region".

IRELAND: **NewsTalk106:** An Post more than doubled its profits from €3.3m to €8.6m last year, due to higher postal revenues, and despite continued falling volumes; reduced costs and higher income other activities including State Savings products. The company reported that more than 40 post offices in its network were completely refurbished and 14 vacant post office contracts were advertised. Chief executive Donal Connell said that it was a year of, "significant challenge and progress." "Our strategy of implementing appropriate pricing and cost efficiency measures in the core business while maintaining high standards of service quality, product innovation, and diversification has to-date enabled the company to adequately cope with unprecedented threats and challenges," he continued.

April 28, 2016

POSTAL/FEDERAL NEWS

Attention Business Customer Gateway and PostalOne! Users:

- **PostalOne!/BIDS Release 43.0.4.0** will deploy on Sunday, May 1, 2016 from 1:00 am to 8:00 AM CT. This is a maintenance release and the *PostalOne!* application will not be available.
- **PostalOne! Test Environment for Mailers (TEM)** will deploy on Sunday, May 1, 2016 from 4 am to 8 CT. The TEM environment will not be available during this time.

Congressman Fortenberry: FORT REPORT: For the most part, my encounters with the United States Postal Service (USPS) in Nebraska, on my personal time or through my office, have been quite good. I have always found persons with the post office eager to help, professional, and kind. Unfortunately, something has gone wrong with the process of late. Prescription drugs are late, bill payments are late, and personal correspondence is late. One person told me about the delay in receiving their heart medication, forcing them to seek pharmacy help until their mail-order prescription arrives. The complaints keep coming. The disruption is real, along with the long term negative impact on the USPS.

NATIONAL NEWS

Internet Retailer: E-commerce orders in the United States and abroad pushed UPS small package delivery volume and revenue higher in the first quarter. Average daily U.S. package volume increased 2.8% to 15.187 million from 14.768 million in Q1 2015, the delivery company reported Thursday. Average daily volume of ground packages, UPS' largest segment and the way web retailers ship most orders, was 12.725 million packages in Q1, up 3.3% from 12.321 million a year ago. "High demand from e-commerce shippers contributed to fast growth in business-to-consumer (B2C) deliveries this quarter," UPS said. U.S. domestic revenue increased 3.1% to \$9.084 billion from \$8.814 billion.

Wall Street Journal: U.S. economic growth likely slowed in the first quarter as business investment, exports and inventories subtracted from growth, while consumer spending, housing and government added. Gross domestic product, a broad measure of economic output, is expected to advance at only a 0.7% pace in the opening three months of the year, according to economists surveyed by The Wall Street Journal. Here's what to watch in Thursday's GDP report from the Commerce Department.

Postalnews.com: "Neither Snow nor Rain: A History of the United States Postal Service" by Devin Leonard

Wall Street Journal: 'Free' Shipping Crowds Out Small Retailers. Businesses scramble to keep up with e-commerce merchants that enjoy big discounts from carriers.

Chicago Tribune: Even if the United States Postal Service is struggling in the age of email and Online Bill Pay, it's still such a taken-for-granted fixture in our lives that it's hard to remember it had to begin somewhere.

INTERNATIONAL NEWS

CANADA: Canada NewsWire: Postal workers are cheering today's ruling that the former Conservative government violated its members' freedom of association by legislating them back to work on June 26, 2011. "This is a win for workers everywhere," said Mike Palecek, National President of the Canadian Union of Postal Workers. "In 2011, Canada Post and the Conservative government gamed the system by first locking postal workers out and then forcing us back to work. This interference was completely unfair and meant we could not freely bargain." The ruling by Ontario Superior Court Justice Firestone declares that the Conservative legislation, which also imposed an offer on the postal workers, "violates the rights to freedom of association and freedom of expression" under the Canadian Charter of Rights and Freedoms sections 2d) and 2b), and that it is "unconstitutional and of no force and effect."

CHINA: The Standard: Postal Savings Bank of China is ready to launch in Hong Kong its proposed dual-currency initial public offering that aims to raise up to HK\$78 billion. It will mark the first dual-currency listing and will perhaps emerge as this year's largest listing. The lender is expected to file soon a listing application with the local bourse and it hopes to get listed by the end of the year.

JERSEY: Logistics Manager: Whistl has provided downstream access services, including collection, sortation and then delivery by Royal Mail, to clients on Jersey since 2014. According to the company, this is the first time it has 'facilitated a new class of delivery' for a postal company operating on a national scale.

April 27, 2016

POSTAL/FEDERAL NEWS

Federal Register:

Postal Regulatory Commission

NOTICES

New Postal Products, 24903-24904 [2016-09735] [\[TEXT\]](#)

NATIONAL NEWS

Winterberry Group: Winterberry Group has released its "2016 Annual Outlook: What to Expect in Direct and Digital Marketing." The report features the "Recap 2015", "Trends to watch this year" and "Outlook 2016" (free download after registration).

Global Alliance of Data-Driven Marketing Associaton: The study conducted by GDMA (an alliance of 27 independent marketing associations around the world) and U.S. research and consulting firm [Winterberry Group](#) indicates that 74.1% of marketers remain confident in the value of data-driven marketing and advertising ("DDMA") and its potential for future growth. Among the survey's 17-nation panel, 56.3% said they increased their annual DDMA expenditures last year, while 68.6% expect to increase spending further in 2016). These metrics were slightly down on 2014 levels (when 77.4% of panellists indicated confidence in DDMA and 63.2% increased their respective spending since the prior year). The year-on-year dip could reflect the finding that participants cited improved measurement and attribution techniques as the single most important initiative would support their organisations' ability to drive more value from DDMA.

Dallas Morning News: There has been nothing but doom and gloom speculation around the United States Postal Service over the last decade as the Internet has replaced physical mail. Many see an attempt to save our federal mail service as futile, and that's precisely why I bolt upright when I hear them tossing around ideas to adopt drone technology, create mobile apps and renovate post offices for entirely new uses. Recently, however, [18F published a rather inspiring Q&A with Amanda Weaver](#) who works with a global, digital and innovation team that advises the U.S. Postal Service on how to operate better. In the context of today, 'better' means digital, instant and ultra-connected. If you're like me, making a trip to the mailbox is a chore that you try to limit to once per week... unless the online retailer you're buying from had to send your goodies through USPS for some reason. Here are a few of the exciting things Weaver mentions the Postal Service is researching.

INTERNATIONAL NEWS

GERMANY: Wall Street Journal: Public-sector strikes in Germany targeting airports are set to disrupt operations at United Parcel Service Inc. Wednesday, potentially stranding packages alongside passengers as hundreds of airport employees are expected to walk off the job in a wage dispute. UPS's largest European air hub is at the Cologne Bonn Airport. A company spokesman said UPS has yet to determine what effect the strike might have on operations, but is taking action to mitigate delays.

SINGAPORE: Post&Parcel: In a statement sent to *Post&Parcel* today (27 April), the company claimed that it “will become the first and only self-storage provider in Singapore” to offer these services. Lock+Store said that it will accept Ordinary Mail, Registered Article and Speedpost postings on behalf of Singapore Post at all its branches – Ayer Rajah, Chai Chee, Serangoon North, Tanjong Pagar and Tampines. E-commerce businesses operating in the vicinity of the five self-storage facilities can also take advantage of the postal services.

ENGLAND: Royal Mail: New thought leaders have joined our movement. They bring brilliant insights about the evolving opportunities of mail in an increasingly digital world. Read on to access their thoughts directly, and see how you could use mail as a powerful element of your marketing mix to reach new and existing customers.

April 26, 2016

POSTAL/FEDERAL NEWS

Federal Register:

Postal Services

NOTICES

Product Changes: Priority Mail Negotiated Service Agreement, 24667 [2016-09621] [\[TEXT\]](#)

Federal News Radio: The Postal Service quietly named a new chief information officer while the Veterans Affairs Department continues to shift technology executives. First, USPS called on Kristin Seaver to step into the CIO and executive vice president roles in April after spending the last two-plus years working as the vice president of area operations for the Capital Metro Area. She replaces Randy Miskanic, who was Postal Service’s acting chief information officer since May 2015.

Senator Carper: Today, U.S. Senator Tom Carper (D-Del.), the top Democrat on the Senate Homeland Security and Governmental Affairs Committee, released the following statement after a business meeting in which the committee unanimously approved the nominations of Julie Becker, Steven Berk, and Elizabeth Wingo to be Associate Judges on the Superior Court of the District of Columbia; Carol Waller Pope and Patrick Pizzella to be Members of the Federal Labor Relations Authority; Carolyn Lerner to be Special Counsel in the Office of Special Counsel; and Jeffrey Rosen to be a Governor, U.S. Postal Service Board of Governors. The nominations will now go to the full Senate for consideration.

“I am pleased that our committee has moved to approve these non-controversial nominations to the Federal Labor Relations Authority, the D.C. Superior Court and the Office of Special Counsel. The District of Columbia is the only jurisdiction in the country that must have its local judges approved by the Senate, and we do a disservice to the residents of our nation’s capital when we delay the confirmation of qualified nominees. Ms. Becker, Mr. Berk and Ms. Wingo will all make terrific additions to the Superior Court, and I urge my colleagues in the Senate to move to approve these nominations quickly. I am also pleased

that the committee has moved forward with the nominations of Carol Waller Pope and Patrick Pizzella to serve on the Federal Labor Relations Authority, as well as with the nomination of Carolyn Lerner to serve as Special Counsel in the Office of Special Counsel. The Office of Special Counsel serves as a crucial resource for protecting whistleblowers around the country who come forward to expose waste, fraud and abuse in government. It is critically important that we move forward with Ms. Lerner's nomination in a timely manner.

"I am also pleased that we approved the nomination of Jeffrey Rosen to serve on the Postal Board of Governors. There are now six Postal Board of Governors nominees pending before the full Senate, five of which have been pending for more than a year. Some of them have even been waiting for confirmation since the last Congress. As a result, the Postal Service is currently down to one sitting Senate-confirmed Governor overseeing Postal Service operations. This is shameful. The Postal Service operates at the center of a \$1.4 trillion printing, delivery and logistics industry that employs nearly 8 million people. At a time when the agency is in grave need of independent oversight and direction, I urge my Senate colleagues to confirm these nominees without further delay."

April 25, 2016

POSTAL/FEDERAL NEWS

Office of Inspector General:

- **The Postal Service Handling of Office of Workers' Compensation Program Claim Forms.** In fiscal years (FY) 2014 and 2015, the Federal Employees' Compensation Act (FECA) provided over \$1 billion in annual workers' compensation benefits to U.S. Postal Service workers for personal injury, disease, or death sustained while working. The U.S. Department of Labor's (DOL) Office of Workers' Compensation Program (OWCP) administers the FECA for the Postal Service. Postal Service district offices must manage the Injury Compensation program by reporting accidents, incidents, and illnesses in the Employee Health and Safety (EHS) system within 24 hours of being notified by employees. The DOL OWCP also requires Postal Service employees to file various processing forms for work-related injuries and illnesses and provide them to their supervisors, such as the CA-1 Notice of Traumatic Injury and Claim for Continuation of Pay Compensation, CA-2 Notice of Occupational Diseases and Claim for Compensation, and CA-7 Claim for Compensation. An employee's supervisor must submit these forms to district officials, who review them for completeness and submit them to the DOL OWCP within 10 business days of notification. The DOL bases timeliness on the number of days between the notification date and the date the DOL receives the form. The DOL publishes a quarterly report on its website of how long agencies took to submit forms. This audit report responds to

a complaint regarding the Postal Service's handling of OWCP claim forms in the Capital District.

- **Deep Cuts**. No pain no gain. The U.S. Postal Service has reduced spending over the past decade but it has come with a downside, notably a reduction in service. Over the past decade the Postal Service has reduced labor costs by \$10 billion, improved productivity, and generally reined in spending. That's the finding of our latest white paper, **Peeling the Onion: The Real Cost of Mail**, which took a close look at the Postal Service's cost-cutting efforts since 2006 – the year the Postal Accountability and Enhancement Act became law. With volume and revenue in decline over the ensuing decade, the Postal Service certainly had to focus on spending less. It responded by redesigning its network of processing plants, retail locations, delivery routes, and transportation systems, as well as modernizing some of its workforce labor practices.

NATIONAL NEWS

The New Yorker: Earlier this month, the price of a first-class stamp fell for the first time since 1919. The drop, from forty-nine cents to forty-seven cents, took place following the expiration of a rate surcharge that was enacted in 2014 to help the U.S. Postal Service deal with the aftereffects of the Great Recession. The dip likely won't matter much to most consumers, but it amounts to a loss of about two billion dollars a year for an organization that lost 5.1 billion dollars in the 2015 fiscal year alone—enough, that is, to substantially worsen the financial troubles that the service has been facing ever since the Internet rendered its first-class-mail business pretty much irrelevant. The **press release** announcing the price cut sounded as though it had been written by the most sullen clerk at your local post office: Megan J. Brennan, the postmaster general, was quoted calling the rate decrease “unfortunate,” and the service vowed to work to reinstate the surcharge. Despite the service's evident money problems, squeezing two more cents out of each letter may seem, to some, like just about the laziest possible way to raise revenue.

Joplin Globe: On the federal front, U.S. Sen. Claire McCaskill, D-Mo., last week suggested the U.S. Postal Service should consider a possible rate increase — but not on stamps for individual customers. A longtime advocate for the Postal Service in rural communities, McCaskill questioned whether the agency is losing money by undercharging competitors such as FedEx and UPS for "last mile" delivery of the private firms' packages. McCaskill is a senior member of the Senate Homeland Security and Governmental Affairs Committee, which has jurisdiction over the Postal Service. The senator also said she supports a bill aimed at improving service, delivery times and standards in rural communities that have been affected by cost-cutting efforts.

INTERNATIONAL NEWS

EUROPE: Arka Telecom: On April 19-21 Armenia's capital city Yerevan hosted a plenary assembly of PostEurop- the association of European public postal operators, one of the

constituent unions of the Universal Postal Union. The three-day event brought together over 52 European postal operators, CEOs and dignitaries from the Universal Postal Union, including its Director-General Bishar Hussein. In an exclusive interview with ARKA news agency, the cChairman of PostEurop Management Board, Jean-Paul Forceville, spoke about the progress made by Armenia's national postal operator Haypost and also shared his views about whether Internet is able to replace ordinary mail services.

PHILIPPINES: GOVPH: The Philippine Postal Corporation (PHLPost) recently launched its improved postal Identification Card (Postal ID). According to PHLPost, the improved postal ID has multiple security features that guarantee a safe and reliable identity card. The improved and more secured postal ID is now infused with additional physical security features that are difficult to reproduce. These include a hologram of a running mailman which can only be seen in certain angles, and a UV ink or special ink that lights up to ultraviolet light. It also has a ghost image which is a slightly transparent copy of the applicant's photograph.

April 24, 2016

POSTAL/FEDERAL NEWS

ATTENTION BUSINESS CUSTOMER GATEWAY AND POSTALONE!

USERS: *PostalOne!*[®] Release 43.0.3.0 and BIDS Release 4.0.3.0 deployment is complete and the *PostalOne!* system is available. If you have any questions, please contact the *PostalOne!* Help Desk at 800-522-9085.

Linn's Stamps: A year after she was placed in charge of the United States Postal Service's stamp program, Mary-Anne Penner is no longer the acting director of stamp services. Postal Service Chief Marketing Officer James P. Cochran made the promotion official on April 20, disclosing in a letter that Penner, a 32-year career postal worker, had won the job on a permanent basis. The letter was released by the Postal Service's public relations staff on April 22.

April 23, 2016

POSTAL/FEDERAL NEWS

Federal Register:

Postal Regulatory Commission

NOTICES

Proceedings, 24147 [2016–09511] [[TEXT](#)]

Office of Inspector General:

- **The Postal Service's Handling of Office of Workers' Compensation Program Claim Forms.** In fiscal years (FY) 2014 and 2015, the Federal Employees' Compensation Act (FECA) provided over \$1 billion in annual workers' compensation benefits to U.S. Postal Service workers for personal injury, disease, or death sustained while working. The U.S. Department of Labor's (DOL) Office of Workers'

Compensation Program (OWCP) administers the FECA for the Postal Service. Postal Service district offices must manage the Injury Compensation program by reporting accidents, incidents, and illnesses in the Employee Health and Safety (EHS) system within 24 hours of being notified by employees. The DOL OWCP also requires Postal Service employees to file various processing forms for work-related injuries and illnesses and provide them to their supervisors, such as the CA-1 Notice of Traumatic Injury and Claim for Continuation of Pay Compensation, CA-2 Notice of Occupational Diseases and Claim for Compensation, and CA-7 Claim for Compensation. An employee's supervisor must submit these forms to district officials, who review them for completeness and submit them to the DOL OWCP within 10 business days of notification. The DOL bases timeliness on the number of days between the notification date and the date the DOL receives the form. The DOL publishes a quarterly report on its website of how long agencies took to submit forms. This audit report responds to a complaint regarding the Postal Service's handling of OWCP claim forms in the Capital District.

Government Executive: The U.S. Postal Service is down to just one member on its Senate-confirmed board of governors, and at least one member of the upper chamber is not happy about it. Sen. Tom Carper, D-Del., a long-time USPS advocate and proponent of alleviating the cash-strapped agency through legislation, called it "shameful" the Senate has neglected its duties to provide the mailing agency with proper management. Carper made his comments at a hearing Thursday to confirm Jeffrey Rosen to the board, who joined five other nominees in being reported favorably out of the Homeland Security and Governmental Affairs Committee. Those individuals have languished in Senate purgatory without receiving a full vote for more than one year.

NATIONAL NEWS

Post and Courier (Opinion): Over the last five years the U.S. Postal Service has run up deficits totaling \$36.6 billion. Those costs will eventually fall on the taxpayer. Congress has deplored this situation and pressed the USPS to balance its budget. But in a bizarre development, congressional inaction is going to cost the Post Office another \$2 billion a year in losses because a much-needed temporary increase in the first class postage rate to 49 cents expired on April 10. Now first-class stamps will cost 47 cents each. So rush out and buy stamps now, and don't expect another stamp-price decrease anytime soon. The last time it happened was in 1919, with the expiration of World War I wartime postage rates.

WFTV 9: Some residents in Orange County said they've stopped trusting the postal service and said their mail has been disappearing for months. They said they're fed up with having to wonder whether letters and packages are being lost in a black hole.

April 22, 2016

POSTAL/FEDERAL NEWS

Federal Register:

Postal Regulatory Commission

New Postal Products,

23764 [2016–09305] [\[TEXT\]](#)

23764–23765 [2016–09306] [\[TEXT\]](#)

Postal Service

International Product Changes,

23634–23638 [2016–09213] [\[TEXT\]](#)

NATIONAL NEWS

Federal News Radio: The U.S. Postal Service didn't celebrate its rare \$307 million first-quarter profit in February, after Postmaster General Megan Brennan warned of strong "headwinds" that were projected to undo the agency's optimism for the rest of the fiscal year.

Linn's Stamp News: It's been a rough start for the nation's 74th postmaster general. Since taking office in February 2015, Megan J. Brennan has endured setback after setback in her attempts to right the troubled United States Postal Service. Both Congress and the federal courts have rejected her repeated pleas to preserve the 49¢ first-class stamp. That created what the USPS described as a "forced" price reduction in stamp prices on April 10. The decision is expected to cost the USPS about \$2 billion a year. Brennan urged the [Postal Regulatory Commission](#) to put some limits on its rate-making rules, but the commission rejected her request as premature.

INTERNATIONAL NEWS

UNITED KINGDOM: Post & Parcel: Global Freight Solutions (GFS) has reached an agreement to add InPost's lockers to its GFS Checkout platform. InPost now has more than 1,000 automated parcel lockers positioned at a variety of locations in the UK, including Morrisons supermarkets, ESSO petrol stations and Transport for London sites. Daniel Ennor, Commercial Director for GFS, said that the partnership with InPost means his firm can offer retailers an "unrivalled" breadth of delivery options around the clock.

AUSTRALIA: **Post & Parcel:** eBay Australia, retailer Woolworths and CouriersPlease are working together on a new pilot 'Parcel Drop-Off' service, which will be available in five Woolworths supermarkets across Sydney. Local eBay sellers will be able to drop off a sold item at a Woolworths store and have it shipped by CouriersPlease directly to their buyer.

CANADA: **Post & Parcel:** Canada Post tells Post&Parcel that it has learned some valuable lessons from the launch and roll-out of its FlexDelivery service, which is coming up for its first anniversary. All told, there are about 6,000 post offices across Canada that consumers can choose from. Consumers sign up for FlexDelivery on canadapost.ca. They choose their preferred post offices and they are given their own unique identification code and a FlexDelivery address to use for each location.

PHILIPPINES: **The Manila Times:** The Philippine Postal Corporation (PhilPost) on Friday launched its improved postal identification card (Postal ID) that it said could even detect money launderers.

April 21, 2016



There is a reason Congress is on the Postal Service's

back [EdNote: You'll want to read this. It's a letter to the editor of the Washington Post by Matthew Field of the Venable law firm. He serves as PostCom's general counsel.

POSTAL/FEDERAL NEWS

Senate Committee on Homeland Security and Governmental Affairs: Today, the U.S. Senate Committee on Homeland Security and Governmental Affairs held the hearing, "Nomination of the Honorable Jeffrey A. Rosen to be a Governor, U.S. Postal Service." In his introductory remarks Ranking Member Tom Carper (D-Del.) said:

"Thank you, Mr. Chairman, for moving quickly to schedule today's hearing to consider this important nomination to fill one of the many unfortunate vacancies on the Postal Service's Board of Governors. We're considering Mr. Rosen's nomination at what is a very challenging time for the Postal Service. . . . "If reported out of this Committee, Mr. Rosen will join the five other Postal Board of Governors nominees pending before the Senate, all of which have been held up for more than a year. Some of them have even been waiting for confirmation since the last Congress. As a result, the Postal Service is currently down to one sitting Senate-confirmed Governor overseeing Postal Service operations. One! This situation is worse than unacceptable. I believe it's shameful. I can't imagine something like this ever occurring in the private sector because shareholders would demand oversight from

a strong board to protect their investment. Congress needs to do its job and protect postal customers, as well as the investments of American taxpayers, by filling these positions."

Federal Register:

Postal Regulatory Commission

NOTICES

New Postal Products ,

23525–23526 [2016–09193] [\[TEXT\]](#)

23526 [2016–09194] [\[TEXT\]](#)

23525 [2016–09240] [\[TEXT\]](#)

23524–23525 [2016–09278] [\[TEXT\]](#)

23526–23527 [2016–09280] [\[TEXT\]](#)

23527–23528 [2016–09281] [\[TEXT\]](#)

23527 [2016–09282] [\[TEXT\]](#)

Postal Service

NOTICES

Product Changes:

Priority Mail Negotiated Service Agreement ,

23528 [2016–09214] [\[TEXT\]](#)

23528 [2016–09216] [\[TEXT\]](#)

USPS Industry Alert: “New” USPS BlueEarth Secure Destruction (SD). The Postal Service is excited to introduce the USPS BlueEarth Secure Destruction (SD) mail service to business mailers. This new sustainable mail service allows mailers to have automated First Class Mail that is undeliverable, automatically intercepted and destroyed securely at a postal facility, without an additional charge to mailers. Reductions of the 1.4 billion pieces of returned to sender letter mail handled by the Postal Service will help reduce the carbon footprint left by the mailing industry. In its first year of operation, the USPS Secure Destruction mail service program successfully intercepted and destroyed over 25.3 million pieces of mail in FY 2015 and recycled over 645 metric tons of securely shredded paper.

NATIONAL NEWS

Folio: The fight continues. That's what Linda Thomas Brooks, president and CEO of the Association of Magazine Media (MPA), told members in a message last week announcing the long-sought-after rollback of the U.S. Postal Service's exigency surcharge—a 4.3 percent premium applied to all classes of mail, including periodicals, since January 2014. "While we are enthusiastically celebrating this milestone," Brooks wrote of the rollback that she says will save publishers more than \$60 million in postage over the next year, "We do proceed with caution as the fight for affordable postage is made up of many battles."

INTERNATIONAL NEWS

FINLAND: BBC: The state-owned Posti company is offering a weekly grass cutting service, with customers able to choose either 30 minutes or 60 minutes of lawn-mowing time, the national broadcaster Yle reports. It will only be available on Tuesdays, though, as the volume of post tends to be lighter than on other days, and customers will have to provide their own lawnmower. They'll also have to be willing to pay €65 (£51; \$73) a month for the half-hour sessions. Posti has been looking for ways to tackle a falling demand for its mail services in recent years. Earlier this month it announced that delivery times would be extended into the evenings when people are usually at home.

GERMANY: Post & Parcel: "Self-learning" systems and on-demand delivery are among the key developments highlighted in DHL's 2016 Logistics Trend Radar. According to Deutsche Post DHL Group (DPDHL Group), DHL's new 2016 Logistics Trend Radar, the third in a series, "introduces new trends, tracks the evolution of trends spotted in earlier editions and ones that have faded or become mainstream since the series started in 2013".

April 20, 2016

NATIONAL NEWS

Government Executive: The Postal Service has cut its labor costs by more than \$10 billion since fiscal 2006, a path the agency's auditor called unsustainable in a report released Monday. As volume has dropped precipitously, USPS has relied on trimming labor costs to account for about 75 percent of its **overall** reductions. When adjusting for inflation and not including the costs associated with the mandatory prefunding of future retirees health care, the Postal Service has cut 21 percent of expenditures related to its workforce over the last nine years. The Postal Service has relied on two main tools to boost the productivity of its employees: a 3 percent uptick each year in the number of cheaper, non-career workers and cutting the number of work hours by 2.8 percent each year since 2006. All told, labor costs have dropped 2.6 percent annually over the last decade. That has not kept pace completely with the 3.5 percent reduction in mail volume over the same time period, but the USPS inspector general noted this was "primarily because of significant fixed costs in delivery."

Wall Street Journal: The union representing United Parcel Service Inc. pilots on Tuesday said it thinks it is nearing an impasse in contract negotiations with the delivery giant after nearly five years.

Federal mediators are expected to decide whether the two parties have reached a stalemate after UPS presents its closing positions for its final proposal on new contract terms scheduled for next week, according to the Independent Pilots Association. If mediators find the two groups are at an impasse, they could release the parties from mediation to start a 30-day cooling-off period before a lockout or strike could take place, the union said.

Quad/Graphics Blog: Never a dull moment around the new 4-letter word in the printing and mailing industry—FSS. Yes, it's actually 3 letters but every time it's mentioned, an expletive is added! The latest FSS (Flats Sequencing System) announcement came from the USPS at the National Postal Forum in Nashville a couple weeks ago. It took me this long to write about it because I wanted to avoid adding any of those expletives I mentioned earlier ... my blood pressure is back to normal. The USPS announced that because of open capacity on equipment, it is adding ZIP codes to FSS processing. Let's dig into this decision and lay out the known facts.

INTERNATIONAL NEWS

EGYPT: Daily News Egypt: The National Postal Authority (NPA) has amended the conditions and standard of offering private postal services, according to NPA chairperson Essam El-Sagheer. Licensing contracts were renewed with service providers of international companies working in Egypt according to new standards, he added. According to El-Sagheer, the new standards aim to maintain the rights of the authority and licensed companies, as well as to regulate the market in order to ensure the quality of the services offered to clients. The standards also aim to protect the market from unlicensed companies. El-Sagheer refused to reveal further details about the recent amendments.

UKRAINE: Unian: The Cabinet of Ministers has appointed former employee of KPMG U.S. audit company Igor Smelyansky as head of state-owned Ukrposhta postal services provider.

NORWAY: Supply Chain Digital: P2P Group, a mailing and distribution solutions provider, has announced that it is launching a direct entry solution for Norway which will come with a three to five day delivery commitment.

MALAYSIA: The Edge: Is Pos Malaysia Bhd being slowly transformed into the land logistics arm of billionaire businessman Tan Sri Syed Mokhtar Albukhary? Consensus seems split, with one well-placed source suggesting that while there are proposals for Pos Malaysia to take over all the logistics companies under the various groups in his conglomerate, it is unlikely to happen anytime soon. However, in stark contrast, another source familiar with the tycoon confides that Pos Malaysia will eventually control all the logistics companies in Syed Mokhtar's sprawling empire.

NIGERIA: Vanguard: Senate, yesterday, mandated its Committee on Communication to urgently have interface with management of the Federal of Communication as well as the Nigerian Postal Service, NIPOST, to ascertain the challenges and their consequences against national economic development, with a view to reposition NIPOST for national growth.

ARMENIA: Armenpress: On 19-21 April, "HayPost", the National Postal Operator of the Republic of Armenia, will host the first "PostEurop" Plenary Assembly in the region, "Armenpress" report citing "HayPost" official website. The three-day event aims to bring

together over 52 European postal operators, CEOs and dignitaries from the Universal Postal Union to reflect on key issues, challenges as well as opportunities of the postal world in light of the swiftly evolving technologies, innovation and digital trends. "PostEurop" Plenary Assembly is an effective collaborative platform for Europe's postal decision-makers to exchange best practices and insights on the priorities of the postal industry, unlock new opportunities and growth drivers for innovation and success, and discuss top case studies in the areas of electronic postal correspondence, e-commerce delivery, e-government services, client and stakeholder relations.

NEW ZEALAND: [The Register](#): Cutbacks in postal services has meant participation in local government elections is down around the 40 per cent mark.

April 19, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: USPS Officer Personnel Announcements. USPS has announced two officer actions this week. Postmaster General and CEO Megan J. Brennan announced that Richard P. Uluski, Vice President, Area Operations, Northeast Area, plans to retire from the USPS effective June 3. The second announcement was regarding Edward "Ed" F. Phelan, who will be detailed as Vice President, Area Operations, Northeast Area according to an announcement by COO and EVP David E. Williams.

Federal Register: Postal Regulatory Commission Public Inquiries on Commission Reports to the President and Congress, 23017–23021 [2016–09038] [[TEXT](#)]

NATIONAL NEWS

[Washington Post](#): In the shadow of Greenwich's O2 Arena - the futuristic dome originally built as London's showpiece for the Millennium - what looks like a picnic cooler on wheels zips among groups of gawking children. This little delivery robot, designed to autonomously navigate sidewalks, not roads, later this year will begin making deliveries from local businesses direct to customers. In doing so, it may just conquer e-commerce's final frontier: the Last Mile, the least efficient and most problematic step in the delivery process. These scrappy droids are up against tech's strongest forces. Amazon is testing airborne drones, as are Wal-Mart and Google. Google has also sought patents for a driverless truck that would carry an array of storage lockers that unlock with a text message. And Uber is deploying drivers for food delivery, a concept that could be expanded to other products. And don't forget incumbents from Federal Express and UPS to government postal services.

[Dead Tree Edition](#): Postal officials recently told mailing-industry representatives that declining volumes and some equipment upgrades are creating excess capacity for the FSS. At a meeting of the Mailers Technical Advisory Committee (MTAC), they proposed having the football-field-sized machines process the mail for additional ZIP codes.irate mailers and printers responded by threatening to shift more business to alternate delivery -- private services that bypass the USPS. And they pointed out that the change would in essence be

a rate increase for catalogs, publications, and other flat mail. In other words, a legal challenge is possible.

INTERNATIONAL NEWS

FRANCE: Computer Weekly: The French postal service is associated more with the delivery of parcels and letters via “snail mail” than the provision and support of innovative digital services. That is set to change. At least, this is the vision of David de Amorim, internet of things (IoT) programme director for La Poste in France. De Amorim intends to exploit the IoT to launch a range of services based on low-power, wide area networks (LPWAN), such as Sigfox and LoRa, to create a more sustainable future for France’s postal service. La Poste wants to move on from the internet of things and towards the internet of services. But the company is not planning to reinvent the wheel. Instead, it will take existing services and add a digital dimension to create new business models that can support the future growth and development of La Poste, as well as that of its partners.

SOUTH AFRICA: Business Tech: The South African Post Office (Sapo) on Monday received a much needed R650 million equity injection as the state owned entity continues to struggle to stay afloat. Recently appointed chief executive, Mark Barnes, told the Parliament’s Portfolio Committee on Telecommunications and Postal Services on Friday that the company still needs further funds. He said that the parastatal is chalking up monthly losses of approximately R125 million, and despite claims that the company aims to be profitable in 2018, it is expected to record a loss of more than R1 billion in the 2015/16 financial year.

ISLE OF MAN: Following a successful MiCard pilot at Foxdale and Anagh Coar Post Offices, Isle of Man Post Office has today begun the first phase of the rollout of the benefits and pensions scheme across the post office’s network. MiCard uses technology which is designed to make the payment of social security benefits and pensions a lot more convenient and secure to claimants, without the need to carry or wait for traditional printed vouchers and cheques to arrive in the post. No cash value details are stored on the card and customers can access their benefits and pensions from the day that they are due, at a time that suits them, collected by themselves or their nominated proxy.

April 18, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: Mail Fraud Investigation. For several years one or more individuals in Canada have been contacting printing companies in the U.S. requesting their services in printing mailings that are sent to US consumers. Once the print job is complete and the mailings are sent, the suspect/s mail the victim printing company a check that is drawn on a CIBC or BMO (Bank of Montreal) account. Once deposited the check is returned as “account closed,” or “NSF.” Attempts to contact the customer fail as they don’t respond to voice messages or emails. Recently, we believe the targets in this case have

been operating under the DBA's: Direct Market, DMW Direct, API Global Fulfillment, DMG Group Corporation, DMG-Multimedia, Global Media, Slim-Tab, and LipoCitrex. Historically, we believe they have used the DBA's: Axera International, BeSlim, Nutrim. USPIS believes several printing companies have fallen victim in this scheme but may not have reported their loss to law enforcement. We are seeking to identify those victim companies and to speak to them regarding their possible nexus to this investigation. Any questions, concerns, or information related to this inquiry may be directed to Postal Inspector Matt Schmitz at 920-869-3719 or via email at mbschmitz@uspis.gov.

USPS Office of the Inspector General:

- **Peeling the Onion: The Real Cost of Mail** -- Since passage of the Postal Accountability and Enhancement Act (PAEA) in 2006, the OIG finds the Postal Service is doing better controlling its costs than sometimes is reported in the news. The Postal Service has redesigned its network of processing plants, retail locations, delivery routes, and transportation systems, as well as modernized some of its workforce labor practices. Some financial improvements resulted from pure cost-cutting, which may have affected service quality. When Congress passed the PAEA in 2006, it established a new set of regulatory incentives designed to increase the U.S. Postal Service's efficiency. As the PAEA's 10th anniversary approaches, we revisit postal cost trends to evaluate how well the Postal Service has been managing its costs. The number and cost of workhours are down, even with the increase in delivery points. The less expensive noncareer employees have increased by 3 percent each year on average since 2006. Prefunding of future retiree health benefits can cause labor cost to appear as a disproportionately high percentage of the Postal Service's total cost. The Postal Service has actually decreased its labor expenditures by about \$10 billion since FY 2006, when adjusting for inflation and removing prefunding. The Postal Service also avoided making several RHB prefunding payments. These are not sustainable strategies. Future Postal Service success hinges upon providing excellent service and making needed capital expenditures to modernize its existing network's capabilities to support 21st century postal demands. The Postal Service must continually seek to improve customer service and make appropriate capital investments to fully integrate its network with the digital world. USPS stakeholders and management need to develop ways and means for generating adequate revenue so that the Postal Service can build for the future.
- **'Tis the Season for Political Mail** -- Get ready for a political advertising avalanche. Politicians and the groups that support them are expected to spend a whopping \$12.3 billion this year on campaign advertising in an array of media –television, radio, digital,

print, and direct mail. The U.S. Postal Service wants to snag \$1 billion of that revenue, nearly double its \$525 million piece of the ad spend during the 2012 presidential election cycle. To reach that aggressive goal, the Postal Service has a comprehensive strategy that includes reaching out to political mailers earlier in the election cycle, assigning specific goals to Sales staff, and coordinating internal activities between the Sales and Operations teams. But the plan's success could hinge on improving mail service.

Our recent advisory, Political Mail Strategy, found the Postal Service's overall strategy to be sound and well-implemented. We determined the Postal Service has learned lessons from the 2012 election cycle and instituted some best practices to process and deliver political mail faster. We also noted the Postal Service's solid plans around a dedicated sales staff and earlier outreach to political groups. (It's so-called political strike team.) However, mail delays and service quality could derail things. Some political mailers and service providers raised concerns about service issues they've experienced, especially during past fall mailing seasons. The bulk of political mail is sent in October close to the general elections in November, when the postal system is already stressed at its busiest time. We recommended the Sales staff work even more closely with Operations to identify processing issues, coordinate corrective actions, and inform customers when problems are resolved. Is political mail an effective tool for educating and persuading? What type of political advertising resonates most strongly with you? What other approaches could the Postal Service use to boost its share of the political advertising spend?

Postal Regulatory Commission: Employment Opportunities

Title Vacancy Number Closing Date

ECONOMIST PRC 11-16 4/29/2016

DATA ANALYST PRC 10-16 4/29/2016

DATA ANALYSIS INTERN PRC 12-16 5/6/2016

SUMMER INTERN PRC 09-16 4/29/2016

RATE AND COST ANALYST (SUBJECT MATTER EXPERT) PRC 08-16 5/13/2016

NATIONAL NEWS

eCommerceBytes: Online sellers who rely on the USPS to pick up packages from their location were disappointed recently to find the service curtailed. As a reader told EcommerceBytes, "USPS apparently has discontinued scheduled pick-ups unless the sender has at least one Priority Mail (or higher class) package. In other words, sellers who use only First Class Mail, Parcel Select or Media Mail no longer have this service." But the Postal Service told us the change was unintentional. USPS spokesperson Darleen Reid-DeMeo said it was caused by a system-wide update to the free package pick-up feature.

"We anticipate that the update to reinstate First-Class Package Service as an eligible service for free package pickup will be available by the end of this month."

INTERNATIONAL NEWS

IRELAND: *The Irish Times*: Postage accounts for most (88 per cent) of the €2.7 million direct cost to the State of running the Seanad elections, it has emerged. All other direct costs, those of the returning officers for the university and vocational panels and the price for the Office of Public Works to print the ballot papers, total less than €300,000. All Trinity College Dublin and National University of Ireland graduates are entitled to vote, whether living in Ireland or abroad. As university candidates watch the rising number of registered postal ballots being returned undelivered, there are increased calls for the implementation of changes recommended in the 2015 report on Seanad reform chaired by NUI chancellor Maurice Manning. These include a move to online registration and voting.

April 17, 2016

NATIONAL NEWS

American Postal Workers Union: Postal Support Employees (PSEs) will soon be able to sign up for health insurance during their first year of employment, President Mark Dimondstein has announced. Currently, PSEs can enroll only after they complete their first 360-day appointment. Beginning with a Special Enrollment Period from May 16, 2016, to June 30, 2016, PSEs will be eligible to join the USPS Health Benefits (USPSHB) Plan. Coverage will be effective on July 9, 2016. The Postal Service will contribute at least \$125 per pay period toward the cost of the insurance.

INTERNATIONAL NEWS

NIGERIA: *Premium Times*: The Nigerian Postal Services, NIPOST, will soon introduce banking services to rural areas of Nigeria, Minister of Communications, Adebayo Shittu, has said. Mr. Shittu told the News Agency of Nigeria on Sunday in Abuja that the banking services would avail Nigerians in rural areas the opportunity to carry out banking transactions. He said that the Ministry of Communication was making effort to re-position NIPOST to make it vibrant and to diversify its services. He said that since the commencement of GSM operations in the country, NIPOST had witnessed drop in sales particularly for postage stamp and other services.

April 16, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: **USPS Shipping Information Systems - Webinar Series - IMpb Compliance Quality Metrics**. Tuesday, April 26, 2016, 11:00a.m. – 12 noon (EDT). Join us as the Postal Service continues to present its series of informational webinars on IMpb Compliance Quality Metrics targeted for implementation July 2016. The webinars will benefit customers who ship parcels with USPS, particularly small to medium customers who ship Competitive Products – Priority Mail, Priority Mail Express, First-Class Package Service,

Parcel Select, and Parcel Select Lightweight. Speakers: Juliaann Hess, Mgr. Mail and Package Information Systems; Heather Dyer, Business Process Specialist. Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID:

78735990 Attendee Direct

URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e5b24405d357d9452d65960cbe8df53d9>. If you cannot join using the direct link above, please use the alternate

logins: Alternate URL: <https://usps.webex.com>. Event Number: 993 075 082

USPS Industry Alert: The April 15, 2016 issue of the Postal Service publication "[Mail Spoken Here](#)" is now available on this site.

April 15, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General: [Package Delivery Scanning: Chicago District](#)

The U.S. Postal Service's goal is to scan all of its barcoded mailpieces (flats, letters, and packages) that enter the mailstream. The Postal Service wants to achieve 100 percent visibility and provide world-class package delivery services to be increasingly competitive. The Postal Service measures package delivery service performance based on its acceptance through the first attempt to deliver. When a carrier attempts to deliver a package, it gets a stop-the-clock scan, indicating the Postal Service has completed its commitment to deliver or attempt to deliver the package. Delivery unit management uses the End of Day report to monitor stop-the-clock scans. The report identifies packages received at delivery units each day that did not receive a stop-the-clock scan. City carriers must perform stop-the-clock scans for packages at the point of delivery.

Federal Register:

- **Postal Regulatory Commission** New Postal Products , 22322 [2016–08748] [TEXT]
- **Postal Service** Product Changes:

First-Class Package Service Negotiated Service Agreement ,

22322 [2016–08704] [TEXT]

Priority Mail Express and Priority Mail Negotiated Service Agreement ,

22322–22323 [2016–08705] [TEXT]

NATIONAL NEWS

KOAT: Postal inspectors in Albuquerque have released a new photo of a woman who may be involved in a string of mail thefts across the metro area. The woman and the man have furnished some kind of key that mimics as a master key for community mailboxes, allowing them to easily open many undetected.

INTERNATIONAL NEWS

AUSTRALIA: [Business Insider Australia](#): Australia Post is seeing whether drone delivery will work for its rapidly growing parcel business under the first trial by a local company. CEO

Ahmed Fahour said the drone trial is just one of the innovation Australia Post is exploring, as online shopping continues to post double-digit growth. The closed-field trial by the postal service will focus on small parcels, flagging the possibility that it could also be used for the rapid delivery of medications. If successful, a customer trial could be held as soon as this year.

April 14, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **PI2016-3 Order No. 3238 - Notice and Order Seeking Comments on Report to the President and Congress Pursuant to Section 701 of the Postal Accountability and Enhancement Act**

<http://www.prc.gov/docs/95/95643/Order3238.docx>

<http://www.prc.gov/docs/95/95643/Order3238.pdf>

Federal Register:

Postal Regulatory Commission

- Periodic Reporting , 22040–22041 [2016–08591] [\[TEXT\]](#)
- New Postal Products , 22131 [2016–08613] [\[TEXT\]](#) 22130–22131 [2016–08612] [\[TEXT\]](#)

Postal Service

- Mail Classification Schedule Changes: Priority Mail International Flat Rate Envelopes and Priority Mail International Small Flat Rate Boxes , 22131–22132 [2016–08583] [\[TEXT\]](#)

NATIONAL NEWS

The Roanoke Times: Katie and Bill James, who live in the Hollins area, finally received a letter from a neighbor who lives only a block away. It took almost 10 weeks, and nobody can explain why.

April 13, 2016

POSTAL/FEDERAL NEWS

DMM Advisory: April DMM Update. Postal Explorer® (pe.usps.com) is your source for up-to-date mailing standards. The Domestic Mail Manual (DMM®) is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. Sunday , April 10 we updated our mailing standards to include the following changes:

Parcel Select. We revised [705.8.0](#) to remove text that remains on palletizing NDC Presort parcels. We published this information in the March 17, 2016, Postal Bulletin.

Periodicals Carrier Route Pallets. We revised [705.8.10.2](#) to facilitate the preparation of carrier route pallets. We published this information in the March 17, 2016, Postal Bulletin.

Federal Register:

- **Postal Regulatory Commission** Mail Classification Change, 21908–21909 [2016–08522] [[TEXT](#)]
- **Postal Service** Meetings; Sunshine Act, 21909 [2016–08581] [[TEXT](#)]

Postal Regulatory Commission:

- **RM2016-9 Order No. 3237 - Order Holding Petition in Abeyance**
<http://www.prc.gov/docs/95/95636/Order%20No.%203237.docx>
<http://www.prc.gov/docs/95/95636/Order%20No.%203237.pdf>

The Postal Service’s filing requests the Commission to “clarify its position . . . as to which aspects of the current market-dominant regulatory structure fall within the “system for regulating rates and classes for market-dominant products established under [Section 3622]’ . . . and thus are subject to potential modification or replacement.” The Postal Service requests the Commission address this “threshold issue in advance of the beginning of the review proceeding, to allow parties to efficiently prepare for the review and ensure it can be conducted in a timely manner”

The Commission finds the Postal Service’s Petition premature, and it will be held in abeyance until after the 10-year review docket is established later this year, and the Commission determines it is appropriate or necessary to define the scope of the “system . . . subject to potential modification or replacement” and its authority in the context of the 10-year review proceeding.

NATIONAL NEWS

The Washington Post: Tied down like Gulliver by regulators and congressional barons, relentlessly lobbied by everyone from the greeting card industry to rural newspapers, contractually hamstrung by powerful labor unions, the Postal Service’s management lacks the autonomy necessary to run the system efficiently. It is a classic case of responsibility without authority. Postmaster General Megan J. Brennan said in February, the current system “is unworkable and should be replaced with a system that provides greater pricing flexibility and better reflects the economic challenges facing the Postal Service.”

Politicalnews.me: Senator Jon Tester is urging the Postmaster General to abandon the U.S. Postal Service’s (USPS) consolidation plan that would shutter mail processing facilities across the nation and likely cost the Postal Service millions of dollars. The USPS’s Mail Processing Network Rationalization (MPNR) plan, which began in 2012, has already closed or consolidated more than 140 mail processing facilities nationwide, including six in Montana. “This plan has been a disaster from the beginning,” Tester said. “Not only did it hurt Montanans who use the Postal Service every day, it’s also costing them money. It’s high time for the Postal Service to finally call off this misguided plan.” The USPS recently noted that the MPNR plan didn’t save any money in fiscal year 2015, but instead it ended

up costing the Postal Service an additional \$66 million. Tester also notes that the closure of processing facilities has created a system in which, "a single piece of mail travels 180 miles round-trip before landing in a post office box a mile away. This cannot be cost-effective."

April 12, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: The U.S. Postal Service (USPS) is planning to update PS Form 3849, Redelivery Notice, to ensure that it is simpler and more user-friendly. TO HELP ACCOMPLISH THIS PLEASE RESPOND WITH YOUR COMMENTS BY WEDNESDAY, APRIL 20TH TO ShippingServices@usps.com.

USPS Office of the Inspector General:

- **Do you receive your mail through Omaha, Nebraska?** In an effort to align its mail processing infrastructure with declining mail volume, the Postal Service has consolidated some mail processing facilities nationwide. Before initiating the consolidations, the Postal Service is required to evaluate service standard impacts for all classes of mail and consider issues important to local customers. Some mail processing operations at the Norfolk and Grand Island, NE, Processing and Distribution Facilities have been consolidated into the Omaha, NE, Processing & Distribution Center. We plan to determine if the consolidations adversely affected customer service performance.
- **Passport to Excellence** Despite \$216 million in revenue from providing passport services in FY 2015, the Postal Service has been processing fewer passport applications than before. The OIG has identified three areas of customer service that could be improved with simple changes, leading to a greater number of passport applications processed. Successful passport services could establish post offices as a hub for other revenue-generating government services, such as identity verification. The Postal Service earns \$25 for each passport executed. Add in related services – photography, Priority Mail, and money orders to cover application fees – and the Postal Service's total revenues from passport processing reached about \$216 million last fiscal year. The Department of State expects a rise in the number of passport applications, suggesting that future processing revenues for the Postal Service should be promising. However, the Postal Service's volume of applications executed has been trending downward. In FY 2014, the Postal Service handled only 37 percent of all passport applications, its lowest share in a decade. The OIG set out to explore possible reasons behind the decline and to see if any opportunities exist to slow or reverse it. After conducting detailed analyses, the OIG identified three areas of customer service ripe for improvement: the clarity of information provided to customers, the accuracy of offerings on usps.com, and the consistency of service

standards across facilities. The OIG suggests opportunities for the Postal Service to make simple changes that could increase the number of passports executed, create a better experience for all customers, and ultimately inspire confidence that the Postal Service is well-positioned to provide other government services. See also "[Pain in the Passport](#)."

Federal Register: Postal Regulatory Commission Mail Classification Schedule, 21506–21511 [2016–08322] [\[TEXT\]](#)

Attention PostalOne! Users: The PostalOne! system is displaying piece counts as zeroes on the dashboard, qualification reports, and PS Form 3607 for electronically submitted postage statements. This is a display issue only, postage is calculated correctly when the postage statement is finalized (ALM 9396). Acceptance employees have been instructed to not hold any mailings. All impacted postage statements can be finalized except when a Weigh Verification is requested by the system. When the system does call for a Weigh Verification, the mailings will be accepted under the PostalOne! Contingency plan until the issue is resolved.

Postal Regulatory Commission:

- **R2013-10 Response of the Association for Postal Commerce, Alliance of Nonprofit Mailers, Major Mailers Association, MPA--The Association of Magazine Media, and National Postal Policy Council to Request for Reconsideration of the United States Postal Service**

<http://www.prc.gov/docs/95/95623/PCom%20ANM%20%20Resp%20to%20USPS.pdf>

U.S. Senate HSGAC: "Senator Carper Reiterates Need for Congress to Pass Postal Reform Legislation and Preserve Dependable Service for All Americans"

NATIONAL NEWS

PostalVision2020: All of the slides and presentations from the 2016 PostalVision 2020 has been posted on the PV2020 web site. Included on these new session pages are an overview of the session, sample quotes from speakers/panelists, links to slides and video, and links to articles in the news on the topic, businesses or speakers. Check it out. See what you missed.

INTERNATIONAL NEWS

QATAR: [The Peninsula](#): Qatar Postal Service Company (Q-Post) has added a new service to its portfolio with the launch of "Connected by Qatar Post", an e-commerce service, yesterday. Q-Post also announced plans to use drones for parcel delivery in the near future. "Connected" is an online shipping service which allows everybody in Qatar to shop their favourite brands online and have them delivered using various options. The parcels can be collected from 30 Q-Post branches, delivered at home or collected from smart lockers.

April 11, 2016



PostCom Members!! The latest issue of the PostCom [Postal Executive's Update](#) is now available online.

NATIONAL NEWS

WhatTheyThink: The “forced” price reduction by the US Postal Service (read their release) is, as my late mother-in-law used to say with a slight Hungarian accent, “a lotta hooey.” This was the expiration of an increase forced onto postal customers and the public based on the terms of an exigent price increase program to save the USPS when they were in financial trouble. During its time, the USPS was to get their house in order before its planned expiration. Now, the USPS is claiming it is being shortchanged when in reality its customers were being overcharged. Is this like the slayer of parents asking for the mercy of the court because he was recently orphaned? USPS problems are a long term combination of self-infliction, myopia and a large doses of oversight and regulatory meddling. If this was a real business, especially a publicly traded company, no board of directors would have allowed the precipitous decline in sales to persist without dramatic actions and swift changes in management and strategy. Those management changes would be people from outside of their business, not internal promotions. The USPS is not known as a hotbed of entrepreneurial innovation by its very design. What do they have to show for the exigent price increase? The press release about the recent Annual Compliance Determination said “The majority of products failed to meet service performance targets for FY 2015.” Kudos to the Postal Regulatory Commission for not taking the easy way out and renewing the exigent increase. Whether anything comes of it remains to be seen.

Economic Times: The PRC is required to review the market-dominant regulatory system to determine whether it is achieving the statutory objectives mandated by Congress. The obligation to conduct the review arises 10 years after enactment of the Postal Accountability and Enhancement Act, which occurs in December of this year. "To provide clear guidance to all interested parties concerning the review process, we filed a petition today with our regulator to clarify the scope of the review and which provisions of the current regulatory structure are subject to potential modification or replacement," said Brennan on Thursday. "By addressing preliminary issues now, the PRC can ensure an expeditious and efficient review."

INTERNATIONAL NEWS

Isle of Man: Isle of Man Post Office have announced details of its 2016 postage prices which will come into effect on Monday 25th April 2016. The price of a standard letter to the UK and Isle of Man will increase by just 1p to 45p. Isle of Man Post Office still remains cheaper than any of its major European counterparts. This year some customers will benefit from prices that have been reduced or held for a further year whilst others will see a modest increase in some postal services.

April 9, 2016

NATIONAL NEWS

Louisville Business First: Amazon announced this week that it has started offering free same-day delivery for members of its Prime service in 11 new metro areas, including Louisville, Cincinnati and Nashville. Prime orders of more than \$35 that are placed in the morning will be delivered on the same day, seven days a week. Same-day Prime service currently is available in 27 metro areas across the country, including the new cities. "Delivering for free in two hours is difficult and expensive, but customers love it," Amazon CFO Brian Olsavsky said during a January conference call with investors. Company officials see it as a natural evolution of its services, so it's happy to invest in it, he added.

April 8, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: USPS announced two key officer appointments this week to fill critical roles with the organization. Postmaster General and CEO Megan J. Brennan appointed Kristin Seaver as Chief Information Officer and Executive Vice President, effective April 9. In this role Kristin will lead the Postal Service's efforts to drive innovation across enterprise analytics, business insights, mail intelligence, engineering systems, information security and infrastructure, and payment technology. Ms. Seaver succeeds Randy Miskanic, who was named acting CIO in April 2015. He will return to his former position as USPS' chief information security officer and digital solutions vice president, where he led efforts to strengthen information systems and accelerate digital product development.

The second announcement was Kevin L. McAdams will be detailed as Vice President, Area Operations, Capital Metro Area according to an announcement by COO and EVP David E. Williams.

Federal Register: Postal Regulatory Commission Update to Product Lists , 20530–20534 [2016–08035] [\[TEXT\]](#)

NATIONAL NEWS

Town Hall: "If Trump Loses, Maybe He Can Help the Postal Service Make Better Deals"

Time: The U.S. Postal Service is lowering the price of postage stamps for the first time in 97 years, the agency announced Thursday. The price reduction comes because of the end of a program that had allowed the USPS to raise stamp prices in order to make up for lost revenue after mail volume declined in the Great Recession, Fortune reported. Regulators capped the amount of money the Postal Service could recoup at \$4.6 billion, which it expects to reach by Sunday.

INTERNATIONAL NEWS

INDIA: Avenue Mail: The central government has chalked out several plans to make India digitally transcendent. The postal department in the run for digitalization is planning to equip letter boxes with GPS (Global Positioning System), thereby enabling people to access the location of the letter and at what time it reached which place, when was the letter taken out, when did it reached the head post office and the current location of the letter.

CHINA: CCTV: The new tax policies on cross-border online business will also affect private overseas e-business. Private overseas online retailers usually do business in two ways. One is to purchase goods overseas in person, and take the goods back, and sell them on China's e-Bay-like platform Taobao. The other way is to make purchases on overseas e-commerce platforms, and mail to China through overseas parcel transfer companies. Now private online purchases not conducted via online cross-border retailers will be taxed. "Personal overseas parcels will be subject to personal postal articles taxes. Before there were 4 levels of this kind of tax, at 10, 20, 30 and 50 percent. Now there are just 3 levels. The highest level will be taxed at 60 percent of the goods value," said Zhang Li, Deputy Director, E-Commerce Research Dept., Ministry of Commerce.

GERMANY: The Mirror: Deutsche Post, one of the world's largest courier firms, is testing the table-topped bots as a way of helping postal workers cope with the increasing number of large and heavy packages.

April 7, 2016

POSTAL/FEDERAL NEWS

RESOLVED.....Attention Business Customer Gateway and PostalOne!®

Users: PostalOne! is experiencing connection issues preventing some users from accessing the application. The issue under investigation. 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.

Mailers Technical Advisory Committee: The U.S. Postal Service has recently posted three of the four Focus Area presentations and notes from our NPF meeting. Follow links below:

- [Enterprise Analytics & Data Usage Notes](#)
- [Mail Preparation, Entry & Operations Notes](#)

- [Emerging Technology & Product Innovation Notes](#)

Postal Regulatory Commission:

- **RM2016-9 Petition of the United States Postal Service for the Initiation of a Proceeding to Clarify the Scope of the Review of the System for Regulating Market-Dominant Rates and Classes**

http://www.prc.gov/docs/95/95586/USPS%20Petition_Scope%20of%2010-yr%20Review.pdf

"The Postal Service requests that the Commission promptly initiate a rulemaking proceeding to clarify the scope of its forthcoming review of the market-dominant regulatory system under 39 U.S.C. § 3622(d)(3). That review covers "the system for regulating rates and classes for market-dominant products established under this section [i.e., Section 3622]," and contemplates a process by which (1) the Commission must determine whether the existing "system" is achieving the statutory objectives, taking into account the statutory factors, and (2) if the Commission concludes that the existing "system" is not doing so, must modify the system or adopt an alternative system "as necessary to achieve the objectives." The Commission is to conduct the review "[t]en years after the date of enactment of the Postal Accountability and Enhancement Act" (PAEA), meaning that the review proceeding must begin in December 2016. The Postal Service requests that the Commission clarify its position, following the solicitation and receipt of comments by interested parties, as to which aspects of the current market-dominant regulatory structure fall within the "the system for regulating rates and classes for market-dominant products established under [Section 3622]" for purposes of Section 3622(d)(3), and thus are subject to potential modification or replacement as part of the review. As discussed below, the Commission is clearly authorized to address the scope of the review prior to the 10-year anniversary of the PAEA (i.e., in advance of the review itself). Furthermore, the Postal Service and other stakeholders planning to participate in the review would benefit from the Commission addressing this threshold issue in advance of the beginning of the review proceeding, to allow parties to efficiently prepare for the review and ensure that it can be conducted in a timely manner. Expedious conduct of the review is particularly important considering the significant impact that the Commission's ultimate decision—whatever that may be— will have on the Postal Service's financial condition moving forward. As a result, time and certainty are of the essence."

Attention Business Customer Gateway and PostalOne! Users: Seamless Acceptance and Service Performance (SASP) CI 1273909 was opened on April 4, 2016 for processing delays within the SASP system. The issue is resolved and processing continues without incident. However, due to the large backlog of data to ingest, processing has been slower than normal and the following reports are impacted. Full-Service Data Distribution - .

Federal Register:

- **Postal Service NOTICES** Product Changes:
First-Class Package Service Negotiated Service Agreement , 20426 [2016–07941] [\[TEXT\]](#)[\[PDF\]](#) 20426 [2016–07942] [\[TEXT\]](#)[\[PDF\]](#)
Priority Mail Negotiated Service Agreement , 20426 [2016–07940] [\[TEXT\]](#)[\[PDF\]](#) 20426 [2016–07939] [\[TEXT\]](#)[\[PDF\]](#)

USPS Industry Alert: Attention Business Customer Gateway and PostalOne!

Users. PostalOne!® Release 43.0.2.0 will deploy on Sunday, April 10, 2016 from 4:00 AM to 8:00 AM CT. The PostalOne! system will not be available during this time. There will be no new Mail.dat® download. Continue to use client download 43.0.0.0 PROD. Program Registration Release 16.0.0.1 will deploy to production from 11:00 AM CT to 3:00 PM CT on Sunday, April 10, 2016. There is no outage expected for this deployment and the application will be available during this time.

NATIONAL NEWS

The Roanoke Times: Back in 2006, on a voice vote, Congress enacted a law called the Postal Accountability and Enhancement Act. The bipartisan bill was designed to give the postal service more flexibility in pricing so it could be more competitive in the future. One of its sponsors was former Rep. Tom Davis, who retired in 2008. I interviewed him about it in 2014. Late in 2006, Davis told me the Bush administration threatened to veto the bill unless Congress added a provision requiring that the postal service pay in advance for the health benefits of its retirees 75 years into the future. The law Congress ultimately enacted forced the then-profitable, self-supporting postal service to pony up more than \$50 billion over a 10-year period. Essentially, it had to pay now for the benefits of future retirees who haven't even been born yet. Ever since that law was enacted, the postal service has been mired in a financial crisis that Congress created. A number of theories swirl around why Congress enacted that law. Whichever theory you subscribe to, we're living with the result now. Congress created this mess, and it can fix it.

KOAT: Inspectors with the United States Postal service seized a large amount of stolen mail connected to a number of mailbox thefts in Albuquerque.

Las Vegas Sun: The U.S. Postal Service is in trouble. The service has lost \$35.6 billion in the past four years, its unfunded liabilities equal \$114 billion, and a report released recently showed that the mail is late more often today than at any point in the past five years. More specifically, in the first half of 2015 the amount of late mail rose 48 percent compared with the previous year. Postal Service leadership needs to provide better financial oversight and hold management accountable. Concerns over the future of the Postal Service are nothing new, and questions must be asked about how the agency intends to reverse its downward

trends and reach stability. The larger worry is, if leadership does not right the ship, will the federal taxpayer be called upon to provide a bailout to get the Postal Service's finances back on stable ground?

The Oregonian: FedEx on Tuesday unveiled a new 282,000 square-foot distribution center on Swan Island. The \$54 million facility processes 12,000 packages per hour. FedEx's growth parallels growth across the industry as ecommerce sales steadily rise. According to the U.S. Department of Commerce, e-commerce sales in 2015 accounted for 7.3 percent of total retail sales, up from 6.4 percent in 2014.

INTERNATIONAL NEWS

NEW ZEALAND: Postal Technology International: National postal operator New Zealand Post (NZ Post) has received an indicative offer from the Crown's two major investment funds, the New Zealand Superannuation Fund and the Accident Compensation Corporation (ACC), for part ownership of Kiwibank and its associated services.

CANADA: Canada NewsWire: The unions representing Canada's postal workers are rolling out a new social media campaign this week to convince the public and the Liberal government to bring back postal banking.

CAMBODIA: The Phnom Pehn Post: National mail service provider Cambodia Post reported a 5 per cent increase in 2015 revenues, state news agency AKP reported yesterday. The slight uptick was valued at \$5.45 million, compared to the previous year's \$5.2 million. The postal service instituted a program in 2010 aimed at modernising mail service throughout the country. At that time its revenue was just \$2.16 million.

SWITZERLAND: Post & Parcel: Swiss Post is testing an online marketplace with same-day delivery in the Berne area. In a statement posted on its website on 29 March, Swiss Post said "numerous stores in Berne are now offering their items on a shared shopping platform" (www.kaloka.ch) and added that "thanks to support from BERNcity, same-day delivery will be free of charge during the first two weeks". Shoppers who order before 1 p.m. on working days will receive their shopping by 4 p.m. Orders submitted by 5 p.m. will be delivered by 8 p.m. The start-up notime's Cargovelo courier service provides the same-day delivery capability.

April 6, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **RM2016-8 Order No. 3213 - Notice of Proposed Rulemaking Concerning Product Lists and the Mail Classification Schedule**

<http://www.prc.gov/docs/95/95576/Order%20No.%203213.docx>

<http://www.prc.gov/docs/95/95576/Order%20No.%203213.pdf>

Attention Business Customer Gateway, PostalOne!®, and FAST Users: The PostalOne! application is now available and functionality is returning to normal, along with

the applications/systems for CAPS, eVS, and FAST. Due to the large volume of file submissions to PostalOne!, mailers and acceptance units may still experience a delay in jobs appearing on the PostalOne! dashboard. If this occurs, we will continue to accept the mailings under the PostalOne! and eInduction contingency plan as described below, for the next 48 hours.

Attention Business Customer Gateway and PostalOne!® Users: A network issue is affecting the PostalOne! application. The issue is under investigation. 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.

Attention Business Customer Gateway and PostalOne! Users: Seamless Acceptance and Service Performance (SASP) CI 1273909 was opened on April 4, 2016 for processing delays within the SASP system. The issue is resolved and processing continues without incident. However, due to the large backlog of data to ingest, processing has been slower than normal and the following reports are impacted. Full-Service Data Distribution and MicroStrategy Reports. We apologize for any inconvenience this may cause.

Federal Register: Postal Regulatory Commission *New Postal Products*

- 20003 [2016-07862] [\[TEXT\]](#)
- 20002 [2016-07863] [\[TEXT\]](#)
- 20002-20003 [2016-07870] [\[TEXT\]](#)
- 20001-20002 [2016-07871] [\[TEXT\]](#)
- 20000-20001 [2016-07876] [\[TEXT\]](#)
- 20001 [2016-07877] [\[TEXT\]](#)
- 20003-20004 [2016-07878] [\[TEXT\]](#)

NATIONAL NEWS

Seeking Alpha: FedEx Corp. was supposed to benefit the most from ongoing e-commerce developments as it could take this opportunity to really build up its relatively low-profile package delivery business and potentially see above-average growth. The argument was made here back in December 2013, when the company finished the year with just a 3% revenue growth. For the next two years, however, the company's revenue growth stuck between 2 and 4%, while e-commerce giant Amazon was advancing in sales at 20% in each of the same two years. It doesn't seem that FedEx kept up with the progress of e-commerce and really delivered for online merchants.

INTERNATIONAL NEWS

GERMANY: Reneweconomy: The German Postal Service wants to make its own electric cars and sell them. Its own fleet is to contain 30,000 electric "street scooters." This week, Deutsche Post announced that serial production of the first 2,000 vehicles would begin this year. The goal is to produce a total of 30,000. Because the vans will be used in a fleet for deliveries, the range does not have to be as great; it is apparently 80 kilometers. The

StreetScooter is to be considerably lighter and allow for the driver to get in and out more easily.

HUNGARY: Budapest Business Journal: The Hungarian government and parliamentary parties yesterday held talks on a planned amendment to the postal services act. The expectation is that Magyar Posta should remain a successful state-owned company, MTI reported, adding that based on international trends, the lower demand for traditional postal services needs to be counterbalanced with a new, expanded range of services.

April 5, 2016

POSTAL/FEDERAL NEWS

DMM Advisory: Falling Prices: Mandated Rollback to Take Effect April 10. The existing exigent surcharge for Market Dominant products and services part of the rate base, the Postal Service™ will be required to reduce prices for Forever stamps and other mailing products, effective Sunday, April 10. The price of mailing a 1-ounce First-Class Mail letter will be 47 cents, down from 49 cents. Letters with additional ounces will drop to 21 cents (from 22 cents), letters to international destinations will fall to \$1.15 (from \$1.20) and postcard prices will be 34 cents (from 35 cents). Commercial prices will also decrease. The price reductions are required because the Postal Regulatory Commission has ordered USPS to reverse a 4.3 percent exigent surcharge that has been in place since January 2014. The proposed pricing files are posted on Postal Explorer at pe.usps.com.

Postal Customer Update: The U.S. Postal Service has updated three important technical guides on ACS (Address Change Service). Links:

- [ACS File Format Technical Guide](#)
- [Traditional ACS Technical Guide](#)
- [Single Source ACS Tech Guide](#)

They have also provided updated information on [Informed Visibility](#).

Federal Register:

- **Postal Regulatory Commission** *New Postal Products*, 19652–19653 [2016–07680] [\[TEXT\]](#) 19651–19652 [2016–07748] [\[TEXT\]](#)
- **Postal Service** *Product Changes: Priority Mail and Parcel Select Negotiated Service Agreement*, 19653 [2016–07676] [\[TEXT\]](#)

USPS Office of the Inspector General:

- **Modernizing the Postal Money Order** -- As alternatives from other providers have appeared and broad shifts toward electronic forms of payment have occurred, the number of postal money orders sold has fallen by 60 percent from its peak in 2000. To better meet the needs of those who purchase money orders and the businesses that accept them as a form of payment — saving them time and money — postal money orders could be modernized. The Postal Service also would benefit from a rejuvenated money order business, which is strategically important on many

levels. The OIG has identified some digital strategies as well as some retail best-practices that could help the Postal Service achieve these goals. While postal money order sales are in decline, there is an opportunity to alter that trend. Postal money orders have some unique advantages to customers such as security, availability, and ease of redemption. The Postal Service could make a number of strategic enhancements to build upon these strengths. In addition, it could modernize both the way it sells money orders and the money order product itself, which could attract the next generation of customers. Given the pace of current declines, time is of the essence. If the Postal Service waits to take action to stabilize and modernize this important product, fewer money order users and recipients will be left to benefit from those changes.

- **Time for a Money Order Reboot** -- Postal money orders have been in major decline over the past 15 years, primarily because of alternatives from other providers and a broad shift toward electronic forms of payment. The total volume of postal money orders dropped 60 percent since 2000. The Postal Service can reverse that trend, but the time to act is now. Our recently released white paper, *Modernizing the Postal Money Order*, offers insights on how the Postal Service might bring money orders into the digital age to boost revenues and better serve American consumers and businesses. Improving money order sales is certainly achievable. We found that 1,100 high-volume post offices increased money order sales by at least 10 percent in the past 3 years. Our paper identifies some retail best practices the Postal Service could implement to boost sales of money orders, particularly at these high-volume post offices. One suggestion would be to have a window dedicated to selling money orders. Our paper also suggests the Postal Service: (1) Sell paper money orders through digital channels, such as USPS.com and the USPS mobile app. (2) Introduce an electronic version of the money order, as many foreign posts have done. (3) Customers could use such a product to pay bills, make person-to-person payments, or make ecommerce purchases. (4) Assign a strategic manager to help modernize and stabilize this important product.

INTERNATIONAL NEWS

CANADA: **Canada NewsWire**: Canada Post advised the Canadian Union of Postal Workers (CUPW) that it has filed Notices of Dispute with the Minister of Labour in ongoing negotiations with CUPW-Urban and Rural and Suburban Mail Carriers (RSMC). These notices ask the Minister to appoint a conciliator in each negotiation. The process for requesting conciliation assistance through the Minister of Labour is established by the Canada Labour Code.

April 4, 2016



PostCom Members!! The latest issue of the [PostCom Postal Operations Update](#) is now available online.

NATIONAL NEWS

Inside Sources: Postal Service leadership needs to provide better financial oversight and hold management accountable. As a leading government watchdog organization, the Taxpayers Protection Alliance (TPA) launched a new website, PostalReformforUS.org, to help the USPS find their way through these turbulent times. TPA has partnered with Americans for Tax Reform, National Taxpayers Union, and R Street, who all have similar concerns about the USPS' future.

INTERNATIONAL NEWS

CANADA: **Edmonton Journal:** In what postal workers say is a "cynical attempt to provoke a labour dispute," Canada Post Corporation has filed for conciliation surprisingly early on in its negotiation process with the Canadian Union of Postal Workers. The long list of concessions demanded by the Crown Corporation so far includes hefty rollbacks on pensions, benefits and job security. Canada Post negotiators have refused to consider any of the union's proposals, including ideas for service expansion and pay equity for the female-dominated rural carriers.

UNITED KINGDOM: **Daily Post:** Royal Mail faces a possible strike by 4,900 of its managers in a pay dispute that could threaten deliveries. Ballot papers for industrial action yesterday dropped on the doormats of the managers who are members of Unite union. The managers will be asked to vote on taking strike action and/or industrial action short of a strike after they overwhelmingly rejected a "paltry" 1.3 per cent pay offer for the year starting September 2015 in a consultative ballot. The ballot closes on Thursday 21 April.

April 3, 2016

INTERNATIONAL NEWS

NEPAL: **The Himalayan:** The 138-year-old government postal service, one of the oldest governmental services, is now in dire of restructuring. With the practice of sending letters through post offices declining by 80 per cent, Nepal's postal service has not been able to compete with private sector services such as courier service centres and DHL (international shipping, courier and packaging service provider). As people now have widespread access to modern communication technologies that have virtually phased out letters sent via post,

the country's postal service has been left with two options – downsizing offices and staff and creating new businesses under the postal service system.

April 2, 2016

NATIONAL NEWS

The Motley Fool: In UPS' annual 10-K filing for 2015, the company states that "no single customer accounts for 10% or more of our consolidated revenue" and that therefore "we do not believe that the loss of any single customer would materially impair our overall financial condition or results of operations." Nonetheless, a number of UPS investors have become rather concerned about the prospect that Amazon.com could reduce its reliance on UPS, with the former seemingly focused on increasing its in-house shipping capabilities, which could mean its demand for UPS' services will decline. In fact, UPS has a number of significant growth opportunities that could help it to offset the gradual loss of Amazon as a customer and allow it to build on the share price growth of 5% since the turn of the year. Even if Amazon does reduce its dependence on UPS, these key growth areas could allow it to generate positive earnings growth -- especially since, as previously mentioned, Amazon accounts for less than 10% of UPS' total sales.

INTERNATIONAL NEWS

TANZANIA: IPP Media: In a move to make services of the Tanzania Posts Corporation more efficient, customers will from Tuesday start receiving letters, documents, reports and various products within and outside the country directly at their homes and offices.

SINGAPORE: The Business Times: The pending departure of Singapore Post chairman Lim Ho Kee is just the tip of the iceberg, and more changes can be expected ahead as the postal carrier transforms itself into an e-commerce and logistics player

April 1, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General: Controls Over Multiple Award Indefinite Delivery, Indefinite Quantity Contracts

Background. An indefinite delivery, indefinite quantity (IDIQ) contract is a type of contract the U.S. Postal Service uses to acquire future deliveries of services and supplies. An IDIQ is established when the Postal Service needs services or supplies but is not certain when (indefinite delivery) or how much (indefinite quantity). As needs arise, contracting officers (CO) make purchases from suppliers by issuing orders against IDIQ contracts. Suppliers are obligated to fulfill the orders upon receipt. The Postal Service has two types of IDIQ contracts. Single award IDIQ contracts are awarded to a single supplier, and multiple award IDIQ contracts are awarded to two or more suppliers for the same services or supplies. Suppliers with multiple award IDIQs may compete against each other for all or some of the contract orders. IDIQ contracts have guaranteed minimum and maximum order amounts and the Postal Service is contractually obligated to order at least the minimum amount of

services or supplies. COs are also required to incorporate specific clauses in all IDIQ contracts. The clauses define the Postal Service's and suppliers' purchase and order fulfillment requirements, and establish communication procedures between the parties These contracts are managed under five portfolios: Transportation, Commercial Products and Services (CP&S), Technology Infrastructure, Facilities, and Mail and Operational Equipment. *Our objective was to determine whether the Postal Service had adequate controls over multiple award IDIQ contracts and identify best practices for multiple award contracts.*

What the OIG Found. The Postal Service could improve controls over the use and administration of multiple award IDIQs. COs made some purchases without issuing the required orders, and did not always incorporate required clauses in the contracts or issue orders competitively. COs in the CP&S portfolio made purchases without issuing the required orders for five of the 11 contracts we reviewed (45 percent), which were valued at over \$18.3 million. COs stated they were aware of the policy to issue orders but thought they could deviate from it to streamline the purchasing process. However, the CO did not obtain approval for a deviation. Orders allow COs to effectively track IDIQs to ensure the minimum contract commitment is reached. If COs do not monitor these minimums, the Postal Service may be liable to pay suppliers without receiving any services or supplies Omitting required clauses may lead to confusion and mistakes in administering the contract. Specifically, the supplier may not have a clear understanding of how orders are placed or the applicable order limitations, which could negatively impact Postal Service operations. Finally, Postal Service policy states that best value is generally achieved through competition, but it does not require qualified and eligible suppliers to compete for orders or COs to justify business decisions for multiple award IDIQ contracts. If COs do not require suppliers to compete for orders, there is an increased risk the Postal Service will not obtain best value.

USPS Industry Alert: USPS Shipping Information Systems - Webinar Series IMpb Compliance Quality Metrics. Join us as the Postal Service continues to present its series of informational webinars on IMpb Compliance Quality Metrics targeted for implementation July 2016. The webinars will benefit customers who ship parcels with USPS, particularly small to medium customers who ship Competitive Products – Priority Mail, Priority Mail Express, First-Class Package Service, Parcel Select, and Parcel Select Lightweight. The next webinar scheduled in the series is an overview of IMpb Compliance Deep Dive – Barcode Quality. Speakers: Juliaann Hess, Mgr. Mail and Package Information Systems, Heather Dyer, Business Process Specialist. Registration Required. Attendee Information: US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 78732989 Attendee Direct URL:

8449a2afc If you cannot join using the direct link above, please use these alternate logins: Alternate URL: **<https://usps.webex.com>** Event Number: 991 185 755

NATIONAL NEWS

Briebart: On Jan. 17, Priority Mail and Priority Mail Express shipping went up 9.8 percent ... except for packages shipped by Amazon, which will continue to ship at 2015 rates. Yes, Amazon has a sweetheart deal with the Postal Service. It's called a Negotiated Service Agreement, and its purpose is to make it worth Amazon's while to ship through the Postal Service rather than competitors such as UPS or Fed-Ex. It's not a one-way street. When three consumer groups raised concerns about the Amazon deal and the lengths to which the Postal Service is willing to go to make it work, Amazon rode to the rescue. The groups say such deals would not be profitable if the Postal Service did not use resources intended for regular mail delivery to give itself and, by extension, Amazon, various monopoly-protected competitive advantages. In short, the USPS is cross-subsidizing Amazon package deliveries with money generated through its monopoly letter mail delivery business. They groups have asked the Postal Rate Commission to consider how Amazon alone gets exempted from a nearly 10 percent price hike and how the move can be financially justified for the Postal Service otherwise. They've also asked that the Postal Service be required to break out the costs of providing its special favors to Amazon. In response to the groups, Amazon told the commission there is nothing in the rules that govern rate-setting that "requires rates for either market-dominant (the products, on which it has a monopoly, such as home delivery of first-class mail) or competitive products (package and other delivery services) to cover fully allocated costs." It derides such accounting as a relic of the first third of the last century and says such costs need not be broken out.

Cato Institute: The next president will confront a range of fiscal crises that the current president has ignored. One of them is the ongoing implosion of the U.S. Postal Service (USPS). With the rise of email, the volume of snail mail has plunged, and the USPS has lost more than \$50 billion since 2007. The red ink will continue to gush as more bill paying, advertising, invitations, and other communications go online. The decline of letter mail is not unique to the United States, and other countries have shown us what to do about it: privatize the postal system and open it to competition. Those reforms would allow the postal industry to adjust to the modern Internet-based economy. Other nations with money-losing national postal companies have deregulated their systems. Britain, Germany, and the Netherlands privatized their major postal companies and opened them to competition. Many countries now have more entrepreneurial postal industries than we do.

Wall Street Journal: United Parcel Service Inc. has appointed Juan Perez to replace CIO Dave Barnes, who is retiring. Dave Barnes has worked for UPS for 38 years.

Dead Tree Edition: As noted in a previous article about Trumpazines, I like to celebrate April Fools Day with Onion-esque fake news stories that touch the funny bone and hit close

to home. I half-expect the following article to be true because the reality of reduced postal rates is stranger than fiction. [EdNote: "Gino Del Potato?" Actually, he's been called worse. 😊]

INTERNATIONAL NEWS

AUSTRALIA: **Geelong Advertiser:** In the same mail delivery was a handwritten, personal letter, dated March 7. Compared with its companion, its speed of delivery could be described as lightning fast. To be fair, it may well be that the writers of both letters might have left them lying around somewhere before finally posting them much later. However given the increasing crescendo of public frustration with our letter delivery postal service (as against parcels), it's not unreasonable to speculate that the mammoth delay was probably the responsibility of Australia Post. With every letter posted in Geelong (or from anywhere else in regional Victoria, for that matter) first going to Dandenong, it's hardly surprising that: delivery is slower; and the potential for mail to go astray is considerably higher.

ISLE OF MAN: **IT Business Net:** Representatives from the Isle of Man Post Office will be attending the Global Lottery Messenger Forum conference on April 11th as they aim to boost their share of the lucrative Direct Mail (DM) market for online lotteries.