



**Association for Postal Commerce**

1100 Wythe Street, Unit 1268 • Alexandria, VA 22313 • Ph: +1 703 524 0096 • Fax: +1 703 997 2414 • Web: <http://postcom.org>

## **June 2016 Postal News**

**June 30, 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**



**Smithsonian  
National Postal Museum** Smithsonian Institution National Postal

**Museum:** The National Postal Museum's America's Mailing Industry Project will launch its website on September 13. The Museum will be hosting a special thank-you/celebration event the evening of September 13 to thank everyone who helped us with this important project. Please mark your calendars.

## **USPS Office of the Inspector General:**

- **Retail System Software Help Desk**

**Background.** The U.S. Postal Service started deployment of the Retail System Software (RSS) solution in fiscal year (FY) 2014, to replace the existing retail point-of-service software at about 18,000 Post Office locations. RSS was deployed to reduce the number of vendors involved in the Postal Service's retail solutions and lower its operational and maintenance costs. The NCR Corporation has provided help desk services for the Postal Service's retail point-of-service software since 2008 and will continue to do so for RSS through September 2016. In FY 2015, the U.S. Postal Service Office of Inspector General issued a report recommending the Postal Service

evaluate metrics and ensure the RSS help desk is adequately staffed with knowledgeable personnel and able to support national deployment. The Postal Service uses metrics to measure the RSS help desk. Our audit focused on metrics for the Tier One help desk (which is the point of entry for customer issues): (1) abandoned call rate, which occurs when a caller hangs up before being connected to the help desk agent, (2) average speed to answer, which measures how long it takes for the help desk to answer the call, and (3) average handle time, which is the amount of time it takes from customer initiation of the call to completion of related tasks that follow the call. We selected the average speed to answer metric and abandoned call rate because they were the two primary metrics in the RSS help desk contract for which we could assess performance. Further, we evaluated the average handle time because it is a help desk efficiency measure. Our objective in this follow-up audit was to determine whether the help desk is adequate to support RSS.

**What The OIG Found.** The Postal Service is meeting or exceeding performance metrics for the RSS Tier One help desk; however, opportunities exist to improve performance by strengthening established metrics and adding an average handle time performance metric. The help desk showed continuous improvement in Tier One metrics from August 2015 to February 2016. Specifically:

- Abandoned call rates have declined from a high of 36 percent in August 2015 to a low of about 1 percent in February 2016, while the target is 8 percent or less. A lower abandoned call rate could result in higher cost per contact.
- Average speed to answer time has decreased from an average of about 26 minutes (August 2015) to an average of 44 seconds (February 2016), which exceeds the established metric of 90 seconds. Although the Postal Service is meeting the average speed to answer performance target, it could further improve customer satisfaction and help desk efficiency by reducing the performance target.

The Postal Service is able to track help desk handle time, but it does not have a metric to do this. Without a targeted performance metric, the Postal Service is at increased risk of under- or over-staffing the RSS help desk operation. The RSS help desk efficiency and customer satisfaction could be negatively impacted without establishing and monitoring adequate performance targets.

**What The OIG Recommended.** We recommended management re-evaluate help desk metrics to increase performance for future help desk agreements, to include establishing an average handling time performance target.

- **Student Cooperative for Dynamic Reporting Team (PAID)** -- The USPS OIG is seeking students enrolled in college/university programs to fill our Student Cooperative - (Paid) position on the Dynamic Reporting Team in the Office of Chief of Staff (COS) located in Arlington, VA. The COS Dynamic Reporting Team is responsible for overseeing the OIG's initiative to create interactive, comprehensive dynamic reports through the use of audio, video, infographics, and interactive charts and graphs. The team is also tasked with providing graphic design support to the Communications team, as well as other components of the agency. The Student Cooperative Program is available for continuous employment throughout the year, while enrolled in school.

**USPS Industry Alert:** An issue is under investigation that is impacting PostalOne! access. Additional information will be provided when available. Mailings will continue to be accepted under the PostalOne! Contingency Plan posted on RIBBS at [https://ribbs.usps.gov/intelligentmail\\_latestnews/documents/tech\\_guides/PostalOneExternalContingencyPlan.pdf](https://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/PostalOneExternalContingencyPlan.pdf). eInduction mailers should follow the eInduction contingency plan.

### **Federal Register:**

- **Postal Regulatory Commission**  
Ex Parte Communications, 42534–42542 [2016–15349] [\[TEXT\]](#)
- **Postal Service**  
Inspection Service Authority: Civil Monetary Penalty Inflation Adjustment, 42532–42534 [2016–15464] [\[TEXT\]](#)  
Privacy Act; Systems of Records, 42760–42761 [2016–15461] [\[TEXT\]](#)  
Priority Mail and First-Class Package Service Negotiated Service Agreement, 42760 [2016–15463] [\[TEXT\]](#)  
Priority Mail Negotiated Service Agreement, 42760 [2016–15462] [\[TEXT\]](#)

## **NATIONAL NEWS**

**The Federalist:** Privatization is the answer for saving the U.S. Postal Service from the financial crisis it faces in the digital age, libertarians declared at a lecture sponsored by the Cato Institute yesterday. Mail volume has decreased dramatically, spelling disaster for a government corporation technically self-funded by postage revenue.

**Time Warner Cable News:** A Grand Alliance to Save Our Public Postal Service held the gathering at the International Civil Rights Center And Museum. The hearing in the Gate City is one of five across the U.S. held in June. A Grand Alliance is a coalition of more than 130 local, state and national organizations that united to advocate for a great public postal

service, including non-profit postal banking and other financial services. A Grand Alliance blames USPS's financial struggles over the years on a law passed by congress in 2006. It requires the postal service to prefund 75 years of retiree costs.

**Lexology**: Three standard clauses used in virtually all Postal Service surface transportation contracts are now on the chopping block. In an interim ruling, the Court of Federal Claims ordered the Postal Service to show why these three clauses should not be declared unlawful and unenforceable. *Tabetha Jennings v. U.S.*, Fed. Cl. No. 14-132C, May 29, 2016.

**FedSmith**: The National Active and Retired Federal Employees Association has sharply criticized plans by the House of Representatives Committee on Oversight and Reform to require postal retirees, their spouses and survivors to enroll in Medicare Part B or forfeit their coverage in the Federal Employees Health Benefits Program (FEHBP).

## INTERNATIONAL NEWS

**CANADA: CBC News**: There are already clear winners and losers this week as the deadline for a potential contract dispute between Canada Post and its workers inches closer. Canada Post has warned customers that mail and parcels sent through the postal system this week may not get delivered if the service is shut down this weekend. As a result, many businesses have now jumped to contingency plans to make their deliveries with alternate couriers, creating a big boost in sales for courier companies. At the same time, there's a lot of hand-wringing going on at small businesses that depend on Canada Post to receive or send payments. The stakes are even higher for companies that depend wholly on mail orders.

**CANADA: Simcoe**: While the nature of mail delivery has been changing for years, there are still millions of people, including hundreds of thousands of small and medium businesses, that continue to rely on physical mail delivery over online correspondence, York University marketing professor Alan Middleton said. A labour disruption would be a hardship for them and, more importantly, for the long-term, would likely drive many business owners to turn to electronic communication, from which they may not return to traditional mail delivery, said Middleton, also executive director of the Schulich Executive Education Centre. But where a lockout or strike would have the biggest impact is on parcel delivery by Canada Post's Purolator, in many ways the future for the Crown corporation, he said. Losing credibility and brand reputation could prove to be ultimately disastrous for Canada Post, Middleton said. "It will be what I call death by 1,000 cuts," he said. "A lot of Canada Post's advertising and promotion, rightly, has been about their role, both under the Canada Post brand and also through Purolator, how important it is to get that stuff you ordered online in a reasonable delivery time." Canada Post's efforts to reposition itself on

that front will be hurt if it's not viewed as a reliable parcel delivery supplier in a highly competitive market, Middleton said.

**CANADA:** [Global News](#): "Canada Post work stoppage: What you need to know if service stops."

**CANADA:** [Vancouver Sun](#): It may be telling that a potential strike by workers at Canada Post could begin this Saturday, July 2, in the middle of the Canada Day long weekend. Since there will be no mail delivery over the three-day weekend anyway, it seems safe to predict that Canadians would be unlikely to notice anything different. Indifference would be an appropriate response, given the apparent inability of the Canadian Union of Postal Workers (CUPW) to notice that the world has changed. It's not 1974 anymore, Canadians aren't tied to the mailbox the way they once were, and the last thing union bosses should want to do is draw attention to how irrelevant they have become. If the strike goes ahead, they may come to regret it. Instead of seeking a more nimble model for Canada Post to compete under new circumstances, the union wants to revive postal banking, a dated idea that was phased out in 1968. It sees banking as a means of maintaining jobs at a time when email and other technologies are steadily eroding demand for delivery services. Rather than increase the Crown corporation's ability to compete with swifter and more convenient rivals, CUPW hopes to turn back the clock almost 50 years.

**CANADA:** [The Nelson Daily](#): There appears to be no turning back on a potential disruption to mail delivery after Canada Post CEO Deepak Chopra officially rejected a letter from postal workers asking him to extend the July 2 deadline for a lockout by a period of two weeks.

**June 29, 2016**

## **POSTAL/FEDERAL NEWS**

**Federal Register:** Postal Regulatory Commission New Postal Products, 42380 [2016–15334] [TEXT](#)

**Industry Alert. Contingency Plans: USPS Monitors Possible Strike in Canada.** The Postal Service™ is monitoring a possible strike or work stoppage affecting Canada Post. Canada Post is the postal operator that performs delivery in Canada of U.S. shipments of First-Class Mail International® service, First-Class Package International Service®, International Priority Airmail® service, International Surface Air Lift® service, Priority Mail International® service, and Priority Mail Express International® service. If a strike or work stoppage occurs, USPS will continue to offer customers the option of using Global Express Guaranteed® (GXG) service for delivery of documents and merchandise in

Canada, with transportation and delivery by FedEx. GXG service is available online and at thousands of participating retail locations throughout the United States. Additional information and updates about mail service to Canada are available on the Postal Service's International Service Alert page.

## NATIONAL NEWS



PostCom submitted [comments](#) to the House Committee on Oversight and Government Reform on its bipartisan discussion draft.

**NALC**: National Association of Letter Carriers submitted comments to the House Committee on Oversight and Government Reform on its bipartisan discussion draft.

**MPA**: The Association of Magazine Media (MPA) submitted comments to the House Committee on Oversight and Government Reform on its bipartisan discussion draft.

**eCommerceBytes**: The USPS has announced bigger, better mailboxes to satisfy the needs of online shoppers. The only question is, are they big enough? The next-generation mailboxes are for sale at The Home Depot (appropriately enough, you can buy them online and pay with PayPal). The Postal Service said manufacturers introduced the boxes this month after USPS approved new standards last year. However, the standards apply only to curbside boxes, not mailboxes made for door delivery service. The bigger boxes are part of the Postal Service's efforts to grow its package delivery business amid changes to the mail mix. The USPS also wants to reduce failed delivery attempts that occur when letter and rural carriers are unable to deliver packages because they won't fit in customers' boxes.

## INTERNATIONAL NEWS

***ROMANIA: Actmedia***: The Romanian Post - Posta Romana - has closed 2015 with a rd 30 million lei loss, due to a fine from the Competition Council for anticompetitive actions over 2010-2012, the managing director of the company, Alexandru Petrescu told Agerpres in an interview. As for 2016, Petrescu estimates that the postal operator will close in the black, at about 4 million lei net profit. "The company's privatisation remains a perspective, only that currently we have a wider range of possibilities and we think of listing it at the Bucharest Stock Exchange (BVB). Talks are among stakeholders and I believe, next to them, that a listing would be the best solution. I don't find it necessary to go on a majority stake, we could as well be on a minority package, because we have a commercial history that proves us correct in what we do. (...) Yet, the listing could not occur earlier than 24 months," he said. The head of the Romanian Post added he had in preparation a state bonds' issuance, which is possible by the end of 2016.

**CANADA: Post & Parcel:** UPS Canada has announced that it is prepared to take on additional packages through its UPS Access Point Network, as businesses and consumers look to make their contingency plans ahead of possible disruptions at Canada Post.

**JERSEY: Post & Parcel:** Jersey Post will be trialling a new extra feature to its SecureDrop service – called SecureDrop Signature – which enables all deliveries requiring a signature, including Special Delivery, to be delivered to a customer’s SecureDrop location. A unique barcode will be affixed to each customer’s SecureDrop delivery point for the postal worker to scan when an item is delivered. By scanning the barcode the postal worker registers proof of delivery at the property. Customers can nominate a safely accessible, weatherproof location on their property as their SecureDrop location. Alternatively, they can nominate a neighbour to receive items on their behalf.

**June 28, 2016**

## **POSTAL/FEDERAL NEWS**

**USPS Office of the Inspector General: Groceries to Your Door** -- In the battleground that is last-mile delivery, groceries are the soup du jour. Major players and smaller upstarts are jumping in to test grocery delivery to the consumer’s doorstep. The competition should benefit consumers, if not their waistlines. One reason for the interest in grocery delivery is that online grocery shopping is poised for tremendous growth over the next few years, analysts predict. Amazon was an early player in the grocery delivery market, launching AmazonFresh nearly a decade ago. Two years ago, the company tapped into the U.S. Postal Service’s market test of its Customized Delivery service to deliver first in San Francisco and then in New York City. Postal officials map out the day’s deliveries and then city carrier assistants load the trucks and deliver the totes of food between 3 a.m. and 7 a.m., leaving them at front doors . . . .

## **NATIONAL NEWS**

**Government Executive:** House lawmakers earlier this month introduced a measure with bipartisan support to overhaul the U.S. Postal Service, and expressed optimism the draft bill would finally clear the hurdles that have prevented similar legislation from becoming law for several years running. The reaction to the proposal, however, does not instill as much confidence. Stakeholders across the mailing industry have weighed in, with many either voicing either pointed criticisms or refraining from announcing any support. The Postal Service itself has declined to endorse the bill, saying only it is still reviewing the draft. Stephen Kearney, who heads the Alliance of Nonprofit Mailers, said mailers have “plenty to worry about” in the bill. The measure would make permanent half of the



emergency rate increase that expired earlier this year, which Kearney said would hit big users of the Postal Service just as they were adjusting to the newly lowered rates. He also expressed concern about the draft legislation in several areas emphasizing USPS cover all of its costs, which he noted historically has meant increasing prices rather than cutting expenditures. “This new requirement runs the risk of knocking magazines, newsletters, catalogs, and other flat-shaped mail out of the mailbox,” Kearney said. “Then the reasons for consumers to go to their mailbox will diminish further, and the rationale for a government-run mail service will fade.” The House committee plans to close the comment period on the discussion draft shortly and subsequently formally introduce the bill and hold a markup. Lawmakers told stakeholders they optimistically hope to push the bill to the House floor before the seven-week recess that begins July 15.

**Newsnet 5:** The reality is many people don’t have or have never had a bank account to their name. It’s a growing problem nationally, affecting more than 20 percent of people. But now the post office is pushing for their locations to have banking as an option for customers. They believe it will help with the more than a quarter of Cleveland households unbanked, meaning they do not use or have access to banks at all, while also keeping their struggle business a float.

**Linn's:** Both the United States Postal Service and Royal Mail have acknowledged they are discussing how much the British mail system must pay for the \$24,371 worth of U.S. Harry Potter forever stamps it acquired in 2014. But the Stamp Services office in Washington, D.C., declined to discuss what is happening to its Stamp Fulfillment Services (SFS) division in Kansas City, where the Postal Service’s inspector general found a number of questionable practices beyond the stamp sale.

**INSIDE SOURCES:** Earlier this month, a bipartisan group of House lawmakers released the 2016 Postal Service Reform Act. Republicans and Democrats have often failed to find agreement on postal reform, which has led to a decade-long stalemate to fix problems at the agency. But the latest piece of legislation is expected to make its way to the House floor by mid-July, and the Senate is expected to take up its version of the bill later this year. While the bill is receiving bipartisan congressional support, taxpayer and consumer advocates are voicing concerns about the cost of the legislation. David Williams, president of the Taxpayers Protection Alliance tells InsideSources the reforms amount to “window dressing” when the agency is in need of a greater overhaul. As InsideSources reported last fall, USPS has monopoly power for mail delivery in the U.S., and it is given significant cost savings compared to other businesses in state and local taxes. Because of high demand for its monopoly services, it is able to cross-subsidize, or artificially decrease, the cost of its products that, in theory, are competing against companies like UPS and FedEx. The same would be true for non-postal services that would be developed in the new legislation.



**Greensboro News & Record:** U.S. Rep. Alma Adams, D-12, will participate in a field hearing Wednesday about the future of the postal service in the city and surrounding communities. The discussion will center on the need for new and expanded postal services in the area including the potential for postal banking. This event is one of five hearings that are being held across the U.S. They are organized by A Grand Alliance to Save Our Public Postal Service which is a coalition of more than 130 civil rights, faith-based, environmental, senior citizen, civic and labor organizations

**Washington Post:** The post office was America's first institution, and it's not an overstatement to say that it helped create our robust democracy. Their services have always been available to all, regardless of income, location or race. And so, it is not unreasonable to suggest that as America's oldest instrument of democracy in action, the post office can create an equal credit market through a public option, and in the process, even save itself from imminent demise.

## INTERNATIONAL NEWS

**CANADA: Canada NewsWire:** Postal workers are asking Canada Post management for a two-week extension on the cooling-off period that would otherwise entail a termination of their contract on July 2nd. At that point, the union says Canada Post might either lock its workers out or try to force a walkout through punitive changes to their working conditions. "We are asking management to give us a chance, to give the public review a chance, to keep sitting down with us at the bargaining table, and give the workers a chance to get a fair deal," said Mike Palecek, national president of the Canadian Union of Postal Workers.

**CANADA: Global News:** The union representing Canadian postal workers has dubbed last minute offers made last weekend by Canada Post "inadequate," meaning the mail system could grind to a halt as early as this weekend.

**CANADA: The Globe and Mail:** Small businesses are scrambling to ship product, pay suppliers and get paid by the end of the month as a potential work stoppage at Canada Post looms. As of July 2, postal workers will be in a legal position to walk off the job, or be locked out by the Crown corporation. Many small companies rely on Canada Post to conduct daily business. The Canadian Federation of Independent Business (CFIB) did a survey in 2013 showing 98 per cent of small-business owners use its letter mail services on a monthly basis. About 40 per cent sent 50 or more pieces of mail each month.

**CANADA: CityNews:** A strike or lockout at Canada Post may not have a huge impact on most people these days, but it could be another nail in the coffin for the beleaguered Crown corporation. "We deliver two out of every three parcels to Canadians that they order

online,” said Canada Post spokesman Jon Hamilton. “That’s a business that’s competitive. People have options. So customers can go elsewhere to get their parcels delivered, and a strike would give them a huge reason to move away from Canada Post to somebody else.”

**INDIA: Merinews:** Public authorities should use India Post services, not the private couriers to serve our customers. It is observed that several government-departments, public-authorities and public-sector-undertakings (PSUs) use private courier service rather than postal services. With premium postal-services like Speed Post now available at most post offices and destinations, it should be made compulsory for all bodies under central and state governments for compulsorily using only normal postal-services. Registered Post should be used at destinations not covered by premium Speed Post service. Postal Department should take up the matter with Department of Public Enterprises and others concerned.

**CANADA: CBC:** Trouble could be brewing for mail dependent communities in the North as negotiations stall between Canada Post and the Canadian Union of Postal Workers with both parties talking about the possibility of a disruption in services. Employees could be locked out or on strike if an agreement between the crown corporation and the union isn't reached by July 2. "Any disruption to the postal services would be very dramatic here because so many people depend on the postal service," said Mike Richards, senior administrative officer for the Nunavut hamlet of Whale Cove.

**June 27, 2016**



**The Association for Postal Commerce has sent a letter to the General Counsel of the U.S. Postal Service expressing its grave concern that the Postal Service's intention to roll out "Dashboard" platform.** Specifically, PostCom said that this decision violates the Postal Accountability and Enhancement Act's prohibitions against competing with its customers with with products offered already offered and provided by them. PostCom noted that the Postal Service's decision to go forward with the Dashboard is illegal by by relying on information provided by mail service providers that would otherwise be unavailable to the Postal Service.

**June 26, 2016**

**NATIONAL NEWS**

**Roanoke Times:** A multitude of delayed- and missing-mail complaints has prompted a federal investigation of the U.s. Postal Service's consolidation of the Roanoke and Greensboro processing centers. But a more fundamental problem underlies the postal service.

***June 25, 2016***

## **POSTAL/FEDERAL NEWS**

**Federal Register:** Postal Regulatory Commission New Postal Products, 41609–41610 [2016–15042] [\[TEXT\]](#)

## **NATIONAL NEWS**

**Internet Retailer:** The shipping carrier is working with e-retailers about peak season needs. E-commerce orders helped the FedEx Ground unit increase revenue by 20.2% for Q4 and 27.7% for fiscal 2016. FedEx Corp. is deep in holiday preparation mode, with work on its e-commerce package delivery strategy well underway, Mike Glenn, president and CEO of FedEx Services, told analysts on the shipping carrier's fiscal Q4 and fiscal 2016 earnings call, according to a transcript from Seeking Alpha.

## **INTERNATIONAL NEWS**

**CANADA: Globalnews:** Canada Post service could come to a screeching halt in July as ongoing contract negotiations make little headway. Around 50,000 Canadian Union of Postal Workers (CUPW) members could be locked out or strike if an agreement is not reached by the end of June. A widespread labour disruption would shut down postal service, save for a few exceptions. There is an agreement in place to ensure the delivery of "federal socioeconomic cheques: welfare cheques, pension cheques, things like that," will continue, said Canada Post spokesperson Jon Hamilton. Canada Post has been warning of a work disruption since the beginning of April.

***June 24, 2016***

## **POSTAL/FEDERAL NEWS**

**USPS Office of the Inspector General:**

- [Are Transportation Costs Correctly Allocated to Products and Services?](#) -- We are conducting an audit to verify the accuracy of domestic contracted transportation costs

reported by the Postal Service. These costs must be accurately reported because the law requires that revenue from each class of mail cover its attributable costs. Also, these costs can affect product prices. All costs must be broken down into two categories: costs that are directly related to a product (attributable) and costs that are not (institutional). Attributable cost is the sum of volume-variable costs and product specific costs. Cost Segment 14 – Transportation covers the cost of air, highway, rail, and water transportation procured by contract. These costs are tracked by individual products on a quarterly basis through statistical sampling provided by the Transportation Cost System (TRACS). TRACS identifies all Postal Service mail transportation costs and assigns these costs, individually and collectively, to each class and subclass of mail. It can be used to estimate: total volume (cubic feet) per mile for different rate categories of mail transported by highway, rail, and water; and total weight per mile for different categories of mail transported by air.

- [How Do USPS Information Security Standards Compare with NIST Standards?](#)

AS-805 Security Handbook establishes the information security policies to appropriately identify, classify, and protect Postal Service information resources. The National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53, Security and Privacy Controls for Federal Information Systems and Organizations, provides a catalog of security controls for all the U.S. federal information systems except those related to national security. NIST develops computer security standards for the federal government and publishes reports on topics related to information technology (IT) security. The SP 800 series reports on the research and activities of the Information Technology Laboratory, a major research component of NIST. Organizations have flexibility in applying the baseline security controls in accordance with the guidance provided in SP 800-53. But, a survey revealed that 74 percent of federal agencies follow NIST's cyber security framework, which was released in 2014 after the rapid increase of cyber security breaches in federal information systems.

### ***Federal Register:* Postal Service**

- First-Class Package Service Negotiated Service Agreement, 41354 [2016–14941] [\[TEXT\]](#) 41354 [2016–14942] [\[TEXT\]](#)
- Priority Mail Negotiated Service Agreement, 41354 [2016–14943] [\[TEXT\]](#) 41354 [2016–14944] [\[TEXT\]](#)

### **NATIONAL NEWS**

**CNBC:** Package delivery company FedEx on Tuesday reported a quarterly loss due to mark-to-market pension adjustments and expenses related to acquiring Dutch package delivery company TNT, and said it did not know how those two factors would affect its earnings for the coming fiscal year.

## INTERNATIONAL NEWS

**NEW ZEALAND: Radio New Zealand:** Reduced deliveries by New Zealand Post have affected board-of-trustee elections, School Trustees Association says. New Zealand Post cut deliveries to three days a week last year, because of falling mail volume. More than half of the country's schools held board elections earlier this month. New Zealand Post said it was in the process of checking if any complaints were made and was open to discussion on the matter.

**CANADA: Kamloops This Week:** Canada Post and the Canadian Union of Postal Workers are in contract negotiations. Canada Post has suggested a looming labour dispute could disrupt service as early as July 2, two days before property taxes in Kamloops are due. Revenue and taxation manager Parissa Bhullar said a postmark from before the due date isn't considered proof of on-time payment and encouraged taxpayers to look at other ways of paying their taxes. Property taxes can be paid in person at city hall (at First Avenue and Victoria Street), at the bank, via telephone banking or online. Residents who fail to pay by the July 4 due date are subject to a 10 per cent penalty.

***June 23, 2016***

## POSTAL/FEDERAL NEWS

**Federal Register:** Postal Regulatory Commission New Postal Products, 40931–40932 [2016–14836] [\[TEXT\]](#) 40930–40931 [2016–14885] [\[TEXT\]](#)



**PostCom Members!!** Welcome to another **PostCom Postal Podcast**. Join in and listen to PostCom President Gene Del Polito and PostCom President-Elect Jessica Lowrance in a discussion of issues, concerns, and other matters pertaining to the recent postal reform legislative draft circulated by the House Committee on Oversight and Government Reform.

***June 22, 2016***

## POSTAL/FEDERAL NEWS

### Postal Regulatory Commission:

- **RM2016-4 Order No. 3379 - Order Adopting Final Rules for Ex Parte Communications**

<http://www.prc.gov/docs/96/96379/Order3379.docx>

<http://www.prc.gov/docs/96/96379/Order3379.pdf>

### **USPS Office of the Inspector General:** Recently Published Audit Reports

- **Mailed Samples Market** -- Our objective was to evaluate the effectiveness of Postal Service attempts to grow product sample mailings and identify opportunities for improvement. Read [Full Report](#).
- **Software Change Management for Engineering Systems** -- Our objective was to evaluate the effectiveness of the software change management process for Engineering Systems. Read [Full Report](#).
- **Management Alert - Stamp Fulfillment Services** -- Our objective was to evaluate internal controls over off-sale retail merchandise and accountable paper stored at the Kansas City SFS. Read [Full Report](#).
- **City Delivery Office Efficiency - Houston District** -- Our objective was to evaluate internal controls over off-sale retail merchandise and accountable paper stored at the Kansas City SFS. Read [Full Report](#).

**Federal Register:** Postal Regulatory Commission New Postal Products, 40733–40734 [2016–14709] [[TEXT](#)]

## NATIONAL NEWS

**Deseret News:** If any government task resembles that of the mythological Greek king Sisyphus, constantly rolling a boulder up a hill only to watch it roll back down again, it is postal reform. That's why it was surprising this week to hear that Utah Rep. Jason Chaffetz is taking it on, and that he is optimistic.

**Tribune-Review:** FedEx Ground posted a 20 percent boost in quarterly revenue on higher package volumes and increased rates to ship them as the package handler continues to ride growth in e-commerce. The Memphis-based company handled 10 percent more

package volume in the fourth quarter that ended May 31 and collected 7 percent more revenue per package, the company said Tuesday.

**Linn's**: The Stamp Fulfillment Services office agreed to sell Royal Mail thousands of United States Harry Potter stamps at a 35 percent discount in violation of a United States Postal Service law prohibiting the sale of U.S. stamps to anyone at less than face value. The U.S. Postal Service Office of Inspector General charged in a report dated June 15 that the Kansas City, Mo., facility made the sales decision without the approval or knowledge of officials in Washington. As of April 6, the report said Royal Mail had not paid for the 2,640 booklets of Harry Potter stamps it received during fiscal year 2014. The USPS could risk losing \$24,371 as a result, the report said.

## INTERNATIONAL NEWS

**CHINA: Global Times**: With the rapid development of Chinese e-commerce businesses in recent years, express delivery companies have seen explosive growth nationwide. But due to their gross lack of regulation, the sector also now serves as something akin to a personal courier service for criminals. Drug dealers and arms traffickers previously had to make cross-country trips in cars carrying their contraband; now they just call "kuaidi" to come pick it up for them for 20 yuan, with absolutely no threat of being caught. What's more, there is no punishment for express companies who fail to abide by the regulation. It's just yet another empty law on the central government's books.

**CANADA: The Globe and Mail**: It's a little early to tell if the idea will fly, but Canada Post is starting to look at the role of drones in making deliveries. The post office is quietly exploring the possibility of small, unmanned aerial vehicles one day helping get the mail to where it needs to go, said Jon Hamilton, a Canada Post spokesman. "We are in a competitive space, especially when it comes to parcel delivery and things like that," Hamilton said in an interview. In the post office's 250-year history, the manner of getting letters and parcels to Canadians has evolved from a couple of horses to trains, trucks and planes — so it makes sense to eye lightweight, remote-controlled aircraft, he said.

***June 21, 2016***

## POSTAL/FEDERAL NEWS

**USPS Office of the Inspector General: Between a Rock and a Hard Place** -- When it comes to postal products that don't cover their costs, the U.S. Postal Service finds itself in a no-win situation. The law that governs the U.S. Postal Service, the Postal Accountability and Enhancement Act (PAEA), requires the Postal Service to make sure all products cover their direct costs. But it also caps the price increase on market-dominant mail classes at the



increase in inflation. So what happens when a product falls below costs (a so-called underwater product) and raising its prices means piercing the price cap? The Postal Service has opted not to raise prices above the price cap on those underwater products, saying the PAEA won't allow cap-busting increases. But keeping the products below costs also violates the PAEA.

Our recent audit report looked at all the Postal Service's underwater market-dominant products and its management of strategies to make those products cover their costs. Five of the seven products that failed to cover their costs came up short by a total of \$1.2 billion for FY 2015. These products, including the two products that make up the entire Periodicals Class of mail, have been underwater for 7 years in a row. Our report recommended the Postal Service develop a strategy for managing underwater products. Given these challenges maybe it's fortuitous that the Postal Regulatory Commission (PRC) will begin its review of the Postal Service's rate setting process this year – as mandated by the PAEA. After December 20, 2016, (the 10-year anniversary of PAEA) the PRC will open a docket to review the price cap system for regulating market dominant products – First-Class and Standard Mail, Periodicals, Package Service and Special and Ancillary Services. The PRC will decide if the system is achieving its statutory objectives and, if it is not, will make changes to achieve the objectives.

### ***Federal Register:***

- **Postal Regulatory Commission** Postal Rate Changes, 40363–40364 [2016–14564] [\[TEXT\]](#)
- **Postal Service** Rule of Procedure Before the Judicial Officer, 40191–40195 [2016–14553] [\[TEXT\]](#)

### **NATIONAL NEWS**

***The Nation:*** Elizabeth Warren has a new crusade, though, and it could fill that vast void: postal banking. Nearly 10 million households qualify as “unbanked,” meaning they don't have any traditional banking products such as a checking account. Another 25 million are “underbanked,” meaning they have an account but still turn to payday loans or similar products. Together, these two groups comprise nearly a third of all households in the country. The so-called alternative products they rely on—payday loans, prepaid debit cards, check-cashing services—cost them almost \$90 billion a year in interest and fees, or an average of about \$2,400 per family. The United States Postal Service would be a much friendlier lender. If the USPS were to offer debit cards, savings accounts, and small-dollar loans, it could save the average underbanked family more than \$2,000 a year. Even if just a tenth of the 12 million people who take out payday loans every year instead got a small

loan from the post office, they would save more than half a billion dollars. This notion might sound odd, but it doesn't take much imagination to see how the post office could get into the business.

## INTERNATIONAL NEWS

**SINGAPORE:** *The Straits Times*: Dr Sascha Hower has resigned as chief operating officer of Singapore Post, making him the latest high profile departure at the postal company. Dr Hower, 38, is leaving to pursue new career opportunities overseas. The German national was previously a junior partner at McKinsey & Company in Dusseldorf.

*June 20, 2016*

## POSTAL/FEDERAL NEWS

**USPS Industry Alert:** APPROVED USPS 2017 PROMOTIONS CALENDAR

**USPS Industry Alert:** The June 20, 2016 issue of the USPS publication "Mail Spoken Here" is available on this site.

## NATIONAL MAIL

**RStreet:** Reforming the U.S. Postal Service (CATO Institute) 06/29/2016 @ 12:00 pm - 1:00 pm Featuring James Gattuso, Senior Research Fellow, Heritage Foundation; Kevin Kosar, Senior Fellow, R Street Institute; and Chris Edwards, Editor, DownsizingGovernment.org, Cato Institute; moderated by Peter Russo, Director of Congressional Affairs, Cato Institute. Register If you can't make it to the event, you can watch it live online at [www.cato.org/live](http://www.cato.org/live) and join the conversation on Twitter using #CatoEvents.

The U.S. Postal Service has lost more than \$50 billion since 2007 as mail volume has plummeted. House and Senate committees are working on legislation to stem the losses, and a stamp price hike is in the mix. Meanwhile, many European nations have reinvigorated their postal systems by privatizing them and opening them to competition. What challenges does the USPS face, and what changes are being considered by Congress? Should the USPS be moved to the private sector, and should entrepreneurs be allowed to compete?

**International Mailers Advisory Group:** Canadian news outlets are reporting that a potential labor shutdown at Canada Post could happen as early as July 2. Canada Post has been informing customers that it continues labor negotiations to avert a work stoppage

by the Canadian Union of Postal Workers (CUPW), which has been without a contract since January. If an agreement is not reached, a strike/lockout could be called on July 2, 2016. Based on past history, a strike could potentially last up to 10 business days. In the event of a work stoppage, mail and parcels will not be accepted by Canada Post. Mail and parcels within the postal system will be secured and delivered by Canada Post as quickly as possible once operations resume.

**Post & Parcel:** Siemens Postal, Parcel & Airport Logistics (SPPAL) has added new address-reading technology to the mail sorting systems used in United States Postal Service (USPS) delivery units. Previously, letters in the delivery units were sorted manually by skilled postal workers, who needed to have a good knowledge of the delivery routes in the various districts. According to Siemens: "Sorting was thus dependent on the knowledge of a number of staff members. Integrating Siemens technology directly in the sorting environment at the delivery unit can help avoid such dependencies and their inherent problems." The automated solution uses Siemens address-reading software to make the process faster and more efficient.

**Townhall:** U.S. Postal Service executives are looking into what is known as blockchain technology, and, after a cursory examination conducted with the help of a consultant, they have decided to look further. Americans are all for their Postal Service becoming more efficient with less red ink. But it's hard to trust it to grasp and integrate this technology when so many simpler matters within its control are neglected now.

## INTERNATIONAL MAIL

**UNITED KINGDOM - SPAIN:** **Financial Times:** Royal Mail is beefing up its operations outside of the UK, buying a Spanish parcels delivery company for €71m. The former state-owned postal operator, which was fully privatised last year when the UK government sold its remaining stake, has bought ASM Transporte Urgente, which it says is Spain's second biggest express parcels network. Royal Mail already has operations in Spain – through its Spanish subsidiary General Logistics Systems – but said its current business in the country is largely focused on the export market. The acquisition of ASM will strengthen its domestic parcels services in Spain.

**SOUTH KOREA:** **Korea Herald:** In the 1960s and '70s, stamp collecting was arguably the most popular hobby among adolescents in South Korea. When new stamps went on sale, hundreds of students formed long queues in front of post offices in large cities from the early morning hours, prompting even police to send officers to maintain order. However, South Korea's oldest hobby related to information and communications has become "an endangered interest" as the advent of the digital era has resulted in a tumble in the use of postage stamps.

**BELGIUM:** *The Brussels Times*: The Bringer sharing platform that bpost is planning to launch next week will put delivery companies at risk, it has been said. On Sunday, the CSC-Transom Postes said it would be “the biggest catastrophe ever for the transport sector” in a press release. “After using fake freelancers, we now have ‘anyone can do anything for the lowest possible price’”, the Union said. Through the Bringer system, anyone could transport and deliver packages for bpost, and be paid for it. The price would depend on the distance, weight, and size of the package, and what it contains. Bpost would get a small commission. The Bringer platform will be tested in the Antwerp region, and launched across Belgium if successful.

**June 19, 2016**

## INTERNATIONAL NEWS

**MALTA:** *Times of Malta*: A postal museum has been inaugurated by Maltapost in Archbishop Street, Valletta. The Malta Postal Museum seeks to relate the important role played by the postal services in Malta. The objects on exhibit tell the story of Malta's experiences of war, governance, trade, love and politics.

**MONGOLIA:** *NPR*: It is tough to be a postman in Mongolia. The country is among the world's most sparsely populated — twice the size of Texas with about one-tenth the state's population of about 27 million. Its roads, even in the capital city of Ulaanbaatar, often lack well-known names, making navigation difficult and street addresses unreliable. To make matters even more complicated, about a quarter of the country's residents are nomadic, with no permanent homes. All of that means it can often be incredibly challenging for the Mongol Post to locate people. Things are looking up, though. The Mongolian government has partnered with a British startup called What3Words to overhaul its postal and address systems. Now, instead of an address — like, say, 1600 Pennsylvania Ave. — each 9-square-meter plot in Mongolia will receive its own three-word identifier.

**CANADA:** *CityNews*: Canadians could return from the Canada Day long weekend to find themselves without postal service, according to the union representing letter carriers. Many Canadians began receiving notices in some of their bills this month warning them about a work stoppage at Canada Post and making alternate plans in order to avoid late fees.

**June 18, 2016**

## POSTAL/FEDERAL NEWS

***Federal Register: Postal Regulatory Commission*** New Postal Products, 39971–39972 [2016–14457] [\[TEXT\]](#) 39970–39971 [2016–14495][\[TEXT\]](#)

## NATIONAL NEWS

***Reuters:*** The U.S. Department of Justice on Friday dismissed all criminal charges against FedEx Corp (FDX.N) in a case where the company was accused of shipping packages from illegal online pharmacies despite repeated warnings, according to a court filing. A Justice Department spokesman declined to comment on the reasons for the abrupt dismissal. In a statement, FedEx spokesman Patrick Fitzgerald said the company has always been innocent and the case should never have been brought.

***Wall Street Journal:*** Podcast listeners are used to hosts stopping mid-program to read advertisements for delivery mattress services, email marketing companies or discount socks. But they aren't used to the entire show being one long ad. Media companies ranging from BuzzFeed to the New York Times to The Wall Street Journal have formed internal units dedicated to creating "sponsored" articles and videos for brands that feel similar to regular editorial work. But more recently, podcast companies like Gimlet Media, Panoply and Midroll Media are trying their hand at making sponsored shows for big marketers, too. Those podcasts, which can cost a marketer in the mid six figures, are emerging as a new form of revenue as more people tune into on-demand audio shows. About 21% of Americans over the age of 12 have listened to a podcast in the last month, up from 17% last year and 15% in 2014, according to Edison Research.

***June 17, 2016***

## POSTAL/FEDERAL NEWS

***Office of the President of the United States:*** President Barack Obama has announced his intent to nominate the following individual to a key Administration post: **Mark Acton**, Nominee for Commissioner, Postal Regulatory Commission. Mark Acton is a Commissioner on the Postal Regulatory Commission, a position he has held since 2006. Mr. Acton served as Special Assistant to the Chairman of the Postal Rate Commission from 2002 to 2006 and as Staff Director for the Republican National Committee Counsel's Office from 1996 to 2002. Mr. Acton received a B.A. from the University of Louisville and an M.B.A from the University of Maryland.

***Federal Register: Postal Service*** International Product Changes: GEPS 6 Contracts, 39721–39722 [2016–14375] [\[TEXT\]](#)

**USPS Industry Alert:** **Inadvertent Addition of New FSS Zones.** There were 27 new FSS zones inadvertently added to the July 1, 2016 effective L006 Labeling List as referenced in the Labeling List Changes section of the June 9, 2016 Postal Bulletin (22443). To resolve this action, the newly added zones will be removed from the L006 Labeling List effective August 1, 2016. In addition, mailers may take advantage of the 30-day grace period and opt to continue to use the June 2016 L006 list. Alternately, where the July list has already been implemented, software providers and mail service providers may remove the 27 zones from the list where applicable. The 27 zones to be removed are as follows: 02360, 02738-39, 02769-70, 02878, 02921, 07021, 07027, 07054, 07059, 07069, 07076, 07410, 07435, 07438, 07460, 07480, 23120, 23691, 64050-54, 64056, and 64058.

## **NATIONAL NEWS**

**Hays Post:** U.S. Senator Jerry Moran (R-Kan.), member of the Senate Appropriations Committee, on Thursday supported the fiscal year 2017 Financial Services and General Government (FSGG) Appropriations bill, which includes provisions to continue six-day mail delivery service and rural delivery in addition to prohibiting closure or consolidation of rural post offices through the United States Postal Service (USPS). The legislation was debated by the full appropriations committee and will now await consideration by the full U.S. Senate.

**Wall Street Journal:** Amazon.com Inc.'s latest pricing move for small items carries big implications. The carrier is sharply reducing the fees it charges merchants to sell items such as USB cables, smartphone screen protectors and other small, flat items that can fit in envelopes, according to a notice to marketplace sellers reported by Bloomberg News. The new pricing is for companies using the Fulfillment by Amazon "Small and Light" program, which Amazon started last year to jumpstart its distribution business for small merchandisers. It's also the latest step in a developing battle over small items that feeding more shipments through e-commerce channels. That's the market that outfits including eBay Inc. and, most notably, Alibaba Group Holding Ltd. are fighting for, particularly as their business becomes more international. Lowering the fees should bring more volume, which is just what Amazon can use as the company ramps up its own logistics network.

**American Postal Workers Union:** The House Committee on Oversight and Government Reform released a "discussion draft" of a postal bill on June 15. "Any comprehensive postal legislation is critically important to our members," said APWU President Mark Dimondstein. "We are in the process of reviewing the draft bill. And we will, of course, confer with our sister postal unions. We will share our views once our analysis is complete. "Contrary to some published reports, the APWU has not weighed in on the 118-page draft."



**Fedsmith:** The latest version of the postal reform bill making its way through the House of Representatives is better than the Senate bill but needs work, according to National Active and Retired Federal Employees Association Legislative Director Jessica Klement, who noted that the House committee is currently accepting comments on the proposed legislation. “This version of the legislation is an improvement over the original plan but still contains a requirement that postal retirees must enroll in Medicare to maintain their eligibility in the Federal Employees Health Benefits Program. This requirement is still unacceptable to NARFE,” stated Ms. Klement.

**Wall Street Journal:** Public radio is facing an existential crisis. Some of the biggest radio stars of a generation are exiting the scene while public-radio executives attempt to stem the loss of younger listeners on traditional radio. At the same time, the business model of NPR—the institution at the center of the public-radio universe—is under threat: It relies primarily on funding from hundreds of local radio stations, but it faces rising competition from small and nimble podcasting companies using aggressive commercial strategies to create Netflix-style on-demand content. *[EdNote: Digital disruption can be tough.]*

## INTERNATIONAL NEWS

**IRELAND: RTE:** Stamps will become more expensive from 21 July, with An Post increasing the rates for postal services on both domestic and international letters. The standard domestic letter rate for items up to 100g posted within Ireland will increase from €0.70 to €0.72, while the standard international letter rate up to 100g will increase from €1.05 to €1.10. This will be the second increase in just over a year.

**CANADA: CJOB:** There are more signs that a postal strike could be coming soon. The Provincial government issued a release Thursday that government cheques and essential mail can be picked up as of Monday June 20th, in person at specific locations. Six thousand rural postal workers haven’t had a contract since the end of last year, while about 48 thousand city workers have been without a contract since January of this year. Intensive contract negotiations haven’t been successful between the Canadian Union of Postal workers, and Canada Post.

***June 16, 2016***

## POSTAL/FEDERAL NEWS

### ***Postal Regulatory Commission:***

- **R2016-5 Order No. 3373 - Order on Price Adjustments for Market Dominant Products**



<http://www.prc.gov/docs/96/96296/Order%20No.%203373.docx>

<http://www.prc.gov/docs/96/96296/Order%20No.%203373.pdf>

***Federal Register:***

- **Postal Regulatory Commission** New Postal Products, 39291–39292 [2016–14255] [\[TEXT\]](#)
- **Postal Service** International Product ChangeGlobal Plus 3 Contracts, 39292 [2016–14213] [\[TEXT\]](#)

**NATIONAL NEWS**

***Federal News Radio:*** "Time to 'push the envelope' for Postal Service reform"

***Reader's Digest:*** "16 Surprising Facts about the Good Ol' U.S. Post Office"

***Lexington Institute:*** As have previous government monopolies, the U.S. Postal Service has been engaging in a pattern of business practices that appear anti-competitive, leveraging postal law to enable it to gain impermissible advantages over the private sector at the expense of consumers. It is not unusual for government monopolies to utilize their monopoly advantages to compete in services already offered by the private sector. The regulator of the monopoly is normally charged by statute with preventing such abuses. Consumers of the Postal Service's monopoly products and services have recently been required to pay increased costs, in terms of higher prices and clearly reduced quality of service. Other indicators, including cost coverage and service quality measures, also point to increased costs charged to monopoly consumers compared with consumers of competitive products. Present accounting practices, including poor public transparency, exacerbate this situation. The Service's Inspector General issued a 2013 management advisory urging the Postal Service to in effect start over and adopt a bottom-up costing methodology, a "Greenfield" approach which would generate more disaggregated and granular data to address cross-subsidy issues. This paper examines how the cost burden assigned to regulated products is disproportionate to that imposed on competitive products, effectively giving the latter a financial boost, if not a free ride. Postal management has seemed intent upon focusing the agency's priorities on competitive products, acknowledging this on numerous occasions, in seeming contradiction with federal postal statute calling unequivocally for the Postal Service to give highest consideration to the delivery of "important letter mail," not competitive products. Examples of terms of other U.S. monopolies have included legal and regulatory remedies based on structural separations, as well as accounting separations. Among those discussed in this paper include monopolies in the telecommunications, electric utilities and government research

sectors. Not just consumer welfare is at stake. The precarious financial condition of the Postal Service makes it all the more essential that its efforts to compete with the private sector can stand alone in the future without increasing risks of requiring multi-billion dollar bailouts from Congress. Regulatory experience from other monopolies suggests more than one way to ensure that result.

**Government Executive:** House leaders with oversight of the U.S. Postal Service introduced bipartisan draft legislation on Wednesday to overhaul the mailing agency, expressing confidence their measure would finally push Congress to pass a bill that has eluded it for nearly 10 years. The 2016 Postal Service Reform Act, introduced by Reps. Jason Chaffetz, R-Utah, and Elijah Cummings, D-Md., the respective chairman and ranking member of the House Oversight and Government Reform Committee, as well as Reps. Mark Meadows, R-N.C.; Gerry Connolly, D-Va.; and Stephen Lynch, D-Mass., largely mirrors a bipartisan Senate bill that has yet to receive any voting action in the upper chamber. Chaffetz said he “worked closely” with Sens. Tom Carper, D-Del., who authored the Senate bill, and Ron Johnson, R-Wis., who chairs the Homeland Security and Governmental Affairs Committee, in drafting the bill. He called his bill “fairly close to the Senate” counterpart, while predicting the House legislation would move more quickly than the Senate’s and motivate the upper chamber to act. Johnson has intimated he would not move on postal legislation until the House showed progress on its own measure. The House committee plans to hold the comment period on the discussion draft open for two weeks before formally introducing the bill and subsequently holding a markup. Lawmakers told stakeholders they optimistically hope to push the bill to the House floor before the seven-week recess that begins July 15.

**Dead Tree Edition:** Magazine publishers, newspapers, catalogers, and other senders of flat mail are slated to be hit with a backdoor postal rate increase next month. Implemented without hearings, or regulatory approval, the rate hike will be tiny – a small fraction of 1% for most mailers. But the U.S. Postal Service has given mailers good reason to believe this is just the proverbial nose in the camel of the tent.

## **INTERNATIONAL NEWS**

**PORTUGAL: Post & Parcel:** CEO Francisco de Lacerda said that CTT Correios de Portugal plans to expand its recently-launched postal bank. The CTT CEO said that the postal bank was operating in 52 branches when it launched in March this year and it currently has 57 branches. CTT anticipates that it will have expanded to 200 by the end of this year. CTT has a total postal network of around 600 branches, and the roll-out will continue in 2017.

**EUROPE: Post & Parcel:** "World Post & Parcel Awards Winners announced"

**ISLE OF JERSEY: Post & Parcel:** Jersey Post recorded an annual turnover of £37.7m (US\$53.4m) in its 2015 Annual Report and Accounts, with operating profits rising by 5.5% to £1.3m (US\$1.8m) before pension charges and taxation. The company also recorded an improvement in its customer satisfaction survey, with over 5,000 islanders giving feedback on Jersey Post's services. This showed an increase in all of the key approval rankings for postal workers, the overall service customers received, and the Jersey Post network.



***PostCom Members!*** *The US House Committee on Oversight and Government Reform released a discussion draft of its proposed bipartisan postal reform bill. You can get [a copy of the staff's summary of the bill here](#) and [a copy of the full bill here](#). The Committee is giving postal stakeholders until June 29 to offer comments on the proposal to the committee staff.*



The **Association for Postal Commerce, Major Mailers Association, and Saturation Mailers Coalition** have filed comments in the PRC docket (PI2016-3) concerning the Postal Regulatory Commission's Section 701 report.

***June 15, 2016***

## **POSTAL/FEDERAL NEWS**

**Senate Committee on Homeland Security and Governmental Affairs:** U.S. Senator Tom Carper (D-Del.), top Democrat on the Senate Homeland Security and Governmental Affairs Committee, released the following statement today applauding the House Committee on Oversight and Government Reform for releasing a bipartisan discussion draft to make much-needed reforms to the U.S. Postal Service (USPS). In September 2015, Senator Carper introduced the bipartisan Improving Postal Operations, Service, and Transparency Act of 2015 (S.2051) or "iPOST."

"I want to applaud Chairman Chaffetz, Ranking Member Cummings and Congressmen Meadows, Connolly and Lynch for their efforts to bring forward bipartisan draft legislation that addresses the United States Postal Service's dire financial situation. The House proposal released today reiterates what those of us in the Senate who are serious about postal reform have long believed: the time to act is now. I commend my House colleagues for taking this important step forward. We must now work quickly to find consensus

between the House and Senate proposals. If we delay any longer and fail to get postal reform enacted this year, the Postal Service's already dire situation will only get worse.

"The Postal Service operates at the center of a massive \$1.4 trillion printing, delivery and logistics industry that employs nearly 8 million Americans. However, for the past nine fiscal years, this critical agency has reported multi-billion dollar losses. It's our duty in Congress to help right this 200-year-old American institution and pave a fiscally sustainable path that allows the Postal Service to return to solvency and thrive in the 21st century. I look forward to bringing together members of the House from both sides of the aisle to work alongside Senators Moran, McCaskill, Blunt, Collins, Warner and others here in the Senate to finally enact balanced, bipartisan reform that will help us to put the 'service' back in Postal Service."

***USPS Industry Alert:* STATEMENT OF POSTMASTER GENERAL/CEO MEGAN J. BRENNAN** In Response to House Oversight and Government Reform Committee Members News Conference on Postal Reform.

"I thank the leadership of the House Oversight and Government Reform Committee for introducing a bipartisan postal reform discussion draft. This is an important step toward enacting meaningful postal reform. We will carefully review today's draft and continue working with our House and Senate Oversight Committees and other key stakeholders to pass postal reform legislation that will allow us to continue providing high-quality delivery services to the American people."

***Federal Register:* Postal Regulatory Commission:**

- Mail Classification Schedule, 38952–38957 [2016–14171] [\[TEXT\]](#)
- New Postal Products, 39076 [2016–14172] [\[TEXT\]](#)

***USPS Office of the Inspector General:* [Are Highway Contract Route Surveys Helpful?](#) --**

The Postal Service uses Highway Contract Routes (HCRs) to transport mail between plants, post offices, or other designated points where mail is received or dispatched. HCRs are contracts with independent drivers to travel specified routes. Postal Service policy states HCRs must be surveyed during the fall of the year before the contract expires. HCR administrative officials (usually plant transportation and network specialists managers) are responsible for completing the route survey. Completing the route survey allows management to determine if opportunities exist to make adjustments that will improve service or result in more cost-effective transportation.

**NATIONAL NEWS**

**Windows Central:** The U.S. Postal Service has launched My USPS, a package tracking app for Windows 10 on both PC and Mobile.

**Mailform:** Mailform was built to make sending mail easier. The old school way requires a printer, stamps and envelopes. Ran out of stamps? Now you have to go to the store or even worse the post office. The process is clunky, time consuming, and wasteful. Mailform is for anytime you have to mail a digital document - whether you're an office manager mailing files, a contractor sending an invoice, a lawyer sending documents, or a doctor's office applying for a license. We'll print, stamp, and post it for you. You don't even have to leave your desk!

**Christian Science Monitor:** FedEx and Amazon are both under federal scrutiny for what they are shipping. The shipping giant faces criminal charges, while Amazon could be hit with a \$350,000 fine.

## INTERNATIONAL NEWS

**EUROPE: Post & Parcel:** Speaking at the World Mail and Express Europe conference in Warsaw, Stephen Agar, Managing Director, Consumer & Network Access, with Royal Mail said that, for the postal industry: "The game has moved on, from fearing the digital revolution to adapting to it." In sessions which focused on postal operators have faced up to the challenges of digitalisation, declining mail volumes and increased competition, Agar told delegates how Royal Mail has repositioned its mail business so it can complement its digital services – and also prove its value to customers, with initiatives like Mailmark. "Mail is not obsolete," proclaimed Agar. "Mail can survive all the disruptions, provided it adapts. We have to demonstrate that mail and digital can work together."

***June 14, 2016***

## POSTAL/FEDERAL NEWS

**USPS Industry Alert:** **USPS Shipping Information Systems - Webinar Series IMpb Compliance Quality Metrics** Tuesday, June 21, 2016, 11:00a.m. – 12 noon (ET) Join us as the Postal Service continues to present its series of informational webinars on IMpb Compliance Quality Metrics targeted for implementation July 2016. The webinars will benefit customers who ship parcels with USPS, particularly small to medium customers who ship Competitive Products – Priority Mail, Priority Mail Express, First-Class Package Service, Parcel Select, and Parcel Select Lightweight. Speakers: Juliaann Hess, Mgr. Mail and Package Information Systems Heather Dyer, Business Process Specialist, Principal Registration required. Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 78736020 To register and add webinar to your calendar click

here: Attendee Direct

URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e1a5fd2c50894e0712d3962e6b68b9bf8> If you cannot join using the direct link above, please use the alternate

logins: Alternate URL: <https://usps.webex.com> Event Number: 999 050 721

### ***Postal Regulatory Commission:***

- **PI2016-3 Comments of R Street Institute**
- <http://www.prc.gov/docs/96/96203/Kosar%20Postal%20Submission%2006-13-2016.pdf>  
[http://www.prc.gov/docs/96/96203/Kosar\\_PI2016-3.pdf](http://www.prc.gov/docs/96/96203/Kosar_PI2016-3.pdf)  
<http://www.prc.gov/docs/96/96203/POSTAL%20SERVICE%BFS%20GHOST%20SHIP%20BOARD.pdf>
- **PI2016-3 Initial Comments By Steven Hutkins** Regarding the Commission's Section 701 Report  
[http://www.prc.gov/docs/96/96200/Hutkins\\_Comments\\_on\\_701\\_Report.pdf](http://www.prc.gov/docs/96/96200/Hutkins_Comments_on_701_Report.pdf)
- **PI2016-3 Comments of the Greeting Card Association**  
[http://www.prc.gov/docs/96/96206/PI2016-3\\_GCA\\_Comment.pdf](http://www.prc.gov/docs/96/96206/PI2016-3_GCA_Comment.pdf)

***USPS Office of the Inspector General: The Cost of Counterfeits*** Cheaters never prosper, the old saying goes, but the growth in counterfeit goods might suggest otherwise. Trade in counterfeit and pirated goods has grown from \$250 billion annually in 2008 to \$461 billion in 2013, according to a new report from the Organization for Economic Co-operation and Development (OECD), an international organization that promotes economic development. Fake goods make up more than 2.5 percent of all world trade . . .

***Federal Register: Postal Regulatory Commission*** New Postal Products, 38745 [2016–13943] [[TEXT](#)] 38745 [2016–13944] [[TEXT](#)]

### **INTERNATIONAL NEWS**

***SRI LANKA: Daily Mirror:*** The Joint Postal Trade Union today warned that the trade union action launched by a group of Postal Department workers on Sunday would continue until the authorities fulfilled the promises made to them. Joint Postal Trade Union Front Convener Chinthaka Bandara said the union had submitted 14 demands which included the demand for the implementation of a proper procedure for recruitment and the payment of a better rate for overtime. He said the strike would continue if Post and Postal Services Minister Abdul Haleem was unable to come up with a reasonable solution to their concerns.



Meanwhile, Postmaster General Rohana Abeyratne said this matter would be resolved after discussions with the minister. “Currently 22,731 registered letters are stockpiled at the postal exchange. If trade union action continues, the number of undelivered letters will increase,” he said.

***KENYA: Daily Nation***: Posta Kenya needs to re-invent itself by riding, on rather than competing with, the digital wave. They should not try to compete with now-established email, mobile money or instant messaging services. Instead, they should instead focus on providing and maintaining a National Addressing scheme that would enable e-commerce to flourish. It is only in developing countries that you find national address systems that do not drill down to street and residential levels. This void is a major obstacle to electronic commerce since it makes delivery of e-Commerce merchandise impossible.

***BELGIUM: Expatica***: Today is a day of strike action at Bpost, the Belgian post office. The strike is having a patchy impact that is being felt to different degrees in different parts of the country. In Brussels 85% of deliveries are being made. In Flanders the figure is 80% but in Wallonia only half of all deliveries are going ahead. In Liège Province only 30% of deliveries are being made. Despite the fact that Bpost prepared for today's disruption the strike is set to affect postal deliveries for several days to come. If many postal rounds are going ahead, postal workers are delivering less mail. Sorting offices in Brussels, Ghent, Antwerp, Liège and Charleroi are all being picketed. Transporting letters and parcels to sorting offices has become problematic.

***June 13, 2016***

## **POSTAL/FEDERAL NEWS**

***USPS Industry Alert:*** A copy of the Postal Service's message and [overview on the migration of the mail tracking process](#) has been posted on this site.

## **NATIONAL NEWS**

***Fedweek:*** The Postal Service provided inaccurate injury and illness reports to Congress over several years but the discrepancies did not affect any performance-related awards, an IG report has said.

***The Daily Signal:*** It's no secret that the postal business is shrinking. First-class mail volume is melting away like a popsicle in the sun—down 40 percent since 2000. Less well-known is the shrinkage of the U.S. Postal Service's board of governors. It is supposed to have nine members (not counting the postmaster general and deputy postmaster general). At the moment, it's down to one. At first blush, this May sound like good news for those



who think the Postal Service is a government-run dinosaur that should be dismantled or sold off. What better start than to eliminate the board? But on closer look, this postal decapitation is not a solution to USPS' shortcomings, but a stark illustration of the problems with this government-owned enterprise.

**Foundation for Economic Education:** For more than a century, the mailbox was the center of all human communication. Legends grew up around it. The mailbox is not entirely obsolete, but it is getting there. Mail as we once knew it is headed toward obsolescence. People are inexorably drawn toward using life-management tools that are better than the ones they used in the past. When people discover and fall in love with a better way, no power on earth can ultimately stop them from adopting it. The government can fund the post office forever. But it can't actually force us to use it.

***June 12, 2016***

## **NATIONAL NEWS**

**Wall Street Journal:** The mail boat has been operating for 100 years this summer. It started off as a simple mail delivery service, but people started hitching rides to see the sites and watch the mail jumpers do their job. Eventually, it turned into a tour with the mail service as kind of an exciting sideshow.

**Deseret News:** "My view: Chaffetz: Fighting for what is right"

## **INTERNATIONAL NEWS**

***GERMANY:*** **PC World:** DHL recently completed of a three-month-long test of its automated drone delivery system, the Parcelcopter. It works with a combination helipad and mailbox dubbed Skyport, which can automatically load and unload the drone's payload when it lands and store it in one of the station's lockers. Testing took place between January and March of 2016 in Bavaria, Germany. The idea was to see if the drone could be used to deliver packages to areas that are remote and where standard delivery takes a long time. According to DHL, the Parcelcopter successfully completed 130 autonomous loading and unloading cycles while dealing with rapidly changing weather conditions and temperature fluctuations. Each round trip covered 8 kilometers with the drone flying 1,200 meters above sea level. Flying at a speed of 70 km/hour, the Parcelcopter was able to deliver its payload within 8 minutes of take-off. A trip that takes 30 minutes by car in winter.

***INDIA:*** **International Business Times:** The government on Saturday announced its plans of setting up 650 branches of India Post Payments Bank (at all major district headquarters)

by September next year. It is planning to launch the branches with a workforce of over 3.5 lakh people.

**AUSTRALIA:** *The Advertiser*: Australia Post customers are embracing new parcel delivery options as the postal service ratchets up efforts to give consumers more control, its customer chief has said. More than 50,000 parcels were delivered last month using the Safe Drop program, newly appointed chief customer officer Christine Corbett revealed. Under the system, customers can nominate a place on their property for a parcel to be left if they are not at home when it is delivered.

**SRI LANKA:** *Hiru News*: Postal workers have decided to stage a trade union action by refraining from working overtime with effect from midnight. The trade union action is staged based on 14 demands including the removal of salary discrepancies.

**June 11, 2016**

## INTERNATIONAL NEWS

**BOTSWANA:** *The Southern Times*: Botswana Post has launched another inter-postal money transfer corridor with postal services in Swaziland and Lesotho. Botswana Post, a mail and cash transmission government entity, introduced the same initiative to South Africa and Zimbabwe in the first quarter of 2015, bringing to four the total “postal” options for sending and receiving money through the post in the southern African region.

**BELGIUM:** *The Brussels Times*: Mail deliveries in Belgium will be disrupted on Monday and Tuesday as a result of a 24-hour strike announced by Socialist and Christian trade unions, bpost warned on Friday, adding that in some regions the disruptions could last until next Friday. The postal company said it would send as many packages and letters to its distribution centres on Friday. Strike pickets are expected to be set up at sorting centres on Sunday night, after which it will no longer be possible to transport the mail. As a result, deliveries will be heavily affected on Monday. Sorting centres will reopen on Tuesday morning, but transport will be very limited. This will lead to reduced volumes of mail being distributed. The disruption will last for some days, a bpost spokesperson said. In some regions, it could take up to Friday to bring the service back to normal. However, newspapers will be distributed throughout the country on Monday and Tuesday.

**June 10, 2016**

## POSTAL/FEDERAL NEWS

## **USPS Office of the Inspector General: What Can the Postal Service Do to Retain Noncareer Employees?**

Employee turnover costs the Postal Service thousands of dollars per employee. Retaining employees within the organization eliminates the administrative costs of hiring new employees, training, and the impacts on performance associated with learning a new job. Although turnover cannot always be avoided, the Postal Service can reduce it by doing the right things for its employees, such as immediately and professionally addressing employee issues. In 2013, the Postal Service created new noncareer employee categories such as city carrier assistants and mail handler assistants. These positions are intended to improve workforce flexibility and reduce costs. While career employee turnover rates have been low, noncareer turnover rates are higher. The objective of the audit is to assess noncareer employee retention and identify ways to increase it. 1. What can the Postal Service do to improve the retention of noncareer employees? 2. What is the incentive to become a noncareer employee for the Postal Service? 3. What are reasons for leaving a noncareer employee position?

**USPS Industry Alert: IMb Tracing and PostalOne!® is migrating to Informed Visibility.** *Attention IMb Tracing® and PostalOne! Customers:* In the summer of 2016, the Postal Service is migrating mail tracking visibility from IMb Tracing and *PostalOne!* to Informed Visibility™ (IV™). IV is a one-stop shop that makes it convenient for commercial mailers to track mailpieces (letters and flats), bundles, handling units, and containers in one consolidated system as opposed to accessing tracking data via IMb Tracing and *PostalOne!*. IV will provide mailers with enhanced insight into the flow of their mail through the USPS mailstream. This information will allow them to more effectively plan and manage, which should increase the value of mail for senders and recipients. Migration efforts will commence in July and run through October 2016.

- Migrate IMb Tracing and *PostalOne!* container and handling unit visibility to IV.....July 11 – August 5, 2016
- Migrate *PostalOne!* Start-the-Clock visibility to IV..... September 26 – October 14, 2016

### **Notes:**

- *Mail tracking for packages and special services is not impacted and will continue to be supported through the Product Tracking System and USPS.com.*

- *PostalOne! container and handling unit mail tracking data is being migrated in July/August 2016, while Start-the-Clock data is being migrated in September/October. Other functions and Mail.XML messages will continue to be supported through PostalOne!.*

We will keep you fully informed of all migration efforts. In the coming weeks, you will receive a series of communications which will provide additional information on the migration including how to sign up for the IV web application and take advantage of the new features. To learn more about IV and the upcoming migration or for a complete look at the **IV Mail Tracking and Migration Timeline**, visit the [IV RIBBS® webpage](#). If you have questions, please contact the **IMb Tracing/Informed Visibility Help Desk** at 1-800-238-3150, Option #2, or email [InformedVisibility@usps.gov](mailto:InformedVisibility@usps.gov).

**USPS Office of the Inspector General:** The following information has recently been updated, and is now available.

- **Postal Service Process for Handling Customs Duties and Fees.** Our objective is to assess the effectiveness of the Postal Service process for handling Customs duties and fees.
- **Strategies for Underwater Market Dominant Products.** The objective of this audit was to evaluate whether the Postal Service has strategies in place for managing underwater products and whether those strategies were effective to meet desired goals.
- **Function 4 Customer Service-Connecticut Valley District.** Our objective was to assess Function 4 operations for efficiency and customer service in the Connecticut Valley District. We focused on the 330 district post offices with delivery operations that were monitored using the CSV model. During fiscal year (FY) 2015, 113 of these offices (34 percent) were considered at risk, with 611,761 actual workhours attributed to inefficient operations.
- **Vehicle Shuttling-Northeast Region.** Our objective was to determine whether the Postal Service was cost effectively shuttling postal-owned vehicles in the Northeast Region.

**USPS DMM Alert:** The [June 2016 issue of the Postal Service's DMM Update](#) has been posted on this site.

**Mailers Technical Advisory Committee:** Political Mail Dashboard Webinar - Tuesday, June 28, 2016 from 2:30 p.m. to 3:30 p.m. (EST).

Join us as the Postal Service discusses the functionality of the Political Mail Dashboard as a part of the “Deliver the Win” campaign. The webinar will explain this tool in broader detail, provide sample screen views, and will answer your questions to help you gain insights into the dashboard’s functionality. If you are a mailer or supporting political candidates or political consultants with their campaign mailings this year, this tutorial on how to navigate the Dashboard and the information you can gain from it is for you. The webinar will go step by step in demonstrating how you can determine which targeted Zip Codes have received their mailings, and subject matter experts will demonstrate for you the optional filters or overlays you can use to obtain powerful information. **This is a hands-on tutorial program – not a policy discussion** – giving potential users of the dashboard navigation tools and tips on how to maximize their integration of their media strategies with the dashboard. The dashboard tutorial guest speakers are USPS Officer Cliff Rucker and Executive Chris Karpenko. Registration is required. Attendee Information: Toll-Free Attendee Dial In: 1-866-381-9870 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 the alternate logins: Alternate URL: <https://usps.webex.com> Event Number: 999 037 134

## NATIONAL NEWS

**Post & Parcel:** The US House of Representatives Appropriations Committee yesterday (9 June) approved the FY2107 Financial Services Bill, and also adopted an amendment which calls for the restoration of mail delivery standards to the 1 July 2012 level. The amendment, which came from the Ohio Representative Marcy Kaptur, was adopted on a 30-17 voice vote. If enacted, the legislation would cancel the reduced service standards which the US Postal Service (USPS) introduced in January 2015.

## INTERNATIONAL NEWS

**CANADA:** **Canada NewsWire:** Postal workers are welcoming the return of proactive pay equity legislation recommended by the Special Committee on Pay Equity report It's Time to Act. However, they say Canada Post should be acting right now at the bargaining table to address the glaring discrepancy between its urban and rural mail carriers.

**INTERNATIONAL POSTAL CORPORATON:** **Postal Technology International:** The global postal sector registered year-on-year revenue growth of 2.5% in 2015, according to a preliminary report published today (June 9) by International Post Corporation (IPC). If accurate, it will be the fifth year in a row that the sector has experienced revenue growth, predominantly driven by growing e-commerce-related volumes. While mail volumes declined across most markets, mail revenue grew by 0.9% on average as posts continued

their efforts to streamline mail operations and increase efficiency. Parcels and Express revenue grew 4.7% year-on-year as e-commerce growth further boosted parcel volumes.

**TURKEY:** **Postal Innovation Platform Conference**: September 19 | 9:00 - 18:00 Hilton Istanbul Bomonti Hotel & Conference Center | Turkey. Please find below the first version of the program of the PIP Conference 2016. You can also find the program on [the website at PIP Conference program](#)

**SAUDI ARABIA:** **Daily Mail**: Saudi Arabia is likely to start privatising its postal system by early next year, telecommunications minister Mohammed al-Suwayal said on Thursday, in a test case for a series of state asset sales. Under economic reforms announced this week, the kingdom aims to privatise companies and services in many areas, from health care to housing and municipal government, to boost efficiency and ease pressure on state finances in an era of cheap oil. Saudi Postal Corp, with over 10,000 staff, will be one of the first to be offered to investors. Suwayal said that in preparation, the government was looking at a plan to create a postal holding company which would own subsidiaries operating services such as mail, courier delivery, e-commerce and financial remittances. Authorities are studying issues such as how much of Saudi Postal would be sold and whether the stake would be offered to the public in an initial public offer of shares or to local or foreign strategic investors, he said.

**June 9, 2016**

## POSTAL/FEDERAL NEWS

### **Federal Register:**

- **Postal Regulatory Commission** New Postal Products, 37217 [2016–13674] [\[TEXT\]](#) 37216–37217 [2016–13675] [\[TEXT\]](#)
- **Postal Service** Priority Mail Negotiated Service Agreement, 37217–37218 [2016–13636] [\[TEXT\]](#) 37218 [2016–13637] [\[TEXT\]](#)

## NATIONAL NEWS

**Nextgov**: A U.S. Postal Service pilot project that emails customers images of their daily-arriving mail may soon expand from parts of Northern Virginia and New York City. Called Informed Delivery, the service allows Postal Service customers in participating regions to receive emailed images of the front side of all mail pieces that will be delivered to the home that day. The concept has proven particularly useful for those who travel frequently but wish to still manage their mail, according to Robert Dixon, director of product technology

innovation at the U.S. Postal Service. Speaking Tuesday at the Customer Experience Summit hosted by Government Executive and Nextgov, Dixon said the Postal Service plans to roll out Informed Delivery to a swath of customers from Baltimore to Richmond by August. If the expanded pilot proves successful, it could be expanded nationally by mid-2017.

**Wall Street Journal**: Avid online shoppers, who make two or more purchases online in a typical three-month period, are leading a retail revolution. These consumers are shopping more with their smartphones and demanding a more seamless experience between virtual and physical stores, according to the fifth annual UPS Pulse of the Online Shopper™ study. This is the first time in the study's five-year history that more than 50 percent (51%) of all purchases made by respondents are made online, up from 48 percent in 2015. 'Consumers are skilled at using technology to their advantage and thrive on gathering information when shopping,' said Teresa Finley, Chief Marketing Officer at UPS. 'This year's UPS study revealed that 45 percent of online shoppers love the thrill of hunting for and finding great deals, and that physical stores continue to play an important role in that experience. The challenge is how to best engage with shoppers to fulfill their desires.' The shift from traditional in-store shopping to shopping with multiple channels continues. Seventeen percent of consumers plan to shop less in store, shifting time to their electronic devices. The use of smartphones is up 10 points (to 77%) over the past two years, and retailers are responding. Online shoppers report a better mobile experience with satisfaction up eight points (to 73%) since last year.

## INTERNATIONAL NEWS

**AUSTRALIA: Digital Spy**: For postal workers around the globe, though, it's not looking good - particularly in Australia. Not only is Australia Post beginning its trials of airborne postal drone testing, but its general manager of small business Dirk van Lammeren indicated to Mashable that the robotic trend could extend to ground-bots.

**UKRAINE: Interfax**: Ukraine's Infrastructure Ministry has approved a strategic plan for the development of state-run Ukrainian postal service company Ukrposhta until 2020, the company's press service reported. The plan was developed by a group of Ukrposhta experts under the guidance of acting head Ihor Tkachuk pending the arrival of new chairman of the company's board Ihor Smiliansky.

***June 8, 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. [Recording](#) | [Slides](#)

## POSTAL/FEDERAL NEWS

### **Postal Regulatory Commission:**

- **RM2016-8 Order No. 3360 - Final Rule Concerning Product Lists and the Mail Classification**

**Schedule:** <http://www.prc.gov/docs/96/96147/Order%20No.%203360.docx>

<http://www.prc.gov/docs/96/96147/Order%20No.%203360.pdf>

## INTERNATIONAL NEWS

**EUROPEAN UNION: Lexology:** On 25 May 2016, and following an in-depth sector inquiry and consultation period, the European Commission ("EC") published proposals for a set of new e-Commerce rules. The EC believes that this three-pronged strategy will benefit consumers and businesses alike by providing facilitated online buying and selling, increasing consumer protection through enforcement measures, and providing legal certainty for businesses. Additionally, the new rules are anticipated to enhance the functioning of Digital Single Market which, according to the EC, has the potential to contribute up to €415 billion to Europe's annual GDP (when fully functioning). According to the sector inquiry and consultation, the price of cross-border parcel delivery is perceived as much too high by retailers and consumers alike; in some cases being up to five times more expensive than domestic delivery options. Interestingly, the EC does not currently intend to impose a cap on cross-border delivery prices. However, the proposals call for increased regulatory oversight by national postal regulators of parcel delivery providers. This would involve a requirement to publish both domestic and cross-border prices, and would allow national postal regulators to oversee price differentials in order to promote price transparency and competition.

**UKRAINE - KAZAKHSTAN: Interfax-Ukraine:** State-run Ukrainian postal service company Ukrposhta in June 2016 launched transportation of international clustered parcels (the service dubbed Consignment) from Ukraine to Kazakhstan. This service will let clients

faster get goods from online stores via the two countries' postal services, Ukrposhta's press service said.

**CANADA: National Post:** The federal government has ordered Canada Post to stop delivering Your Ward News, a crude Toronto newspaper that repeatedly denied the Holocaust, praised Adolf Hitler and derided Jews, Muslims, women and the LGBT community. Public Services and Procurement Minister Judy Foote, who oversees Canada Post, made the decision less than two months after a human rights complaint accused the government and the postal service of “regularly and knowingly delivering misogynist, racist, anti-Jewish, anti-Muslim, and homophobic hate propaganda.” Since last year, Canada Post has been distributing the free paper to a purported 305,000 homes and businesses in Toronto, despite objections from residents and postal workers. In the April human rights complaint, Ottawa lawyer Richard Warman said Your Ward News is “replete with bigotry,” using homophobic slurs like “f—” and calling women “sluts,” “whores” and “c—s.” The Canadian Union of Postal Workers repeatedly said its members shouldn’t be obligated to deliver the paper.

**CANADA: The Globe and Mail:** Canadians who value free speech – and let’s hope that is all of us – should be deeply troubled by Ottawa’s decision to tell Canada Post to stop carrying a fringe Toronto newspaper. Public Services Minister Judy Foote ordered the postal service to cease delivering Your Ward News, which has been accused of being anti-Semitic and pro-Nazi. Her “interim prohibitory order” gives its editor 10 days to appeal. Those who have campaigned against the free paper are “ecstatic.” But consider the awful precedent this act of postal censorship sets.

**June 7, 2016**

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

- **Full-Service Automation Option.** We revised [705.23.0](#) to add a new sub-section on the Mail Anywhere program. We published this information in the May 26, 2016, *Postal Bulletin*.
- **Extra Service Refunds.** We revised [604.9.2.4g](#) to clarify that extra service fees will not be refunded for undeliverable Certified Mail®, Return Receipt for Merchandise (RRM), and Signature Confirmation™ mailpieces when they have received the proper event scan (e.g., UAA, Refused, etc.). We published this information in the May 26, 2016, *Postal Bulletin*.

- **Optional Combined Parcel Mailings.** We revised [705.21.1.1](#) to clarify that the minimum volume requirement for Parcel Select Lightweight® parcels in a combined parcel mailing under [705.21.0](#), is 200 pieces or 50 pounds. We published this information in the May 26, 2016, *Postal Bulletin*.
- **Missing Mail.** We revised [507.1.9](#) by adding a new sub-section [1.9.3](#), Customer Inquiry. We published this information in the May 12, 2016, *Postal Bulletin*.
- **Mailer Endorsements for Parcel Select Lightweight Pieces.** We revised [507.1.5.3](#) to specify that Parcel Select Lightweight® pieces, which currently include USPS Tracking® service, will no longer be required to include any specific ancillary service endorsements. We published this information in the April 28, 2016, *Postal Bulletin*.
- **Minimum Paper Basic Weight Standards.** We revised [201.3.2](#) to provide the minimum paper basis weight for envelopes or letter-size mailpieces sealed along all four sides. We published this information in the April 28, 2016, *Postal Bulletin*.
- **Return Receipt for Merchandise.** We revised [503](#) to reinsert the language for Return Receipt for Merchandise (RRM) service. We published this information in the April 28, 2016, *Postal Bulletin*.

### ***USPS Office of the Inspector General:***

- **Three Plead Guilty in Fraudulent Claims Scheme by SoCal Hospitals**
- **Semiannual Report to Congress**

### **POSTAL/FEDERAL NEWS**

#### ***Federal Register:***

- **Postal Regulatory Commission New Postal Products** , 36627 [2016–13335] [\[TEXT\]](#) 36626–36627 [2016–13336] [\[TEXT\]](#)
- **Postal Service Meetings; Sunshine Act** , 36627 [2016–13488] [\[TEXT\]](#)

### **NATIONAL NEWS**

**CBS Pittsburgh:** If Amazon.com had its way, every shopper would shop online, and then have that order filled and packaged at fulfillment centers like one in Crafton with products to be delivered to your doorstep by Amazon deliverers, instead of the traditional U.S. Postal Service, UPS, or FedEx delivery. Turns out that, locally, Amazon has contracted with three different delivery companies to get products to customers faster than ever and even on Sundays.

## INTERNATIONAL NEWS

**FINLAND: Post & Parcel:** Finland's Posti has announced that it is "reforming" its mail delivery service on Tuesdays in order to cut costs. In essence, the postal operator won't be delivering standard letters and magazines on Tuesdays – although it will still be delivering parcels, express letters and newspapers.

**CHINA: China Daily:** FedEx Express, one of the world's largest express transportation companies, will upgrade its domestic express services on the Chinese mainland by reducing transit times by one business day between more than 340 city pairs nationwide.

**INDIA: New Indian Express:** Opening a postal bank account is just one phone call away and if you are a pensioner, the money will reach at your door step through your friendly postman. These are a few of the many customer friendly initiatives approved last week by the Postal Board. Aimed at making postal banking a major commercial success, the board has identified a number of touch points that required ease of customer interface. Customers will soon be able to drop cheques in those forgotten red post boxes, to deposits money in their postal account. In order to open postal bank accounts, all a person has to do is call a number that will be announced soon. This call will be diverted to the local postman of the area. The postman will speak to the called number that will be displayed on his smartphone/tab, (to be soon issued to all post man) and fix an appointment to visit the caller. He will take pictures of the necessary documents on his smart phone/tab and get it processed at the postal bank. Union Minister for Communications, Information Technology and Post Ravi Shankar Prasad has received the decisions taken by the board and is understood to have approved them.

**GERMANY: The Chartered Institute of Logistics and Transportation:** DHL Supply Chain has begun its robot innovations by running a pilot test using technology from French company EffiBOT. This is for an automated order picking operation in Unna in Germany, reports Logistics Manager. In terms of the robot itself, it's an automated trolley, which will follow human staff - who are known as pickers - through the warehouse. The aim of the trolley is to eliminate most of the physical work for staff, which will hopefully result in less injuries and more efficient working days. During the pilot test, two robots supported the work of the warehouse's pickers by carrying objects and dropping off orders. Other robots

will be used for collaborative services, such as co-packing and mobile piece picking, which will navigate through the warehouse.

***June 6, 2016***

## **NATIONAL NEWS**

**The Wichita Eagle:** The U.S. Postal Inspection Service noticed as early as October 2013 that a lot of mail was disappearing from collection boxes, home mailboxes and group mail rooms in the Wichita area. Now, two and a half years later, charges have been brought against 13 people alleged to have conspired in an identity-theft ring that resembled a small, coordinated business.

## **INTERNATIONAL NEWS**

**ROMANIA: Business Review:** The state-owned Posta Romana is back in the red, after it recorded losses of EUR 7.4 million in 2015. The company reported a turnover of RON 1.07 billion, down by 4.1 percent year-on-year. In 2014 the operator had enjoyed a brief reversal of fortune after it recorded a profit of over EUR 5 million, for the first time in six years.

**UNITED KINGDOM: Invezz:** Royal Mail Group is no longer able to handle up to half of Amazon's orders because it does not have the capacity to cope at peak times, The Telegraph has reported, quoting the US e-commerce giant's boss. The comments come after the postal services group updated investors on its full-year performance last month, warning that it was facing a threat from companies such as Amazon that were setting up their own delivery service rather than using Royal Mail vans.

***June 5, 2016***

## **NATIONAL NEWS**

**The Des Moines Register:** A Des Moines postal service facility was cited and penalized \$119,900 for serious and repeated safety concerns that put workers in danger, a report says.

***June 4, 2016***

## **POSTAL/FEDERAL NEWS**

**USPS Office of the Inspector General: Postal Service Reporting of Occupational Safety and Health Administration Injury and Illness Rates**

**Background.** The Occupational Safety and Health Administration (OSHA) requires covered employers, including the U.S. Postal Service, to record information about every work-related injury or illness that involves medical treatment beyond first aid, days away from work, or death. OSHA also provides an OSHA injury and illness (I&I) rate that employers use to determine problem areas and progress in preventing work-related injuries, illnesses, and deaths. Employers calculate the OSHA I&I rate as the number of recordable injuries and illnesses occurring among a given number of full-time employees over a given period of time. The Postal Service's OSHA I&I incident rate is one of several performance indicators in its National Performance Assessment (NPA), the national report card that measures progress toward achieving performance goals. The Postal Service Safety and OSHA Compliance Program, the rate indicator sponsor, is responsible for calculating and validating the OSHA I&I rate. The target rate is established each fiscal year and a snapshot of the actual rate is taken at the end of the fiscal year to determine if the performance goal was met. The Strategic Business Planning group is responsible for compiling and publishing several operational and performance statistics in the Postal Service's annual report to Congress, which includes the OSHA I&I target and actual rates. This report responds to a request from Senator Charles Grassley of Iowa to review the Postal Service's reporting of OSHA I&I rates and whether it had an impact on employees' performance bonuses for fiscal years (FY) 2010 and 2012. Our objectives were to evaluate the accuracy of OSHA I&I rates reported to Congress and the impact of any errors on salary increases and lump sum payments. We also evaluated the Postal Service's actions on recommendations from our previous audit report on OSHA recordkeeping.

**What the OIG Found.** The Postal Service published incorrect OSHA I&I target and actual rates in its annual report to Congress. Specifically, the reports for FYs 2010 through 2014 included incorrect target rates and the reports for FYs 2013 and 2014 included incorrect actual rates. The Strategic Business Planning personnel relied on statistics previously published in the reports to Congress and not the finalized NPA rates. Publishing incorrect rates in the reports gave the appearance that the Postal Service awarded salary increases and lump sum payments based on the revised rates. The Postal Service did not award salary increases and lump sum payments for FYs 2011, 2012, and 2013 due to financial difficulties. The Postal Service did award salary increases and lump sum payments in FY 2010 and 2014, based on numerous NPA goals, which included actual OSHA I&I rates and not the statistics published in the reports to Congress. We validated the accuracy of the NPA data and determined the data were sufficiently accurate. Although, the Postal Service's I&I rates were used as one of various factors to address performance, the indicators that were used were accurate and not the same erroneous rates used in the reports to Congress. Thus, these erroneous rates did not impact salary increases and lump sum payments. The incorrect statistics published in the reports to Congress occurred

because the Postal Service did not have written processes to ensure accurate data collection, validation, and reporting. Specifically, Strategic Business Planning officials and Safety and OSHA Compliance officials did not verify the accuracy of the rates before the reports were published. Publishing incorrect rates in reports to Congress could impact the Postal Service's goodwill and public credibility. Finally, although officials established online training for personnel responsible for determining OSHA recordable cases and completing related forms to implement our previous audit recommendation, they did not make the training mandatory to ensure appropriate personnel completed the training. We found that 136 of a sample of 153 employees (89 percent) did not complete the online courses. Insufficient training could prevent personnel from effectively performing their OSHA recordkeeping responsibilities and result in citations and significant penalties to the Postal Service.

**What the OIG Recommended.** We recommended management establish a process to ensure the accuracy of OSHA I&I statistics reported in public documents. We also recommended management require that personnel with OSHA recordkeeping responsibilities complete the online training.

## NATIONAL NEWS

**Government Executive:** The U.S. Postal Service is making it easy for drug traffickers to ship their products into the United States, according to the agency's top congressional overseer, and lawmakers want to know more about what USPS is doing to stop it. Rep. Jason Chaffetz, R-Utah, who chairs the House Oversight and Government Reform Committee, recently wrote a letter to Postmaster General Megan Brennan accusing the mailing agency of entering into agreements with foreign countries that fail to uphold security standards. The agreements, he said, fail to include measures like tracking, advanced data collection and "other risk management procedures" that would mitigate the risk of importing drugs. "As a result," Chaffetz wrote, "drug traffickers can exploit the absence of stringent security standards in these bilateral agreements, using the Postal Service to make final delivery of their products to the United States."

## INTERNATIONAL NEWS

**EUROPEAN UNION: Invest in EU:** The European Commission has found Belgian plans to compensate the incumbent postal operator bpost with €1.3 billion for providing postal services of general economic interest between 2016 and 2020 to be in line with EU state aid rules. In spring 2016, Belgium notified plans to the Commission to compensate bpost for delivering certain services over the period 2016-2020. In particular, Belgium intends to compensate bpost in the period 2016 to 2020 for the provision of certain public services. These include maintaining a post office network throughout Belgium, delivering pension



payments, providing universal cash at counter services, delivering printed material related to elections as well as distributing recognised newspapers and periodicals in Belgium. Under EU rules for state aid in the form of public service compensation, adopted in 2011, companies can be compensated for the extra cost of providing a public service subject to certain criteria.

**June 3, 2016**



**PostCom Members!** The latest issue of PostCom's **Postal Operations Update** is now available online.

## **POSTAL/FEDERAL NEWS**

**USPS Industry Alert:** Reminder: 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](http://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.

### **Federal Register:**

**Postal Regulatory Commission** *New Postal Products* , 35806–35807 [2016–13133] [\[TEXT\]](#) 35807 [2016–13134] [\[TEXT\]](#)

### **Postal Service** *Product Changes:*

- *First-Class Package Service Negotiated Service Agreement* , 35808 [2016–13061] [\[TEXT\]](#)
- *Parcel Select Negotiated Service Agreement* , 35808 [2016–13062] [\[TEXT\]](#)

- *Priority Mail Negotiated Service Agreement* , 35807–35808 [2016–13065] [\[TEXT\]](#) 35808 [2016–13066] [\[TEXT\]](#) 35808 [2016–13067] [\[TEXT\]](#) 35808 [2016–13071] [\[TEXT\]](#)

**USPS Industry Alert:** The June 2, 2016 issue of **Mail Spoken Here** has been posted on this site.

## NATIONAL NEWS

**MarketWatch:** Wal-Mart Stores Inc. will test a grocery delivery service with Uber Technologies Inc. and Lyft Inc., part of the retailer’s growing efforts to compete head on with Amazon.com Inc.

**Institute for Public Accuracy:** The radio program “Marketplace” reports that on “Thursday, the Consumer Financial Protection Bureau (CFPB) is set to release new rules to crack down on payday lenders.” The segment cites a trade association representative, as well as an analyst from the Cato Institute arguing that people in need of short term loans “will likely be out of luck under the new rules.” Matt Stannard, Policy director at Commonomics USA and a member of the Public Banking Institute’s board of directors, said today: “The new rules won’t help ordinary Americans. They ‘permit’ rather than mandate more flexible options for borrowers, which the lenders will be under no obligation to make widely available. “In fact, there is a better alternative: financial services made available through the United States Post Office. Postal banks could offer short-term cash advances at extremely low interest. They could offer other low-cost financial services currently unavailable to tens of millions of Americans who live in ‘banking deserts.’ And we already know that these banks work. The USPS had a successful bank system from 1911-1967. Many other countries have either public postal banking systems or public-private hybrids, all dedicated to provided low-cost financial services to working people.

## INTERNATIONAL NEWS

**CANADA: Boing Boing:** Canada Post claimed a "crown copyright" over the postal codes assigned to Canadian homes, meaning that Canadian organisations and businesses could only use this vital information if they paid -- that is, they'd have to pay to access something their taxes already paid for, and the richer you were, the more access you could afford. An Ottawa startup called Geocoder crowdsourced the creation of a new database, asking Canadians to send in their addresses and postal codes, and giving free access to all comers. Canada Post sued them. Now, four years -- and a change in government -- later, the post office has dropped its suit.

**Universal Postal Union:** Postal big data – in the form of billions of electronic data records generated by the physical movement of mail across borders – can shed an important light on the socio-economic wellbeing of countries, especially in those where data from digital networks is not available. Using 14 million postal records from 187 countries, researchers demonstrated that this network of connections can provide indicators that are closely correlated to standard indicators of socio-economic status. The study had unparalleled access to the tracking data held by the UPU on postal flows, a rich source of records of human activity with extraordinary penetration in the physical world. The records themselves are generated each time a postal dispatch occurs between countries. Four years of daily postal data from 187 countries (2010-2014) were explored and its network properties shown to approximate critical socio-economic indicators. The data revealed that since 2010 postal activity is on the rise, which can be accounted for by the parallel growth of global e-commerce. This positions postal flows as a sustainable indicator of socioeconomic activity.

***June 2, 2016***

## **POSTAL/FEDERAL NEWS**

### ***Federal Register:***

***Postal Regulatory Commission*** New Postal Products, 35395–35396 [2016–13021] [\[TEXT\]](#) 35396–35397 [2016–13022] [\[TEXT\]](#) 35398 [2016–13023] [\[TEXT\]](#) 35397 [2016–13024] [\[TEXT\]](#) 35397–35398 [2016–13025] [\[TEXT\]](#) 35396 [2016–13026] [\[TEXT\]](#)

***Postal Service*** International Product Changes, 35270–35271 [2016–13080] [\[TEXT\]](#)

## **NATIONAL NEWS**

**Wall Street Journal:** Famed Kleiner Perkins Partner Mary Meeker gave her annual, always-anticipated presentation on the state of Internet media yesterday at the Code Conference, and it featured the usual terrifying chart highlighting print advertising's decline. As NiemanLab reported, Ms. Meeker's analysis showed a correlation between growth in mobile ads and drops in print. Back in 2011, Ms. Meeker's report showed mobile media pulling in just 1% of ad spending versus 10% of people's time spent with media, compared to print, which accounted for a disproportionate 25% of ad spending but just 7% of people's time. Fast forward to last year, and mobile pulled in 12% of ad dollars and an amazing 25% of people's time, while print has slipped to 16% of ad spending and 4% of time spent. So it seems that mobile is stealing ad budgets from print, but print media is still pulling in more than its fair share.

## **INTERNATIONAL NEWS**

**UNITED KINGDOM:** *Reuters:* Royal Mail Plc, Britain's former postal monopoly, said it reached a one-year pay deal with the Communication Workers Union (CWU) that would increase workers' base salary by 1.6 percent. The CWU will recommend that its members accept the offer for the year 2016-17 in a ballot, Royal Mail said in a statement on Wednesday. The 500-year-old company, whose red post boxes decorated with the Royal Crest are a feature of landscapes across the UK, said it would begin talks with CWU on a range of issues. Royal Mail did not give any clarity about its pension contributions, a factor that will impact its cash flow. Cash flow has been a point of contention for the market, and was pulled to the forefront after Royal Mail warned last month that it faced slightly higher than expected costs to modernise its operations. In an extremely competitive domestic postal and parcel market, Royal Mail's prospects hinge on its ability to cut costs and modernise operations to gain a larger share of the parcels market in light of declining letter volumes. It has also been hurt by the loss of some business from key customer Amazon.com Inc, which recently started its own delivery network. Other competitors such as UK Mail Group Plc have added extra capacity, threatening its dominance at home. Royal Mail said on Wednesday the wage offer was for all employees represented by CWU, including those of its Parcelforce Worldwide service, and would apply from early April.

**June 1, 2016**

## **POSTAL/FEDERAL NEWS**

### ***USPS Office of the Inspector General:***

- [More than Bargained for](#) -- With many lengthy disputes that are eventually settled, differences between parties sometimes linger. That seems to be the case with the 40-year-old dispute between Postal Service management and labor over the number of hours a postmaster or supervisor can spend performing work typically reserved for bargaining unit employees. In late 2014, the Postal Service and the American Postal Workers Union reached a settlement in the 1970s case that capped that number at 15 per week. Under the agreement, once management workers exceed 15 hours, the Postal Service pays the corresponding hourly wages to a clerk identified by the union as eligible for the payment. The Postal Service makes the payment even if the clerk was on leave during the time the work is performed. Our recent management advisory report found postmasters and supervisors worked 830,000 hours over the threshold in the first 9 months after the agreement was reached. This cost the Postal Service \$11.2 million in payments to clerks. In some instances, payments were significant – the single largest payment to an individual clerk was \$23,900 for work a postmaster or supervisor did. The payments occurred in more than 90 percent of

Postal Service districts. Postmasters and supervisors performed an excessive number of hours of bargaining unit work for a range of reasons, such as: vacant clerk positions that took months to fill, worksharing between clerks and postmasters, and clerks detailed to other facilities, thereby creating staff shortages at their assigned facilities. While we found management reduced these payments in the first half of this fiscal year (2016), postal management still “did not effectively manage workhours for postmasters and supervisors performing bargaining unit work to ensure they complied with the agreement and controlled costs.” *We recommended the Postal Service monitor vacancies so management is not doing more than 15 hours a week of bargaining unit work. We also urged management to continue providing guidance to field offices to promote compliance with the agreement. Finally, we recommended the Postal Service communicate to postmasters and supervisors that payments are not automatic; rather, payments should be reviewed to determine whether they are affected by emergencies and extenuating circumstances.*

- [Spring 2016 Semiannual Report to Congress](#) -- The Office of Inspector General is tasked with ensuring efficiency, accountability, and integrity in the U.S. Postal Service. We also have the distinct mission of helping to maintain confidence in the mail and postal system, as well as to improve the Postal Service's bottom line. We use audits and investigations to help protect the integrity of the Postal Service. Our Semiannual Report to Congress presents a snapshot of the work we did to fulfill our mission for the 6-month period ending March 31, 2016. Our dynamic report format provides readers with easy access to facts and information, as well as succinct summaries of the work by area. Links are provided to the full reports featured in this report, as well as to the appendices.

## NATIONAL NEWS

**The Hill:** For the U.S. Postal Service, the latest buzz has clearly been its latest finances, which continue to be in disarray with a \$2 billion net loss in the latest quarter, and also how the price of stamps is now falling by 2 cents. At first glance, it seems odd for USPS to be dropping prices while the red ink continues to grow. However, a deeper look at the situation reveals how the pricing change really is the right move. Even as the Postal Service has lost over \$50 billion in the last 8 years, the agency's ability to meet its reduced service standards on letter mail has precipitously declined. A recent report found that mail performance in 2015 has continued to erode by failing to reach recipients in the amount of time that the Postal Service has been promising. In fact, all letter mail in the first-class and standard categories failed to meet service performance targets for FY 2015. Items like overnight letters, 2-day letter mail, and 3-5 day letter mail, were not delivered on time at appropriate rates. Furthermore, on-time rates for all first-class letters have reached a four year low. Standard mail letters also haven't met their targets in each of the last 5 years.

## INTERNATIONAL NEWS

**DENMARK:** *The Local*: After announcing last month that it will completely eliminate first-class letters (A-breve), Post Danmark has made an about-turn. On Tuesday it announced that it will introduce a new service called 'Quickbrev' in order to still give Danish residents the ability to send and receive next-day post. "Residents and businesses will still be able to send daily letters. Today, most post can take a few days to reach its destination, but if it is essential that the letter arrives the next day, one can use the new Quickbrev. While the new product is exactly the same as the A-breve that was just scrapped, its price is significantly higher. A 'Quickbrev' will cost 27 kroner (\$4.06, €3.63), compared to the current 19 kroner price for a first-class letter. The new product will only be available at post offices and cannot be put directly into a regular mailbox.