



Association for Postal Commerce

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POSTAL NEWS FOR MAY 2016

May 31, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: **USPS Shipping Information Systems - Webinar Series. IMpb Compliance Quality Metrics.** Tuesday, June 7, 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 Quality - Certification Process. Speakers: Juliaann Hess, Mgr. Mail and Package Information Systems & Heather Dyer, Business Process Specialist, Principal

NATIONAL NEWS

Recode: Amazon is taking more control over how a package lands on your doorstep, but the company isn't trying to destroy UPS, CEO Jeff Bezos said at the Code Conference in Rancho Palos Verdes, Calif., on Tuesday evening. Industry experts have reason to be suspicious. The e-commerce giant has recently starting leasing airplanes and buying up truck trailers. The goal, however, is to simply supplement the delivery capabilities of U.S. Postal Service and UPS, but do so "heavily," according to Bezos. "We're growing our business" with the USPS and UPS, he said in an onstage interview with Walt Mossberg. Bezos did, however, hint at another motivation: Getting better terms on delivery contracts with companies like UPS. "Better prices on transportation would be acceptable to us," he deadpanned.

CNET: More than one in five people routinely block adverts on their phones, new figures say. At least 419 million people are stopping ads from appearing on their mobile devices, according to a report by PageFair

on the use of mobile ad-blockers. That works out to 22 percent of the world's 1.9bn smartphone users, as of March 2016. Of those adblocker users, the report says more than 400 million people use mobile browsers that block ads by default.

INTERNATIONAL NEWS

UNITED KINGDOM: [Daily Mail](#): SpaceX will offer first postal service to the red planet in 2018, and prices start at £42million.

SCANDINAVIA: [Wall Street Journal](#): The home-delivery arms race is reaching deeper into the home itself. A Scandinavian courier company, PostNord AB, and a supermarket chain are testing a system to take online grocery orders and deliver them right into refrigerators, the WSJ's Matthias Verbergt reports. The service being tested in 20 households hinges on adding a lock to doors that couriers can unlock with their smartphones. It's aimed at conquering the last step in the costly area of last-mile delivery, removing a barrier to still-greater growth in e-commerce. Whether with drones, special lockers or even car trunks, companies are looking for new ways to put goods in the hands of customers—and eliminate the failed delivery attempts that send costs soaring and raise the ire of online customers. The delivery test in Sweden shows that companies are looking for technology to solve the last-mile delivery equation. But it also carries new costs—the locks aren't cheap—and retailers hope consumers will not only allow strangers in their homes but pay for the convenience.

NETHERLANDS: [Security News Desk](#): IDIS have announced the delivery of a unified surveillance solution that is enabling PostNL, the Netherlands' postal service, to step up security across its estates while protecting its existing investment and reducing running costs.

May 30, 2016

NATIONAL NEWS

[WDAZ](#): The fatal drug epidemic has a grapple on our community and region, being fueled by drugs delivered right to your mailbox. You can now get drugs without ever leaving your home and it's a serious concern for families struggling with addiction.

INTERNATIONAL NEWS

NIGERIA: [MSN News](#): The inability of the federal government to appoint a substantive Postmaster General (PMG) of the federation, is slowing the pace of activities at the Nigerian Postal Service (NIPOST), Nigeria CommunicationsWeek investigation has shown.

BELGIUM - NETHERLANDS: Wall Street Journal: Belgian postal service Bpost and Dutch rival PostNL on Sunday said they had been in merger talks but that negotiations ended without an agreement.

May 29, 2016

NATIONAL NEWS

BidnessEtc.: According to a recent research report from Bernstein, the investment firm believes Amazon.com, Inc. efforts to reduce dependence upon both UPS and FedEx by moving its reliance to USPS may not be a viable idea. For USPS to support the online retail giant's growing demand, it would have to invest heavily in its networks and fleets or raise its price, which it can't afford. The online retailer has been vigorously trying to become more dependent upon USPS for its last-mile parcel deliveries. Packages account for 20% of USPS weight, but only 1% of its volume. They are also more capital intensive. According to the company, *the contribution on parcel packages that Amazon has handed them to deliver is about a penny per package*. This is an insignificant amount to further invest in.

INTERNATIONAL NEWS

UNITED KINGDOM: Financial Times: Gone are the days when Royal Mail simply collected the post, sorted it and put it through letterboxes. The UK's dominant postal operator is breaking into the digital world with a string of investments in small ecommerce and technology companies. "They're buying innovative software and expertise," says Robin Byde, analyst at Cantor Fitzgerald. "It all speaks to the issue of declining core mail but is also a response to growing ecommerce flows. They're positioning themselves in the plumbing space for the global supply chain." Greater parcel volumes failed to offset fewer letters for Royal Mail last year, with the company posting a one-third drop in full-year pre-tax profit to £267m this month. Analysts say Royal Mail's recent investments are aimed at offering a fuller suite of products and services linked to the sale and dispatch of online orders. "They're trying to bolt on other capabilities that people who send parcels might also want, so it makes it easier for them to be a one-stop shop," says Frank Proud, of consultancy Apex Insight.

May 28, 2016

NATIONAL NEWS

Portland Press Herald: It costs a lot to be poor, especially when you want to access your own money. People without bank accounts pay outrageous fees to cash a paycheck and massive interest rates for small loans. Banks are not interested in servicing accounts that come with small deposits, and

leave the market to payday lenders, who collectively draw billions out of the pockets of the poorest Americans. New regulations are set to go into effect this year that are designed to end the worst predatory practices, and lobbyists for the industry claim it will kill off their businesses. The hope is that big banks will step in and expand their services to areas that they have ignored in the past. But until they invest in new branch offices, millions of low-income workers would still have no place to cash a check or get credit. A better solution might be right in front of our eyes. The U.S. Postal Service has retail offices in every community in America and it already provides financial services such as money orders and electronic transfers. It wouldn't take much to add services like savings accounts, check cashing and debit cards.

Memphis Daily News: California-based Shyp was set up to capitalize on the legacy cost structures and operations of traditional logistics companies. Its users snap a photo of the item they want to ship and enter an address, at which point Shyp shows up at their door and takes care of the rest. It's one example of a growing number of technology companies mounting what are perceived as disruptive threats against FedEx's core business. Amazon and Uber are others. Uber in late in 2015 launched its service UberRush, which uses the ride-sharing service's drivers to ferry parcels in addition to people. Amazon, though, has attracted the lion's share of headlines related to its potential encroachment into FedEx's business. In recent months, the Seattle-based e-tailer has expanded its U.S. truck fleet; negotiated the lease of 20 Boeing 767s; taken a majority stake in a France-based package shipment company; and reportedly had its China arm registered as an ocean freight forwarder. Amazon also has been investing heavily in its own delivery services like Prime Fresh and Prime Now. The former is Amazon's same-day grocery delivery option, while the latter is an hourly delivery option for Amazon purchases that can come straight from Amazon's own sorting centers.

May 27, 2016

POSTAL/FEDERAL NEWS

USPS Mail Moments: "USPS Mail Moments 2016 Review"

Federal Register:

Postal Regulatory Commission *New Postal Products,*

- 33711–33712 [2016–12513] [\[TEXT\]](#)
- 33711 [2016–12514] [\[TEXT\]](#)
- 33712 [2016–12516] [\[TEXT\]](#)
- 33712–33713 [2016–12517] [\[TEXT\]](#)
- 33714 [2016–12518] [\[TEXT\]](#)

- 33713 [2016–12519] [\[TEXT\]](#)
- 33713–33714 [2016–12520] [\[TEXT\]](#)

Postal Service Product Changes:

- First-Class Package Service Negotiated Service Agreement, 33715–33716 [2016–12533] [\[TEXT\]](#) 33715 [2016–12535] [\[TEXT\]](#)
- Parcel Select Negotiated Service Agreement, 33715 [2016–12536] [\[TEXT\]](#)
- Priority Mail and First-Class Package Service Negotiated Service Agreement, 33715 [2016–12528] [\[TEXT\]](#)
- Priority Mail Express Negotiated Service Agreement, 33715 [2016–12530] [\[TEXT\]](#) 33715 [2016–12531] [\[TEXT\]](#)

INTERNATIONAL NEWS

CANADA: ***Toronto Star:*** The postal workers' union says that Canada Post wants to shut down the post office in early July, citing management's refusal to budge on changes to pensions, benefits and job security. "We're expecting them to lock us out," said Mike Palecek, national president of the Canadian Union of Postal Workers.

BELGIUM - NETHERLANDS: ***Reuters:*** Belgian newspaper Le Soir said on its website, without citing any source, that Bpost wanted to buy Dutch peer PostNL . It also quoted a Belgian government ministry dealing with state-owned companies denying comments by an opposition Socialist politician that Belgium was about to sell its 51 percent stake in Bpost. Bpost and PostNL declined to comment. Both companies face shrinking mail deliveries while domestic parcel deliveries are increasing because of online shopping.

May 26, 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

Postal Regulatory Commission:

- **PI2016-1 Chairman's Information Request No. 3**

<http://www.prc.gov/docs/96/96010/CHIR%20No.%203%20Worksheet.xlsx>

<http://www.prc.gov/docs/96/96010/CHIR%20No.%203.docx>

<http://www.prc.gov/docs/96/96010/CHIR%20No.%203.pdf>

Federal Register:

Postal Regulatory Commission

- New Postal Products , 33558–33559 [2016–12391] [\[TEXT\]](#) 33559–33560 [2016–12392] [\[TEXT\]](#) 33560 [2016–12393] [\[TEXT\]](#) 33559 [2016–12394] [\[TEXT\]](#) 33558 [2016–12395] [\[TEXT\]](#)

Postal Service

- Mail Classification Schedule Changes: International Flat Rate Envelopes and Priority Mail International Small Flat Rate Boxes, 33560–33561 [2016–12400] [\[TEXT\]](#)

INTERNATIONAL NEWS

INDIA: ***Times of India:*** Email and social media have signed the death warrant of postal services, but the communications and IT ministry has scripted the resurgence of Speed Post, postal banking and parcel services using the very same social media networks. Communications minister Ravi Shankar Prasad has taken to Facebook and Twitter in a big way to speed up postal services, notorious till some years ago for their snail-paced delivery. He and his IT team will look into grievances of customers and take immediate steps to get the post or parcel delivered to the recipient.

May 25, 2016



Join PostCom's Executive Vice President Jessica Lowrance in

discussing the recent FY2015 Annual Compliance Determination Report. Learn more about the 120 day report required by the Postal Service on Flat-shaped mail, as well as the other findings of the Postal Regulatory Commission. Join WebEx

meeting <https://grayhairsoftware.webex.com/grayhairsoftware/j.php?MTID=mb3f198247bbc7d52c7f5b2e2afc7f31f> Meeting number: 641 812 708 Can't join the meeting? <https://help.webex.com/docs/DOC-5412>

POSTAL/FEDERAL NEWS

Federal Register: Postal Service -- Priority Mail Negotiated Service Agreement, 33275 [2016–12254] [TEXT] 33275 [2016–12255] [TEXT] 33275 [2016–12256] [TEXT] 33275 [2016–12257] [TEXT] 33275 [2016–12258] [TEXT]

Postal Regulatory Commission:

- **USPS Preliminary Financial Information (Unaudited), April, 2016**
<http://www.prc.gov/docs/95/95985/2016-5-24%20April%20FY2016%20Report%20to%20the%20PRC--report.pdf>
http://www.prc.gov/docs/95/95985/Letter_PFI_April2016_20160524152108.pdf
- **National Trial Balance (April, 2016); and Statement of Revenue and Expenses (April, 2016)**
http://www.prc.gov/docs/95/95986/Letter_NTB-SRE_April2016_20160524152017.pdf
[http://www.prc.gov/docs/95/95986/National%20Trial%20Balance%20-%20Redacted,%20%20April,%202016%20\(FY%202016\).xls](http://www.prc.gov/docs/95/95986/National%20Trial%20Balance%20-%20Redacted,%20%20April,%202016%20(FY%202016).xls)
[http://www.prc.gov/docs/95/95986/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20%20April,%202016%20\(FY%202016\).xls](http://www.prc.gov/docs/95/95986/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20%20April,%202016%20(FY%202016).xls)
- USPS controllable income for April 2015 was \$187M.
- USPS controllable income YTD for FY15 was \$2.1B.
- USPS net loss for April was \$279M and \$2.0B YTD.
- USPS saw a growth in the number of career employees YTD from 490,175 to 498,830 or 1.8%.
- USPS saw a 4.6% increase over SPLY of total non-career employees from 130,528 to 136,558.
- USPS saw revenue in every mail category decline but that was largely due to the removal of exigency from the same period last year.
- Workhours increased both for the month and YTD over SPLY. For April USPS saw 1.4%, while YTD was 2.8%.

NATIONAL NEWS

Direct Marketing News: Sen. Tom Carper and his quest for postal reform in 2016 found a willing partner in Rep. Jason Chaffetz—his postal governing counterpart in the House—raising mailers' hopes that a bill could be passed if it side-stepped the controversial issue of rates. A full bi-partisan complement of members questioned panelists at a hearing of the Utah Republican's Government Oversight Committee. (On the Senate side, Carper and a band of fellow Dems are beating the reform drum.) Ranking Member Elijah Cummings (D-MD) appeared committed to push for a workable bill and Chaffetz said he'd issue a

discussion draft soon and conduct a mark-up this year. Directing music to mailers' ears, Chaffetz said he deemed raising rates while cutting services to be an unwise approach.

INTERNATIONAL NEWS

EUROPE: Europa: Delivering on its Digital Single Market and Single Market strategies, the European Commission has presented a three-pronged plan to boost e-commerce by tackling geoblocking, making cross-border parcel delivery more affordable and efficient and promoting customer trust through better protection and enforcement.

CANADA: The Globe and Mail: Crown corporations such as Canada Post are established to advance social and economic objectives. They are used as instruments of public policy, to fill needs that governments feel the private sector can't or won't meet. When Crown corporations are no longer needed to advance policy or deliver social services, they are often privatized. In the case of Canada Post, there are two basic questions: Is there still an economic or social rationale for Canada Post to be government owned and controlled? Is there sufficient private sector capability to serve the postal needs of business and the public? Canada has a long and successful history of privatizing Crown corporations that have outlived their usefulness. If this task force was allowed to consider deregulation or privatization, it might find it's no longer necessary for Ottawa to own Canada Post in order to meet the postal needs of Canadians. They would find an extensive network of private carriers capable of providing a quality, affordable national letter service – if allowed to compete with Canada Post. Canada Post exists as a Crown corporation for one basic social purpose: to deliver a universal letter service. It was given an “exclusive privilege” (monopoly) over letter mail delivery to help meet this obligation. But the obligation has become a money-losing millstone around the corporation's neck. The growing use of the Internet to transmit information, advertising, money and messages is seriously undermining letter mail volume, and the corporation is required to deliver this shrinking volume to thousands of additional addresses every year. The corporation has tried to generate enough profit from their parcel business to compensate for letter mail losses. But even with large rate increases, pension payment deferrals and reductions in home delivery, profitability has remained elusive. Canada Post's problems run deeper. Wages and fringe benefits are high. So is absenteeism. Productivity lags. There's a long history of strained labour relations. All this is a product of a government-owned quasi-monopoly. It's not a business model to perpetuate.

UNITED KINGDOM: Post & Parcel: Ofcom has today (25 May) published its Review of the Regulation of Royal Mail. The regulator has concluded that the “universal postal service is financially sustainable” and also announced that “given the declining letters market, and increased competition in parcels” it is not proposing to impose new price controls on Royal Mail's wholesale or retail products.

UNITED KINGDOM: [The Guardian](#): Royal Mail has escaped new price controls after the communications regulator said the universal postal system was working in its current form. Ofcom investigated the company over concerns it no longer had competition in the delivery of letters following the withdrawal of Whistl from the market. Publishing the initial findings of its review, launched last July, the regulator said it would not impose new price caps on the company. "Given the declining letters market, and increased competition in parcels, Ofcom is not proposing to impose new price controls on Royal Mail's wholesale or retail products." It added: "The universal postal service is financially sustainable, while current rules and safeguards for people and businesses who use post are generally working well."

UNITED KINGDOM: [Yahoo! Finance](#): Concluding its review of the regulation of Royal Mail, the postal regulator has decided not to impose any new price controls on the company's wholesale or retail products but it kept the cap on stamp prices and proposed tightening some rules in the 'access' market. Furthermore, Ofcom warned it would closely monitor the company as it was concerned Royal Mail "has the potential to cross-subsidise its parcels business through its letters business - where it has a much larger market share and an established delivery network - in a way that might disadvantage other parcel operators". In the access market, where rival operators collect and sort mail before handing it over to Royal Mail to complete delivery, Ofcom said Royal Mail needed to allow longer notice periods for contractual changes imposed on access operators and also demanded the company respond within six weeks when a wholesale customer requests a product similar to one already sold by Royal Mail.

CYPRUS: [InCyprus](#): The Cyprus Postal Services will receive an estimated €2.2 million in order to automate its services announced Transport Minister Marios Demetriades on Tuesday. The automating system is to be installed in all the 51 post offices throughout the island. The aim is to alleviate the services from on-going problems, improve the quality of the working environment and to make it competitive against the private sector. Some of the problems being experienced by the staff include the use of up to six different systems to assist customers, the time-consuming collection of data in order to issue the correct postal tariffs, manual accounting and the complicated system in the use of courier services. Demetriades believes that automating the Cyprus Postal Services will make it competitive when the postal services will be liberalised and that they will be in a position to offer new and upgraded services.

NIGERIA: [The Cable](#): Adebayo Shittu, minister of communications, has promised staff of the Nigerian Postal Service (NIPOST) that the organisation will be transformed, while they would be better paid. Adebayo said a bill to reform NIPOST was before the national assembly, disclosing that one of the issues that the bill would help to resolve is the multiple roles that NIPOST played as a regulator, an active operator and a revenue generator.



MONGOLIA: GISUser: Mongol Post, Mongolia's national postal delivery service, has adopted the addressing platform what3words for postal deliveries to customers across the country. Mongolia covers an area nearly the size of the European Union, but has no consistent addressing system. what3words has developed an easy-to-use, accurate address for every 3m x 3m square in the world, and Mongol Post is now making this address system integral to its service and a part of the infrastructure that will help drive the country's economic development. Mongol Post is the country's largest postal service provider, with 900 employees serving more than 3 million citizens, 30% of whom are nomadic, roaming an area of more than 1.5 million square kilometres. As a rapidly emerging market, Mongolia needs a functioning address system to sustain its economic development and attract investment. what3words is a multi-award winning location reference system based on a global grid of 57 trillion 3 metre x 3 metre squares. Each square has been pre-assigned a fixed and unique 3 word address. The system is available as a mobile app or API integration and works both online and offline. It makes it easy to discover an address, communicate it and deliver to it.

May 24, 2016

Coalition Letter the House Oversight Committee: "As representatives of a large portion of the Postal Service's postage-paying mailing industry, using all types and classes of mail and representing tens of billions of mail pieces and tens of billions of dollars in postal revenue, we write to express our strong opposition to a legislative proposal to increase the rates of postage paid by individuals, businesses, and nonprofit organizations that use the mail – a proposal advocated by two of the witnesses at the Committee's May 11, 2016 hearing. The undersigned businesses and nonprofits and members of the undersigned associations are the mail owners and/or service providers for the vast majority of the 93 percent of postal mail volume – 144 billion pieces – sent by commercial and nonprofit organizations, and are the recipients of another 4.5 percent of mail – 7 billion pieces – sent by households to these organizations. Contrary to any misimpression that "a broad swath" of the postage-paying mailing industry is supportive of a legislated rate increase (whether in the guise of "restoring" by law the "exigent" rates of postage that expired on April 10, 2016, or in some other descriptive form), the undersigned organizations stand firmly opposed to any such proposal."

POSTAL/FEDERAL NEWS

Federal Register: Postal Regulatory Commission

- **Market Dominant Price Adjustments**, 32817–32818 [2016–12107] [\[TEXT\]](#)
- **New Postal Products**, 32816–32817 [2016–12108] [\[TEXT\]](#) 32818–32819 [2016–12109] [\[TEXT\]](#) 32818 [2016–12110] [\[TEXT\]](#)

NATIONAL NEWS

CoinDesk: The US Postal Service (USPS) has released a new report outlining how it could adopt blockchain technology within its operations. The report, issued by the Postal Service's Office of the Inspector General (OIG), suggests that the service should consider using the technology to reinforce its supply chains, create connected device networks or even issue its own digital currency. Published today, the OIG report posits that in the short-term, the government should devote resources to weighing where applications could be made, arguing that "beginning to experiment with its possible applications could benefit postal operations and customers". It's an idea that has drawn attention from similar services in the past. In March, Australian delivery service Australia Post said it was investigating using the technology for digital identity applications. In a statement, Postal Service chief information security officer and VP of digital solutions Randy Miskanic further suggested that the government hasn't done much beyond evaluation. "As highlighted in the report, we will need to be cautious in specific implementations to account for technology barriers, security concerns and regulatory uncertainty," he said. "We will evaluate the use of blockchain for each of the use cases and further review the available opportunities while considering the impact of the technology and financial restrictions."

Investors Business Daily: It's an ambitious plan by Amazon, to procure a fleet of 40 airline freighters and lessen its dependence on FedEx and United Parcel Service. The 40 aircraft that Amazon plans to have fully operational by 2018 will enable it to bring as much as 30% of its current delivery volume in-house, according to a research report Monday by Moody's Investors Service analyst Jonathan Root. In terms of short- and medium-haul aircraft, Amazon's fleet would be 21% the size of UPS' and 14% the size of FedEx's, says Root. In terms of payload capacity, Amazon's fleet would be 26% the size of UPS' and 17% of FedEx's, excluding their largest freighters that fly mostly long-haul routes for those companies, Root wrote. "As significant as that sounds, the business that UPS and FedEx will lose may not be as bad as it sounds," Root wrote. "Revenue and average daily volumes at UPS and FedEx will be hurt, but there's plenty of opportunity for them to replace that lost business with growing volumes from higher-yielding customers" and growth in e-commerce. Root also says that Amazon is one of the least profitable customers for UPS and FedEx, because Amazon's size enables it to negotiate considerable discounts.

Chicago Now: Is the Post Office kidding us? Several people on Chase Avenue, in the Rogers Park neighborhood, complained about poor or no mail service. The reason for the poor service? The street is a haven for garter snakes. Harmless, perfectly safe to humans, garter snakes. Their regular mail carrier suffers from an abnormal fear of snakes, known as ophidiophobia.

INTERNATIONAL NEWS

HONG KONG: Postal Technology International: Post-Expo Hong Kong 2016 opened its doors today (Tuesday May 24) to showcase the latest technologies to enter the postal industry. The event, which is being held at Asia World Expo Center on May 24-26, has been combined with The Parcel Show this year. On display is everything from automated sorters, last-mile delivery solutions and international logistics services to dynamic routing, addressing and optimization software.

Universal Postal Union: Director General Bishar A. Hussein has said Posts must be flexible to meet their customers' changing needs at the UPU's World Postal Business Forum at POST-EXPO 2016. "For any business to survive and thrive, it has to meet the changing needs of its customers - the Post is no different," he said in a video message. The Director General recommended that Posts adapt their business models to meet modern postal market demands. "The customers of the Posts themselves have undergone remarkable transformation," said Hussein. "They require faster and more efficient services and are not willing to compromise this, even for lower prices." With the growing e-commerce market, competitors, such as couriers and logistics companies, are already offering customers quicker options than Posts. Hussein urged designated operators to be flexible and embrace new technology to keep up with the competition. The Director General added that the UPU is also taking measures to modernize itself. Participants at this year's Universal Postal Congress in Istanbul will vote on a proposal to reform the Union's structure and working methods.

May 23, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: USPS Shipping Information Systems - Webinar Series IMpb Compliance Quality Metrics Tuesday, May 24, 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 Drive - Scan Event Extract File and IMpb ACS. 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: 78736018 To register and add webinar to your calendar click here: Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e89f36791913ea48cae14c162b867b62b> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com>. Event Number: 990 292 599

USPS Office of the Inspector General: Have You Been Affected by International Mail Processed at the Queens P&DC?

The U.S. Postal Service considers mail delayed when it is not processed in time to meet its established delivery day. The Queens Processing and Distribution Center (P&DC) in Queens, NY, is responsible for processing and distributing international inbound packages. From October 2015 through March 2016, the Queens P&DC had high volumes of delayed mail, primarily inbound international packages. The excessive delayed mail at the Queens P&DC could be negatively impacting the timely delivery of inbound international packages to customers. Have you experienced delayed international mail that was processed at the Queens P&DC? Have you noticed any change in the timeliness of delivery of international mail processed through the Queens P&DC?

NATIONAL NEWS

Daily Breeze: South Bay Rep. Ted Lieu says the U.S. Postal Service has a “systemic” issue with mail delivery problems in parts of western Los Angeles County that repeatedly requires his district staff to assist frustrated constituents. Lieu, D-Manhattan Beach, said that while the USPS resolves issues that include misdirected or nondelivered mail in 97 percent of the cases, complaints persist with no end in sight to the “spotty” delivery. “We continue to get more and more cases and they look like a systemic issue in western Los Angeles County,” Lieu told Postmaster General Megan J. Brennan at a recent hearing of the House Committee on Oversight and Government Reform. “We get complaints from Santa Monica and Redondo Beach,” Lieu added. “There needs to be a systemic fix.” Lieu told Brennan his district staff have had to meet local postal officials on “numerous occasions” to discuss inadequate mail delivery and he wanted to see a commitment from the USPS to fix the chronic issues. Lieu noted that Beverly Hills has suffered particularly severe problems with mail delivery. The local newspaper has experienced the problems first-hand, sometimes going several days without receiving mail at its office, it reported last year. Brennan promised to follow-up and noted that the USPS has made adjustments to staffing and transportation in Beverly Hills in response to complaints.

INTERNATIONAL NEWS

INTERNATIONAL POSTAL CORPORATION: Post & Parcel: The International Post Corporation (IPC) has reported that its Annual Conference, held in Brussels on Friday, focused on how postal innovation can benefit small businesses and help them further embrace cross-border e-commerce. Herbert-Michael Zapf, IPC President and CEO, commented: “In today’s increasingly globalised and digitalised markets, small businesses go through major transformations. Global e-Commerce represents a key opportunity for SMEs to grow and hence contribute to overall economic growth. SMEs and posts can benefit from each other by creating a true partnership for growth.” According to the IPC, there are tremendous opportunities for SMEs, but they need support to meet challenges such as creating websites, establishing secure

online payment solutions, launching marketing campaigns that are appropriate for their target markets, and finding the right international shipping solutions.

May 22, 2016

NATIONAL NEWS

Wall Street Journal: Several logistics companies are seeking buyers, a sign that stagnant shipping demand is driving a new wave of consolidation in the industry.

May 21, 2016

NATIONAL NEWS

Breitbart: The news coming out of the Postal Service is much more of the same: traditional letter mail is its most profitable product; standard mail, flats and packages struggle to break even and come close only because of benefits conferred by the monopoly-protected side, and its more exotic offerings – grocery delivery, fish delivery, same day delivery – can't be justified economically. With so many challenges ahead there certainly won't be good news until the Postal Service and Congress tackle its problems and narrow its scope.



Postal Hub Podcast: Money orders are dying, right? Maybe not. Research in the USA shows the money order has a future online and can play its part in e-commerce. The USPS Office of Inspector General recently released its report called "Modernising the Postal Money Order". Bryant Switzky, who co-authored the report, joins me to discuss the USPSOIG's key recommendations.

The Forum Newsgroup: A former U.S. Postal Service employee this week pleaded guilty to dumping approximately 1,000 undelivered letters in a South Ozone Park trash receptacle. Daniel Darby, 26, on Tuesday in Brooklyn Federal Court copped to a single count of knowingly and willfully delaying the delivery of mail, a misdemeanor. On Dec. 2, 2015, according to a New York Daily News report, Darby stuffed the parcels in garbage bags he bought at the Stop and Shop supermarket on Cross Bay Boulevard in Howard Beach and later got rid of the bags in South Ozone Park. Darby claimed he dumped the mail because he was working an unfamiliar route that day and became distressed over the amount of letters. He faces up to six months in prison and a \$5,000 fine when he's sentenced on June 8.

Bloomberg: "The Troubled Path of the US Postal Service"

Globe Newswire: The United States Postal Service and the National Association of Letter Carriers (NALC) have agreed to extend contract negotiations on a new collective bargaining agreement. Although the contract with the NALC expired at midnight Friday, May 20, the Postal Service and the NALC have mutually decided to extend negotiations beyond the deadline. The NALC represents approximately 210,000 city letter carriers nationwide. The Postal Service and the National Postal Mail Handlers Union, AFL-CIO (NPMHU) also have agreed to extend contract negotiations on a new collective bargaining agreement. Although the contract with the Mail Handlers union also expired at midnight Friday, May 20, the Postal Service and the NPMHU have mutually decided to extend negotiations beyond the deadline. The NPMHU represents approximately 44,000 employees nationwide.

KSAT: "U.S. Postal Service reports increase in mailbox break-ins in San Antonio area. Thefts reported overnight; reason for increase unknown."

INTERNATIONAL NEWS

UNITED KINGDOM: Fierce Wireless Europe: The UK Post Office's mobile virtual network operator (MVNO) is shutting down, the beleaguered publicly owned company has said. The MVNO, which resold connectivity from EE's network, was announced as a new entry in the UK's hyper-competitive market around two years ago, with Post Office chief commercial officer Martin George describing the service as a "significant milestone in the Post Office's journey of change". It was originally supposed to see a nationwide rollout by the end of 2014, but the trial only began in June 2015. At its height, the MVNO was selling pay-as-you-go SIM cards online and in 263 of the Post Office's 11,600 branches. Now, the Post Office has decided to scrap the whole thing.

CANADA: Vancouver Sun: Today, there is an immense opportunity with the Post Office review to bring in postal banking, which could offer products which would offer a real alternative to the usurious interest rates at pay lenders. Their rates range from 442 per cent to 650 per cent annual rates for loans most often to our poorest citizens! But postal banking could provide much more than just an alternative to pay day loans. Here are six other reasons.

ROMANIA: Business-Insider: The state-owned postal operator Posta Romana will sell retail bank products, after the National Bank of Romania has approved the request of Patria Bank. Posta Romana said the banking products will be sold in selected branches across Romania. It will be first rolled out as a pilot project and its expansion should accelerate next year. The financial services will represent, alongside other business projects that were already initiated, a future alternative that should make up for the reduction trend in the mail market, "said Petrescu.

May 20, 2016

POSTAL/FEDERAL NEWS

Federal Register: Postal Regulatory Commission New Postal Products, 31972 [2016–11859]

[[TEXT](#)] 31972–31973 [2016–11860] [[TEXT](#)]

NATIONAL NEWS

Boston Business Journal: David Abney started working for the United Parcel Service as a teenager in 1974. Now, as CEO of the \$90 billion, Atlanta-based company, he knows that in order to compete in the package delivery market, UPS has to be a technology company. But it was Abney's vision of how some technology — namely drones — will play a role in the future of the package delivery business that drew a sharp distinction between UPS and another company that acts as its competitor as well as its partner: Seattle-based e-commerce giant, Amazon. The two companies both deliver goods, and to that end, Amazon is investing heavily in Prime Air, which is a future delivery system designed to transport packages to customers within 30 minutes by using drones. In 2015, Amazon CEO Jeff Bezos said that although they're still years away from being deployed, Amazon delivery drones will someday be "as common as seeing a mail truck." But in comments Thursday, Abney said he doesn't believe drones will be that ubiquitous.

Wall Street Journal: Google announced this month it would ban payday-loan ads. One wrinkle: It is an investor in a payday lender.

Airline Economics: FedEx's planned \$4.8 billion takeover of TNT Express will settle on May 25. FedEx has stated that 88.4% of all TNT shareholders have accepted the terms of the deal that comes with an offer price of €8 per share.

WIVB: A former mail carrier pleaded guilty to not delivering more than 700 pieces of mail while on duty. When sentenced on August 16, Jennifer Serrano, 26, could spend up to six months in jail and pay a \$5,000 fine. The incidents where Serrano did not deliver mail happened between March of 2013 and February of 2014. During this time, the Tonawanda woman instead brought it to her home and stored it. She later resigned from the U.S. Postal Service.

WJLA: In miserable weather on Tuesday morning, DC Water crews pulled piles of soggy, stinky mail out of the catch basin and sewer system at Anacostia Avenue and Douglas Street in northeast Washington. The Postal Service retrieved 25 bags of mail over two days this week with the help of DC Water. Residents suspect the mail was dumped there by a U.S. Postal Service employee while the regular mailman was off last week. The case was referred to the USPS Inspector General, responsible for

investigating employee misconduct. The problem was first discovered by Vincent Wright while trying to help his neighbor clear a clogged drain. Wright discovered mail in the pipe, and then found the apparent source in the sewer. Residents in the neighborhood complain - until Monday - that it had been at least a week since any mail had been delivered. In the stack Wright pulled out of the catch basin, he says he found bills and even a check.

INTERNATIONAL NEWS

INDIA: *Daily Excelsior*: The Postal Department here is taking measures to resolve the crisis having arisen after implementation of the Core Banking Service (CBS) in the Department that not only caused hardship and inconvenience to the citizens but also resulted in the loss of revenue as compared to the previous year. The frequent problem of lack of connectivity, poor infrastructure and shortage of manpower were other reasons for the loss of business to the Department, said an agent. The employees attached to various branches in Postal Department have not been provided proper training after implementation of CBS, because of which citizens are forced to stand in long queues to get their transactions done, said a senior citizen Varsha Kulkarni.

UNITED KINGDOM: *Financial Times*: Ofcom said it has determined there are “reasonable grounds” to believe that Royal Mail has contravened quality of service obligations, after the postal operator failed to meet performance targets for first-class mail, writes the FT’s Michael Pooler. The communications watchdog launched an investigation last week following the admission by Royal Mail that it had “narrowly” missed a requirement to deliver 93 out of every 100 first-class items within one working day in the 2015-2016 financial year — instead achieving a rate of 92.5. The FTSE 100 company also came short of targets relating to postcode areas.

UNITED KINGDOM: *The Guardian*: The Unite union has called on Royal Mail to make an improved pay offer to staff and resolve an industrial dispute, as the delivery company reported higher annual revenues and underlying profits. More than 4,800 Royal Mail managers are taking industrial action short of a strike, including working to rule and a ban on overtime, after 96% of Unite members rejected a “paltry” 1.3% pay offer for the year starting September 2015. The union warns the action will eventually affect postal deliveries to 27 million homes across the UK. Unite’s call came after Royal Mail reported a 5% rise in adjusted operating profit before transformation costs – its preferred measure – to £742m in the year to 27 March. Revenues rose 1% to £9.2bn– hailed as a “resilient performance” by the company’s chief executive, Moya Greene. Royal Mail’s UK business made a £608m profit, down from £615m the previous year.

May 19, 2016

POSTAL/FEDERAL NEWS

Federal Register

- **Postal Regulatory Commission** New Postal Products, 31670 [2016–11758] [\[TEXT\]](#)
- **Postal Service** Priority Mail Negotiated Service Agreement, 31670 [2016–11779] [\[TEXT\]](#)

USPS Office of the Inspector General:

- **How Can USPS Help Contract Postal Units in Their Daily Operations?**

A contract postal unit (CPU) is a supplier-owned or supplier-leased facility under contract to the U.S. Postal Service to provide products and services to the public. CPUs are typically located in retail establishments and staffed by the retailer's employees. CPUs offer the public additional and often more convenient locations to purchase Postal Service products and services. CPUs have been an alternative postal resource for the public for over 100 years. The objective of the CPU program is to reduce customer wait time in post offices, retain and increase Postal Service market share, reduce operational costs, and improve customer satisfaction and retail revenue growth. The Postal Service considers CPUs to be one of the lowest cost-to-serve programs. Normally, the postmaster at a Post Office near the CPU provides oversight, including contract administration, monitoring, compliance, and training. (1) How can the Postal Service help CPUs be more successful? (2) Have you used a CPU to buy money orders, buy stamps, or mail a package? If so, how was your experience? (3) Are there additional services you would like to see a CPU offer? (4) What are the main advantages of using a CPU?

- **Can the Fleet Credit Card Program Be Better Managed?**

The U.S. Postal Service operates one of the largest vehicle fleets in the U.S. At the end of fiscal year (FY) 2015, over 210,000 vehicles were used to deliver and collect mail. Fleet credit cards are used to buy fuel and maintenance services for these vehicles. Fleet credit cards are managed at the Post Office or station, and the charges are to be reviewed on a regular basis to help ensure the cards are used appropriately. Tools in place help identify the use of fleet credit cards for potentially questionable purchases, such as for high dollar amounts or for more gallons of fuel than the vehicle can hold. Our audit will evaluate how these cards and associated purchases are managed. In addition, we will try to determine whether the Postal Service could improve management of the cards.

NATIONAL NEWS

What They Think: In their first joint collaboration, industry associations Idealliance and Epicomm are introducing a Mail Professional Training Program (MailPro™), a professional training certification program designed to equip those involved in the extended printing and mailing supply chain with the building

blocks to prepare and process mail through the U.S. Postal Service network. The previously announced merger of the associations will be completed on July 1. MailPro comprises two distinct courses offering comprehensive training on both the fundamentals and advanced principles of mail preparation and distribution. Courses have been designed for all partners in the mail supply chain—production, customer service representatives, sales and marketing, design, information technology, and business managers. Training materials were reviewed by U.S. Postal Service staff for conformance to USPS regulations, policies, and practices.

Wall Street Journal: United Parcel Service Inc. is stepping up its entry into the 3-D on-demand printing market, linking its network of printers and joining forces with software provider SAP SE to create an end-to-end industrial manufacturing process.

Logistics Management: United States-based contract pilots flying for DHL elected to move forward with a strike this week. The pilots are represented by the International Brotherhood of Teamsters and its airline affiliate, Teamsters Local 1224, and have been stalled in contract negotiations with airlines, in some cases for years. The four new strike votes opened in mid-April and the strike authorization at Kalitta was approved by 97 percent in December 2015. The five airlines play a major role in linking DHL's highly profitable North American express service to the rest of the world, and make up an estimated 70 percent of DHL's total annual freight ton miles.

INTERNATIONAL NEWS

NETHERLANDS: **Dutch News:** Dutch postal delivery group PostNL is to remove 10,000 of the country's 19,000 post boxes over the next few years, the company has confirmed. PostNL says the measure is necessary to keep postal delivery services affordable. Last year, the volume of letter post fell by 11% to 10 million items a day. The company says no one will be further than one kilometre from a post box and services close to nursing and pensioners homes will be retained.

UNITED KINGDOM: **This Is Money:** Royal Mail has revealed a slump in profits as British households continue to send fewer letters and its parcel post revenues are eaten into by a growing number of specialist delivery firms. Revenues fell 1 per cent to £7.6billion from £7.7billion a year earlier, as letter volumes fell by 3 per cent. One independent postal economist told BBC Radio's Wake Up to Money that delivering mail six days a week is no longer viable for Royal Mail, and that deliveries should be cut to just three deliveries a week.

UNITED KINGDOM: **Sky News:** The UK's national postal service said full-year pre-tax profits slumped to £267m, compared to £400m a year earlier, attributing the drop to one-off items, such as pension charges. However, Royal Mail said adjusted operating profit rose 5% to £742m in the year to the end of

March, which exceeded analysts' expectations of £727m on average. The cost of modernising and restructuring its UK operation has been higher than expected in the face of high competition in the domestic postal and parcel markets. In the UK, revenue fell 1% to £7.6bn, as the firm handled a 3% fall in letter volumes for the year, a smaller decline than it had forecast.

UNITED KINGDOM: [The Irish Times](#): Britain's Royal Mail reported a better-than-expected profit for the financial year, as tight cost controls more than made up for losses due to high competition in the UK postal market. The former postal monopoly said adjusted operating profit before transformational costs rose 5 per cent to £742 million in the year ended March 27. Analysts on an average were expecting £727 million, according to a company-compiled consensus.

Royal Mail handled 3 per cent fewer addressed letters in the year, a smaller decline than it had forecast, largely due to the return of direct delivery volumes, it said on Thursday.

NEW ZEALAND: [Stuff](#): Kiwibank services will no longer be available in Te Atatu Peninsula. Customers will either have to head to Henderson or Westgate to bank at Kiwibank. Postal services are moving on June 27 but banking services will not be moving with it. New Zealand Post services are relocating to Peninsula Price Cutter at 460 Old Te Atatu Rd, less than a kilometre from the current site. The new premise will offer postal, courier, bill payments and PO Box services only. New Zealand Post head of franchise distribution Robyn Dalzell says a letter will be sent to regular Kiwibank customers to let them know of the change. Dalzell says the way that customers are banking is changing. "Increasingly, customers are using internet, mobile and phone banking," Dalzell says.

AUSTRALIA: [Sydney Morning Herald](#): Postal ballots will be sent by priority post this year to ensure they are delivered and counted on time, with the July 2 election the first since Australia Post introduced a two-speed letters system in January. More than one million votes, 8.25 per cent of all votes, were sent through the post in the 2013 federal election and were a deciding factor in some marginal seats. Victorians and Queenslanders were heaviest users of postal ballots, according to the Australian Electoral Commission. A spokesman for the AEC confirmed it "has opted to send out all Postal Vote Packs using the Priority service at this federal election". The more expensive priority service delivers letters in one-to-four business days, while ordinary letters take up to six business days.

CANADA: [Rabble](#): Kiwibank rolled into New Zealand in 2002 following a relentless campaign spearheaded by then deputy prime minister Jim Anderton. Promoted as a "bank for the people," its impressive marketing campaign appealed to New Zealanders' sense of nationhood, and has since translated into the bank's popularity as an alternative to the foreign-owned (mainly Australian) banks that dominate the market. Similar to arguments supporting a Canadian postal bank, Anderton's proposal for Kiwibank outlined banking access problems for rural communities, as well as the benefits of a postal bank for the national post service. Just like Canada Post, New Zealand Post -- a wholly state-owned enterprise

-- was (and continues to) struggle with the erosion of its traditional services like mail distribution. Only last year, New Zealand Post cut its standard street delivery to three days a week, down from six -- resulting in about 400 postie job losses. And while the business case proposed by New Zealand Post -- which supported having a government-owned bank run out of its outlets -- was opposed by some elements of New Zealand's political class, Kiwibank has flourished in its operations.

May 18, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: Expanding Priority Mail International® Service to Cuba. Cuba already receives Priority Mail International Flat Rate Envelopes and Small Flat Rate Priced Boxes from the U.S. Postal Service®. Beginning May 23, 2016, we will expand this service to include Priority Mail International Medium and Large Flat Rate Boxes and Priority Mail International parcels. The following limitations will apply:

- **Weight Limits:** (1) Priority Mail International Medium and Large Flat Rate Boxes – 20 lbs. (2) Priority Mail International Ordinary Parcels – 22 lbs.
- **Maximum Dimensions for Parcels:** (1) The surface area of the address side of the item to be mailed must be large enough to completely contain the postage, PS Form 2976-E Customs Declaration Envelope - CP 91 (the plastic envelope for the customs form), and any other applicable endorsements or markings. PS Form 2976-E is approximately 10-1/4 inches wide and 7-1/4 inches high. (2) Maximum length: 59 inches (3) Maximum length plus girth: 108 inches (4) For all parcels, length is the longest side of the parcel, and girth is the measurement around the thickest part that is perpendicular to the length.
- **Pricing Groups:** (1) Priority Mail International Medium and Large Flat Rate Box – Flat Rate Country price group 8 (2) Priority Mail International parcels – Country price group 9
- **Customs Form:** Each Priority Mail International Medium or Large Flat Rate Box and weighted parcel must bear a properly completed PS Form 2976-A Customs Declaration and Dispatch Note - CP 72 placed inside a PS Form 2976-E, Customs Declaration Envelope - CP 91.
- **Insurance and Indemnity:** (1) Priority Mail International parcels containing non-negotiable documents are insured against loss, damage or missing contents up to \$100 at no additional charge. Parcels containing merchandise are insured against loss, damage, or missing contents up to \$200 at no additional charge. (2) No additional document reconstruction or merchandise insurance will be available for purchase.
- **Value Limit:** Regardless of the service used, Cuban national regulations limit the value of merchandise to \$200. Items containing goods over this limit may be confiscated upon entering Cuba or returned to sender.

- **Free Matter for the Blind:** With the addition of Priority Mail International parcel service, mailers will be able to send Free Matter for the Blind in Priority Mail International parcels up to 15 pounds. Mailers are reminded to consult Publication 699, Special Requirements for Shipping Internationally, <https://about.usps.com/publications/welcome.htm> for allowable content to Cuba and information regarding when an Internal Transaction Number (ITN) is required. These revisions will be published in the July update to the Mailing Standards of the United States Postal Service, International Mail Manual (IMM®). The Postal Service plans to establish Priority Mail Express International® service to Cuba during late summer 2016 and we will provide more information as it becomes available. The Domestic Mail Manual (DMM®) and DMM Advisories are available on Postal Explorer® (pe.usps.com).

USPS Office of the Inspector General:

- **Revenue Forgone**

Background. When Congress put the U.S. Postal Service on a self-sustaining basis in 1971, it continued to subsidize the mailing costs of such groups as the blind, non-profit organizations, local newspapers, and educational material publishers by providing an appropriation to the Postal Service to cover the revenues that were given up, or “forgone,” in charging below-cost rates to these groups. The Revenue Forgone Reform Act of 1993 (Act) eliminated appropriations to support reduced rates for non-profits, transferring costs to other mailers. The Act retained free postage for the blind and overseas absentee balloting. The Act required annual appropriations of \$29 million from fiscal years (FY) 1994 through 2035, totaling \$1.218 billion, for revenue forgone, deferring payments to the Postal Service for services it provided in FYs 1991 through 1993 and during the phase-in period through FY 1998 for non-profits and other mailers impacted by the Act. The U.S. Postal Service Office of Inspector General recently issued a report discussing the history of revenue forgone and the challenges with the appropriations process. Our objective was to examine revenue forgone for discounted and free public services mandated by the Act.

What the OIG Found. The Act deferred reimbursement in full to the Postal Service until FY 2035 and provided no provision for interest on the \$1.218 billion in revenue forgone related to mailings from selected organizations. As of FY 2016, the Postal Service was reimbursed \$562 million. However, the Postal Service did not receive the full annual \$29 million appropriation in 7 FYs from 2000 to 2011 or any of the \$29 million annual appropriation in FYs 2012 through 2014, totaling \$105 million. We believe revenue foregone should be treated as a traditional loan with interest, similar to the process the Postal Service follows for its borrowings. The Postal Service has borrowed \$15 billion from the U.S. Department of the Treasury (Treasury) and is paying interest on the outstanding amount. Using the same interest rates charged to the Postal Service on 1-year

Treasury loans, the most conservative rate, the \$1.218 billion, less appropriations made through FY 2016, would be \$1.6 billion as of FY 2016. Due to the uncertainty of the annual appropriations since FY 2000, we suggest full repayment be made, eliminating the need for future appropriations. The Postal Service was entitled to receive appropriations as a result of the Act. The \$1.6 billion impact described is not considered a loss to the Postal Service. The Postal Service participates in the annual appropriations process but does not control annual appropriated amounts and does not have the authority to change legislation. Therefore, management must work with Congress to implement this change to prevent future issues.

What the OIG Recommended. We recommended management pursue legislative changes that would allow \$1.6 billion – the remaining amount owed plus interest through FY 2016 – to be applied against the Postal Service's outstanding loans from the Treasury.

NATIONAL NEWS

Newschannel9: In miserable weather on Tuesday morning, DC Water crews pulled piles of soggy, stinky mail out of the catch basin and sewer system at Anacostia Ave. and Douglas St. in Northeast, Washington. Residents suspect the mail was dumped there by a U.S Postal Service employee while the regular mailman was off work last week.

May 17, 2016

POSTAL/FEDERAL NEWS

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- Value Limit: Regardless of the service used, Cuban national regulations limit the value of merchandise to \$200. Items containing goods over this limit may be confiscated upon entering Cuba or returned to sender.
- Free Matter for the Blind: With the addition of Priority Mail International parcel service, mailers will be able to send Free Matter for the Blind in Priority Mail International parcels up to 15 pounds.

Mailers are reminded to consult Publication 699, Special Requirements for Shipping Internationally, <https://about.usps.com/publications/welcome.htm> for allowable content to Cuba and information regarding when an Internal Transaction Number (ITN) is required. These revisions will be published in the July update to the Mailing Standards of the United States Postal Service, International Mail Manual (IMM®). The Postal Service plans to establish Priority Mail Express International® service to Cuba during late summer 2016 and we will provide more information as it becomes available. The Domestic Mail Manual (DMM®) and DMM Advisories are available on Postal Explorer® (pe.usps.com).

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(3) Pricing Groups: Priority Mail International Medium and Large Flat Rate Box – Flat Rate Country price group 8; Priority Mail International parcels – Country price group 9.

(4) Customs Form: Each Priority Mail International Medium or Large Flat Rate Box and weighted parcel must bear a properly completed PS Form 2976-A Customs Declaration and Dispatch Note - CP 72 placed inside a PS Form 2976-E, Customs Declaration Envelope - CP 91.

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USPS Industry Alert:

- **USPS Notice of PRC filing - 2017 Promotions and First-Class Mail Parcels.** The Postal Service filed a request with the Postal Regulatory Commission to establish the 2017 Promotional Program

in addition to adjusting certain prices in the First-Class Mail Parcels product. The proposed price adjustment does not constitute the Postal Service's annual, general Market-Dominant price adjustment, which is typically filed in the fall of the year. If approved by the Commission, the revised First-Class Mail Parcels prices will take effect on Aug. 28, 2016. The first of the 2017 promotions will begin Jan. 1, 2017.

- **2017 Promotional Program.** The promotions are designed to encourage all marketers, printers, and mailers to utilize new technology and tools that leverage and increase the value of a physical mailpiece. The proposed 2017 promotional offerings are:

- * Emerging and Advanced Technology

- * Mobile Shopping

- * Tactile, Sensory & Interactive Mailpiece Engagement

- * Earned Value Reply Mail

- * Personalized Color Transpromo

- * Direct Mail Starter (New) – This offering will give a temporary postage discount on mailpieces that contain print-mobile technology that, when scanned, leads the recipient to a mobile-optimized website.

- **First-Class Mail Parcels and Inbound International First-Class Mail Letter Post.** This filing will correct the price imbalance between First-Class Package Service and First-Class Mail parcels by slightly increasing prices for all pieces that weigh up to three-ounces to \$2.62. Prices for Inbound International First-Class Mail Letter Post (Inbound Letter Post) are set by the Universal Postal Union (UPU) and are implemented every January, and went into effect Jan. 2016.

Postal Regulatory Commission:

- **Docket No. R2016–5** *"Notice of Market-dominant Price Adjustment – Promotions and First-class Mail Parcels"*

USPS Office of the Inspector General:

- ***How Good is Business Mail Acceptance?***

We are initiating an audit to evaluate the Postal Service's bulk mail revenue, pieces, and weight (BRPW) system. This system enables large volume mailers to enter postage statements and pay postage via PostalOne! and deliver mail to predetermined acceptance facilities. The Postal Service

uses the BRPW system data not only to process business mail and invoice mailers, but also to develop the regulatory revenue, pieces, and weight (RPW) report. The RPW report is the official estimate of Postal Service revenue, volume, and weight by class, subclass, and major special service. The Postal Service uses data from the report to determine product costs and to measure productivity and workload. Complete and accurate BRPW data helps to ensure reliable financial reporting, accurate product costing, useful performance data, and adequate staffing. The Postal Service's ability to gather reliable BRPW data hinges on an effective system. Has your organization experienced any issues with the business mail acceptance process? Do you think the Postal Service has accurately billed your organization for business mailings? What improvements to business mail acceptance would you like to see?

- **The Mail Moment – Twice a Day**

It's easy to understand the underlying motivation behind the U.S. Postal Service's digital strategy: use data to make mail a much more powerful marketing and communications tool. Hard copy and digital working together to make each other better. So what if the Postal Service is a little late to the party. At least it has showed up, which, as Woody Allen reminded us, is 80 percent of life. A key piece of the Postal Service's strategy is Informed Delivery, a free email service currently being tested in New York City and Northern Virginia that provides recipients images of the outsides of the envelopes they will receive in their home mailboxes later that day. A "digest" arrives in the participant's inbox at roughly the same time every morning with simple black and white photos of mail slated for delivery later that day. For now, Informed Delivery is just for letters, although testing recently got started on flats (larger envelopes, catalogs, and magazines). And postal officials have promised the service will include catalogs and packages by the time it goes nationwide in 2017.

So far, customers are reacting positively to the pilot tests. Postal data shows a 70 percent open rate of the email digest within 3 hours of its arrival. This means users are effectively seeing mailpieces twice – once in their emails and again in their mailboxes. No wonder early testing indicates a higher response rate to mailpieces. An Informed Delivery campaign improves overall response rates between two and 10 times compared to a direct mail campaign without Informed Delivery.

While the program is promising, advertising experts say certain enhancements are necessary to make it profitable. As Direct Marketing News noted, Informed Delivery doesn't yet provide pictures of catalogs and packages. And it needs color renditions. "Both of those deficiencies need to be corrected for USPS to profit from the service. If brands are going to pay for interactive services linking digital images of mail to sites or landing pages, they're going to demand high-quality creative," the trade publication said.

Postal officials promise enhancements as soon as technically feasible. They've recently started testing added bells and whistles to Informed Delivery, including tests of interactive marketing pieces with a few brands in the New York City Metro Area. Although the Postal Service is not charging the companies in the test, it is able to collect information on click through rates and increased engagement, which should help it sell the product to marketers in the future.

Would you like to test Informed Delivery in your area? If you are part of the Informed Delivery pilot test, what do you like about the product? What other hybrid mail products would you like to see?

- **Management Advisory - Postmasters and Supervisors Performing Bargaining Unit Work**

Background. On December 5, 2014, the U.S. Postal Service reached a settlement with the American Postal Workers Union (APWU) for \$56 million, resolving a long-standing dispute dating back to the 1970s. This dispute involved the number of hours postmasters and supervisors could devote to bargaining unit work. Bargaining unit work is the work of career or non-career employees who are represented by a labor organization (union) that negotiates with the Postal Service for wages, hours, and other terms and conditions of employment. Prior to the settlement there were no established workhour limits. In the settlement, the Postal Service agreed to pay bargaining unit employees if postmasters and supervisors at level 18 post offices performed more than 15 hours per week of bargaining unit work. Level 18 post offices are small to medium-sized facilities managed by postmasters paid at an Executive Administrative Schedule 18 level. Postmasters at level 18 facilities may remotely manage the operations of up to 10 post offices. Postmasters and supervisors must record all hours spent performing bargaining unit work in an electronic web application and provide the information to the APWU. The APWU reviews the hours and identifies clerks eligible for payment when supervisory personnel exceed the 15 workhours per week limit. The Postal Service pays the identified clerk. Clerks are paid at the appropriate rate, which could include overtime or other forms of increased pay rates. Clerks are eligible to receive payment even if they were on leave when the violation occurred. These payments are additional to the clerk's salary. *Our objective was to assess the Postal Service's management of workhours for postmasters and supervisors performing bargaining unit work.*

What the OIG Found. The Postal Service did not effectively manage workhours for postmasters and supervisors performing bargaining unit work to ensure they complied with the agreement and controlled costs. Specifically, postmasters and supervisors exceeded the 15 workhours per week threshold by 829,484 hours from December 2014 through September 2015. As a result, the Postal Service made payments totaling about \$11.2 million. Our analysis of the payments showed that total payments made to the ten clerks who received the largest payment amounts ranged from

\$31,602 to \$20,423, with the single largest individual payment being \$23,899. Payments were widespread, occurring in five of seven areas and 61 of 67 Postal Service districts. The Northern New England District paid over \$1.4 million, which was the largest total payment made per district. Overall, these payments were made due to vacant clerk positions that took months to fill, worksharing between clerks and postmasters, clerks detailed to other facilities creating staff shortages at assigned facilities, or clerks detailed to supervisory positions instead of lead clerk positions. Additionally, employees in three of the 61 districts used the wrong grievance code to process payments. The remaining six districts did not make any payments for the period reviewed.

Although the agreement for postmasters and supervisors performing bargaining unit work was effective December 5, 2014, officials did not provide training and launch the electronic web application for postmasters and supervisors to record their bargaining unit workhours until March 2015. Additionally, some postmasters and supervisors continued to assume all payments were automatic and did not realize they could evaluate situations to determine whether there were emergencies or extenuating circumstances that could impact payments. Finally, officials in three districts that used the wrong code were not aware of the proper code to record workhours for postmasters and supervisors performing bargaining unit work until we brought it to their attention during the review.

To further identify and address systemic issues regarding postmasters and supervisors exceeding established limits for performing bargaining unit work, a cross-functional team met during the week of August 10, 2015, and created an action plan to address staffing shortages and developed tools to track and monitor bargaining unit workhours, including standard operating procedures for the payment process. Additionally, they provided detailed guidance for postmasters and supervisors to manage their bargaining unit workhours. Due to management's actions, the number of hours exceeding the 15 workhour per week threshold for postmasters and supervisors performing bargaining unit work decreased by 65 percent from October 1, 2015 to March 4, 2016. However, the Postal Service must continue to monitor staffing and workhours and payments and provide guidance to field offices to reduce the risk of making unnecessary and fraudulent payments.

What the OIG Recommended. We recommended management continue to monitor vacancies and postmaster and supervisor workhours used to perform bargaining unit work and related payments. We also recommended they continue providing guidance to field offices to ensure they comply with the established agreement and communicate to postmasters and supervisors that situations due to emergencies or extenuating circumstances should be reviewed to determine the validity of payments.

NATIONAL NEWS

Mail & Express Review: In an [article written by Kate Muth](#), Executive Director of the International Mailers Advisory Group, she noted that "the United States Postal Service (USPS) has seen some fairly remarkable changes over the past few years Yet here we are again, fighting over pricing regulations and a price cap Our policy discussion should be focused on updating the Universal Service Obligation (USO). Posts around the world have held to a USO of some kind, which is generally that the postal operator will deliver five or six times a week to every address. In the United States, we also include the idea it will be at a uniform price. That is, whether a First Class letter is going around the corner in New York City, or travelling from New York to rural Montana, it will be charged the same price. Indeed, the USO is at the heart of our nation's postal system. It is the cornerstone around which all other aspects of the system are built. And yet, in the United States, the USO is not explicitly defined in the law."

eCommerceBytes: The US Postal Service is seeking to raise postage rates in August, but only on very specific types of packages. The agency is requesting the change in order to correct a price anomaly introduced in January. At the time, we noted that the January 17, 2016 rate changes made it cheaper in a few cases to bring packages to the post office rather than printing postage online. In January, the rate for First Class parcels weighing between 1 and 3 ounces cost \$2.54 to bring to the post office (retail rates) compared to the \$2.60 to purchase postage online (Commercial Base pricing). The gap was exacerbated by the exigent rollback in April, when First Class retail rates fell from \$2.54 to \$2.45 for FCMP weighing 3 ounces and less. FCPS (Commercial Base) remained at \$2.60.

The USPS wants to raise the rate for FCMP from \$2.45 to \$2.62 on August 28, 2016 (again, for packages weighing up to 3 ounces). While eBay, Amazon, and online postage providers provide Commercial Base rates to online sellers that are lower than retail rates, this year many of them matched the lower FCMP rates of \$2.45 due to the unusual circumstances. That means online sellers who ship many lightweight packages through USPS could be impacted by the nearly 7% increase in rates if the new rates are approved. All other rates remain the same for now.

INTERNATIONAL NEWS

SINGAPORE: Journal of Commerce: Singapore Post revenue generated by e-commerce grew more than 60 percent in its financial year ending March 31 with the online shopping logistics sector contributing 36 percent of the group's total sales. Overall revenue at SingPost increased 25 percent to \$840 million and the company said the e-commerce revenue growth was boosted by increased traffic volumes and the inclusion of new subsidiaries. Net profit jumped by 57.9 percent to \$182 million.

BRAZIL: PanAm Post: Faced with Brazil's economic crisis, interim President Michel Temer said he is exploring the possibility of privatizing some state-owned businesses, or, failing that, will incorporate the private sector into government operations, which he hopes will help the country's fiscal situation. Temer's economic plan also includes the incorporation of the private sector into state-owned companies, such as the postal service.

May 16, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: Power Outages and Flooding in Texas 770 to 779 3-Digit Zip Code

Areas. Severe storms that brought heavy rain over the past few days to many parts of Texas, including most of the Houston Metro Area, yesterday resulted in widespread power outages and flooding affecting some U.S. Postal Service operations in the 770-779 3-Digit ZIP Code Area. Business customers are advised that the Houston Processing & Distribution Center, located at 4600 Aldene Bender Rd., Houston, TX 77315, is fully operational, as is the Bulk Mail Entry Unit (BMEU) at this location. All suburban BMEU locations in the Greater Houston Area are also open and fully operational today. These BMEUs will be open during their regularly scheduled hours of operation.

NATIONAL NEWS

The Chief Leader: The pews of St. Mary's Episcopal Church in Harlem were filled with congregants on the night of May 12, but they weren't worshippers in the traditional sense. Many were instead true believers in progressive causes, and they'd arrived to hear about a gospel that's been gaining adherents of late: postal banking.

Bloomberg: Millions of Americans had their first encounter with e-mail thanks to a little help from the U.S. Postal Service, which stuffed mailboxes with discs for America Online. Yet, as Bloomberg Businessweek's Devin Leonard writes in his new book, *Neither Snow nor Rain: A History of the United States Postal Service*, if things had gone differently, your first e-mail would have been delivered by your mailman.

eCommerceBytes: The USPS revealed Tuesday it had grown operating revenue 4.7% in the second quarter to \$17.7 billion. The Postal Service breaks out its results, reporting "controllable" income of \$576 million for Q2 with a net loss of \$2 billion. The controllable figure does not reflect factors such as the legally-mandated expense to prefund retiree health benefits. The Postal Service attributed the increase in operating revenue to an 11.4 % increase in Shipping and Package volume and pricing strategies. The Wall Street Journal noted last week that the USPS has been competing with UPS and FedEx for market

share in ecommerce; "However, the growth in USPS's shipping volume also has contributed to rising costs, including an increase in hours worked and transportation expenses. During the latest quarter, operating expenses increased 7.4%."

INTERNATIONAL NEWS

EUROPE: Post & Parcel: The post and parcel industry is a dynamic sector. Parcel companies are adjusting to a change in the business mix: driven by ecommerce, parcel volumes are up, by 6.7% globally in 2015 [1], while e-substitution has seen mail volumes fall by 3.9% [2]. Competition is increasing. For instance, Amazon has invested in Colis Privé in France [3] and has a stake in Yodel in the UK, ahead of what's believed to be a broader push into the sector. And, for many large customers, especially retailers, there's a drive to accelerate delivery – some brands are starting to offer same day fulfilment – and make it more convenient for consumers. Adjusting to each of these issues means further refining workflows to accelerate fulfilment, reduce costs, enhance revenues and find new ways to make deliveries first time.

CANADA: Financial Post: "Why Canada Post is better off giving tattoos than banking services" -- From the perspective of consumer need, it makes no sense for Canada Post to offer either tattoos or banking services. Canadian consumers are well served in both these markets, and will be happy to stick with existing providers. At least the financial risk of Canada Post offering tattoos would be much, much lower.

May 15, 2016

NATIONAL NEWS

Tax Foundation: 'The Strange Case of the Postal Service's Disappearing Board and the Warning It Provides'

The Motley Fool: In 2015, U.S. e-commerce sales clocked in at \$342 billion, a 14.6% increase over 2014. That number continues to grow, and logistics companies like United Parcel Service (NYSE:UPS) and FedEx (NYSE:FDX) have already seen their business models called into question by this new trend. So how important is e-commerce to these two companies? Let's take a look.

INTERNATIONAL NEWS

OMAN - QATAR: Muscat Daily: The Telecommunications Regulatory Authority (TRA) received an official delegation from the Communications Regulatory Authority of Qatar on Sunday at its head office. According to a press release, the visit will help the two bodies share experience, exchange knowledge, expertise and specialised data in the area of postal regulation. During the meeting, two video

presentations were made to illustrate the regulatory frameworks of the postal sector in Oman, which has been incorporated into the purview of the TRA in accordance with the provisions of the postal services regulatory law promulgated by Royal Decree 71/2012 and the Executive regulation No 89/2013. The presentation also highlighted the key duties of TRA in the postal sector and its latest developments, as well as the size of the postal services market in Oman. TRA undertook a detailed consultancy study to assess the postal services market and establish competition and quality framework for this sector, added the release.

AUSTRALIA: **9News**: Australia Post appears to have backed down on charging \$9 for parcel pick-ups after public outcry against the mail delivery carrier's profit increasing move.

INDIA: **The Indian Express**: India Post is cashing in on the boom in e-commerce deliveries, especially the surging cash-on-delivery consignments of the country's top online sellers

INDIA: **Financial Express**: As emails and SMSes become the order of the day, the good-old Postal Department is going hi-tech by geo-tagging the post offices and has begun monitoring timely clearance of the letter boxes through a mobile app.

May 14, 2016

INTERNATIONAL NEWS

UNITED KINGDOM: **Financial Times**: Ofcom, the communications watchdog, has launched an investigation into Royal Mail after the UK postal operator failed to meet its performance targets for first-class mail. Royal Mail claimed that its performance had been affected by "events outside its control". These included 'Cyber Week', the period of heightened online retailing activity at the start of the festive spending season, which now incorporates US-style post-Thanksgiving 'Black Friday' ecommerce deals.

May 13, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: USPS Officer Personnel Announcements; Linda Malone Named as VP, Area Operations, Capital Metro Area; Robert Cintron Named as VP, Network Operations; Isaac Cronkhite Named as VP, Enterprise Analytics

Postmaster General and CEO Megan J. Brennan announced the appointment of **Linda M. Malone** as Vice President, Area Operations, Capital Metro Area, effective May 14. In this position, Linda will be responsible for overseeing operations—including mail processing, distribution, customer service, and

administrative functions—throughout eight districts: Atlanta, Baltimore, Capital, Greater South Carolina, Greensboro, Mid-Carolinas, Northern Virginia, and Richmond. The Capital Metro Area encompasses more than 130,000 square miles, over 63,000 employees, more than 2,700 Post Offices, and approximately 16 million customers.

The second announcement was regarding the appointment of **Robert Cintron** as Vice President, Network Operations by Postmaster General and CEO Megan J. Brennan. In this position, he will oversee the Postal Service's distribution network, including overall network design, policies and programs for processing sites, logistics required to move the mail, and maintenance policies and programs that support the network. He will report to Chief Operating Officer David E. Williams.

The third announcement was regarding the appointment of **Isaac S. Cronkhite** as Vice President, Enterprise Analytics by Postmaster General and CEO Megan J. Brennan. In this role, he will be responsible for leveraging data and technology to provide the business intelligence needed to drive performance and improve efficiencies through enterprise reporting and performance measurement systems. Isaac will lead our innovations in technologies and tracking systems, overseeing scanning improvements and the integration of network information visibility systems, including the national Address Management System. He will report to Chief Information Officer Kristin A. Seaver.

NATIONAL NEWS

Wall Street Journal: Wal-Mart Stores Inc. is testing a two-day shipping subscription service and building a regional delivery network, in the boldest attempt yet by a major traditional retailer to compete head-on with Amazon Prime. As part of the project, Wal-Mart, the world's biggest retailer, will shift more inventory to eight massive e-commerce warehouses around the U.S., the last of which will be built by year's end. The company will also put its major transportation fleet and logistics know-how up against Amazon.com Inc. as it makes a play to meet Amazon on its own turf. Wal-Mart will tap regional carriers to deliver more of its packages, according to people familiar with the project. But it will also use its 6,000 tractor-trailers, one of the largest private trucking fleets in the country, along with its 4,600 U.S. stores, to take on what has become one of its biggest rivals. Earlier this year, Wal-Mart closed more than 150 U.S. stores, in part to free up resources to invest in its e-commerce offerings. It has been investing heavily in a program that lets people order groceries or household goods on its website for curbside pickup at stores.

INTERNATIONAL NEWS

CANADA: **The Western Star:** Door-to-door mail delivery in Canada will soon suffer the fate of the dodo bird, passenger pigeon, lower taxes and other extinct species. It's inevitable.

JAPAN: **Postal Technology International:** Japanese parcel delivery firm Yamato Transport and shipping solutions provider Neopost have today (May 11) formed a joint venture to operate an open

network of secure automated parcel lockers for the delivery of parcels in Japan. The plan was originally announced in January 2016 but has now been officially established, with Neopost retaining 51% of ownership and Yamato holding the remaining 49%. The intention is to install 5,000 lockers by 2022 in easily accessible places with a high footfall. The parcel lockers will be primarily used for unsuccessful home deliveries, which currently represent approximately 20% of Yamato's parcel deliveries.

GERMANY: Postal Technology International: DHL Parcel has successfully concluded a three-month test of its latest generation of Parcelcopter in the village of Reit im Winkl in Germany. According to DHL, the trial is the first time worldwide that a parcel service provider has directly integrated a Parcelcopter into its delivery chain.

May 12, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

- **Mailing Services (Market Dominant Products)** Revenue, Pieces & Weight by Classes of Mail and Special Services, Quarter 2, FY 2016

http://www.prc.gov/docs/95/95874/Fy2016Q2_RPWsummaryreport_public.xls

http://www.prc.gov/docs/95/95874/Letter_RPW_Q2_FY16_20160512153028.pdf

USPS Industry Alert: The latest issue of the Postal Service publication "**Mail Spoken Here**" has been posted on this site.

NATIONAL NEWS

Post & Parcel: Jessica Lowrance, the President-Elect of the Association for Postal Commerce, has argued that the US Postal Service (USPS) must use the tools at its disposal to give the Postal Regulatory Commission (PRC) the data it needs make informed decisions about the current system of rate regulation and how to move forward in its review. Speaking at yesterday's (11 May) US House of Representatives Oversight & Government Reform Committee hearing on postal reform, Lowrance give a wide ranging review of the current state of the postal service from a mailer's perspective before focusing on the need for data. "With the pendency of the legislatively-mandated 10-year review of the current rate regulation system, mailers need an accurate accounting and understanding of the costs of the products and services they receive from the Postal Service," said Lowrance. "The Postal Regulatory Commission should not be required to judge the performance of the existing system on the basis of data that are inadequate for sound decision-making. It is imperative that the Postal Service be directed to use the many data-driven tools it has been able to create, such as the Intelligent Mail Barcode (IMb) and Informed

Visibility, to supply the data the Postal Regulatory Commission so sorely needs to make informed decisions about the current system of rate regulation and how to move forward in its review.

FederalNewsRadio: A draft bill to reform the U.S. Postal Service and strengthen the “backbone” of the mailing industry is expected to be introduced in the House. Rep. Jason Chaffetz (R-Utah), chairman of the Oversight and Government Reform Committee, said he anticipates the introduction of the legislation, which will address what should be done to keep the agency “effective and efficient,” and reverse the fiscally unsustainable path it is currently on. “We are actively trying to address the pre-funding issue,” Chaffetz said during a May 11 committee hearing on postal reform. “We are obviously — as we’ve heard from across the whole spectrum of the board — trying to deal with the Medicare portion of that.”

Inside Sources: The United States Postal Service is back in the red this week, posting a \$2 billion net loss for the second quarter of Fiscal Year 2016. One silver lining: Congress may finally be acting to address the mail delivery agency’s longstanding financial crisis. Bipartisan Postal Service reform legislation is expected to be introduced “soon” in the House, according to Oversight and Government Reform Committee Chairman Jason Chaffetz, a Utah Republican who held a hearing on the subject Wednesday. This move would follow the introduction of a Senate bill to change an expensive retiree health benefits pre-funding requirement for postal employees, integrate these workers into Medicare and permit the Postal Service to sell new goods and services as a means of increasing revenue. All of these ideas were discussed Wednesday, finding more support than opposition on both sides of the political aisle. The agreement among lawmakers seemed to stem from a largely unified front presented by hearing witnesses, including Postmaster General Megan Brennan, Postal Regulatory Commission Acting Chairman Robert Taub, Association for Postal Commerce Executive Vice President Jessica Lowrance and National Association of Letter Carriers President Frederic Rolando.

The Berkshire Company: The United States Postal Service (USPS) is in trouble. Postmaster General (PMG) Megan Brennan has stopped the misguided plant realignment and closure program, but service levels remain underwhelming. Congress has yet to begin work on much needed postal reform, or confirm any of President Obama’s nominees to the Board of Governors. In April, postage rates were reduced for the first time in almost 100 years, despite the serious financial situation of the USPS. And last week, more bad news. After months of delay, the USPS made public the results from an employee survey administered by Gallup. Compared to almost 400 other organizations, the USPS ranks in the lowest percentile for employee satisfaction. The bottom 1 percent. To be successful, the USPS needs to bring in new leadership with a renewed focus on service, employee morale, and an efficient operating model. These challenges aren’t competing priorities, but complementary issues. And bringing in outsiders for key leadership positions may be the only way to be successful. Where do you find a leader willing to take on these challenges? Where would you find someone whose organization has gone through such significant

changes during tumultuous times? The same place where many postal workers began their government career – the military.

Linn's Stamp News: There is something new in the air these days in Washington, and it isn't the aroma of spring flowers. It's the idea that after years of delay, Congress is about to address the long-standing financial plight of the United States Postal Service, a situation lawmakers largely created with a 2006 law. Those hopes were buoyed significantly May 11 when House Oversight Chairman Jason Chaffetz, R-Utah, gavelled his committee to a hearing on "Finding a viable solution" to the USPS's problems. Chaffetz, whose panel has been less active than the Senate on postal issues, promised action. "We cannot ignore this," he said, calling a healthy postal system vital to the U.S. economy. At the end of the session, the chairman surprised some by announcing that his committee would have draft legislation to address the Postal Service's financial trouble in a couple of weeks.

May 11, 2016

POSTAL/FEDERAL NEWS

HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM: **REFORMING THE POSTAL SERVICE: FINDING A VIABLE SOLUTION.** *Purpose:* To examine the need for timely and comprehensive postal reform legislation. To hear from key stakeholders to better understand the specific provisions necessary for a comprehensive solution. *Background:* The United States Postal Service (USPS) faces significant and growing financial challenges. From 2007-2015, USPS experienced a cumulative net loss of \$56.8 billion. Since 2012, USPS has not made its annual \$5.6 billion statutorily-required payments to the Retiree Health Benefit Fund. In addition, USPS has a combined pension funding shortfall of \$24.1 billion. *Invited Witnesses:* **Ms. Megan Brennan**, Postmaster General, United States Postal Service; **The Honorable Robert G. Taub**, Acting Chairman, U.S. Postal Regulatory Commission; **Ms. Lori Rectanus**, Director, Physical Infrastructure Issues, U.S. Government Accountability Office; **Ms. Jessica Lowrance**, President-Elect, Association for Postal Commerce; **Mr. Fredric Rolando**, President, National Association of Letter Carriers

Video of the complete hearing can be found on the [Oversight Committee web site](#).

Key quote from Chairman Jason Chaffetz: "The Postal Service has a monopoly and they have high fixed costs. When you have high fixed costs, you don't reduce services and raise rates and expect to solve your problems. What you need to do is move volume. You have to make the Postal Service more relevant in people's lives, so that there's more volume to move through the system. Raising rates and cutting services is not necessarily the way we're going to get there. . . ."

Federal Register: **Postal Service** Purchasing of Property and Services, 29146 [2016–11043] [\[TEXT\]](#)

NATIONAL NEWS

DC Velocity: Within 30 days, any shipment moving on UPS Inc.'s or FedEx Corp.'s domestic or U.S.-Canadian ground networks will be charged a \$10.50 "additional handling fee" if the longest side of the shipment exceeds 48 inches. Currently, the fee isn't imposed until the length of a parcel's longest side exceeds 60 inches. The long side's absolute maximum length is 108 inches. At FedEx, the change takes effect June 1. At UPS, it kicks in June 6. The moves to shrink the maximum length that is subject to the surcharge follow policies that took effect Jan. 1 to hike the so-called additional handling fees to \$10.50 from \$9.

Fortune: EBay is rolling out drop-off locations for its Valet service to 1,600 FedEx U.S. stores in the coming months, the latest attempt by an e-commerce player to give customers more ways to send orders.

Federal Times: The U.S. Postal Service tallied an operating revenue bump for the second quarter of 2016, but higher expenses and a recent price cut has the service's leaders predicting a future in the red. The postal service saw a 4.7 percent rise in operating revenue compared to the same quarter of 2015, but the April expiration of an exigent surcharge will cut deeply into future revenues, Postmaster General Megan Brennan said.

May 10, 2016

POSTAL/FEDERAL NEWS

Senate Committee on Homeland Security and Governmental Affairs: Today, U.S. Senator Tom Carper (D-Del.), top Democrat on the Senate Homeland Security and Governmental Affairs Committee, released the following statement in response to the announcement that the U.S. Postal Service (USPS) reported a net loss of \$2 billion in the second quarter of fiscal year 2016. This report comes exactly one month after the Postal Service faced the first rate decrease in nearly a century with the expiration of the court-mandated emergency surcharge put in place after the Great Recession – the only measure keeping the Postal Service from financial collapse over the last two years.

“Despite a rise in revenue and shipping volume, the Postal Service is, yet again, reporting significant losses. The agency’s latest financial report reiterates a hard truth: due to long-term financial challenges and constraints placed on it by Congress, the Postal Service is unable to raise enough revenue to cover its costs and continues to suffer unsustainable losses that threaten its long-term viability. Without a legislative fix, these losses will inevitably get worse, especially after the Postal Service was forced to lower rates last month for the first time in nearly a century.

"Inaction is no longer an option. Congress must face reality and work quickly to stabilize this lynchpin of a \$1.4 trillion mailing industry that employs more than 7 million Americans. We must finally tackle the tough issues in order to ensure that this critical institution is competitive and solvent for years to come. I call on my colleagues in both the House and Senate to come together and stabilize the Postal Service's financial situation and stop the downward spiral before it's too late."

USPS Industry Alert: USPS Shipping Information Systems - Webinar Series. IMpb Compliance Quality Metrics. Tuesday, May 12, 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. Instructions for participating in the webinar. 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 login: Alternate
URL: <https://usps.webex.com> Event Number: 998 805 377

PostalOne! Help Desk: Mailer Scorecard Available for Review. The USPS has completed its testing of the Mailer Scorecard for Full-Service with Mailers Technical Advisory Committee members (Task Team 23.) We now encourage all mailers to begin reviewing the Full-Service Mail Quality Metrics which can be found within the Electronic Tab of the Mailer Scorecard beginning with the current month of May. USPS Analysts will be available to provide guidance and answer your questions about the Mailer Scorecard during Open Line calls beginning May 11, 2016. Dial in information is located below. We encourage you to attend these calls. If you notice any irregularities or have any questions with the Mailer Scorecard report these issues through the hotline calls, PostalOne! Helpdesk at 800-522-9085 or via email at postalone@usps.gov . Please include the phrase "Mailer Scorecard" in the subject line of the email. The announced July date to begin assessments of Full-Service is being postponed to allow the industry additional time to access, utilize and test the Full-Service Mail Quality Metrics within the Mailer Scorecard. Below is the dial in information for the Mailer Open Line calls: Monday/Wednesday/Friday Starting May 11, 2016 (2:00pm EDT) US/Canada Attendee Dial-in: 1-855-8607461 (US)
Attendee Direct
URL: <https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=mef6ed0d2d8023631b8a1f19aba177b27> Conference Code: 869 823 0018

POSTAL REGULATORY COMMISSION:

- **Quarterly Report on Form 10-Q** "containing the information required by the Securities and Exchange Commission to be included in quarterly reports - on Form 10-Q," 39 U.S.C. ? 3654(a)(1)(A)

<http://www.prc.gov/docs/95/95825/2016-05-09%2010-Q%20Transmittal%20Letter.pdf>

<http://www.prc.gov/docs/95/95825/2016-05-09%20USPS%2010-Q.pdf>

NALC AND USPS FOOD DRIVE: The National Association of Letter Carriers (NALC), the U. S. Postal Service and other partners will join together on Saturday, May 14 to help more than 48 million Americans, including *one in five children, who face hunger every day*. In addition to delivering mail, letter carriers in more than 10,000 cities and towns across America are conducting the nation's largest one-day food drive. Nearly 1,500 local NALC branches in all 50 states, the District of Columbia, Puerto Rico, Guam and the Virgin Islands will collect donated non-perishable food items for distribution to local food banks and pantries. In addition to the NALC and Postal Service, other supporters of the Stamp Out Hunger Food Drive include: the National Rural Letter Carriers' Association (NRLCA); AFL-CIO; United Food and Commercial Workers International Union (UFCW); United Way; Valpak and Valassis. *Last year's food drive resulted in over 71 million pounds of food collected by Postal Service carriers nationally, feeding an estimated 30 million people*. The food drive's timing is crucial. Food banks and pantries often receive the majority of their donations during the Thanksgiving and Christmas holiday seasons. By springtime, many pantries are depleted, entering the summer low on supplies at a time when many school breakfast and lunch programs are not available to children in need.

USPS Press Release: U.S. Postal Service Reports Fiscal Year 2016 Second Quarter Results

*"The U.S. Postal Service reported operating revenue of \$17.7 billion for the second quarter of fiscal year 2016 (January 1, 2016 - March 31, 2016), an increase of \$788 million or 4.7 percent over the same period last year. The increase was primarily due to an 11.4 percent increase in Shipping and Package volume and pricing strategies. **Controllable income** for the quarter was \$576 million compared to \$313 million for the same period last year. Calculation of controllable income takes into account the impact of operational expenses including compensation, benefits and work hours; but does not reflect factors such as the legally-mandated expense to prefund retiree health benefits (see Non-GAAP Financial Measures table on following page for full description). **Net loss** for the quarter was \$2.0 billion compared to \$1.5 billion for the same period last year. The change in net loss was most significantly impacted by a *\$547 million unfavorable change in the workers' compensation expense* as a result of interest rate changes - a factor outside of management's control. **Operating expenses** also increased in the second quarter compared to the same period last year, driven by increased work hours and transportation expenses due in large part to the increase in package volume. **Labor costs** increased by \$362 million, and transportation*

expense increased by approximately \$149 million."

[Check out the video on Postalnews.com](#)

USPS Office of the Inspector General:

New York Morgan Processing and Distribution Center Efficiency New York Morgan Processing and Distribution Center Efficiency

Background. The U.S. Postal Service has more than 250 mail processing facilities nationwide. These facilities sort and distribute mail for dispatch and eventual delivery. Post offices, stations, and branches in designated ZIP Code service areas send originating mail to mail processing centers for processing and dispatch and receive mail from the centers for delivery to customers. The New York (NY) Morgan Processing and Distribution Center (P&DC) in NY City is one of the Postal Service's largest processing facilities. It processes originating mail for Brooklyn, Queens, the Bronx, Staten Island, and Manhattan; and destinating mail for the Bronx and Manhattan. It also processes inbound international mail from the John F. Kennedy International Service Center. In fiscal year (FY) 2015, the NY Morgan P&DC processed about 1.96 billion mailpieces. Our objective was to assess the efficiency of NY Morgan P&DC mail processing operations.

What the OIG Found. We identified opportunities to improve mail processing efficiency at the NY Morgan P&DC. Specifically, there is an opportunity to reduce 385,365 workhours over the next 5 years, for a savings of about \$15.2 million annually. We estimated 200,000 of the workhours should have been reduced in FYs 2014 and 2015. The cost of those workhours was about \$8.5 million annually. From FYs 2011 to 2015, NY Morgan P&DC's mail processing productivity was significantly lower than the national average. Specifically, for FYs 2011 to 2015, it was 43, 37, 35, 28, and 25 percent lower than the national average, respectively. Also, in FY 2015, NY Morgan P&DC's achievement of productivity targets was 19 percent lower than the national average and a 1.73 percent decline from its performance in FY 2014. Inefficiencies occurred because management did not adjust workhours to workload or follow the facility's daily machine schedule for mail processing and maintenance runs from the Run Plan Generator application. In addition, machine processing performance was generally below the national average rate at which a machine processes mail (throughput). Furthermore, jam and reject rates were higher than the national averages because machine operators did not properly align the edges of the mail (jog) or remove mailpieces that were too thick, stiff, long, or tall (cull) for automated processing. As a result, the NY Morgan P&DC used more workhours than necessary to process the mail. Finally, in FY 2015, the 385,365 workhours were automatically charged to a default operation number, and management did not adjust those charges when employees were assigned to different operations. Although management said they identified the problem, they were not aware that 477,982 of the 2,976,692 FY 2015 mail processing workhours (16 percent) were charged to the default operation number and had not corrected the problem.

As a result, NY Morgan P&DC managers could not properly evaluate productivity. In FY 2014, the Postal Service conducted a pilot study at the Birmingham, AL, P&DC. Based on the study, management was able to reduce volume and workhour coding errors from 58 to 2 percent by performing timely updates to management operating data systems (MODS), supervising employee operation movements, making MODS training easily accessible to employees, and ensuring Human Resources made appropriate base operations assignments for new employees. Implementing the actions listed above would assist the NY Morgan P&DC in reducing workhour coding errors.

What the OIG Recommended. We recommended the district manager, New York District, instruct NY Morgan P&DC management to:

- Reduce 385,365 workhours over the next 5 years by evaluating operational efficiency and adjusting workhours to workload.
- Ensure consistent use of the Run Plan Generator to schedule mail processing machine operations.
- Ensure employees understand and use proper procedures for jogging and culling the mail prior to processing.
- Ensure managers update MODS data timely and supervise employee operation movements.
- Ensure Human Resources makes appropriate base operations assignments for new employees.
- Complete annual MODS reviews as required by Handbook M-32, Management Operating Data System.

NATIONAL NEWS

CNN Money:

The U.S. government says it has finally put an end to what investigators call one of the longest running mail frauds in history. For more than a decade, the scheme has preyed on sick, elderly and vulnerable Americans. Here's how it worked: Millions of people received letters promising that psychic guidance and talismans from the French clairvoyant Maria Duval were the secret to turning their lives around. All they needed to do was send in money. And the payments that victims sent in really added up. In the U.S. and Canada alone, investigators allege that the operation raked in more than \$200 million in the last two decades. The U.S. Postal Inspection Service says it is one of the largest cases of consumer fraud the agency has ever handled, with more than a million Americans misled into believing they are purchasing personalized advice and unique artifacts. In reality, postal inspectors say the Duval letters are mass produced and the trinkets are worthless pieces of plastic from China.

INTERNATIONAL NEWS

UNITED KINGDOM: **The Scotsman:** Parcels delivery operator DX is to buy two Scottish postal services for £3.25 million in cash. The Aim-quoted group is acquiring Legal Post and First Post from Fife-based

business services firm First Scottish, which specialises in legal document searches. Legal Post delivers legal documentation across Scotland, while First Post offers a “downstream access” service to collect and sort letters in competition with Royal Mail. The operations made a combined operating profit of £600,000 in the year to 31 May 2015, on sales of £5.2m. DX hopes to generate savings of “at least” £600,000 by combining both services with its existing operations north of the Border.

UNITED KINGDOM: ***Washington Post:*** London’s delivery companies are experimenting with electric vehicles to curb the smog spewed by vans distributing parcels packed with goods purchased on the Internet. The U.K. capital’s transport authority is catalyzing the transition from diesel to battery-powered vehicles by funding Gnewt Cargo Ltd., which operates London’s largest all electric delivery fleet. Gnewt is part owned by shipping DX Group Ltd, counting TNT Express NV and Hermes Parcelnet Ltd. among its customers. With their emissions-free electric motors silently navigating 20,000 packages a day through London streets, Gnewt could also deliver a breath of fresh air to Europe’s biggest city. The government says London’s pollution levels will probably breach European Union limits until at least 2030, a problem the Royal College of Physicians estimates causes 40,000 people a year to die early. London expects a 20 percent increase in van traffic within the next 15 years traceable solely to things bought from the Web. Gnewt’s vans, which also use centralized depots to reduce the number of journeys, is seen as one solution to curb the smog and traffic generated by online-order deliveries.

May 9, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: 2016 USPS Mailing Promotions – Registration Starts May 15 for the Personalized Color Transpromo and Mobile Shopping Promotions. Mailers and mail service providers can register via the Business Customer Gateway (<https://gateway.usps.com>). Please note that participants are required to register for each promotion separately. The last day to register for either promotion is December 31, 2016. Each promotional period runs from July 1- December 31, 2016. The Personalized Color Transpromo Promotion will provide an upfront 2% discount on qualifying postage to mailers who use dynamic/variable color print for personalized marketing and consumer messages on their bills and statements to create a greater connection and response from consumers. The goal of this promotion is to grow the value of First-Class Mail and encourage mailers to invest in personalization and color print technology. The Mobile Shopping Promotion provides an upfront 2% discount on qualifying postage for Standard Mail letters and flats pieces that include a mobile barcode or other qualifying print/mobile technology that can be read or scanned by a mobile device. The mobile barcode or print/mobile technology must lead to a mobile-optimized shopping website from which the recipient is able to purchase an advertised product. Please contact the program office at: FCMColorPromotion@usps.gov for the Personalized Color Transpromo

Promotion mailingpromotions@usps.gov for the Mobile Shopping Promotion, with any questions. You can also visit our RIBBS website at: <https://ribbs.usps.gov/index.cfm?page=mailingpromotions> to review the program requirements documents for all the 2016 Mailing Promotions and additional materials to support your participation in the promotions.

NATIONAL NEWS

eCommerceBytes: The USPS is testing advertising on the back of paper receipts. Supermarkets and retailers have begun adopting this practice, placing ads on the back of the receipts they issue, often for local businesses. In the case of the Postal Service, however, the ads will be for its own products and services. Postal Service retail sites are testing the effectiveness of advertising on paper receipts. More than 200 sites across the US will determine if ads on the back of standard receipts can raise awareness of USPS products and help cut printing costs.

INTERNATIONAL NEWS

RWANDA: **Reuters**: International delivery company UPS is backing a start-up using drones in Rwanda to transport life-saving blood supplies and vaccines, underlining the wide potential for the unmanned aircraft and helping bring package delivery by drone to U.S. consumers a step closer. U.S. companies are keen to use drones to cut delivery times and costs but hurdles range from smoothing communication between the autonomous robots and airplanes in America's crowded airspace to ensuring battery safety and longevity.

May 8, 2016

INTERNATIONAL NEWS

CANADA: **OurWindsor**: Canada Post spent \$76 million last year on its community mailbox conversion program, which was put on hold last October after the Liberals took office. In 2013, the post office embarked on an ambitious five-point action plan to cut costs that included raising stamp prices, slashing the work force, and eliminating door-to-door home delivery, by replacing the service with central mailboxes. It had promised to convert about five million addresses to community mailboxes in the coming years, a move Canada Post said would bring \$400 million to \$500 million in annual savings. But in the end, only 830,000 addresses out of a planned 5 million were completed, amid stiff public opposition.

May 7, 2016

POSTAL/FEDERAL NEWS

Attention Business Customer Gateway and PostalOne! Users: An issue has been identified with the USPS Mail Direction May data, published by the USPS for industry use on April 1, 2016. The file had DDU facilities expiring on April 30, 2016. When industry software transitioned over to the May dataset, these facilities were no longer available for DDU entry. The USPS Mail Direction May data file has been updated and is posted on RIBBS at: <https://ribbs.usps.gov/index.cfm?page=fast>.

USPS MTAC Webinar: Political Mail Dashboard Discussion and Visualization - Wednesday, May 11, 2016, 1:00 pm – 2:00 pm (EDT). Join us as the Postal Service discusses the Election and Political Mail Dashboard as a part of the “Deliver the Win” campaign. The webinar will explain this tool in broader detail, provide sample screen view, and answer your questions. The program will feature USPS Executives Chris Karpenko and Sue Redman discussing the Dashboard. The dashboard was developed to help candidates, political consultants, and mailers gain insights and information related to the various mailings supporting the elections this year. This webinar is in direct response to requests for information from MTAC members at the National Postal Forum and industry members at a recent Idealliance Postal Operation & Technology Committee meeting. Moderator: Dale Kennedy, Manager, Industry Engagement Strategy; Speakers: Chris Karpenko, Executive Director Brand Marketing; Sue Redman, Manager, Sales Support Services. Registration Required. Instructions: US/Canada Attendee Dial-in: (866) 381-9870; Conference ID: 9339819; Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e637db54dc186e7ddbea93f7543fc8700>. If you cannot join using the direct link above, please use these alternate logins: Alternate URL: <https://usps.webex.com>; Event Number: 999 037 134

NATIONAL NEWS

Direct Marketing News: In a year when business mailers were still being forced pay an extra 4.3% for the same mail service, service standards tanked, according to the Postal Regulatory Commission. An analysis of the U.S. Postal Service's 2015 Annual Performance Report (APR) by the regulator found USPS failed to meet its goals for delivering high-quality services and providing excellent customer service. Despite the fact that business mailers have been complying in growing numbers with the Postal Service's call for using the Intelligent Mail barcode system, on-time delivery percentages dropped below 90% for 3-5 day First Class Presort, First Class Composite, and Standard Mail Presort. On-time delivery of the first two classes fell more than 5% below targets. The most devastating falloff came in 3-5 day Single Piece First Class Mail—largely a consumer product—which was delivered on time only 77% of the time, a full 11 percentage points below targets set by USPS last year. The public representative who is called upon to weigh in on analysis of performance reports noted that the Postal Services poor 2015 showing was made worse the fact that performance factor had already been at their lowest levels since 2011. “It is evident that the vast majority of the Postal Districts did not meet any performance indicators for

SinglePiece First-Class Mail,” observed Lyudmila Bzhilyanskaya. She was also skeptical of the Postal Service’s making an excuse of workforce disruptions arising from the suspension of the network rationalization plan.

The Hill: Our nation’s drug abuse problem is also a postal service problem. To aid the efforts made to halt the in-flow, transport and ultimately the use of such drugs, the Senate Government Oversight and Homeland Security Committee convened last week for a roundtable discussion titled, “Preventing Drug Trafficking through International Mail.” Along with many pertinent questions posed by Senators Ron Johnson (R-WI), Rob Portman (R-OH), Tom Carper (D-DE), and Jon Tester (D-MT), Sen. Heidi Heitkamp (D-ND), asked directly about the nature of the collaboration among our federal agencies and the U.S. Postal Service.

May 6, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General: [International Marketing](#)

Background. The U.S. Postal Service recorded \$2.8 billion in revenue from international products and services in fiscal year (FY) 2015, which was 4 percent of its total revenue. Postal Service international products and services include Global Express Guaranteed, Priority Mail Express International, Priority Mail International, First-Class Mail International, and First-Class Package International Service. To market its international offerings, the Postal Service relies on a variety of strategies and media channels such as networking, print, and digital. The Global Business, Brand Marketing, and Sales groups work together to develop the marketing strategy for international products and services. Effectively marketing its international services is becoming increasingly important for the Postal Service. The international mailing and shipping industry continues to grow, with global eCommerce topping \$1.3 trillion in 2014 and a projected growth of 20 percent in 2015. A 2010 presidential executive order requiring the use of federal resources to support continued growth of U.S. exports furthers the opportunity for the Postal Service in this market. However, the Postal Service faces significant competition from domestic and international private delivery companies and other foreign posts. To capitalize on this opportunity and address its ongoing financial challenges, the Postal Service must adequately invest in its international products and services, including marketing productively and efficiently. *Our objective was to evaluate the Postal Service’s marketing of its international products and services.*

What the OIG Found. The Postal Service’s marketing of international products and services is not providing sufficient customer awareness in a growing, competitive international marketplace. International mailers and the Postal Service have indicated that the Postal Service’s international marketing efforts are

not creating enough customer awareness. Customers and businesses do not regularly associate the Postal Service with international shipping. Instead of using a comprehensive international strategy, the Postal Service's current marketing strategy focuses on enhancing its brand, educating the sales force about international products and services, and implementing specific international marketing initiatives with a limited reach. The Postal Service could benefit from a comprehensive international marketing strategy to effectively promote customer awareness of its international offerings. Leading practices emphasize the importance of having a comprehensive international marketing strategy when conducting global business. Such a strategy would assess marketing efforts, identify areas for improvement, and help demonstrate the need for additional marketing funds. We also found the Postal Service was unable to provide certain reports and data spelled out in its marketing contracts that should have key information on the global mailing and shipping market. Being able to access and use this information would help the Postal Service craft an effective international marketing strategy. The lack of a comprehensive international marketing strategy will continue to put the Postal Service's ability to capture revenues and grow market share in the global marketplace at risk. We estimate a comprehensive international marketing strategy could enhance the Postal Service's global marketing efforts and help it capture an additional \$20.3 million annually during FYs 2016 and 2017.

What the OIG Recommended. We recommended the Postal Service develop a comprehensive marketing strategy for its international products and services to include specific actions for promoting customer awareness.

NATIONAL NEWS

The Wall Street Journal: Famed bond investor Bill Gross plans to donate \$4.5 million to charity after selling a portion of his prized stamp collection. This is not the first time Mr. Gross has sold a portion of his stamp collection, part of which is on loan to the Smithsonian National Postal Museum in Washington, D.C. He has held seven sales in the last nine years, making more than \$20 million and donated those proceeds to charities.

Financial Times: Amazon has signed a new leasing deal for cargo jets, doubling the size of its fleet and underscoring its ambitions to grow its air transport network. The news comes as Amazon has been investing heavily in its logistics network and taking more logistics operations in-house. The retailer has experienced rapid growth in sales and in units shipped — which rose 28 per cent and 27 per cent, respectively, last quarter — and executives say they have had to take control over more logistics operations to keep up with growth.

BidnessEtc: Big opportunities lie ahead for package-delivery companies, as changes in US trade rules have now made it easier for American consumers to buy foreign goods online. As per the updated rules,

implemented last month, Americans can now import up to \$800 worth of most foreign products without paying any duties or tax. Previously, Americans could import up to \$200 worth of products without paying duties or tax. Any orders that exceeded the \$200 mark were charged 110% duty that more than doubled the price of the product. Increased flexibility on product imports would benefit parcel-delivery companies, especially United Parcel Service, Inc. (NYSE:UPS) and FedEx Corporation, which are already in the process of expanding their online retail business. As Americans import more in the coming months, demand for parcel delivery services would rise. Online retailers have already started to benefit from the change, as Americans place more orders for products not available in the US. Online retailers such as melijoe.com and omologatowatches.com are seeing a boost in the number of orders placed from the US. With this policy, online retailers now also have more flexibility in case of product returns.

Minot Daily News: The U.S. Postal Service is piloting a new customer service program in North Dakota to improve mail delivery and service, Sen. Heidi Heitkamp, D-N.D., announced Thursday. The "Your Mail Matters" program is encouraging North Dakotans to share their individual mail service challenges with the U.S. Postal Service via email, YourMailMatters@usps.gov, and a service line, 605-333-2648, which will be managed and operated using existing resources from North Dakota's postal District Office in Sioux Falls, S.D. The U.S. Postal Service modeled the program after Heitkamp's Fix My Mail survey, which has garnered nearly 500 responses from North Dakotans about the persistent issues with mail delivery North Dakotans have experienced.

Center Post Dispatch: When the U.S. Postal Service (USPS) first announced reduced hours for some postal locations in 2012, neither postal employees nor their customers anticipated the full impact of that decision. Over the past four years, however, the effects of the cuts have finally come home to roost, with both those delivering postal services and those receiving them affected in different ways. Three county post offices were included in the cuts: Hooper, Moffat and Villa Grove. A recent remark to a vendor by a person close to a postal employee working for a reduced-hour post office suggests the workers are near burnout and customers are having difficulty fitting their schedules to the new hours.

The New York Times: The New York Times will launch a meal delivery service this summer. The Gray Lady today announced that it's partnering with food startup Chef'd to provide subscribers with ingredients from recipes pulled from the NYT Cooking site and app. Ingredients will be delivered to users within 48 hours, and the two companies will split the profits. The move represents another way the paper plans to bolster revenue as print continues to decline.

INTERNATIONAL NEWS

SINGAPORE: BusinessAsiaOne: Singapore Post (SingPost) has named Mr Simon Israel, a former executive director and president of Temasek Holdings and current chairman of Singtel, as its new

chairman. Mr Israel, 63, will helm the board with effect from May 11, following a surprise announcement last month that Mr Lim Ho Kee, its chairman for 13 years, will step down on May 10. Mr Israel will be a non-independent chairman, since Singtel is the largest shareholder of SingPost, with a 23 per cent stake. Mr Zulkifli Baharudin, who chairs SingPost's nominations committee, said that a lead independent director will be appointed shortly.

CANADA: National Post: The Liberal government has launched a sweeping review of Canada Post to determine the future of mail services, but there's no guarantee home delivery will be restored for those who have recently lost it. The opposition NDP assailed Prime Minister Justin Trudeau on the issue on Thursday, saying he's breaking a solemn promise made during the federal election campaign to restore door-to-door home mail delivery. Trudeau and the Liberals pledged during last fall's election campaign to "save home mail delivery" by halting the former Conservative government's plans to transition many urban areas to community mailboxes. The party also promised a review of Canada Post. On Thursday, Public Services and Procurement Minister Judy Foote announced a \$2-million independent review of Canada Post and home mail services, but there was no commitment to restore home delivery fully to those who've been transitioned to community mailboxes.

UNITED KINGDOM: Postal Technology International: Same-day UK delivery company CitySprint has expanded its specified hour delivery technology 'On The Dot' to retailers across the UK. The solution now covers 99% of the UK population.

NETHERLANDS: Postal Technology International: TNT Express has announced its intention to sell its overnight distribution subsidiary TNT Innight to the private equity firm Special Situations Venture Partners III (SSVP). The sale is motivated by TNT's wish to concentrate resources on strengthening its core express delivery activities.

May 5, 2016

POSTAL/FEDERAL NEWS

Federal Register: Postal Service

Meetings; Sunshine Act, 27177 [2016–10639] [\[TEXT\]](#)

Product Changes:First-Class Package Service Negotiated Service Agreement, 27177 [2016–10499] [\[TEXT\]](#)

Priority Mail and First-Class Package Service Negotiated Service Agreement, 27177 [2016–10500] [\[TEXT\]](#)

Priority Mail Negotiated Service Agreement, 27176 [2016–10480] [\[TEXT\]](#) 27177–27178 [2016–10485] [\[TEXT\]](#) 27176–27177 [2016–10489] [\[TEXT\]](#) 27177 [2016–10496] [\[TEXT\]](#) 27178 [2016–10498] [\[TEXT\]](#)

NATIONAL NEWS

Federal News Radio: The U.S. Postal Service procurement officials say supply chain diversity not only brings small, minority-owned and women-owned companies into the business of government, but keeps the agency flexible enough to meet new challenges. In April, USPS was recognized as the top federal agency for supplier diversity this year by DiversityBusiness.com, which has applauded the agency in the field for the past 15 years.

eCommerceBytes: First there was the case of the eBay seller who was accused of defrauding the USPS of \$18,000 by sending packages to his customers for a penny. Now comes a new case of an eBay seller who is accused of defrauding the USPS of \$400,000 by counterfeiting postage labels.

INTERNATIONAL NEWS

INTERNATIONAL POSTAL CORPORATION: Post & Parcel: Holger Winklbauer will succeed Herbert-Michael Zapf as the Chief Executive of the International Post Corporation (IPC). Zapf is stepping down after ten years in the role.

CANADA: CTVNews: The federal government is embarking today on a formal review of Canada Post that will look at whether the Crown corporation should continue with its plan to cut door-to-door mail delivery. The four-member independent panel could also examine whether the national letter carrier should get back into the banking business. An official in Public Services Minister Judy Foote's office says the panel will look at "all options" as it conducts the review.

CANADA: Canada NewsWire: Canada Post welcomes the review of postal service in Canada announced today by the Minister of Public Services and Procurement, the Honourable Judy Foote. We are committed to actively participating in the process to help determine the best path forward given the ongoing challenges faced by the postal system.

The review comes at a critical time in the 253-year history of postal service in Canada. While the postal needs of Canadians are changing rapidly, the postal system remains a vital component of our national fabric. For example, the demand for paper-based letters, bills and statements has declined 32 per cent over the last decade, yet mail remains important to Canadians. At the same time, Canadian retailers of all sizes are utilizing Canada Post's vast network for parcel delivery to reach customers across the country and around the world. Securing the future of the postal service for all Canadians is an incredibly important task. We look forward to this national discussion.

SOUTH AFRICA: South African Broadcasting Corporation: The Communications Workers Union says it is all systems go for the South African Post Office (Sapo) strike on Thursday. Sapo has warned that the

impact of yet another strike by its workers will be extremely damaging. This comes after the Communications Workers Union (CWU) confirmed that its members will engage on a protected industrial action on Thursday and Friday.

May 4, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission: Today the Postal Regulatory Commission (Commission) issued its analysis of the United States Postal Service (Postal Service) fiscal year (FY) 2015 Annual Performance Report and fiscal year 2016 Performance Plan. The Commission is statutorily required to review the Postal Service's goals and make findings as to whether the Postal Service has met those goals and offer any recommendations regarding the protection or promotion of public policy objectives. The Commission's review finds that ***the Postal Service FY 2015 Report and FY 2016 Plan failed to meet three of four goals established, and partially met the fourth goal. The report further provides an in-depth evaluation of the Postal Service's four performance goals: 1) Deliver High-Quality Services, 2) Provide Excellent Customer Experiences, 3) Ensure a Safe Workplace and Engaged Workforce, and 4) Sustain Controllable Income.*** Below is a summary of the Commission's findings. (1) The Commission finds that the Postal Service did not meet the Deliver High-Quality Services performance goal in FY 2015. (2) The Commission finds that the Postal Service did not meet the Provide Excellent Customer Experiences performance goal in FY 2015. (3) The Commission finds that the Postal Service did not meet the Ensure a Safe Workplace and Engaged Workforce performance goal in FY 2015. (4) The Commission finds that the Postal Service partially met the Sustain Controllable Income performance goal in FY 2015. A link to the full report, including a complete list of Commission recommendations for each goal, is available on the Commission's website at www.prc.gov.

USPS Industry Alert: 2017 Irresistible Mail™ Award – First Quarter Deadline is June 25th. The Irresistible Mail™ Award launched at the 2016 National Postal Forum is expanding. This year we will have four quarterly winner mail pieces that will compete to be crowned as Grand Champion at the 2017 National Postal Forum and receive the 2017 Irresistible Mail Award. The Mail Owner, Agency, and Printer of each quarterly winner will be recognized. The award recognizes innovative and effective mail piece designs. These designs may include (but are not limited to) the use of shapes, sizes, textures, colors, personally targeted content, specialized inks, conversions to digital, or uncommon enclosures. Entry is free and easy. The entry form and the complete rules can be found at www.irresistiblemail.com/award. Mail pieces must have been mailed at least once since July 1, 2015 to be eligible. Submissions for Quarter One must be postmarked by June 25, 2016, and received by June 30, 2016.

USPS Office of the Inspector General:

- **Does your current mail delivery time meet your needs?** The OIG is initiating an audit to evaluate city carriers returning after 6:00 p.m. in the Los Angeles District. The U.S. Postal Service's goal is for 95 percent of city letter carriers to return from street operations before 6:00 p.m. The city carrier's timely return from street operations helps the Postal Service to meet its 24-hour clock operational goal to have 80 percent of the mail cancelled by 8:00 p.m. Therefore, all city carriers must return to the office by 6:00 p.m. In Fiscal Year (FY) 2015, Los Angeles District city carriers delivered about 2.2 billion mail pieces to over 2 million delivery points on 3,102 routes. The Los Angeles District ranked third among the top ten districts nationwide in instances of carriers returning after 6:00 p.m. Is your mail regularly delivered in the evening? How are you impacted by mail that arrives at the end of the day? What is the latest time you think your mail should arrive?
- **Should the Postal Service Have Fewer Leased Trailers?** In response to declining mail volume, the U.S. Postal Service needs to adjust its transportation network and processing infrastructure, while reducing costs and maintaining service. In fiscal year (FY) 2011, the Postal Service established 36 Delivering Results, Innovation, Value, and Efficiency (DRIVE) initiatives to improve its business strategy. DRIVE aims to increase revenue and reduce expenses through strategic initiatives with measurable outcomes. Each strategic initiative has process roadmaps that track whether the initiative remains on schedule and achieves its objectives. DRIVE Ground Transportation Initiative 1.13, which includes leased trailers, is designed to reduce transportation spending by \$1 billion from FY 2014 through FY 2017. The initiative's process roadmap plans to right-size the trailer fleet to increase use by measuring the number of trailer returns and the savings from those returns. Do you think the Postal Service should continue to reduce the number of leased trailers? Have you been impacted by the number of leased trailer reductions? If so, what problems have you encountered because of the reductions?

Globe Newswire: Postmaster General and CFO to Host Media Call on U.S. Postal Service Fiscal Year 2016 Second Quarter Financial Results on Tuesday, May 10, 2016 at 9:30 a.m. (ET)

Federal Register: Postal Regulatory Commission New Postal Products, 26843–26844 [2016–10447]
[TEXT]

USPS Newslink: Jeffrey C. Johnson has joined USPS as Information Technology vice president, overseeing all postal computer systems, software and hardware. Johnson previously served as chief technology officer for the FBI, where he focused on strengthening threat awareness capabilities and improving the strategic alignment of the agency's projects and goals. ITVP_large-storyHe also worked at a vice president for Lehman Brothers, where he pioneered the firm's use of cloud technologies. Johnson began his career with the U.S. Navy, focusing on networking, database infrastructure and communications. Johnson will report to Kristin Seaver, who was recently named chief information officer.

NATIONAL NEWS

Breibart: In recent weeks, the libertarian Cato Institute has called for the Postal Service to be privatized, and the Washington Post has called for it to be reformed from within. It's not that the Postal Service does not need reform. It's not that it doesn't need more flexibility to respond to fast-changing business conditions and to take advantage of new opportunities. But removing the restrictions on pricing but leaving its monopoly status intact only encourages inefficiency. We need to decide again what exactly we need from the Postal Service in 2016 and beyond and set up the agency to meet those goals without losing billions of dollars per year. This should be the goal as Congress works on legislation to reform the agency.

Federal News Radio: It's one of those things that is usually hidden in plain sight. You see it, but rarely give it a thought. It has probably made you very angry at times, and made you weep for joy at others. So what is it? It has more people in uniform than Brazil, which has the biggest military in South America. On any given day, it has more people out sick or on vacation than the population of Liechtenstein or Monaco. Google that! It has more vehicles than some industrialized countries. You deal with it almost every day at home and work. It has more people than Wyoming. At one time in your life you almost certainly licked it. It's America's last vestige to make house calls. So what is it? If you guessed the USPS you are a winner.

Fedscoop: The Government Publishing Office has renewed a contract with FedEx Office to continue a publishing program that makes it easier for federal employees to print and manage their documents. GPO is extending its partnership with the shipping and printing giant to keep running GPOExpress, a procurement program which gives government employees access to last-minute, low-cost printing, binding and shipping through FedEx Office retail stores, all with the swipe of a card.

INTERNATIONAL NEWS

SOUTH AFRICA: **MyBroadband:** Postal services in South Africa risk being disrupted later this week as a union says nationwide strike action is going ahead. The Communication Workers Union (CWU) last week threatened to strike on May 5-6 to demand higher annual pay rises for South African Post Office (Sapo) staff. CWU is also calling for the conversion of casual Sapo workers to permanent employees.

May 3, 2016

POSTAL/FEDERAL NEWS

Attention Program Registration® Users: Program Registration Release 16.0.1.0 — will be deployed to Production from 11:00 pm CDT on Saturday May 7, 2016 to 5:00 am CDT on Sunday. There will be an outage and the application will be unavailable during that time. The Program Registration Release 16.0.1.0 addresses the following. Shipping: Bulk Master MID Update for FedEx (CR-234)

Attention Business Customer Gateway and PostalOne! Users: MicroStrategy Upgrade – an upgrade to MicroStrategy is scheduled for May 6, 2016 from 7:00 PM CT through 1:00 AM CT Saturday, May 7, 2016. External users will not have access to MicroStrategy during this upgrade. There is no impact to internal users. From an end user perspective, the upgrade will mainly see a change in the general look/feel of MicroStrategy, but the reports themselves will look the same. If you have any additional questions please contact the help desk at 800-522-9085.

USPS Office of the Inspector General: Scanning the Horizon -- Same-day delivery. On-demand delivery. Customer control. Dynamic routing. These are just a few features that have made package delivery a booming and competitive industry. Some might even argue it's a downright sexy one. To get to the bells and whistles, however, you need a solid foundation. All of those innovations depend on accurate tracking. And tracking starts with scanning. Customers expect to be able to track their orders as soon as they have checked out online. So complete tracking and tracing is essential. The U.S. Postal Service understands this. It has said it wants to achieve 100 percent visibility and provide world-class package delivery services. And it is working aggressively toward those goals. Last year it deployed over 200,000 mobile scan devices for scanning as packages move through the network, including at delivery. At the National Postal Forum in March postal officials announced that in 2016 they would expand Informed Visibility, the Postal Service program that uses data, such as Intelligent Mail barcode scans, to give mailers real-time insight into how their mail is being processed and delivered. Informed Visibility also gives the Postal Service information on operational and delivery performance. Specifically, Informed Visibility would add more scan events and get those scans into the hands of mailers sooner. A future addition will be delivery scans using geospatial technology . . .

NATIONAL NEWS

National Association of Letter Carriers: *The annual NALC food drive will take place on Saturday, May 14. Please give this very worthwhile effort your support.*

Informationweek: Disparate internal systems and a complex customs environment were slowing down the import/export process for business customers. So FedEx Services launched the Clearance Customer Profile app to help businesses overcome customs clearance hurdles.

WKU: Negotiators for United Parcel Service and the Independent Pilots Association will resume talks later this month in hopes reaching a contract agreement. The latest round of federally mediated negotiations ended last week in Washington.

INTERNATIONAL NEWS

EUROPEAN UNION - AUSTRIA: **Lexology:** On 27 April 2016, the General Court handed down a judgment (not yet available in English) on an appeal by Österreichische Post AG against a decision of the Commission (dated 2 April 2014) that held that Directive 2004/17 (the Utilities Directive) shall continue to apply to a range of postal delivery services provided by Österreichische Post on the grounds that they are not directly exposed to competition. The General Court has partially upheld Österreichische Post's appeal, finding that the Commission made manifest errors of assessment in concluding that postal services for addressed international (outbound) letters between business customers (B2B) and between business customers and private customers (B2C) (together B2X) at the international level were not directly exposed to competition and, as a result, should not be exempted from application of the Utilities Directive. The Commission's contested decision is, therefore, annulled insofar as it provides that the Utilities Directive applies to this market. However, the General Court rejected the rest of the appeal as unfounded, concluding that the Commission made no errors of assessment or failed to state reasons in finding that the other categories of postal services were not directly exposed to competition in Austria.

DENMARK: **TheLocal:** Denmark's postal service just got even worse. A political agreement struck on Tuesday will allow Post Danmark to significantly decrease its service level as it struggles with plummeting revenue. The deal will result in a complete elimination of first-class letters (A-breve), thus making it impossible for Denmark residents to send and receive next-day post. The current B-class letters will become the standard but the delivery time will be increased from the current three days to five. Additionally, Post Danmark will only be required to deliver mail five days a week rather than the current five. The postal service itself can decide which day of the week it will drop.

LITHUANIA: **The Baltic Course:** Lithuania's postal and courier services market, as measured by revenue, grew to 120.8 million euros last year, up 10.8% from 109 million euros in 2014. Postal service providers' revenue from letter-post items sent and received rose by 8% to 45.4 million euros, and revenue from parcels went up by 11.4% to 60 million euros. State-owned Lietuvos Pastas (Lithuanian Post) held the largest market share, at 41.7%, in terms of 2015 revenue, followed by DPD Lietuva in second place with 17.1%. Sixty-six companies held licenses to provide mail services in late 2015, of which 55 were actually operating.

May 2, 2016

POSTAL/FEDERAL NEWS

USPS Press Release: Contrary to common assumptions about digitally connected millennials, a new joint survey demonstrates that young voters pay close attention to political mail and in fact favor it over other forms of political advertising. The survey, conducted by the U.S. Postal Service (USPS) and the American Association of Political Consultants (AAPC), aims to further understand millennials' attitudes and behaviors toward direct mail in comparison to non-millennials.

NATIONAL NEWS

WebWire: [Anytime Mailbox](#) a digital mail platform that is revolutionizing the way flexible workspace operators process and forward mail is delighted to announce its partnership with the Alliance Business Centers Network (ABCN), the largest global network of flexible workspaces. Anytime Mailbox software platform gives mail center operators the ability to offer their customers a digital mailbox experience in minutes. Anytime Mailbox was founded by Matt Going and Marcel Buechi in 2013. Their goal was to develop a secure, scalable, and easy to use tool for mail recipients and mail center operators to turn postal mail into immediately available digital mail. Anytime Mailbox is recognized for being a leading private labeled, cloud-based technology platform for the postal ecosystem.

Law Street: Postal banking may seem to some like a governmental overreach into an arena where the forces of the market should be in charge. Undercutting a private sector industry in favor of a government run charity-bank makes some people uncomfortable. Some may ask where we should draw the line between public good and social engineering. But postal banking already worked once in our nation's history. And while it is not a complete solution to the problem of the unbanked and underbanked it could be used as part of that solution.

INTERNATIONAL NEWS

CANADA: [MarketWired:](#) On Thursday May 5 The Association of Community Organizations for Reform Now (ACORN) and the Canadian Union of Postal Workers are coming together to call on the Federal government to bring back postal banking and ensure that fair banking is a reality for low and moderate income Canadians.

AUSTRALIA: [ABC Online:](#) Australia Post has announced plans to charge customers for parcels that are not collected after five days. Customers would be charged up to \$9 for each item uncollected for up to 30 days. Only 8 per cent of parcels remained uncollected after five days, Australia Post said.

AUSTRALIA: [The Australian](#): Australia Post plans to use its own fleet of branded Qantas freighter aircraft to provide faster and more flexible deliveries to Australians making retail purchases over the internet as the next step in the expansion of a \$500 million alliance between the two companies.

CHINA: [South China Morning Post](#): FedEx, the world's biggest express delivery company with more than 600 planes, is not too hot on the idea of drone delivery even though some Chinese companies including SF Express and Taobao are toying with the idea. "The thing with drones is that they're very good at catching headlines. But the challenge...is how you take a neat gadget and make it a technology that is sustainable, scalable and delivers real benefits to the customer," FedEx's Asia-Pacific president Karen Reddington told the South China Morning Post. "And it's gotta be significant customer needs (before we invest in this)." China's express delivery market has been growing at more than 30 per cent for the past few years, replacing the US as the world's biggest by volume, thanks to the e-commerce boom.

May 1, 2016

NATIONAL NEWS

[InsideSources](#): A survey of postal employees conducted last year for the United States Postal Service paints a dire picture of the state of the organization's workforce. Gallup, which was paid \$1.8 million by USPS to conduct the survey, presents a comparison to the results of similar surveys of millions of workers at hundreds of other companies in recent years. Across a range of questions addressing satisfaction in the workplace, the USPS scores in the 1st percentile, the very bottom, of the survey results. The topline results were obtained through a Freedom of Information Act request after the USPS declined to provide the data to InsideSources when asked in January. Postal workers reported strong job dissatisfaction, and in comparison to other organizations surveyed by Gallup, USPS employees say they rarely receive recognition for good work; their supervisors don't care for them as people; they don't feel their job is important; they lack opportunities to learn and grow, and their fellow employees are not committed to doing quality work. A spokesperson for USPS says the organization was disappointed with the results. "Clearly, there is much room for improvement."

INTERNATIONAL NEWS

INDIA: [DNAIndia](#): India is the fifth biggest exporter of fake goods globally, while China is on the top with a huge 63% share in the estimated half-a-trillion dollar worldwide imports of counterfeit and pirated goods.

INDIA: [The Business Standard](#): The deficit of Department of Posts (DoP) increased by 14.35 per cent to Rs 6,258.60 crore for fiscal 2014-15 due to increased staff costs.

