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November 30, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Mail.XML Issue (ALM 10366); Mail.XML Outage to

Correct. Attention PostalOne!® Users. An issue has been identified impacting mailers using Mail.XML™ to submit their mailing information (ALM 10366). Currently all Mail.XML 'QualificationReportDetailCreate' messages are failing processing within PostalOne!® due to an internal application error. This issue does not allow for postage statements to be created and results in the following error message returned 8869 - An Internal Error occurred during the ERROR_HANDLING step while processing your message. A deployment this afternoon is planned to resolve the root cause via ALM 10366. The will require a brief Mail.XML eDoc outage to complete the change approximately 3:00 PM CT.

Mailers who use *Mail.XML* to submit their postage statements should use the PostalOne! Contingency plan located at: http://beta.postalpro.usps.com/.

PLEASE NOTE: Mailers who submit their mailings using Mail.dat® are not impacted.

<u>For Mail Acceptance:</u> The following instructions are provided for continuation of operations in the event a mailer is not able to submit an electronic postage statement to the USPS due to a USPS outage or mailer issue. BMEU and DMU locations will accept mailings under the following process:

- 1. A USPS Record of Mailings Log will be maintained at USPS acceptance units for each mailing presented during a *PostalOne!* or mailer system issue or outage. This log is used to reconcile the mailings accepted during the system delay to postage statements on the dashboard once the outage or issue has been resolved.
- 2. Postal Wizard, Mail.dat® and Mail.XML™ mailers who normally submit their postage statements electronically must be able to provide, either verbally or in written format, the following information:
 - Permit Holder
 - Total Pieces (An approximate total piece count can be provided if the mailer does not know the exact number of total pieces)
 - Total Postage (An approximate total postage amount can be provided if the mailer does not know the exact total postage for the mailing)
 - Mailer Job ID
 - eInduction mailing: Yes or No (If yes, mailers are not required to create hardcopy PS Form 8125(s) or provide any additional documentation)
- 3. Mailers who normally submit hardcopy postage statements will continue to submit the hardcopy postage statement during a *PostalOne!* system outage.

- Mailers who normally submit hardcopy postage statements will be required to continue providing presort documentation with their mailings.
- 4. Postal Wizard, Mail.dat® and Mail.XML™ mailers who normally submit their postage statements electronically, will not be required to provide presort documentation for any mailing submitted during a USPS or mailer issue/outage.

If you have any issues with mail acceptance during this incident, please contact the *PostalOne!* Help Desk at 1-800-522-9085.

<u>elnduction:</u> For elnduction mailings presented at the dock, PS Form 8125s are not required to be submitted. Mailers and Dock employees will follow the elnduction Contingency Plan. The instructions below are to be followed for elnduction containers:

1. Accept and scan all placarded containers.

<u>NOTE:</u> If the load is a mixed load (containing elnduction containers and regular PVDS Mail) reconcile any containers to 8125 forms.

- 2. Collect 1 placard from each unloaded container for those not reconciled to 8125 forms.
- 3. In the SV-IMD update all unresolved containers with a 99M barcode to 'Accept' status.
- 4. Release reconciled containers, and containers from which a placard was removed, into operations.
- 5. Retain container placards and, for mixed loads, PS Form 8125s for reconciliation.

If elnduction mailings are held at the dock for any reason, mailers should contact the FAST Help Desk at 1-877-569-6614.

Non-elnduction mailings will continue to submit PS Form 8125. We apologize for the inconvenience.

NATIONAL NEWS

Federal News Radio: The very thing designed to keep postal workers and retirees healthy is killing the Postal Service financially. The most recent plan to save it involves taking a page out of the private sector's book: required enrollment in Medicare. "The plan is not to pull out of [the Federal Employees Health Benefits Program], but to sort of segment FEHBP. It would be essentially a postal FEHBP," Jim Sauber, chief of staff of the National Association of Letter Carriers, said during Federal News Radio's U.S. Postal Service and Its Futuremonth. The problem is that ever since 2006, the Postal Service has had to pre-fund retiree health benefits, much like a pension. Initially, the requirement only called for it to pre-fund 10 years in advance, but that limit was soon raised to 40 years.

<u>Wall Street Journal</u>: Juan Perez was named chief information officer of United Parcel Service Inc. <u>eight months ago</u>, succeeding veteran CIO Dave Barnes, <u>who helped introduce a generation of new technologies</u> such as the UPS My Choice customer app and the Orion routing algorithm. Now Mr. Perez is beginning to put his own stamp on the evolution of business and IT at the company, which has spent \$1 billion annually on technology. UPS, which maintains its own drivers and fleet, faces a host of new challengers and the rise of high-volume, <u>low-margin business tied to e-commerce</u>. It relies on technology to make itself more competitive. Toward that end UPS will deploy and research a range of emerging technologies, including autonomous trucks, virtual assistants and <u>drones</u>, according to Mr. Perez. His vision is "autonomous everything," he said in a recent interview with CIO Journal. "My intentions are not to get rid of jobs," he said. "The face of UPS are the UPS drivers."

<u>The Huffington Post</u>: The single most important institution the federal government could create, according to the founders, was the United States Postal Service. They believed access to accurate information was essential to the success of their new government. It was the first

institution within the government that they created. While the USPS still exists, it is a shadow of its former self, having been intentionally undermined by the U.S. Congress. The "reform" of Post Office finances in 2006 has damaged that venerable institution, and some proponents of reform stated that they passed the legislation with the aim to hamper the institution's functioning.

INTERNATIONAL NEWS

United Kingdom: <u>Post&Parcel</u>: Ofcom has today (30 November) issued its annual monitoring update on the postal market. Ofcom's research indicates that "the majority of consumers are satisfied with postal services (85%) and that prices remain affordable", but it also notes that Royal Mail's 2015-16 quality of service (QoS) performance was lower than in the prior year on six of the eight measures.

November 29, 2016

ICYMI: Join PostCom's Mailer Technical Advisory Committee (MTAC)
Representatives as they discuss the latest developments and information from the last
MTAC meetings. [slides] [webinar]

POSTAL NEWS

Industry Alert: International Mail: Temporary Suspension of Mail Service to Guatemala. Effective immediately, the Postal Service has suspended most mail services to Guatemala. Until further notice, all Post Offices and other acceptance locations will not accept any mail destined to the country of Guatemala, other than Global Express Guaranteed (GXG) service, which is still available. The suspension affects Priority Mail Express International (PMEI), Priority Mail International (PMI), and First-Class Mail International (FCMI), First-Class Package International Service (FCPIS), International Priority Airmail (IPA), International Surface Air Lift (ISAL), and M-Bag items. For already deposited items other than GXG addressed to Guatemala, the Postal Service will endorse them "Mail Service Suspended — Return to Sender" and then place them in the mail stream for return. For any returned item bearing a customs form, as well as any item shipped with Priority Mail Express International service, the Postal Service will, upon request, refund postage and fees on mail returned due to the suspension of service. For all other returned items not bearing a customs declarations form, the Postal Service will, upon request, refund postage and fees on mail returned due to the suspension of service, or the sender may remail them with the existing postage once service to Guatemala has been restored. When remailing under this option, customers must cross out the markings "Mail Service Suspended — Return to Sender."

USPS Office of Inspector General:

- <u>Blog:</u> Peak Package Season Prep. Another holiday season, another massive surge in package volume. This year will be bigger than the last which was a record breaking year. The stakes are high for USPS this year, as online holiday shopping is predicted to top \$91 billion, with Cyber Monday (today!) bringing in almost \$3.4 billion alone. Tell us in our new blog: are you among the top 40 percent of Americans who are shopping Cyber Monday?
- <u>Report</u>: International Controls Over Segmented Inventory Carrollton Main Office, Carrollton, TX. The OIG's Perfect Count Tripwire identified that the Carrollton Mail Office in Carrollton, TX, reported perfect inventory counts – no overages or shortages of retail floor stock -- for four quarters in a row from April 1, 2015, to March 31, 2016. Our new

audit determines whether accounting records at the Jacksonville Main Office were accurately presented and whether internal controls were in place and effective.

Federal Register:

- Postal Regulatory Commission
 - o Proposed Rules: Competitive Postal Products, 85906-85907 [2016-28603] [PDF]
 - Notices: New Postal Products, 86030-86031 [2016-28662] [PDF]

NATIONAL NEWS

<u>Dead Tree Edition</u>: Way to go Americans: Your sloppiness, forgetfulness, and hoarding are helping to prop up the struggling U.S. Postal Service. Based on new data about its customers' behavior, the USPS recently added \$1.1 billion to its estimate of how many Forever Stamps it has sold that will never be used for postage. These "Never Stamps" now total about \$3.5 billion, according to a Dead Tree Edition review of previous USPS financial reports.

<u>CIO</u>: FedEx has saved hundreds of millions of dollars by eliminating costly redundant and legacy technologies, using cloud analytics software to compare the cost and value of IT to the business. For CIO Rob Carter, the path to pare technical debt was paved with some painful discoveries.

Fox Business: As Cyber Monday kicks off the e-commerce side of the busy holiday shopping season, shipping companies such as UPS (<u>UPS</u>) see a jump in business as well. UPS CEO David Abney weighed in on the company's plans to keep up with the holiday shipping rush.

The Street: Three of the major U.S. shipping and packaging companies are all estimating double-digit growth between now and the end of the holiday season. **UPS (UPS)** is projected to ship 700 million packages, a 14% increase from last year. **FedEx** (FDX) is expected to ship 355 million packages, a 10% increase from a year ago. The United States Postal Service is projected to ship 750 million packages, a 12% increase from last year.

INTERNATIONAL NEWS

South Africa: Web IT in Government: Although many have given up on a tech-savvy post office network, the Department of Telecommunications and Postal Services (DTPS) wants to modernise the country's postal services. This is the word from newly-appointed DTPS directorgeneral (DG) Robert Nkuna, who says the department is looking to develop a modern roadmap that will benefitthe postal services sector. Government has also identified the SA Post Office (SAPO) as a strategic entity to ensure it extends digital government services and e-commerce, and promotes financial inclusion.

Turkey: <u>Trend News Agency</u>: Azerbaijan's Ministry of Communications and High Technologies has signed a memorandum of understanding with Turkey's Ministry of Transport, Maritime Affairs and Communications. The memorandum was signed after the first meeting of ICT ministers of member-countries of the Turkic Speaking States Cooperation Council, held as part of BakuTel 2016, the 22nd Azerbaijan International Exhibition and Conference on Telecommunications and Information Technologies. Under the memorandum, the sides agreed on cooperation in the postal service.

United Kingdom: <u>BBC News</u>: Royal Mail shares have fallen after the company reported lower profits and increased its target for cost savings.

Nigeria: The Guardian: The PostMaster General (PMG) and Chief Executive Officer of the Nigerian Postal Service (NIPOST), Asiwaju Bisiyi Adegbuyi, has raised the alarm over alleged plans by some persons to sabotage efforts to improve service delivery by the postal institution.

November 28, 2016

POSTAL NEWS

USPS: [<u>Press Release</u>] Americans are expected to make Cyber Monday 2016 the largest ever and the U.S. Postal Service, the largest e-commerce deliverer, is ready.

The Postal Service will handle approximately 750 million packages this holiday season, an increase of more than 12 percent over last year. This is double the volume of packages handled just four years ago.

According to market researcher <u>Adobe Digital Insights</u>, Cyber Monday sales will exceed \$3 billion, an increase of 9.4 percent over last year.

For those wanting a stress-free holiday without leaving the comforts of home, the Postal Service offers solutions on <u>usps.com</u> that make gift-shipping easy and convenient.

- Order free flat-rate USPS Priority Mail boxes at <u>usps.com/freeboxes</u> delivered to any home or business
- Skip the trip to a Post Office with Click-N-Ship. Create mailing labels and print postage online at<u>usps.com/ship</u>
- Request free package pickup when your carrier delivers the mail at <u>usps.com/pickup</u>

Additionally, the Postal Service offers an entire suite of products and services to make holiday mailing and shipping simple. For free shipping supplies, holiday stamp purchases, shipping deadlines and more, visit *usps.com* and *delivercheer.com*.

Important mailing deadlines:

Dec. 09 – Military APO/FPO/DPO Priority Mail & APO/FPO First-Class Mail

Dec. 15 – USPS Retail Ground (domestic)

Dec. 16 - Military APO/FPO/DPO Priority Mail Express

Dec. 20 - First-Class Mail Cards and Letters

Dec. 21 - Priority Mail

Dec. 23 – Priority Mail Express

NATIONAL NEWS

<u>The Hill</u>: [by Frederic Rolando] A Nov. 14 <u>commentary piece castigated</u> in advance the U.S. Postal Service's annual financial report – <u>which was announced the next day</u> – by suggesting it would reflect the agency's "failed leadership." The author attributed the "billion-dollar losses expected" to Postal Service efforts to expand services offered to the public. He spoke of "arbitrarily high rates" set by USPS and warned of a potential "taxpayer bailout." And he claimed that letter mail prices unfairly subsidize competitive services, such as package delivery. Where to start?

Integrated Media Research Center: The Integrated Media Research Center (IMRC), an online resource for cross-discipline marketing knowledge, has been launched today by a consortium of leading marketing agencies and professionals. The IMRC website (www.imresearchcenter.com), which houses a growing archive of objective research and case studies on marketing best practices, is designed to encourage an ongoing discussion among marketers worldwide about the most effective use of the many valuable marketing channels, including direct mail.

November 26, 2016

POSTAL NEWS

USPS Office of Inspector General:

• <u>Internal Controls Over Segmented Inventory - Jacksonville Main Office,</u>
<u>Jacksonville, NC.</u> The OIG's Perfect Count Tripwire identified that the Jacksonville Mail

Office in Jacksonville, NC, reported perfect inventory counts – no overages or shortages of retail floor stock -- for four quarters in a row from April 1, 2015, to March 31, 2016. Our new audit determines whether accounting records at the Jacksonville Main Office were accurately presented and whether internal controls were in place and effective.

NATIONAL NEWS

Heritage Foundation: The 2016 Postal Service Reform Act (H.R. 5714) is pending before Congress and may be considered in the lame-duck session in December 2016.[1] The bill would force age-65 postal annuitants to purchase duplicative Medicare Part B medical insurance, despite already paying for better insurance under the Federal Employees Health Benefits Program (FEHBP). Failure to pay premiums to both programs would cause these elderly pensioners to lose coverage under Medicare and the FEBHP. Both the purpose and the effect of the bill would be to transfer, at the expense of taxpayers, much of the cost of the FEHBP from the Postal Service and its employees to Medicare.

Read IT Quick: The US Postal Service is going the hi-tech way, empowered by Honeywell's handheld computers. More than 5,000 handheld tracking devices have been deployed and are being used by postal workers, to streamline parcel pickup, sorting and delivery, with the latest technology. The exercise is expected to provide the US Post better visibility, therein translating to better parcel management efficiency.

<u>Post&Parcel</u>: The United States Postal Service (USPS) has responded to claims made by the Taxpayer Protection Alliance regarding its management strategy and operation performance. Following the release of the latest USPS quarterly results last week, David Williams of the Taxpayer Protection Alliance published a <u>blog</u> in which he claimed that: "The USPS has lost their focus on the core service of mail delivery." According to Williams: "What ails the U.S. Postal Service financially however is not mail service, but the other service sectors that they currently operate. "Actually, letter mail delivery is one of their most profitable services covering costs at over 200% according to the U.S. Postal Service's latest filing.

921 News: U.S. Senator Claire McCaskill joined a bipartisan group of more than 80 lawmakers from the U.S. Senate and U.S. House of Representatives to call for lasting solutions to improve and protect mail delivery and service in comprehensive U.S. Postal Service reform legislation. "The Postal Service and its employees play a vital role in our nation," wrote **McCaskill, who was <u>just named</u>** the top-ranking Democrat of the Senate Committee on Homeland Security and Governmental Affairs which has jurisdiction over the United States Postal Service. "It is essential that we preserve the Postal Service's commitment to the American public. For this reason, improving service needs to be a critical piece of any comprehensive postal reform bill, along with the needed reforms to return the Postal Service to fiscal sustainability. Continued poor mail service hurts rural America, businesses, and our economy."

November 25, 2016

NATIONAL NEWS

Norfolk Daily News: U.S. Rep. Jeff Fortenberry's recent letter to ranking members of the House of Representatives did an excellent job of pointing out problems and offering solutions to a problem that virtually all rural Nebraskans share: Poor mail delivery service. The Republican lawmaker wrote of how important the U.S. Postal Service is to the entire nation. He went on to say, "While the importance of reliable mail delivery for customers, especially those living in rural areas, has not changed, the postal service's ability to perform that service has substantially declined, and it is critical that Congress take action on this topic when we consider comprehensive postal reform."

Government Executive: Lawmakers are preparing to bring renewed attention to U.S. Postal Service reform in the lame-duck session of Congress, though in a challenge that will sound all

too familiar to advocates for change, scores of members from both parties are already sounding the alarm about their concerns with current legislation. A recent <u>score</u> from the Congressional Budget Office that found bipartisan, committee-cleared legislation would not negatively impact the federal debt have boosted the prospects for a vote on the measure in the final weeks of the 114th Congress, according to Senate aides. The 2016 Postal Reform Act, <u>approved unanimously</u>by the House Oversight and Government Reform Committee, is now the vehicle most likely to receive further action this year

INTERNATIONAL NEWS

FINLAND: BBC: Finland's postal service is to offer an "outdoor buddy" scheme for older people, in its latest bid to diversify as mail volumes fall. The state-owned Posti company says that - for a price - its workers will take elderly people out of the house for walks, something they might otherwise feel unsafe doing alone. It says some people spend days indoors if they don't have anyone to accompany them outside, particularly in slippery winter conditions. "The purpose is to bring vitality and conversation to the elderly. The outdoor buddy helps clients to maintain their ability to move," says head of home services Petri Kokkola.

Postal Technology International: Spring Global Delivery Solutions (Spring) has announced the launch of its International Returns service. The solution gives retailers, manufacturers and wholesalers a wide choice of return options supported by an extensive international network. With an intelligent and customizable IT-platform and additional value-added services to complete the service, customers can offer their consumers hassle-free and worldwide returns.

November 24, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

<u>USPS Oct 2016 report</u>: USPS reported a net income of \$504M for its 1st month of FY17.
 The report now has broken out unfunded liabilities for RHB, FERS, and CSRS.

NATIONAL NEWS

<u>Investor's Business Daily</u>: A federal judge late Wednesday ordered pilots for cargo carrier ABX Air, which has Amazon.com (<u>AMZN</u>) and DHL as major customers, to go back to work, easing fears of shipping delays for a deluge of holiday packages.

<u>Political News</u>: U.S. Senator Shelley Moore Capito (R-W.Va.) joined a bipartisan, bicameral group of more than 80 legislators from the U.S. Senate and U.S. House of Representatives in calling for adding lasting solutions to improve and protect mail delivery and service in comprehensive legislation to reform the U.S. Postal Service which was introduced in the House.

Led by U.S. Senators Heidi Heitkamp (D-N.D.) and Jerry Moran (R-Kan.) and Representatives David B. McKinley (R-W.Va.) and Marcy Kaptur (D-Ohio), the legislators underscored to leaders of the House and Senate the need for better, more reliable mail service – which is often a critical lifeline for families and businesses across the country in both rural and urban areas.

November 23, 2016

POSTAL/FEDERAL NEWS

USPS Office of Inspector General:

- <u>Information Technology Security Specialist:</u> The USPS OIG is seeking a highly qualified applicant to fill our Information Technology (IT) Security Specialist position.
- What do you think about the Postal Service's newest package sorter? The holiday season is upon us and the Postal Service is expecting to deliver about 750 million packages 12 percent more than last year. To meet this goal, USPS is piloting an

automated package sorter called the High Throughput Package Sorter at the Denver Processing and Distribution Center. Our audit team will be evaluating the equipment and functionality of this pilot equipment and has some specific questions.

NATIONAL NEWS

Fort Myers Florida Weekly: The U.S. Postal Service announced it is ready to deliver a lot of cheer — in the form of roughly 16 billion cards, letters and packages — this holiday season. The Postal Service, the largest e-commerce deliverer, is projecting about 750 million packages will be delivered this holiday season, a 12 percent increase in volume compared to last year. "Our customers can count on the entire Postal Service workforce to deliver their holiday gifts, cards and letters," said Megan J. Brennan, postmaster general and CEO. "With the Postal Service's unrivaled network and expanded seven-day-a-week delivery window, we are uniquely qualified to provide the highest levels of customer service and we are confident that's exactly what we'll do this holiday season." Additionally, the Postal Service is hiring more than 35,000 seasonal employees to help process and deliver increased volumes and meet the needs of its customers.

<u>DHL Group</u>: DHL Express today said it is continuing its investment plan for the United States and the Americas as growth in the region meets expectations. The \$185 million1investment earmarked for 2016 and 2017 is focused on infrastructure, technology, and people - creating some 900 new jobs in 2016 alone - in order to continue to provide the highest quality service and superior customer experiences. Besides investing in its operations in the U.S., DHL Express is also committing another \$105 million to support its growth plan in key countries in the region including Mexico, Canada, Brazil, Chile and Peru, totaling \$290 million over the two-year period.

INTERNATIONAL NEWS

<u>Postal Technology International</u>: Deutsche Post DHL Group and national postal operator Russian Post have reached an agreement that will lead to more reliable delivery times for international parcel shipments between Germany and Russia.

November 22, 2016

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

POSTAL/FEDERAL NEWS

Postal Regulatory Commission:

 RM2017-1 Order No. 3624 - Advanced Notice of Proposed Rulemaking to Evaluate the Institutional Cost Contribution Requirement for Competitive Products

USPS Office of Inspector General:

Conducive and Convenient CPUs: Location, location, location – it's the mantra of realtors, of course, but is just as important to retailers and service providers, like the U.S. Postal Service. USPS understands the importance of being where people live and shop. It also knows that keeping hours conducive to people's shopping habits increases customer traffic. Cue contract postal units (CPUs), which the Postal Service uses to supplement its 32,000 post offices around the country.

- Opinion on the USPS' Fiscal Year 2016 Closing Package Financial Statements: In our opinion, the closing package financial statements referred to above present fairly, in all material respects, the financial position of the Postal Service as of September 30, 2016, and its net costs and changes in net position for the year then ended in accordance with U.S. generally accepted accounting principles.
- Student Cooperative (Paid) for CAPE Team: The USPS OIG is seeking students enrolled in college/university programs to fill our Student Cooperative (Paid) position in the Office of the Chief Data Officer (CDO), Countermeasures and Performance Evaluation (CAPE) Team located in Arlington, VA. CDO disseminates actionable information and knowledge to support the OIG's audits, investigations, and operations. The selected candidate will provide a wide range of technical and administrative support to the CAPE team, including creating materials such as data sets to support projects and reports, developing executive briefing materials and presentations, and providing basic office assistance. The Student Cooperative Program is available for continuous employment throughout the year, while enrolled in school.

Federal Register:

 Postal Service: Notices: Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement, 83883 [2016-28019] [PDF]

NATIONAL NEWS

<u>DC Velocity</u>: UPS Inc. said late Friday it will expand the volume of parcels that are priced on their dimensions rather than just their weight, a move that follows on the heels of a similar move by its rival, FedEx Corp., and which will subject a large number of parcels to a costlier pricing formula.

November 21, 2016

POSTAL/FEDERAL NEWS

Senators come together to plead for action on USPS quality of delivery to rural areas: Bicameral Postal Letter: The United States Postal Service is a critical lifeline throughout our country, connecting loved ones and families, delivering prescription drugs and other critical items, and allowing our businesses to ship products all over the world. It is an institution that has been relied upon by the American postal customer for more than two hundred years. While the importance of reliable mail delivery for customers, especially those living in rural areas, has not changed, the Postal Service's ability to perform that service has substantially declines, and it is critical that Congress take action on this topic when we consider comprehensive postal reform.

Industry Alert: Competitive Product Price Change Approval. Friday November 18, the Postal Regulatory Commission (PRC) issued a decision regarding the Competitive Products Price Changes case. In the PRC's orders, it approved the USPS to proceed with implementation of the January 2017 Price Changes as proposed in October 2016 for: Competitive Products. For a copy of the PRC's complete ruling, it can be found at: http://www.prc.gov/docs/97/97886/Order%20No.%203622.pdf.

NATIONAL NEWS

<u>APWU</u>: On Nov. 8, 2016, National Labor Relations Board (NLRB) Administrative Law Judge Paul Bogas ruled to uphold all of the charges leveled at the United States Postal Service's (USPS) Staples Approved Shipper program. The APWU initially filed the complaint on Nov. 13, 2014.

<u>Investopedia</u>: Yesterday, the board of Invest Atlanta approved a large incentive package for United Parcel Service Inc. (<u>UPS</u>). The highlight of the incentive package is a 10-year tax break worth almost \$22 million. Further incentives from the state of Georgia are also available but are

dependent upon the creation of full-time jobs. News of the incentive comes one week after UPS announced a new \$400 distribution hub in Atlanta that will serve the southeastern United States. Once completed, the hub will be the third-largest UPS distribution hub. UPS expects to have the hub operational by the 2018 holiday season.

<u>The Commercial Appeal</u>: Frederick W. Smith, chief of Memphis-based FedEx Corp., met with President-elect Donald Trump on Thursday in New York. FedEx said Smith is not considered a candidate for an administration post, although the meeting came as Trump was vetting candidates for his administration.

November 18, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Full-Service Electronic Verification Assessments. Full-Service Electronic Verification assessments began on November 14, 2016 for October mailings. When paying an assessment any permit associated with the electronic documentation (eDoc) submitter CRID or any permit used for payment throughout the month should be available as a payment option. There may be instances where a permit is not available as a payment option. When this occurs, the eDoc submitter should contact the PostalOne! Helpdesk at postalone@usps.gov or by phone at (800) 522-9085 to have the permit number added as an available option. We apologize for any inconvenience.

Mailers Technical Advisory Committee: Reminder that Completion of USPS Mailing Promotion Surveys is Required

To: MTAC First-Class Mail and Standard Mail Members who participated in the 2016 Tactile, Sensory & Interactive (TSI)and/or the Emerging and Advanced Technology (E&A) Promotions. An action item from the November 2, 2016 MTAC Focus Groups for First-Class Mail and Standard Mail Product Innovation/Emerging Technology meetings was to send this reminder about the requirement for completing the post promotion survey. As discussed, the Point of Contact (POC) for companies participating in the promotions will be receiving these surveys at the completion of the promotion. We are sharing this reminder with the hope that if you are not the POC, you will be able to identify the proper POC for your company and help ensure that they complete the survey. A sample of the email that was sent out to participants on November 15 is shown below for the 2016 TSI promotion. As additional information, the 2016 E&A promotion "survey coming soon" email also was sent to those participants on November 15 (the sample below combines the two emails).

Thank you for participating in the USPS 2016 Tactile, Sensory & Interactive (TSI) promotion and/or the USPS Emerging & Advanced Technology (E&A) promotion.

This email is a reminder that you are listed as the Promotion Point-of-Contact (POC) in the Business Customer Gateway and will be receiving an electronic survey from the Mailing Promotions Program Office <u>during the week of November 21</u>.

Per the promotion requirements you are required to complete the post promotion survey.

If you are not the correct point of contact (POC) please send an email to the **Mailing Promotions Program Office**(<u>mailingpromotions@usps.gov</u>) with the correct POC's name and email address.

If you are a Mail Service Provider (MSP) and represent multiple mail owners, please forward the survey to all of your clients and provide the Mailing Promotions Program Office with their point of contact information (company, contact name, email and phone number). NOTE: If a survey is not received during the week of November 21, please contact the **Mailing Promotions Program Office at mailingpromotions@usps.gov**.

Thanks in advance for your assistance.

USPS Office of Inspector General:

New Audit: Is the USPS Ensuring Confidentiality, Integrity, and Availability of
Data? In our newest Audit Asks project, we look at eTravel Vulnerability and Assessment.
We are interested in hearing from U.S. Postal Service employees about any issues
related to the confidentiality, integrity, and availability of your personal information within
the eTravel application.

Federal Register:

Postal Regulatory Commission: Notices: New Postal Products, 81819-81820 [2016-27709] [PDF]; 81819 [2016-27797] [PDF]

November 17, 2016

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

NATIONAL NEWS

<u>Dead Tree Edition</u>: During the recent circus that masqueraded as a political campaign, chances are that you saw far more marketing messages for Hillary Clinton than for Donald Trump — and yet Trump won. The pundits are as wrong about what that means as they were in predicting the election's outcome. "The winner in this case spent a small fraction in paid advertising compared to the loser," my cyber-friend BoSacks wrote in a recent post-election blog post, though he didn't quite join the Death of Advertising meme. "I ask again was the problem bad ads, or have we reached a moment in time when ads no longer persuade?" Neither, Bo. What happened was a case of superior marketing strategy trumping (sorry) a superior marketing budget.

Multichannel Merchant: Both UPS and rival carrier FedEx announced ecommerce partnership deals this week as they head into the busy holiday shopping season that kicks off with Cyber Weekend next Friday ... no make that Thanksgiving Day ... no wait, it's already started (see below). FedEx has partnered with electronics retailer Newegg, giving its customers an in-app option at checkout to pick up their order at one of 2,500 FedEx locations in the U.S., including 1,800 FedEx Office retail locations. The packages can be stored free of charge for up to five days. For its part, UPS has partnered with packaging company Sealed Air Corp. to address the needs of ecommerce shippers. Under the partnership, UPS customers gain access to package engineering expertise and services through Sealed Air's Packaging Application Centers, which provide design, testing and packaging performance analysis for customers from 27 global locations.

November 16, 2016

POSTAL/FEDERAL NEWS

Senator Carper Statement on U.S. Postal Service Financial Losses in 2016. WASHINGTON – Today, U.S. Senator Tom Carper (D-Del.), top Democrat on the Senate Homeland Security and Governmental Affairs Committee, released the following statement in response to the announcement that the U.S. Postal Service (USPS) reported a net loss of \$5.6 billion in fiscal year 2016. This report comes after the Postal Service faced the first rate decrease in nearly a century with the court-mandated expiration of the emergency surcharge put in place after the Great Recession – the only measure keeping the Postal Service from financial collapse over the last two years.

"Albert Einstein said that definition of insanity is doing the same thing over and over again and expecting a different result. The news that, despite rises in revenue, the U.S. Postal Service is reporting significant losses in 2016 should not come as a surprise to anyone. Quarter after quarter, year after year, these reports reaffirm the obvious – that without Congressional action, the Postal Service will remain unable to raise enough revenue to cover its costs and will continue to suffer losses that threaten its long-term viability. It is long past time that Congress comes together to finally address the Postal Service's dire situation and chart a new course for this critical institution once and for all."

"With the election finally behind us, Congress must get back to work and take advantage of the opportunity before us to stabilize the \$1.4 trillion mailing industry that employs more than seven million Americans. We must come together around significant, bipartisan reforms that can stabilize the Postal Service's financial situation and stop the downward spiral of this American institution before it is too late. It is also imperative that we fill the many vacancies that unfortunately continue to exist on the Postal Board of Governors and the Postal Regulatory Commission in order to give the Postal Service the oversight and direction needed to succeed. I will continue working with my House and Senate colleagues to ensure that we finally fill these crucial positions and get these critical reforms over the finish line."

Industry Alert: PRC Decision on Market Dominant Price Case. Today, the Postal Regulatory Commission (PRC) issued a partial decision regarding the Market Dominant Price Case. In the PRC's orders, it approved the USPS to proceed with implementation of the January 2017 Price Changes as proposed in October 2016 for: First-Class Mail products, Standard Mail products, Periodical products, and Package Service products. The Special Service decision is still pending. For a copy of the PRC's complete ruling, it can be found at: http://www.prc.gov/docs/97/97844/Order%20No.%203610.pdf.

Senate Committee on Homeland Security and Governmental Affairs: Statement of Ranking Member Tom Carper: "Nominations of the Honorable Robert G. Taub and the Honorable Mark D. Acton to be Commissioners, Postal Regulatory Commission". Today, the U.S. Senate Committee on Homeland Security and Governmental Affairs held the hearing, "Nominations of the Honorable Robert G. Taub and the Honorable Mark D. Acton to be Commissioners, Postal Regulatory Commission." Below is the opening statement of Ranking Member Tom Carper (D-Del.), as prepared for delivery:

"Thank you, Mr. Chairman, for scheduling today's hearing to consider these important nominations to fill two Commissioner vacancies for the Postal Regulatory Commission. Both Mr. Taub and Mr. Acton's terms expired on October 14, 2016. They are now one month into a one-year holdover term granted to them under the law, so they must leave the Commission next October unless they're re-confirmed. It is imperative, then, that we take swift action on these nominees before the end of the year due to the pending critical work on rates before the Commission. I should also note that, if we don't take action on these two nominations, the PRC will eventually be left with only two Commissioners. That would be unacceptable and create even more uncertainty for the Postal Service and its customers.

"We're considering Mr. Taub's and Mr. Acton's nominations at what is a very challenging time for the Postal Service. It is not a time that's devoid of promise, although to achieve that promise, we need strong leadership at the PRC if the Postal Service is going to successfully confront challenges such as poor service performance issues and the persistent decline in First-Class Mail volume.

"The future also offers the Postal Service a number of promising opportunities. Congress and the PRC have important work to do to help the Postal Service take full commercial advantage of its unique delivery and logistics network. The Postal Service operates at the center of a massive \$1.4 trillion printing, delivery, and logistics industry that employs nearly 8 million people. Even as First-Class Mail loses ground to other forms of communication, the future

holds promise for the Postal Service in a number of other ways. Advertising mail is still a popular and effective option for mailers. And e-commerce and package delivery are booming, making the Postal Service a vital partner for businesses large and small. Even the Postal Service's traditional competitors rely on it to carry items the last mile to rural communities around the country.

"Mr. Taub and Mr. Acton have been invaluable resources to the Congress as we work on postal reform legislation. Their confirmation will remove uncertainty about the future of regulatory action at the Postal Service. It will also allow Congress to continue its work on postal reform with a clear sense of who will be implementing the reform in the coming years.

"This is Chairman Taub's second nomination by President Barack Obama, and he has served as the Acting Chairman of the PRC since December 2014. He was first nominated and confirmed in October 2011 and has demonstrated proven leadership skills to properly address issues and concerns facing the Postal Service and staying keenly aware of the delicate balance between Congressional and postal industry needs.

"Mr. Acton has spent 14 years at the PRC. President Bush first nominated him as a Commissioner in 2005. He was confirmed by the Senate in August 2006. His second nomination as a Commissioner was by President Obama, and he was confirmed a second time by the Senate in September 2011. As a Commissioner, Mr. Acton has shown a clear understanding of key postal issues, as well as a close familiarity with the concerns of Congress and postal stakeholders.

"As I stated at the beginning of my remarks, the PRC has a tremendous amount of work ahead of it in the coming weeks and months, including a required 10-year review of the postal pricing system established in the 2006 postal reform law. We need strong PRC Commissioners to properly address the issues I expect to be raised during the course of the review, which will determine the level of service the Postal Service will offer in the future, and the prices that will be charged for that the service. I believe we need to ensure that there is a quorum of PRC Commissioners in place so that the rate review can happen and proceed un-interrupted over the course of the next year.

"I look forward to talking to Mr. Taub and Mr. Acton today about what they think can be done to address the ongoing challenges facing the Postal Service and to hear about the skills, the knowledge, and experience they would bring to the PRC. My thanks again, Mr. Chairman, for holding this very important and timely hearing."

DMM Advisory: November DMM Update. Postal Explorer® (<u>pe.usps.com</u>) 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. On November 7, we updated our mailing standards to include the following changes:

- Alternate Marked Copy Process. We revised <u>207.16.2</u> to add an alternate process for publishers to submit their marked copies. We published this information in the September 29, 2016, *Postal Bulletin*.
- Extra Services Eligibility. We revised <u>503</u> and <u>503.3.0</u> to provide clarity and consistency on the eligibility of extra services. We published this information in the September 29, 2016, *Postal Bulletin*.
- **Registered Mail Deposit.** We revised <u>503.2.0</u> to clarify how Registered Mail service may be obtained. We published this information in the September 29, 2016, *Postal Bulletin*.
- Full-Service Automation Option Waiver of Fees. We revised <u>705.23.0</u>, Full Service Automation Option, to clarify the volume required to be eligible for the waiver of fees and for Mail Anywhere. In addition, we revised <u>705.23.3.2</u>, Mail Anywhere, to clarify the volume requirement that a mailer must prepare is at least 90 percent of full-service

- eligible pieces as full-service. We published this information in the October 13, 2016, *Postal Bulletin.*
- Ballots Priority Mail Express Label 11-DOD. We revised <u>703.8.0</u>, Balloting Materials, to add the use of Priority Mail Express® Label 11-DOD on ballots. We published this information in the October 27, 2016, Postal Bulletin.
- Our next scheduled DMM update is January 22, 2017

NATIONAL NEWS

<u>Dead Tree Edition</u>: The chief executive of the U.S. Postal Service was paid less than one tenth of what her counterparts at competitors UPS and FedEx received last year. Postmaster General Megan Brennan's salary during Fiscal Year 2016 was \$286,137, the USPS revealed today in a financial statement (Page 72 of this <u>PDF</u>). The total value of her compensation was \$904,784, mostly from a nearly \$600,000 increase in the value of her pension (perhaps because she reached 30 years of service with the agency).

November 15, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission: PRC Approves 2017 Market Dominant Price Change. The Commission has reviewed the First-Class Mail, Standard Mail, Periodicals, and Package Services pricing proposals for compliance with the requirements of title 39, the Commission's regulations, and other applicable legal requirements. Due to delays in receiving the information necessary to complete its review and the complexity of classification changes proposed by the Postal Service, the Commission will address the proposed Special Services price adjustments and classification changes in a separate order. Barring any unforeseen issues, the Commission expects to issue the separate order well in advance of the expected January 22, 2017 implementation date.

USPS: <u>USPS reports FY16 results</u>: After accounting for a \$5.8 billion retiree health benefit prefunding obligation, the U.S. Postal Service posted a net loss of approximately \$5.6 billion for fiscal year 2016 (October 1, 2015 - September 30, 2016), as compared to a \$5.1 billion net loss for the year ended September 30, 2015. Excluding this prefunding obligation, the Postal Service would have recorded net income of approximately \$200 million in 2016.

U.S. Court of Appeals, DC Circuit: The DC Circuit issued its <u>opinion</u> in the exigency remand appeal today. It dismisses the Postal Service's appeal on the grounds that the court does not have jurisdiction to review an agency's decision not to reconsider its order. Because the PRC order denying the Postal Service's request for reconsideration did not revisit its earlier analysis or change the standard it applied, its decision is unreviewable.

USPS Office of Inspector General: New Audit: Have You Been Affected by Mail Delays at the Santa Clarita, CA, P&DC? The U.S. Postal Service considers mail delayed when it is not processed in time to meet its established delivery day. The Santa Clarita, CA, Processing and Distribution Center (P&DC) is responsible for processing and distributing mail for more than 1.1 million delivery points in Southern California, including ZIP Codes beginning with 910 to 916 in Burbank, Glendale, North Hollywood, Pasadena, and Van Nuys. From April 2016 through September 2016, the Santa Clarita P&DC reported a 55 percent increase in delayed mail compared to the same period last year. Delayed mail at the Santa Clarita P&DC could lead to late mail delivery.

NATIONAL NEWS

<u>Lexington Institute</u>: The federal government's lawsuit against former cycling champion Lance Armstrong could potentially cost the fallen icon nearly \$100 million in damages. But the U.S. Postal Service, on whose behalf the government is seeking to collect, has shown it knows a thing or two itself about tilting the playing field to disadvantage its competitors.

November 14, 2016

POSTAL/FEDERAL NEWS

Postal Regulatory Commission: Section 701 Report. This marks the Postal Regulatory Commission's (Commission) second report under section 701 of the Postal Accountability and Enhancement Act (PAEA) of 2006. Every 5 years the Commission is required to issue a report and its first one was submitted to Congress and the President in 2011 (2011 Report). In general, the reports are to reflect the Commission's assessment of how well the PAEA is operating and is an opportunity to recommend legislation or other measures necessary to improve the effectiveness and efficiency of our Nation's postal laws.

Postal Regulatory Commission: Press Release:

The Postal Regulatory Commission (Commission) today made its recommendations to the President and Congress to address the volatile financial condition of the U.S. Postal Service. The Commission is required every five years under Section 701 of the Postal Accountability and Enhancement Act of 2006 (PAEA) to issue a report that evaluates how well the PAEA is operating and makes recommendations for legislation or other measures necessary to improve the effectiveness and efficiency of the Nation's postal laws.

The Commission's 2016 Report emphasizes the starkly different environment faced by the Postal Service since the enactment of the PAEA – a time when volume was growing and the Postal Service was earning revenues that exceeded costs. Today, mail volume has declined more than 25 percent since 2006 coupled with a total net loss of \$5.1 billion in fiscal year 2015, despite an exigent surcharge that generated an additional \$2.1 billion in revenue.

Twice this year, the Commission was invited to provide testimony at congressional hearings focused on the steadily deteriorating financial condition of the U.S. Postal Service. Specifically, the Commission was asked to share with the Senate and House oversight committees key findings of its annual *Financial Analysis of U.S. Postal Service Financial Results*. Testimony delivered by Acting Chairman Robert Taub described the fundamental problems facing the Postal Service: a growing liability for retiree health benefits; an inability to borrow for needed capital investments, such as new delivery vehicles and package sortation equipment; and the continued loss of high margin First-Class Mail revenues.

Acting Chairman Taub said, "It is clear, the most important legislative recommendations the Commission can make relate directly to improving the financial condition of the U.S. Postal Service. It is our hope that these recommendations will be the foundation for that effort."

The Commission emphasizes the following recommendations that address the financial condition:

- The Commission renews its recommendations from its 2011 Report that Congress modify
 the Retiree Health Benefits Fund prefunding level and payment schedule as a measure to
 improve Postal Service sustainability. Decreasing the funding target to one more in line
 with industry norms would provide much needed improvement in the Postal Service's
 assets to liabilities ratio.
- The Commission recommends lengthening the amortization period of the current unfunded liability. The current amortization period is 40 years. Extending the amortization period would free significant capital by reducing Postal Service annual payments.
- Further improvement in liquidity could be provided by allowing the Postal Service to use any available Federal Employees Retirement System (FERS) surplus, rather than requiring the surplus to be transferred to the RHBF. The Commission, therefore, recommends that Congress grant the Postal Service the authority to use available FERS

surpluses to pay off current or future liabilities, including debt to the U.S. Treasury, pension liabilities, and retiree health benefit liabilities.

In addition to these suggested financial changes to the law, all of the Commission's recommendations are located in Appendix A of the Section 701 Report titled "Section 701 Report Recommendations."

Industry Alert: Full-Service Assessment Process - Deployed. Today, the USPS deployed the process to begin assessments of Full-Service Mail Quality Metrics over an established threshold, based on October 2016 data. Full-Service Assessment is a removal of the Full-Service discount on pieces exceeding a Full-Service Mail Quality metric threshold within a calendar month. Reference section 2.3 Full Service Verifications via the following link to access information on the assessable metrics: Publication for Streamlined Mail Acceptance for Letters and Flats.

Full-Service Automated email notifications for the Electronic Verification Metrics have been sent to the associated Business Customer Gateway user role for the Verification Assessment Evaluator Service BSA/BSA delegate or user role or Manage Mailing Activity BSA role or alternate PostalOne services BSA. These assessments are visible through the BCG under Mailing Reports- Mail Entry Postage Assessment.

To assist mailers with any questions they may have concerning Assessments, the Postal Service will continue the Mailer Scorecard Hotline calls. We encourage mailers to access the Full-Service Mail Quality Metrics and reach out to local USPS BMEU staff for assistance. Any irregularities or questions with the Mailer Scorecard should be reported through the webinar hotline calls, *PostalOne!*Helpdesk at 800-522-9085 or via email at postalone@usps.gov. Include the phrase "Mailer Scorecard" in the subject line of the email.

Below is dial-in information for the Mailer Scorecard Hotline Webinar that will be held **every Wednesday and Friday at 2PM (EDT).**

Go

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Teleconference information

Provide your phone number when you join the meeting to receive a call back. Alternatively, you can call:

Call-in toll-free number: 1-855-860-7461 (US)

Conference Code: 472 163 0566

NATIONAL NEWS

<u>Daily News:</u> The U.S. Postal Service (USPS) spends an undisclosed amount of money each year on "external studies" that may have little value to the organization, an Office of the Inspector General (OIG) <u>investigation reveals</u>. The Postal Service commissioned 97 studies between 2009 and 2015 that were supposed to improve operations, yet the agency doesn't have a system to track the studies, so there is no way for the OIG to determine how effective the reports were. The Postal Service could not even find 30 of the 97 studies when the OIG asked to see them.

November 13, 2016

NATIONAL NEWS

<u>Wall Street Journal</u>: Parcel delivery companies are getting closer to online retailers literally. The package-delivery operations at <u>FedEx</u> Corp. and <u>United Parcel Service</u> Inc. have been opening more and larger sorting facilities that are readily accessible to their customers shortening the often time-consuming first leg of a shipment, from e-commerce fulfillment center to shipping hub. This week, UPS announced plans to open its third-largest facility yet, part of a "multiyear" investment plan to expand and modernize its network. Located near the Fulton County Airport-Brown Field just outside Atlanta, the \$400 million, 1.2-million-square-foot distribution center will be highly-automated and capable of handling more than 100,000 packages an hour, according to a company statement.

November 11, 2016

THANK YOU TO ALL THOSE THAT HAVE SERVED AND CONTINUE TO SERVE OUR COUNTRY!

POSTAL/FEDRAL NEWS

Congressional Budget Office: H.R. 5714, Postal Service Reform Act of 2016. H.R. 5714 would change the laws that govern the operation of the Postal Service (USPS), restructure how the federal government pays for health benefits for federal employees and annuitants, and alter how the federal government calculates the contributions that agencies make for retirement benefits. Major provisions of the bill would:

- Partially reinstate a postal rate increase that expired in April 2016 (direct spending savings of \$8.4 billion);
- Change the requirements for the security of parcels sent by air (direct spending costs of \$3.2 billion):
- Authorize the Postal Service to phase out delivery of mail directly to business customers' doors (direct spending savings of \$2.0 billion);
- Establish a new health benefits program for Postal Service employees, annuitants, and their dependents (net direct spending costs of \$4.7 billion and discretionary savings of \$1.8 billion);
- Change the nature of the payments that the Postal Service is required to make related to retiree health benefits (no net effect on direct spending); and

Require the use of demographic data specific to Postal Service employees for the calculation of certain retirement benefits, (no net effect on direct spending, but discretionary costs totaling \$5.9 billion).

CBO estimates that this change would reduce costs to the Postal Service by \$0.4 billion but increase the other federal retirement costs by the same amount. In addition, CBO estimates the Postal Service would spend half of the savings it would realize in lower retirement costs. Thus we estimate this policy would lead to a government-wide cost of \$0.2 billion.

NATIONAL NEWS

<u>Linn's Stamps</u>: On the day that President Barack Obama welcomed Donald Trump, his successor, to the White House, the watchdog of the United States Postal Service issued a plea for help. What the Postal Service's Office of Inspector General said in a white paper was that, unless Congress acts quickly, the huge, independent federal agency will become powerless to handle several vital tasks. Setting stamp prices, hiring or firing the postmaster general, and planning new postal products are all powers granted to the nine presidential governors who oversee the USPS.

INTERNATIONAL NEWS

AFRICA: All Africa: The Postal Corporation of Kenya will be privatised, the parastatal's chairman Wilfred Sang has said. He said the sale process of the parastatal, through the Nairobi Securities Exchange (NSE), will be done in the next two or three years.

BELGUIM: <u>MarketWatch</u>: PostNL NV <u>PNL</u> on Friday rejected Belgian postal service bpost SA's (BPOST.BT) roughly \$3.17 billion unsolicited offer, saying it doesn't represent a sufficiently compelling value for shareholders and it is confident in its prospects as a standalone company. Also see <u>The Brussels Times</u>.

BRAZIL: <u>Global Times</u>: The state-owned Correios, Brazil's postal service, announced Thursday the start of a program of voluntary dismissals, aiming to shed between 6,000 and 8,000 of its more than 117,000 employees, as a way to stem severe losses. In a press conference, Correios president, Guilherme Campos, said that the reduction of personnel should save between 850 million and 1 billion reais (265.6-312.5 million US dollars) a year.

November 10, 2016

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

INTERNATIONAL NEWS

KENYA: <u>Daily Nation</u>: The Postal Corporation of Kenya will be privatised, the parastatal's chairman Wilfred Sang has said. He said the sale process of the parastatal, through the Nairobi Securities Exchange (NSE), will be done in the next two or three years.

CANADA: eCommercebytes: Andrea Stairs, Managing Director of eBay Canada, testified before the Canadian House of Commons Standing Committee on Government Operations during a budget consultation hearing on October 31. At the hearing, Andrea provided eBay's perspective on next steps the Canadian government should take to promote a robust and solvent postal system. Her testimony, which built on eBay seller Maureen Lyons's testimony to the committee earlier this month, focused on the role Canada Post plays in supporting small business ecommerce in the country. Andrea also emphasized in her testimony that the government should be forward-looking in reform efforts and suggested that an update to Canada's de minimis threshold would increase much-needed parcel volume for the Post. The Canadian government is seeking input from stakeholders on recommendations for federal action that would encourage a reliable postal system in Canada. By weighing in now, eBay was able to ensure that Members of Parliament appreciate the role Canada Post plays in supporting small business ecommerce in Canada. Going forward, eBay will continue to build upon this positive understanding and promote the interest of our hundreds of thousands of online entrepreneurs in Canada.

GHANA: Ghana Web: Courier industry operators have asked the Postal and Courier Services Regulatory Commission to up its game and rid the system of faceless operators, who are taking business away from legitimate operators. "Our very survival is at stake; these people [illegal operators] are far more than us," a representative of one of the registered courier companies said during a consultative meeting organised by the commission to listen to concerns of operators.

November 9, 2016

POSTAL/FEDERAL NEWS

Industry Alert: Full-Service Assessments for Electronic Verification Metrics begins November 2016 for October data. The assessments result in the removal of the Full-Service discount on those pieces in error above the established thresholds. Automated email Assessment notifications will be sent as described below on the 11th day of each month.

Note: Due to the Veteran's Day holiday, the November 2016 notifications will be sent on November 14th. All subsequent due dates for the November 2016 Assessment process will reflect this change.

Assessments are generated at the electronic documentation (eDoc) submitter Customer Registration ID (CRID) level when there are errors that exceed the established thresholds for a calendar month. The Postal Service will send automated email notifications to the user associated to the Verification Assessment Evaluator service for the eDoc submitters Business Customer Gateway (BCG) profile.

The Postal Service strongly encourages all Full-Service mailers to request access to the Verification Assessment Evaluator (VAE) service through the BCG. In the event that a VAE user is not identified, the automated email assessment notifications are sent to the associated to BCG user roles in the following order of precedence:

- Verification Assessment Evaluator (Business Service Administrator (BSA) or User Role);
 if no VAE is identified notification is sent to:
- BSA for Manage Mailing Activity if there is no BSA for Manage Mailing Activity notification is sent to:
- BSA for alternate PostalOne! service: Audit Mailing Activity, eVS/PRS Customer, Scan Based Payment Customer.

Note: Only users associated to the BSA or user role for Verification Assessment Evaluator or Managed Mailing Activity services can view and take action on Assessments.

To assist mailers with any questions they may have concerning Assessments, the Postal Service will continue the Mailer Scorecard Hotline calls. We encourage mailers to access the Full-Service Mail Quality Metrics and reach out to local USPS BMEU staff for assistance. Any irregularities or questions with the Mailer Scorecard should be reported through the webinar hotline calls, PostalOne! Helpdesk at 800-522-9085 or via email at postalone@usps.gov. Include the phrase "Mailer Scorecard" in the subject line of the email.

Below is dial-in information for the Mailer Scorecard Hotline Webinar that will be held **every Wednesday and Friday at 2PM (EDT)**.

***Please Note: The call scheduled for Friday, November 11 will not be held due to the Veteran's Day holiday.

Go to https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=m2dd28be6eb27 b3fcc6c6c0e34ad2bf0f.

Teleconference information

Provide your phone number when you join the meeting to receive a call back. Alternatively, you can call:

Call-in toll-free number: 1-855-860-7461 (US)

Conference Code: 472 163 0566

Mailers Technical Advisory Committee: The Postal Service has posted the presentations from the recent MTAC Open Session:

- MTAC Global Reporting Initiative Tom Day, Chief Sustainability Officer
- MTAC Mailing Entry Update Pritha Mehra, VP
- MTAC Operations Update Robert Cintron, VP
- MTAC <u>Pricing Update</u> Sharon Owens, VP
- MTAC Sales and Customer Relations Update Cliff Rucker, SVP

Source: RIBBS

NATIONAL NEWS

<u>FCW:</u> The U.S. Postal Service has an elevated risk of network intrusions because it does not know how many internet-facing hosts it has on its networks and it lacks adequate firewall protections, according to a Nov. 3 inspector general <u>report</u>.

<u>Bronx Times</u>: If you are a Bronx residents who swears there was a mailbox on your street corner until just last month, you can rest easy – you aren't losing your mind. The United States Postal Service is indeed removing the iconic blue mailboxes from Bronx neighborhoods, starting with Co-op City and other nearby neighborhoods. The ubiquitous boxes are being modified for safety and security purposes to only allow small flat mail through a slot, replacing the small hinged door at the top of box through which mail is currently placed in the box.

<u>Transport Topics</u>: FedEx expects about 10% growth in holiday season shipping volume amid an avalanche of e-commerce. For the first time since at least 2009, FedEx isn't giving specific numbers for overall seasonal volume and busiest day between Thanksgiving and Christmas. But officials are confident it will be record breaking, said Patrick Fitzgerald, a senior vice president at the Memphis-based company.

INTERNATIONAL NEWS

INDIA: The Hindu Business Line: With packets and sacks containing apples, motor vehicle parts, agricultural produce, mail vans and baggage of defence personnel jostling for space at parcel booking counters of the Indian Railways, the national transporter is now exploring the potential of using its network to move India Post parcels, too.

ITALY: <u>NFCWorld</u>: Customers of Italian retail bank Intesa Sanpaolo can now receive their PIN codes through SMS or via the web, without having to wait for postal delivery.

AUSTRALIA: Choice: If you've ever been at home eagerly awaiting a parcel only to find the delivery person has been and gone and didn't even ring the bell, or your parcel was delivered unreasonably late or was even lost – you're most certainly not alone. We've heard lots of anecdotal stories about parcel delivery problems so we decided to find out just how much of an issue it really is. What we found was quite surprising. In this article we take a look at: (1) The results of our survey (2) Australia Post's policies (3) Common parcel delivery problems (4) Why parcels aren't being delivered (5) What you can do about it.

CHINA: <u>Air Cargo News</u>: The <u>Civil Aviation Administration of China</u> (CAAC) looks set to approve a transport license for the start-up of China Air Cargo. The CAAC said China Air Cargo, which <u>placed an order for two B757-200 conversions</u> earlier this year, would use Guangzhou Baiyun International Airport as its base of operations for domestic and international flights, with domestic destinations named as Hong Kong, Macao and Taiwan. The airline will operate a turboprop Xian MA600 aircraft as well as the two B757-200s.

November 8, 2016

POSTAL NEWS

CBO scores H.R. 5707. [This is not the House postal reform bill.] CBO estimates that enacting H.R. 5707 would cost about \$4.4 billion over the 2017-2026 period because funds from a government account would be transferred to a privately operated investment fund. Payas-you-go procedures apply because that transfer would increase direct spending. Enacting the bill would not affect revenues. CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2027. H.R. 5707 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

USPS: Full-Service Assessments begin November 14, 2016. The Postal Service will begin Assessments for Electronic Verification Metrics in November 2016 for October data. The assessments result in the removal of the Full-Service discount on those pieces in error above the established thresholds. Automated email Assessment notifications will be sent as described below on the 11th day of each month.

Note: Due to the Veteran's Day holiday, the November 2016 notifications will be sent on November 14th.

As a reminder, to submit a mailing as Full-Service, and claim the per piece discount, the following requirements must be met:

- Mailer Identification (MID)
- Service Type Identification (STID)
- By (mail preparer) and For (mail owner) fields
- Barcode Uniqueness
- Entry Facility
- Unlinked CoPal

Assessments are generated at the electronic documentation (eDoc) submitter Customer Registration ID (CRID) level when there are errors that exceed the established thresholds for a calendar month. The Postal Service will send automated email notifications to the user associated to the Verification Assessment Evaluator service for the eDoc submitters Business Customer Gateway (BCG) profile.

The Postal Service strongly encourages all Full-Service mailers to request access to the Verification Assessment Evaluator (VAE) service through the BCG. In the event that a VAE user is not identified, the automated email assessment notifications are sent to the associated to BCG user roles in the following order of precedence:

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Note: Only users associated to the BSA or user role for Verification Assessment Evaluator or BSA for Managed Mailing Activity services can view and take action on Assessments.

Prior to the November 14, 2016 Assessment Date USPS is encouraging mailers to review their current user roles within the Business Customer Gateway. The document posted here provides you with step by step instructions to review, change and add user roles within the Business Customer Gateway.

A fact sheet, which provides an overview of the Full-Service Assessment process, can be found on RIBBS at https://ribbs.usps.gov/index.cfm?page=intelligentmailservices.

More information about the assessment process can be found in section 6.0 of the Publication for Streamlined Acceptance for Letters and Flats found here: Publication for Streamlined Mail Acceptance for Letters and Flats.

To ensure mailers are prepared for the November 2016 assessment date, the Postal Service will continue outreach to every mailer and support the Mailer Scorecard Hotline calls. We encourage mailers to access the Full-Service Mail Quality Metrics and reach out to local USPS

BMEU staff for assistance. Any irregularities or questions with the Mailer Scorecard should be reported through the webinar hotline calls, PostalOne! Helpdesk at 800-522-9085 or via email at postalone@usps.gov. Include the phrase "Mailer Scorecard" in the subject line of the email.

Below is dial-in information for the Mailer Scorecard Hotline Webinar that will be held every Wednesday and Friday at 2PM (EDT).

Go to: https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=m2dd28be6eb27 b3fcc6c6c0e34ad2bf0f.

Teleconference information

Provide your phone number when you join the meeting to receive a call back. Alternatively, you can call:

Call-in toll-free number: 1-855-8607461 (US)

Call-in number: 1-678-3172063 (US) Conference Code: 472 163 0566

Industry Alert: USPS Offers New Alternate Marked Copy Process for

Periodicals. Beginning November 7, 2016, publishers have the option to submit marked copies for periodical mailings at the time of the Statement of Ownership review; eliminating the requirement to provide marked copies with every mailing. With the introduction of the Alternate Marked Copy process the Postal Service will randomly select periodical marked copies for review as part of the annual Statement of Ownership review. Participation in this alternate process eliminates the requirement for publishers to submit a marked copy with each mailing, greatly reducing the publisher's administrative hours associated with mail preparation. The new process does not eliminate the Postal Service's requirement for publishers to mark and retain a marked copy for each periodical publication. Publishers interested in participating in the Alternate Marked Copy process can enroll by completing the Publishers Alternate Marked Copy Request form available on RIBBS.com and submitting the completed form via email to the PostalOne! Help Desk at postalone@usps.gov. Please contact your local postmaster with questions or for additional information.

USPS Office of Inspector General:

- <u>Keep on Truckin'</u>: The American economy runs on trucks, but the trucking industry faces a projected shortage of 46,000 drivers in the next 3 years. Our new blog talks about the challenge this poses to #USPS, which relies on highway contract route (HCR) drivers to move mail. How do you think the Postal Service should deal with HCR irregularities? Read our blog and tell us here.
- New Audit: Is the Postal Service Getting Who and What it Pays for?
- New Audit: Audit Asks: Do You Use the Postal Service's Social Media Platforms?

NATIONAL NEWS

<u>Investopedia</u>: Today, United Parcel Service Inc. (<u>UPS</u>) took another step forward in its biopharma growth plans. This morning, UPS announced its acquisition of privately-held Marken, a global supply-chain company specializing in the pharmaceutical and life sciences industry.

<u>CNBC</u>: The United States Postal Service isn't on the same page with a major Chinese company that claims they have an agreement in the works. The USPS would not confirm or deny to CNBC the existence of an agreement with a major Chinese package-shipping firm that just launched an initial public offering in the United States. Meanwhile, the Chinese company in question has posted photographs online of an apparent deal signing between the two.

INTERNATIONAL NEWS

CANADA: Market Wired: Canadian company Snaile Inc. (pronounced "Snail.ee", www.snaile.com), has won the prestigious Digital Innovation of the Year award --part of the 2016 Postal Technology International Awards. A judging panel of world postal services awarded the prize to the company for its "smart" mail notification technology that makes first and last mile postal boxes able to detect whether or not they have letter mail or parcels. Snaile's technology triumphed over other shortlisted technologies including those from United States Postal Service's (USPS) Informed Delivery, TrackerSense and Siemens' Production, Planning and Control system (PPC). The judging panel was comprised of internationally recognized postal organizations including: Canada Post Corporation, La Poste, Deutsche Post DHL, SingPost, An Post, Romanian Post, Universal Postal Union, Jersey Post, Malta Post, Qatar Postal Services Company, International Post Corporation, Emirates Post, Slovenska Post, Pakistan Post, and PostEurop.

FINLAND: <u>yle Uutiset</u>: Postal reform could limit urban mail delivery, Minister Berner promises five-day rural service.

GERMANY: Reuters: Deutsche Post DHL said it would continue to invest in its European parcel delivery network after strong demand for deliveries of goods to shoppers buying online helped it beat expectations for third-quarter profit. Like other European postal groups, Deutsche Post is expanding its business and investing in new technology and services to cope with declining letter volumes and stay ahead of new rivals in the lucrative parcel delivery market such as Amazon.com.

KENYA: <u>AllAfrica:</u> Kenya plans to implement a new system of numbering and naming of places and property to reduce losses from delays in cargo reaching its destination. Manufacturers and the business community say the move is timely, and will ease the cost of doing business.

November 7, 2016

POSTAL NEWS

Mailers' Technical Advisory Committee: As discussed at last week's USPS MTAC meetings, Chief Sustainability Officer Tom Day presented the Global Reporting Initiatives (GRI) framework that provides organizations with methods to measure and report sustainability performance. This framework will be used to complete the Annual Sustainability Report. We have identified customers as one of our key stakeholders. The USPS Office of Sustainability would like for MTAC members to identify the organization's key aspects. As a customer stakeholder, whether you attended the MTAC meetings or not, we invite you to complete the survey to help us rank our organization's top concerns. Please complete survey no later than Tuesday, November 15, 2016. https://www.surveymonkey.com/r/MTACSustainability

INTERNATIONAL NEWS

AUSTRALIA: Government News: Australia Post CEO Ahmed Fahour could pick up a few tips from Singapore's national postal service provider, SingPost to help revive his flagging bottom line. SingPost has been busily diversifying and the company has become a player in retail and ecommerce. Next year, it will open its new five-level Singapore Post Centre Mall, which includes the company's flagship SingPost post office, next year.

BELGIUM: <u>Dutch News</u>: Belgian postal company Bpost has made an 'improved and friendly' offer for Dutch peer PostNL, six months after initial talks on a takeover broke down. Bpost, which is majority owned by the Belgian state, is offering €5.65 per share for PostNL, in a combination of cash and Bpost shares.

November 6, 2016

INTERNATIONAL NEWS

AUSTRALIA: PR Web: Today, ShipperHQ and Australia Post announced an integration that will empower Australian ecommerce retailers to configure more accurate shipping options that reflect the best value for their business and their customers. This integration benefits retailers by making it simple to show many of the world-class logistics services offered by Australia Post and StarTrack on the retailer's ecommerce website in real time without the need for any custom development or coding. Plus, with enterprise-grade functionality, ShipperHQ gives merchants the tools they need to be confident that the right rates and options are shown to every customer, every time.

MALAYSIA: <u>Borneo Post</u>: The Malaysian Communications and Multimedia Commission (MCMC) and Pos Malaysia Berhad yesterday unveiled the 'Smart Postman' mobile application for Sarawak. The application will enable an on-duty postman to make an online report to the district council pertaining to the special needs of individuals, illegal dumping sites, abandoned vehicles as well as potholes along roads. The launch of the application at the Lundu community hall was part of the Postal Transformation Plan for Rural Areas which could revolutionise the traditional role of a postman as a catalyst of change in rural communities.

November 5, 2016

POSTAL/FEDERAL NEWS

USPS Office of the Inspector General:

Contract Postal Unit Operations Oversight

Background. A contract postal unit (CPU) is a retail establishment under contract to the U.S. Postal Service to provide postal services to the public. The objective of the CPU program is to reduce customer wait time in post offices, retain and increase Postal Service market share, reduce operational costs, improve customer satisfaction, and grow retail revenue. Although CPUs have declined in number from 5,290 in fiscal year (FY) 2002 to 2,656 in FY 2016, they enhance service by being located closer to customers' homes and workplaces and operating at hours when post offices may not be open. They also provide postal services to areas with rapid population growth or where opening new post offices may be cost prohibitive. In FY 2015, total revenue from CPUs was \$484,273,289, and the Postal Service incurred \$0.15 in cost for each dollar of revenue at CPUs. The Postal Service's host administrative office (host office) administers CPU contracts, provides training to the CPUs, monitors CPU operations, and ensures contract compliance. Host offices conduct quarterly performance reviews to promote continuous quality performance and improve the business relationship among the host office, CPU, and public. District management oversees the host office. Our objective was to determine whether the Postal Service's oversight controls over CPUs and accountable property at the CPUs were adequate, effective, and followed.

What the OIG Found. Postal Service controls over CPUs and accountable property at the 21 CPUs we visited were not always adequate, effective, or followed. We found: ■ District personnel did not adequately monitor operations at the 21 host offices visited. For example, personnel at all districts visited were not always aware of host office personnel changes. In addition, in four of 67 quarterly performance review certifications evaluated, district personnel did not verify the accuracy of the information. ■ Personnel at all 21 host offices visited did not effectively monitor overall CPU operations. They were unaware of available resources and, at 16 of 21 CPUs, did not adequately perform quarterly performance reviews. In addition, personnel at three host offices did not maintain adequate contact with CPUs and personnel at two host offices did not adequately train CPU employees. ■ The quarterly performance review was not an effective oversight tool. Personnel did not review the required number of packages in eight of 23 Quarter 3, FY 2016 reviews, and words or phrases were not always defined. Further, the tool did not allow for review comments or follow-up for exceptions, and the quarterly performance reviews did not sufficiently address accountable items. ■ CPU census data, which includes critical information such as hours of operation, bond, and CPU employee

information to help the Postal Service better understand and support the CPU, was not always complete or accurate. For three of 21 CPUs, census data was blank and, for one CPU, host office personnel did not enter the date of the annual financial audit. ■ Personnel at host offices did not maintain complete CPU administrative files. None of the 21 CPU administrative files we reviewed contained all of the required documentation, such as contracts and contract modifications, host office operating instructions, and property and equipment information. Further, CPU administrative files did not exist or were not available for three CPUs. As a result, customer loyalty, good will towards the Postal Service, and the Postal Service's business relationships with CPUs and its customers could significantly decline, which could result in substantial revenue loss. CPUs should always act in the Postal Service's best interest to uphold the Postal Service's brand and increase customer satisfaction. We identified best practices used by some district and host office personnel that could improve CPU operations. For example, a district communicated information to a ZIP Code email address instead of a specific person. We also included suggested program improvements provided from district and host office personnel. For example, a host office suggested creating a help desk for host offices and CPU personnel to ask questions or report issues.

What the OIG Recommended. We recommended management: ■ Enhance formal policies and procedures for districts. ■ Develop a formal training program for host offices. ■ Enhance the quarterly performance review to include steps on how to specifically account for money orders. Additionally, using threshold guidelines, include steps to conduct stamp counts, and ensure minimum package review. ■ Consider implementing suggestions and best practices identified in this report.

Federal Register: Postal Service Meetings; Sunshine Act, 78213 [2016–26895] [TEXT]

NATIONAL NEWS

<u>eCommerceBytes</u>: Should the Postal Service have a monopoly on your mailbox? The Postal Service delivers so many packages it may be easy to forget that it has a mandate to deliver the mail to all citizens (universal service), and with that mandate comes a monopoly on the mailbox. PostalVision 2020 is holding an event where it will discuss the issue. The "Delivery by Design" event will include a session where key stakeholders debate on the "pros and cons of the existing USPS mailbox monopoly in relation to the anticipated growth in ecommerce and increasing consumer delivery demands."

November 4, 2016

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

INTERNATIONAL NEWS

JAPAN: <u>Nikkei</u>: One year on from a triple initial public offering, the Japan Post group still lacks a firm indication of when the government will next reduce its ownership. The question hangs like shackles on its banking and insurance units.

CHINA: Washington Post: Seizures of the deadly chemical carfentanil have exploded across the United States, with more than 400 cases documented in eight states since July alone, The Associated Press has found. Fueled by a thriving trade out of China, the weapons-grade chemical is suspected in hundreds of drug overdoses in the U.S. and Canada. An AP investigation last month showed how easily carfentanil can be purchased online from China. Direct exports of fentanyl-related chemicals from China arrive in the United States as air

cargo or postal shipments, but are difficult to identify, according to congressional testimony obtained by the AP.

CHINA: <u>CNBC</u>: When it comes to becoming the next FedEx or UPS, China's package delivery companies have a long way to go. Analysts consider the massive China market one of the greatest opportunities in e-commerce, and as shopping online increases, so does the number of packages. The business potential is all the more apparent now, after Chinese e-commerce giant Alibaba's earnings topped Wall Street's expectations Wednesday, and Chinese logistics firm ZTO Express went public last week in the largest U.S. IPO of the year. But global expansion for delivery companies from China is likely limited for now.

November 3, 2016

NATIONAL NEWS

Velonews: Lance Armstrong, Floyd Landis, and the U.S. government await a ruling that could end up costing Armstrong \$100 million or nothing at all. The core of each side's argument rests on the value of the U.S. Postal Services's sponsorship of Armstrong and his team as the Texan raced to four Tour de France victories. The government contends that Armstrong defrauded the Postal Service by portraying his victories as clean prior to his 2013 doping admission. The government is seeking triple damages on \$32.3 million, the total spent by the U.S. Postal Service on its cycling sponsorship, under the False Claims Act. Armstrong's lawyers, including his longtime attorney Sharif Jacob, argued that the Postal Service received a healthy return on its investment despite Armstrong's doping admission and was therefore not the victim of fraud.

INTERNATIONAL NEWS

CANADA: <u>Canada NewsWire</u>: As the federal review of the post office prepares to wrap up its consultation phase, postal workers took the Liberals to task for a skewed consultation process and a task force report containing multiple factual errors and omissions.

AUSTRALIA: <u>iTNews</u>: Electronic voting has emerged as the latest enterprise the imperilled Australia Post wants to pin its future to, as the profitability of delivering letters rapidly slides. Already AusPost is pushing to become an e-commerce platform, a financial services provider, a Centrelink office, and a Medicare rebates distributor as it desperately tries to pin down new sources of revenue. All the while, it is also competing to retain its passport applications business carried out on behalf of the Department of Immigration. Its latest campaign is aimed at convincing the Commonwealth that the country should adopt widespread electronic voting, and that AusPost's digital nous, identity verification capability, and 4392 physical outlets make it uniquely placed to help out.

November 2, 2016

POSTAL/FEDERAL NEWS

- Continuity of operations focuses on establishing the ability to restore an organization's essential functions at an alternate site and perform them for up to 30 days before returning to normal operations. Information technology (IT) continuity planning ensures continuous operations of business applications and supporting IT systems (such as desktops, printers, network devices). The IT continuity plan addresses the IT risks and solutions based on the

USPS Office of the Inspector General: "Does USPS Have an Effective IT Continuity Plan?" -

organization's overall priorities and business continuity plan.

<u>U.S. Postal Service</u>: The Temporary Emergency Committee of the Board of Governors of the U.S. Postal Service ("TEC") will meet Nov. 15 in open session at Postal Service headquarters, 475 L'Enfant Plaza, SW, Washington, DC. The public is welcome to observe the meeting beginning at 10 a.m. EST in the Ben Franklin Room on the 11th floor.

Federal Register: Postal Service Priority Mail and Parcel Select Negotiated Service Agreement, 76393 [2016–26409] [TEXT]

NATIONAL NEWS

<u>Washington Post:</u> UPS was supposed to be looking for clues its brown trucks were being used to illegally transport untaxed cigarettes from upstate Indian reservations to customers throughout the state, but instead it turned a blind eye, say regulators, who've asked a judge to impose an \$873 million penalty on it.

INTERNATIONAL NEWS

GERMANY: <u>dpdhl</u>: Deutsche Post DHL Group has supported the 'Jeans for Refugees' project initiated by the artist and designer Johny Dar. Kate Moss, Emma Watson, Ryan Gosling and Claudia Schiffer are four of the one-hundred celebrities worldwide that donated their Jeans to Johny Dar. He then gave each pair of jeans an artistic makeover and presented the results during New York Fashion Week in September. Following the donations' Fashion Week appearance, those interested in supporting the project were able to purchase a work of art by auction in October. Dar hopes to raise between EUR 1 and 20 million from the auction. The idea behind 'Jeans for Refugees' is to support the International Rescue Committee by donating the money raised in the auction. The International Rescue Committee responds to global humanitarian crises by sending aid supplies and providing support on site to those impacted. In addition to supporting with medical care, they also restore infrastructure and ensure access to education.

BELGIUM - NETHERLANDS: <u>DutchNews</u>: Belgian postal company Bpost said on Wednesday it is carrying out an 'internal investigation' concerning a possible new offer for Dutch peer PostNL. On Tuesday, the Financieele Dagblad said Bpost was preparing a new offer for PostNL. The paper bases its claim on preparatory documents which it says it obtained due to 'a mistake by a PR bureau' and says the Belgian plans have been confirmed by 'people in the know'. Takeover talks between the two broke down at the end of May when a deal on terms could not be reached. Bpost is thought then to have offered between €5 and €6 a share for PostNL.

ISRAEL: <u>Haaretz</u>: Israelis have discovered the joy of ordering products from overseas websites like Amazon and Alibaba, but Israel Post, the national postal service, still hasn't found a way to ensure their packages are delivered quickly and without damage. As a result, the state comptroller said in a stinging report released yesterday, Israeli consumers aren't fully enjoying the lower prices the government has promised by easing duties on personal imports over the last few years.

November 1, 2016

POSTAL/FEDERAL NEWS

USPS Industry Alert: Full-Service Assessments begin November 14, 2016. The Postal Service will begin Assessments for Electronic Verification Metrics in November 2016 for October data. The assessments result in the removal of the Full-Service discount on those pieces in error above the established thresholds. Automated email Assessment notifications will be sent as described below on the 11th day of each month. As a reminder, to submit a mailing as Full-Service, and claim the per piece discount, the following requirements must be met: (1) Mailer Identification (MID); (2) Service Type Identification (STID); (3) By (mail preparer) and For (mail owner) fields; (4) Barcode Uniqueness; (5) Entry Facility; (6) Unlinked CoPal.

Assessments are generated at the electronic documentation (eDoc) submitter Customer Registration ID (CRID) level when there are errors that exceed the established thresholds for a calendar month. The Postal Service will send automated email notifications to the user associated to the Verification Assessment Evaluator service for the eDoc submitters Business Customer Gateway (BCG) profile. The Postal Service strongly encourages all Full-Service mailers to request access to the Verification Assessment Evaluator (VAE) service through the BCG. In the event that a VAE user is not identified, the automated email assessment

notifications are sent to the associated to BCG user roles in the following order of precedence: (1) Verification Assessment Evaluator (Business Service Administrator (BSA) or User Role); if no VAE is identified notification is sent to: (2) BSA for Manage Mailing Activity if there is no BSA for Manage Mailing Activity notification is sent to: (3) BSA for alternate PostalOne! service: Audit Mailing Activity, eVS/PRS Customer, Scan Based Payment Customer. Note: Only users associated to the BSA or user role for Verification Assessment Evaluator or BSA for Managed Mailing Activity services can view and take action on Assessments.

Prior to the November 14, 2016 Assessment Date USPS is encouraging mailers to review their current user roles within the Business Customer Gateway. The document posted here provides you with step by step instructions to review, change and add user roles within the Business Customer Gateway.

A fact sheet, which provides an overview of the Full-Service Assessment process, can be found on RIBBS at https://ribbs.usps.gov/index.cfm?page=intelligentmailservices. More information about the assessment process can be found in section 6.0 of the Publication for Streamlined Acceptance for Letters and Flats found here: Publication for Streamlined Mail Acceptance for Letters and Flats. To ensure mailers are prepared for the November 2016 assessment date, the Postal Service will continue outreach to every mailer and support the Mailer Scorecard Hotline calls. We encourage mailers to access the Full-Service Mail Quality Metrics and reach out to local USPS BMEU staff for assistance. Any irregularities or questions with the Mailer Scorecard should be reported through the webinar hotline calls, PostalOne! Helpdesk at 800-522-9085 or via email at postalone@usps.gov. Include the phrase "Mailer Scorecard" in the subject line of the email. Below is dial-in information for the Mailer Scorecard Hotline Webinar that will be held every Wednesday and Friday at 2PM (EDT). Go to: https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=m2dd28be6eb27b3fcc6c6c0e3

4ad2bf0f.

Teleconference information: Provide your phone number when you join the meeting to receive a call back. Alternatively, you can call:

Call-in toll-free number: 1-855-8607461 (US) Call-in number: 1-678-3172063 (US) Conference Code: 472 163 0566

Postal Regulatory Commission:

- R2017-1 Comments of the Association for Postal Commerce http://www.prc.gov/docs/97/97719/PCom%20R2017-1.pdf
- R2017-1 Comments of the American Catalog Mailers Association (ACMA) http://www.prc.gov/docs/97/97720/ACMA Comments R2017-1.pdf
- R2017-1 Comments of Small Business & Entrepreneurship Council http://www.prc.gov/docs/97/97724/PostalCommComments11-1-SBEC.pdf
- R2017-1 Comments of Pitney Bowes Inc. http://www.prc.gov/docs/97/97712/PB%20R2017-1%20Comments%20(11.1.16).pdf
- R2017-1 Comments of Taxpayers Protection Alliance (TPA) http://www.prc.gov/docs/97/97710/TPA%20PRC%20Docket%20R2017 1.pdf
- R2017-1 Valpak Direct Marketing Systems, Inc. and the Valpak Franchise Association, Inc. Comments on The United States Postal Service Notice of Market-

Dominant Price Adjustment

http://www.prc.gov/docs/97/97714/Valpak%20R2017-1%20Comments.pdf

R2017-1 Public Representative Comments
 http://www.prc.gov/docs/97/97715/PR%20Comments%20Attachment%20A.xlsx
 http://www.prc.gov/docs/97/97715/Public%20Representative%20Comments.pdf

- R2017-1 Comments of the Greeting Card Association
 http://www.prc.gov/docs/97/97691/R2017-1 GCA Comments.pdf
- R2017-1 Comments of the National Association of Presort Mailers, National Postal Policy Council, Major Mailers Association, and Association for Mail Electronic Enhancement http://www.prc.gov/docs/97/97707/NAPM_joint%20Comments%20Docket%20R2017-1.pdf
- R2017-1 Comments of Stamps.com
 http://www.prc.gov/docs/97/97678/Stamps%20com_Comments.pdf

U.S. Postal Service: The USPS filed an errata in the 2017 price change. It affected nonprofit and a few regular ECR plus pound prices. Nonprofit Standard Mail ECR Flats | Nonprofit Standard Mail ECR Letters | Standard Mail ECR Flats

USPS Office of the Inspector General: Names (and Prices) They Are a-Changin'. At one time, it was called Third-Class Mail. Today, it's known as Standard Mail. In 2017, it will be called Marketing Mail. The U.S. Postal Service has proposed a name change for Standard Mail to better signal to customers that this mail is used primarily to market a product or service. This rebranding to Marketing Mail is part of the recent rate filing the USPS made with the Postal Regulatory Commission to change prices, including a 2-cent increase in the price of a stamp, returning it to 49 cents. If you remember, back in April, the Postal Service rolled back the stamp price to 47 cents. Those rollbacks end on January 22, 2017, when the new rates are slated to take effect.

Federal Register:

Postal Regulatory Commission New Postal Products, 75861 [2016–26379] [TEXT]

Postal Service

- Changes in Rates and Classes of General Applicability for Competitive Products, 76092–76218 [2016–25955] [TEXT]
- Priority Mail Express Negotiated Service Agreement, 75861–75862 [2016–26274] [TEXT]
- Priority Mail Negotiated Service Agreement, 75861 [2016–26282] [TEXT] 75861 [2016–26276] [TEXT] 75862 [2016–26277] [TEXT] 75862 [2016–26278] [TEXT] 75862 [2016–26281] [TEXT]

NATIONAL NEWS

<u>Denver Post</u>: The head of the union representing postal carriers, accompanied by an energized Gov. John Hickenlooper, on Monday denounced remarks made by GOP presidential

candidate Donald Trump over the weekend that raised questions about the integrity of Colorado's mail-ballot election. Doug Jaynes, the president of the Colorado State Association of Letter Carriers, called Trump's remarks during a Saturday rally in Golden in which the candidate talked about mailed-in ballots being potentially thrown away an "insult" to his profession. Hickenlooper, a Democrat, touted the integrity of the U.S. Postal Service and asked in a scoffing tone how postal carriers would even know which ballots to discard if they were engaged in such activity.

INTERNATIONAL NEWS

ARGENTINA: American Shipper: The national postal carrier of Argentina has tapped Deutsche Post DHL Group to provide expertise in logistics services, supply chain infrastructure, and domestic and international parcel service as part of an overall operational restructuring, DHL said in a statement. In addition to carrying the mail, Correo Argentino is looking to establish itself as the top logistics services provider in Argentina, according to DHL. For Deutsche Post DHL Group, the agreement includes a higher level of participation of its DHL Express service in Correo Argentino's 1,500 points of sale throughout the country, as well as future collaboration in the e-commerce area.

SINGAPORE: ZDNet: Singapore Post (SingPost) has launched a new three-storey facility that features a fully-automated parcel sorting system that can process up to 100,000 parcels a day.

ROMANIA: Romania-Insider: The postmen's union reached an agreement with the Romanian Post's management on the salary increases and will end the general strike.