



## **Association for Postal Commerce**


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### **Postal News from February 2010:**

#### ***February 28, 2010***

 The [Courier, Express, and Postal Observer](#) has told its readers that "USPS finances marked steady improvement on a month-by-month basis in its first fiscal quarter. These improvements allowed it to earn a small operating profit in the December and a smaller than forecast loss for the quarter. The improvements while promising do not suggest that within the foreseeable future the Postal Service can earn a sufficient operating profit to sustain the enterprise even if its retiree obligations are removed. What does the data tell us?"



The [agenda for the March 11 meeting](#) of the State Department postal advisory group has been posted on the State Department web site.




Hellmail has reported that "In a joint effort, the Ukrainian postal service and the Ukrainian Ministry of Internal Affairs have been looking at ways to reduce postal crime. Due to an increase in crime due to social tensions within the Ukraine (a result of the financial crisis) Ukrposhta is seeing a rise in the numbers of reported crimes against the post offices and their employees.



[Arutz Sheva](#) has reported that "The Israel Postal Company chose Sunday, the day most of the country celebrated the joyous holiday of Purim, as the day on which it began its distribution of gas masks to the nation's residents, ranging from infants to adults." Concerns Regarding Postal Inspection for Move Update

#### ***February 27, 2010***

 The [Wilkes Barre Times-Leader](#) has reported that "Letter carriers and internal operations will be transferred from the Kingston Post Office to the Wilkes-Barre Post Office beginning today, said Wilkes-Barre Postmaster Judith Lech. click image to enlarge Letter carriers and operations at the Kingston Post Office are being transferred to Wilkes-Barre. Don Carey/The Times Leader Select images available for purchase in the Times Leader Photo Store Lech said the transfer is due to overcrowding at the Kingston Post Office at Wyoming Avenue and Pierce Street, which operates as a substation of the Wilkes-Barre Post Office. Regional postal processing operations were moved out of the Wilkes-Barre facility last year. Customer service will remain the same at the Kingston facility, Lech said."





## ***Nashville Postal Forum***


***April 11-14, 2010***


***The National Postal Forum workshop schedule is now available online! This is the premier mailing industry event. Do not miss this opportunity! Start planning your 2010 National Postal Forum experience. And REGISTER! Early bird registration ends February 12th.***


***[View The 2010 Nashville Session Matrix](#)***  
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 [North Texas e-News](#) has reported that "Inspectors with the U.S. Postal Inspection Service (USPIS) arrested Norris Lynn Fisher, 62, on a mail fraud charge outlined in a federal criminal complaint filed yesterday, and unsealed today, announced U.S. Attorney James T. Jacks of the Northern District of Texas."


 The [Daily Mail](#) has reported that "First class post has plunged to its worst performance in more than a decade. Figures last night laid bare the crippling impact of the strikes by militant postmen which caused five months of chaos last year. Nearly one in four letters sent by first class post did not arrive the next working day. The target is 93 per cent, but the actual performance was 78 per cent. The price of a first class stamp, currently 39p, jumps to 41p in April, following a series of inflation-busting rises. A stamp cost just 27p a decade ago. Even second class post, which has a more relaxed timetable to arrive within three working days, failed." See also [Consumer Focus](#) and [The Telegraph](#).

 [KBSRadio](#) has reported that "The Canadian Union of Postal Workers is speaking out after disciplinary notices were sent to two members. Spokesperson John Bail, National Director of the Pacific Region, say the Union leaders are being threatened for talking to MP Alex Atamanenko about cutbacks in service in their communities after the amalgamation of the Rossland, Trail and Castlegar Post Offices. Alex Atamenanko says the community wasn't consulted on plans, something the Canada Postal Service Charter states must happen at least a month before any changes. The union says Canada Post also amalgamated Cranbrook with Kimberley in the East Kootenay without a word to the public. Bail says the disciplinary notices fly in the face of freedom of expression."

 [Air Cargo World](#) has reported that "FedEx Trade Networks, the ocean and airfreight forwarding arm of FedEx, has opened offices in Brussels, Manchester, London, Mumbai, Chennai and Mexico City."

 The [Washington Post](#) has reported that "Postmaster General John E. Potter defends the U.S. Postal Service against five misconceptions, writing in Sunday's Washington Post just days before the nation's mail service is expected to outline significant changes in its business plan. Potter's five myths: 1. The Postal Service wastes taxpayer dollars. 2. The Postal Service is inefficient. 3. Mail is not reliable. 4. The USPS is not environmentally friendly. 5. The USPS can't compete with the private sector. Regarding the fifth myth, Potter notes that UPS and FedEx are two of the Postal Service's biggest customers."

 From [PRNewswire](#): "On February 8, the Government of Japan released a "Postal Reform Preliminary Draft" ("Preliminary Draft") that lays out the government's framework for Japan Post restructuring. According to the government, the contents of the Preliminary Draft constitute the basis for deliberations on a final government legislative draft to be submitted to the Diet in March 2010. The Preliminary Draft contemplates a number of measures that, if implemented, would be inconsistent with Japan's international obligations and best practices to provide a level playing field between the Japan Post entities and private banks, insurers, and delivery companies and to refrain from special favors that would give Japan Post an unfair competitive advantage."

 [At the Postal Regulatory Commission](#): **[Docket No. R2010-3](#)**: "The Postal Service hereby provides notice, pursuant to 39 U.S.C § 3622 and 39 C.F.R. 3010, that the Governors have authorized the Postal Service to adjust the prices for its market-dominant products, Standard Mail letters and flats. The Postal Service intends to implement another Standard Mail Volume Incentive Pricing Program ("Summer Sale 2010") similar to the Summer Sale previously introduced by the Postal Service in May 2009. The Summer Sale 2010 will give eligible companies

a 30 percent postage rebate on qualifying Standard Mail above a predetermined threshold. This adjustment will take effect on July 1, 2010 at 12:01 AM and expire on September 30, 2010 at 11:59 PM."

*February 26, 2010*



The latest issue of the [PostCom Bulletin](#) is available online. In this issue:

- This week the Association for Postal Commerce (PostCom), Alliance of Nonprofit Mailers, American Business Media, Direct Marketing Association, Magazine Publishers of America Inc., and National Postal Policy Council joined together in submitting reply comments in the Annual Compliance Report 2009, Docket No. ACR2009 before the Postal Regulatory Commission (PRC).
- The U.S. Postal Service provided its data collection on the 2009 Standard Mail Volume Incentive Program, or Summer Sale. The Summer Sale generated \$72.5 million (net of rebates paid) and \$24.1 million in contribution or profit.
- The U.S. Postal Service this week has requested the Postal Regulatory Commission (PRC) to conduct a review of determinations made by the Office of Personnel Management (OPM) regarding the USPS' Civil Service Retirement System (CSRS) liabilities. The Postal Service wishes the PRC to consider matters raised in a recent report of the Office of Inspector General (OIG).
- The USPS on February 19, 2010, advised customers through its DMM Advisory that it has revised its final rule on flats deflection standards. Although the rules still will take effect on June 7, 2010, the implementation of postage consequences has been deferred until October 3, 2010.
- In a perspective published in the Postal Journal, postal commentator Robert Cohen has asked: "Should the Postal Service pursue a last mile strategy? A strategy that emphasizes delivery and deemphasizes the Postal Service's retail, processing and transportation functions, which are outsourced. The Postal Service's rate structure provides a very good reason for it to focus on a last mile strategy. Almost 80 percent of mail is workshared, and it receives discounts based on costs avoided in processing and transportation. Since there is virtually no overhead contribution associated with the implicit charges for upstream activities, almost all the overhead is generated by the delivery function. This is a consequence of the Efficient Component Price (ECP) method of setting worksharing discounts (i.e., discounts are set equal to the avoided USPS cost)."
- As part of its 'mail smarter' focus, the author recommends mailers do the following to reduce Undeliverable-As-Addressed (UAA) mail and to get the greatest response from their mail campaigns.
- Postal commentator Gene Del Polito offers some thoughts on the Postal Journal blog on a future postal business model: "In Search of An Alternative to Winding Things Down."
- According to the Courier, Express, and Postal Observer, "the Postal Regulatory Commission held its public forum on the Postal Service's Annual Compliance Review (ACR) yesterday. The tenor of the discussion suggests that the Commission facing the challenge in this proceeding of walking the fine line between the law and disaster."
- According to Deadtree Edition, "the Postal Service released final "droop" regulations this week that give small newspapers a break but are otherwise full of problems for mailers of catalogs, magazines, and other flat mail. The rules, which are to be fully implemented Oct. 3, will be an especially hard blow to tabloid-sized publications and to skinny magazines, catalogs, and retail flyers. And they might prove to be a hindrance for co-mail operations – which postal officials have touted as an ideal way to reduce both mailers' and Postal Service costs. The regulations will impose a significant penalty on mail that fails a new flats deflection test, commonly referred to as the droop test, which is supposed to determine whether mail is well suited to the Postal Service's sortation equipment."
- According to the Courier, Express, and Postal Observer, "the decision by the Postal Service to eliminate one day of delivery is equivalent to a decision that a business in triage makes. Given the substantial losses, even discounting the retiree issues, the Postal Service had no choice but to find a way to cut costs faster than its current cost cutting efforts had produced. Specifically, it needed to find a way to cut costs by between \$2 and 4 billion above and beyond existing efforts in order to survive."
- According to the Courier, Express, and Postal Observer, "mailers face greater uncertainty today than ever before about the future of the Postal Service. Mailers face the real possibility that rates could begin rising faster than inflation in 2011 and beyond if the Postal Service's volume projections do not pan out or Congress fails to make all of the changes necessary to ensure a viable postal enterprise. The face the


likelihood of less service as the Postal Service switches to 5-day service and less certain service as the inevitable glitches arise during the transition. So what should a mailer do?"

- According to Rag Content, "the expression "easier said than done" comes to mind when talking about the USPS being overcharged \$75 billion for its share of the CSRS pension payments identified by the USPS's Office of Inspector General. Although it is easy to ask Congress to give back the overpayment, it is much harder for it to actually happen."
- PRC to hold open meeting. USPS dropship checklist now available. Senate sitting on 290 bills passed by House - including postal aid. Sox compliance goes postal on NM papers.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Editorial Correction
- New At The Postal Journal
- Postal Previews


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 [PostEuropNEWS](#) is a quarterly electronic publication whose objective is to provide Members and postal stakeholders with regular updates on the activities of PostEurop and its Members. It gives readers several opportunities to contribute to the Newsletter. [Check it out.](#)


 As [Air Cargo World](#) has noted, "Express and parcel volumes began to increase in the second half, but the gains were offset by shrinking volumes in TNT's domestic Dutch mail business."


 [Stuff.co.nz](#) has reported that "State-owned New Zealand Post Group has recorded a 19.4 per cent fall in interim profit, which it attributes to the global economic downturn and increasing competition."


 As [WWBT](#) has noted, "You can call it "cooperatition" or cooperative competition. Companies like FedEx, UPS and DHL are using the Post Office to deliver some of your packages. Chances are if you have a package shipped to your home by one of these major companies, the Post Office may also play a big part in it getting there, or at least the last mile. The Post Office receives money from companies like FedEx, DHL and UPS to continue delivery through the last leg of a package's destination."


 From [CanadaNewswire](#): "When UPS Canada picked up its first shipment in 1975 at Butterick Fashions Marketing in downtown Toronto - using a Checker cab - no one could have imagined where the company would be today. Thirty-five years later, UPS Canada is connecting its Canadian customers with markets all over the world, utilizing 11,000 employees and 54 package operations facilities located throughout the nation."


 From [Marketwire](#): "In a year marred by highly publicized privacy mistakes and missteps, American Express quietly retained its position atop the list of brands most trusted by U.S. consumers, according to the Ponemon Institute's annual Most Trusted Companies for Privacy Study. It is the fifth consecutive year that American Express earned the Most Trusted for Privacy distinction. IBM, Johnson & Johnson, Hewlett Packard, and E-Bay rounded out the five top-rated companies."


 [WBZ](#) has reported that "Citibank says it sent 600,000 people envelopes with the Social Security numbers printed on the outside. Citibank learned of the breach when a customer called to ask them about it. It happened in January when Citibank sent out year end tax statements to Citibank mortgage and home equity loan customers. The numbers resembled a routing number on the envelope. Citibank has arranged for those customers to enroll in a free credit monitoring service."


 [KECI](#) has reported that "Search crews are scouring parts of the Bob Marshall Wilderness today for two Priority Mail bags. Alpine Air regularly delivers mail from Billings to Kalispell, but an airplane hatch opened Saturday somewhere over the Bob Marshall. The plane carried about 3,000 pounds of mail. Postal workers aren't sure any mail is missing. If it is, we're told it's likely only two bags, which equates to about 25 packages. Right now, searchers are looking for two bright orange mail bags, but weather's been hampering efforts."


 [KPTH](#) has reported that "The Sioux City postal branch is hoping to make business a little smoother. The local processing and distribution facility handles most of the mail in northwest Iowa and invited local businesses for a tour. The open house is designed to cut down on extra work and save money for customers with bulk mail orders."

 From [PR.com](#): "NextMark, Inc., a leading provider of direct marketing tools and resources, today announced the re-launch of its free online mailing list finder. The renovations include easier searching, expanded information, a streamlined request for information (RFI) process, better identification of preferred providers, and a revamped design. Online marketers may also add the free marketing widget version to their web sites and blogs."

 According to [Parcel2Go](#), "Talks between Royal Mail bosses and Communication Workers Union officials aimed at averting a postal strike are set to conclude next week."


 The [Azerbaijan Business Center](#) has reported that "he Azerpocht LLC of the Azerbaijani Ministry of Communications and Information Technologies starts rendering services in above-ground mailing units to Nahchivan Autonomous Republic through Iranian territory."

 From [Federal Business Opportunities](#): "The United States Postal Service intends to award an Indefinite Delivery Indefinite Quantity contract for Advanced Metering and Controls for an Energy Management System. The purpose of this RFP is to invite qualified suppliers of energy monitoring and metering systems to provide their "Energy Management System" (EMS) solution to the USPS meeting our requirements outlined within the solicitation."


 *[As we see it](#), here is how we would line up the comments submitted to the Postal Regulatory Commission in response to its proceedings on the Postal Service's Annual Compliance Determination docket.*



The [Prescott Report](#) has told its readers that "We are about to send out an email to our colleagues who have expressed an interest in our Address Association project. The purpose of this project is to engage postal systems and policy-makers on behalf of the data processing industry and all those companies who depend on healthy postal address databases. For several years we have been concerned that the postal systems are not creating healthy databases, are not creating accurate change-of-address services, are not promoting good list hygiene to the mailing community. Accuracy and currency are becoming ever more important as the "postal business" sees a fall-off in huge bulk volumes and the remaining serious and professional direct mail moves to more and more expensive packages. In addition, with the spectacular growth in e-commerce has come a spectacular growth in parcel traffic."

 [Deadtree Edition](#) has told its readers that "The U.S. Postal Service is installing Flats Sequencing System machines at a rapid pace but is still overhauling the schedule for future installations. Only 11 of the massive machines are up and running, which is about eight months behind the early-2009 schedule for the system that is supposed to revolutionize the handling of catalogs, magazines, and other flat mail. But another 39 installations will be complete by the end of July, postal officials said at last week's MTAC (Mailers Technical Advisory Committee)

meeting. That would put the program less than six months behind the original schedule. But what happens after July isn't clear."

 [One of Hellmail's writers](#) has noted that he was "reminded of how our company used to be in the dark and distance past. In those times our delivery personnel took a pride in getting through to the customer, no matter what the conditions. It was also done with a sprit of 'job well done' when, following a bad day, the employee could at least go home feeling that he had surpassed himself! More importantly, there was little or no competition; everyone used Royal Mail, Royal Mail Parcels, Post Office Counters or whatever it was called, to entrust with and deliver their post. In those times, and when you think about it, I am talking about the culture that existed prior to 1969 when to my mind; a chain of events commenced which put us on the [different] path."


 *From the Federal Register:*

### **Postal Regulatory Commission**


#### **NOTICES**


New Postal Product ,  
9005 [2010-3906]

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 [Marketing Daily](#) has reported that "Marketers looking to reach consumers via digital and mobile media would be wise to consider the age of their target consumer, and tailor the method of delivery accordingly. "Things are changing, and they change by demographic and age," Bill Tancer, general manager of global research at Experian Marketing Services, tells Marketing Daily. "You have to keep in mind the age group you're marketing to in terms of creating a campaign." According to Experian's "The 2010 digital marketer: Benchmark and trend report," adults 18-34 prefer instant messaging, text messaging, cell phones and social networking sites as their main sources of information and entertainment. Consumers older than 50, however, prefer the Internet to their mobile phones."

*February 25, 2010*

 The [Star-Ledger](#) has reported that "A 27-year veteran of the United States Postal Service was arrested Monday for pilfering \$500 in gift cards and several DVDs from the mail he was tasked with storing at the city's main post office, authorities said. The alleged thief was also seen rifling through the mail of State Sen. Ronald Rice several times last month."

 [Indian Express](#) has reported that "The CBI on Thursday arrested Chief Postmaster General (Maharashtra and Goa) Manjit Singh Bali for allegedly accepting a bribe of Rs 2 crore. Bali has been booked for conspiracy and corruption along with two alleged middlemen, a father-son duo of Arun and Harsh Dalmiya. The bribe, said CBI sources, was meant for procuring a no-objection certificate (NOC) for development of a private plot where a post office is coming up."



The following reports have been posted today on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning the report, please contact Agapi Doulaveris at 703.248.2286.

- [Controls Over Money Orders \(Report Number FT-AR-10-009\)](#)
- [Handling and Transportation of Large and Lightweight First-Class Mail Parcels \(Report Number NL-MA-10-001\)](#)
- [Dallas Processing and Distribution Center Outgoing Mail Consolidation \(Report Number NO-AR-10-003\)](#). We concluded that a business case exists to support consolidating the Dallas Processing and Distribution Center's (P&DC) outgoing mail operation into the North Texas P&DC. Opportunities exist to consolidate mail processing operations where plants are in a close proximity to one another. As a result of

this consolidation, the Postal Service could save more than \$11.9 million annually for a total economic impact of more than \$114 million over a 10-year period.

- [U.S. Postal Service Ethics Program \(Report Number FT-AR-10-010\)](#). The Postal Service designed an ethics program that complies with federal regulations. For example, it designated an ethics official for the agency and provides an annual report on the Postal Service's ethics program compliance to the Office of Government Ethics (OGE). Additionally, the Postal Service has voluntarily complied with aspects of section 406 of Sarbanes-Oxley and developed an automated system to track and review annual financial disclosure submissions. Based on this voluntary compliance, we identified areas that, if addressed, would increase the operational effectiveness of the program and enhance its current design.

[Property & Casualty](#) has reported that "Despite budget cuts and the growing strength of social media, insurance firms continued a heavy reliance on direct mail to get their message out, a research firm reported."

[The Postalnews blog](#) has reported that "Ashford University, an online division of Bridgepoint Education Inc, announced that it had entered into "a national alliance agreement" with the United States Postal Service. Under the agreement, "the USPS and its 623,000 employees will receive significant cost savings through the waiver of various fees and a prior learning credit evaluation toward their Ashford University degree program". The USPS already has similar agreements with other online "universities", including the University of Phoenix."

[DC Velocity](#) has reported that "The U.S. Commerce Department wants to mobilize small to mid-sized businesses to begin or expand their exporting, and it has enlisted the aid of two delivery companies in an effort to get the job done. On Feb. 19, Commerce and UPS Inc. announced a joint effort under which UPS will identify small- and medium-sized companies that currently export to just one market, analyze data about the companies, and suggest possible new markets for them based on various factors, including industry, geography, currency, and market access. The companies will then work with trade specialists from the U.S. Commercial Service, a division of Commerce's International Trade Administration (ITA). The trade experts, who are stationed in 77 countries around the world, will design strategies to identify new market opportunities and find buyers in existing markets to expand the companies' ability to sell their products and services, Commerce said. Meanwhile, the U.S. Postal Service announced on Feb 24 that it would work with ITA to support small- and medium-sized businesses interested in establishing an export program or expanding one already in place. The post office said it would manage the joint effort through its Global Business group."

[Here's an item you won't see often. It's a book: "\*\*Dear Granny Smith: A Letter From Your Postman?\*\*"](#) *It an insider's view of the British postal service, the Royal Mail, as told by a working postman. It's available in the United States from Amazon at this address: <http://www.amazon.com/Dear-Granny-Smith-Letter-Postman/dp/190602197X> or from the UK here: <http://www.amazon.co.uk/Dear-Granny-Smith-Letter-Postman/dp/190602197X> The book was widely reviewed in the mainstream press and read out as the Book of the Week on BBC Radio 4 in December 2009. It reached number 32 in the Amazon chart, making it an official best-seller. You can read more about the book, reviews, and other reflections on the state of the postal industry here: <http://roymayall.wordpress.com/>*


[Hellmail](#) has reported that "Satellite Distribution Limited has been granted a licence by Postcomm, the UK postal regulator. The company intends to offer a letter delivery service for business customers in the Greater London area. Satellite Distribution brings the total of licensed operators, including Royal Mail, to 46."

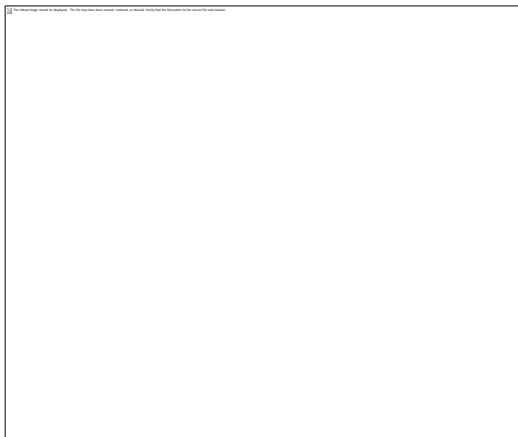
 *At the Postal Regulatory Commission:*  
**Postal Regulatory Commission**

**NOTICES**


New Postal Product ,  
8758-8759 [2010-3788]


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 The [Malta Independent](#) has reported that "Speaking at the annual general meeting held at Corinthia San Gorg, MaltaPost chairman Joseph Said reported to shareholders that over the past year, MaltaPost improved its service to unprecedented levels. This he said was shown by the many awards the company received over the past months. MaltaPost received the Universal Postal Union Quality of Service Award for the implementation of reform in distribution. PostEurop, following an independent assessment, acknowledged the level of excellence reached in process management while, just a few days ago, the International Postal Corporation classed Malta in second place among 34 European countries on the basis that 96 per cent of international mail reaches Malta within 24 hours. Considering that MaltaPost handles over 200,000 items of mail daily, these achievements are considered to be commendable."



*February 24, 2010*

 *At the Postal Regulatory Commission: Docket No. R2009-3:* "In accordance with Commission Order No. 219, [the Postal Service hereby provides](#) its data collection report on the Standard Mail Volume Incentive Program (or "Summer Sale"). Data reconciliation has been an ongoing process, and as a result, the Postal Service delayed the filing of this report in order to resolve as many issues as possible and provide more meaningful and accurate data."

 According to [Rag Content](#), "The expression "easier said than done" comes to mind when talking about the USPS being overcharged \$75 billion for its share of the CSRS pension payments identified by the USPS's Office of Inspector General. Although it is easy to ask Congress to give back the overpayment, it is much harder for it to actually happen."

**POSTAL JOURNAL** In an article published in the [Postal Journal](#), postal commentator [Murray Comarow](#) has said that "The behavior of Congress toward the Postal Service has been both baleful and unclear. It lacks even the clarity associated with its abuse of the Defense appropriation bill which contains \$4 billion for equipment that Secretary Gates and the Joint Chiefs said they don't need or want."

**POSTAL JOURNAL** Postal commentator [Robert Cohen](#) shares his thoughts with the [Postal Journal](#) on whether the USPS should develop a last mile strategy.

 In case you missed it....[http://ribbs.usps.gov/intelligentmail\\_latestnews/documents/tech\\_guides/DropChecklist.pdf](http://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/DropChecklist.pdf)

 This week at [Postal Technology International](#) magazine:

- USPS awards ZAP Engineering contract for electric mail truck.
- Artificial Intelligence doctor joins Prime Vision
- Improved earnings for Norway Post



- FedEx Trade Networks continues global expansion
- PostEurop launches green fleet forum
- A fresh start for Croatian Post

🇬🇧The [Financial Times](#) has reported that:

🇺🇸 "There is not . . . a rationale for public funds protecting and supporting essentially proprietary and speculative activities." Last weekend, these words by [former Federal Reserve chairman Paul Volcker](#) – the basis of the so-called Volcker Rule – enjoyed the support of no less than five ex-Treasury secretaries. All agree that taxpayers should not provide a backstop for speculation. But it is a tricky distinction: almost everything a bank does is a punt. If all is speculation, how to reconcile this with state-guaranteed funding? Splitting up banks is one solution, as is far higher capital ratios. **A more radical proposal would be to allow non-insured deposit banks. Banks would offer higher rates on deposits in return for being allowed to speculate without a government safety net. Conservative citizens, meanwhile, could bank with the post office.**

🇳🇱 [Sustainability](#) has been a trendy, if sometimes derided, concept for some time in business circles. Now it appears to be becoming a buzz word in executive remuneration. DSM and TNT, the Dutch life sciences group and postal operator respectively, this week join a multiplying band of companies - predominantly from the Netherlands - that link part of the bonuses senior managers receive to sustainability, an all-encompassing term that refers not only to the environment but to issues such as employee satisfaction and safety.

🇺🇸The [Indianapolis Star](#) has reported that "A post office worker who admitted taking 450 Netflix movies from the mail for himself and members of his family has been sentenced to two years' probation. U.S. Attorney Tim Morrison says U.S. District Judge Richard Young also ordered Ricky Alsip to pay \$5,413.50 in restitution and perform 40 hours of community service."


🇨🇦The [Penticton Western News](#) has reported that "The union representing postal carriers claims that an arbitration hearing has offered a less-than-flattering picture into the labour relations philosophy of Canada Post — a charge which Canada Post challenges. The hearing revolved around whether a local relief letter carrier had delivered a business flyer. Canada Post had terminated the carrier after an investigation apparently revealed that the carrier had failed to deliver the flyer to a local business. Yet the customer later found the flyer, confirming its delivery. The dispute eventually ended up in front an arbiter, who rescinded the letter carrier's discharge."


🇬🇧The [Streatham Guardian](#) has reported that "Royal Mail bosses have agreed to an urgent meeting to discuss the poor standard of service in Streatham."


🇨🇦[Embassy Mag](#) has reported that "Canada Post, provincial liquor boards across the country and Ontario's new Green Energy Act are all being targeted by the European Union in its trade talks with Canada, confidential EU briefing notes show. While none are considered deal breakers, several touch on long-standing irritants between the two sides and go a long way to revealing just how far-reaching a deal negotiations are hoping for. Last May, the Ontario government passed the Green Energy Act. The intent was to lay the foundation for a new renewable energy industry in the province."


🇸🇪The [Swedish Wire](#) has reported that "The state-owned postal service proposes 200 million dollar in dividend to its owners – as it plans to cut 2,000 jobs."


🇲🇹[Gozo News](#) has reported that "MaltaPost p.l.c. has said that it is committed to play a leading and effective role in society while also tangibly proving itself to be a responsible and caring institution in the community in which it operates. As part of MaltaPost p.l.c.'s Corporate Social Responsibility it supports initiatives related to the reduction of the carbon footprint which has become a significant element in today's world."


 The [Press Trust of India](#) has reported that "Courier and postal services have become common means of smuggling narcotic drugs from India which is also being used as a transit point for heroin consignments, an international narcotics watchdog has said in its latest report released today."


 [FedSmith](#) has noted that "The U.S. Postal Service is delivering letters and packages bound for members of the U.S. Armed Forces deployed to Haiti as part of Operation Unified Response. The initial wave of military mail is flowing into Toussaint Louverture International Airport at Port-au-Prince in coordination with the Military Postal Service Agency (MPSA) to support the overall USAID effort in Haiti."


 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:


 '2009 is likely to be a very difficult year' (CEP-News 08/09). This estimation of TNT's CEO Peter Bakker, expressed in February last year, was obviously right. Despite savings of 527m euros TNT earnings plummeted by 34%. The Dutch company announced an operating profit (actual ebit) of 648m euros for 2009 on Monday this week. Revenue fell by 5.3% to 10.6bn euros.


 'We are very pleased with our results in 2009 and the fact that they were better than in 2008'. Dag Mejdell, CEO of Posten Norge AS, presented a considerably increased result despite a decrease in turnover (3.38bn euros, -5.4%). At 60m euros Ebit surpassed last year's result by almost 34%. Excluding non-recurring items and write-downs the result even increased by almost 50%.


 In Germany, the co-operative group of so-called Volks- and Raiffeisen banks intends to start postal operations.


 'Liberalisation in Austria bears a risk for us'. Therefore Austrian Post's CEO Georg Pözl wants to increase efficiency and save costs.


 Royal Mail intends to raise additional funds by sale and lease-back some of its mail sorting centres.


 The responsible advisory council has requested the German Federal Network Agency to resume the monitoring of mail delivery performance.


 Apparently there have been attempts to rig Royal Mail's performance monitoring.


 Andreas Mundt, the new president of Germany's Federal Cartel Office, sees no need to split up Deutsche Post to initiate competition in the postal market.


 Posten Norden will cooperate with retail chain Coop Norge on parcel delivery.


 The Mexican transport and courier company Estafeta, possibly the largest CEP provider in Mexico, was able to increase revenue in 2009 despite economic crisis.

 Polish Poczta Polska increased turnover by 2.6% last year.

 Korea Express, arguably the country's biggest CEP and logistics operator, targets an increase of turnover and profit this year.

 Schweizerische Post's financial services division PostFinance, was able to almost double its earnings in 2009.

 According to Wolfgang Stölzle, professor for logistics management at St. Gallen University, an increased commitment of Swiss Post in the international logistic services would have 'many growth areas'.

 Britain's competition watchdog, the Office of Fair Trading, has cleared the sale of DHL's domestic parcel business.



The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. *To learn more about the stories reported above, contact [CEP News](#). (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)*



**POSTCOM MEMBERS!!** The latest issue of PostCom's [PostOps Update](#) has been posted on this site. In this issue:

- Flats Deflection Requirements Price Consequences Delayed
- USPS Acknowledges [another] ACS Glitch
- USPS Tightens Up Acceptance Practices
- USPS to Allow Additional Booklet Formats
- IMb Use on the Rise
- USPS Mulls over IMb Release Schedule
- Still Working the IMb Issues
- What's in the March 14 Release 3?
- Barcode Readability Threshold Increases March 15
- IMb Mailing Quality Feedback Reports Available
- USPS Exploring EMD Solution...But Not Before March Cut-Off Date
- Folded Self-Mailer Proposed Rule Still in the Works
- USPS Explains PostalOne Outage; Contingency Plans
- USPS Reports Steady Progress in Move Update Compliance
- USPS Data Suggests that Address Quality is Improving
- New USPS Address Quality Initiatives
- CASS/MASS Cycle N Still Set for August 2011
- Next Round of FSS Deployment
- USPS Re-Engineering MTESS Network
- USPS Continues Exploration of Secure Destruction Service
- New Workgroup to Look at ACS Data Distribution/Format
- NDC Prep Changes In the Works
- Recommendations on Eliminating Obstacles to Mail Growth



From [USA Jobs](#): **Job Title: Assistant Secretary Agency: Postal Regulatory Commission Job Announcement Number: PRC 02-01 SALARY RANGE: 124,998.00 - 153,000.00 USD /year OPEN PERIOD: Monday, February 22, 2010 to Friday, March 12, 2010 SERIES & GRADE: FG-0300-8/8 POSITION INFORMATION: Full-Time Permanent DUTY LOCATIONS: 1 vacancy - Washington DC Metro Area, DC WHO MAY BE CONSIDERED: Applications will be accepted from United States citizens and nationals.**



[Transport Intelligence](#) has reported that "utch-based express and mail company TNT has published its results for 2009, showing a decline in revenues of 6.7% from €1,152m to €1,042m and a fall in operating profit (EBIT) of 34.0%. Management stated that the fall in profits was as a result of various one-off costs and currency impairments. When excluding these, the Group underlying revenues decreased over the prior year period by 5.3% and EBIT decreased by 21.5%."



*At the Postal Regulatory Commission:*


- **Sunshine Act Meetings. TIME AND DATE:** Wednesday, March 3, 2010 at 11 a.m. **PLACE:** Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. **STATUS:** The portion of the meeting dealing with agenda items 1 through 6 will be open to the public. The remainder of the meeting (agenda items 7 through 9) will be closed to the public. The public session will be podcast. **MATTERS TO BE CONSIDERED:**
  1. Report on international activities (open).
  2. Commission participation in Congressional staff briefings (open).
  3. Status of Annual Compliance Review (open).
  4. Status of other active cases (open).


5. Update on recent activities of Joint Periodicals Task Force and status of anticipated report to the Congress pursuant to section 708 of the Postal Accountability and Enhancement Act of 2006 (open).
6. Discussion of Postal Service's March 2, 2010 presentation on its future business model (open).
7. Discussion of pending litigation (USPS v. PRC) (closed).
8. Personnel matters--compensation and senior staff goals (closed).
9. Discussion of confidential commercial information relative to Commission contracts (closed).

**CONTACT PERSON FOR FURTHER INFORMATION:** Stephen L. Sharfman, General Counsel, Postal Regulatory Commission, at 202-789-6820 or [stephen.sharfman@prc.gov](mailto:stephen.sharfman@prc.gov) (for questions concerning the agenda) and Shoshana M. Grove at 202-789-6842 or [shoshana.grove@prc.gov](mailto:shoshana.grove@prc.gov) (for questions concerning podcasting).


- [Request of the United States Postal Service for the Commission to conduct a review](#) pursuant to PAEA Section 802(C) of OPM determinations regarding CSRS.


 The [Press & Dakotan](#) has reported that "The United States Postal Service (USPS) is conducting a survey to gauge what kind of impact consolidating its Yankton operations would have on local customers."

 The [Kansas City Star](#) has reported that "The United Parcel Service will pay almost \$54,000 to the Environmental Protection Agency in an agreement related to alleged violations in Lenexa, federal officials announced Tuesday. Read more: [UPS to pay penalty for alleged EPA violations in Lenexa.](#)"


 **POSTCOM MEMBERS!!** The [presentations given at the February 2010 meeting of the Mailers Technical Advisory Committee](#) have been posted on this site.


 **IMPORTANT NEWS!!!** [Postmaster General John E. \(Jack\) Potter is hosting a conference to address the future of the U.S. Postal Service and to announce new business model.](#)


 A drop shipment customer checklist has been posted on RIBBS. It's featured on the home page at: <http://ribbs.usps.gov/> or the direct link to the pdf is: [http://ribbs.usps.gov/intelligentmail\\_latestnews/documents/tech\\_guides/DropChecklist.pdf](http://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/DropChecklist.pdf)

 According to the [Courier, Express, and Postal Observer](#), "The decision by the Postal Service to eliminate one day of delivery is equivalent to a decision that a business in triage makes. Given the substantial losses, even discounting the retiree issues, the Postal Service had no choice but to find a way to cut costs faster than its current cost cutting efforts had produced. Specifically, it needed to find a way to cut costs by between \$2 and 4 billion above and beyond existing efforts in order to survive."


*February 23, 2010*


 The [Memphis Business Journal](#) has reported that "Teamsters Canada, an affiliate of the International Brotherhood of Teamsters, has filed an application with the Canada Industrial Relations Board to represent 45 administrative workers for FedEx Ground in Mississauga, Ontario. The board is expected to render its decision within the next few weeks."


 **Press Release:** "UPS now offers new pickup options for your ground, air and international shipments. Get the reliability of a scheduled pickup at a low flat weekly rate with new UPS Smart PickupSM. It's just one of our new flexible pickup options."

 The [Financial Times](#) has reported that "The Japanese finance ministry's debt management team is in Europe this week on its first investor relations trip of 2010 and is seeking new investors for the developed world's most indebted


government. The share of Japan's \$9,670bn (£6,242bn) national debt owned by Japan Post Bank and Japan Post Insurance is in decline despite the postal system devoting ever more of its balance sheet to government bonds. A Financial Times analysis of the postal bodies' accounts shows that while they continue to buy more government bonds and financing bills, their share of the market peaked at 29 per cent in September 2008 and has already fallen by almost a full percentage point. The publicly-owned postal system has been the largest net buyer of Japanese Government Bonds (JGBs) in recent years."

 The [Wall Street Journal](#) has reported that "Postal and express group TNT NV Monday reported a 58% drop in fourth-quarter net profit due to one-offs and impairments and remained cautious about the sustainability of a recovery."

 [CommonDreams.org](#) wants its readers to "Boycott FedEx."

 [Telcom Talk](#) has reported that "India's National telecom backbone Bharat Sanchar Nigam Limited (BSNL) all set to launch unique mobile banking platform to help the mobile subscribers to transfer money electronically. According to the Operator, It will be more helpful to send money instantly in rural parts of India wherein the Banking infrastructures is yet not good. This new service will be an SMS based which will be deploy in association with India Post. With this service any one can send their money by just and SMS and the Receiver will be able to get the money with the SMS which content unique code at all post offices in across India."

 According to [The Hill](#), "Exasperated House Democratic leaders have compiled a list showing that they have passed 290 bills that have stalled in the Senate. The list of stalled bills includes both major and minor legislation: healthcare reform; climate change; food safety; **financial aid for the U.S. Postal Service....**"

 As [Advertising Age](#) has noted, "as mobile devices added capabilities, app stores took off and the dawn of e-readers and tablet computers finally arrived, magazines have pushed aggressively to participate, experiment and hopefully make money from the new opportunities presented. And with an emerging economy of app "stores," they may have found a way to get consumers to pay once again."

 *From the Federal Register:*


### **Postal Regulatory Commission**


#### **RULES**


New Postal Product ,


7951–7954 [2010–3475]

[\[TEXT\]](#) [\[PDF\]](#)


 [Hellmail](#) has reported that:

 Despite a fall in revenue as a result of the financial crisis and economic slump, [Norway Post](#) significantly increased its earnings in 2009. The earnings (EBIT) before non-recurring items and write-downs came to NOK 1,021 million, up 50 per cent compared to 2008.

 [Ukrainian state-owned postal operator Ukrposhta](#), ranks 13th as one of the 'most admired companies in Ukraine' for 2009. The findings are the result of research by the Reputation Institute.

 According to [Compliance Week](#), "news travels fast about Sarbanes-Oxley compliance—unless, apparently, you're in Clovis, New Mexico. The Clovis News Journal—paper of record for Clovis, population 37,200—announced last week that it could no longer deliver two newspapers to its subscribers around eastern New Mexico on the day of publication. The reason? Sarbanes-Oxley. "Due to the federal Sarbanes-Oxley Act and its required implementation locally by the U.S. Postal Service, the Portales and Clovis post offices no longer can provide same-day mailed service of the Portales News-Tribune and the Clovis News Journal." However, Robert Bokor, manager of mail classification in the Postal Service Pricing and Classification Service Center in New York, tells Compliance Week that the problem "isn't a SOX issue at all."

February 22, 2010

 **DMM Advisory: New MailPro Available.** The January/February *MailPro* [[HTML](#)] | [[PDF](#)] is available now on [usps.com/mailpro](http://usps.com/mailpro). You'll find informative articles on the transition of bulk mail centers (BMC) to network distribution centers (NDC), return addressing, streamlined postage statements, and much more. Customers can access current and past issues of *MailPro* online or subscribe by sending an e-mail to [mncsc@usps.com](mailto:mncsc@usps.com). Include your name, title, company name, complete delivery address, and daytime phone number.





The latest blog entry has been posted on the U.S. Postal Service Office of Inspector General's Internet site "[Pushing the Envelope](#)." The public, mailers, postal employees, and other stakeholders are invited to weigh in on the online discussions taking place. To view the site, visit <http://blog.uspsoig.gov/>.


**How is the Postal Service Managing Its Forklift and Tow Motor Fleet?** To improve efficiency and cut costs associated with the forklifts and tow motors the Postal Service uses in its mail processing facilities, a tracking system called the Powered Industrial Vehicle Management System (PIVMS) is being used. The Office of Inspector General's Network Processing directorate is interested in hearing from those experienced in using the PIVMS. Is it living up to its expectations?


 The Sixth conference on "Regulation, Competition and Universal Service in the Postal Sector" will be held in Toulouse on March 25-26, 2010. Please register as soon as possible. On-line registration for conference attendance is now available at the following address: [http://www.idei.fr/conference/postal\\_sixth.html](http://www.idei.fr/conference/postal_sixth.html) The deadline for the registration is March 15th, 2010. All information about the conference are available on the web site: [http://www.idei.fr/conference/postal\\_sixth.html](http://www.idei.fr/conference/postal_sixth.html)


 [The Times](#) has a piece of Royal Mail's new chairman.


 From [Business Wire](#): "Pitney Bowes Inc. announced today that it has been named to Training Magazine's "Training Top 125" list for the second consecutive year. The company rose to No. 42 on the list, from No. 82 in 2009. The magazine publishes an annual ranking of organizations that excel in employee training and development."

 [Reuters](#) has reported that "Dutch logistics group TNT reported on Monday a 20 percent drop in fourth-quarter operating profit, dragged down by its mail unit, but beat forecasts as restructuring efforts started to bear fruit. Like larger rival Deutsche Post TNT has been struggling to cope with falling consumer demand while adapting to the liberalisation of the mail market, although it has intensified its cost-cutting efforts since the start of 2010." See also [DutchNews.nl](#) and the [Financial Times](#).


 [World Radio Switzerland](#) has reported that "Swiss Post says it will eliminate 100 jobs around the country before the end of the year. The cuts will come in the express and courier divisions where 260 people are currently employed in eight cantons."


 [Direct](#) has reported that "Given the dire state of U.S. Postal Service finances and the possibility of insolvency, mailer groups were open to the idea of eliminating Saturday mail delivery if it could truly cut expenses. But doing so would require an act of Congress and nobody expected that to happen during an election year. The earliest they see anything happening is 2011."


 [Ynetnews](#) has reported that "The Israel Postal Company's spokeswoman on Monday announced that the public will not be able to receive mail items at the postal office branches throughout the country, due to a suspicious object that was uncovered in an envelope at the Migdal Haemek branch in northern Israel. The police issued a statement that it has instructed to stop all mail delivery throughout the country due to two parcel bombs that were uncovered earlier." See also [Arutz Sheva](#).

 The [Courier, Express, and Postal Observer](#) has told its readers that "Mailers face greater uncertainty today than ever before about the future of the Postal Service. Mailers face the real possibility that rates could begin rising faster than inflation in 2011 and beyond if the Postal Service's volume projections do not pan out or Congress fails to make all of the changes necessary to ensure a viable postal enterprise. The face the likelihood of less service as the Postal Service switches to 5-day service and less certain service as the inevitable glitches arise during the transition. So what should a mailer do?"


*February 21, 2010*


 The [Honolulu Advertiser](#) has reported that "In the e-mail era, the U.S. Postal Service hardly seems plugged in — but at least it wants its vehicles to be."

 According to [Dead Tree Edition](#), "The Postal Service released final "droop" regulations this week that give small newspapers a break but are otherwise full of problems for mailers of catalogs, magazines, and other flat mail."

 The [New York Times](#) has a piece on "The Birth of Cheap Communication."

*February 20, 2010*

 [Kuensel Online](#) has reported that "Postcode to be launched tomorrow. Bhutan Post's managing director, Tsheten Gyeltshen, said they had developed numerous postcodes with help from the universal postal union (UPU). "We finally settled for a five digit numeric postcode, based on the country's administrative division," he said. The first digit of the country's postcode represents the region, east, west, north and south, the second indicates dzongkhag, then dungkhag, if any, and the last two digits denote delivery areas at general and community post offices."

 [Hellmail](#) has reported that "Austrian Post: Georg Pölzl, Chairman of the Management Board and Chief Executive Officer of Austrian Post has announced a forward plan to enable the Group to meet the challenges of a fully liberalised Austrian postal market."

 *From the Federal Register:*


**Postal Regulatory Commission**

**NOTICES**

New Postal Product ,

7634-7636 [2010-3293]

[\[TEXT\]](#) [\[PDF\]](#)

 The [St. Louis Post-Dispatch](#) has reported that "A former Festus postmaster, a postal employee and the owner of a direct mail company have been indicted in federal court in St. Louis in a \$2.9 million mail fraud scheme, prosecutors announced Friday. The crime involved the under-reporting of mail sent out by SG Print & Mail, in Park Hills, Mo., officials said."

 *DMM Advisory:*

- **Deflection UPDATE.** The *Federal Register* final rule on deflection standards will be effective June 7, 2010 (see our DMM Advisory on February 17, 2010. However, the implementation of postage consequences will be deferred until October 3, 2010. A revised *Federal Register* final rule notice will be available on Postal Explorer on Monday, February 22, 2010.
- **Intelligent Mail Services Update.** New Presentations: Three new educational presentations will be posted next week on [RIBBS>Intelligent Mail Services>Education](#): §

IMb™ Basic Option § How to Work with Your Mail Preparer § Intelligent Mail: Initial Steps for Mailers Beginner's Overview: The updated Beginner's Overview guide is being reviewed and will be posted next week at: [RIBBS>Intelligent Mail Services>Guides & Specs](#). PostalOne!® Release 24.0: The release notes for PostalOne! Release 24.0, scheduled for deployment March 14, 2010, are posted at: [RIBBS>Intelligent Mail Services>Latest News>Important Links>PostalOne! Release Notes](#). National Postal Forum: Save the date. The [2010 National Postal Forum](#) is scheduled for April 11-14 in Nashville, Tenn. Assistance: if you have any questions or problems accessing the Business Customer Gateway, your accounts, or submitting electronic documentation, please call the PostalOne! Help Desk at: 1-800-522-9085. The PostalOne! Help Desk is accessible from Canada at no charge.

 *At the Postal Regulatory Commission:*

- The [Postal Regulatory Commission has posted on its website](#) the transcript of its February 17 public forum on the issues surrounding the Postal Service's annual compliance documentation.
  - [12-Month Average Change in CPI-U](#) Prepared by Postal Regulatory Commission Last Update: 2/19/2010



The following report has been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning the report, please contact Wally Olihovik at 703.248. 2201, or Agapi Doulaveris at 703.248.2286.

- [Postal Service Absenteeism \(Report Number HM-AR-10-001\)](#). The Postal Service's total absenteeism rate for major benefits is comparable to the total absenteeism rate of the federal sector, but higher than that of the civilian sector. We identified two potential causes for the difference between the Postal Service and the civilian sector absenteeism rates — the Postal Service offers more leave benefits than the civilian sector and they offer fewer incentives for employees to accumulate leave. In addition, we determined some supervisors were not complying with attendance control procedures related to unscheduled absences. We also determined that Civil Service Retirement Service and Federal Employees Retirement System retirees use comparable amounts of sick leave in the last years before they retire.

*February 19, 2010*



The latest issue of the [PostCom Bulletin](#) is available online. In this issue:

- This week during the Mailers' Technical Advisory Committee meeting, Joe Corbett, USPS Chief Financial Officer and Executive Vice President spoke about the U.S. Postal Service first quarter results for Fiscal Year 2010. The first quarter runs from October 1, 2009 to December 31, 2009. The Postal Service experienced a net loss of \$297 million.
- U. S. Postal Service Inspector General David Williams this week told attendees of the Mailers Technical Advisory Committee (MTAC) that if the USPS had not been overcharged \$75 billion to pre-fund its retiree health benefits, it could have used that money to pay off its debt, pay off the liability on its pension fund, and cover its remaining health care funding requirements for both retirees and current employees, negating the need for the \$5 billion annual payments erroneously required under the PAEA.



- The USPS at this week's Mailers Technical Advisory Committee (MTAC) meeting unveiled more details around its plan to move to 5-day delivery/operations. According to the USPS, it has listened to and addressed many of the stakeholder concerns identified since the plans originally were shared. Of course many in the MTAC audience this week were left wondering whether discussions about the USPS' need to move to 5-day delivery/operations would be the same if Congress were to fix the \$75 billion overpayment by the USPS for its retiree health care funding (see previous article in this issue of the PostCom Bulletin).
- Ross Philo, USPS executive vice president and Chief Information Officer, this week told the MTAC meeting attendees that while he could not promise the next PostalOne outage would coincide with the next record-setting snowfall in Washington, DC, he could assure them that when these critical systems go down, the USPS "takes it very seriously."
- Tom Foti, USPS Manager Marketing Mail and Steve Monteith, USPS Manager Transactions and Correspondence spoke to the Mailers' Technical Advisory Committee (MTAC) on the preliminary results of the 2009 Summer Sale and the 2009 First-Class Mail Incentive. Foti also discussed the proposed 2010 Summer Sale and future incentive strategies.
- Jordan Small, USPS vice president of network operations, gave attendees of this week's MTAC meeting an update on the Postal Service's Network Distribution Center (NDC) initiative, reporting that Phase 4 of the network activation – which includes the last 3 NDCs – is scheduled to be completed by March 12, 2010. Small said the NDC activation to date has resulted in a 15-20% service improvement for Package Services, and significant workhour and transportation savings with little impact on customers.
- Intelligent Mail usage is growing by leaps and bounds, the USPS reported at this week's Mailers Technical Advisory Committee (MTAC) meeting. Over 7 billion pieces of Intelligent Mail barcode Full-Service mail have now been processed, representing nearly \$2 billion in revenue, Tom Day, USPS senior vice president of intelligent mail and address quality, told the MTAC group. "This is the single biggest initiative for the Postal Service," he said, "it dwarfs anything else we are working on." The USPS told the MTAC crowd that it is analyzing data to determine its compliance policies for key IMb Full-Service requirements, which it said it could begin enforcing as soon as mid-April.
- This week, the USPS' Office of Inspector General (IG) released its report on the results of its self-initiated audit of plant-verified drop shipment (PVDS) mail and postage payment at a U.S. Postal Service facility (origin facility) and then the mailer or its representative to transport the mail (drop ship) to another Postal Service facility (destination facility) to obtain postage discounts. The IG concluded that the USPS controls are not adequate to prevent mailers from adding mail or ensuring USPS receives all revenue due from PVDS.
- This week, the USPS' Office of Inspector General (IG) released its report on the results of its self-initiated audit of plant-verified drop shipment (PVDS) mail and postage payment at a U.S. Postal Service facility (origin facility) and then the mailer or its representative to transport the mail (drop ship) to another Postal Service facility (destination facility) to obtain postage discounts. The IG concluded that the USPS controls are not adequate to prevent mailers from adding mail or ensuring USPS receives all revenue due from PVDS.
- This week in the Washington Post, Joe Davidson reported on how "mail volume in the United States has fallen off a cliff in recent years. It has dropped so sharply that U.S. Postal Service officials have pleaded with Congress to allow a cut in delivery days from six to five."
- Bob Schimek, Vice President of Software Engineering for BCC Software Inc., in response to William Burrus' opinion piece that appeared in last week's Bulletin said that he was both surprised and disappointed.
- Mike Yapunchich of Experian provides an insight of how to make the most of stable postal rates.
- Mary Ann Bennett, President/CEO of The Bennett Group lays out the ten reasons why mailers should delay implementing the full service IMb.
- According to the Courier, Express, and Postal Observer, "the Public Representative performed a service for postal stakeholders in their estimates of the required rate increases to return the Postal Service to break even by 2011 under various estimates of the Postal Service's retiree obligations. These estimates represent the worst case scenarios for mailers as they assume that the return to break even could only come from increases in rates."
- Postal Service financial woes will continue in 2011. Despite budget, USPS CFO backs 5-day week. USPS acknowledges ACS glitch. Eight reasons why direct mail still works. IRS cracks down on worker status abuse. Postal Service foresees insolvency - unless Congress acts.

- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews

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 The [Financial Times](#) has reported that "DX Group, the only private postal company not beholden to another carrier for delivery of items, has beefed up its next-day service – SecureDX – to win over business customers that use Royal Mail's special delivery."


 The [Financial Times](#) has reported that "Blockbuster, the film and games rental chain, has been working with KPMG on negotiations with more than 600 landlords as part of its plans to cut costs. The Dallas-based company has been in talks with its UK landlords to reduce store numbers and costs through rent reductions. Blockbuster has considered several lease restructuring options across its national chain of shops. The company has come under competition from internet-based rivals, including postal DVD rental services such as Lovefilm.com, which has led to analysts questioning the need for large networks of regional stores. The chain has about 630 stores in the UK, its second- largest market. High-speed internet connections allow customers to download films and games. In response, Blockbuster has been introducing new business lines, such as renting and selling DVDs, games and food. There is also seen to be a need for modernisation and refurbishment in some locations."


 [Masthead Online](#) has reported that "The new Canada Periodical Fund details announced late yesterday are similar to what was outlined by the government last year but mean a completely new way for publishers to manage cash flow. The fund of about \$75 million essentially combines the existing Publication Assistance Program (PAP, the postal subsidy) and the Support for Editorial Content portion of the Canada Magazine Fund. Both programs are being shut down in favour of the new CPF. The CPF will be distributed based on the number of eligible copies

distributed in a year, rather than on mailing costs as it was in the former Publications Assistance Program which ends on March 31."


 The [Atlanta Business Journal](#) has reported that "The U.S. Commerce Department and United Parcel Service Inc. will detail on Friday a partnership aimed at boosting U.S. exports among small- and medium-sized businesses."


 [NJ Biz](#) has reported that "After considering moving the operation out of state, United Parcel Service will instead send a 650-employee Information Services group from Morris Township to Wayne, according to the commercial real estate brokerage who handled the company's new lease. UPS will move into 118,000 square feet of office space at 1655 Valley Road in August, said Tom Consiglio, principal of Parsippany-based Resource Realty, which represented the company in the deal. UPS, whose current 189,000-square-lease at 435 South St., in Morris Township, is due to expire in November, began a search for new space in January 2009, he said."

 The [Warsaw Business Journal](#) has reported that "Poczta Polska, the Polish postal service, increased revenue by about 2.6 percent last year to more than zł.6.2 billion, according to company head Andrzej Polakowski. This year, Poczta Polska plans to boost its revenue and strengthen its position in the market with the help of a drive to send more business mail. Poczta Polska still dominates the market in Poland, but private competitors are taking clients away, especially in larger cities."

 [DM News](#) has reported that "Under its revised plan to cut mail delivery to five days a week, the US Postal Service would eliminate delivery to street addresses and some processing on Saturday, but it would not close post offices. The plan requires Congressional action to be enacted. The USPS' revised plan was influenced by nearly 40 meetings with stakeholder groups, Sam Pulcrano, VP of sustainability at the Postal Service, told attendees of the quarterly Mailers Technical Advisory Committee meeting this week."

 The [Jamaica Observer](#) has reported that "the Public Sector Transformation Unit (PSTU) is moving to modernise the postal services, under a new thrust to create more efficient Government entities."

 The [Whittier Daily News](#) has reported that "The U.S. Postal Service, under pressure to trim its budget, expanded a consolidation study of the facility earlier this month. But union workers think the Postal Service is interested in closing the entire center."

 Today at [Hellmail](#):

- [The DX Introduces Competitive Special Delivery Service](#)
- [Royal Mail Interim Strike Agreement Continues](#)
- [Nightfreight Awarded 3 Year Contract By JD Williams](#)
- [Hermes Secures Largest Ever UK Home Delivery Contract With Next](#)
- [Performance Management](#)
- [Ukrposhta - Modernisation Really Is For Suckers](#)
- [Royal Mail Performance Monitoring Flawed - Postcomm](#)


 *From the Federal Register:*


**Postal Regulatory Commission  
PROPOSED RULES**

Periodic Reporting ,  
7426 [2010-3225]


[\[TEXT\]](#) [\[PDF\]](#)


"The Commission is noticing a Postal Service petition proposing a change in transportation cost system sampling. The proposal involves distributing rail costs using inter-BMC highway distribution factors. This notice briefly describes the Postal Service's rationale for proposing this change and addresses procedural steps associated with the petition. DATES: Comments are due: February 24, 2010."

 The [Courier, Express, and Postal Observer](#) has told its readers that "a previous post, "Is 5-Day Delivery Inevitable?", laid out a potential schedule for when the Postal Service could implement a switch to 5-day delivery. As the Postal Service's filing with the Postal Regulatory Commission is coming in the matter of weeks, it is worth revisiting that schedule for stakeholders to think about."

 **Press Release:** "BÖWE BELL + HOWELL (BBH) and Cenveo today announced an exclusive agreement whereby BBH will distribute Cenveo's roll-based, windowed envelope materials for the BBH® MAILStream Inveloper™. The agreement provides BBH customers with the ability to use roll-fed windowed envelopes to create highly personalized envelopes at speeds of up to 30,000 envelopes per hour. The materials can be preprinted with customer-supplied logos. The windowed material creates a First-Class or Standard Mail mailpiece, and delivers significant savings, efficiency improvements and environmental benefits."

*February 18, 2010*


 According to the [Courier, Express, and Postal Observer](#), "The Postal Regulatory Commission held its public forum on the Postal Service's Annual Compliance Review (ACR) yesterday. The tenor of the discussion suggests that the Commission facing the challenge in this proceeding of walking the fine line between the law and disaster."


 At MTAC today, Tom Foti, USPS Marketing Manager described the 2010 Summer Sale. The sale will cover a 5-month period with the sale period starting July 1 thru Sept 30. June and October will be control months. A 30 percent rebate on incremental volume will be offered above a baseline. The sale is for Standard Mail letters and flats only. The customer's baseline will equal Same Period Last Year (SPLY) numbers plus 5 percent. A downward adjustment will occur if June and October volume is below baseline. To be eligible, a customer has mailed over 360K Standard Mail pieces from July 1 thru Sept 30 2009. According to Foti, there are approximately 3,525 customers eligible or 67 percent of Standard Mail volume. Mail Service Providers are not eligible to participate.

USPS Timeline:


- File notice with PRC (late Feb)
- Invitation to participate mailed (early Mar)
- Customers register online and certify agreement with threshold volume on-line for program participation (Mar-May)
- PRC decision (mid-April)
- Sale period (July through Sept)
- Rebates to customer accts (Dec - Jan 2011)


To learn more about the USPS future pricing incentives, check out this week's bulletin.


 [Gas2.org](#) has reported that "snail mail is getting a big push from Congress to go electric and I'm not talking about e-mail. The United States Postal Service (USPS) wants to electrify its fleet and Zap motors might just do the trick. This week, the California-based company announced they are engineering an all-electric truck prototype for the mail delivery service. Full details are still unclear but U.S. Congresswoman Lynn Woolsey will tour the Zap EV facility next week "to learn more about how this federal program is creating local jobs."


 [DC Velocity](#) has reported that "Teamsters Union President James R. Hoffa yesterday called on Congress to force FedEx Corp.'s air express workers to operate under the same labor law that governs its arch-rival UPS Inc., and vowed to "organize 100,000 workers at FedEx" once that happens. Speaking at a conference of the union's brewery division in Washington, Hoffa said, "There is one law for FedEx and another law for UPS. We need to level the


playing field and when we do that, we're going to organize 100,000 workers at FedEx." Currently, workers at FedEx Express's air express unit are governed by the Railway Labor Act (RLA), a 1926 law that covers workers in the airline and railroad industries. All FedEx Express employees are covered under the RLA whether they're air-based workers like pilots, or workers who aren't directly involved in aircraft operations and maintenance, such as loaders and delivery drivers. By contrast, UPS workers, which are heavily represented by the Teamsters, are covered under a different statute known as the National Labor Relations Act (NLRA), which governs workers in the trucking and other industries. UPS has long argued that FedEx Express is the only company in U.S. transportation whose drivers, sorters, and loaders are covered by a labor law designed for airline workers instead of ground-service employees."


 [Logistics Online](#) has reported that "RedPrairie Corporation, a productivity software provider, has announced Guangxi China Post Logistics has selected RedPrairie's Warehouse Management solution to direct operations in its 8,000 square meter distribution center in Guangxi. Guangxi China Post hopes to use RedPrairie's solution to improve its DC's efficiency and inventory accuracy."


 The [Nashville Tennessean](#) has reported that "A small, rural-area post office may seem like an unnecessary cost to the U.S. Postal Service, but the folks in Milton want to keep the 185-year-old service going. "If they take this post office out of Milton, that takes some of the community identity away," said Harris Hooper, a life-long resident of a community in the far northeast corner of Rutherford County."


 As the [Columbus Dispatch](#) has noted, "While rain or snow or gloom of night won't keep postal carriers from their appointed rounds, missing or buried mailboxes will."


 [New Canaan News](#) has reported that "East End residents are convinced the fate of their Noble Station Post Office is already signed, sealed and delivered and say the decision is based on socio-economic factors, both of which U.S. Postal Service officials denied at a public hearing Thursday."


 [Hispanic Business](#) has reported that "Getting in your car and scanning the shelves to find a movie just released on DVD? That's so 20th Century. Americans' preferences when it comes to movie rentals have shifted to the Postal Service (Netflix), \$1 vending machines (Redbox), online (iTunes) and cable (OnDemand) in recent years. The result? Big box retailers like Blockbuster, Hollywood Video and Movie Gallery are suffering. "

 According to [Post & Parcel](#), "UK regulator Postcomm has issued a preliminary 'minded to' finding on its investigation into the alleged manipulation of quality of service performance monitoring by some staff at Royal Mail. Locations under scrutiny include the west of Scotland, Glasgow, and also Belfast." See also [Hellmail](#).

 The [Federal Times](#) has reported that "The U.S. Postal Service could become insolvent if Congress doesn't approve five-day mail delivery and change the way the agency funds its retiree health benefits, according to the agency's top financial official. "We will need [some assistance from Congress] or we will have difficulty paying all of our obligations this year," said Joe Corbett, the Postal Service's chief financial officer. "And going into next year, we might not have enough cash to operate. ... We are dangerously close to running out of cash." See also [Bloomberg](#).

 The [Washington Business Journal](#) has reported that "The U.S. Postal Service said mail delivery in the D.C. area was 90 percent back to normal after this month's back-to-back snowstorms, according to The Washington Post. FedEx also had problems during the storms, because of unplowed secondary roads, but the company worked to make up for it over the weekend. And UPS assigned supervisors to assist its 1,900 drivers in the Washington region so it could work on every day but one last week."


 The [Bangor Daily News](#) has reported that "U.S. Postal Service officials plan to look closer at concerns raised by members of the city planning board, which on Tuesday denied a site plan for improvements to a downtown building that the Postal Service wants to use as a post office."

 [Deadtree Edition](#) has told its readers that "A prominent environmental commentator is accusing the USPS of greenwashing for including the claim "made from 100% recycled pixels" on its USPS.com/green web

site....Methinks the reference to "recycled pixels" is supposed to be a joke, perhaps the Postal Service's way of pointing out that most mailed items (e.g. letters, catalogs, magazines) are more recyclable than their electronic counterparts." [EdNote: So much for humor in the environmental community. Sheesh!]

 [Media Daily News](#) has reported that:

- [Digitally delivered coupons](#) are growing fast while printed newspaper inserts are increasingly threatened, according to separate surveys by Coupons.com and the Newspaper Association of America. The findings of the two surveys suggest that newspaper coupon inserts could be in danger of experiencing the same long-term decline that has afflicted print classifieds.
- [Flat is the new fantastic](#) in the world of traditional media, and monthly magazines have reached an even stretch after two years of straight declines, according to Media Industry Newsletter, covering forthcoming March issues. Total ad pages for monthly magazines are basically flat in March 2010 compared to March 2009, MIN says, totaling 10,857.

 According to the [Washington Post](#), "a significant part of the U.S. Postal Service's financial problems stems from a sharp decline in the number of pieces of mail it has delivered annually since 2007. The number of delivery points has steadily increased since 2000, but the number of USPS employees has steadily decreased during that period."

 *From the Federal Register:*

#### **Postal Regulatory Commission**

##### **RULES**

New Postal Product ,

7201-7204 [2010-3034]

[\[TEXT\]](#) [\[PDF\]](#)


##### **NOTICES**

New Postal Product ,

7296-7297 [2010-3061]

[\[TEXT\]](#) [\[PDF\]](#)

#### **February 17, 2010**

 According to the [Federal Times](#), "The U.S. Postal Service could become insolvent if Congress doesn't approve five-day mail delivery and change the way the agency funds its retiree health benefits, according to the agency's top financial official. "We will need [some assistance from Congress] or we will have difficulty paying all of our obligations this year," said Joe Corbett, the Postal Service's chief financial officer. "And going into next year, we might not have enough cash to operate. ... We are dangerously close to running out of cash."

The Postal Service posted a \$297 million loss for the first quarter of fiscal 2010, which ended Dec. 31, 2009. Mail volume for that period fell by 8.9 percent. But that was an improvement over the previous quarter, when volume fell by 12.4 percent; and over the first quarter of 2009, when volume dropped 9.3 percent. But the bigger financial picture for the Postal Service remains grim: mail volume has dropped from a peak of 212 billion pieces in 2006 to just 167 billion pieces today. And Corbett said the agency, which has faced multibillion-dollar deficits in the last few years, is running out of ways to cut costs."

#### **DMM Advisory: PVDS WEBINAR — LEARN ABOUT BULK MAIL AND DROP-SHIP**

**ACCEPTANCE FOR 2010.** The Postal Service continues to look at all areas of its business with an eye to becoming more efficient and cost effective. At the same time, our commitment to customer service remains a top priority. With this in mind, over the past few weeks the Postal Service has invited customers to attend Plant Verified Drop Shipment (PVDS) webinars that touch on key steps in accepting drop-ship mailings. If you have not yet attended a PVDS webinar, we are offering the chance to take part in one this Friday, February 19, beginning at 12:30 p.m. (EST). Join Steve Kearney, senior vice president, Customer Relations; Vincent DeVito, vice president, Controller; and Pritha Mehra, vice president, Business Mail Entry and Payment Technologies, for a discussion on

drop-ship mailing processes followed by a question and answer session.


Here's how to attend the 90-minute webinar:


Audio only: Dial 1-877-512-0764, meeting ID: 2979650 .


Web conference with audio:


- Go to <http://meetingplace5.usps.gov/join.asp?2979650>.
- After the MeetingPlace window opens, click the phone icon (under the participant list or in the upper right-hand corner).
- Click connect me and validate your phone number, or update your phone number and click connect me again.
- When the MeetingPlace system calls you on your phone, press #1 to join the webinar.


Contact Pete Allen, manager, Business Customer Relations, at 202-268-2165 or e-mail [william.a.allenjr@usps.gov](mailto:william.a.allenjr@usps.gov) if you have any questions.


 **DMM Advisory: Eligibility for Commercial Flats Failing Deflection.** Today we posted an advance copy of our *Federal Register* final rule, *Eligibility for Commercial Flats Failing Deflection*, on the Postal Explorer® website at [pe.usps.com](http://pe.usps.com). Click on *Federal Register* Notices in the left frame. The final rule, effective June 7, 2010, provides background, summary of the comments received on our prior proposal, our response to the comments, a summary of the changes, and revisions to the applicable prices for pieces that do not meet the deflection standards.


 **CEP News** (Courier-Express-Postal), published by the [MRU Consultancy](http://www.mruconsultancy.com), has reported that:


 Despite the economic crisis and declining revenues Belgian La Poste could increase its earnings last year.

 The upper house of the German parliament spoke out against a general VAT liability for postal services last Friday. Instead the Federal Assembly recommended to verify in the context on the legislative procedure whether all prices under general terms and conditions are to be exempted from VAT


 A 7% drop in addressed letter volume caused a decline of turnover and earnings in 2009 for Itella.


 Georg Pölzl, CEO of Austrian Post, will present his mid term strategy 2013 to the advisory board this Wednesday. With reference to internal papers the daily »Die Presse« (12.02) reported, Pölzl plans to keep only 300 own operated postal offices in the future. The remainig 1,000 post offices will be closed and replaced by so called Post- Partners.


 Unipost (revenue 2008: 107m euros), Spain's largest private postal service provider is suffering from the effects of the economic crisis.

 Blue Dart, India's number one express company, faced declining volumes in 2009 due to the weak economy.


 Swiss Post is currently testing walk sequence sorting.


 Korea Post is going for the sorting technology of Vanderlande Industries.


 Swiss Post is launching the first standardized product for secure electronic proof of identity in May on.


 In response to changing customer demands and declining volume Singapore Post announced to cease mail delivery on Saturdays.


The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. *To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)*


 According to [BCLocalNews.com](#), "Canada Post is not being sold to the private sector just yet, but the Crown corporation is in the midst of selling the public on its view of today and its vision for the future. This vision includes some privatization and more post office closures."


 [CBS42.com](#) has noted that "Like many US companies, the United States Postal Service, which receives no tax revenue, is also struggling. It wants to eliminate Saturday deliveries to save \$3.5 billion dollars a year. The USPS says the demand to stamp and mail has fallen dramatically. It has lost more than 20% of mail that flows through the system, mainly due to advancements in online business. After slashing \$6 billion last year, the USPS says there's no where else to cut. "You know what, we don't want to do this, but we've gotten to a point where we have to do something," says USPS spokesman Joseph Breckenridge. To be clear, the proposal does not include closing post offices on Saturdays, but rather cutting the nearly 300,000 routes across the country on Saturdays: an idea that's not resonated well with Congress in the past."


 [Reuters](#) has reported that "Russian state bank VEB is seeking a strategic partner to buy up to 50 percent in a planned federal postal bank, a potential rival to Sberbank (SBER03.MM), Russia's leading lender."

 [MSN Money](#) has reported that "United Parcel Service Inc.'s freight division said Tuesday it has expanded the scope of its two-day delivery network to link Montreal and Toronto to American cities as far south as Atlanta and St. Louis. UPS Freight added two-day service between the cities on a northbound basis last year. UPS Freight said its on-time guarantee applies to the new faster service times on less-than-truckload (LTL) shipments."

 The [Gaston Gazette](#) has reported that "Mount Holly police arrested a Stanley woman Tuesday for allegedly embezzling almost \$14,000 from two post offices in eastern Gaston County. Gwendolyn Shuford Etchison, 50, of the 700 block of Joseph Antoon Circle, was charged with two counts of embezzlement."

 [Deadtree Edition](#) shared with its readers that "despite postal discounts, mailers should not implement full-service Intelligent Mail barcodes, a leading postal consultant says in a paper issued today. Costs of participating outweigh the minimal benefits, and the U.S. Postal Service's processes and systems are not equipped for Intelligent Mail, Mary Ann Bennett says in "Ten Reasons Why Mailers Should Delay Implementing the Full Service Intelligent Mail barcode". Bennett is founder of the Mailing Training Institute, President/CEO of The Bennett Group Inc., and a frequent speaker and writer on mailing issues."

 [St. Louis Today](#) has reported that "SG Print & Mail, a company in Park Hills, Mo., bilked the U.S. Postal Service out of roughly \$2.9 million, according to testimony in a plea hearing Tuesday in federal court."

 [Consumer Focus](#) has published a paper on "Consumer engagement in the post office closure programme" in the U.K.

*February 16, 2010*

 From [PRNewswire](#): "FedEx Workers Join the Teamsters Union!"

[POSTAL JOURNAL](#) Postal commentator [Gene Del Polito](#) offers some thoughts on a future postal business model: "In Search of An Alternative to Winding Things Down."




The following reports have been posted today on the *U.S.*



Postal Service Office of Inspector General website (<http://www.uspsog.gov/>). If you have additional questions concerning a report, please contact Agapi Doulaveris at 703.248.2286.

- [Fiscal Year 2009 Postal Service Financial Statements Audit – San Mateo Information Technology and Accounting Service Center \(Report Number FT-AR-10-008\)](#)
- [Lakeland Processing and Distribution Center Consolidation \(Report Number EN-AR-10-004\)](#). There was a valid business case for consolidating mail processing operations from the Lakeland Processing and Distribution Center (P&DC) to the Tampa P&DC. The consolidation should increase efficiency, reduce processing costs, and improve service in support of the Postal Service's network streamlining efforts. In addition, we determined the area mail processing (AMP) proposal was generally supported and in compliance with established policies. Because our findings support the consolidation, we are not making any recommendations.
- [Manasota Processing and Distribution Center Consolidation \(Report Number EN-AR-10-003\)](#). There was a valid business case for consolidating mail processing operations from the Manasota Processing and Distribution Center (P&DC) to the Tampa P&DC. The consolidation should increase efficiency, reduce processing costs, and improve service in support of the Postal Service's network streamlining efforts. In addition, we determined the area mail processing (AMP) proposal was generally supported and in compliance with established policies.
- [Plant-Verified Drop Shipment Controls \(Report Number MS-AR-10-001\)](#). Controls are not adequate to prevent mailers from adding mail en route to the destination Postal Service facility and to ensure the Postal Service receives all revenue due from Plant-Verified Drop Shipment (PVDS). PVDS mailers can add mail en route, after verification at the Bulk Mail Entry Unit (BMEU), Detached Mail Unit (DMU), or other origin location, but before it reaches the destination Postal Service facility. As a result, the Postal Service is at risk of significant revenue loss.

 [Columbus Business First](#) has reported that "Cost-cutting measures by the U.S. Postal Service are leading to 79 job losses at a contractor-operated supplier in Jeffersonville before July, according to a state filing. Falls Church, Va.-based Computer Sciences Corp. (NYSE:CSC) in a filing with the Ohio Department of Job and Family Services said the Mail Transport Equipment Service Center it operates in Jeffersonville will be closed at the end of a Postal Service contract that runs through June. The Postal Service recently told the company it's cutting its network of service centers, which supply mailbags, carts and hampers to processing facilities, to 15 from 23. Computer Sciences said it will begin cutting the 79 jobs from the site in May and expects to finish the reductions by the contract's end. Of those jobs, 73 employees are represented by the American Postal Workers Union."

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

- **Priority Mail Commercial Plus Cubic Prices**  
We revised 401.1.3, 401.2.2.1, 402.2.3, 423.3.1, 424.1.1, and 425.2.4 to clarify standards for Priority Mail commercial plus cubic prices that went into effect on January 4, 2010
- **Move Update Assessment Charges for Automation and Presort First-Class Mail and All Standard Mail Mailings**  
We revised 233.3.5, 243.3.9, 333.3.5, 343.3.9, 433.3.5, and 443.3.9 to describe the changes and procedures for how Move Update assessment charges are handled.
- **Treatment of Undeliverable Books and Sound Recordings**  
We revised 507.1.9 to update the standards for the disposal or treatment of books and sound recordings that are undeliverable-as-addressed (UAA) in their original packaging.
- **Advertisements for Animals and Sharp Instruments for Use in Animal Fighting Ventures are Nonmailable**  
We revised 601.9.3.1, 601.11.20, and 601.12.5.7 to align our standards with section 26 (7 U.S.C.

2156) of the Animal Welfare Act as amended by the Food, Conservation, and Energy Act of 2008.


- **Labeling List Changes.** We revised Labeling List(s) L001, L002, L005, L007, L009, L011, L201, and L606 to reflect changes in mail processing operations.





The latest blog has been posted today on the U.S. Postal Service Office of Inspector General's Internet site "[Pushing the Envelope](http://blog.uspsoig.gov/)." The public, mailers, postal employees, and other stakeholders are invited to weigh in on the online discussions taking place. To view the site, visit <http://blog.uspsoig.gov/>.


- **Guest Blog: A Last Mile Strategy.** Robert Cohen asks: Should the Postal Service pursue a last mile strategy? His guest blog concludes, "An explicit last mile strategy would simply be a continuation of the successful outsourcing strategy that began more than 30 years ago."


You can visit Office of Inspector General's public website at: [www.uspsoig.gov](http://www.uspsoig.gov). You can also follow us on Twitter at: <http://twitter.com/OIGUSPS>. If you have additional questions, please contact Communication and Work Life Director Agapi Doulaveris at 703.248.2286.

 **Press Release:** "With over 170 attendees already confirmed, including representatives from over 35 Posts and 34 countries worldwide, this year's European Postal Services promises to be an invaluable opportunity for the postal industry to collectively share knowledge and build stronger relationships. Taking place on 22nd, 23rd & 24th March in Brussels; please click here for more programme details and to register your place."


 The [Associated Press](#) has reported that "Roughly 40 percent of Americans do not have high-speed Internet access at home, according to new Commerce Department figures that underscore the challenges facing policymakers who are trying to bring affordable broadband connections to everyone. The Obama administration and Congress have identified universal broadband as a key to driving economic development, producing jobs and bringing educational opportunities and cutting-edge medicine to all corners of the country."


 [Mary Ann Bennett](#), President of the Bennett Group postal consulting firm, wants mailers to know that there "Ten Reasons Why Mailers Should Delay Implementing the Full Service Intelligent Mail® barcode."

 As [Multichannel Merchant](#) has noted, "Multichannel marketers today tend to get caught up in the frenzy of the next greatest trend. What about Web 3.0? What's the hot social networking application? How do we make our e-mails more effective? Sexy online strategies are and should be a big part of direct marketing. But that doesn't mean you should ignore some of the old-school tactics, like direct mail. That's right, direct mail. Sure, it may be true that mail pieces are much more expensive than e-mails, thanks to rising postal and paper costs. And many marketers and consumers alike often perceive direct mail to be old-fashioned and downscale. But when used wisely and analyzed carefully, direct mail outperforms many tactics, particularly with prospects and certainly with many customer segments. Newer technologies may excite and preoccupy the marketing team, but direct mail works."

 According to the [Cleantechblog](#), "Mail is being delivered on a trial basis by three-wheel electric vehicles in Florida, California and Arizona....The Postal Service is testing a fourth generation fuel-cell Chevrolet Equinox. The crossover vehicle has an electric drive system, lithium batteries, and a hydrogen fuel-cell vehicle to keep delivering electrons for extended range....A second fuel-cell vehicle is being tested in Washington, DC. In New York City, the Postal Service has had 30 electric 2-ton vehicles on the street since 2001. They were recently joined in Long Island, NY, by two 2-ton hybrid electric vehicles. The USPS uses

medium-duty hybrid electric vans from Eaton Corporation (ETN) and Azure Dynamics (AZD.TO)...Quantum (QTTW) announced on February 1 that it was selected by the US Postal Service (USPS) to produce an advanced electric postal delivery vehicle based on the widely used Long Life Vehicle (LLV) platform. Quantum is also making the hybrid-electric drive system for Fisker."


 According to [Politics.co.uk](http://Politics.co.uk), "Geoffrey Cox, MP for Torridge and West Devon, today welcomed a report that condemned the recent closure of Post Offices across the country and branded the public consultation process as "a sham". The report, commissioned for the watchdog "Consumer Focus", found that Post Office failed to effectively engage consumers, failed to communicate the right information to those opposing the closures, and missed opportunities to obtain valuable local knowledge of how cutbacks would affect communities. The MP, who mounted a determined campaign to save local Post Offices, lobbying the Chief Executive of the Post Office and securing a debate in parliament on the subject of local closures, had previously criticised the consultation effort as "a cynical public relations exercise".

 The [Washington Post](http://WashingtonPost.com) has reported that "Mail volume in the United States has fallen off a cliff in recent years. It has dropped so sharply that U.S. Postal Service officials have pleaded with Congress to allow a cut in delivery days from six to five. It's been a hard sell. Politicians are reluctant. **Although polling data show that the public is willing to accept five-day delivery, people who count on votes for their livelihood are not at all eager to cut back on a service so basic, so trusted and so needed as the U.S. mail. Count President Obama among that number.**"





This week in [Postal Technology International](http://PostalTechnologyInternational.com):


- [A fresh start for Croatian Post](#)
- [Vanderlande to supply postal sorting systems to Korea Post](#)
- [Moroccan address reader passes factory acceptance test](#)
- [Recycling in US Post Offices expanding](#)
- [BBH and CapStone Technologies announce strategic partnership](#)
- [SingPost remains cautiously optimistic](#)


 The [Courier, Express, and Postal Observer](http://CourierExpressandPostalObserver.com) has reported that "The Associated Press has reported that the IRS and many states are cracking down on the widespread use of the contractor model for workers. By using the contractor model, the company saves the cost of payroll taxes, workers compensation expenses, and unemployment insurance levies. The interest in this issue is likely driven by declining tax revenue during the recession as well as pressure by labor unions and competitive businesses that use an employee model. The progress of this study will be followed closely by the courier, express and postal industry, as the industry is built upon a contract worker model. Nearly all local couriers and delivery drivers are contractors. FedEx Ground and FedEx Home both use contractors for local delivery. The USPS uses contractors for providing its most rural delivery service. Outside of the courier, express and postal industry, the contractor model is used extensively in construction and information technology."

**February 15, 2010**


 The [New Zealand Herald](http://NewZealandHerald.com) has reported that "The boss of listed courier company Freightways has hit out at New Zealand Post, accusing it of being "reckless" in its bid to alter Freightways' terms of access to the state-owned postal company's delivery network."


 The [Financial Times](http://FinancialTimes.com) has noted that "**Murray Martin**, chairman and chief executive of Pitney Bowes, the US mail systems pioneer, has always had a passion for inventing things. In his early teens, he devised a telegraph service to communicate with friends in his rural Ontario hometown of Hawkesville. In another life, Mr Martin, 62, might now be running his own private business empire rather than a stalwart Fortune 500 company with revenues of \$5.6bn (€4.1bn, £3.6bn), 2m customers worldwide and 33,500 employees. But his entrepreneurial drive has survived a 23-year career with the same US group because Pitney Bowes, he insists, is different." *[EdNote: This is a really nice personal piece. You should read it.]*


 [DM News](#) has reported that "President Barack Obama's budget for fiscal year 2011 includes language that shows his administration supports requiring the US Postal Service to deliver mail six days per week. The budget's wording explicitly says "six-day delivery and rural delivery of mail continue at not less than 1983 level." However, Joseph Corbett, the Postal Service's CFO and EVP, says that his agency will soon reveal plans for five-day delivery to Congress and stakeholder groups. He said the wording of the budget is routine language included in every appropriations bill since 1983."


 According to the [Courier, Express, and Postal Observer](#), "The Public Representative performed a service for postal stakeholders in their estimates of the required rate increases to return the Postal Service to break even by 2011 under various estimates of the Postal Service's retiree obligations. These estimates represent the worst case scenarios for mailers as they assume that the return to break even could only come from increases in rates. Unfortunately for mailers, the Public Representatives estimates of rate increases are not enough to return the Postal Service to self sufficiency. Simply put, the break even goal for 2011, a goal that guided rate cases under the Postal Reorganization Act, is not sufficient to ensure a financially viable Postal Service....what would really happen to postage rates if the Public Representative used more realistic financial targets? Using the Office of Inspector General recommendations for financial relief, postage rates might need to rise at least 25% without more aggressive actions on restructuring the operating network or modernizing the retail model. **Without relief, postage rates might need to rise by 40% or more.** (Both of these estimates do not account for the impact of price increases on mail volume.) Not a pretty picture and one that no postal stakeholder believes would ensure a viable postal enterprise as vibrant as it is today."


*February 14, 2010*

 [Transport Intelligence](#) has reported that "FedEx Trade Networks, the international ocean and air freight forwarder subsidiary of FedEx Corp., has opened six new freight forwarding offices across its Europe, Middle East and Africa (EMEA) region and its Latin America region as part of a global expansion plan. The company has opened 20 international freight forwarding locations in the past nine months, bringing the company's total to 22 new international locations since 2008."


 [AsiaNewsNetwork](#) has reported that "The government of Japan is making final arrangements to abolish the 10 million yen limit on the amount of postal savings that can be held by each depositor, through a postal reform bill it will submit to the current Diet session. The government's plan is to lift the ceiling three years from now. As a provisional measure until it is removed, the government intends to raise the limit to 30 million yen, government sources said. If the state-financed Japan Post Bank is able to expand its business on the strength of people's trust in the government, it will most likely put pressure on private financial institutions and inevitably invite strong opposition from the private sector, industry watchers said."

 The [Sacramento Bee](#) has reported that "Nearly 200 million Valentine's cards are expected to exchange hands today – the second biggest greeting card day after the December holiday season. Even though that's enough for almost every adult in the country to receive a card, it's a slowly diminishing convention. People who select a paper card from a merchant and deliver it to someone are shrinking in number and spending, according to every economic indicator."


 [Livingston Daily](#) has reported that "The residents of 17 homes along Green Hills Drive in Hamburg Township are upset with the Pinckney post office for suspending their mail delivery through the winter months."


 From [PR-USA.Net](#): "IWCO Direct, a leading, U.S.-based privately held provider of direct marketing solutions has announced it has entered into a definitive purchase agreement to acquire Transcontinental Direct's US operations, a high-volume direct mail organization with a network of facilities throughout the United States. Transcontinental Direct's parent company, Transcontinental, is the largest printer in Canada and Mexico and Canada's leading consumer magazine publisher. This acquisition positions IWCO Direct's platform as an unrivaled solution in the industry for the optimization, execution, and delivery of direct


marketing campaigns. Terms of the deal are not yet disclosed; the transaction is expected to close in the spring of 2010."

 [The International News](#) has reported that "Pakistan Post will not be privatised but matter making it a corporation would be considered in view to improve working of one this maga organisations of the country, Minister for Postal Services Israrullah Zehri said here Saturday. "We cannot put the future of 47,000 employees of the postal service at stake by privatising it," he said in a panel interview with APP. Rather, he said the ministry would go for opting ways and means to improve the existing services besides adding new utilities. He said around 700 new post offices in different areas of the country to facilitate the far-flung areas customers with modern postal services have been established. He said his Ministry will sign an MoU with a private airline for quick and speedy delivery of post and pouch matching the International standards."


### *February 13, 2010*


 [Bernama](#) has reported that "Efforts are underway to ensure Pos Malaysia remain a major player in Malaysia's postal industry despite the fact that a growing number of people are now into electronic communication, Information Communication and Culture Minister Datuk Seri Dr Rais Yatim said. He said Malaysia was not spared of this phenomenon as more people became Internet-savvy." See also the [Malaysian Insider](#).


 [The Auto Channel](#) has reported that "The United States Postal Service has awarded Bay Area electric car pioneer ZAP an engineering prototype contract for the design and development of an electric mail truck. US Congresswoman Lynn Woolsey is scheduled to tour ZAP's electric vehicle facility in Santa Rosa on Tuesday, February 16, 2010 at 11:30 AM PST to learn more about how this federal program is creating local jobs."

 [GovExec.com](#) has reported that "The ailing U.S. Postal Service will experience a net loss in fiscal 2011 similar to that of 2010, according to agency estimates in President Obama's budget. Declining mail volumes have contributed to net losses for the agency every year since 2007. The Postal Service expects that trend to continue through 2011, when losses will total \$7.8 billion. The fiscal 2011 budget, which acknowledges the Postal Service's financial concerns, commits the Obama administration to working with the agency, its employee unions, Congress and other stakeholders to keep mail operations viable. Discussions already are under way on several issues, said Gerald McKiernan, a USPS spokesman."

### *February 12, 2010*

 *At the Postal Regulatory Commission:* Due to weather conditions in the Washington, D.C. area, the Public Forum has been rescheduled to 9:30 a.m. on Wednesday, February 17. The public is invited to attend the Forum at Commission Headquarters, 901 New York Ave., NW, Suite 200 to discuss the 2009 Annual Compliance Determination now being compiled by the Commission. The Forum also will be webcast live and transcribed for posting later on the Commission's website, [www.prc.gov](http://www.prc.gov)

 Press Release: More than 200,000 tons, and counting. That's how much paper, plastics and other waste the U.S. Postal Service recycled in 2009, representing a decrease in its greenhouse gas emissions of approximately 1.67 million barrels of oil. An integral part of that undertaking is the Post Office Box Lobby Recycling program which is expanding to include an additional 2,435 Post Offices, including those in a number of U.S. national parks. That brings the total number of participating sites to more than 8,064, an increase of 150 percent from 2005, when the Post Office Lobby recycling effort started. This program is based on the success of similar mail recycling programs in the northeastern part of the United States, which began more than 10 years ago. Postal customers are being encouraged to "read, respond, recycle" their P.O. Box mail in Post Office lobbies as a convenient and environmentally responsible alternative to taking it home to discard.

 According to the [Consumer Postal Council](#), "A 2008 paper written by Egyptian government officials posited that the international postal sector has changed more in the last 20 years than it had in the preceding 150. Egypt's own postal sector is no exception. Those changes will no doubt accelerate as the country's leaders move toward standardizing postal regulation and liberalizing the postal market. Egyptian postal leaders are pegging their hopes for growth on "increasing overall levels of private-sector investment in the postal market through open and fair competition and progressive regulation." Officials would also like to make Egypt into a regional hub for logistics by marshaling the assets of the state-owned Egypt Post (EP), various government agencies, private postal operators, and other interests."



**The latest issue of the [PostCom Bulletin](#) is available online.** In this issue:


- At its February 10 meeting, the Board of Directors of the Association for Postal Commerce elected new directors to its governing board, and approved key resolutions deemed important to the association and its membership.
- The Postal Service released its unaudited first quarter financials for Fiscal Year 2010 which showed a volume decline in all market-dominant products, while shipping services saw a modest increase of 2.5 percent. The USPS saw operating revenue decline by \$740 million or 3.9 percent from the same period last year. It is expecting an over \$7 billion net loss for the fiscal year.
- The USPSÆ PostalOne! system crashed last Friday, February 5, 2010, and was not back up and running until late Tuesday night, February 9, 2010, wreaking havoc on mailers, mail service providers and the Postal Service itself. The situation made clear to business mailers that the USPS needs to improve communications, put in place a real contingency plan, and work to improve its systems to prevent these types of occurrences ù which are becoming all too common.
- Business mailers and the Postal Service are working hard this week to recover from the PostalOne and FAST system crashes. Systems were restored earlier this week, but thatÆs just the start. Businesses and the USPS must now continue to expend additional resources to ensure that all jobs and postage that should have been processed during the outage period are entered into the systems.
- The U.S. Postal ServiceÆs Office of Inspector General (IG) sponsored Professor John C. Panzar to examine the pricing incentives confronting the USPS under the Postal Accountability and Enhancement Act (PAEA).
- According to the Courier, Express, and Postal Observer, "Last fall the Postal Service presented its approach to future business models in the paper: Assessment of United States Postal Service Future Business Models. The Postal Service's approach was presented by Vice President of Strategic Planning Linda Kingsley and General Counsel Many Anne Gibbons at the Rutgers Conference in DC held last fall in a talk entitled A New Business Model for the United States Postal Service. Given the political opposition to most of these changes, they appear to be pipe dreams. Given the new found concern about budget deficits, changes to the retiree health care payment schedule, no matter how warranted, would require offsetting budget cuts or additional sources of revenue for passage. Changes in service levels and operating and retail networks and introducing market-based pricing require hard information on the business plan that supports these changes. Removal of limitations on product diversification requires Congress to accept a government enterprise competing with the private sector."
- According to Deadtree Edition, "mail volumes and the number of postal workers will shrink more slowly this year than in 2009, the U.S. Postal Service predicted today. The Postal Service is scheduled to reveal next week its proposal to deliver mail one less day per week. But that won't have much impact on the current fiscal year.
- William Burrus, APWU President has spoken out once again against workshare discounts.
- According to the Courier, Express, and Postal Observer òboth the National Association of Letter Carriers (NALC) and American Postal Workers Union (APWU) report on their respective websites that President Obama supports six-day Delivery. Both postal unions use the following line from the 2011 budget that President Obama presented to Congress to support their argument that President Obama supports 6-day delivery. "That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level."


- Bar codes ride again - on mobile phones. USPS BOG meeting cancelled. Weather-related USPS help desk problems. UPS targeted in class action suit. Pitney Bowes to close warehouse, lay of 59. PRC reschedules open forum due to weather. DMA names Allen interim president, CEO. Comments due Feb 25 on hard-copy postage statements processing changes.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- From the Mailbag
- Postal Previews


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 According to the [Financial Times](#), "Greece can avoid a bail-out if it demonstrates convincingly to the markets that the reforms in its stability programme will be implemented in a timely fashion. To speed up and enhance the content of the reforms in the stability plan, there needs to be a bold new privatisation programme to unleash the economy's potential. Much could be gained from further privatising an economy that is probably the last "Soviet style" economy in the developed world. To kill the Greek leviathan, one has to starve its gargantuan voracity for intervention in the economy. The Greek state not only runs hospitals, universities and churches but also casinos, lotteries, hotels, marinas, ski resorts, trade fairs, exposition centres, ports, airports, water, electricity and natural gas companies, oil refineries, **postal services**, transport, banks, and insurance companies."

 [WETM](#) has reported that "By the end of this week, the transfer of automated mail handling services from Elmira to Rochester will be complete. On Saturday, the union president tells us the remaining four mail sorting machines will be taken from the Sullivan street facility and moved to Rochester. Along with those machines are 55 workers who are being asked to transfer to other postal facilities within 500 miles. They can also take an early retirement package."

 According to [ReporterNews](#), "Two additional mail sorting machines will soon expand the workload of the Abilene mail processing facility, but no positions will immediately be created by the move."

 [The Straits Times](#) has reported that "United Parcel Service Inc, the world's largest package-delivery service, said on Wednesday it has been contacted by the European Commission, which is probing price fixing in the shipping business."


 The [Lanka Times](#) has reported that "In a bid to ensure a speedy and a better service on registered national and international letters, the Sri Lanka Postal Department is planning to introduce a barcode number system shortly. This new system would ease correspondence and would prevent letters from going missing, Posts and Telecommunications acting Minister Nandana Gunathilake said yesterday. He said the Postal Department was confident that the system would be implemented by the middle of this year."


 The [Times of Zambia](#) has reported that "President Banda has said water transportation should be improved because it is cheaper than using roads. Speaking in Samfya yesterday, during the re-launch of the refurbished Bangweulu Post Boat, President Banda said with abundant water resources in the country, especially in Luapula Province, it was important to develop water transport. Mr Banda said the Government


recognised the importance of a reliable transport system for rural communities and praised the Ministry of Communications and Transport for helping Zambia Postal Services acquire new engines to service the post boat."

 From *OfficialWire*:

- [Newly released report, Global Logistics - Air Freight, provides detailed company analysis.](#)
- [Express Logistics In France - New Market Report Published](#)

 The [Washington Post](#) has reported that "Republican groups are raising money under the guise of the U.S. Census Bureau, leaving the government's people-counters worried that a flurry of misleading letters could make some Americans less likely to respond to the real thing. "There are too many reports from too many places to ignore the fact that direct-mail fundraisers are deliberately attempting to confuse people," said Rep. Carolyn Maloney, D-N.Y."


 [Reuters](#) has reported that "Japanese Banking Minister Shizuka Kamei said on Friday that Japan Post, the huge government-owned postal and financial conglomerate, could buy more U.S. Treasuries as one way to reduce its current heavy focus on domestic government debt."


 [FedEx Express](#), a subsidiary of FedEx Corp. (NYSE: FDX) and the world's largest express transportation company, today announced a series of service enhancements that will give customers in Friesland and Groningen improved access to the rest of the world. The new changes include next-business-day delivery service to the U.S. and Canada, benefiting local businesses operating internationally in the area. It will also help boost the region's connectivity to key international business centres, thereby becoming an attractive commercial destination for companies looking to relocate, as well as strengthening the local economy.

 On [Hellmail](#) today:

- [Finland Sees Mail Volume Fall By 7 Percent](#)
- [Swedish Post Notes Rise In E-Commerce Sales](#)
- [Fresh Start For Croatian Post](#)

*February 11, 2010*

 [Business Week](#) has reported that "President Barack Obama, when asked to name a chief executive he admires, chose one with an unusual pedigree: FedEx Corp.'s Frederick Smith, who raised more than \$100,000 for 2008 Republican presidential nominee John McCain and was George W. Bush's fraternity brother."

 *Understanding the controversy surrounding the Postal Service's obligations regarding CSRS and Retiree Health Funding can be tough. Here are two documents you might find worth reviewing:*


- [Retiree Health & Pension Benefit \(RHPB\) Reform](#)
  - [Explanation of Pension Overfunding Problem](#)


## **MAILCOM 2010 UPDATE:**


- Ruth Goldway, Chairman of the Postal Regulatory Commission, will speak about the future of mail on Thursday, May 13 at 9:15 am. Goldway is one of four keynote speakers plus over 160 seminars, 15 certificate programs and 100+ exhibits.





- Gene Del Polito, President, Association for Postal Commerce. Morning keynote. Wednesday, May 12.
- Robert F. Kennedy, Jr. will be the Wednesday, May 12 luncheon keynote.
- Super Bowl Champion coach Mike Ditka will be the Thursday, May 13 luncheon speaker at MAILCOM 2010. MORE INFO: [www.mailcom-conference.com](http://www.mailcom-conference.com) or call 609-264-0120
- **SAVE THE DATE: MAILCOM 2010, May 11-14 Atlantic City Convention Center**


 [The Age](#) has reported that "Australia Post faces more industrial strife with the postal union accusing the company of "dodging" talks over an agreement. It comes as Australia Post fronts a Senate inquiry in Melbourne today into how it handles injured employees amid claims that company-paid doctors are sending workers back too early. Australia Post management and the union have been trying to reach an enterprise agreement for more than three years."


 As [TechRockies](#) has noted, "Frederick, Colorado-based UQM Technologies, a developer of electric motors, said Wednesday that the firm has received an order from Quantum Fuel Systems Technologies, covering a propulsion system to be used in a electric vehicle for the U.S. Postal Service. UQM said the win is part of a one year, demonstration and validation program which will be conducted by the USPS in Washington, D.C., to evaluate an electric postal delivery vehicle. Financial impact of the win was not disclosed."


 [Dow Jones](#) has noted that "FedEx Corp. and United Parcel Service Inc. said they are experiencing some service disruptions due to weather, but both continue to operate in most areas. FedEx said the company's Memphis hub and flight operations experienced substantial disruptions Monday night due to inclement weather conditions. However, FedEx spokesman Jim McCluskey said the company still has staff on the ground and is operating. "It's not extraordinary circumstances," he said. "We have plenty of experience in contingency planning." According to the company's Web site, FedEx has suspended its "money-back guarantee for U.S. packages and shipments inbound into the U.S. from international locations with a delivery commitment of Tuesday, Feb. 9, 2010," consistent with the provisions of the FedEx Service Guide."


 [Post & Parcel](#) has reported that "The move to end Saturday delivery comes in response to lifestyle changes, customers' changing mailing habits and declining mail volumes. The decision will be take effect from 15 May 2010. "Over the years, public letter mail (i.e. stamped and franked mail) has been on the decline with the emergence of new communication tools such as email, SMS and other technological platforms. Today, each person posts on average of only six letters/cards per year. That and the fact that many companies and organisations are now operating on a 5-day week have led to significantly lower volumes on Saturdays," said a SingPost spokesman."

 [Express & Star](#) has reported that "Postal union leaders today accused Wolverhampton MP Pat McFadden of putting his ministerial duties before his constituents by refusing to back a campaign to keep a Royal Mail delivery office open."

 [Post & Parcel](#) has reported that "Despite an unfavorable economic climate in 2009, Croatian Post has ended the period with an operating profit. Croatian Post made an operating profit of HRK169m from its core business, according to the first results of the unconsolidated financial report."

 The [Washington Post](#) is wishing Washingtonians a "Happy Wednesday! The Postal Service will once again suspend deliveries across the Washington region on Wednesday and will provide limited retail service at local post offices. The decision means no mail deliveries in Washington, D.C., Maryland, and northern and western portions of Virginia stretching south to Fredricksburg. The Postal Service also suspended mail service across the region on Saturday. Officials cannot recall making such suspensions occurring in more than 30 years."

 According to [Politico](#), "Labor groups are furious with the Democrats they helped put in office — and are threatening to stay home this fall when Democratic incumbents will need their help fending off Republican challengers."

 Well, according to the [Napa Valley Register](#), there just may be a way "to win the deficit war." And that way would be to "Reduce government....Without denigrating what these folks do...the government has both the U.S. Postal Service and the Postal Regulatory Commission." It noted that "we need curbs now"



At its February 10 meeting, **the Association for Postal Commerce elected the following persons to its Board of Directors: Kathleen Baker** (Sprint Corporate Marketing); **Maynard Benjamin** (Envelope Manufacturers Association); **Craig Cecere** (Reader's Digest); **Debbie Cooper** (Worldcolor Logistics); **Victor Forman** (Window Book, Inc.); **John Medeiros** (DHL Global Mail); **Ernie Rojas** (Pitney Bowes); **Mury Salls** (DST Mailing Services); **Bob Schimek** (BCC Software); and **Joe Carty** (SAP Business Objects).

In addition, the board passed the following resolutions unanimously by voice vote:


**Board Resolution 02.10.10-5** Resolved, PostCom should continue it's leadership role, and build on the momentum and consensus achieved at the January 28 Leadership Summit, by proposing and pursuing a permanent correction and elimination of the annual USPS Retiree Health Benefit payment. The OIG report, Hay and PRC reports all document that postal payers have been overcharged. The annual health cost payment is pushing the USPS to cut services and shift costs to rate payers when it isn't necessary. It is a "stamp tax" on postal payers. PostCom should urge it's members and other postal associations and stakeholders to ask Congress to:

- Recognize that the USPS and rate payers have overpaid the federal treasury for postal pension obligations that arose when the Postal Service was part of the federal government.
- This overpayment has fully or substantially satisfied the Postal Service's retiree health cost obligations.
- Congress should stop this Stamp Tax by recalculating the overfunding of the pension obligation and reduce or eliminate the annual retiree health cost payment.

**Resolution 02.10.10-6** Resolved, that the Board of Directors of the Association for Postal Commerce approves and accepts the document prepared by the General Counsel entitled: "Antitrust Compliance Guide for Members and Staff of the Association for Postal Commerce" as representing the official policy of the association. All who are members and staff of the association are hereby instructed to comply with the principles and practices stated within this document.


**Resolution 02.10.10-8** Resolved, that the Board of Directors of the Association for Postal Commerce approve as policy of the association the document entitled: "Conflict of Interest Policy."

**Board Resolution 02.10.10-15** Resolved, that PostCom strongly urge the USPS' COO to extend the use of electronic mailing data (EMDs) for the purposes of tracking drop shipments via 8125s.

 [Reuters](#) has reported that "logistics companies DHL, UPS, Panalpina, Kuehne & Nagel and DSV UDSV.CO have been charged by the European Commission with illegally fixing prices for air freight forwarding. The case concerns suspected collusion on surcharges, the European Union's competition watchdog said on Wednesday without identifying the companies. Freight forwarding firms organise the

transport of goods, customs clearance, warehousing and ground services for companies, exporters, importers and individuals."


*February 10, 2010*


 *At the Postal Regulatory Commission: [Docket No. ACR2009](#).* "Order No. 380 gave notice of the Postal Service submission of its Annual Compliance Report and, among other things, established February 16, 2010 as the due date for reply comments. Subsequently, on January 20, 2010, the Commission scheduled a February 10, 2010 public forum to allow interested members of the public to discuss issues related to the continuing financial stability of the Postal Service. The Commission identified this as a pivotal issue in its review of the Postal Service's performance in 2009. Due to extreme weather conditions, the public forum could not be held as scheduled on February 10, 2010. The forum will be held instead on February 17, 2010 from 9:30 a.m. to 11:30 a.m. in the hearing room of the Commission, 901 New York Avenue, NW, Washington DC. In order to allow participants to incorporate views on information and ideas presented at the public forum in their reply comments on the Annual Compliance Report, the date for filing reply comments is extended until February 23, 2010."





A white paper has been posted today on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsioig.gov/>). If you have additional questions concerning the report, please contact Agapi Doulaveris at 703-248-2286.


**Postal Service Pricing Policies after PAEA.** The combination of pricing flexibility and profit retention is a hallmark of the Postal Accountability and Enhancement Act of 2006 (PAEA). It ushered in a new landscape of economic incentives facing the Postal Service. Since the consequences and impact of these incentives remain to be seen, the U.S. Postal Service Office of Inspector General retained Professor John C. Panzar to perform foundational research on the economic incentives facing the Postal Service. The research offers key insights to understanding Postal Service pricing and marketing initiatives under price cap regulation, discusses potential antitrust implications, and analyzes pricing initiative implications in three areas — worksharing discounts, quantity discounts, and channel-based discounts.


 "After a difficult year and a dramatic pullback, credit card issuers regained their footing in the 4th quarter of 2009 and began to mail more offers, reports [Synovate Mail Monitor](#), the direct mail tracking service from global market research firm Synovate. During Q4 2009, US households received 398.5 million credit card offers, a 46% increase from the 272.5 million offers received during Q3 2009. However, volumes are still fairly tepid when compared to 668.1 million offers mailed during the same time a year ago."


 According to the [Courier, Express, and Postal Observer](#), "Last fall the Postal Service presented its approach to future business models in the paper: Assessment of United States Postal Service Future Business Models. The Postal Service's approach was presented by Vice President of Strategic Planning Linda Kingsley and General Counsel Many Anne Gibbons at the Rutgers Conference in DC held last fall in a talk entitled A New Business Model for the United States Postal Service. Given the political opposition to most of these changes, they appear to be pipe dreams. Given the new found concern about budget deficits, changes to the retiree health care payment schedule, no matter how warranted, would require offsetting budget cuts or additional sources of revenue for passage. Changes in service levels and operating and retail networks and introducing market-based pricing require hard information on the business plan that supports these changes. Removal of limitations on product diversification requires Congress to accept a government enterprise competing with the private sector."


 From [PRNewswire](#): "IWCO Direct, a leading, U.S.-based privately held provider of direct marketing solutions has announced it has entered into a definitive purchase agreement to acquire Transcontinental Direct's US operations, a high-volume direct mail organization with a network of facilities throughout the United States. Transcontinental Direct's parent company, Transcontinental, is the largest printer in Canada and Mexico and Canada's leading consumer magazine publisher. This acquisition positions IWCO Direct's platform as an unrivaled solution in the industry for the optimization, execution, and delivery of direct marketing campaigns. Terms of the deal are not yet disclosed; the transaction is expected to close in the spring of 2010."


 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

 Deutsche Post will pursue a high-pricing strategy when bringing its online letter onto the market mid 2010. CEP-News has received this information from reliable sources. Weekly magazine »Wirtschaftswoche« (07.02) reported on the weekend that the online letter will cost 20 eurocent. At a price of 20 eurocent this secure email would be a comparatively expensive solution compared to similar offerings worldwide.


 Norwegian Posten AS inaugurated its new mail hub in Lørenskog at the end of January.


 Austrian Post's programme of transferring redundant civil servants to the police isn't a success story. A spokesman of Austrian Post confirmed to CEP-News that only 57 clerks have accepted the offer. Austrian Post now wants to increase the acceptance with bonus payments.


 Swiss Post extends its operations in Spain. Last week the Swiss Post International division acquired two long time sales partners with retroactive effect from 1 January 2010. ABC Mail and Mail Partners Spain (MPS) primarily in the international mail business.


 Swiss Post will replace all 17,000 mail boxes in the country with two new models until the end of this year.


 The Indian express and freight market obviously starts to soar.

 Australian Toll Holdings (revenue 2008/2009 3.9bn euros) remains on its shopping spree and ventures the entry into the US market. Last week the acquisition of forwarding company Summit Logistics International was announced.


 A new delivery system offers better service for DPD B2C-customers in the UK. Home shoppers will receive a free sms or email giving them a precise day and an one hour window for the delivery. If the recipient isn't at home on this day he may arrange a different delivery date by a simple answer.


 According to usually well informed sources the shareholder representatives in the board of directors of Austrian Post met to discuss the 'disastrous annual result' of the express subsidiary trans-o-flex. In the first half year alone the company including German direct mailer Meiller accounted for a loss of 12.5m euros.

 The autonomous postal union (SAP) in Switzerland demanded a seat in the post's administrative board.


 Posten Norge is getting a better grip on its service quality. The company announced that 88.3% of the so called A-Post were delivered next day. The license demands a quota of 85%.


 TNT announced the acquisition of Dutch e-fulfillment specialist TopPak.


 After a few rounds of negotiations, which were held between the union CGPT and German TNT Post Regioservice Ltd., to continue the collective labour agreement there isn't an agreement yet.


 TNT Post Germany fills vacancies in its management and administration levels.


The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. [To learn more about the stories reported above, contact CEP News.](#) (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)


 The [Houston Chronicle](#) has reported that "A federal investigation found that nearly 700 pieces of mail sat undelivered in the Temple post office last July, more than half of it first class."


 The [Independent](#) has reported that "Over Shs 2.3 billion has gone missing at Posta Uganda. The money had been paid to the government parastatal by the Postal Corporation of Kenya in respect to money transfer services and has since gone missing through unclear circumstances. Posta Uganda's situation is further complicated by a growing debt worsened by a recent cash scandal involving the alleged misuse of \$1.2 million by the Posta Uganda officials. Posta Uganda, is headed by James Arinaitwe and is indebted to the tune of Shs 12 billion."


 The [Gloucester County Times](#) has reported that "Arbitration by a third-party is set to begin Tuesday between the United States Postal Service and the American Postal Workers Union, but the shutdown of the Philadelphia Logistics and Distribution Center in the Pureland Industrial Complex is already underway."


 The [Daily Gazette](#) has reported that "two sacks full of undelivered post have been discovered in the attic of a former postman's home. Following a Gazette investigation, Royal Mail is looking into the case after the home's new owners stumbled on the stash of birthday cards and other mail. It is believed the sacks contained more than a thousand items, which are now being delivered up to eight years after they were posted. Gazette readers have contacted the paper to report greetings cards sent as far back as 2002 have now turned up, and they claim small gifts of cash which relatives had sent to their children are missing."

 From [PR.com](#): "DX Group, the UK & Ireland's leading independent mail, courier and secure logistics company, has entered into a strategic agreement with Bar Select Limited. The deal will see the further promotion of [www.barselect.co.uk](#), the unique barrister comparison web site which is designed for use by legal professionals."

 [This Is Somerset](#) has reported that "More than 100 postal workers in Somerset staged a wildcat walkout yesterday in a row over the suspension of two colleagues and threatened cuts. Employees at the Bridgwater Delivery Office, one of the biggest in the West, took to the picket line in a bid to force a rethink on the issue by Royal Mail."

 [Post & Parcel](#) has reported that "Guernsey Post is appealing against a decision to reduce its monopoly area of business from items costing up to £1.35 to post to £1 from 1 April."

 [FedEx Express](#), a subsidiary of FedEx Corp., and the world's largest express transportation company, has shortened the transit times between Germany and Bulgaria, thereby improving its range of services in Eastern Europe. Customers from Germany and other European key markets can now send their shipments to the capital city Sofia within one business day. All other destinations in Bulgaria, which include economic centers Plovdiv and Varna, can now be reached within two business days. FedEx Express has therefore reduced its transit times to Bulgaria by one day.

 **DMM Advisory: *PostalOne!* System Restored.** The *PostalOne!* System, which has been down since 5:50 p.m. EST, Friday, February 5, is now up and running. Mailers can now submit electronic mailing information, and both mailers and acceptance sites are able to access mailing reports, balance, fees and transaction information. Mailers also will start receiving Full-Service feedback, such as

address correction information. Upon restoration of the *PostalOne!* System, acceptance sites are following the procedures below to process postage statements:


- For mailers who normally submit hardcopy postage statements, acceptance employees will enter the hardcopy statements presented during the outage.
- For mailers who normally submit postage statements via Postal Wizard, acceptance employees will compare the hardcopy postage statements submitted during the outage to the Postal Wizard statements that appear on the dashboard to finalize those that do appear. If a hardcopy statement was submitted during the outage and does not appear on the dashboard, acceptance employees will enter the hardcopy statement that was provided.
- Mailers who intended to send mailing information electronically (using Mail.dat or Mail.XML) during the outage, should submit their electronic mailing information upon system restoration for the mailings presented during the outage period. Acceptance employees will compare the hardcopy statements that were provided during the outage to the electronic statements appearing on the dashboard to ensure all mailings are presented and will finalize the electronic statements. Mailers are encouraged to work with USPS acceptance employees to verify that all jobs submitted for the outage period — Friday, February 5 through Tuesday, February 9 — appear correctly on the *PostalOne!* dashboard.
- The Mailing Date will reflect the actual date of mailing and will not be changed to the date the mailing was processed in the *PostalOne!* system.

**CAPS** - The CAPs website is now available. CAPS Debit Account customers, need to verify with their bank whether or not they have a filter on their bank account and if the debit filter threshold is sufficient to cover mailings presented through the outage period. There is a possibility that mailing transactions or Business Reply Mail (BRM ) invoice postings may exceed the bank threshold once acceptance sites start entering postage statements and/or invoices. The debit threshold filter could cause the debit to be returned (i.e. debit bounce). CAPS Trust Account customers need to ensure that their CAPS accounts have sufficient funds on deposit for all postage statements presented and all hard-copy BRM or Postage Due invoices they have received during this outage.

**Local Trust Accounts** – All deposits made through retail units to local trust accounts should now display in the *PostalOne!* System. Customers are encouraged to verify their account balance in *PostalOne!* reflects deposits made during the outage.


**FAST Update** – FAST Web Services functionality has been restored. FAST Mailer Rating was temporarily deactivated, as of 5 p.m. EST Friday, February 5, through 11:59 p.m. EST, Wednesday, February 10, to accommodate the outage. Mailer rating will resume on Thursday, February 11.

**eVS Update** – eVS manifests received via the Product Tracking System during the outage are now being loaded into the *PostalOne!* System for payment and reconciliation.

 **Deadtree Edition** told its readers that "Mail volumes and the number of postal workers will shrink more slowly this year than in 2009, the U.S. Postal Service predicted today. But the fact that the Postal Service lost money even in what is usually its busiest quarter shows just how dire its financial situation is. The Postal Service is scheduled to reveal next week its proposal to deliver mail one less day per week. But that won't have much impact on the current fiscal year."

 Today from [Hellmail](#):

- [TNT Expands E-commerce Strategy With TopPak](#)
- [DVLA Appoint Royal Mail To Boost Car Tax Renewals](#)
- [CFH Achieves Top Score For NHS Hybrid Mail Service](#)
- [Moving On](#)
- [Parcel2Go & HDN Deliver Where Parcelforce Fears To Tread](#)
- [Consumer Focus Highlights Post Office Closure Flaws](#)

 **Transport Intelligence** has reported that "TNT has announced that it is expanding its e-commerce activities with the acquisition of e-fulfilment specialist TopPak. With this acquisition, through its Parcel

Service business, TNT will strengthen its position as market leader in the distribution market and add an important link to its e-fulfilment service chain."

 *From the Federal Register:*


### **Postal Service**

#### **RULES**

Rules of Practice in Proceedings Relative to Mail Disputes , 6570 [2010–2844]

[\[TEXT\]](#) [\[PDF\]](#)

**February 9, 2010**

 **DMM Advisory: PostalOne! Outage Update.** The *PostalOne!*<sup>®</sup> system has been down since 5:50 p.m. ET Friday, February 5, and is projected to be back up late tonight, February 9. Mailers will be notified when the system is restored. USPS acceptance sites continue to operate under contingency procedures. Mailers who normally bring in hardcopy postage statements should continue to do so. Mailers who submit postage statements electronically via Postal Wizard are required to submit hardcopy postage statements. Mailers authorized to submit mailing information electronically via Mail.dat or Mail.XML, should provide hardcopy statements and qualification summary (or summaries, as applicable). The hardcopy postage statements will be logged and used to validate the eDoc submitted once the system is restored. Upon restoration of the *PostalOne!* system, acceptance sites will process postage statements as follows:

- For mailers who normally submit hardcopy postage statements, acceptance employees will enter the hardcopy statements presented during the outage.
- For mailers who normally submit postage statements via Postal Wizard, acceptance employees will compare the hardcopy postage statements submitted during the outage to the Postal Wizard statements that appear on the dashboard to finalize those that do appear. If a hardcopy statement was submitted during the outage and does not appear on the dashboard, acceptance employees will enter the hardcopy statement that was provided.
- Mailers who intended to send mailing information electronically (using Mail.dat or Mail.XML) during the outage, should submit their electronic mailing information upon system restoration for the mailings presented during the outage period. Acceptance employees will compare the hardcopy statements that were provided during the outage to the electronic statements appearing on the dashboard to ensure all mailings are presented and will finalize the electronic statements. Mailers are encouraged to work with USPS acceptance employees to verify that all jobs submitted for the outage period — Friday, February 5 through Friday, February 9 — appear correctly on the *PostalOne!* dashboard.
- The Mailing Date will reflect the actual date of mailing and will not be changed to the date the mailing was processed in the *PostalOne!* system.


These contingency procedures are posted on the [RIBBS<sup>®</sup>](#) landing page and under [Intelligent Mail<sup>®</sup> Services Latest News](#). It has been determined that the outage was caused by database corruption. Root cause analysis is underway to determine how this can be prevented in the future. FAST Update – As a reminder, although the FAST<sup>®</sup> system is operational, only the online FAST application is available to schedule appointments.


**eVS Update** - eVS users are impacted by the *PostalOne!* outage as follows:


- eVS manifests received via the Product Tracking System are not being loaded into *PostalOne!* during the outage.
- Customers will continue to receive confirmation that the Product Tracking System has received their manifest files, and they will continue to receive their scan event information from the Product Tracking System.


- eVS Manifest files will be loaded into *PostalOne!* for payment and reconciliation when the system is restored.
- Customers will not need to provide hard copy postage statements for their eVS mailings during the outage.


For questions or concerns, feel free to contact your local Business Mail acceptance personnel or the *PostalOne!* Helpdesk at: 800-522-9085.

 [Logistics Management](#) has reported that "FedEx recently announced it has rolled out a new service, which, it said, provides shippers with a more efficient method for importing goods. Dubbed FedEx International DirectDistribution, the company said this service essentially consolidates multiple packages-or freight-into one shipment for clearance through Customs, as well as bypass distribution centers and reduce time to market costs. Company officials said FedEx International DirectDistribution combines the forwarding and customs compliance expertise of FedEx Trade Networks and the reliability and efficiency of the FedEx global network to the multimodal distribution market, as well as allow shippers to choose modes of transportation-air, surface or ocean-to meet their transit time needs."

 [At the Postal Regulatory Commission](#): A copy of the [Postal Service's 10-Q](#) has been posted on the Postal Regulatory Commission web site.

 [Press Release](#): "The U.S. Postal Service (USPS) ended the first quarter of this fiscal year (Oct. 1 to Dec. 31, 2009) with a net loss of \$297 million, while posting continued high scores in quarterly delivery performance."

 [The Guardian](#) has a report on "Channel 4's Royal Mail witch hunt." The paper said that "Monday's Dispatches programme was an exercise in one-sided journalism. Where was the coherent analysis?"

 **PostalOne!® Outage Update** The *PostalOne!* system has been down since 5:50 pm ET Friday February 5 and is projected to be back up late Tuesday night (February 9). Mailers will be notified when the system is restored. USPS acceptance sites continue to operate under contingency procedures. Mailers who normally bring in hardcopy postage statements should continue to do so. Mailers who submit postage statements electronically via Postal Wizard are required to submit hardcopy postage statements. Mailers authorized to submit mailing information electronically via Mail.dat or Mail.XML, should provide hardcopy statements and qualification summary(s) (as applicable). The hardcopy postage statements will be logged and used to validate the eDoc submitted once the system is restored. Upon restoration of the *PostalOne!* System, acceptance sites will process postage statements as follows:

- For mailers who normally submit hardcopy postage statements, acceptance employees will enter the hardcopy statements presented during the outage. For mailers who normally submit postage statements via Postal Wizard, acceptance employees will compare the hardcopy postage statements submitted during the outage to the Postal Wizard statements that appear on the dashboard to finalize those that do appear. If a hardcopy statement was submitted during the outage and does not appear on the dashboard, acceptance employees will enter the hardcopy statement that was provided.
- Mailers who intended to send mailing information electronically (using Mail.dat or Mail.XML) during the outage, should submit their electronic mailing information upon system restoration for the mailings presented during the outage period. Acceptance employees will compare the hardcopy statements that were provided during the outage to the electronic statements appearing on the dashboard to ensure all mailings are presented and will finalize the electronic statements. Mailers are encouraged to work with USPS acceptance employees to verify that all jobs submitted for the outage period Friday, Feb. 5 through Friday Feb. 9 appear correctly on the *PostalOne!* dashboard.
- The Mailing Date will reflect the actual date of mailing and will not be changed to the date the mailing was processed in the *PostalOne!* system.




These contingency procedures are posted on the [RIBBS](#) landing page and under [Intelligent Mail® Services Latest News](#). It has been determined that the outage was caused by database corruption. Root cause analysis is underway to determine how this can be prevented in the future.


**FAST® Update** – As a reminder, although the FAST® system is operational only the online FAST application is available to schedule appointments.


**eVS Update** - eVS users are impacted by the *PostalOne!* outage as follows:


- eVS manifests received via the Product Tracking System are not being loaded into *PostalOne!* during the outage
- Customers will continue to receive confirmation that the Product Tracking System has received their manifest files, and they will continue to receive their scan event information from the Product Tracking System.
- eVS Manifest files will be loaded into *PostalOne!* for payment and reconciliation when the system is restored.
- Customers will not need to provide hard copy postage statements for their eVS mailings during the outage.


Feel free to contact your local Business Mail acceptance personnel or the *PostalOne!* Helpdesk at 800-522-9085 with your questions/concerns.


 **DMM Advisory: Nomenclature Change Relating to the Network Distribution Center Transition.** We have posted an advance copy of our proposed rule *Federal Register* on Postal Explorer revising the DMM®, other related manuals, applicable publications, and postage statements to support the transitioning of USPS® bulk mail centers (BMC) to network distribution centers (NDC), by replacing all text references to “BMC” with “NDC” concurrent with other DMM revisions scheduled for March 2010. To fully utilize our existing BMC facilities and consolidate transportation, we are changing the flow of mail through the BMC network whereby other classes of mail, including First-Class Mail®, will be processed in these facilities. As part of this transition, we are converting BMCs to NDCs. We began implementation of the NDC concept in May 2009 and this transition continues to date. For more details, go to Postal Explorer at [pe.usps.com](http://pe.usps.com), and click on [Federal Registers Notices](#) in the left frame.


 According to [The Leader](#), "People living in Orihuela Costa hardly need reminding of the importance of a reliable postal service. Until 2008, there were no official addresses to which the post office (Correos) could direct deliveries and we had to use addresses decided by builders and developers. It was only after C.L.A.R.O. complained that three quarters of voter application forms (more than 12,000) sent out to those on the padron in Orihuela Costa in 2006, using padron addresses, had been returned as non-delivered that the Popular Party government in Orihuela introduced official, padron-based street names and house numbers."

 [Austrian Times](#) has reported that "The Austrian postal service (Post) is to pay its employees a bonus of 10,000 Euros to transfer to police work, according to today's (Tues) edition of the newspaper Salzburger Nachrichten. It said employees who applied to transfer to the Interior Ministry to do administrative police work before 5 March and who were accepted by the ministry by 26 April would qualify for the bonus. Such employees would receive 2,000 Euros if they had begun training as administrative workers for the police by 3 May and the remaining 8,000 Euros after they had been given permanent employment by the ministry, according to Salzburg postal employees' union (FCG) official Kurt Friedl."

 [PrintCan](#) has reported that "Publication printers and the magazine industry will be adjusting to radically new federal policies after March 31, when the traditional postal subsidy disappears—along with the long-standing “printed in Canada” rule. For decades, the federal government and Canada Post have subsidized the mailing of eligible Canadian magazines and non-daily newspapers, creating incentives for publishers to promote subscription sales. The subsidy program, called Publication Assistance Program, is being cancelled and replaced with a new program of direct federal grants to eligible publishers."

 According to the [Courier, Express, and Postal Observer](#), "postal stakeholders, and in particular Congress, the Office of Management and Budget, and the U.S. Treasury acting as shareholder and creditor, need to know whether the Postal Service has a business plan, working under existing law, that will ensure financial stability. If such a plan does not exist, then those parties representing the shareholder and creditor interests in the Postal Service need to see a set of alternative plans with hard numbers that would produce financial stability under alternatives that require changes in existing law."

 The public meeting of the Board of Governors of the U.S. Postal Service scheduled for Feb. 9, 2010, has been cancelled due to transportation issues related to severe winter weather in the Washington, DC, area.

 As [Intelisent](#) has put it: "As if the PostalOne! woes weren't bad enough for the Postal Service, weather issues in both Washington DC and Memphis certainly aren't helping things: "Due to inclement weather at our Memphis Help Desk location, please be advised that we will begin our after hours operations at 5:00 pm (CT) today. The PostalOne! email account will continue to be monitored during normal business hours, but the help desk phones cannot be staffed."



This week in [Postal Technology International](#):



[SingPost remains cautiously optimistic](#)



[Mexican Cities to benefit from FedEx-EMBARQ transport collaboration](#)



[Royal Mail announces 100 millionth Sustainable Mail delivery](#)




[Escher Group's Riposte software to be deployed in Iraq](#)



[Chronopost continues its sustainable development approach](#)





[Distinguished Sailors saluted on stamps](#)


 The [Financial Times](#) has reported that "Donald Brydon is hanging up his hat as London Metal Exchange chairman in order to focus on the search for a new chief at Royal Mail, which is losing Adam Crozier to ITV. Mr Brydon, who became chair of the state-owned postal service at the start of last year, has been chairman of the LME since 2003 and is also the chairman of Smiths Group. The LME nomination committee - which includes LME chief Martin Abbott, Catherine Claydon, Standard Bank's Jim Coupland and Michael Overlander of Sucden - is responsible for identifying a Crozier successor."





[USPS News Link](#) explains what the Postal Service has been doing to assist in Haiti.

 In his publication to his members, American Postal Workers Union President [William Burrus](#) explains "what APWU is doing to stop management from 'deliberately destroying' the post office."

 [The Guardian](#) has reported that "The national consultation that led to the government's controversial post office closure programme was deeply flawed and so ineffective that it was regarded by many consumers as "a sham", a hard-hitting report will claim today. Research carried out by the consumer champion Consumer Focus reveals that although record numbers of people responded to the exercise, the Post Office failed to engage with them and missed the opportunity to understand how the planned cutbacks would destroy local communities."

 The [Trinidad & Tobago Express](#) has reported that "A new postal code system is to be put in place to ensure the better delivery of your mail, reduce the response time of the police and firefighters in finding your home and help assist in land allocation at cost of almost half a million dollars. Cabinet approved a proposal for the new system that will be based on a new postal code model."

 [Legal Newline](#) has reported that "United Parcel Service Inc., one of the nation's largest private shippers, is the target of a class action lawsuit over its Air-In-Ground program. The complaint, filed in Denver, accuses the Atlanta-based company of breach of contract, fraudulent inducement, fraudulent nondisclosure, intentional misrepresentation, and negligent misrepresentation, breach of implied covenant of good faith and fair dealing and unjust enrichment. The "Air-In-Ground" program which UPS implemented in 1995 was designed to identify and sort "air" packages that could be transported by "ground" transport and still arrive at their destination on time."

 *Here is a summary of just some of the information that the [National Association of Major Mail Users](#) shares with its members. Do business in Canada? Then you ought to be a member.*

- **TRANSFORMING CANADA'S FOREST PRODUCTS INDUSTRY**

A new study points to a promising bio-future for Canada's forest products industry. The Forest Products Association of Canada (FPAC) released a comprehensive study on February 1st, that shows how the industry can build on its world-class forest management practices and emerge as an engine of growth in the bio-economy. The study, The Future Bio-pathways Project, focuses on the triple bottom line: clean energy, high employment, and economic recovery. According to Avrim Lazar, President and CEO of FPAC, the results are clear – integrating the production of bio-products and bio-energy into the existing industry is a winner on all fronts. Lazar says this blueprint for change places traditional products, especially lumber and pulp, at the heart of a new, green business model that has the potential to make the Forest products industry a pivotal force in Canada's effort to become a clean energy super power.

Learn more, click here: <http://www.fpac.ca/index.php/en/press-releases-full/391/>

- **CANADA POST SPECIAL EXAMINATION REPORT RELEASED**

The Financial Administration Act requires Crown corporations to undergo a special examination of their financial and management systems and practices at least once every ten years. NAMMU president, Kathleen Rowe, was asked to contribute to the preliminary discussions with KPMG that mapped out the scope and specifics of this special examination. The basis for input was the 2008 NAMMU member survey of key issues, also used as the basis for the Association's brief to the Strategic Panel review. The Special Examination report was released February 1, and key emphasis is placed on the successful introduction of Postal Transformation. NAMMU has a role to play in that success, as members partner with Canada Post on the initiatives and process development necessary to create The Modern Post. Click here to view Special Examination Report:


[http://canadapost.ca/cpo/mr/assets/pdf/aboutus/specialreport\\_en.pdf](http://canadapost.ca/cpo/mr/assets/pdf/aboutus/specialreport_en.pdf)


- **POSTAGE SUBSIDY NOW PUBLISHERS' SUBSIDY**


The Canada Periodical Fund (CPF) provides financial assistance to the Canadian magazine and non-daily newspaper industries so they can continue to produce and distribute Canadian content in the face of systemic disadvantages in the marketplace.


The fund of about \$75 million essentially combines the existing Publication Assistance Program (PAP, the postal subsidy) and the Support for Editorial Content portion of the Canadian Magazine Fund. Both funds are being shut down in favor of the new CPF. The CPF will be distributed based


on the number of eligible copies distributed in a year - including newsstand copies – rather than on mailing costs as it was in PAP which ends March 31. (see eView January 25)


 [Hellmail](#) has reported that "DX Group, the UK & Ireland's leading independent mail, courier and secure logistics company, has entered into a strategic agreement with Bar Select Limited. The deal will see the further promotion of [www.barselect.co.uk](http://www.barselect.co.uk), the unique barrister comparison web site which is designed for use by legal professionals."


 [Business Week](#) has noted that "As analysts say rising demand for Internet display ads will begin paying off for Google in 2010, one asks: "Is this a \$10 billion business?" Companies tend to use online display advertising to raise awareness of a brand or product while they deploy search ads to encourage customers to take a specific action—for instance, click on a Web site or make a purchase. Because search ads are often cheaper and their effectiveness easier to measure, budget-conscious advertisers flocked to them during the recession."

 [The New Nation](#) has reported that "The condition of rural post office...is shocking. The Postal Department has been losing its future in the district's all upazillas following gradual deterioration of its service and for not behaving well with those who go there for various reasons. The people have lost their faith in the department because of the fact that the officers and the employees appear indifferent to giving service to the clients and for not paying heed to the complaints."


 [Gulf Times](#) has reported that "the Advisory Council yesterday held its regular session chaired by its Speaker HE Mohamed bin Mubarak al-Kholaifi. The council reviewed the following two draft laws: 1- A draft law No. 16 of 2009 on converting General Postal Corporation (Q-Post) into a Qatari shareholding company."

 The [St. Louis Business Journal](#) has reported that "Pitney Bowes plans to close the Bridgeton, Mo., warehouse it operates under contract with the U.S. Postal Service and lay off 59 workers. The closure, expected to occur by early March, is part of the Postal Service's larger plan to reduce costs and consolidate operations, said Matt Broder, a Pitney Bowes spokesman. The warehouse was used for inspecting and reconditioning postal equipment, including the large mailbags and trays used in processing centers, Broder said."

 The [Wall Street Journal](#) has reported that "United Parcel Service Inc. said it plans to furlough at least 300 of its airline pilots as the world's largest package shipper, by volume, cited a continued need for belt-tightening amid a gradual economic recovery."

 *At the Postal Regulatory Commission:* The Postal Regulatory Commission has rescheduled its public forum on the Annual Compliance Determination until 9:30-11:30 a.m. on February 17.

**February 8, 2010**

 The [Los Angeles Times](#) has reported that "Purchases of U.S. magazines at newsstands and other retail outlets fell 9 percent in the second half of 2009, a slight improvement from the 12 percent year-over-year decline in the first half of the year. Those figures released Monday by the Audit Bureau of Circulations show how the weak economy continues to batter the magazine industry at a time when consumers have plenty of free reading alternatives available online."

 **DMM Advisory: PostalOne! Outage**

The *PostalOne!*® system has been down since 5:50 pm ET Friday February 5 and is projected to be back up late evening on Tuesday February 9. During this outage mailers cannot access mailing reports, balance, fees and transaction information. Mailers cannot submit electronic mailing information or receive Full Service feedback such as address correction information. Although the FAST® system is operational only the online FAST application is available to schedule appointments. USPS acceptance facilities are operating under contingency procedures.

Following is a summary of the procedures to be followed for business mailings during this outage:

- Mailers submitting hard copy postage statements should continue as usual.
- Mailers submitting electronic documentation via Postal Wizard will be required to submit hard copy postage statements.
- Mailers using Mail.dat or Mail.XML to submit mailing information must submit hardcopy postage statements and a qualification summary report for each of their mailings. A mailer may provide a mailing log and other supporting documentation in hardcopy or via access to electronic viewer if available for Postal clerks. Acceptance employees will only request documentation that is necessary for verification or other required function.
- USPS Acceptance employees will enter hard copy postage statements into the system or finalize eDoc statements when the system is restored.

**Special Postage Payment Systems.** Mailers that have special postage payment system agreements (SPPS) in place will follow the contingency plans identified in the SPPS agreement. Mailers who have an authorized DSMS agreement may provide a mailing log by day in lieu of hardcopy postage statements. This log must include at a minimum the elements: Job ID#, permit number, total pieces, and total postage. The clerk needs to annotate the date of mailing for each line item on the log.

Feel free to contact your local Business Mail acceptance personnel or the *PostalOne!* Helpdesk at 800-522-9085 with your questions/concerns. We apologize for the inconvenience. We are committed to restoring *PostalOne!* as soon as possible and will advise you once the system is restored so you can resume your normal mailing procedures with the Postal Service.




<http://blog.uspsog.gov/>.

The latest blog entry has been posted today on the U.S. Postal Service Office of Inspector General's Internet site "[Pushing the Envelope](#)." The public, mailers, postal employees, and other stakeholders are invited to weigh in on the online discussions taking place. To view the site, visit

- **What Does Apple's New iPad Mean for the Postal Service?** Will magazines and newspapers migrate to devices like the iPad? What about catalogs? Or is the immediacy of receiving a physical paper catalog irreplaceable? What do you think?

You can visit Office of Inspector General's public website at: [www.uspsoig.gov](http://www.uspsoig.gov). You can also follow us on Twitter at: <http://twitter.com/OIGUSPS>. If you have additional questions, please contact Communication and Work Life Director Agapi Doulaveris at 703.248.2286.


 The [Courier Post](#) has reported that "A 550-worker postal facility here is expected to halt operations on Saturday, according to a union leader who has fought to keep the plant open."

 *At the Postal Regulatory Commission:*


#### **Postal Regulatory Commission**


#### **RULES**


**New Postal Products**, 6108–6112 [2010–2629] [\[TEXT\]](#) [\[PDF\]](#)

 The [Canberra Times](#) has reported that "Australia Post has refused to consider increasing the compensation it pays when it loses customers' parcels, even though the pay-outs have been capped at the same amount for more than 22 years. The industry watchdog asked the government-owned company late last year to review its compensation limits, pointing out that the \$50 cap for lost ordinary mail had been unchanged since 1987. Postal Industry Ombudsman John McMillan said that, because of inflation, the real value of the pay-out was now less than half of the 1987 amount. But Australia Post said there was no reason to increase the maximum compensation, partly because it usually paid customers less than the cap anyway." See also the [Sydney Morning Herald](#) and [ABC Online](#).

*February 7, 2010*

 [The Telegraph](#) has reported that "Royal Mail delivery staff are being equipped with a device which releases compressed air and makes a hissing sound designed to scare off dogs."

 [WJTV](#) has reported that "Prairie City residents have filed a complaint with the Postal Regulatory Commission to get their post office reopened. A petition in support of the rural Perkins County post office, bearing 69 signatures, was filed Wednesday. Ruby and Herman VanDenBerg, who live south of Prairie City, were among those who signed. They say the next closest post office is in Bison, about 17 miles away from Prairie City. The U.S. Postal Service closed the post office in December, citing environmental issues and furnace problems."


 **Attention PostalOne! Users:** The USPS technical teams continue to recover the PostalOne database. This process is a lengthy process and not expected to complete until late Sunday, 2/7/2010. USPS Headquarters Business Mail Acceptance has advised acceptance units to follow the business contingency plan for accepting mail during a PostalOne outage.


- For mailers who have been submitting electronic documentation (eDoc), you will be required to submit hardcopy postage statements and qualification summary reports for your mailings during the outage.
- The hardcopy statements will be retained in the BMEU/DMU and will be used to validate against the eDoc submitted when the system is restored.


As a reminder, the outage is being tracked under the Priority Urgent Remedy Case #4276011. An updated status will be provided at approximately Noon CT on 2/7/2010.


*PostalOne!*® Customer Care Center, 6060 Primacy Pkwy, Memphis, TN, tel: 800.522.9085


*February 6, 2010*


 The [Courier, Express, and Postal Observer](#) has told its readers that "Both the National Association of Letter Carriers (NALC) and American Postal Workers Union (APWU) report on their respective websites that President Obama supports 6-day Delivery. This statement does nothing more than state that the Obama administration plans to work with all postal stakeholders to ensure that it remains viable over the long haul. This statement provides no indications if President Obama's positions on postal policy are similar to those of any stakeholder. At best all stakeholders, including the APWU, or the NALC, can expect that they will have a seat at the table as more serious discussions about the future of the Postal Service begin this Spring."


 According to [Emirates Business 24/7](#), "In an industry specific report, Deloitte, a global research and data analysing company, has revealed some very unorthodox turns and stressed the changes that will be seen this year are not temporary but here to stay and define the new structure of the media. The report said: "Linear will prevail despite the proliferation of technologies, such as digital video recorders, pay-per-view, on-demand television, podcasts and online music services, all of which permit viewers and listeners to opt out of the broadcasters schedule....While the future may be defined by the technological innovations and emergence of new platforms, but the report cautions against the imposition of new technology. "The broadcast industry and equipment manufacturers should bear in mind that consumers do not necessarily embrace the options given to them by advances in technology," it said."

 [Business Week](#) has reported that "Bar codes are getting hip. For decades, retailers and manufacturers have used these patterns of black dots, lines, and squares to encode pricing and other data onto products and supplies. Now, bar codes are gaining currency as an easy way for cell-phone users to view ads, coupons, and other information instantly."

 According to [The Times](#), "Royal Mail simply cannot be trusted."


 [The International News](#) has reported that "Minister for Postal Services, Israrullah Zehri has said that in some areas postal services are still not satisfied due to different problems and urged the concerned officials to review their performance to facilitate the customers....theft is endemic within Royal Mail and that a small minority of staff are routinely opening post that they think may yield some booty — such as brightly coloured birthday card envelopes."

 The [Danbury News Times](#) has reported that "Pitney Bowes, the world's largest maker of postal meters, shot up nearly 5 percent Friday after posting fourth-quarter profit that topped analysts' estimates. The shares climbed \$1.04, or 4.5 percent, to \$22.34 in New York Stock Exchange trading and earlier increased as much as 7.9 percent, the biggest intraday percentage gain since Feb. 6, 2009."

 **Attention PostalOne! Users:** "We [USPS] have determined that a critical disk error has occurred. This resulted in a PostalOne database failure. We are in the process of performing a database recovery. At this point we expect that recovery will take an extended amount of time. Sites should follow the attached business contingency plan during the outage. Once we have an ETA I will provide an update."

*February 5, 2010*

 **Job Opening: Job Title: Fulfillment Manager. Department: Operations. Reports to: Vice President of Finance & Operations. [Check it out.](#)**

 According to [John Buck](#), Vice President, Business Development, Parascript, LLC, "lately a big red warning flag has been waving high above the Postal industry. In a time when the industry is being affected by liberalization, deregulation, and the opening-up of competition, growing concerns of cost containment and improved efficiencies are heightened even more. While the position of national posts as the sole providers of postal services is threatened by other industries, Posts should look for opportunities that go beyond their central activities and traditional geographical markets."




The latest issue of the [PostCom Bulletin](#) is available online. In this issue:

- President Barack Obama has announced his intent to nominate Paul Steven Miller and Dennis J. Toner to the U.S. Postal Service Board of Governors.
- According to the Courier, Express, and Postal Observer, "At a You Tube forum, President Obama was asked, "Mr. President, our deficit (national debt) is higher than ever at \$12 trillion. Will you consider allowing the private sector to buy and take over the most troubled government-run agencies such as the U.S. Postal Service?" The President's response suggests that his administration has left him poorly prepared for questions about the future of the Postal Service. As questions about the future of the Postal Service will likely be on his plate over the next 9 months, it is time for his staff to do the legwork that will have him better prepared. This post reviews information that he needs so that he can develop the level of understanding necessary to direct his staff in regards to future of the Postal Service.
- The U.S. Postal Service's Office of Inspector General (IG) released it findings this week on the USPS' sustainability compliance for FY2009. The IG's report, Management Advisory - Sustainability: Promoting Energy and Recycling Compliance Fiscal Year 2009, was a result of the USPS Vice President, Sustainability, requesting the IG to review energy and recycling compliance at the Postal Service.
- The U.S. Postal Service continually updates it Area Mail Processing (AMP) page on usps.com to let mailers know of any changes to its current studies.
- Ragcontent discussed how the response provided by the USPS to the Commission Information Request was horrifying and how Congress will truly need to "bail out" the Postal Service from its own leadership and management.
- Board of Governors to meet Feb 9. Co-opetition continues. Ask Obama. Nearly 20% of email campaign messages fail to deliver. Time for a parcel merger. PRC Chair Goldway: Five-day mail delivery awaiting advisory opinion. USPS venturing into music distribution. USPS shortens closure list to 162. UPS turns in a good quarter. Netflix sees growth in mailed DVDs continuing for several years.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews.


*Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? [Send us by email](#) your name, company, company title, postal and email address. Get a chance to see what you've been missing.*




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 "The iPad: A Natural Fit for Digital Magazines." According to [Publishing Executive](#), "For publishers, it is a special moment in time—a chance to gain a new set of readers without abandoning the very special realm of paginated media. Above all else, we need to take the concept of the page where perhaps it was intended to go all along. Keeping the page format empowers us to do what we have done for 100 years—sell advertisers our very valuable real estate. The iPad is a natural digital magazine apparatus that just might bring the luster and the profitability of the Internet age to the publishing houses of the world. This, of course, doesn't at all mean that we have to abandon the printed page, but rather that we now have an additional pathway to monetize our franchise of content."





 Here's a WILDS event scheduled for February 18th. [http://www.shedelivers.org/index\\_files/events.htm](http://www.shedelivers.org/index_files/events.htm)  
Join Tina Benavides, Vice President of American Greeting Cards and Nancy Cushman, Print Production Manager at Crate and Barrel for a light lunch and an interactive discussion on the subject of: "Marketing to Women – Our Core Buyers" USPS headquarters (Room 1P410) 475 L'Enfant Plaza SW, Washington, DC 20260 February 18th -- 12:15—2:00 pm \$12 for WILDS Members, \$15.00 for non-members


 **DMM Advisory: Express Mail Open and Distribute and Priority Mail Open and Distribute Changes and Updates.** On January 29, 2010, we published a *Federal Register* proposed rule to revise standards to reflect changes and updates for Express Mail® Open and Distribute and Priority Mail® Open and Distribute to improve efficiencies in processing and to control costs by eliminating Label 23. We also propose to discontinue the optional use of facsimile Tag 190, *Priority Mail Open and Distribute-Destination Delivery Unit*. Customers would be required to use the USPS-supplied Tag 190, which is pink and easy to identify. This change will help to ensure accurate and efficient processing of Open and Distribute containers. We encourage mailers to comment no later than March 1, 2010. For more details, go to Postal Explorer at [pe.usps.com](http://pe.usps.com), and click on [Federal Registers Notices](#) in the left frame.


 The [APWU President](#) has posted a piece on "A Surprising Example of the Depth of Deception ."


 [DM News](#) has reported that "The Direct Marketing Association named Robert Allen, former president and CEO of the Vermont Country Store, its interim president and CEO effective February 5."


 The [Armenian News Network](#) has reported that "the Armenian government approved the draft on making an addition to government decision No 1656-A of 30 November 2006, by which the list of services provided by HayPost company has been expanded. In particular, henceforth the company will carry out customs intermediary activity."

 [Check out this video](#) that gives a behind-the-scenes look at how thousands of orders are fulfilled every day for Sprint customers. UPS handles 85% of direct-to-consumer orders in U.S. after competing with 8 other companies to win the business.


 The [Cumberland Times-News](#) has reported that "Area residents in need of postal services may find a convenient solution close at hand as PharmaCare West on Greene Street becomes a contract postal unit. A CPU provides all the services of a traditional post office aside from money orders and post office box rentals. "Everything else from a change of address card to registered mail can be done through us," said PharmaCare public relations representative Jennifer Hare. "You can do all your shipping, domestic or international, here. You can buy your stamps here and we have daily pickup a couple times a day," she said."


 [WHBF](#) has reported that "People in Port Byron, Illinois had one day of notice before their one and only post office closed down. Severe roof damage and asbestos is keeping the office from reopening and there are no plans in place to have it fixed. In the mean time, people in town have to drive to Hampton, Illinois to get their mail, but are not happy about it."


 According to the [Altona Echo](#), "The Altona post office has run out of postal boxes and Canada Post isn't planning on adding any to the facility anytime soon. Representatives of Canada Post met with town staff recently saying that the present postal building has maxed out on postal boxes and that there are numerous people waiting for a box. Altona has 2,760 boxes. They are considering installing "super mail boxes" in newer developments or interior mail boxes for apartment blocks. In apartment dwellings alone, this would free up about 460 mail boxes."


 The [Lac du Bonnet Leader](#) has reported that "Canada Post is not being sold to the private sector just yet, but the Crown corporation is in the midst of selling the public on its view of today and its vision for the


future. This vision includes some privatization and more post office closures. In recent months, Canada Post has been featured in news stories that paint a picture of a post office in need of a major tune up. The corporation has been telling anyone who will listen that volumes and revenues are down, in part, due to the recession. According to senior management, business is difficult. The post office faces increased competition from electronic communication and its machines and plants need to be upgraded and repaired. Not to worry, Canada Post says it has a plan to deal with its challenges. The problem is it needs the federal government's support to fully succeed."


 [Macauhub](#) has reported that "Portuguese postal company CTT-Correios de Portugal is due to start operating in Mozambique before the end of the first half of this year, the chairman of the group, Estanislau Costa said Wednesday in Porto, Portugal. Costa said that "adaptation work for the shops we are going to open in Mozambique," was underway as well as "choosing the teams that will prepare the information systems for the company's launch." The company was officially set up in November of last year. "We signed the contract in November last for the Correio de Moçambique company, which is 50 percent owned by us and 50 percent by the Mozambican national postal company," said Costa on the sidelines of the signing of a cooperation protocol with the Portuguese Business Association, AEP."


 [Balkans.com Business News](#) has reported that "State-owned PTT Srbija (Serbian Postal, Telegraph and Telephone Service) posted revenue of 3.9 billion dinars (39 million euros) in 2009, up 1.2 billion dinars (12 million euros)."


 [Post & Parcel](#) has reported that "CTT Correios of Portugal has been ranked first in the Climate Responsibility: ACGE Index carried out by the Euronatura Environmental Law and Sustainable Development Centre."


 The [Express and Star](#) has reported that "Trading Standards officers in Staffordshire are supporting a nationwide campaign which aims to help end the scourge of mass marketed scam mailings in the UK."


 [WJAC-TV](#) has reported that "Reduced hours at a Cambria County post office is causing a big inconvenience for some residents. The U.S. Post Office in Wilmore cut its hours from 24 hours a day to 8 hours."

 The [Chicago Herald](#) has reported that "U.S. Postal Service officials announced this week over union objections that plans to move certain operations from Palatine to Carol Stream - and reassign 130 employees - are moving forward. Beginning in April, some mail processing operations that currently take place at the Palatine Processing and Distribution Center on Northwest Highway will be relocated to a similar facility in Carol Stream."

 [Online Media Daily](#) has reported that "Email service provider ExactTarget released a study this week showing marketers plan to boost spending in email, social media and other non-traditional outreach channels this year. Advisory firm Econsultancy conducted the research along with the Indianapolis-based ESP. The study of 1,000-plus marketers shows 54% of marketers said they will boost budgets for email marketing, and about 66% in social media (even though about 80% of those acknowledged the difficulty in tracking ROI in the medium). Delving deeper in social media, the research showed the medium is the "fastest growing digital marketing channel." That includes venues from Facebook pages to blogs. More than 70% are boosting spending on so-called "off-site" social media offerings such as Facebook and Twitter, and about 65% in "on-site" areas such as "blogs or ratings and reviews." [EdNote: *Yup, and in about five years, mail will be considered the LEAST INTRUSIVE of all advertising media.*]

 [Media Daily News](#) has reported that "Newspaper Web sites have attracted a substantial online audience, but face some major obstacles to monetizing their readership with advertising, according to several new studies. However, online publishers and advertisers outside the newspaper business must also confront the same issues."

 The [National Association of Letter Carriers](#) has noted that "[President Obama's fiscal 2011 budget proposal](#) requires the continuation of six-day delivery by the Postal Service. The administration also promises to work with postal unions and other stakeholders to keep the Postal Service strong for years to come. In setting the amount for "revenue forgone" to cover the costs of free and reduced rate mail, the spending plan says payments will be made "provided that 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level...." Looking to the future, the proposal, submitted to Congress on February 1, states, "The Administration will work with the Postal Service, its employee unions, the Congress, and other stakeholders to make sure the Postal Service (remains) a pillar of the American economy and a vital public resource through the current crisis and over the long haul."

 From [PRWeb](#): "Valassis, one of the nation's leading media and marketing services companies, announced today the display of a new call-to-action poster in 33,000 post offices across the country. The poster asks the public to get involved in the search for missing children – a cause featured across its RedPlum™ portfolio. RedPlum is the consumer brand of Valassis. Posters in USPS Lobbies Send Message That Missing Children Aren't Always Hidden The poster of a child at a birthday party with a message that missing children aren't always hidden will be displayed through the end of May. The poster will be visible in United States Postal Service (USPS) lobbies nationwide to celebrate the 25th anniversary of Valassis' "Have You Seen Me?®" Program in partnership with the USPS and the National Center for Missing & Exploited Children (NCMEC) and to raise awareness for this important effort. The posters, created by Valassis, provide a call to action for the public to look for the "Have You Seen Me?®" photos in RedPlum products and online at redplum.com."

 [ISRIA](#) has reported that the "Armenian postal service (Haypost) quality is due to improve."




Smithsonian  
National Postal Museum

The Smithsonian's National Postal Museum launches its new featured collection "Playing to Win: American Sports & Athletes on Stamps" on its award-winning Web site Arago at [www.postalmuseum.si.edu/ARAGOSportsOnStamps](http://www.postalmuseum.si.edu/ARAGOSportsOnStamps).



The [United States Court of Appeals for the District of Columbia Circuit](#): Set for Monday, February 8, 2010 9:30 AM Judges Tatel, Silberman and Williams 09-1032 USPS v. PRC 15 min per side.


 According to [Rag Content](#), "Some have asked whether or not the Postal Service's plan to modify delivery/operations is for operational necessity or a political ploy to get what it really wants – a new postal law or at least permanent retiree health payment relief. Either way, the Postal Service is not meeting its true potential as intended under the PAEA. The Postal Service was to act more like a business, enabling to react to market conditions faster and allow it to compete like UPS and FedEx. Yet, a REAL business would have a short-term and long-term plan for fiscal solvency."



*At the Postal Regulatory Commission*: "The [Postal Regulatory Commission](#) will convene a public forum at 10 a.m., Wednesday, February 10 at Commission Headquarters, as part of Docket No. ACR2009, to allow interested parties to comment on Postal Service plans for achieving financial stability to enable it to provide effective universal mail service to the Nation in 2010 and beyond. The Commission is conducting the public forum as part of its legal responsibility to determine Postal Service compliance with the requirements of the Postal Accountability and Enhancement Act during the past fiscal year."



From [PRNewswire](#): "A series of federal lawsuits filed this week in Colorado and California allege that United Parcel Service has been improperly charging high air-transportation rates for next-day and two-day deliveries that were actually sent by far-cheaper ground transportation. According to the suits, UPS has been deliberately transporting some customers' "Next Day Air" and "2nd Day Air" packages by ground rather than by air and billing customers for the more expensive air shipping option. The suits assert that UPS has even named the practice internally: the "Air-in-Ground" program."

 [DVIDS](#) has reported that "U.S. postal inspectors have arrived here to conduct security assessments and help prepare to set up an Army post office, as well as to assist with the restoration of mail service to the earthquake-ravaged country. According to a U.S. Postal Service press release, this experienced team of postal inspectors has sharpened their skills in the aftermath of such large-scale disasters as Hurricane Katrina. Re-establishing postal services in Haiti requires close coordination with the Department of State, the U.S. Agency for International Development, and various components of the Department of Defense. The process of setting up an Army post office is a joint effort between the Department of Defense, the U.S. Postal Service, and the liaison between the two - the Military Postal Service Agency."

### **Mailers' Technical Advisory Committee (MTAC)**

The agenda for the February 16 - 18, 2009 of the Mailers' Technical Advisory Committee (MTAC) meeting has been posted on this site.

*February 4, 2010*

### **Mailers' Technical Advisory Committee (MTAC)**


From Steve Kearney, USPS MTAC co-chair: "Last July, Sam Pulcrano, VP, Sustainability, and I began a series of outreach meetings to discuss the concept of five-day delivery and get much-needed input from our major stakeholders. We followed more than 30 group meetings—both in person and through webinar technology—with a survey of MTAC membership. We shared the results of that survey with you. Through questions and comments, MTAC members and other customers brought to our attention an extensive list of issues. We have shared that list with you. Sam and his core team have worked to resolve or mitigate, to the extent practicable, the issues you and your peers identified. Through extensive cross-functional consultation, the team has made changes to the original concept. They will present their updated operational plan at our upcoming meeting, February 17. Sam and the team will then hold webinars for those in your offices not attending our meeting. The dates and times follow. If you would like your company to have a seat at a webinar, please send an e-mail to [Connie.Totten-Oldham@usps.gov](mailto:Connie.Totten-Oldham@usps.gov) with the date you prefer. She will send an invitation along with instructions for viewing the presentation and joining the conversation.


Friday, February 19, 2:00 - 4:00 p.m.


Tuesday, February 23, 2:30 - 4:30 p.m.

Wednesday, February 24, 2:00 - 4:00 p.m.

Friday, February 26, 1:30 - 3:30 p.m.

 According to the [Courier, Express, and Postal Observer](#), "The Postal Service's presentation of its 5-day delivery proposal appears to be on a fast track for presentation to the Postal Regulatory Commission."

 The [Barcelona Reporter](#) has noted that "In a statement, Swiss Post said its bid for Spain is one of the objectives of its strategy for growth in key international markets. The Swiss company has purchased ABC Mail and Mail Partners, companies controlled by the group Dutchman Mail and ABC. The templates of the two companies will be integrated into International Swisspost. The operation is part of the strategy of international expansion of Swiss Post and its goal of becoming the first private operator in Spain, positioning itself in the postal sector which will be opened in 2011."

 The [Evening Telegraph](#) has reported that "postal workers are today delivering a huge backlog of mail following an hour long power cut which brought chaos to Peterborough's main sorting depot. Homes and


businesses across the city were without post yesterday (3 February) after the blackout had left Royal Mail staff unable to sort out hundreds of items of mail overnight ready for the morning deliveries."





The following reports have been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning a report, please contact Agapi Doulaveris at 703.248.2286.


- [\*\*Mojave Post Office Mail Processing Changes \(Report Number EN-MA-10-002\)\*\*](#)
- [\*\*New Castle Processing and Distribution Facility Outgoing Mail Consolidation \(Report Number NO-AR-10-002\)\*\*](#)
- [\*\*Postal Service Officers' Travel and Representation Expenses for Fiscal Year 2009 \(Report Number FT-AR-10-007\)\*\*](#)
- [\*\*Sustainability: Promoting Energy and Recycling Compliance Fiscal Year 2009 \(Report Number DA-MA-10-001\)\*\*](#). In this review, seven of 88 sites visited met basic energy standards, showing some improvement for energy awareness. Consistent with our prior review of another 90 sites, questionnaire responses indicated most of the sites can improve in the areas of basic building maintenance, such as setting prescribed temperatures, installing occupancy sensors, and taking measures to reduce domestic water use. To be more effective, we continue to believe the Postal Service can take further advantage of technology advancements, namely, remote building management systems.


*February 3, 2010*


 The [Memphis Commercial Appeal](#) has reported that "A senior FedEx executive on Tuesday trumpeted the company's core commitment to customer service and maintaining one of the world's best-loved brands."

 The [Charlottesville Daily Progress](#) has reported that "U.S. Postal Service and labor union officials are meeting today to hammer-out details on the closure of the postal service's Charlottesville Processing & Distribution Facility off of Airport Road. Postal officials announced yesterday that they would close the facility, built in 1998, in hopes of saving \$6.3 million."

 [PrintWeek](#) has reported that "Deliveries through Royal Mail's Sustainable Mail service have gone past the 100m mark, the postal operator has revealed. The milestone has been reached nine months after the initial launch of the initiative, which offers tariff discounts on bulk direct mail that adheres to a range of green criteria."

 [CEP News](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

 The Committee on Transportation and Telecommunications (KfV), a body of the Swiss parliament, suspended the amendment of the postal law. From the Committee's view there are too many outstanding issues to decide now about a total liberalisation of the postal market.

 The German government could face claims due to the unlawful minimum wage in the postal industry. The Federal Government could be held liable for bankruptcies caused by the minimum wage said Wolfgang Stammer, lawyer and expert on administrative law, to

magazine »Focus Money« (1.2). Postal service providers could also demand to be refunded for the wages they paid in excess due to the now illegal minimum wage.

🇮🇳 India Post reported an increase of mail volume for the first time in five years.

🇨🇭 The Swiss parcel industry complies with customary labour conditions. This is proved by a study from the University of Geneva which was published just now on behalf of the regulatory authority. In the context of this probe the data of 186 Swiss companies working in the parcel business market could be examined.

🇫🇮 According to Posten Norden the company has now established Finland's most modern logistics center.

🇩🇪 TNT Post received a check in the ongoing judicial disputes with Deutsche Post. The district court of Düsseldorf rejected the appeal for provisional injunction against Deutsche Post's subsidiary First Mail (CEP-News 02/10). TNT accused Deutsche Post of trying to establish a second letter delivery network with low paid deliverers through its subsidiary.

🇸🇪 Swedish Posten AB decided to close its so-called Business Centers. A spokeswoman confirmed to CEP-News that all 337 centers will be shut down within the next three years. According to a statement from Posten AB the closure was inevitable due to declining utilisation in the last few years.

🇦🇹 Plans to restructure the post office network of Austrian Post met opposition from unions.

🇬🇧 CitySprint (turnover 2008: 51.5m euros), by its own account the largest SameDay-Network in the UK, remains on its shopping spree. Last week the acquisition of British CEP-service Post Haste Group was reported.

🇫🇮 The Administrative Court of Helsinki rejected Itella's appeal for suspending the enforcement of a regulatory authority's decision. Itella took legal action to prevent the submission of a report on the cost basis of universal service products in a manner specified by the authority.

🇦🇹 Austria Post took over the customers from TNT subsidiary redmail on February 1.




The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. [To learn more about the stories reported above, contact CEP News.](#) (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)


🇺🇸 In a story entitled "Bad Dog Halts Mail Delivery," [MyFoxDFW](#) has reported that "The mail has stopped in one Oak Cliff neighborhood because of a dangerous dog. Residents in the 2500 and 2600 blocks of Poinsettia Drive say their mail hasn't been delivered since Jan. 20. They've been told they must now physically pick it up at the post office. [Bad dog! Bad, bad dog!]"


🇮🇹 According to [Merinews](#), the "Union Finance Minister should rationalise postal-tariffs in forthcoming Union Budget with new tariffs to be applicable from first day of new financial-year i.e. 1st April to make these systematic and practical aimed to reduce heavy subsidy bill on postal-services."


🇪🇸 [Post & Parcel](#) has reported that "Swiss Post is strengthening its presence in Spain by taking over two long term sales partners in Madrid."


🇺🇸 According to [Practical eCommerce](#), "If you use truck freight to receive merchandise from your suppliers or to ship to your customers, and you suspect you are paying too much, this how-to guide is for you."


 The [Sydney Morning Herald](#) has told its readers that "Australia Post has been accused of secretly monitoring Sydney postal workers using computerised street-side red letter boxes in breach of NSW surveillance laws. But the postal service says it is entitled to spy on its staff because it is not subject to state laws."

 According to [Online Media Daily](#), "Despite minor improvements, about 1-in-5 commercial, **permissioned emails still fail to reach consumers' inboxes**, according to new research from email and reputation management firm Return Path. In the second half of 2009, 19.9% such emails never reached consumer inboxes in the United States and Canada -- representing only a slight improvement over the first half of the year when 20.7% such emails missed their target."

 [Transport Intelligence](#) has reported that "TNT has issued a statement saying that it has continued to see a positive development of its volumes in its Express division in Q4 2009. Its volumes in air, road and domestic in Q4 were all above those in Q4 2008. TNT views this as encouraging after the sharp, but as of Q2, stabilising volume decline in the first nine months of 2009 against 2008. For the first time in 2009, the Express operating margin in Q4 was above that in Q4 2008. The company's focus on cost savings has contributed substantially to this result, while price pressure has continued."

 From [PRNewswire](#): "Hundreds of thousands of Brits can now look forward to a better home shopping experience thanks to DPD, who've become the first parcels company to provide customers with a one hour window for their home deliveries. Launched today across the UK, home shoppers who buy from retailers shipping with DPD can receive a free SMS or email giving them a precise one hour window in which the driver will arrive. Big name retailers among the 1,500 companies who've already signed up for the service include mobile phones giant Three, Currys and online gift company [iwantoneofthose.com](#)."


 According to the [Courier, Express, and Postal Observer](#), "At a You Tube forum, President Obama was asked, "Mr. President, our deficit (national debt) is higher than ever at \$12 trillion. Will you consider allowing the private sector to buy and take over the most troubled government-run agencies such as the U.S. Postal Service?" The President's response suggests that his administration has left him poorly prepared for questions about the future of the Postal Service. As questions about the future of the Postal Service will likely be on his plate over the next 9 months, it is time for his staff to do the legwork that will have him better prepared."


 **Prescott Report** *It's available. Get a copy of your own, and then you won't miss what's in the current issue of the [Prescott Report](#).*

- Winterberry Group's analysis of media spend on and offline in 2009 and predictions for 2010.
- Case Study in fund-raising in The Netherlands: Aha! Marketing, POP and direct mail. Over 400% ROI on a campaign to fix wounded windmills.
- Going to Battle in US Courts - a warning to foreign companies to "get their data retention policies in order".
- US-based ETOEs. Kate Muth asks important questions on treatment by State and Homeland Security of foreign posts exporting mail from the US.
- Health Insurance. The Cost in Europe-an unscientific survey of *Lucerna Juris* lawyers.
- Privacy Updates: Red Flags Rules from the FTC; European Commission considering changes to the Data Protection Directive; Targeted Marketing - more developments in the policy-making meetings.

 *At the Postal Regulatory Commission:*

- The Inspector General of the Postal Regulatory Commission has issued his "[Final Audit Report Compensation Changes And Performance Awards](#)."

 The [Journal of Commerce](#) has reported that "UPS nearly tripled its net profit in the fourth quarter, as a strong surge in international demand and unexpected domestic holiday shipping pushed earnings to \$757 million at the end of the year. UPS said reductions in costs and capacity also helped drive the improvement. UPS's domestic air express volume grew 3.5 percent in the fourth quarter, and international package volume jumped 11.8 percent over the same period a year ago, part of a broad expansion in demand reported across the air cargo industry."

 [Intelisent](#) has told its readers that "Interesting to read the comments at many of the USPS employee sites regarding the "Do Not Obliterate" push, where USPS folks are being trained to keep the address block clear of cross-outs. Many of the comments center around loop mail, and the problem of mail getting incorrectly routed over and over by the automated equipment."

*February 2, 2010*



This week in [Postal Technology International](#):



[Canada Post pleased with special examination report](#)



[UPS among top 10 on Climate Innovation Index](#)



[Postal Service updates consolidation initiative](#)



[PIN Berlin deploys mail processing solution](#)



[Cycleon appoints Ernst Hoestra as new CEO](#)




[Vitronic optimises hub with volume-measuring technology](#)



The Board of Governors of the U.S. Postal Service will meet Feb. 9 at Postal Service headquarters, 475 L'Enfant Plaza, SW. The public is welcome to observe the Board's open session, scheduled to begin at 1:30 p.m., in the Ben Franklin Room on the 11th floor. The Board is expected to discuss the following items:


**Tuesday, Feb. 9 at 1:30 p.m.**


1. Minutes of previous meetings
2. Remarks of the Chairman of the Board
3. Remarks of the Postmaster General and CEO
4. Amendments to Board bylaws
5. Appointment of committee members and committee reports
6. Quarterly report on financial performance
7. Inspector General Report on USPS Share of CSRS Pension Responsibility
8. Quarterly report on service performance
9. Tentative agenda for the March 22-24, 2010, meeting in Washington, DC


 [CNNMoney](#) has reported that "Harte-Hanks, Inc. today reported fourth quarter 2009 diluted earnings per share of \$0.21 on revenues of \$217.5 million. These results compare to diluted earnings per share of \$0.23 on \$269.6 million in revenues for the fourth quarter of 2008. Chairman, President and Chief Executive Officer Larry Franklin said, "2009 was a challenging year for both the U.S. and global economies. As our clients changed their marketing plans, we adjusted and evolved our offerings to meet our client needs."




Although economic uncertainty remains we did see some slight revenue improvement in both Shoppers and Direct Marketing toward the end of the quarter. Executive Vice President and Chief Financial Officer, Doug Shepard said, "Direct Marketing fourth quarter revenues and operating income declined 19.0% and 5.1%, respectively. Operating income margins were 18.3% versus 15.6% in the fourth quarter of 2008. Direct Marketing continued to manage its expenses and limit the decline in operating income to \$1.5 million on a \$35.9 million revenue decrease. "All vertical markets experienced revenue declines in the fourth quarter."

 [Al Bawaba](#) has reported that "Reinforcing Acxiom's role as a founding member of King Abdullah University of Science and Technology (KAUST)'s Industrial Collaboration Program (KICP), John Meyer – CEO and President of Acxiom, a global leader in marketing services, made an official visit to the landmark university's campus in Thuwal (north of Jeddah), where he toured the different divisions and met with key personnel. The visit comes only three months after the Arkansas based global marketing services corporation joined the program, where it sits on the KAUST Industrial Advisory Board alongside other founding partners, providing guidance to the research being executed on the main campus in Thuwal, as well as through the significant global collaborative research network."


 From [PRWeb](#): "Valassis, one of the nation's leading media and marketing services companies, announced today a distribution alliance that will both enhance and extend delivery of advertising insert packages to 1.4 million households in northern New Jersey. Through this partnership, CBA Industries, private carrier delivery, and the The Newark Star Ledger, the leading newspaper in New Jersey, will combine their advertising inserts with Valassis' RedPlum™ Direct Mail Package, creating a single, shared offering."

 [The Baltic Course](#) has reported that "SEB Pank and Eesti Post extended till January 31, 2013 their cooperation agreement on the basis of which the activates of postal banks continue in post offices all over Estonia. Eesti Pank's board member Aavo Kärmas said that Eesti Post would like to offer a bigger variety of banking services."

 According to [DM News](#), "JCPenney pioneers postal intelligence."

 According to [SwampPolitics](#), when asked about the possibility of privatizing the Postal Service, President Obama responded in the negative:

"Mr. President, our deficit (national debt) is higher than ever at \$12 trillion. Will you consider allowing the private sector to buy and take over the most troubled government-run agencies such as the U.S. Postal Service?" "Bad idea most of the time," Obama replied. "There are examples where privatization makes sense, where people can do things much more efficiently. But oftentimes what you see is companies want to buy those parts of a government-run op that are profitable, and they don't want to do anything else. "So, for example, the U.S. Postal Service, everybody would love to have that high-end part of the business that FedEx and UPS are already in, business to business you make a lot of money. But do they want to deliver that postcard to a remote area somewhere in rural America that is a money loser? Well, the U.S. Post Office provides universal service. Those companies would not want to provide universal service."

 [Postalnews.com](#) is carrying a story from [LiteBlue](#) on: "When UPS partnered with the Postal Service to offer Parcel Return Service (PRS), it recognized the strength of the USPS network and the efficient service it provides to every address, every day. The Atlanta-based shipper calls the service "UPS Returns Flexible Access." USPS calls it "new revenue." Customers returning a package using the service have the option of sending the parcel using UPS or the Postal Service. Now, the flexible access label used for the service has been changed. UPS has redesigned its PRS labels to include the message, "Package may be given to UPS or USPS." USPS wants employees in the mail sorting and delivery process to keep an eye out for the co-


branded PRS label on parcels. Accept and handle them as you would any other PRS parcel. Do not cut, cross out, cover up or mark through any portion of the label, including UPS barcodes."


 *From the Federal Register:*


### **Postal Regulatory Commission**

#### **RULES**


New Postal Product , 5236–5241 [2010–2066] [[TEXT](#)] [[PDF](#)]


 [Radio New Zealand International](#) has reported that "Palau's president says a 250 million US dollars direct aid package from the United States will go towards health, education, government operations and other areas. Johnson Toribiong says 20 million US dollars is to be used to fund the US postal services in Palau, Marshall Islands and the Federated States of Micronesia."


 [KTTS](#) has reported that "The former postmaster in Republic has pleaded guilty to federal charges of misappropriating funds. Authorities say Donna Rippee withdrew a couple thousand dollars from a postal account and turned that into money orders made out to herself. Federal agents say this was an effort to cover up a total of \$40,000 in money missing from another postal account under Rippee's control."


 [Hellmail](#) has reported that "Electronic signatures enabling trustworthy paperless transactions will now become a reality for many Irish businesses thanks to An Post. A new deal signed by An Post's Certification Services Provider (CSP) subsidiary, Post.Trust will enable businesses to create electronic documents embedded with legally binding digital signatures. These electronic documents can replace paper documents which rely on a physical handwritten signature. This development also seamlessly provides the dual benefits of author identity and document integrity verification, meeting a growing and increasingly essential requirement for Irish business."

#### ***February 1, 2010***

 The [Journal of Commerce](#) has reported that "Today's parcel industry is starkly different from that of 1998, when UPS and FedEx Ground brought ground delivery service into the same arena as air express by guaranteeing delivery times for ground parcels. This has produced enormous change in domestic delivery in the U.S., and the resulting impact on shipper decisions and the market suggests it is time for a merger in the parcel industry — not of UPS and FedEx, but of express and ground services. Yet despite the numerous changes that have eliminated the differences between express and ground services, UPS and FedEx have not merged these services for fear of revenue dilution. Although UPS may not be ready for such a major merger, it should divest of two niche domestic express services that have little value in today's parcel industry."


 The [Financial Times](#) has reported that "One of the largest buyers of Japanese government bonds is under pressure to diversify its holdings in a move that will reverberate throughout the huge JGB market. Shizuka Kamei, Japanese financial services minister, said on Monday that Japan Post Bank should diversify its investments into US Treasuries and corporate bonds in an effort to reduce the risks of over-concentration in JGBs."


 [DiversityBusiness.com](#) –today announced United Parcel Service as part of the "Top 50 Organizations for Multicultural Business Opportunities. Over 600,000 diversity business owners had the opportunity to participate in an online election to determine the "Top" organizations.


 The [Financial Times](#) has reported that "Deutsche Post, Germany's dominant provider of postal services, has signalled it will push for a new minimum wage in the sector only days after a federal court rejected a wage floor set by the previous government. Frank Appel, chief executive of the partly state-owned


company, told the Financial Times that letter delivery was a shrinking market thanks to the internet. "Is it right, in a declining market, just to compete on salary costs?" he asked."


 As [Transport Intelligence](#) has noted, "TNT Group has finally agreed a deal with the Netherlands postal unions. In contrast Deutsche Post has indicated that it will pressure the Federal Government in Berlin to re-impose a minimum wage in the German postal sector after German courts ruled that the existing agreement was illegal."


 According to the [Wall Street Journal](#), "Dutch postal and parcels company TNT NV (TNT.AE) Monday said that the volume of parcels and packages shipped by its express division continued to improve in the fourth quarter of 2009 while a further decline in volumes at its Dutch postal division were in line with expectations. "The fourth quarter volumes in air, road and domestic at the express division were all above the 2008 level," TNT said, adding that operating margins at the unit had also risen compared with the previous year, driven by cost savings."

 [MarketingWeek](#) has reported that "Royal Mail chief executive Adam Crozier was named ITV boss. Putting aside whether Crozier's appointment is a good one for the broadcaster (quickly, for the record, I don't believe ITV needs a cost-cutting pragmatist but a creative and commercially-minded visionary that will grasp and act on the new digital reality facing media owners), what does his departure mean for the postal operator and in particular the direct marketing industry?"

 From [PRNewswire](#): "Quantum Fuel Systems Technologies Worldwide, Inc., (Nasdaq: QTWW) today announced that it was selected by the US Postal Service (USPS) to produce an advanced electric postal delivery vehicle based on the widely used Long Life Vehicle (LLV) platform."

 According to [IT BusinessEdge](#), "Compliance Week's Melissa Klein Aguilar wrote last week that the Clovis News Journal in Clovis, N.M., told subscribers it can no longer mail the paper on the day of publication. Because of Sarbanes-Oxley. What? I've accused businesses of using Sarbox as a scapegoat in the past, but this one takes the cake."

 [Tunisia Online](#) has reported that "With a view to enhance the quality of postal services modernize infrastructure, and encourage the use of modern technologies, Tunisian Posts has recently set an "e-mail address for every citizen" for the benefit of the inhabitants of the governorate of Gabes."

 [Reuters](#) has reported that "The United States on Monday urged Japan to make sure it won't discriminate against U.S. competitors in areas of insurance, banking and express delivery services as Tokyo re-examines the future of its giant postal system."





<http://blog.uspsoig.gov/>.

The latest blog has been posted today on the U.S. Postal Service Office of Inspector General's Internet site "[Pushing the Envelope](#)." The public, mailers, postal employees, and other stakeholders are invited to weigh in on the online discussions taking place. To view the site, visit


- **Postal Service Network Streamlining.** What streamlining actions are stakeholders most likely to support to assist the Postal Service during these challenging times?


You can visit Office of Inspector General's public website at: [www.uspsoig.gov](http://www.uspsoig.gov). You can also follow us on Twitter at: <http://twitter.com/OIGUSPS>. If you have additional questions, please contact Communication and Work Life Director Agapi Doulaveris at 703.248.2286.


 [WSBtv](#) has reported that "A postal employee was robbed of three postal bags shortly after 7 p.m. Friday in Fayetteville and now a \$25,000 reward is being offered for information about the crime. U.S. Postal inspectors confirmed to Channel 2 Action News that this latest robbery brings the total number of similar incidents to three since July."


 [The Irish Times](#) has reported that "The Department of Communications has today issued an invitation to tender for the implementation of the national postcodes system, which is due to come into use by the end of 2011 Minister for Communications Eamon Ryan said that the selected consultants will likely begin their work on implementation of the system in late March The initial set-up cost for the system is estimated at between €10 million and €15 million. However, a recent report from PA Consulting put the monetary benefits of postcodes to the State at €22 million "in the medium term."


*January 31, 2010*

 According to the [Financial Times](#), "Adam Crozier leaves his post at Royal Mail with industry opinion divided on his tenure. Hired by former Royal Mail chairman Allan Leighton in 2003 after a high profile spell as chief executive of the English Football Association, Crozier helped the postal operator go from losing £1m a day to making £1m a day. But industry observers said that his schmoozing skills and slickness rubbed some up the wrong way."


 The [Lafayette Journal Courier](#) has reported that "The U.S. Postal Service says possible consolidations of mail processing operations in Lafayette won't affect service, but members of the local postal workers union disagree. Pending the outcome of a two-month study, some operations at the Lafayette Processing and Distribution Facility on Indiana 26 East could be sent to Indianapolis, the U.S. Postal Service announced Jan. 22."


 [NEMS.com](#) has reported that "The public comment period on a proposed postal consolidation ended this week, and a decision is likely within three months. The U.S. Postal Service wants to move Tupelo's outgoing mail processing operations to Memphis, a plan officials say could save the federal agency \$181,000 annually. Six postal employees would be directly affected by the move. But postal workers here oppose the plan and have the support of Tupelo's Mayor and City Council, the Lee County Board of Supervisors, both Mississippi senators and U.S. Rep. Travis Childers, D-Miss."


 The [Gloucester County Times](#) has noted that "The [NJ] state Treasury Department last year told libraries and the postal service they would not be getting printed copies of New Jersey 1040 tax booklets to distribute to residents. Instead, residents must request paper forms from the state directly, print out forms available on the department's website or file their tax returns electronically." *[EdNote: So much for local post offices acting as important conduits for the provision of other government services.]*

 From [Hellmail](#):


 [Posten Norden Signs Outsourcing Agreement With Logica](#)  
 [Lithuanian Post - Savings To Pay Workers 10 Percent More](#)  
 [The Path To Extinction](#)


 The [Daily Record](#) has reported that "U.S. Postal Service officials have not yet decided whether to close the West Jersey Processing and Distribution Center in the Whippany section of the township, but a report released last week saying the Postal Service has overpaid its workers' pension fund by \$75 billion since 1972 should cause the Postal Service to reconsider consolidating facilities, a postal workers union president said. The office that prepared the report disagreed."


 The [Whittier Daily News](#) has reported that "In an era when many of us struggle to cope with a constant barrage of e-mails, texts and instant messages, it's easy to forget the household mailbox still plays a significant role in people's lives. And for homeless people with limited access to computers and no permanent residences, the inability to receive mail can interrupt the flow of vital social services. For almost a quarter of a century, however, St. Matthias Episcopal Church in Uptown has worked to be a communications lifeline for the area's homeless and serves as a permanent address where they can receive their mail."


 The [Economic Times](#) has a story on "Jyotiraditya Scindia: Man who revived the Indian Postal system."

*January 30, 2010*

 The [Business Standard](#) has reported that "The total number of mails delivered by the postal department in 2008-09 has seen an increase after a gap of five years, primarily on the back of a rise in the delivery of business mails. There has been a steady fall in the delivery of mails in recent years due to competition from private players."

 The latest edition of the National Association of Postal Supervisors Legislative/Regulatory Update is available here: <http://tinyurl.com/napslegreg012910>

 In "Taking Control of the Board of Governors," the [Courier, Express, and Postal Observer](#) has determined that "both of these proposed appointments meet all other requirements for the Board of Governors. They clearly have substantial experience in "experience in the field of public service, law or accounting." In making these appointments, the Obama administration is taking seriously the federal government's role as the primary creditor and only shareholder of the Postal Service. These appointments are not much different than what happened at GM, Chrysler, and AIG when the Federal Government traded loans for shares and made appointments to the boards of these companies. Their appointments also suggest the administration may require changes in the size of the existing board in order to speed changes at the Postal Service, as a condition for changing the formula used to calculate the pension and retiree health care benefits of the Postal Service."


 President Barack Obama has announced his intent to nominate the following individuals to key administration posts:


- **Paul Steven Miller, Nominee for Governor, Board of Governors of the United States Postal Service.** Paul Steven Miller is the Henry M. Jackson Professor of Law at the University of Washington School of Law who is an expert in workplace and employment law. He has spent his career moving between academia, public service, and law practice. Most recently, Professor Miller spent the first nine months of the Obama Administration as a Special Assistant to the President in The White House. Prior to joining the University of Washington faculty in 2004, Professor Miller had been one of the longest serving commissioners of the U.S. Equal Employment Opportunity Commission (EEOC), the federal agency which enforces employment discrimination laws. He has also served in The White House as Liaison to the Disability Community and as Deputy Director of the U.S. Office of Consumer Affairs during the Clinton Administration. Earlier in his career, Professor Miller was the Director of Litigation for the Western Law Center for Disability Rights and a lawyer at the Los Angeles law firm of Manatt Phelps and Phillips. He is a graduate of the University of Pennsylvania, cum laude, and the Harvard Law School.

- **Dennis J. Toner, Nominee for Governor, Board of Governors of the United States Postal Service.** Dennis J. Toner has directed policy, public and political affairs for over 30 years for then-Senator and now-Vice President Biden. He most recently served as Finance Director for Biden for President and Citizens for Biden. He spent the 30 years prior to that working for then-Senator Biden in his Senate office. He last held the position of Deputy Chief of Staff for the Senator from 1995 to 2005. He has also previously launched his own business, Horizon Advisors, which provides guidance and advice to private clients and non-profit organizations. He received his B.A. from the University of Delaware.

 **DMM Advisory: Intelligent Mail Services Update.**

- **ACS™ Information Response Time** – Mailers who submit Full-Service mailings containing Intelligent Mail Range (IMR) records with a low number of pieces in the range are experiencing issues with receiving ACS information. We are working towards a resolution. The *PostalOne!*® Helpdesk will contact affected mailers to provide assistance. Please continue to report all issues in receiving ACS data to the *PostalOne!* Helpdesk at 1-800-522-9085.
- **REMINDER\*\*PostalOne! Maintenance:** The reporting database used for the Mail Quality/MicroStrategy reports will be upgraded on January 31, 2010 during the *PostalOne!* maintenance window (4:00 a.m. – 8:00 a.m. CST). This only impacts access to the MicroStrategy reports listed on the [Business Customer Gateway](#) for external users under Mailing Reports (*PostalOne!*). Once users are logged on, follow these links: *Mail Quality Reports>Shared Reports>Mail Quality Reporting>Mail Data Quality*. Access to these reports will not be available during the maintenance window. There will be no additional outage/impact to *PostalOne!* during this period. The changes are being made to address performance issues reported by mailers with the Mail Data Quality reports. The changes are being implemented to limit the number of detailed records loaded to 1,000 for a specific error type and job to improve performance and usability of these reports. Summary information will continue to report the total number of errors by error type and job. Once these changes are implemented, we will reload the reporting data for the Mail Data Quality.
- **FAST® MAINTENANCE - SUNDAY, FEBRUARY 7, 2010 (4 A.M. CT - 8 A.M. CT).** The Facility Access and Shipment Tracking (FAST) production and Test Environment for Mailers (TEM) environments are scheduled for maintenance on Sunday, February 7, 2010 from 4:00 a.m. CT through 8:00 a.m. CT. There will not be an outage; however, users may experience intermittent connectivity issues while server upgrades are performed. FAST Web Services messages sent during this scheduled maintenance window will be queued and processed after maintenance is completed. We apologize for any inconvenience you may experience.
- **STIDs on RIBBS®:** The presentation entitled [IMb™ Services: Service Type Identifiers \(STIDs\)](#) prepared by MTAC Workgroup 124 has been posted on [RIBBS>Intelligent Mail Services>Education](#).

 [Multichannel Merchant](#) has reported that "What's the status of the much-hyped five-day mail delivery proposal raised a year ago by Postmaster General John E. Potter? The Postal Regulatory Commission is waiting for the U.S. Postal Service to request an advisory opinion, says PRC chairman Ruth Goldway."

 According to [Crawdaddy Magazine](#), "The United States Postal Service is pulling a Starbucks, and randomly venturing into music distribution. In what is a pretty smart marketing move just in time for Valentine's Day, and Black History Month, for just \$10.99 (plus \$3.75 for shipping), the USPS will send a

compilation of love songs written by Ella Fitzgerald, called Love Letters from Ella, in a decorative envelope to anyone in your life who could use a little lovin' from far away. In a sorta related note, the USPS released a Ella Fitzgerald commemorative stamp in 2007. "

*January 29, 2010*



The latest issue of the [PostCom Bulletin](#) is available online. In this issue:

- The USPS this week published an advanced copy of its proposed rule which would change the processing of hard-copy postage statements accompanying commercial and permit imprint mailings at PostalOne! facilities. Under the USPS' proposal, the USPS no longer would complete the "USPS Use Only" section of, or round date, hard-copy postage statements (including duplicates) accompanying mailings accepted at PostalOne! facilities.
- According to Rag Content, "it appears, through default, the OIG has taken over the creative thinking of the Postal Service. Instead of looking at the problems in a new way, the USPS management goes right to cost cutting – cut workhours, cut service, and cut delivery days. It continues to make mail less attractive through regulations and passing costs onto customers."
- According to the Courier, Express, and Postal Observer, the Postal Regulatory Commission has shown an interest in the potential for a mini rate case. The PRC has chosen to enter uncharted territory, examination of the Postal Service's financial and business plans by asking whether the Postal Service generated sufficient revenue in 2009 "to assure adequate revenues, including retained earnings, to maintain financial stability." If the PRC find the Postal Service to not be in compliance with any of the ratemaking rules included in 39 U.S.C. § 3622, can it force the Postal Service to file an exigent rate case to put it in compliance?
- Deadtree Edition has told its readers that "it may be time to bid farewell to the tabloid-sized American magazine. A variety of forces have been conspiring for several decades to put oversized magazines onto the endangered-species list. Now the U.S. Postal Service appears ready to put the tabloid magazine (and catalog) out of existence."
- The Courier, Express, and Postal Observer wants to know if a request by President Obama for a freeze on discretionary spending affect the Postal Service."
- The postal sector, a key economic "motor", will help to spur recovery in Haiti in the wake of a catastrophic earthquake earlier this month, a senior United Nations official said.
- The USPS is gearing up for handling the 2010 Census mailings, which begin in February and represent \$200 million in revenue to the USPS. "When the Census Bureau next month enters the first of its six separate 2010 Census mailings," the USPS told its employees on its Lite Blue web site, "it will mark the beginning of the largest mailing effort by any agency within a 90-day period." The mailings will continue through mid-April and will also amount to the "single largest use of Intelligent Mail barcodes on any mailing to date: nearly 447 million mailpieces," the USPS said.
- USPS Clarifies UAA Mail. USPS Publishes Updated Move Update Rules. USPS reaps revenue from expanded PO Box Services. USPS testifies on sustainability progress. USPS revises treatment of undeliverable items. USPS to employees: do not obliterate barcodes. Study says customers remember companies with exceptional service. Quad Graphics to acquire Worldcolor. PRC accepts USPS' Parcel Select periodical reporting proposal. Anthrax attacks reunsolved. Nantage of postal rates.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of postal news from around the world.
- Postal previews


Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? [Send us by email](#) your name, company, company title, postal and email address. Get a chance to see what you've been missing.




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 The [National League of Postmasters of the United States](#) takes Postmasters working condition issues to Congress.

- The letter to Postmaster General Potter informing him of the League actions. [Click To View Letter](#)
- Oversight and Government Reform Committee of the U.S. House of Representatives letter. [Click To View Letter](#)
- U.S. Senate Committee on Homeland Security and Governmental Affairs letter. [Click To View Letter](#)
- House and Senate Committees List receiving Postmaster letter and White Page. [Click To View the List](#)
- Action Alert - Abuse of Postmasters & Inefficient and Ineffective Post Office Management Practices [Click To View Alert](#)
- LEAGUE White Paper - Postmaster Hours and Post Office Management Practices [Click To View](#)
- Please click to view the Action Alert [Retiree Health Benefit \(pdf\)](#)


 From [PR Newswire](#): "The U.S. Postal Service today filed an update with the Postal Regulatory Commission (PRC) indicating that 162 offices remain under review for possible consolidation under the station and branch consolidation initiative. That is six fewer from the last update in December. No final decisions have been made regarding specific office consolidations."


 [The Guardian](#) has reported that "ITV's new chief executive, Adam Crozier, could walk away from his old job at the head of Royal Mail with £2m in bonuses."

 [The Financial Times](#) has noted that "Deutsche Post's dominant position in the German postal market was dealt a blow yesterday when a court rejected minimum-wage rules, which rivals claimed protected the partly state-owned group."

 [The Fort Wayne Journal Gazette](#) has reported that "A U.S. Postal Service employee was arrested Thursday after federal investigators said she forged hospital excuse slips to justify paid sick days she received."


 [The Business Times](#) has reported that "Singapore Post Ltd (SingPost) said its third-quarter profit increased 20.6 per cent year-on-year to \$44.1 million as a result of improving economy and government relief measures. Consolidation of its wholly-owned mail logistics subsidiary Quantum Solutions also helped."


 [Africa News](#) has reported that "Malawi Posts Corporation (MPC) has to revisit its operations in order to meet the Information, Communication and Technology (ICT) needs of the current generation."


 According to the [Journal News](#), "Whether it was the "Nights in Rodanthe" DVD — starring your neighbor Richard Gere — or a mail-ordered delicacy famously associated with the rich, if it caught postal carrier Tensy May Smith's eye, it became hers, police said Thursday. Credit, debit and gift cards, dozens of Netflix DVDs — even a \$250 jar of caviar — were among the items authorities said they seized after they



ended up in Smith's Croton-on-Hudson home instead of the mailboxes of some of the 422 customers she served on her delivery route. On Monday, authorities launched a sting operation, planting items in Smith's mailbag with the hopes she would pilfer them. Instead, Ryan said, another item valued at more than \$70,000, which he declined to identify, was stolen."

 The [Postalnewsblog](#) has reported that "Mintel Comperemedia, a service that provides direct marketing competitive intelligence, reports that in Q4 2009—for the first time in three years—credit card direct mail volume increased from the previous quarter. With a 47% increase in direct mail compared to Q3 2009, credit card issuers demonstrate increased confidence in the economy and willingness to extend more consumer credit. However, last year's direct mail volume still pales in comparison with recent years. Mintel Comperemedia reports that the total number of credit card offers sent in 2009 falls 66% behind the number sent in 2008. Pre-recession (2004-2007), card mailings topped seven billion annually; last year, they didn't even reach two billion."

 The [Dallas Morning News](#) has reported that "The U.S. Postal Service next week will begin moving its postmarking unit from the Dallas main post office west of downtown to a newer plant in Coppell."

 The [Wall Street Journal](#) has reported that "Dutch postal and express company TNT NV and its labor unions Friday said they have reached an agreement in principle on a new collective labor agreement for its postal workers that will result in the loss of 3,500 jobs."



*From the Federal Register:*


**Postal Regulatory Commission  
RULES**


New Postal Products , 4693–4698 [2010–1804] [\[TEXT\]](#) [\[PDF\]](#)

**Postal Service**

**PROPOSED RULES**

Express Mail Open and Distribute and Priority Mail Open and Distribute Changes and Updates , 4741–4742 [2010–1867] [\[TEXT\]](#) [\[PDF\]](#)


 [Hellmail](#) has reported that "Postcomm, the UK postal regulator, today published its proposed work plan for the next two years ahead of a new regulatory framework to be introduced in April 2012. The work plan is subject to consultation but would appear to signal, in the short term at least, that regulatory powers are to remain with Postcomm rather than being transferred to Ofcom as suggested in the Richard Hooper report."

 [Deadtree Edition](#) has noted that "More than six months ago, published reports warned about a problem with Intelligent Mail barcodes — the practice of letter carriers crossing out the barcode on misaddressed mail. Today, the Postal Service finally got around to correcting the problem."



*At the Postal Regulatory Commission:* The Postal Service's [2009 Annual Report](#) has been posted on the PRC web site.

 From [Hellmail](#): "Review of Royal Mail Financial Report and 2009 Reforms - Part 2"

 According to the [Daily Mail](#), "The departure of Adam Crozier from Royal Mail leaves a gaping hole at the top of the state-owned postal group at a key point in the organisation's history. But he has been a divisive figure at Royal Mail. While he has made the business profitable, he has also enjoyed huge financial rewards at the taxpayer-funded organisation."