



Association for Postal Commerce

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Postal News from February 2011:

February 28, 2011




The U.S. Postal Service Office of Inspector General invites you to comment on the this week's "Pushing the Envelope" blog topic:

- [Bridging the Digital Divide](#). What is the Postal Service's role in the digital age?

New Audit Projects: [LINK](#) here to visit our audit project pages. This week we opened the following new project(s): (Please share any information you may have that would help with this audit currently in progress by clicking on the link below):


A new audit project has been started on the external website.

- [Occupational Safety and Health Administration \(OSHA\) Regulations – 11YG019HR000](#). We are going to look at Postal Service processes in place to prevent and address Occupational Safety and Health Administration (OSHA) regulations, limit their impact on Postal operations, and prevent future violations.
- [Western Pennsylvania District PVS Scheduling and Staffing – 11XG026NL000](#). The purpose of this audit is to determine whether scheduling and staffing of Postal vehicle Service (PVS) operations are efficient, effective, and economical. This audit will focus on a district identified and extracted from our Risk Model, Western Pennsylvania. The audit will use current schedules for the facilities in the district and evaluate staffing levels based on need and benchmarking information.

 **Courier, Express, and Postal Observer:** The Office of Management and Budget media office has provided the following response to my question regarding why OMB Director Jacob Lew is not testifying at the Postal Hearing this Wednesday. "As a matter of policy, the OMB Director doesn't testify before subcommittees on issues not directly related to OMB's appropriations." If this is standard policy for OMB then the Subcommittee may have posted the hearing schedule prior to knowing the protocol. Let's hope that the Committee can quickly find out who will represent the Obama administration on postal policy. Until that happens, the 2012 budget proposal for the Postal Service risks becoming little more than a policy orphan.

 *At the Postal Regulatory Commission:*

- [The public is invited to attend the open session of the monthly meeting of the Postal Regulatory Commission](#) at 11:00 a.m., March 9, 2011, at Commission Headquarters, 901 New York Ave., NW, Suite 200. The open session will be audiocast live. Wednesday, March 9, 2011 at 11 a.m. Commission Hearing Room, 901 New York Avenue, NW, Suite 200, Washington, DC 20268-0001. Matters To Be Considered In Public Session: 1. Review of active cases. 2. Report on recent activities of the Joint Periodicals Task Force and status of the report to the Congress pursuant to Section 708 of the PAEA. 3. Report on review of postal-related Congressional activity. 4. Report on Legislative Review. 5 Report on contracts to study the social benefit of the mail. 6. Report on international activities. Matters For Consideration In Closed Session 7. Discussion of pending litigation. 8. Discussion of confidential personnel issues. 9. Discussion of contracts involving confidential commercial information.
- **CP2011-59** Order No. 684 - Order Approving International Business Reply Service Competitive Contract 3 Negotiated Service Agreement
<http://www.prc.gov/docs/72/72114/Order684.doc>
<http://www.prc.gov/docs/72/72114/Order684.pdf>
- **MC2011-20** Order No. 685 - Order Incorporating Reply Rides Free Program Classification Change Into the Mail Classification Schedule
<http://www.prc.gov/docs/72/72116/Order685.docx>
<http://www.prc.gov/docs/72/72116/Order685.pdf>
- **MC2011-21** Order No. 684 - Order Approving International Business Reply Service Competitive Contract 3 Negotiated Service Agreement
<http://www.prc.gov/docs/72/72114/Order684.doc>
<http://www.prc.gov/docs/72/72114/Order684.pdf>

 **Courier, Express, and Postal Observer:** Congressman Dennis Ross has just tweeted that OMB is not testifying at the Postal Service hearing this Wednesday. The loss of OMB as a witness as it eliminates the possibility of putting the Obama administration on the record on postal policy.




Where else can you hear FTC Director David Vladeck discuss "Do Not Track," Senator Mark Pryor lay out the Senate's privacy priorities and Ambassador Philip Verveer speak about the global landscape for privacy regulation...all in one day?


It's happening only at DMA in DC 2011 on March 15-16, 2011!


Please join us in Washington, DC for a conference agenda packed with discussion and debate that you can't afford to miss...


- Attend an intimate dinner with Senator Mark Pryor (D-AR).
- Get answers to whether "more data" means "more problems" from David Vladeck, Director of the FTC Bureau of Consumer Protection, and Ambassador Philip Verveer, Deputy Assistant Secretary of State & U.S. Coordinator for International Communications & Information Policy.
- Understand what "Do Not Track" proposals mean for businesses from privacy experts Stuart Ingis of Venable LLP and Daniel Castro of the Information Technology and Innovation Foundation.
- Learn Senator John F. Kerry's priorities for privacy legislation from Daniel Sepulveda, the man behind the bill.
- Meet with your Congressional representatives on Capitol Hill on March 16 and discuss – face to face – the issues that matter most to your business.


Space at the meeting is limited to 100 attendees, so please register today to secure your seat. DMA in DC is a special, invitation-only event held once per year, so we encourage you to make every effort to attend, bring your thoughts and questions and be prepared to take "DMAAction" on behalf of your organization!

 [American Postal Workers Union](#): **A protest on March 7th 2011 at the White House 'Regarding the Protection of the United States Postal Service'** organized by active and retired APWU rank and file membership. The demonstration primarily focuses on a permanent solution and payback to/of the CSRS and FERS pension overfunding to save postal worker jobs rather than the temporary 'relief' measures proposed by the Obama administration's budget plans allowing further dismantling of the postal service. The [Postalnews Blog](#) has reported that "APWU President Cliff Guffey has declined an invitation to take part in a "march and rally" in Washington DC during the APWU's National Presidents Conference next week. The invitation was extended by St Cloud MN Area Local President Michael P. Kaehler, who told Guffey he was writing to him as a rank and file member. Guffey declined the invitation, saying that while "a march and rally in the nation's capital may be appropriate at some point in the future, at the present time, however I do not believe it would be the most effective use of our resources."


 [Microscope](#): Death and taxes. The two certainties in life according to US founding father Benjamin Franklin. Well not to disappoint, the Government has now added VAT to certain postal services as of 31 January. So whilst standard UK services are still VAT exempt, express, tracked and international services now attract VAT. It might seem obvious, but ensure that you reclaim any VAT you pay when using a VATable postal service.


 [Wall Street Journal](#): As the surreptitious tracking of Internet users becomes more aggressive and widespread, tiny start-ups and technology giants alike are pushing a new product: privacy.

 [TVNZ](#): New Zealand Post Group, the state-owned postal service, slashed its first-half dividend to the government by two-thirds as its reported profit more than halved. NZ Post will pay just \$1.8 million to the government for the six months ended December 31, down from \$5.7 million a year earlier, as net profit tumbled 63% to \$15.8 million in the period. *[EdNote: Wonder what will happen when the USPS fails to pay its pre-funding obligation at the end of this fiscal year.]*

 [Bernama](#): Postal service provider POS Malaysia Bhd recorded a decrease in pre-tax profit for the year ended Dec 31, 2010, taking into account two major impairment provisions. The total impairment provision made was RM47.4 million, of which RM25.1 million was for investment in Transmile Group Bhd while the remaining RM22.3 million related to capital expenditure incurred for the postal counter system. "As a result of this impairment provisions, the pre-tax profit for the financial year ended Dec 31, 2010, slipped to RM99.1 million as compared with RM109.3 million in 2009," said POS Malaysia in a filing to Bursa Malaysia.

Revenue was, however, at a record level of RM1.014 billion from RM902.56 million previously.


 [Postalnews Blog](#): Rep Dennis Ross, the new chair of the House subcommittee that oversees the US Postal Service has made no secret of his contempt for public sector workers and their unions.

 [Concord Monitor](#): New Hampshire has 222 post offices, about one for every 6,000 residents. That's going to change. In fact, the change has already begun. In 2009, the cash-strapped U.S. Postal Service closed the office that oversaw New Hampshire's post offices and consolidated with its counterpart in Portland, Maine. Some New Hampshire post offices should close, but some money-losing offices, especially those in rural areas, should be maintained, even if doing so requires a federal subsidy.

February 27, 2011

 [Voxy](#): New Zealand Post will be back in action in Christchurch on Tuesday, a week after the big quake. Spokesman John Tulloch today said limited postal services would start again that day. See also [Scoop](#).

 [Hellmail](#):


 Several [European operators](#) have reported that postal services in and out of Egypt are gradually returning to normal and backlogged mail now starting to clear.


 On Friday, [UK postal regulator Postcomm](#) published its proposed work plan up to the proposed transfer of its responsibilities to communications regulator Ofcom as outlined in the 2010 Postal


Services Bill. The Bill also paves the way for the sale of up to 90% of the Royal Mail. Postcomm has invited interested parties to comment on its plans. Postcomm said that following the publication of a new regulatory framework document for 2011-12, its plans for a sustainable postal service are nearing completion. An interim price control for 2011 has been agreed by the Commission, and the remaining work needed to modify Royal Mail's licence is underway and expected to be ready for implementation by the end of March.


February 26, 2011


 [Dead Tree Edition](#): "February A Record Month For USPS Consolidations"


 [Pushing the Envelope: The Looming Crisis at USPS](#). **Date:** Wednesday March 2nd, 2011 **Start Time:** 1:30 p.m. **Location:** 2154 Rayburn House Office Building. **Description:** The hearing will examine the fiscal situation of the Postal Service and potential areas for reform.


 [Ghana Broadcasting Corporation](#): A delegation of senior executives of Federal Express, FEDEX, is in Ghana to explore investments opportunities in the courier and postal services sector.


 [Columbus Local News](#): The relocation of the Upper Arlington Post Office has been cancelled. The branch will remain at its current location, 3700 Riverside Drive. "A lot of factors came into," the decision, said Victor Dubina, a spokesman for the postal system. "It made more economic sense to stay at the current location."


 [WSBT](#): Continually plummeting mail volumes are forcing the U. S. Postal Service to examine whether some Gary postal operations should be consolidated with South Bend. A Postal Service news release issued Friday indicates a feasibility study will review mail processing and transportation operations at both sites in order to increase efficiency and productivity.


 [Live-PR](#): Pitney Bowes Management Services, Inc. (PBMS), a wholly owned subsidiary of Pitney Bowes Inc. has announced an integrated return mail management service offering that can update up to 60 to 80 percent of incorrect addresses (as compared to only 10 to 30 percent by competitive single source data providers), which can help companies significantly reduce the costs associated with return mail and reconnect with customers.


 [U.S. News](#): A 2005 voluntary federal ban on the use of credit cards to buy cigarettes online, coupled with a ban on all commercial shipping of such purchases within the United States, has effectively curtailed the popularity of Web sites that sell cigarettes, new research reveals. The ban was the result of an agreement involving major credit card companies and private shippers, such as UPS and FedEx, made primarily to address the widespread flouting of cigarette taxation online.

 [Supply Chain Digital](#): If there's anyone that knows a thing or two about sustainability it has to be FedEx CEO Frederick W. Smith. Smith is the chairman, president and CEO of Memphis-based FedEx Corp., and also recently co-chairs the Energy Security Leadership Council. So yeah, the guy knows what he's talking about when it comes to the cost of energy. Smith joined political and military leaders in the council to discuss the dangers of being overly-dependent of Middle East oil. Joining him on a media conference call were Gen. Charles F. Wald, USAF (retired), former deputy commander of U.S. European Command, and former Democratic senator from North Dakota Byron Dorgan. Together, the council made an urgent call for action on solutions ranging from electric vehicles to investment in domestic oil production and renewable energy.

 [Financial Times](#): The Post Office has launched a five-year savings bond which will add interest at a rate of 1.5 percentage points above the retail price index (RPI) at the end of each year. The Inflation Linked Bond guarantees a minimum overall return of 7.5 per cent gross – 1.5 per cent a year – even if the RPI were to fall below 0 per cent in the five-year term. The April 2011 RPI figure will be the starting level for calculating the bond's return. Prior to this, savers will earn an interest rate of 2.5 per cent. Bondholders cannot withdraw funds until the end of the five years. The minimum investment is £500 and the maximum is £1m.

 [Baxter Bulletin](#): Cited by critics and budget-cutters, is that the government provides levels of mail service that may be too expensive in today's deficit-plagued environment. The nation's mail system works remarkably well and is something worth preserving — at least for now.


 [Hartford Courant](#): Try though many people did to delay the inevitable, the U.S. Postal Service is going to downsize in Connecticut. At least three post offices in the state — in West Hartford, Greenwich and Norwich — are, or will soon be, for sale. Any number of neighborhood mailboxes have been removed. It's important that the postal service keep a small retail presence in each downtown — and any other downtowns where post offices are closed — so that residents and customers can buy stamps or mail packages on foot or in combination with other errands.


 [Tri-City Herald](#): Did it seem like something was missing when you made your latest trip to the post office? It may have been those newspaper vending racks. Scores of Mid-Columbia postal patrons have used those racks every day to pick up a newspaper to read with their morning coffee, or perhaps to fill out the crossword during an idle moment or to scan the “Help Wanted” listings for a job. Well, turns out the U.S. Postal Service has gone postal on newspapers across the nation, and finally put its boots to the Tri-City Herald in our remote corner of the Northwest as well. The avowed reasons that newspapers can no longer invade even a small corner of the federal corporation's realm, however, are less than clear.


 [Hellmail](#):


- [E-Commerce Boom Not To Be Missed](#)
- [Deutsche Post DHL Receives Success In Asia Award](#)
- [Austrian Post To Introduce New Pricing In May](#)

 [From the Federal Register](#): **Postal Service RULES** Combined Mailings of Standard Mail and Periodicals Flats, 10757–10761 [2011–4074] [[TEXT](#)] [[PDF](#)]

 [Grand Rapids Press](#): Local towns wonder if they're on the list as U.S. Postal Service looks to close 2,000 post offices

 [New Zealand Herald](#): New Zealand Post Group's half-year net profit fell to \$15.8 million from \$42.5 million a year earlier, with the state-owned organisation saying its result was affected by continuing effects from the economic downturn

 [IT Business Edge](#): If the folks at Zumbox have their way, the postal service as we know it will soon be obsolete. Zumbox has created the digital equivalent of a postal service that is mapped to every street address in the country. When a household signs up for the Zumbox service, all the monthly billing statements that the address receives are converted into a digital format. The customer then receives an e-mail notification each time there is a new bill and all the monthly bills are archived in a searchable repository that customers can examine and print out in case of a billing dispute or they need a paper receipt for tax purposes. Zumbox CEO John Payne says the service works in partnership with all the clearinghouses that send bills each month to millions of households. When one of those services detects that a bill is going to be sent to an address in the Zumbox service, Zumbox software routes that bill over to Zumbox rather than create a paper copy that needs to be physically mailed.

 United States Court of Appeals For The District Of Columbia Circuit has ordered that the oral argument on the postal rate exigency case is scheduled for March 15, 2011, at 9:30 A.M. Petitioners and respondents will be given 15 minutes.

February 25, 2011

 [DMM Advisory](#): **IMb™ Services Update. Business Customer Gateway update** — The

Business Customer Gateway (BCG) external application Release 1.8 will deploy on March 6, 2011. Shipping Services and Incentive Programs will be added to the BCG with the launch of the new Program Registration application. Customers can enroll in programs that require access to one or more business applications or services available through the BCG, including the Electronic Verification System (eVS[®]), Express Mail[®] Manifesting system (EMM), Parcel Return Service (PRS), and the Tracking Only Service. Additionally, new Business Service Administrator (BSA) roles and service types within the BCG sub-systems will be enabled to increase security access. The Manage Mailing Activity (*PostalOne!*[®]) and the Audit Mailing Activity services will now be managed by the Manage Mailing Activity BSA. For detailed information download the [Business Customer Gateway External Users Release 1.8 Notes](#) from [RIBBS](#)[®].

Full Service applications unavailable during March 6 UNIX maintenance — On March 6, 2011, the Postal Service will be applying the quarterly UNIX operating system patches between 4 a.m. CT and 2 p.m. CT. The Full Service applications, including Business Customer Gateway, Mailer ID, FAST[®] and *PostalOne!*/MDR, will be unavailable during this time.



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

- The Postal Service has filed a request with the Postal Regulatory Commission asking to transfer the commercial First-Class Mail (FCM) Parcels from the market-dominant list to the competitive product list as “Lightweight Commercial Parcels.” Retail single-piece FCM Parcels will remain on the market-dominant product list.
- The Postal Service published its unaudited January results with the Postal Regulatory Commission. USPS lost \$451 million in January 2011. The month of January marks the start of the second quarter for the USPS. This brings the year-to-date loss to \$781 million.
- The Office of Inspector General (OIG) has studied and analyzed the changing digital landscape and the Postal Service’s role in the digital age. In this white paper, *Postal Service Role in the Digital Age - Part 1: Facts and Trends*, the OIG highlights key digital trends and the shortcomings of the current digital world. This is the first in a series of papers it plans to release on this topic.
- The Association for Postal Commerce submitted similar comments last week, on February 18, in Docket No RM2010-13 and Docket No RM2011-3.
- In addition to comments submitted by PostCom and the DMA [see *PostCom Bulletin 07-10*] to the Postal Regulatory Commission (PRC) on the Postal Service’s latest request for temporary waiver to periodic reporting of service performance, Valpak and the PRC’s Public Representative also submitted comments expressing their concerns with the USPS’ request. The USPS has requested waivers from reporting for Standard Mail, Bound Printed Matter (BPM) flats, and certain Area and District level data for Presort First-Class Mail and End-to-End Periodicals. Valpak’s comments focused on the need for greater price incentives for IMb Full-Service in order to increase mailer participation and the resulting data for service performance measurement, while the Public Representative suggested the PRC lower the bar in terms of the measurement precision or reconsider the concept of using IMb for measurement.
- USPS seeks to establish Competitive Ancillary Services and Adult Signature services. Will you ever be able to retire? Competing in competitive markets. Competing in competitive markets. How Congress makes the U.S. less competitive. For most publishers, snail-mail still beats apps. USPS pension puzzle. USPS goes live with new teradata capabilities. There’s light at end of the USPS budget tunnel. ‘Business as usual’ isn’t good enough, Guffey tells national officers. Rockefeller tells PMG to protect state jobs and mail services. Half way there: 50 phase 1 FSS machines now in operation. Service resumes for international mail to Egypt.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of 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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Postal Bulletin: Effective June 6, 2011, the Postal Service™ will revise Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM®) 602.3.2.1 **to extend the option to use a simplified address format to Periodicals flats and irregular parcels and Bound Printed Matter flats, intended for distribution to city delivery routes and to Post Office™ (PO) box sections in Post Office locations with city delivery service.** In the article “DMM Revision: Extension of the Simplified Address Format” in Postal Bulletin 22300 (12-16-10, pages 46, 71–73), the Postal Service revised DMM 345.6.9.4, 445.7.6.4, and 602.3.2 to remove a restriction on the use of simplified addressing for saturation flat-size mailpieces and irregular parcels that are delivered by Postal Service city carriers or to PO boxholders at Post Office locations with city delivery service. These revisions were effective on January 2, 2011, but were limited only to mailers of Standard Mail® saturation (carrier route) flats and irregular parcels. In response to inquiries from the mailing community, the Postal Service will now extend the simplified addressing option to mailers of Periodicals flats, irregular parcels, and Bound Printed Matter flats meeting saturation carrier route standards. Mailers are reminded that pieces bearing a simplified address for distribution to city delivery routes, or to PO boxholders at Post Office locations with city delivery service, must meet the applicable physical standards for flat-size pieces under DMM 301, or irregular parcels under DMM 401, in addition to all other eligibility criteria. These new changes will be reflected in the June 2011 DMM, but mailers may begin preparing their mailings in accordance with these new standards immediately.





DMM Advisory: Enhancing Parcel Competitiveness with Product Reclassification and New Extra Service. Two filings yesterday at the Postal Regulatory Commission (PRC) are a part of continuing efforts to enhance our parcel offerings in the highly competitive shipping marketplace. One filing moves Commercial First-Class Mail® Parcels — which are largely used for lightweight merchandise fulfillment — from the market-dominant product list, and adds “Lightweight Commercial Parcels” to the competitive product list. This move does not affect retail single-piece First-Class Mail Parcels. We also filed to introduce Adult Signature service, allowing Express Mail®, Priority Mail®, and Parcel Select® commercial and online shippers to request the verified signature of an adult upon delivery.


Courier, Express, and Postal Observer: The U.S. Postal Service Officer of Inspector has posted an important white paper entitled, *Postal Service Role in the Digital Age, Part I: Facts and Trends*. The paper lays out the full range of new mobile and web-based hardware, software, and cloud based technologies that have changed how individuals, businesses and governments communicate. All of these technologies pose threats to traditional uses of mail and other older means of communications. They also pose threats to older versions of digital and web based technologies. The paper also illustrates the holes that exist that prevent the full use of web-based and mobile technologies from being more widely used. The problem that the Postal Service, every firm that faces challenges in their traditional markets from new digital and mobile communications methods reminds me of the last stanza of Robert Frost's Poem, *The Road Not Taken*.


Wall Street Journal: Agencies throughout the government are scrambling to figure out how to handle a government shutdown, with a potential closure as soon as March 5 prompting a review of which activities are essential and which aren't. The Postal Service wouldn't interrupt service. "We're self-funded," said spokesman Gerald McKiernan. "Keep those cards and letters coming."


Post & Parcel: The US Postal Service should invest to position itself as a “de facto national service provider” at the heart of digital communications in the United States, according to a new report from the Office of the Inspector General (OIG).


 [AdNews](#): Australia Post is to appoint its first digital agency as it embarks on a review of its creative and direct marketing accounts. The Australian Government-owned postal service is conducting the national review due to the expiry of its two-year contract with rostered agencies on 30 March.


 [Daily Times](#): The emotionally stirred employees of Pakistan Post blocked the main thoroughfare of the metropolis - II Chundrigar road - to protest against the proposed privatisation of Pakistan Post, causing a crippling traffic jam, here on Thursday. The demonstration started outside the GPO at II Chundrigar Road. Later, the protestors marched towards the Sindh Assembly building. Workers held placards inscribed with slogans against the Privatisation Commission.


 [Scoop](#): New Zealand Post will resume partial mail services to earthquake-affected areas in Christchurch from Tuesday 1 March while some PostShop/Kiwibank stores are already open. Mail processing is about to resume, while posties will be helping with reconnaissance in accessible areas to help establish where mail can be picked up from and delivered to from next Tuesday.


 [The National Business Review](#): New Zealand Post Group has recorded a net profit after tax of \$15.8 million for the half year ended December 31, 62.8% down from its \$42.5 million result in the same period last year. Operating revenue increased by \$30.5 million to \$652 million compared with the same period last year, with Kiwibank and Datam being the main contributors to the improvement. The postal business and store network produced lower revenues due to the continuing customer trend towards electronic mail and online transaction use. However, overall the postal business has performed above expectations in the first half of the year. See also [Scoop](#).


 [Washington Post](#): From innovation to Monty Python: An interview with the U.S. Postal Service's inspector general.

 [Post & Parcel](#): Only days remain before applications close for **World Mail Awards 2011** – the post and parcel industry's most distinguished event. The application process will close on Monday at 11pm (28 February), so don't miss the chance to decorate your company in glory. The award winners are selected by an independent panel of industry experts and announced during the *elegant Award Gala Dinner on 17 May at the Conrad Hotel, Brussels, Belgium* on the eve of the **World Mail & Express Europe Conference and Exhibition**. Remember, companies of any size can apply, and the wide variety of award categories means that you can select the category that best reflects your company's achievements.

 [From the Federal Register: Postal Service NOTICES](#) International Product Change – International Business Reply Service Contract , 10628 [2011–4209] [\[TEXT\]](#) [\[PDF\]](#)

 [Rockford Register Star](#): When the U.S. Postal Service last looked at moving some distribution services out of Rockford in 2006, it had a 20 percent higher mail volume. But with less mail to distribute and the agency reporting a loss of \$8.5 billion in 2010, consolidation talks are back on the table.


 [4029TV](#): A meeting was held at the Holiday Inn City Center in Fort Smith to discuss the Area Mail Processing study, which could mean the Fort Smith Mail Processing Center would consolidate into the Fayetteville one. The meeting opened with a presentation by the U.S. Postal Service which included a video describing what mail processing is. Then a PowerPoint slideshow detailed the financial situation of the U.S. Postal Service and why consolidation is necessary all over the country. The floor was then opened up for the audience to ask questions and share their opinions. "Any decrease to the mail service in Fort Smith is completely unacceptable," said Fort Smith Mayor Sandy Sanders.


 [Hellmail](#): Polish postal workers are to protest over restructuring plans by the Polish postal service. Unions say the changes, which include post office closures, will lead to redundancies as well as reduced services. The plans are thought to be part of a range of measures being introduced to reduce financial losses and prepare Poczta Polska for competition from other European operators but the Polish Post branch of the Solidarity trade union condemned the move, saying it would leave the company unable to compete.


 *At the Postal Regulatory Commission:*


- **CP2011-62** Request of the United States Postal Service to Establish New Competitive Ancillary Services Product and Notice of Price and Classification Changes for Adult Signature Service
<http://www.prc.gov/docs/72/72093/3642%20Filing%20-%20Adult%20Signature.pdf>
- **MC2011-23** Request of the United States Postal Service to Establish New Competitive Ancillary Services Product and Notice of Price and Classification Changes for Adult Signature Service
<http://www.prc.gov/docs/72/72093/3642 Filing - Adult Signature.pdf>

February 24, 2011

 **Investments & Pensions:** Post Danmark is tendering for a Danish-speaking manager to administer the pensions of 440 employees – part of a three-year review of existing provision.

 **Post & Parcel:** Posten Norden has improved operating profit by 28% in 2010 despite declining mail volumes.

 **Bernews:** The Minister of Economy, Trade and Industry Kim Wilson would like to advise the public that The Bermuda Post Office is currently conducting a survey which will help to assess customer awareness of the Post Office postal products and services.

 **Press Release:** Recognizing that all parcel delivery services operate in a competitive environment, the U.S. Postal Service today asked the Postal Regulatory Commission (PRC) to [reclassify Commercial First-Class Mail Parcels as a competitive product](#). Today's filing is a formal request to move Commercial First-Class Mail Parcels from the market-dominant product list, and add "Lightweight Commercial Parcels" to the competitive product list. The filing proposal does not affect retail single-piece First-Class Mail Parcels.



A report has 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 Wally Olihovik at 703-248-2201, or Agapi


Doulaveris at 703-248-2286.


- [The Postal Service Role in the Digital Age -- Part 1: Facts and Trends \(Report Number RARC-WP-11-002\)](#). How has the digital age changed your life? Do you still shop in a store or buy online? Read hard copy books or use an e-reader? This "digital revolution," in combination with the great recession of 2008 to 2009 has had a significant impact on postal operators all over the world. The Office of Inspector General studied and analyzed the changing digital landscape and the Postal Service's role in the digital age. In the white paper *Postal Service Role in the Digital Age – Part 1: Facts and Trends*, we highlight key digital trends and the shortcomings of the current digital world. This is the first in a series of papers we plan to release on this topic.





DMM Advisory: Resumption of Mail Service to Egypt. Effective February 22, 2011, the Postal Service™ restored all mail services to Egypt. Acceptance of the following mail classes may resume immediately:

- Global Express Guaranteed® (GXG®) service.
- Express Mail International® service.
- Priority Mail International® service.
- First-Class Mail International® service.
- International Priority Airmail™ (IPA®) service.
- International Surface Air Lift® (ISAL®) service.
- M-Bag items.


 [BusinessWire](#): Pitney Bowes Management Services, Inc. (PBMS), a wholly owned subsidiary of Pitney Bowes Inc. today announced an integrated return mail management service offering that can update up to 60 to 80 percent of incorrect addresses (as compared to only 10 to 30 percent by competitive single source data providers), which can help companies significantly reduce the costs associated with return mail and reconnect with customers.


 [The Economic Times](#): The postal department has launched a scheme in which employees of companies can get postal identity cards at their offices. Read more: [Postal ID cards for corporates](#).


 [USPS News Link](#): The Postal Service now has 50 flats sequencing system (FSS) machines in operation — half of the 100 machines scheduled to become operational during phase 1 of FSS implementation. According to FSS Executive Director Rosa Fulton, the 50th machine, located in San Jose, CA, became fully operational this week. An additional 40 machines are installed and ready for testing. “The schedule for system burn-ins and activations is aggressive, with 10 machines starting up every 3 weeks,” said Fulton. All 100 machines are scheduled to be sorting flats by July. More than 14,000 letter carriers now are receiving sequenced flat mail each day. Route adjustments — made possible with FSS — are ongoing, with more than 500 city routes eliminated since the first FSS machine went online.

 [Senator Jay Rockefeller](#) met with Postmaster General and Chief Executive Officer of the United States Postal Service, Patrick R. Donahoe, to discuss a substantial number of consolidations and post office closings that have occurred in West Virginia.


“I had a productive meeting with the Postmaster General today and told him that the state of West Virginia can’t afford any more cuts to services. I told him that if consolidations are proposed, employees must be treated fairly and that communities must continue to have access to postal services, which in many small towns are a lifeline. Postal Service employees in West Virginia have shown themselves to be highly efficient, and should be considered a valuable resource to help the Postal Service through its financial difficulties. There is no question that we need to take a deeply thorough look at our current budget and focus on reducing costs and decreasing the deficit, but we must do everything possible to make sure that the people of West Virginia continue to have access to this vital service.”


 [ePolitix](#): The Postal Services Bill will disproportionately affect the most vulnerable in society, says Billy Hayes of the Communication Workers Union. Our postal service is under threat and the vulnerable stand to lose the most again. Last week in the House of Lords, Lord Low of Dalston, who is chair of the Royal National Institute for the Blind (RNIB), delivered a warning to the government that its proposals for the postal service have negative consequences for people with disability. As Lord Low pointed out, the Postal Services Bill puts the universal service – delivery and collection services for six days a week at a uniform affordable price – at risk. This is a particular issue for those with disabilities given their greater reliance upon, and use of, mail services.


 [Charleston Daily Mail](#): TNT NV, the Dutch mail company that plans to spin off its express delivery business and keep its post arm after an annual meeting of shareholders, says profits rose fivefold in the fourth quarter.


 [Saigon Giai Phong](#): Vietnam Post Corporation or VNPost has received the Prime minister’s approval to contribute capital to the Lien Viet Joint Stock Commercial Bank (Lien Viet Bank) by the value of its subsidiary Vietnam Postal Saving Service Company (VPSC) as capital contribution and giving cash.

 [From the Federal Register](#): **Postal Regulatory Commission NOTICES** New Postal Products , 10410–10411 [2011–4055] [\[TEXT\]](#) [\[PDF\]](#)

 [American Postal Workers Union](#): Union activists cannot conduct “business as usual,” APWU President Cliff Guffey told national officers at a meeting in Washington this week. With the Postal Service facing a financial crisis and union membership declining, APWU leaders must take the skills they have honed in the grievance procedure and apply them in the legislative arena and other areas of union activity, he said.

 **RFIDNews:** In the new report “RFID for the Postal and Courier Service”, IDTechEx estimates that the global market for RFID systems, including tags, will reach \$2.5 billion in 2018. The report goes in-depth, covering more than 40 cases studies of RFID in action at postal and courier services in North America, Europe, the Middle East and East Asia. The report mentions a postal RFID system, successfully tested in Korea this year, which completely automates the whole process of mail delivery from accepting the package to classification and dispatching. Also noted is the Swedish Post and their system that detects and records tampering using RFID and other innovations abound, including RFID cards controlling driver access to postal vehicles and RFID enabled postal sorting equipment. More than one trillion postal items will be tagged yearly, making this the second largest application of RFID in the world after the retail supply chain. “Postal services ignoring this accelerating change”, said IDTechEx, “will become uncompetitive and suppliers missing out will regret it.”

 **GenevaLunch:** PostFinance, the banking arm of the La Poste, the Swiss postal system, is giving deposit account holders 2010 centimes, a little over CHF20, to say thanks for making 2010 a good year.

 **AFP:** US startup RPost on Wednesday accused Switzerland's postal service of intentionally violating patented technology for proving email messages have been delivered. The California-based firm is asking courts in the US and Zurich to put the brakes on Swiss Post's IncaMail, which it claims "mimics" a Registered Email service it sells in those and other countries


 *At the Postal Regulatory Commission:*


- **ACR2010** Reply Comments of the National Association of Presort Mailers on USPS FY 2010 Annual Compliance Report
<http://www.prc.gov/docs/72/72085/NAPM%20Reply%20%20Comments%20ACR%202010.doc>
<http://www.prc.gov/docs/72/72085/NAPM Reply Comments ACR 2010.pdf>
- **CP2011-60** Order No. 679 - Notice and Order Concerning the Establishment of a Regional Ground Price Category Within Parcel Select http://www.prc.gov/docs/72/72088/Order_No_679.docx
http://www.prc.gov/docs/72/72088/Order_No_679.pdf


February 23, 2011




Federal News Radio: Each year seems to bring more dire financial circumstances to the Postal Service. One ongoing burden is payments USPS is required to make to retiree health care and retirement funds. Postal officials believe they're paying in more than they need to, and that's contributing to current losses. But the President's 2012 budget proposal would correct some of these payment imbalances. Joining us with details is the Postal Service's Chief Financial Officer, chief financial officer, Joseph Corbett. [[.mp3](#)]


 **Austrian Independent:** Österreichische Post AG (Post AG) chief Georg Pölzl has defended the firm's decision to charge more for sending letters. The state-owned postal services provider announced yesterday (Tues) that the fee for posting a letter weighing 20 grams or less will increase from 55 to 62 Eurocents on 1 May. Pölzl pointed out today that rates had been the same for seven years although Post AG's personnel costs soared by 25 per cent at the same time. He added the upcoming fee rise will mean just two Euros of additional costs per year for an average Austrian household.


 **International Law Office:** On March 2 2011 the Brazilian Post Office and Telegraph Company will conduct E-reverse Auction 10000196/2010, with the purpose of contracting a multimedia communications service provider to connect its building units through a national telecommunications network. The procurement notice states that the successful company will be required to provide communication links, hardware, software and a network management platform. The notice also determines the use of the network for voice services.


 **Courier, Express, and Postal Observer:** The Postal Service has made a smart business decision by continuing to negotiate with the APWU, three months after the contract with the union expired. The decision to negotiate changes in a labor contract that will reflect the new competitive reality, rather than go to arbitration reflects the fact the


Postal Service needs the buy-in of its employees on the changes that will be necessary to turn the Postal Service's finances around. The Postal Service's negotiations with the APWU will likely extend until after March 25th when Postmaster General Donohoe announces the Postal Service's cuts in management employees. At that point the Postal Service will likely announce a significant reduction in the number of districts in a move that could follow a USPS - Office of Inspector General report's recommendations to cut between 14 and 32 districts and up to three more areas. These cuts, if they are in this range, will communicate clearly to production employees the seriousness of the situation and that sacrifices will be shared by management as well.


 [New Hampshire Public Radio](#): New Hampshire public radio is currently airing a one hour segment about the future of the Postal Service. It will be available for download here later today: <http://www.nhpr.org/audio/audio/ex-2011-02-23.mp3>


 [BusinessWire](#): Research and Markets (http://www.researchandmarkets.com/research/92636c/rfid_for_postal_an) has announced the addition of the "RFID for Postal and Courier Services 2011-2021" report to their offering. "RFID for the Postal and Courier Service". Detailed ten year forecasts are given plus a full explanation of the technologies. In detail, there are 40 new case studies of RFID in action in the postal and courier service in North America, Europe, the Middle East and East Asia. The major breakthroughs that will provide future success are discussed. Postal services ignoring this accelerating change will become uncompetitive and suppliers missing out will regret it.


 [Diario Libre](#): President of the Permanent Commission of ephemeris Patrias, Juan Daniel Balcácer, said that though the Instituto Postal Dominicano (INPOSDOM) has lost ground, even so mail continues to operate, have an important symbolic value in the country.

 [IOMToday](#): A Post Office chief claims rumours about senior manager pay rises are an attempt to get workers to vote for strike action. Rumours are rife among postal workers that regrading of some senior positions has enabled the pay freeze to be sidestepped.

 [Mediaweek](#): The Royal Mail's request to increase the amount it can charge for bulk mail has been slammed as a "shortsighted" move that could cause long-term damage to the magazine business by Barry McIlheney, chief executive of the Professional Publishers Association (PPA).

 [The Cornell Sun](#): At its inception, the United States Postal Service had the ability to revolutionize the world. People in different cities, states, even countries on separate ends of the globe, could be connected through mail. However, recently there has been a massive decrease: Approximately ten billion fewer letters have come through the USPS in the last two decades. Already closed on Sundays, the postal service is currently discussing eliminating Saturday service as well. The explanation is obvious: technology. Various means of modern communication, including e-mail, mobile phones and even video-chatting, make the transmission of any type of message easier and faster. In an age when iPhones and BlackBerrys seem to populate campus, most people literally have e-mail at their fingertips. Choosing any other means to send a letter — taking the time to hand write it, find a mailbox and wait for it to arrive in the hands of its designated recipient — seems ridiculously impractical.

 [Press Informationn Bureau](#): The Department of Posts has decided to improve the Look and Feel of its post offices through Project Arrow. The project has been launched with the objective of modernising departmental post offices across the country in a phased manner with an aim to make visible, tangible and noteworthy difference in post office operations. It aims at comprehensive improvement of the core operations of the post office as well as the ambience in which postal transactions are undertaken.


 [New York Times](#): The final frontier for alternative motor fuels, powering big tractor-trailers, has been crossed. The alternative is natural gas, but not in the now-familiar form of compressed gas. Instead, a growing number of the biggest trucks are running on liquefied natural gas. Burdened by diesel prices that topped out at over \$5 a gallon in 2008 and mindful of the sustained collapse of natural gas prices, trucking companies are expressing new interest in liquefied natural gas for their thirstiest trucks, the over-the-road 18-wheelers.





PostCom Members!! The latest issue of PostCom's [PostOps Update](#) has been posted on this site.


In this issue:


- New USPS CIO Organization Announces Changes that Will Impact Mailers
- ACS Refunds for Full-Service Mailers?
- Operations Update: CSAs, CET/CATs, and More
- New Focus for USPS Product Information Organization
- USPS to Propose Changes to CATs/CETs
- New Focus on Business Mail Entry/ Payment Challenges
- The Future of Confirm Service
- Confirm User Group Update
- Business Reply Mail – Online Tool, SOX Audits, and Scan-Based Invoicing
- November Deployment for eDrop Ship
- eMIR Enhancements Underway
- PostalOne User Group Report
- eVS and PTS User Group Reports
- Full-Service Feedback Group Update
- Start-the-Clock Workgroup Update
- Spoilage/Shortages Workgroup Update
- Final Report from ACS Data Workgroup
- Container Label Option


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


 Japan Post Service Co. plunged deeper into the red in the first half year. The company where Japan Post consolidates its letter mail and parcel business, recorded an operating loss of 819.9m euros in the first six months of the current fiscal year 2010/2011.


 TNT posted a revenue growth for the business year 2010. But the two divisions of the Dutch company developed differently. The Mail unit's turnover rose by 1.3% to 4.27bn euros while the operating result decreased by 7.9% to 580m euros. The decreasing result was caused by a 9% decline of addressed mail volume. Simultaneously TNT reported a significantly increased domestic parcel volume.


 Posten Norge significantly increased its result last year despite declining volumes.

 Jukka Alho, president and CEO of Finnish Itella sees the necessity to adjust prices as revenues decline and volumes decrease in the long term. In the course of the presentation of the annual results 2010 he said that the 1% markup proved to be inadequate to compensate for this development.


 A dispute between publishing houses and Swiss Post has come up in Switzerland. The conflict was triggered by Swiss Post's decision to delete 12 newspapers from the list of the 160 newspapers which are eligible for a subsidized distribution.


 The economic crisis had a comparably light impact on Greece's postal and express market.


 Lietuvos pastas remained in the red last year.


 It is official now: FedEx will not come under the jurisdiction of the National Labor Relations Act (NLA).

 DHL intensified its efforts to establish a Europe-wide B2C network.

 Franchise chain Mail Boxes Etc. (MBE) closed a successful business year 2010 in Germany and Austria.

 The Estonian post generated revenues of 45.1m euros (-11.2%) and a profit of 7m euros in 2010.

 France Express (turnover 2008: 340m euros) launched a new service utilising the network of France's high speed train TGV.


 Deutsche Post's 500,000 employees worldwide received a bonus. The reason for this was a 'successful year 2010', according to a spokesman.





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.)*




Postal news from [Postal Technology International](#):

 The [Israel Postal Company](#) has announced that it has completed a project to install ATMs on the exterior walls of branches, so anyone can use their debit/credit card to get cash 24 hours a day. Most postal branches have been now equipped with the machines, which enable customers to pay bills in cash as well as withdraw money. This is useful to customers as in Israel many government offices and other organisations insist on cash payments rather than cheques.

 The board of France's [La Poste](#) has given the go-ahead for the operator to receive EUR 2.7 billion capital investment as it prepares for the liberalisation of the postal market. The funds will be provided by the state, which will provide EUR 1.2 billion, in conjunction with its investment arm Caisse des Depots, which will provide the remaining EUR 1.5 billion in return for a 26 percent stake in the operation.

 **Press Release:** FedEx Corp. announced today that its FedEx Express business unit has completed the acquisition of the logistics, distribution and express businesses of AFL Pvt. Ltd. (AFL) and its affiliate, Unifreight India Pvt. Ltd. (UFL). The acquisition further enhances FedEx Express international and India business offerings and continues a long-term commitment by FedEx to the growing Indian market.

 **Courier, Express, and Postal Observer:** The following article provides a clear discussion as to why the provisions in President Obama's budget relating to the Postal Service matter to the business community and web-based commerce. It was published on Bloomberg Government and was only available to subscribers. It is published here with the gracious permission of the author.

February 22, 2011

CENTER FOR RESEARCH IN REGULATED INDUSTRIES	<i>Advanced Workshop in Regulation and Competition 2010-2011 April 1, 2011 Viable Modern Postal System? K&L Gates LLP, 1601 K Street NW, Washington, DC 20006 Click here for Registration information</i>
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PRNewswire: Teradata Corporation, the world's largest company solely focused on data warehousing and enterprise analytics today announced that the United States Postal Service (USPS) has added a new high-availability capability to its Teradata Enterprise Data Warehouse (EDW) infrastructure. The 'Dual Active' system provides USPS analysts with the ability to access detailed operational information, without disruption, for monitoring, analysis, reporting and decision-making purposes. USPS' new Dual Active infrastructure serves as an award-winning example of an integrated, centralized enterprise data warehouse with significant, tangible economic benefits.

 *At the Postal Regulatory Commission:*

MC2010-36 Response of the United States Postal Service to Initial Comments of the Association for Postal Commerce <http://www.prc.gov/docs/72/72066/ResponseToPostComComments.pdf>

RM2010-13


- [Initial Comments of the Association for Postal Commerce](#)
- [Initial Comments of the United States Postal Service](#) Comments Orders/ Responses to Orders
- [Initial Comments of American Postal Workers Union, AFL-CIO](#) Comments Orders/ Responses to Orders
- [Initial Comments of the Greeting Card Association](#) Comments
- [Joint Application for Nonpublic Treatment of the Major Mailers Association, the National Association of Presort Mailers, and the National Postal Policy Council](#)
- [Joint Comments of the American Banker's Association, the Bank of America Corporation, the Direct Marketing Association, Discover Financial Services, the Major Mailers Association, the Nat'l Association of Presort Mailers, the Nat'l Postal Policy Council](#) Comments Orders/ Responses to Orders
- [Comments of Pitney Bowes Inc.](#)

RM2011-3

- [Initial Comments of the Association for Postal Commerce](#)
- [Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc.](#)
- [Comments of Pitney Bowes Inc.](#)
- [Comments of Magazine Publishers of America, Inc., Alliance of Nonprofit Mailers and American Business Media](#) Comments Orders/ Responses to Orders
- [Initial Comments of the United States Postal Service](#) Comments Orders/ Responses to Orders

VN Post Express Joint Stock Company - United States Postal Service Strategic Bilateral Agreement

<http://www.prc.gov/docs/72/72064/VNPE OB Air CP Agreement public.pdf>

 **Federal Times:** Here's an intriguing nugget from the U.S. Postal Service's latest quarterly report: Even as the Obama administration agrees that the Postal Service is owed a huge refund on past payments to its pension program, the Office of Personnel Management—headed by Obama appointee John Berry—is requiring it to shell out more for current payments. For the first quarter of fiscal 2011, the Postal Service's contributions to the Federal Employees Retirement System, or FERS, rose by \$24 million—from \$1.469 million to \$1.493 million—versus the same period in fiscal 2010, even though the USPS workforce continued to shrink, the report says. The reason, according to the Postal Service, is that its employer contribution rate increased from 11.2 percent to 11.7 percent of eligible payroll. The agency is appealing that boost to a federal board of actuaries on the grounds that its FERS obligation is already overfunded to the tune of some \$6.9 billion.



*The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic: **Pay for performance: Fair***

and balanced or subject to manipulation? What is your assessment of USPS's Pay for Performance (PFP) program?


New Audit Projects: [LINK](#) here to visit our audit project pages. This week we opened the following new project(s):


- [Government Relations Operation - 11BG015FF000](#). Postal Service's Government Relations organization is the primary liaison to government leaders and policy makers, During IG's Testimony in House Oversight Subcommittee Hearing, Friday February 11, 2011 Congresswomen Emerson requested the IG review the Postal Service Government Relations Office efficiency and cost effectiveness.
- [Workers Compensation Third Party Recoveries – 11BG014FT000](#). Under the provisions of the Postal Reorganization Act, 39 U.S.C. 1005 (c), all employees of the United States Postal Service are covered by the Federal Employees' Compensation Act (FECA), 5 U.S.C. 81. FECA provides that if the injury or death is caused by a third party, the claimant can be required to take action against that third party. The employee can assign rights of the case to the Postal Service or seek legal action on his/her own. The Injury Compensation Control office carries out the responsibilities related to third party recoveries for the Postal Service. At installations that do not have an Injury Compensation control office, the Injury Compensation manager designates a qualified control point supervisor responsible for coordinating these instructions with the control office.
- [Information Technology Budget Analysis – 11RR003IT000](#). The Postal Service maintains the world's third largest information technology infrastructure. It provides centralized computing services nation-wide that encompass all facets of operations to ensure critical systems and applications are available 24/7 to the functional groups that perform the core functions of the organization. Our review will examine the information technology budget and expenditures to determine whether additional reviews are warranted to identify cost savings opportunities to help ensure the Postal Service meets its' short and long-term goals.
- [Unemployment Compensation – 11BD010FT000](#). Our overall objective is to determine whether opportunities exist to improve the unemployment compensation program, and to ensure propriety of payments. The Unemployment Compensation for Federal Employees Program (UCFE) is administered by the states under separate agreements with the U.S. Secretary of Labor. Under these agreements, the states are agents of the US and take, adjust, pay, or deny claims for unemployment compensation. Based on wage and separation information supplied by the Postal Service, the state agencies determine under each state's employment security laws the postal employee's entitlement to unemployment compensation. This is a self-initiated audit that will be conducted based on a sample taken nationwide of claimants who are receiving unemployment benefits. Requirements for unemployment compensation benefits vary from state to state in accordance with each state's employment security laws.
- [Management Operating Data Systems \(MODS\) – 11RG010CRR000](#). Management Operating Data System (MODS) workhours and mail volume data is used extensively in Postal Service costing. MODS workhours are used to partition mail processing costs at Postal Service plants into 61 cost pools. In total, those mail processing costs are over 20 percent of total Postal Service volume-variable costs. MODS workhours and volume data is also used to develop MODS-based productivities for selected operations at plants. Those productivities are used extensively in workshare cost avoidance models used to develop workshare discounts. Past audits, and Postal Regulatory Commission proceedings, have focused on what are termed MODS anomalies. Two key anomalies are (1) MODS workhours, but no mail volume recorded; and (2) MODS mail volume, but no workhours recorded.





From the Federal Register:


- **Postal Regulatory Commission RULES** Product List Updates , 9648–9650 [2011–3805] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service PROPOSED RULES** Shortpaid and Unpaid Information-Based Indicia (IBI) Postage and Shortpaid Express Mail Postage: Revised Proposal , 9702–9705 [2011–3798] [\[TEXT\]](#) [\[PDF\]](#)


 **Press Release:** FedEx Express, a subsidiary of FedEx Corp. is adding new services for customers including FedEx First Overnight® Freight and FedEx 2Day® A.M. and is making further enhancements to FedEx First Overnight®. The services will be available beginning Feb. 28 and will provide customers with faster, time-definite shipping options backed by a money-back guarantee.

 [The Gainesville Sun](#): The way the local postal workers union sees it, if the sorting of outgoing mail is moved from Gainesville to Jacksonville, mail service as we know it will never be the same. The postal union is fighting possible consolidation of services with Jacksonville.


 [The Hindu](#): The Department of Posts on Monday launched a pilot project in West Godavari district enabling it to diversify into cargo services beginning with supply of drugs.


 [Canada East](#): Canada Post acknowledges "errors" it made during its most recent restructuring of mail carrier routes in Metro Moncton, mistakes which were cited in an arbitrator's ruling that orders the corporation to start the whole process over again.


 [WAToday](#): Emails and mobile phone text messages are expected to turn even more consumers off old-fashioned letters during the next decade. Australia Post chief executive Ahmed Fahour says the postal service will lose business as customers also went online to pay their bills. "The generational change in the global communication market means that the way the community is using our service is changing and it's changing very rapidly," he told a Senate estimates hearing on Tuesday.


 [Dead Tree Edition](#): Despite common assumptions to the contrary, digital publications often cost more to produce and have a less favorable business model than their printed counterparts.


February 21, 2011


 [Courier, Express, and Postal Observer](#): The problems faced by the Patent Office in its dealings are quite similar to those faced by the Postal Service but on a smaller scale. The impact on the economy is also similar as Congress's actions regarding the Patent Office and the Postal Service have had the effect of retarding the economic growth by making doing business in the United States more difficult and more expensive than it need be. Unfortunately for the Patent Office and the Postal Service fixing the problems do not have solutions that fit easily into political arguments that use words that poll favorably or fit within the 140 characters available in Twitter. The willingness of members of Congress to adjust their language to fit real solutions to the budgeting and policymaking issues of the Patent Office and the Postal Service will determine if the country reverses the anti-growth policies that now exist.

 [Forexyard](#): TNT NV said postal volumes could worsen this year, disappointing investors looking forward to the Dutch firm spinning of its more lucrative express unit from its mail division. Dutch TNT, whose split has intensified speculation it will become the target of consolidation in the sector, said a harsh winter and the first postal strikes in 25 years exacerbated the decline in volumes, as more people used e-mail and the Internet.

 [ChannelWeb](#): Australia based document management vendor PrintSoft has launched its first channel programme to target partners abroad, including the UK. The company, a developer acquired in 2005 by national postal services firm Australia Post, has created four tiers in the programme – Platinum, Gold, Silver, and Registered partners. Shaniel Charan, UK channel manager at PrintSoft, said the company is looking to develop partnerships that support its growth in areas where it already has a presence as well as in new markets and sectors. Read more: <http://www.channelweb.co.uk/crn-uk/news/2027617/printsoft-launches-global-partner-push#ixzz1EcReFyME> CRN - Essential information for VARs, integrators and converged resellers. Claim your free subscription today.

 [Hellmail](#): It looks increasingly likely that the UK government will struggle to find a buyer for the Royal Mail that would take on its mail division unless there were more sweeping changes made to the way it operates.

 [Transport Intelligence](#): France Express has announced it is launching Top One, a new urgent delivery service utilising rail transport.

 [Courier, Express, and Postal Observer](#): TNT Post is the privately owned provider of universal mail service in the Netherland. As such it operates under a corporate structure similar to investor-owned public utilities in the U.S. From a competitive standpoint, TNT Post is similar to the land-line operations of Verizon, ATT, Quest, and

numerous smaller firms that are dominant in their traditional market but face competition from telephone services offered by cable companies, wireless services, including sister wireless divisions, and voice over internet services like Skype and Vonage. Just like land line companies, TNT Post expects demand to decline. Its just released annual report provides the following information on volume change in 2010 and in upcoming years. As a consequence of the combined market trends [i.e., competition and electronic diversion], the addressed postal volume decline in 2010 was 9%. For 2011, Mail estimates the decline of its addressed postal volumes to be around 8% to 10%. In the years thereafter, Mail estimates its annual volume decline to be 6% on average.



[Federal News Radio](#): When it comes to being able to retire, federal and postal workers are in better shape than most Americans. Because: * Those who retire under the CSRS program (or the CSRS offset system) will get an annuity fully indexed to inflation, based on their highest 3-year average salary and length of service. They also have their Thrift Savings Plan accounts. Those who retire under the FERS program (the majority of current working feds) will get a smaller civil service benefit. But the inflation-adjustments don't begin until they are age 62 and they are subject to diet COLAs (cost of living adjustments) that are one percentage point less than the cost of living as measured by the Consumer Price Index. FERS employees get Social Security (which they pay into) and are eligible for a total match of 5 percent from the government to their TSP accounts.

[Bloomberg](#): TNT NV, the Dutch mail company that plans to spin off its express delivery business and keep its post arm after an annual meeting of shareholders, says profits rose fivefold in the fourth quarter.

[IsleOfMail](#): The chairman of the Isle of Man Post Office has urged workers to reject strike action.

[Fife Today](#): Hundreds of postal workers and local residents will hold a rally in Nottingham to demonstrate against controversial Government plans to privatise the Royal Mail.

[Hellmail](#): A strengthening of discrimination laws in Denmark will see many Danish citizens over the age of 65 lose access to direct delivery of mail if they live in blocks of flats. New regulations which come into force in April this year, mean that there have to be equal conditions for all, so age will no longer determine whether mail is delivered directly to individual doors in multi-occupancy buildings. However, Danish Post said it remained the case that for people unable to pick up mail on the basis of disability or reduced mobility would still have their mail delivered to their door.


[Chief Officers](#): Phang Soo Chyi is now a taxi driver in Singapore. But he used to be a manager with Singapore Post's courier business Sameday Islandwide Operations where he was supervised subcontractors with the power to penalise or reward companies for failing to meet, or exceeding, the required service standards.


[Hellmail](#): Steve Lawson, editor for Hellmail Postal News which covers European postal affairs said: "We have seen mammoth changes in the postal industry not unlike those experienced during the last great industrial revolution and whilst Internet and Mobile services deliver many exciting possibilities, the pace of change has decimated traditional postal services. It is difficult for postal operators to second-guess technological developments and how they can fit into a constantly changing communications market."


[Global Address Data Association](#): This week, the Board of Directors of the Global Envelope Alliance (GEA) adopted a resolution of support for the Global Address Data Association (GADA). GEA Chairman Bert Berkley said, "The work of the Global Address Data Association is directed at a fundamentally important aspect of the envelope business: personal addressed communications sent through the postal systems of the world. GADA supports both the data industry and postal companies in making more accurate address data widely available at a reasonable cost. Its support for the Universal Postal Union's assistance to countries in developing address systems is also unparalleled in the private sector. We are very pleased to support this work."


[The Arctic Sounder](#): Postmaster General Patrick Donahoe gave reassurances on the future of bypass mail during recent discussions about postal services in Alaska, according to a news release.


February 20, 2011

 [The Telegraph](#): Royal Mail has spent £5 million in the past five years on the red rubber bands that often litter Britain's pavements.


 [Bernama](#): Khazanah Nasional Bhd has entered into the second stage of the divestment process of its 32.21 percent stake in Pos Malaysia Bhd, starting with the restricted tender process for bidders. It said bidding would be on a level playing field whereby the emphasis would be on bidders who would be able to introduce sound strategies and business plans sustainable to bring the postal entity to the next level of growth. In announcing this, Khazanah also shrugged off recent speculations in the media of certain parties likely to land the deal, saying there was "neither a leading nor lagging bidder at the current stage of the bid process."

 [Inland News Today](#): The prospect of losing a post office is alarming people in small towns everywhere. The post office gives area residents a reason to come to town — and patronize other businesses there — and provides a service they count on and believe their government owes them. The Postal Service, a self-supporting agency that gets no tax dollars, has no choice but to reduce its offices, stations and branches, which now total 31,871, spokeswoman Sue Brennan says. It loses \$23 million a day and ended fiscal year 2010 with an \$8.5 billion shortfall. In March, the Postal Service will begin identifying offices that could be closed. Brennan says it's a 57-step process that can take up to 21 months and includes opportunities for community input. Federal law bars closures based solely on economic reasons. Mail volume is down as more people use electronic communications, she says, and people have access to postal services at ATMs, groceries and online.

 [PR-USA.net](#): Important, time-sensitive materials requiring tracking and secure delivery now have a new product from the U.S. Postal Service designed to get attention upon arrival. Introduced Jan. 2, Critical Mail provides commercial mailers with eye-catching envelope designs, tracking services and simple, low flat-rate pricing. Critical Mail is tailored for customers requiring cost-effective mailing solutions for important documents in many types of businesses, including those in the entertainment, financial services, membership services, and tourism industries. Event tickets, identification documents, stored-value cards, education transcripts and urgent direct mail messages are but a few of the items ideally suited for Critical Mail.

 [Courier, Express, and Postal Observer](#): Representative Ross's tweets suggest that postal labor may find that the best they may expect from postal reform legislation could be the changes in the criteria arbitrators must use that are contained in bills proposed by Senators Tom Carper and Susan Collins.


February 19, 2011

 [BBC](#): Hundreds of people are set to protest in Nottingham against government plans to privatise the Royal Mail. The demonstration is the latest in a campaign by the Communication Workers Union (CWU) against the proposals.

 [Hellmail](#):

- [Businesses Could Still Save Despite VAT Postage Increases](#)
- [Royal Mail Privatisation Not The Way Forward Says Ward](#)
- [BRC Say January Sales Distort Annual Sales Increase](#)

February 18, 2011


 [DMM Advisory](#): **IMb™ Services Update. New Service Type Identifiers (STIDs) for Reply Mail:** Based upon mailer requests, the Postal Service® has established a new Service Type Identifier (STID) to distinguish Courtesy Reply Mail from other First-Class Mail® pieces. Currently, Service Type Identifier (STID) 700 is used for First-Class Mail Basic Service or non-automation mailings without CONFIRM®, as well as Courtesy Reply Mail™ (CRM), Permit Reply Mail (PRM), and Metered Reply Mail (MRM) without CONFIRM.


The new STID for Courtesy Reply Mail is 703. Usage of the new STID 703 for CRM is not mandatory and mailers who have previously used STID 700 to produce CRM may exhaust their inventory without penalty. When CRM mailers replenish their stock, they may change the STID from 700 to 703 at that time. The Postal Service has also issued additional STIDs for Reply Mail. The updated [STID table](#) can be found in the [Intelligent Mail Barcode Technical Resource Guide](#) on [RIBBS](#). The Postal Service recognizes the business process cycle associated with generating mail stock, including software development. Mailers are encouraged to use the new STIDs in future planning. Mailers may continue using STID 700 for CRM, MRM, and PRM during the transition from STID 700 to new STID values for Reply Mail. The Postal Service will continue to process reply mailpieces encoded with the old STIDs.

 *At the Postal Regulatory Commission:*

- **RM2010-13** Initial Comments of the **Association for Postal Commerce**
<http://www.prc.gov/docs/72/72029/PostCom.Initial.2010-13.pdf>
- **RM2011-3** Initial Comments of the **Association for Postal Commerce**
<http://www.prc.gov/docs/72/72031/PostCom.Initial.2011-3.pdf>
- **RM2010-13** Initial Comments of the Greeting Card Association
http://www.prc.gov/docs/72/72027/RM2010-13_GCA_Comment_FIN.doc
http://www.prc.gov/docs/72/72027/RM2010-13_GCA_Comment_FIN.pdf
- **RM2011-3** Comments of Magazine Publishers of America, Inc., Alliance of Nonprofit Mailers and American Business Media
http://www.prc.gov/docs/72/72032/11-02-18_MPA-ANM-ABM_comments.pdf
- **CP2011-61** Notice of the United States Postal Service Filing of a Functionally Equivalent International Business Reply Service Competitive Contract 3 Negotiated Service Agreement
<http://www.prc.gov/docs/72/72043/CP2011-61%20IBRS%20Notice.pdf>
http://www.prc.gov/docs/72/72043/CP2011-61_Public_Workpapers.xls
- **RM2010-13** Comments of United Mailing Services, Inc. on Consideration of Technical Methods to Be Applied in Workshare Discount Design
<http://www.prc.gov/docs/72/72036/UMS%20Comments.docx>
<http://www.prc.gov/docs/72/72036/UMS%20Comments.pdf>
- **RM2010-13** Comments of On-Line Data on Consideration of Technical Methods to Be Applied in Workshare Discount Design
<http://www.prc.gov/docs/72/72037/On%20Line%20Data.doc>
<http://www.prc.gov/docs/72/72037/On Line Data.pdf>
- **RM2010-13** Comments of Presort Services, Inc. on Consideration of Technical Methods to Be Applied in Workshare Discount Design
<http://www.prc.gov/docs/72/72034/PSI%20Comments.docx>
<http://www.prc.gov/docs/72/72034/PSI%20Comments.pdf>
- **RM2011-3** Subjects Proposed by Time Inc. for Strategic Rulemaking Pursuant to Order No. 589
<http://www.prc.gov/docs/72/72038/TIsubsStrategicRmkg.pdf>
- **RM2010-13** Initial Comments of American Postal Workers Union, AFL-CIO
<http://www.prc.gov/docs/72/72047/RM%202010-13.APWU%20Comments.pdf>
- **RM2010-13** Comments of Pitney Bowes Inc. Link: <http://www.prc.gov/docs/72/72051/PB-2.xlsx>
http://www.prc.gov/docs/72/72051/PB-2-2010FCM-SAS_Output.pdf
<http://www.prc.gov/docs/72/72051/PB-3.xlsx>
[http://www.prc.gov/docs/72/72051/PB%20Comments%20\(RM2010-13\).pdf](http://www.prc.gov/docs/72/72051/PB%20Comments%20(RM2010-13).pdf)
http://www.prc.gov/docs/72/72051/PB-2-2010FCM-SAS_Code.pdf
http://www.prc.gov/docs/72/72051/PB-3-2010SM-SAS_Output.pdf
http://www.prc.gov/docs/72/72051/PB-3-2010SM-SAS_Code.pdf
[http://www.prc.gov/docs/72/72051/Appdx%201%20\(PB-1\)\(RM2010-13\).pdf](http://www.prc.gov/docs/72/72051/Appdx%201%20(PB-1)(RM2010-13).pdf)
- **RM2011-3** Comments of Pitney Bowes Inc.
[http://www.prc.gov/docs/72/72049/PB%20Comments%20\(RM2011-3\).pdf](http://www.prc.gov/docs/72/72049/PB%20Comments%20(RM2011-3).pdf)
<http://www.prc.gov/docs/72/72049/Appendix A.xlsx>

 **DC Velocity:** The president and CEO of Arkansas Best Corp., the parent of less-than-truckload (LTL) carrier ABF Freight System, hinted that ABF has been taking market share from FedEx Freight since the FedEx unit rolled out its revamped service last month.

 **Green Technology:** The International logistics giant FedEx recently announced the opening of a corporate data center in the Northgate business park in the Colorado Springs area. In a press release, FedEx said that the data center, which is the outcome of seven long years of planning and construction will eventually replace a nearly 30-year-old similar facility near its corporate headquarters in Memphis, Tenn.

 **Atlanta Journal-Constitution:** A new FedEx Ground facility in Norcross will eventually house more than 500 employees, the vice president of the company's southern region said Friday.

 The latest copy of the [National Association of Postmasters of the U.S.](#) electronic governmental affairs newsletter is available on the NAPUS web site.



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

- Senator Susan Collins, Ranking Member of the Senate Homeland Security and Government Affairs Committee introduced legislation to help the U.S. Postal Service. The "U.S. Postal Service Improvements Act of 2011" would help the USPS achieve financial stability and future cost savings without undermining customer service.
- Broad coalition supports Senator Collins' postal reform legislation.
- The Association for Postal Commerce submitted comments to the Postal Regulatory Commission, this week, suggesting three modifications that will move the Postal Service toward more efficient pricing and allow it to increase volume and profitability by better serving the needs of its customers.
- The recently enacted changes in the Postal Service's organizational structure and leadership earlier this week were first seen in a public forum as the new Postmaster General and senior postal officials addressed the Mailers Technical Advisory Committee meeting in Washington, DC. The "thank you for your business" message from the Postmaster General on down through his leadership team resonated positively with attendees, as did the more concrete changes in approach to mail preparation, entry and payment requirements discussed over the two days of the MTAC meeting. PostCom members attending the meeting said they are "cautiously optimistic" that the recent and continuing changes in the USPS' leadership will have a positive impact on their business.
- The U.S. Postal Service projects its cumulative five-year loss to shrink from \$43 billion to \$28 billion by four additional management initiatives. The 5-year loss was originally set at \$86 billion in the USPS March 2010 plan.
- The USPS last week posted its Quarter 1 FY 2011 results which reflect service performance between October 1, 2010, and December 31, 2010. For the first time since it began reporting its service performance in FY 2009, the USPS failed to report service performance for Standard Mail. According to the USPS' measurement reports, First-Class Mail Single Piece service performance improved slightly in all measured categories compared to the same period last year; First-Class Mail Presort service performance significantly declined; Periodicals service improved; and Package Services service performance improved.
- Paul Vogel, USPS President and Chief Marketing/Sales Officer talked with the Mailers Technical Advisory Committee this week to discuss the Postal Service's formula for success, his 6-month assessment, and the innovations and new directions of the USPS.
- In a recent report, the GAO found that "while USPS has taken steps in the past year to generate ideas for modernizing its retail and delivery networks, the experiences of foreign posts suggest that it will be critically important for USPS to fully develop and implement similar outreach, communication, and labor transition strategies."
- PRC approves USPS' CPI Price Increase. USPS makes GAO's high risk list once again. PostCom/ANM submit reply comments in ACR docket. USPS talks about next steps in SOX compliance audits. ACS refunds for full-service mailers? USPS says full steam ahead on "Easy Payment" system. The future of Confirm. USPS helps get "Why Print?" message out. Cost benefit analysis of closing a rural post office.

American public wants to keep USPS public but cut delivery to five days. More intense high risk oversight planned. Book stores as community centers; should Congress intervene to keep them open? Hallmark and USPS launch postage-paid greeting cards.

- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- PostCom welcomes its newest member.

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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[National Association of Letter Carriers](#): As the 112th Congress gets underway, the NALC's legislative goals remain firm. We continue to seek legislation that allows the U.S. Postal Service to use the pension surpluses in both the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) to fully fund the Service's retiree health benefit account. We are asking Congress to repeal the burdensome mandate included in the 2006 postal reform bill that requires the USPS to pre-fund that retiree health benefit account to the tune of \$5.5 billion a year—an onerous obligation not shared by any other corporation or government agency. And we continue to push for legislation that requires the continuation of six-day mail delivery service.




[Now hear this: "This Week In Postal".....the latest podcast posted now!](#) *Rates....MTAC....more*


DMM Advisory: We Can Calculate That! We know that your time is valuable and you need answers in a hurry. So we've made it easy to compare the simplest and most cost effective way to send your business mail. The Business Calculator on the Postal Explorer® website lets you calculate prices for all shapes and classes of mail. Not sure which class of mail or preparation method is best for you? Calculate several options and then hit the "Show History" button to have all the calculations you just made listed side-by-side for comparison to make your decisions simpler. Quick navigation tools assist in providing you with definitions or links to other references for ease-of-use. No more head scratching when trying to figure out per-piece and per-pound prices — we calculate it for you so that you can spend time on your other business needs.


[CNET News](#): Later this year you'll be able to pay for clothes, taxi fare, and dinner with your mobile phone and leave your credit cards and cash at home. Visa is planning a commercial rollout in the U.S. in the second half of this year of a service for allowing allow people to turn their existing smartphones into electronic wallets. It uses Near Field Communication (NFC) short-range wireless technology and includes real-time anti-fraud alerts and other features designed to protect consumers from fraud, Bill Gajda, global head of Visa Mobile, told CNET in an interview at Mobile World Congress 2011 here this week. Visa was demonstrating its PayWave mobile payment system at the show. *[EdNote: And how will people be protected against tech-savvy crooks?]*


[Yahoo! News](#): As many as one in 10 Americans can't get Internet connections that are fast enough for common online activities such as watching video or teleconferencing, and two thirds of schools have broadband connections that are too slow to meet their needs. Those are some of the conclusions from the Commerce Department as it


unveiled a detailed, interactive online map showing what types of high-speed Internet connections are available — or missing — in every last corner of the country. *[EdNote: In short, this nation still suffers a digital divide. For heaven sakes, don't make things worse by crippling the postal system.]*


 [Daily Gamecock](#): A new mailroom system in the University of South Carolina Post Office has caused a stir on campus. On Feb. 11, the old system of placing yellow package notification slips in students' mailboxes was replaced with an e-mail update. Barry Meyers, the director of the USC Postal Services, is excited about the new method of package distribution. He said that, in January, 10,050 packages were delivered to resident students via the mail center. With the old system of paper notification slips, much of mailroom employees' time and energy was spent printing, labeling and delivering the yellow slips. The e-mail system allows the mailroom to process the packages through an internal tracking system and digitally assign them a shelf location based on the student's name and the shipping carrier type. The e-mail is then sent, and students can receive their packages by scanning their CarolinaCards at the package pick-up desk.

 [Azerbaijan Business Center](#): A meeting of Azerbaijani and Iranian communications ministers is taking place in the Ministry of Communications & Information Technologies of Azerbaijan. In the course of the meeting Iranian minister of communications Reza Tagipur voiced readiness to collaborate with Azerbaijan in ICT sector. "We're ready to develop cooperation in the area of Internet and mail services, in particular, banking services in the postal sector," he said.


 [World Radio Switzerland](#): The federal government is allowing Swisspost to raise prices. Government permission is required for postage increases on all mail below 50 grams, for which the state-owned postal service still has a monopoly.


 [Hellmail](#): The Communication Workers Union, which represents thousands of postal workers in the UK, said today that it welcomed UK regulator Postcomm's announcement that it is 'minded to' accept Royal Mail's request for price increases on bulk products.

 [Time](#): USPS is joining forces with Hallmark to make sending your best wishes easier. (via Techland) More than 200 greeting cards will now come with prepaid envelopes. All you have to do is sign, seal and the U.S. Postal Service will deliver Hallmark's your heartfelt note, according to the Washington Post. Prices range from \$2.99 to \$3.99 and will include the price of mailing it. Just like Forever Stamps, said postage will always equal the price of a first-class stamp. Hallmark and USPS are on the right track in thinking that they need to make sending out cards easier in this e-greeting era, but cards are outdated.


 [Courier, Express, and Postal Observer](#):

- On February 17, 2011, [Congressman Dennis Ross](#) tweeted, "[@dryMAILman](#) we will have a website where the man or woman on the street can tell us how to improve service and cut costs." This is the first indication of what Congressman Ross wants to do as Government Reform Committee's Subcommittee on Federal Workers, the Postal Service and Labor Policy.
- Recently, the [Daily Caller story](#) that went to great lengths to call President Obama's 2012 budget proposal a bailout of the Postal Service. The previous post, [The Bailout Talk Has Begun. Or Has It?](#)" showed that the interviewees were actually stating that they believed just the opposite. However it was not the only website that chose to use that language.


 [PR Leap](#): The owners of the UK's leading parcel delivery service, Parcel2Go, have warned customers that with the possibility of more postal strikes on the way, any urgent parcels or important documents should be sent via another method in order to guarantee safe delivery.


 [Hellmail](#): Lithuanian Post (Lietuvos Pasta) announced this week that preliminary unaudited figures indicated that it had reduced its loss-making situation from 63m LTL in 2009 to 13.5m LTR in 2010.


February 17, 2011

 [Information Week](#): The Department of Commerce has published online the first public map providing information on the availability of broadband Internet service nationwide, meeting a Congressional deadline to provide the resource.

 [Postalnews Blog](#): Fox News gets credit for first phony “Obama’s \$4 Billion Taxpayer Bailout” headline.

 [BBC](#): Isle of Man post workers balloted despite budget warning.

 ***DMM Advisory: 2011 Mailing Services Price Change Update.*** The Postal Regulatory Commission (PRC) yesterday determined that the Mailing Services price change complies with statutory requirements. We will implement these prices on April 17, 2011. The new prices can be viewed online on Postal Explorer® at pe.usps.com. Click on the link in the left blue navigation frame under “*New* April 17, 2011 Pricing Information.”


 [DC Velocity](#): The House Transportation and Infrastructure Committee late Wednesday approved a four-year, \$59.7 billion Federal Aviation Administration (FAA) funding bill that excludes a controversial provision that would change the labor law governing FedEx Corp.'s air express unit.


February 16, 2011


CENTER FOR RESEARCH IN REGULATED INDUSTRIES	<i>Advanced Workshop in Regulation and Competition 2010-2011 April 1, 2011 Viable Modern Postal System? K&L Gates LLP, 1601 K Street NW, Washington, DC 20006 Click here for Registration information</i>
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[Press Release](#): Important, time-sensitive materials requiring tracking and secure delivery now have a new product from the U.S. Postal Service designed to get attention upon arrival. Introduced Jan. 2, Critical Mail provides commercial mailers with eye-catching envelope designs, tracking services and simple, low flat-rate pricing. Critical Mail is tailored for customers requiring cost-effective mailing solutions for important documents in many types of businesses, including those in the entertainment, financial services, membership services, and tourism industries. Event tickets, identification documents, stored-value cards, education transcripts and urgent direct mail messages are but a few of the items ideally suited for Critical Mail.

 [PRNewswire](#): Hallmark and the U.S. Postal Service introduce PostagePaid Greetings — a line of "everyday" and seasonal cards that already include postage. Just sign, seal and send.

 [Merinews](#): India Post has introduced personalised stamps, wherein the buyers can have their own photos on the stamps. This concept can popularise philately as well as the services of postal department.

 [Daily Caller](#): The United States Postal Service has fallen on tough times, struggling to find both revenue and relevance in the digital age. President Obama’s 2012 budget, released Monday, attempts to help it accomplish the first of those, providing it with a total of \$4 billion of “temporary financial relief” this year. The proposal has its critics, with some referring to it as a \$4 billion taxpayer bailout of the Postal Service. But Mike Schuyler, senior economist at the Institute for Research on the Economics of Taxation, calls both proposals totally reasonable.

 [Anchorage Daily News](#): A Bush mail subsidy that costs the Postal Service tens of millions of dollars a year in Alaska may be safe, for now. No changes for bypass mail rates are in the works, a spokesman for the Postal

Regulatory Commission said. The postmaster general himself said the Postal Service is "100 percent behind" the program, according to U.S. Sen. Mark Begich, D-Alaska.



[Federal News Radio](#): Agencies should expect a different type of oversight in the 112th Congress. Lawmakers say the Government Accountability Office's High Risk List not only gives them a roadmap by which to plan hearings, but demonstrates just what it takes to reform long-standing governmentwide problems. "We will be asking these various agencies 'how long is it going to take you to straighten up and fly right?'" said Rep. Elijah Cummings (D-Md.) ranking member of the Oversight and Government Reform Committee. "And then what we want them to tell us is when they will be able to do it and then we will bring them back into the committee and say 'have you done it?'" Sen. Susan Collins (R-Maine), ranking member of the Homeland Security and Governmental Affairs Committee, said she will focus like a laser on how best to remove these long-standing troubled programs. In fact, Collins said she plans on introducing legislation to address two High Risk List issues. She said the only way the Postal Service will become financially viable is through legislation. She also said she plans to reintroduce the cybersecurity bill this week to improve the Federal Information Security Management Act and make other significant changes."

[The Dayton Beach News-Journal](#): Merging the mail processing and distribution operation on Bill France Boulevard with one in Lake Mary may save the U.S. Postal Service money, but it could cost area business customers that use bulk mail. Those customers, who now get a discount of 4.3 cents for each piece of mail, will lose that savings if they choose to continue patronizing the Bill France site after the merger -- slated to take place this summer.

[Courier, Express, and Postal Observer](#): Borders has filed for bankruptcy and announce that it will be closing 192 of its 642 stores. The closing of 192 Borders stores will generate no calls from Congress for an investigation. There will be no requirement that Borders hold public hearings before it can close the stores affected. No regulator will review Border's decision process in order to determine whether the decision to close each of the 192 stores is cost justified. Shouldn't it? Won't the effect on the communities be greater than the closing of a Post Office retail location that most patrons visit maybe twice a month that generate outrage from local communities, local politicians, the employees affected and Congress and require extensive regulatory review? Maybe its time for Congress to require that book stores remain open and/or prove to a government regulator that the closure would save a company suffering losses money. *[EdNote: Well now, that all depends. For instance, does it have any unfunded pension liabilities? Have its pension payments been used to subsidize the unfunded liabilities of Barnes and Noble?]*



From the Federal Register:

- **Postal Regulatory Commission NOTICES** Changes in Contractual Priority Mail Prices , 9381–9382 [2011–3552] [\[TEXT\]](#) [\[PDF\]](#) 9382 [2011–3553] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service RULES** New Customs Declarations Label Requirements , 9231–9233 [2011–3446] [\[TEXT\]](#) [\[PDF\]](#)



[Hellmail](#):

- [EU Postal Operators Could Be Losing New Business](#)
- [Norway Post Notes Higher Than Expected Profitability](#)
- [Concerns Over Financial Losses In Northern Russia Postal Network](#)

[Postal Employee News](#): USPS Makes GAO High Risk List Again.

February 15, 2011



At the Postal Regulatory Commission: **Docket No. R2011-2 [Order Reviewing Postal Service](#)**

Market Dominant Price Adjustments. In sum, the Commission found that:


1. The price adjustments are within the annual limitation on changes in rates set forth in 39 U.S.C. 3622(d) and 39 CFR 3010.11 and 3010.28.
2. The price adjustments properly reflect the statutory preferences set forth in 39 U.S.C. 3626.
3. The workshare discounts either satisfy the requirements of 39 U.S.C. 3622(e), or fall within an enumerated exception to those requirements, and may take effect.


- [Congressional Budget Justification](#) (Performance Budget Plan) Fiscal Year 2012
- **Docket No. RM2011-7.** [Comments Of The Association For Postal Commerce And The Direct Marketing Association](#): Order No 664
- **CP2011-59** Order No. 674 - Notice and Order Concerning Filing of International Business Reply Service Competitive Contract 3 Negotiated Service Agreement
http://www.prc.gov/docs/71/71960/Order_No_674.doc
http://www.prc.gov/docs/71/71960/Order_No_674.pdf
- **MC2011-21** Order No. 674 - Notice and Order Concerning Filing of International Business Reply Service Competitive Contract 3 Negotiated Service Agreement
http://www.prc.gov/docs/71/71960/Order_No_674.doc
http://www.prc.gov/docs/71/71960/Order_No_674.pdf
- **Congressional Budget Justification Fiscal Year 2012**
http://www.prc.gov/docs/71/71962/CBJ_FY_2012_FINAL_02142011_1615.pdf
- **Form 8-K, Current Report**
<http://www.prc.gov/docs/71/71961/Transmittal%20letter%208k%202011%202-16.pdf>
http://www.prc.gov/docs/71/71961/2011_02-16_FORM_8-K.pdf





[Government Accountability Office](#): The foreign postal operators (foreign posts) in industrialized countries in GAO's review have been experiencing declining letter mail volumes and have modernized their delivery and retail networks to address this challenge. As requested, GAO reviewed the innovations and initiatives that foreign posts are using and the lessons the U.S. Postal Service (USPS) might learn to help it address plummeting mail volumes and record financial losses. This report examines initiatives foreign posts have implemented to improve mail delivery and retail networks and related results, and modernization strategies used by foreign posts that can inform consideration of proposals to improve USPS's financial condition and customer service. GAO selected foreign posts in Australia, Canada, Finland, Germany, Sweden, and Switzerland as case studies based on characteristics, such as delivery and retail changes and country size and location. GAO reviewed foreign posts' documents, including annual reports and strategic plans related to delivery and retail network changes and innovations. GAO met with foreign post officials, toured their retail facilities, received briefings on their delivery and retail networks and other areas, and met with regulators, labor unions, and mailers to obtain their views on the effects of their posts' modernization efforts. USPS generally agreed with GAO's findings and mentioned both its own modernization efforts and the barriers it faces. [Summary Highlights Full Report](#)


[The Guardian](#): In the welter of activity unleashed by the coalition government the postal services bill has been under-observed by those who will be affected by it. That's all of us in the UK. This bill has its second reading in the House of Lords on Wednesday – the start of examination and debate there on its contents. To recap, this is the bill that will sell off Royal Mail – a process inevitably referred to in the bill as "restructuring" – in order to introduce private capital and expertise to the running of Royal Mail. The bill also transfers the pension fund to the government, and moves oversight of the Post Office Ltd from Postcomm to Ofcom. There will be a bit of employee ownership of Royal Mail and Co-operatives UK is currently engaged by the government to look at models of mutualising the Post Office. How should their lordships tackle this bill? They should be aware first that it is a plan to sell off a huge part of the public realm on the grounds that it is unaffordable. If implemented, it will devastate the localised and national postal delivery service that, overwhelmingly, the British people approve of. They will note that there is no vision in the bill of what the future might look like for this trusted and national service if it were properly managed in the national interest.


 [Hellmail](#): "The Itella Mail Communication's profitability declined due to falling volumes and rising production costs, as well as extremely moderate price development. Personnel reductions and other efficiency improvement measures were not sufficient to compensate for these." said Jukka Alho, President and CEO. "The upturn in the economy affected Itella's business with a delay and only in certain areas of our business. Although our financial performance did not meet the targeted level, our already healthy solvency strengthened further."


 [BBC](#): Royal Mail has been given permission by the postal regulator, Postcomm, to increase prices on some business mail services. The company says this will enable it to raise another £100m to safeguard the universal postal service. See also [Reuters](#).


 [Public Integrity](#): The Internal Revenue Service and the U.S. Postal Service, already the butt of many bad jokes, are among the poster children on the GAO's list of federal agencies at "high risk" of waste, fraud, abuse and mismanagement. The Government Accountability Office on Wednesday released its biennial list of programs especially vulnerable to waste or in need of broad reform. The list, updated every two years with the start of the new Congress, is a mix of old complaints and new areas to target at a time when the Obama administration and Congressional Republicans are looking for ways to cut government spending.


 [Advertising Age](#): While Apple steadfastly clings to its 30% cut of magazine subscriptions sold through its App Store, Google just made a better offer, allowing publishers to keep 90% of their tablet subscription revenue -- and possibly higher.


 [MarketResearch.com](#): Direct Mail Advertising in the US - Industry Market Research Report


 *PostCom welcomes its newest member: [IMS, Inc.](#)* (Immediate Mailing Services, Inc.) 245 Commerce Boulevard Liverpool, NY 13088-4541 Contact: **John D. Mashia, Jr. President & Chief Operating Officer**


 [WGME](#): A veteran U.S. Postal Service employee in northern Maine faces multiple charges for allegedly stealing prescription drugs that were being mailed to veterans.


 [Washington Post](#): From innovation to Monty Python: An interview with the U.S. Postal Service's inspector general.


 [PrintWeek](#): Postcomm will stand by its "minded to" decision to allow Royal Mail to impose price rises on bulk mail of up to 19%, despite fierce resistance from the DM sector.


 [PR-USA](#): Global postal counter automation expert Escher Group has launched a mobile solution that takes services traditionally found in post offices and delivers them in new locations - in shops, hotels or directly to the customer's doorstep. MobileRiposte(TM) is so versatile and easy to use that it promises to open new markets for postal operators and heralds a new future for the postman: as a provider of a broader range of products and services rather than simply a deliverer of mail.


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


 China's express and postal companies remained on course for growth in 2010.


 British postal union CWU called for strikes in Royal Mail's biggest post offices, the Crown Post Offices (CPO).


 The conflict between Austrian Post and the postal union FCG has intensified.


 Brazil's government officially started to search for a new co-operation partner for the postal bank.

 The forwarding industry in the USA has to undergo a fundamental change according to Don C. Brown, CFO of FedEx Freight Corp.

 Mobile internet use climbed by 78% in Germany in 2010. According to the Federal Statistical Office 16% of mobile phone users used their phones to access the internet. In 2009 only 9% of mobile phone users used their phones to surf the internet. However, mobile internet use is very age-dependent. Internet users between 25 and 34 years were the forerunners of this trend as 24% of them used their mobile phones to go online followed by internet users aged 16 to 24 (20%).


 The Kenyan government's proposal to introduce a levy on the revenues of private courier and express operators to finance the postal service in rural areas sparked protests.


 Mexican Correos wants to achieve revenue growth despite electronic substitution.


 Colombia's national postal operator, plans to enter the banking 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.)*


 [WESH](#): The post office on Bill France Boulevard, the Daytona Beach area's main mail distribution and processing center, will close in July, according to United States Post Office officials. USPS said they will save nearly \$6 million by consolidating the Daytona Beach facility with the main Lake Mary office. Workers have been fighting against the move and said the closure will force job losses. Employees also point out that the move will end next-day mail service and will eliminate the Daytona Beach postmark. USPS said career opportunities will be reassigned.

 [TheDay](#): Mayor Peter Nystrom and City Manager Alan Bergren will meet soon with Norwich Postmaster Eileen Kelty to express the city's opposition to the U.S. Postal Service's plan to move out of downtown to the mail distribution center on Route 82 at the edge of the city.


 [Pakistan Observer](#): Federal Minister for Postal Services Alhaj Sardar Muhammad Umar Gorgage on Tuesday said that the ministry would take more steps for further improving the postal services in the country. He stated this while chairing the high level meeting of Pakistan Post at Postal Headquarters. The minister said that postal services are very important specially in rural areas of the country for easy access, adding that most of the educational institutions and organization depend on postal services. Sardar Gorgage said that postal services would make efforts to introduce more facilities for their customers. "He would work for the betterment of the organization and its employees. He also lauded the services of Pakistan Post," he said.


 [Frederick News Post](#): For the second time in 14 months, the U.S. Postal Service is considering consolidating operations at its mail-processing center in Frederick. Ron Borsella, president of Southwest Maryland Bay Area Local 512 of the American Postal Workers Union, isn't happy that more changes could be coming to the plant.


 [Las Cruces Sun-News](#): At least for now, it's a philosophical question being asked by U.S. Postal Service officials: "Should the processing of mail continue to be done in Las Cruces or should operations be consolidated and moved to El Paso?" The Postal Service has begun an evaluation, called the Area Mail Processing study, to answer that question. The study is expected to take several months to complete and its results will be used by the Postal Service to determine if mail processing in Las Cruces should be moved to the El Paso Processing and Distribution Center. The proposal didn't give Las Cruces residents the warm and fuzzies.


 [Trend](#): The services of Western Union money transfer will be available in most branches of the Azerbaijani state postal operator LLC Azerpost by late 2011, head of the postal services department of the Azerbaijani Communications and IT Ministry, chairman of the postal services of the Regional Commonwealth of Communications Novruz Mammadov said. Today, a meeting was held in Baku between representatives of Azerpost

and Western Union Company to discuss rendering of money transfer services via this system in the operator's branch network.


 [The Botswana Gazette](#): Botswana Post has promised to deliver quality improvements in both services and products as the entity goes through modernization and transition.


 [Live-PR](#): Neopost, the UK's leading provider of mailroom equipment, today announced the launch of two new smart franking machines, the AutoStamp : 2 and IS-280 : . These entry level machines are the perfect solution for up and coming businesses, offering sophisticated features in a compact package.

 [Leagle](#): Appellant United States Postal Service ("USPS") and Appellant/Intervenor National Postal Mail Handler's Union ("NPMHU") (collectively, the "Appellants") appeal from the order of the United States District Court for the District of New Jersey, granting summary judgment to the Trenton Metropolitan Area Local of the American Postal Workers Union ("Trenton Metro") on Trenton Metro's claim for enforcement of a settlement agreement between it and USPS.

 [Senator Susan Collins](#): Senator Susan Collins, Ranking Member of the Senate Homeland Security and Governmental Affairs Committee, today introduced legislation to help the U.S. Postal Service (USPS) regain its financial footing as it adapts to the era of increasingly digital communications. The "**U.S. Postal Service Improvements Act of 2011**" would help the USPS achieve financial stability and future cost savings without undermining customer service.





 [Rasmussen Reports](#): Although many Americans today rely on electronic forms of communication, they still believe there is a need for the U.S. Postal Service. But they're okay with cutting back snail mail delivery to five days a week.

 [Charleston Daily Mail](#): Some residents of Charleston's West Side and Kanawha City areas who receive notices after missing their mail carriers will have to drive a little farther to get their packages and certified mail. The U.S. Postal Service will consolidate two of Charleston's stations starting Saturday, moving mail carriers from the Venable Avenue Postal Annex in Kanawha City and Stonewall Station on the city's West Side to the main post office downtown.


 [From the Federal Register: Postal Regulatory Commission NOTICES](#)

- New Postal Product , 9055–9056 [2011–3468] [\[TEXT\]](#) [\[PDF\]](#)
- Post Office Closing , 9056–9057 [2011–3414] [\[TEXT\]](#) [\[PDF\]](#)

 [American Postal Workers Union](#): President Obama's proposed budget for Fiscal Year 2012, which was released Feb. 14, "recognizes the seriousness of the Postal Service's financial condition and proposes beginning steps to address it," APWU President Cliff Guffey said.

 [National Association of Postal Supervisors](#): The National Association of Postal Supervisors welcomed the news of proposed financial relief for the struggling United States Postal Service. President Obama's proposed \$4 billion reduction of pre-funding requirements for the 2011 fiscal year will help USPS as it attempts to return to financial solvency. "A viable Postal Service is critical to the entire infrastructure of commerce in the United States," said NAPS President Louis Atkins. "We applaud President Obama in seeing that placing the Postal Service on sounder financial footing is best for every American." While pre-funding of health benefits is still a part of the proposed budget, it will now be on a more reasonable schedule. The flexibility will allow USPS "with the breathing room necessary to continue restructuring its operations without severe disruptions must be coupled with meaningful reforms to its business model to make USPS viable for the medium and long term."

closing one of the seven Post Offices in Marquette County, Wisconsin. The study was performed at the suggestion of the Center for the Study of the Postal Market as its first student project focusing on business and policy issues of interest to postal stakeholders. The six students working with publicly available information provide a useful first attempt to estimate the economic impact on a community of closing a Post Office.

 **PRWeb:** Crawford Technologies today announced the release of PRO Unique ID Manager and PRO Mail Tracker. These new, innovative software solutions allow organizations to be compliant with and take advantage of the benefits of USPS® IMb (Intelligent Mail® barcode) without having to change their applications or print production facilities. These new solutions also offer similar functionality for other worldwide postal barcoding schemes that allow for mail-piece tracking, such as the United Kingdom's Royal Mail RED TAG solution. Read more: <http://www.benzinga.com/press-releases/11/02/p862279/implement-usps%C2%AE-imb-and-other-intelligent-postal-barcodes-with-ease#ixzz1E49IPrzA>



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

- In the 2012 proposed budget, President Obama addresses the Postal Service's need for fiscal relief by returning to USPS surplus amounts it has paid into its OPM account for its share of Federal Employee Retirement System costs, amounting to \$550 million in 2011, as well as restructuring the USPS retiree health benefits payments that were specified by the 2006 Postal Act.
- The Postal Service published its unaudited December results with the Postal Regulatory Commission. USPS lost \$156 million in December 2010. The month of December is apart of the fall mailing season for the Postal Service, and is usually one of the highest monthly volumes of the fiscal year. For the same period last year, the USPS made \$179 million.
- PostCom and DMA this week submitted comments to the Postal Regulatory Commission (PRC) on the Postal Service's latest request for temporary waiver to periodic reporting of service performance. The USPS requested waivers from reporting for Standard Mail, Bound Printed Matter (BPM) flats, and certain Area and District level data for Presort First-Class Mail and End-to-End Periodicals. PostCom/DMA raised issues with the USPS' certification process for service performance measurement data exclusion, as well as focusing on approaches that seem designed more to exclude data that to include it. They also expressed concerns with the USPS' proposed approach of not reporting any performance for Standard Mail until certain data requirements have been met. The associations again requested an industry/USPS/PRC technical conference to discuss issues around service performance measurement.
- Senator Carper responds to postal reform proposal in 2012 budget. USPS CFO comments on President's proposed budget. Proposed budget preserves six-day delivery and offers postal relief. Obama hints at changes to USPS workforce. What do House Republicans think about budget changes relating to the USPS? Report: Postal workers expensed private travel and 'adult entertainment.' 5-day delivery: maybe the PRC's decision is in the mail. PostCom submits comments in Standard Mail transfer case.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of 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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At the [Postal Regulatory Commission](#):


- **Docket No. RM2011-7.** [Comments Of The Association For Postal Commerce And The Direct Marketing Association](#): Order No 664

 **UNI Global Union**: UNI europa Post & Logistics, together with the Turkish Trade Union Haber-Is, organised a seminar on liberalisation of the postal sector in Ankara/Turkey Turkish Unions & UNI europa work to deal with postal liberalisation. Examples from all over the world have shown that postal liberalisation does not work.

 **National Association of Letter Carriers**: The U.S. Postal Service received some good news from the Obama administration Feb. 14 when the White House released its proposed budget for the 2012 fiscal year. "By proposing significant short-term financial help for the Postal Service in his budget, President Obama clearly stands with the NALC and our goal of getting the Service back on the right financial track," NALC President Fredric V. Rolando said. "But we all need to keep one thing in mind—that this budget proposal is just that: a proposal. "With a divided Congress, there's little doubt that we face an uphill fight for real pre-funding reform," he said. "But we believe that a strong Postal Service is a bipartisan policy." Obama's proposed budget still calls for pre-funding future postal retiree health benefits as mandated by the 2006 Postal Accountability and Enhancement Act, but on a more reasonable payment schedule. It also calls for reducing the Postal Service's overall pre-funding payment obligation for the 2011 fiscal year by \$4 billion.

 **WebWire**: The owners of the UK's leading parcel delivery service, Parcel2Go, have warned customers that with the possibility of more postal strikes on the way, any urgent parcels or important documents should be sent via another method in order to guarantee safe delivery.


 **Courier, Express, and Postal Observer**: Now that the President's 2012 budget is out, both Senator Tom Carper and Senator Susan Collins have already commented on the proposal to provide some modifications to the Postal Service's retirement obligations. To date, members of the house who are leading the subcommittee responsible for marking up legislation that would enact the changes that the President proposed have made any public statement about their views on the proposed statements. As both Representatives Dennis Ross (R-FL) and Justin Amash (R-MI) are freshmen, they have no history with Postal issues and are more than likely coming to the issue with not much more background in the postal market than the average consumer. Given their lack of experience with the issue, it is not surprising that they did not immediately respond to the budget as the Senators Carper and Collins did. What we have to go on is their public statements so here is a review of quotes from articles and press releases that may provide some guidance.


 **PROGRAM ANNOUNCEMENT**. During the past year, postal contractors have seen continued USPS cost-cutting efforts and a greater focus on obtaining competition. These pressures, plus new measures, can be expected to have significant implications for postal contractors in 2011.


Please join David Hendel, Chair of Husch Blackwell's postal service contracting group, for a special webinar where we will review major developments that impacted contractors in 2010, as well as discuss changes, challenges and trends for postal contractors in 2011 and beyond.


Topics will include: (1) USPS financial condition (2) Aftermath of the Office of Inspector General reports on Robert Bernstock and USPS noncompetitive purchases (3) Newly issued procedures and certifications required for the award of noncompetitive purchases (4) Highlights from Supply Management's three-year strategic plan (5) USPS green purchasing initiatives (6) Legal decisions from the Postal Service Board of Contract Appeals and U.S. Court of Federal Claims (7) Reorganized USPS under new Postmaster General, Pat Donahoe (8) New Congressional committee and subcommittee assignments affecting the postal service, and newly introduced legislation.


Date & Time Wednesday, March 2, 2011 12 - 1 p.m. (CST) This program is complimentary; however, [registration is required](#). You will receive webinar connection instructions upon registration. Questions? Please contact Stephanie Dorssom at 314.345.6646.


 **Hellmail**: Spanish postal operator Correos said this week that workplace accidents had fallen by 22% in 2010. Overall, there was a decline in all types of accident, but in particular, serious accidents actually fell by 44% and saw the number of working days lost annually drop by 31%.


 [Post & Parcel](#): Hungarian operator Magyar Posta has increased prices for its domestic postal services by an average of 4.8%.


 [Washington Post](#): President Obama's proposed 2012 budget doesn't say anything about raising stamp prices, ending Saturday mail deliveries or closing post offices, but it does attempt to remedy the perilous financial condition of the U.S. Postal Service by recommending about \$11 billion in relief. *[EdNote: Don't anyone hold your breath waiting for this one. It will require a Republican House (one not to enamoured of the President's budget) to approve anything that could help save the fiscal viability of our postal system.]*


 [Media Daily News](#): Tablet computer sales will increase more than tenfold in the next couple of years, according to two new forecasts that predict tablet sales making up an increasingly large percentage of overall computer sales. *[EdNote: A very convenient way to get your mail digitally before you get it in hard-copy.]*


 [Politico](#): Democrats are understandably obsessed with **Darrell Issa** — he's built himself up as a one-man investigative machine aimed straight at the Obama presidency. But a handful of liberal political operatives in California — including a former Hillary Clinton hand — are taking their anti-Issa passion to a whole new level, launching a nonprofit group, a website and even paid media advertisements aimed at undermining and investigating the rabble-rousing chairman of the House Oversight and Government Reform Committee.


 [Hellmail](#): Pitney Bowes has introduced the latest version of its P/I OfficeMail™ software - an innovative, secure hybrid mail solution that automates the process of mailing desk-top generated documents. P/I OfficeMail software is an integral part of Pitney Bowes Production Intelligence® software solutions to link print and mail. With Pitney Bowes P/I OfficeMail software, users simply create documents and, with the click of a mouse, submit them for printing and mailing. Instead of being printed locally on desktop printers and manually processed, documents are aggregated and transmitted to an in-house print-and-mail centre or an off-site facility for efficient production.


 [Dead Tree Edition](#): The proposed budget released today by the Obama Administration would "promote an adaptive, 21st Century workforce" in the Postal Service but also make it a potential political football next year.


 [Postalnews Blog](#): "from the OPM section: The Budget proposes to shift how the Postal Service (USPS) pre-funds its retiree health benefits unfunded liability (UFL). Under current law, from 2011 to 2016, USPS must make a stream of payments set in statute toward paying down retiree health benefit unfunded liabilities, as well as pay annual premiums for current retirees. Also under current law, starting in 2017, USPS must pay the per capita accruing costs (or normal cost) to fund future retiree health benefits of current employees and a 40-year amortization of the remaining UFL for current retirees. Under the proposal, starting in 2011, USPS would pay the normal costs for the future retiree health benefits of current employees and also a stream of payments associated with paying down the remaining UFL for current retirees. Further, USPS would be provided temporary financial relief as the 2011 payment would be adjusted so that **USPS would pay \$4 billion less than what it would have paid to this Fund under current law**. USPS would make up this \$4 billion payment to the Fund by paying larger amounts in future years. Beginning in 2022, USPS would pay the remaining UFL, amortized over 40 year period. This proposal provides the following benefits to USPS: 1) USPS would be provided **temporary financial relief in the form of a lower payment in 2011**; 2) The new calculations of normal cost and UFL are based on new actuarial assumptions that reflect that USPS has fewer employees than in 2006, when the prefunding mechanism was originally adopted—therefore the actual annual payments for the normal **costs would be reset each year based on the number of USPS employees**; 3) This Fund would **pay the premiums for current USPS retirees now, rather than starting in 2017**—this accelerates what would have occurred anyway in 2017 under current law."


 [Postalnews Blog](#): "While many postal workers are no doubt disappointed by the "relief" proposed by the Obama administration in its budget, a more pressing concern should be what the teabagger dominated House will actually approve. The Chairman of the House committee that oversees the USPS, Darrel Issa, is a career politician, not a teabagger, but he obviously has to placate that wing of the GOP these days. (He used to be union-friendly enough to be supported by the NALC, believe it or not!) So it shouldn't have come as a surprise to anyone when, last October, Issa made the astonishing discovery that the CSRS overpayment is a myth dependent on changing the law to conjure up an overpayment through backdoor accounting."

 [Sen. Tom Carper](#) (D-Del.), chairman of the Senate subcommittee overseeing the U.S. Postal Service, has released a statement responding to postal reform measures in President Obama's 2012 budget proposal. He said in part: "Putting the Postal Service back on stronger financial footing is something I've been trying to do for a long time now, and I plan to reintroduce comprehensive postal reform to enact these necessary changes. I hope my colleagues and the Administration will join me in pushing for this much needed reform so we can prevent the Postal Service from going broke by the end of the year."

 [Wall Street Journal](#): FedEx Corp. (FDX) lowered its outlook for earnings in the current quarter because severe winter storms and higher-than-expected fuel prices pressured expenses higher. The company, among the world's largest international package shippers, said those costs would also alter its full-year guidance, which it will adjust when it announces full results for the fiscal third quarter on March 17. FedEx's results had been gaining momentum as the global economic picture improved. In its second-quarter results, profit fell but it reported record volume in the overseas business.

 [Bloomberg](#): United Parcel Service Co. said Monday it arranged \$22.5 million in franchisee lending for its retail outlets.

 [Government Executive](#): President Obama's fiscal 2012 budget grants the U.S. Postal Service some of the short-term financial relief it has requested. The president's budget proposal would return about \$6.9 billion in FERS overpayments to the Postal Service over 30 years, including \$550 million in fiscal 2011. USPS also would receive short-term relief from a 2006 requirement to prefund its retiree health benefits at about \$5 billion annually. It is the only federal agency with that obligation. See also [Federal Times](#).

 [The Star](#): Khazanah Nasional Bhd will be putting the bidders for its 32.21% equity in Pos Malaysia Bhd through a vigorous process that includes a detailed assessment of the business plan and whether there will be a "cultural fit" between the new owners and the postal company.

February 14, 2011



The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic:


* **Too much management turnover?** Has there been an increase in financial related issues or difficulties due to management turnover? [LINK here](#) to read and provide comments.

New Audit Projects: [LINK here](#) to visit our audit project pages. This week we opened the following new project(s): A new audit project has been started on the external website.

* [Compliance with Homeland Security Presidential Directive 12 – 11RR002IT000](#). The purpose of this audit is to evaluate the Postal Service's progress in implementing a reliable and effective system of personal identity verification (PIV) in compliance with Homeland Security Presidential Directive 12 (HSPD-12). This directive mandates the use of government-wide identification credentials for employees and contractors.

 *At the Postal Regulatory Commission:*

- **MC2010-36** Initial Comments of the Association for Postal Commerce
http://www.prc.gov/docs/71/71934/PostCom_Comment_-_MC2010-36.pdf

 [Asbury Park Press](#): Postal salary database.



Statement of Joseph Corbett, Chief Financial Officer United States Postal Service. "The Postal Service is encouraged by the President's recognition of the Postal Service's financial situation. We look forward to working with the Administration and Congress in the coming year on CSRS and FERS over-funding, the retiree health benefit pre-funding requirement, delivery flexibility and retail access. The Postal Service strongly supports the Administration's commitment to the principles outlined in the budget: (1) Realign Postal infrastructure, facilities, processing and delivery systems to continuously improve efficiency; (2) Promote an adaptive 21st Century Postal workforce; and (3) Accelerate value creation and enhance service to the public while respecting fair competition in the marketplace. The Administration's commitment, together with ongoing Postal initiatives within existing structures, will help put USPS on a path toward financial stability."



PRNewswire: Global postal counter automation expert Escher Group has launched a mobile solution that takes services traditionally found in post offices and delivers them in new locations - in shops, hotels or directly to the customer's doorstep. MobileRiposte(TM) is so versatile and easy to use that it promises to open new markets for postal operators and heralds a new future for the postman: as a provider of a broader range of products and services rather than simply a deliverer of mail.



From the [Office of the President regarding the proposed 2012 fiscal year budget](#):


"The Administration recognizes the enormous value of the Postal Service to the Nation's commerce and communications, as well as the urgent need for reform to ensure the future viability of USPS. Therefore, the Budget proposes specific short-term financial relief measures, grounded in principles of fiscal responsibility as well as sound financial management, and the Administration will work with the Congress and postal stakeholders to secure necessary reforms. As to the structure of relief, the Budget would improve USPS financial condition by returning to USPS surplus amounts it has paid into its OPM account for its share of Federal Employee Retirement System costs. OPM has determined this surplus is approximately \$6.9 billion, which would be paid back to USPS over 30 years, including an estimated \$550 million in 2011. Secondly, the Budget proposes to restructure USPS retiree health benefits payments that were specified by the 2006 Postal Act. This change would still prudently pre-fund retiree liabilities, but on an accruing cost basis rather than the arbitrary amounts fixed in current law, which do not allow for the dramatic shifts in demand or workforce size that USPS has experienced in recent years. This restructuring and near-term deferral would provide USPS with \$4 billion in temporary financial relief in 2011. Over the 2011 to 2021 budget period this proposal has an estimated deficit effect of \$5 billion. See the Office of Personnel Management section of this Appendix for more information on this proposal.


"These steps to provide USPS with the breathing room necessary to continue restructuring its operations without severe disruptions must be coupled with meaningful reforms to its business model to make USPS viable for the medium- and long-term. Postal volumes have dropped precipitously in the last few years due to the economic crisis and longer-run shifts in communication technologies and use shifts that have created new challenges even as they propel innovation and revolutionize our economy. The Postal Service needs the flexibility to adapt to these changes and higher public expectations for customer service. To that end, the Administration's discussions with the Congress and others will be guided by the goals of allowing the Postal Service to: 1) Realign its infrastructure, facilities, processing and delivery systems to continuously improve efficiency; 2) Promote an adaptive, 21st Century workforce; and 3) Accelerate value creation and enhance service to the public while respecting fair competition in the marketplace."


Also from the budget:


"TERMINATION: REVENUE FORGONE FROM REDUCED RATE MAIL. *Postal Service.* The Budget proposes terminating the \$29 million annual appropriation to reimburse the Postal Service (USPS) for prior years' lost revenue from legislatively mandated reduced postage rates for

non-profit mailers. This appropriation was authorized to compensate USPS for lost revenues that occurred in the early-1990s and ended in 1998, and is not related to any current USPS activities. While the funds serve to very marginally increase postal revenues, the Budget proposes far greater, though temporary financial relief to USPS to provide it an opportunity to evaluate and adjust its overall business framework."


 [WHIZ](#): The United States Postal Service has decided to stop mail processing in Zanesville. Columbus District Manager Joshua Colin says local processing will be consolidated into the Columbus Processing and Distribution Center.

 [Wall Street Journal](#): A newly resilient economy is poised to expand this year at its fastest pace since 2003, thanks in part to brisk spending by consumers and businesses. In a new Wall Street Journal survey, many economists ratcheted up their growth forecasts because of recent reports suggesting a greater willingness to spend.


 [Herald Sun](#): More than a century ago, as Americans migrated west, the Postal Service opened offices seemingly everywhere, fulfilling its mission, as stated in federal law, to provide "services to bind the Nation together through the personal, educational, literary and business correspondence of the people." Today, as Americans increasingly communicate electronically, the volume of mail has plummeted by more than 20 percent in five years, leaving the country with fewer than 32,000 post offices.


 [Crain's Detroit Business](#): The massive mail volume produced by local cell phone recycler Recellular Inc. is allowing two small-town post offices in Dexter and Pinckney to defy the national trend of declining volumes.


 [Business Times](#): Singapore Post Limited said on Monday that it has agreed to sell its pawn broking business operating under the brandname of SpeedCash to GL Group Pte Ltd (GL) for S\$1.1 million.


 [Courier, Express, and Postal Observer](#):

- [Occupational Health and Safety](#) has reported that OSHA has identified announced one willful violation with a \$70,000 proposed penalty against the Postal Service \$70,000 for violations in its Royal Parkway in Nashville, Tennessee for allegedly allowing workers to use damaged, un-repaired dock levelers. This is the first OSHA finding of 2011 against the Postal Service.
- [The real reason for the failure](#) of policymakers in elementary school arithmetic is that the travel abuse issue has an obvious fix and the OSHA fine problem only suggests that there is a more serious underlying problem that needs investigation. Doing that investigation is critical particularly as it would likely identify significant capital spending, training, and non-capital equipment and supply needs that fall outside the financial capabilities of the Postal Service with or without relief from all of its retirement benefit accounting issues. Until this and other similar investigations are completed, a significant portion of Congress will believe that all that is needed is to remove "waste, fraud and abuse" making fixing the retirement benefit accounting issues much more difficult.


 [USA Today](#): The prospect of losing a post office is alarming people in small towns everywhere. The post office gives area residents a reason to come to town — and patronize other businesses there — and provides a service they count on and believe their government owes them.


 [The Citizen](#): All documents and packages from government ministries and agencies will from today be delivered using the City Urgent Mail Service (CUM). The directive comes from the minister for Communication, Science and Technology, Prof Makame Mbarawa when launching the service at the weekend. Prof Mbarawa said it was necessary for government institutions to make good use of the service as a way of treasuring what the Tanzania Postal Corporation (TPC) was doing in retaining its lost glory.


 [Courier, Express, and Postal Observer](#): The Baton Rouge Advocate reported that LSU is replacing a Postal Service run retail station for students on campus with one run by Ricoh, USA. The switch will occur in the fall of 2011. The switch is required because the campus Post Office is one of those being closed by the Postal Service.


 [Courier, Express, and Postal Observer](#): The President's budget is expected to recommend changes in law that will jump start a multi-year process of revamping postal law and the Postal Service's business model. Just in time, the Center for Research in Regulated Industries of Rutgers University has announced three conferences that should help stakeholders and policymakers evaluate the options that will be on the table.

February 13, 2011


 [The Barbados Advocate](#): THE Barbados Postal Service (BPS) has emerged ahead of its public sector competitors in the recently conducted National Initiative for Service Excellence (NISE) Customer Satisfaction Index (NCSI).


 [Hellmail](#): Post to and from Egypt still faces disruption with many postal operators having suspended services since late January. Mail to and from the country ground to a halt after protesters took to the streets, calling for the resignation of Egyptian leader Mubarak after some 30 years of authoritarian rule. He stepped down on Friday with control of the country now in the hands of Military leaders. Egypt Post, state-owned and established in 1865, is one of the oldest Egyptian institutions, and normally processes mail and parces for around 15 million people. It also serves 2m people through its financial services division. It could be several weeks before mail services in Egypt return to normal and any backlogged mail cleared although much depends on progress with respect to fresh elections.


 [Manx Radio](#): Isle of Man Post chief executive Mike Kelly is assuring customers contingency plans are in place, should postal staff decide to take some form of industrial action.


 [The Middletown Press](#): Veterans of past wars to save local post offices had better marshal their forces: A new wave of closings is on the way, and the U.S. Postal Service intends to shorten the timeline this time.


February 12, 2011


 [Nigerian Compass](#): The Lagos Mainland branch of the Nigeria Postal Service (NIPOST) has recorded a profit of N680 million for the 2010 financial year.

 [Emirates 24/7](#): Work is continuing to set up the Khaleeji Express, the new postal services for GCC countries, Emirates Post CEO told Emirates 24/7. "The project for express mail (Khaleeji Express) for GCC region is ongoing, but the proposed pan-GCC mail transportation company has been shelved," said Abdullah Al Ashram. He did not give a timeframe as to when the new service will become operational. Khaleeji Express will replace the Express Mail Service in GCC countries. According to Al Ashram, the company is currently emerging out of a restructuring process driven by Emirates Post Holding Group.


 [Muncie Star](#): The U.S. Postal Service is moving some mail processing operations from a Muncie processing and distribution facility to one in Kokomo.


 [Japan Times](#): Japan Post Service Co., the mail-delivery arm of the Japan Post group, plans to lay off some nonregular workers when their contracts expire at the end of March as part of efforts to turn its business around, sources said Saturday. The unit has approximately 160,000 nonregular employees nationwide, and the contracts of as many as "several thousand" may not be renewed, including those who deliver and sort mail, the sources said.

 [Hattiesburg American](#): Just two years after the U.S. Postal Service abandoned plans to move Hattiesburg mail processing operations to Gulfport, it announced Friday it will give the plan another look.

 [UPI](#): British post office workers will decide whether to authorize a strike for higher pay and a renewed guarantee against closings, union leaders said Friday. Dave Ward, deputy general secretary of the Communications Workers Union, accused Post Office Limited, which is now part of the Royal Mail, of leading a "race to the bottom," The Guardian reported. He said the 4,000 members who work in the branches directly owned by Post Office, will be polled for a strike vote.


 [From the Federal Register: Postal Regulatory Commission PROPOSED RULES](#) Periodic Reporting , 8325–8326 [2011–3192] [\[TEXT\]](#) [\[PDF\]](#)


 [Dead Tree Edition](#): A Congressional panel heard the blunt truth today about how Congress' budget games have put the U.S. Postal Service on track to run out of money in September.

 [Sen. Tom Carper](#) (D-Del.), chairman of the Senate subcommittee with jurisdiction over the U.S. Postal Service, has reacted to a recent Postal Service Inspector General report that details abuse of agency credit cards by postal employees


 [At the Postal Regulatory Commission:](#)


- **RM2010-9** Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Reply Comments
<http://www.prc.gov/docs/71/71921/Valpak%20RM2010-9%20Reply%20Comments.pdf>
- **RM2010-9** Reply Comments of the United States Postal Service
<http://www.prc.gov/docs/71/71922/RM2010-9 Reply.pdf>
- **Revenue, Pieces and Weight (RPW) Report Quarter 1, FY 2011** (Public)
http://www.prc.gov/docs/71/71929/Letter-RPW_Rpt-Qtr1_FY2011.pdf
http://www.prc.gov/docs/71/71929/Fy2011q1_RPWsummaryreport_public.xls


 [Memphis Daily News](#): The chief financial officer of FedEx Freight Corp. wants to try to make the LTL (less than truckload) freight business more like the package business.


 [Memphis Commercial Appeal](#): Union leaders have endorsed a tentative labor agreement between FedEx and its pilots and scheduled a ratification vote Feb. 25 to March 23.


February 11, 2011


 [Hellmail](#): "My Google Alert for "postal address" articles and blogs on the Net returned to me proof of two things: 1. People care about their addresses no matter where they are, and 2. Postal systems know it's in their interest not to charge customers for change of address services, but for some reason they can't help themselves."


 [Post & Parcel](#): "Congress was told today that the United States Postal Service needs an influx of staff from outside the organization – and more opportunity for external ideas to feed in. That was the view today from Dave Williams, the USPS Inspector General, testifying today before the House Finance Committee subcommittee that oversees the Postal Service. Williams said federal organizations like the struggling Postal Service could benefit from the introduction of new people, despite perceptions that it would take time to get external recruits up to speed on the issues. Representative Serrano, from New York, said he believed pursuing new ideas to grow revenues would be preferable to job-cutting measures like moving to five-day deliveries. "This is not the time to be cutting jobs," he said. "Let's look at some really hard decisions and not go for the easy option like five-day deliveries."


 [Business Wire](#): "Citizens Against Government Waste (CAGW) today expressed outrage on behalf of taxpayers at new reports of United States Postal Service (USPS) employees using business credit cards for personal travel, to expense adult entertainment parties, purchase personal computers, and pay their mortgages. The Washington Post's Ed O'Keefe details the contents of the USPS Office of Inspector General's report, "Over a two-year period, some postal workers used credit cards meant for travel and lodging expenses to buy family members flights to Spain and Italy, purchase Apple computers and make more than 50 purchases at 'adult entertainment' stores...All told, the mail agency could have saved more than \$600,000 in excessive travel costs during fiscal 2009 and 2010 if it had cracked down on non-compliant workers, the report said."

 [The Scotsman](#): "Thousands of Post Office counter staff are to be balloted for strikes in a row over pay, threatening disruption in the run up to Easter, it was announced today. The Communication Workers Union said 4,000 of its members will vote over the next few weeks on whether to launch a campaign of industrial action."

 [Victoria Advocate](#): "The U.S. Postal service will move all mail processing operations from Victoria to Corpus Christi, according to a news release issued Friday. Local mail service will not be affected by the move and retail service for purchasing stamps and other postal products will continue to be available at all Victoria Post Office locations, according to the release. The transition is expected to be completed by July."

 **DMM Advisory: IMb™ Services Update. Facility Access and Shipment Tracking (FAST®) Release 16.0** originally scheduled for deployment March 6, 2011, will now be deployed to the Production environment effective Sunday, April 17, 2011. Updated FAST User Guides and Release Notes for FAST 16.0 are posted on the [FAST](#) website (Resources/Reference Documents section) and [RIBBS®](#) website. Please be advised that the FAST Production system will not be available from 4 a.m. through 8 a.m. (CDT) on Sunday, April 17, 2011. FAST Release 16.0 will deploy to the Test Environment for Mailers (TEM) on Monday, April 18, 2011. The FAST TEM system will not be available from 8 a.m. through 12 Noon (CDT) on Monday, April 18, 2011.

 *Looks like the Postal Service has decided to go into the retail advertising distribution business **in competition with its current customers** through a simplified address based program called "[Every Door Direct Mail](#)."*

 [Washington Post](#): "If the cash-strapped U.S. Postal Service wants to save money it should ensure that its workers aren't booking pricey hotel rooms and airplane tickets or buying pornography, according to a new watchdog report. Over a two-year period, some postal workers used credit cards meant for travel and lodging expenses to buy family members flights to Spain and Italy, purchase Apple computers and make more than 50 purchases at "adult entertainment" stores. The findings, detailed in a Postal Service Inspector General report, also reveal that USPS didn't cancel 2,491 credit cards issued to former employees, including 53 who were listed as deceased. Two former employees were still using their cards after they left, according to the report."

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

- The USPS Board of Governors (BOG) met in open session this week to discuss its first quarter financial results, service performance, and legislative activities. The USPS would have made \$226 million for the first quarter excluding the cost of prefunding future retiree healthcare benefits and noncash adjustment to the workers' compensation liability.
- The Postal Service released its unaudited first quarter financials for Fiscal Year (FY) 2011 which showed \$329 million net loss, compared to a \$297 million net loss for the first quarter FY10. According to the Postal Service, "excluding the cost of prefunding future retiree healthcare benefits and noncash adjustments to workers' compensation liability, the Postal Service would have had a net income of \$226 million for the first quarter."
- The Postal Regulatory Commission (PRC) on February 4, 2011, established a new docket RM2011-7 for consideration of the USPS' latest request for temporary waivers from periodic reporting of service performance measurement [see PostCom Bulletin 05-11 for more information on the USPS' request]. The USPS in its February 3, 2011, filing requests waivers from reporting for Standard Mail, Bound Printed Matter (BPM) flats, and certain Area and District level data for Presort First-Class Mail and End-to-End Periodicals. Its request also includes proposals for interim service performance reporting.
- According to the Postal Service, it continues to work on formulating the rules to govern mailpiece design for folded self-mailers. The USPS is trying to develop rules that allow industry creativity in mailpiece design but also prevent pieces with problematic design characteristics from being damaged and disrupting its letter automated processing equipment, or requiring significantly more costly flats or manual processing.
- In a letter to President Obama, Postcom joins other associations in urging him "to direct OPM to recalculate the Postal Service CSRS obligations using the method endorsed by both the Postal Regulatory Commission and the Postal Service Inspector General and to transfer any excess to the Postal Service

Retiree Health Benefits Fund. Such action will allow our members to create new American jobs, and to help save the United States Postal Service from ruin.”

- In his oral testimony, USPS Chief Inspector General David Williams said, “I have outlined the need for substantial change to increase readiness and recognize the Postal Service's role in positioning America in the communications revolution. The engine for this transformation is innovation and the Postal Service needs to strengthen its systems for innovation. Innovators collaborate with customers, take risks, make mistakes, stop failures quickly, and replicate successes. The Postal Service's success depends on embracing this environment. Federal financial raids on the Postal Service have to be halted; and the Postal Service should be taken back off-budget as originally designed, and the benefit funds restructured. We will need strong collaborative efforts to enable the Postal Service to serve Americans in the 21st Century.”
- The Postal Journal has just posted three recent studies looking at the changing ways that consumers and businesses receive and pay bills. The articles as a group suggest that consumers are increasingly looking toward web and mobile methods of handling bills and web, mobile and in-person methods of paying bills.
- Homeland Security and Governmental Affairs Committee welcomes new members. Study says 2016 is “tipping point” for eBill usage. Time to fix the USPS. Redesigning USPS: changes to be announced in late March. Unbundling postal prices. NALC does not support Collins’ workers comp bill. USPS changes salary rules for postmasters. Margaret Cigno named as PRC’s OAC Director. USPS submits Collaborative Logistics market test report. USPS eases IMb requirements for Reply Rides Free.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- 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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Media Daily News: "Frustrated in its efforts to strike a subscription deal with Apple for the iPad, Time Inc. is making a bit more progress with other technology companies. The magazine publisher has struck a deal with Hewlett Packard enabling it to sell digital magazine subscriptions to consumers who own the forthcoming HP tablet computer. According to All Things Digital, which first reported the news, Time Inc. will be able to market subscriptions to four flagship titles -- Time, People, Sports Illustrated, and Fortune -- to consumers who buy the HP tablet computer, a new device incorporating Palm's webOS platform, which is due out this summer."


Washington Post: "The California Supreme Court ruled Thursday that merchants can no longer ask for the Zip codes of customers who make purchases with credit cards because such requests violate a state consumer-protection law."

B2B Marketing: "Royal Mail has launched a campaign to promote the use of DM among advertisers and agencies. The campaign, designed by Proximity London, encourages recipients to access a microsite via a PURL. The microsite offers recipients a free copy of The Little Red Book of Bigger Returns - designed to demonstrate the most effective ways to integrate DM into a campaign. The DM piece will be sent to 5000 individuals at the top 3000 advertisers and agencies and will include an incentive of a 25 per cent discount for those who have not used DM for two years or more. The campaign coincides with research - by Brand Science - that reveals integrating DM can increase ROI from an average of £2.81 to £3.40."


The Tennessean: "The U.S Postal Service on Royal Parkway in Davidson County was hit with a safety violation for allowing workers to use damaged and unrepaired dock levelers, the U.S. Department of Labor's Occupational Safety and Health Administration announced Wednesday."

[Azerbaijan Business Center:](#)

- [Azerpocht Ltd](#) is going to buy cash machines and POS terminals to equip its regional post offices before the end of the year. Novruz Mammadov, the head of the Postal Office of the Ministry of Communications & Information Technologies of Azerbaijan, has said that today 700 post branches around the country are almost ready for installation of cash machines and POS-terminals.
- Before the end of the first half of 2011 [Azerpocht LLC](#) intends to complete negotiations with payment system Visa International on the issue of plastic cards. Novruz Mammadov, the head of the Postal Office of the Ministry of Communications & Information Technologies of Azerbaijan, says that Azerpocht has issued 2,000 local plastic cards on wages for its employees.

 [Post & Parcel:](#) "La Poste is to receive EUR 2.7bn from the French government as it prepares for the liberalisation of the postal market. The cash injection will be provided by the state in conjunction with its investment arm Caisse des Depots."


 [From the Federal Register: Postal Regulatory Commission NOTICES](#) Postal Service Rate Adjustment , 7883–7884 [2011–3166] [\[TEXT\]](#) [\[PDF\]](#)


 According to [Dead Tree Edition:](#) "The Postal Service would not need to end Saturday delivery if the budget lifts the two anchors weighing down USPS's finances -- what are euphemistically referred to as prepaid retiree benefits and overpayments for pensions. If those two Postal Service subsidies of the federal government (that's right, the Postal Service has been bailing out the federal government, not vice-versa) were corrected, the Postal Service would be profitable."





Smithsonian
National Postal Museum

[Art Daily:](#) "Alan and Sandy Whitman have donated \$100,000 to support the National Postal Museum's expansion to create the William H. Gross Stamp Gallery. Alan is a managing director at Morgan Stanley Smith Barney and an active member of the museum's Council of Philatelists."

 [Pensions & Investments:](#) "United Parcel Service Inc., Atlanta, contributed \$3.2 billion in cash to its U.S. pension plans in the last two months, said Norman Black, UPS spokesman. The company contributed \$1.2 billion in January and \$2 billion in December, he said. As a result of the contributions, each of the company's U.S. defined benefit pension plans is now more than 100% funded, Mr. Black said. The amount of the overfunding was unavailable, he said."

 [The Sofia Echo:](#) "Bulgarian Posts has placed its first bond, worth 15 million leva, in a bid to restructure debt, the state-owned postal services operator said on February 10."

 [Baltimore Sun:](#) "The U.S. Postal Service is considering moving some of its Frederick mail-processing and distribution operations to Baltimore."

 [Business Recorder:](#) "The employees of Pakistan Post under held a protest rally in front of G-9 Markaz Post Office here on Thursday against the proposed privatisation of the organisation. The protestors were carrying placards and banners inscribed with anti-privatisation slogans."

 [At the Postal Regulatory Commission:](#)

- **USPS Preliminary Financial Information** (unaudited), December 2010
http://www.prc.gov/docs/71/71899/DEC-10_PRC_-_FINAL.pdf
<http://www.prc.gov/docs/71/71899/Letter-PFI-December-2010.pdf>



The 2011 NPF Workshop Matrix is Available and Early Bird Deadline Extended for another two weeks! The 2011 NPF Workshop Matrix is now available to view and download at www.npf.org. This matrix provides a complete day-by-day, hour-by-hour listing of the workshop schedule. There are over 130 workshops scheduled for the 2011 San Diego Forum. The National Postal Forum is the mailing educational event that you cannot afford to miss. **Early Bird Registration was set to expire on February 11th!** This deadline has now been extended to enable you to still take advantage of the \$50 discount. **The new early bird deadline has been extended to February 25th**, don't miss this opportunity.....the Early Bird Deadline will not be extended after this date!!



Please click below to view reports 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 Wally Olihovik at 703-248-2201, or Agapi Doulaveris at 703-248-2286.


- [Compliance with Travel Policies and Opportunities for Cost Savings](#) (FF-AR-11-007). We estimate the Postal Service could realize an additional \$600,000 in savings over the next 2 years, or \$300,000 annually, if it takes action to curtail employee noncompliance with travel policies.
- [Facility Optimization: Western Area](#) (DA-AR-11-001). Although the Postal Service has made progress in optimizing excess interior space, additional opportunities remain. In the Western Area, we analyzed five districts, and found the Postal Service can do more to optimize 4.5 million square footage of excess interior space to potentially realize about \$17.4 million annually.
- [FY 2011 FTC BME Unit Oversight Reviews](#) - Atlanta BME Unit - Atlanta, GA (FF-MA-11-013)
- [FY 2011 FTC Oversight Reviews](#) - Mid-Island Processing PDC, Melville, NY(FF-MA-11-020)
- [FY 2011 FTC Oversight Review](#) - Reading BME Unit, Reading, PA (FF-MA-11-021)

NonProfit Times: "Continuing to push for Congressional relief from prefunding future retiree healthcare benefits, the United States Postal Service (USPS) said it would have netted \$226 million in income for the first quarter if not for the required \$5-billion payment. Instead, the USPS reported a loss of \$329 million, more than the \$297-million loss a year ago, and it expects to have a chase shortfall by the end of this fiscal year (Sept. 30), as well as reaching its statutory borrowing limit."

Hellmail: "Innovations in mobile technologies and changing consumer behaviour are expected to drive an explosion in e-commerce over the coming years, providing unique opportunities for postal operators around the world to leverage the predicted accompanying growth in cross-border e-commerce. However in order to benefit from the anticipated boon, posts need to develop flexible, seamless solutions for international e-retailers. These were just some of the findings to emerge from a senior-level roundtable on Innovations in E-commerce co-hosted by International Post Corporation and the Stanford Graduate Business School Global Supply Chain Management Forum that took place last week at Stanford University in Palo Alto, California."


Houston Chronicle: "A Missouri City man who owned three mail presort companies has been convicted of fraud, including altering postage meter machines to produce counterfeit postage in mass mailings. A federal jury on Tuesday convicted Neal Uy Lim, 50, of conspiracy to commit mail fraud, two counts of mail fraud and four counts of possession of counterfeit postage meter machines, United States Attorney José Moreno and U.S. Postal Inspector-in-Charge Gary Barksdale announced Wednesday. Lim was indicted in June last year with five other people. The co-defendants have previously pleaded guilty to conspiring to commit mail fraud. The crimes were committed between 2003 and 2007, authorities said, at Lim's companies: Gulf Coast Presort at 1005 Ennis St. and Mail Processing Center at 10835 Seaboard Loop, both in Houston, and a satellite office at 5940 N. Sam Houston Parkway E. in Humble."


Logistics Manager: "DHL is investing \$22.5 million to expand its hub at the Cincinnati/Northern Kentucky airport to meet the growing demands of international customers."

 **CNET**: "-The next generation of Internet Explorer is nearly ready for the public at large, as Microsoft announces the release candidate of Internet Explorer 9 at the Hang Art Gallery in San Francisco's Union Square this morning. The feature changes from the first beta are focused largely, yet not exclusively, on security. Like the Firefox 4 feature, the new "do not track" feature will prevent Web advertisers from tracking your behavior using a header-based solution."


 *At the Postal Regulatory Commission:*


- **Form 10-Q Report for Quarter One, Fiscal Year 2011**
http://www.prc.gov/docs/71/71896/Quarter_I_2011_Final.pdf
http://www.prc.gov/docs/71/71896/Transmittal_letter_10Q_2011_2-9.pdf


 **Print CEO**: "The spate of winter storms much of the U.S. has faced this season has had many postal carriers begging patrons to clear a path to their mailboxes despite the motto attributed to the postal service. But if Zumbor has its way, neither the motto nor the postal carriers may be needed in a future that features digital mail delivery."

 **International Freighting Weekly**: "The air cargo industry will not make substantial progress on introducing e-commerce until greater standardisation between service providers and governments is agreed, according to Andrew Herdman, Director General of the Association of Asia Pacific Airlines. A recent survey painted a depressing picture on the speed with which the air cargo industry is introducing e-commerce systems."

The prospect of an Executive Branch agency defaulting on its obligations (because of inside the Beltway politicking) would be a sad commentary on the competence of the Executive Branch to manage the country's economic affairs.


 **Federal Times**: "The U.S. Postal Service suffered worsening financial losses in the first quarter of the fiscal year and is warning it will default on a \$5.5 billion payment it must make later this year to its retiree health care fund."

 **Daijiworld**: "Under the aegis of Rural Postal Employees Association, postal employees from rural centres will be holding a symbolic protest in front of all the divisional offices in the state on Thursday February 10 afternoon. They have been demanding revision of wages on par with the recommendations of the sixth pay commission."

 **NEXT**: "The National Identity Management Commission is to partner with the Nigerian Postal Service on the distribution of the national identification number slips and the national identity cards which are to serve as smart cards."

 **Azerbaijan Business Center**:

- [Azerpocht Ltd](#), the national postal operator of Azerbaijan, is finishing testing of the system of urgent money transfers (UMTs) via Secured Transfer of Electronic Financial Information (STEFI).
- The [national postal operator](#) of Azerbaijan, Azerpocht LLC, intends to buy 100 new solar-



To the President of the United States

OUR POSTAL SYSTEM IS IN GREAT DANGER

Money is being bled needlessly from the people and businesses of America. The story is that it's to pay for postal service retirement-related obligations.

The USPS Office of the Inspector General and the Postal Regulatory Commission both have documented that enough already has been paid by postage payers to fully fund these obligations.


It's time to get the government hands out of private sector pockets. It's time to bring order and stability to the postal system, a key element of our nation's economic infrastructure.

It's time to end this needless crippling of our ability to use mail to get this nation's economy to grow. It's time to do the right thing.

End this needless drain of postal resources, and let American enterprise get back to the business of using the mail to grow our economy and create new American jobs.

Mail. It's The Medium That Delivers.


A message brought to you by




Association for Postal Commerce

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powered automated mailboxes.


 **Wall Street Journal:** "President Barack Obama is set to unveil Thursday a plan to boost broadband wireless coverage across the U.S. and create a nationwide, interoperable wireless network for public safety, White House officials said Wednesday. Mr. Obama will lay out the initiative at Northern Michigan University in Marquette, Mich. It's expected to reduce the country's deficit by \$10 billion through the sale of wireless spectrum to businesses, said Jason Furman, deputy director of the National Economic Council. The plan is aimed at building on efforts in the private sector to expand wireless coverage. Mr. Obama said in his State of the Union address that he wanted to make available high-speed wireless services to at least 98% of Americans. Mr. Furman said the initiative would also help spur job growth because workers will be needed to build the wireless networks." *[EdNote: Mr. President, while we're building out a nationwide broadband wireless network, let's not screw up the nation's postal network. Let's address and fix the CSRS/pre-funding mess before the nation's postal system isn't worth a tinker's dam.]*


 **PRNewswire:** "Cardiac Science Corporation, a global leader in automated external defibrillator (AED) and diagnostic cardiac monitoring devices, has been awarded a contract to deploy Powerheart® AEDs at U.S. Postal Inspection Service sites across the nation. The U.S. Postal Inspection Service is the primary law enforcement arm of the United States Postal Service."




The latest issue of [National Postal Forum Mailing Industry Updates](#) has been posted on this site.

 **Hellmail:** "The Communication Workers Union confirmed today that it is to serve notice to the Isle of Man Post Office (IMPO) that a ballot for industrial action is to go ahead. This is the first strike ballot ever at the mail company."

 **BizJournals:** "The U.S. Postal Service starts a new fiscal year with a wider first-quarter loss, and it warns at this rate, it won't be able to meet some of its obligations by September."

 **Daily Monitor:** "Posta Uganda has put an embargo on parcels weighing over 500 grammes to the Unites States of America and Canada as a security measure against terrorism. The ban, that takes effect today, was communicated to the firm's management by Uganda Postal Union, as precautionary demand by the USA government that controls about 50 per cent of world postal business. The embargo follows the Al Shabaab terrorists' twin bombings in Kampala which killed at least 76 people and injured dozens of others at Kyadondo Rugby Club and Ethiopia Village Restaurant last year."

 **MMDNewswire:** "The U.S. Department of Labor's Occupational Safety and Health Administration has cited the U.S. Postal Service on Royal Parkway in Nashville with one willful safety violation for allowing workers to use damaged and unrepaired dock levelers, carrying a penalty of \$70,000. OSHA began its inspection following a complaint that an employee was seriously injured while lifting a damaged steel-hinged plate that provides a bridge between the dock and a truck trailer. The strap that the employee was using to lift the plate slipped off the steel flap, which caused the employee to lose balance and fall backwards, striking the concrete floor. A willful violation exists when an employer has demonstrated either an intentional disregard for the requirements of the law or plain indifference to employee safety and health."



At the Postal Regulatory Commission:

- **CP2009-31** Notice of United States Postal Service of Change in Prices Pursuant to Amendment to Priority Mail Contract 7
http://www.prc.gov/docs/71/71883/PM%207%20Ammt_Amendment_Public.xls
<http://www.prc.gov/docs/71/71883/Notice.PM%20Contract%207%20Ammt.2.9.11.pdf>
http://www.prc.gov/docs/71/71883/PM%207%20Ammt_AdjustedVolume_Public.xls
http://www.prc.gov/docs/71/71883/PM%207%20Ammt_FCM%20Analysis_Public.xls

http://www.prc.gov/docs/71/71883/PM%207%20Ammt_Summary_Public.xls

http://www.prc.gov/docs/71/71883/SupportPriority_FY10_V2_Public.xls

- **MC2011-20** Order No. 668 - Notice and Order Concerning Filing of Postal Service Request for Classification Change Concerning Reply Rides Free Program

http://www.prc.gov/docs/71/71886/Order_No_668.docx

http://www.prc.gov/docs/71/71886/Order_No_668.pdf

- **Quarterly Performance Reports for Quarter 1 of FY 2011**

<http://www.prc.gov/docs/71/71891/Special%20Services%20111%20Scores%20Report%20final.zip>


<http://www.prc.gov/docs/71/71891/First-Class%20Mail.zip>

<http://www.prc.gov/docs/71/71891/Package%20Services.zip>

<http://www.prc.gov/docs/71/71891/Periodicals.zip>

http://www.prc.gov/docs/71/71891/Presort_First-Class_.zip

http://www.prc.gov/docs/71/71891/quarterly_performance_letter.pdf

 **Wall Street Journal:** "United Parcel Service Inc. (UPS) has stopped lobbying Congress to approve a labor provision heatedly opposed by rival FedEx Corp. (FDX), acknowledging the high-profile battle appears to be over at least for the next two years."

February 9, 2011

♪♪ "Oh I heard it -- Heard It -- Yes, I heard it through the grapevine. . . ." ♪♪



Hey PRC, have you got your ears on? Key sectors on Capitol Hill are very unhappy with the fact the the Commission's long-awaited report on 5-Day Delivery has yet to be delivered. People are questioning the wisdom of providing the Commission with any further regulatory discretion. You got to move it move it.




PostCom Members! The [2010 Annual Report](#) of the Association for Postal Commerce has been posted on this site.


 *At the Postal Regulatory Commission:*

- **Form 8-K, Current Report**

<http://www.prc.gov/docs/71/71876/2011%2002-09%20FORM%208-K.pdf>

http://www.prc.gov/docs/71/71876/Transmittal_letter_8k_2011_2-9.pdf

 **Business Daily Africa:** "A new regulation has set off a fight between private courier operators and the government over plans to introduce a levy on their revenues to finance Postal Corporation of Kenya (PCK) to serve unprofitable rural areas. The private courier operators will start paying 0.5 per cent of their total revenue annually from July 1 to the Postal Universal Fund with the Communication Commission of Kenya (CCK) collecting the money and PCK managing it."

 **Bloomberg:** "The U.S. Postal Service, which predicts that by the end of September it will be unable to make health-benefit payments for future retirees, said its first- quarter loss widened as first-class mail volumes declined. The loss widened to \$329 million in the three months ended Dec. 31 from \$297 million a year earlier, the Postal Service said in a statement today. Revenue fell 3.3 percent to \$15.3 billion. Growth in bulk mail volumes that spurred a 1.5 percent mail volume increase failed to generate enough revenue to counter declines in letter sending, the Washington-based agency said. It urged Congress to change laws requiring it to pay now for health-care benefit

costs of future retirees, saying that's the only way it won't run out of cash and lose the ability to borrow by Sept. 30, the end of its fiscal year. "



The slides from the [Chief Financial Officer's presentation](#) today to the USPS Board of Governors has been posted on this site.

[Champaign-Urbana News-Gazette](#): "The U.S. Postal Service is studying the idea of moving mail-cancellation services from Champaign to either Bloomington or Springfield."

[MyHermes](#): "A Conservative MP has criticised Royal Mail for creating a "postcode lottery" which means many of his constituents pay high insurance premiums."

[Transport Intelligence](#): "UPS expects 2011 to be a "record-setting" year."



At today's USPS Board of Governors' meeting:

- USPS announced a \$329 million loss for FY11 Q1, compared to the \$297 million for FY10 Q1.
- Without the retiree health benefit payment and noncash adjustment of workers' compensation, USPS would have made \$226 million for the first quarter.
- It reduced workhours by 6.4 million in Q1, equal to 3,600 full time equivalent employees.
- USPS ended the quarter with 578,292 employees, a reduction of 5,616 employees.
- Total mail volume increased by 707 million.
- Mailing services volume grew by 1.5 percent from the same period last year, while mailing services revenues declined. According to the USPS, "the increase in revenue from Standard Mail was not sufficient to offset the loss of revenue from the reduced volume of First-Class Mail.
- **USPS' liquidity concerns remain for FY11. Without some legislative action USPS will not be able to meet all of its financial obligations, including the retiree health benefits payment due on September 30, 2011.** [EdNote: Helloooo White House. Get off your duff. It's time to fix the CSRS-prefunding mess.]

[Orlando Press Register](#): "Some rural post offices could be closed down."

[Post & Parcel](#): "Mexico's postmaster general José Ignacio García Olvera said yesterday that his company would achieve growth in the postal market even with competition from internet communications. hide Google Search Results You arrived here after searching for the following phrases: * "Mexico" * "culture" Click a phrase to jump to the first occurrence, or return to the search results. However, Correos de Mexico is looking to make changes in its working culture and while maintaining its presence across the country, consolidate its operations in order to deliver safely, in a timely fashion and at a lower price."


[Bluefield Daily Telegraph](#): "City Manager Andy Merriman said Tuesday he is drafting an opposition letter that challenges the proposed closure of Bluefield's Processing and Distribution Facility by the U.S. Postal Service. "It's going to have a negative impact on the city," Merriman said. "We are very concerned."


[Post & Parcel](#): "The development of a paperless postal system in the United States has taken a step forward today with technology developer Zumbox signing up a major mailing partner. KUBRA operates electronic billing systems for major telecommunications, utility, healthcare and finance companies, bringing 400 mailers to the Zumbox system. Collectively, KUBRA's customers send out around one billion pieces of transactional mail each year. Along with existing partnership with transactional mail printing firm DST Output, it means Zumbox now has around 1,000 mailers that can use its technology to send transactional mail electronically, rather than through physical mail services. Zumbox told Post&Parcel ahead of today's announcement that it is planning to launch the consumer side of its electronic mail box offering in the second quarter of this year." See also [Marketwire](#).


[Washington Post](#): "Frank S. Johnson Jr., a public relations and communications executive who worked under three U.S. presidents and for corporate, financial and not-for-profit organizations, died Jan. 12 at his home in Falls


Church after a heart attack. He was 80. Mr. Johnson led public affairs departments for the Labor Department under President Richard Nixon, the U.S. Postal Service and NASA under President Ronald Reagan, and the U.S. Information Agency under President George H.W. Bush."


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


 A hefty dispute between the Dutch regulatory authority Opta and TNT Post has aroused. It was caused by an Opta statement, published on Friday, putting TNT's measurement of quality of service into question.


 Austrian Post is getting serious with its new strategy for the Mail division. As CEO Pözl already announced at the beginning of last year (CEP-News 06/10), low-cost subsidiary Feibra will not only distribute all bulk mail, but standard letters too.


 Virtually at the last minute Johnny Thijs, CEO of bpost, tries to prevent the strike, scheduled for February 11 (CEP-News 05/11). Talks with the unions about abandoning the call for strike were scheduled for next week.


 The results we achieved in 2010 will show that it has been a positive year for Poste Italiane'. Last week, CEO Massimo Sarmi told the media he was confident about the last business year. As Poste Italiane already posted a 32% rise in turnover (12.4bn euros) and a 13% increase in profit (915m euros) his optimism was well-founded without doubt.

 CCOO, Spain's largest confederation of unions, called on Correos to conclude the long overdue labour agreement soon.

 Swiss Post Solutions seems to be back on the road to success.


 On Tuesday the public hearing on the draft of the so called De-Mail law was held in the German Bundestag in Berlin. Telekom criticised the bill in the run-up to the hearing, as the bill does not include a provision for uniform designation of addresses.

 In 2010 internet retailing boomed in France too.

 Thousands of parcels from abroad are piled up at Swiss Post. Customers have to wait for days until customs are cleared.




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.)

 [Indian Express](#): "Though officials find it hard to admit that smuggling of narcotics has increased, latest figures from the Customs department highlight a sharp rise in seizure of contraband materials booked through courier and post."




[From the Federal Register: Postal Service RULES International Mail: Mailing Services Price Change](#), 7114-7116 [2011-2794] [\[TEXT\]](#) [\[PDF\]](#)


 [Green Bay Gazette](#): "The John W. Byrnes Main Post Office at 300 Packerland Drive in Green Bay has seen an uptick in business the last few weeks due in large part to people sending T-shirts, jerseys, Cheeseheads and other Green Bay Packers merchandise."

 [Online Media Daily](#): "A new privacy bill that includes authorization for do-not-track regulations could be introduced in Congress as early as this week by Rep. Jackie Speier (D-Calif.). The proposal would enable the Federal Trade Commission to issue regulations ensuring that consumers can opt out of online data collection by


companies engaged in interstate commerce, according to a summary provided by Speier's office. The bill also allows the FTC to create exceptions for "commonly accepted commercial practices."

 [Yahoo! News](#): "For the first time ever, smart phones such as Apple Inc.'s iPhone are outselling personal computers, according to a report by research group IDC."


 [PC World](#): "According to a comScore report out today on digital trends in 2010, the use of Web-based e-mail has begun to drop. The culprit? That's easy. People are increasingly shifting to instant messaging, posts on social networks and texting on their mobile phones. That, according to comScore, doesn't bode well for the future of this communication tool. Webmail usage among teenagers, actually dropped 59% in the past year."


 [WHNT](#): "The U.S. Postal Service is considering moving some mail processing operations from Huntsville to Birmingham. In fact, there is an upcoming meeting to discuss the specifics."


February 8, 2011

 [WV Metro News](#): "More Postal Service jobs could be on the line here in West Virginia. The U.S. Postal Service is in the process of conducting an Area Mail Processing study, or AMP, at its Bluefield Distribution and Processing operation. Cathy Yarosky with the Postal Service says the study just got underway the first of the month."

 [Bullard Banner News](#): "USPS spokesman insists expenses must be cut."


 **Homeland Security and Governmental Affairs Committee** Chairman Joe Lieberman, ID-Conn., and Ranking Member Susan Collins, R-Me., Friday welcomed to the Committee one new Democratic member and three new Republicans. Newcomers are Senators Mark Begich, D-Alaska, Ron Johnson, R-Wisc., Rob Portman, R-Ohio, and Rand Paul, R-Kty. The Democratic members of the Committee, in addition to the Chairman are: Senators Carl Levin, D-Mich., Daniel Akaka, D-Hawaii, Thomas Carper, D-Del., Mark Pryor D-Ark., Mary Landrieu, D-La., Claire McCaskill, D-Mo., Jon Tester, D-Mont.; and Mark Begich, D-Alaska. Republican members are: Senators Tom Coburn, R-Okla., Scott Brown, D-Mass., John McCain, R-Ariz., Ron Johnson, R-Wisc., John Ensign, R-Nev., Rob Portman, R-Ohio, and Rand Paul, R-Kty.


 [Memphis Daily News](#): "The executive council of the labor union representing FedEx pilots meets this week to consider a tentative contract between the pilots and the Memphis-based shipper."


 [CBS News](#): "The recent news that the U.S. Postal Service would like to begin the process of closing 2,000 post offices next month, begs the question -- are post offices still relevant?"


 *At the Postal Regulatory Commission:*

- **MC2011-5** Order No. 667 - Order Approving Mail Classification Changes
<http://www.prc.gov/docs/71/71871/Order667.pdf>
<http://www.prc.gov/docs/71/71871/Order667.doc>
- **MC2011-20** Notice of the United States Postal Service of Classification Change Related to Reply Rides Free Program
<http://www.prc.gov/docs/71/71863/Notice of MCS Change.pdf>


 The [Association for Postal Commerce](#), the Direct Marketing Association, the Alliance of Nonprofit Mailers, the Association of Magazine Media, and the National Newspapers Association **have written to President Barack Obama** urging him "to direct OPM to recalculate the Postal Service CSRS obligations using the method endorsed by both the Postal Regulatory Commission and the Postal Service Inspector General and to transfer any excess to the Postal Service Retiree Health Benefits Fund. Such action will allow our members to create new American jobs, and to help save the United States Postal Service from ruin."


 [NetworkWorld](#): "FedEx package-delivery personnel across the United States have been reduced to inputting package information by hand and getting handwritten signatures instead of doing this all electronically due to what's believed to be a software glitch on their handheld devices."

 [NetworkWorld](#): "FedEx, which Monday saw a nationwide software glitch impact the mobile devices called PowerPads used by its package-delivery personnel, said it has resolved the problem. However, the FedEx system Tuesday morning was still working through a backlog of tracking information."


 [The Olympian](#): "Secretary of State Sam Reed recently announced that this state played a significant role in creating a new postal classification for election mail – hopefully saving the state and county auditors millions of dollars when they mail voter pamphlets, ballots and other election-related materials."


 [Hellmail](#):

 [UK postal regulator Postcomm](#), announced last week that the Royal Mail has published indicative wholesale prices for 2011-12, which take into account Postcomm's November proposal to move to a wholesale led form of price control.

 [Neopost](#), the UK's leading provider of mailroom equipment, has just launched neoTrak, an inbound mail tracking and proof of delivery software. Neopost's neoTrak is a revolutionary software package, strategically designed for mailrooms to track the progress of business critical mail (such as recorded delivery and registered post items) and parcels through to the recipient. Developed for office managers, mailroom supervisors or Mail Centre Directors, neoTrak dramatically improves the management of your internal mail delivery process, increases department reliability via automation and decreases costs with improved productivity. neoTrak is suitable for all types of organisation. Financial Institutions, Universities/Colleges and the NHS currently use neoTrak to track their business critical mail.

 The [final agenda for the February 28 - March 3, 2011 Mailcom event](#) in Washington, DC has been posted on this site.

 [Forbes](#): "Shipping company United Parcel Service Inc. said Monday it is expanding its express freight service into Israel and Slovakia."

 [San Francisco Chronicle](#): "Rep. Jerry McNerney, D-Pleasanton, wrote a letter to postal managers today warning about plans to scale back a mail processing facility in Stockton and transfer the work to Sacramento. Such congressional interventions are typical of postal operations, which are uniquely conducted by an independent agency overseen by Congress and written into the U.S. Constitution."

February 7, 2011



The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic:

- **Can I get that with no carbon, please? Carbon Neutral Delivery and the Postal Service.** Would you select an option for carbon neutral delivery if it was available from the U.S. Postal Service? [LINK](#) here to read and provide comments.

- **New Audit Projects:** [LINK](#) here to visit our audit project pages. This week we opened the following new project(s): (Please share any information you may have that would help with this audit currently in progress by clicking on the link below):


A new audit project has been started on the external website.


- [Implementation of International Financial Reporting Standards and eXtensible Business Reporting Language - 11BG013FT000](#). Our objective is to determine the status of industry and Postal Service implementation of International Financial Reporting Standards (IFRS) and eXtensible Business Reporting Language (XBRL).
- [FY2011 Information Technology Internal Controls - 11RM001IT000](#). We will conduct this audit to evaluate the effectiveness of information system controls over data supporting the Postal Service's financial statements to include controls implemented to ensure compliance with the Section 404 requirements of the Sarbanes-Oxley Act.
- [Review of the Oshkosh P&DC Consolidation into the Green Bay P&DC - 11XG024NO000](#). Congressman Thomas Petri of Wisconsin requested we review the Postal Service's study to consolidate the Oshkosh mail processing operations into the Green Bay Processing and Distribution Center (P&DC) facility. Specifically, we will determine if a business case exists to support the consolidation and to assess compliance with established guidelines. To achieve this objective, we plan to analyze key impacts including workhour/cost savings, changes in workload, impact on productivity, employees, and customer service, and equipment and transportation issues. We will also conduct observations at the facilities and interview Postal Service managers and employees at various levels to gain an understanding of the consolidation.
- [University Station, Eugene, OR, Consolidation - 11XG020EN000](#). The Postal Service began a national discontinuance study of facilities in urban and suburban areas that are in relatively close proximity to one another where consolidation might be feasible. As a result of the study, the Postal Service consolidated the Eugene, OR, University Station at 1222 E. University Ave., with the Eugene, OR, Main Post Office at 520 Willamette Street., in January 2011. We would like to know if the Postal Service could do a better job of addressing customer service impacts and stakeholder concerns before and after this consolidation. For this project, we will assess the operational and customer service impacts of the consolidation.
- [Remote Access Controls - 11RG009IT000](#). The Postal Service manager, Telecommunication Services, implements secure methods of remote access and appropriate remote access controls. Management sponsors a telecommuting program to enable employees to use remote access to perform their duties from locations external to the private network. The natures of telecommuting and remote access technologies place the Postal Service network and information resources at risk.
- [Contract Postal Unit Contract Oversight - 11YGO15CA000](#). We are reviewing Contract Postal Unit (CPU) contract oversight. CPUs are supplier-owned businesses that contract with the Postal Service to provide postal services to the public. For more than a century, CPUs have provided the general public alternate access to postal products and services after normal business hours; reduced customer wait time in Post Offices; retained and increased market share; reduced operational costs; improved customer satisfaction; and increased retail revenue growth. Some 3,000 CPU locations are typically in retail establishments and staffed by the retailer's employees. Local Post Offices provide oversight for the CPUs.


 **DMM Advisory: All Mail Service to Egypt Temporarily Suspended.** As the situation in Egypt continues to evolve, our acceptance policy for mail destined to that country also is evolving. Effective immediately, all Post Office™ and other mail acceptance locations cannot accept any mail addressed to recipients in Egypt. This temporary suspension affects Global Express Guaranteed® (GXG®), Express Mail International®, Priority Mail International®, First-Class Mail International®, International Priority Airmail™ (IPA®), International Surface Air Lift® (ISAL®), and M-Bag items. Mail addressed to Egypt that has already been accepted by the Postal Service will be returned to sender. Upon request, the Postal Service will refund postage and fees on items returned due to the temporary suspension of service. We will use the DMM Advisory to keep you informed of any further developments affecting mail delivery to Egypt.

 *At the Postal Regulatory Commission:*

- **ACR2010** Notice of the United States Postal Service of Filing of USPS-FY10-43
<http://www.prc.gov/docs/71/71855/Notice.FY10.43.pdf>
- **CP2011-52** United States Postal Service Response to Order No. 659 Concerning Effective Dates of Additional Global Direct Contracts 1 Negotiated Service Agreement
<http://www.prc.gov/docs/71/71854/Response Order 659.pdf>
- **RM2011-8** Order No. 666 - Notice of Proposed Rulemaking Concerning Mail Classification Schedule
<http://www.prc.gov/docs/71/71852/Order666.pdf>
<http://www.prc.gov/docs/71/71852/MCS.pdf>
<http://www.prc.gov/docs/71/71852/Order666.doc>
<http://www.prc.gov/docs/71/71852/MCS.docx>
<http://www.prc.gov/docs/71/71852/Web-MCS.docx>
- **MT2011-2** Comments of the American Bankers Association
<http://www.prc.gov/docs/71/71849/ABA Comments-Gift Cards.pdf>
- [Postal Regulatory Commission Annual Report October 1, 2009 to September 30, 2010 FOIA Requests](#)

 **Hellmail:** "Slovenian Post has concluded an agreement with Deutsche Post that will allow customers who buy items online from Germany, to return them free of charge."

 **Auctionbytes:** "Some postal employees have been incorrectly telling online sellers that they must use SCAN Forms when dropping off packages with prepaid online postage. SCAN Form (PS Form 5630) is a useful service that allows sellers to prove their packages have entered the mail stream - the SCAN Form contains a master barcode that represents all the packages in a shipment, and a single scan enters all of the associated packages into the USPS database as "Shipment Accepted."

 **Rapid City Journal:** "Rural residents worry about post office closures."



The [Postal Journal](#) has just posted three recent studies looking at the changing ways that consumers and businesses receive and pay bills. The articles as a group suggest that consumers are increasingly looking toward web and mobile methods of handling bills and web, mobile and in-person methods of paying bills.


The studies, listed in order of their publication and their relevant conclusions are as follows:

- **[Consumers Shift to ePayment to Get Control Over Finances](#)** With the release of the 2010 Billing Household Survey by Fiserv Corporation provides a significant update on how the availability of multiple web and mobile based payment and bill presentment delivery modes has changed consumer use of traditional and new modalities. The survey, conducted by The Marketing Workshop, showed that consumers that have online access are gravitating toward payment options that provide them more control and allow them to hold onto their money as long as possible. In particular, the number of online consumers that use checks declined to 54.5 million households, below the 65.0 million households that use either biller direct or financial institution bill pay services.
- **[Federal Reserve Study Shows More Than Three-Quarters of Noncash Payments Are Now Electronic](#)** The Federal Reserve's 2010 study of noncash payments revealed that in 2009 more than three-quarters of all U.S. noncash payments were made electronically, a 9.3 percent annual increase since the Federal Reserve's last study in 2007. This growth and other statistics in the study emphasize consumers' increasing adoption of electronic alternatives for payments in the United States. The 2007 study revealed that in 2006 roughly two-thirds of the payments were made electronically.
- **[e-Bills Will Surpass Paper Bills By 2016](#)** This study conducted for NACHA, the national electronic payment association by Blueflame consulting showed that 26.6% of all bills are now sent electronically


with the largest percentage among customers of educational institutions and wireless telecommunications companies. The study also showed that on average firms surveyed had e-bill volumes grow by 32.3% on average over the past two years. The study indicated that at this point consumers are more amenable to e-billing than businesses.


Implications of These Studies. These studies confirm the Boston Consulting Group's (BCG's) conclusion that the primary purpose of mail in 2020 will be the delivery of advertising as the volume of bills and payments in the mail decline. These three studies suggest that the Postal Service and others interested in the future of the Postal Market need to take a second look at the forecasts developed by BCG and presented publicly last spring in order to determine if the more recent data suggests a faster or slower decline in transaction mail than previously believed. From a policy standpoint, these studies suggest that more information is needed about:


- the proportion of the population that are only using mail continues to handle bills and payments continue to shrink and better information is needed about the characteristics of U.S. households that continue to use mail as their primary means of handling transactions;
- how the shift of the mix of mail senders affects demand for collection and delivery services and the accuracy of the Postal Service's understanding of the business needs of its advertising mailer and parcel shipper customers;
- the appropriate role of the Federal government regarding the maintenance of an infrastructure to deliver advertising containing media (both direct mail and periodicals) when the volume of printed communications handling transactions or information becomes significantly smaller; and
- the relevance of the Postal Service's money order product when unbanked individuals are increasingly using walk-up electronic payment services rather than mailing postal or private sector issued money orders.


 **DMM Advisory: February DMM Update.** Postal Explorer® (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:


- **Collect on Delivery Service**
We revised [503.11.2.1](#) to clarify standards that apply to disputes regarding Collect on Delivery (COD) services once payment is returned to the mailer. Specifically, the Postal Service cannot intervene in disputes between mailers and recipients of COD mail after postal records indicate payment was returned to the mailer.
- **Submission of Electronic Documentation with Comailed and Copalletized Mailings**
We revised [705.8.7](#), [705.8.8](#), [705.8.16](#) and [707.27.0](#) to require mailers preparing comailed or copalletized mailings, or mail owners who contribute mailpieces to a consolidated comailed or copalletized mailing, to submit electronic documentation to the USPS by an approved method.
- **New Preparation Standards for Flat-Size Mailpieces Destinating in FSS Zones**
We revised [343.6.0](#), [343.7.0](#), [363.5.0](#), [363.6.0](#), [705.14.0](#), [707.13.0](#), [707.14.0](#) and Labeling List [L006](#) to provide new standards for mail preparation of flat-size Standard Mail, Periodicals, and Bound Printed Matter mailpieces prepared for delivery within the ZIP Codes served by Flats Sequencing System (FSS) processing.
- **Market Test: Alternate Postage Payment Method for Greeting Cards**
We revised [709.3.0](#) to conduct a 2-year market test of the Alternate Postage Payment Method for Greeting Cards. The market test is effective from January 2, 2011, through December 31, 2012.
- **Processing Refund Requests for Unused Meter Indicia**
We revised [604.9.0](#) to clarify standards that apply to processing refund requests for unused postage evidencing system indicia.
- **Labeling List Changes**
We revised labeling lists [L001](#), [L002](#), [L003](#), [L005](#), [L006](#), [L007](#), [L201](#), [L606](#), and [L607](#) to reflect changes in mail processing operations.


 [NACHA - The Electronic Payments Association](#): "When will eBills be more widely used than traditional paper bills? A recent study suggests it might only be five years down the road. "eBills have not reached their full potential, but they're gaining momentum," said Janet O. Estep, president and CEO of NACHA — The Electronic Payments Association. "With companies' long-term commitment to converting their customers to electronic bill presentment, we see adoption gaining momentum."


 [Foster's Democrat](#): "Once a monopoly, others have found more efficient and cheaper ways to deliver — Federal Express and UPS chief among them. Add to these the Internet, and the need for the Postal Service to significantly rehabilitate its business model is clear. What is also clear is that the Postal Service is here to stay, at least for the foreseeable future. By mandate, USPS workers must ensure the mail gets to every nook and cranny of the United States, not to mention the old saying — neither rain, nor sleet, nor dark of night ... At one time that mandate was profitable, but no more. That does not mean the USPS business model is beyond repair. Sen. Collins is backing legislation that would address the billions of dollars in overfunding prior legislation has forced into USPS retirement coffers. According to the senator, her legislative efforts would also "improve the Postal Service's contracting practices, and help prevent the kind of problems recently uncovered by the Postal Service Inspector General, which include contract mismanagement, ethical lapses, and financial waste."


 [MacVideo](#): "Following the etailer's acquisition of online and postal movie rental service Love Film last month, Amazon posted a message on a web page that hinted at the move. Amazon is thought to be preparing to offer its Prime customers the chance to stream movies and TV shows over the internet."

 [ERR News](#): "The merger between Express Post and the national postal service Eesti Post should not be overdramatized, said a director of Eesti Post, as a small country should not have two mail delivery systems and the market remains open to new players. Aavo Kärmas said in business daily Äripäev that the volumes of letters and periodicals have decreased over recent years and there is no point in maintaining two parallel systems." See also [The Baltic Course](#).


 [Hellmail](#): "The Estonian Ministry of Finance along with Estonian Post's subsidiary service - the Estonian eInvoicing Centre (www.arvekeskus.ee), will sign a service agreement this week, offering the e-invoicing service environment to government agencies to help reduce administrative costs. The signed service contract will be valid until 2013."

 [Hellmail](#): "Marcela Hrda, CEO of Czech Post said last week that whilst she was proud of the achievements of the postal service in reducing operating costs last year, Czech Post needed to remain vigilant."


 [Postalnews Blog](#): "With preparations underway for negotiations over the terms of the 2011 National Agreement between the NPMHU and the Postal Service, the National Office has issued its official call for bargaining proposals from all members and Local Unions. To be fully considered prior to the onset of negotiations, proposals must be submitted by March 31, 2011. Although formal bargaining is not scheduled to begin until August or early September of this year, the Union's Field Negotiating Committee will be meeting for a full week in April 2011 to review all submitted proposals and outline the changes in the National Agreement that should be proposed by the NPMHU."


 [Postalnews Blog](#): A USPS announcement will be made by the end of March. "a major benchmark in the long-term redesign of the Postal Service — could include district closures, as well as changes in organizational structures at headquarters and in the field. The March announcement also could lead to a reduction in force (RIF) or voluntary early retirement (VER) for specific groups of employees. If implemented, the VER option will be announced along with the new organizational structure."


 [The Economic Times](#): "The government may allow post offices to set up automated teller machines, or ATMs , at rural areas, in an attempt to further strengthen the role of India Post in financial inclusion."


 [The Citizen](#): "Tanzania Posts Corporation (TPC) needs Sh30.8 billion to enable it to operate competitively. TPC has presented its recovery plan and a budget to the ministry of Science, Technology and Communications."


February 6, 2011


 [Express and Star](#): "The Royal Mail has forked out more than £2 million on compensation claims to people in the West Midlands over the last five years, new figures revealed. Payments were made to residents whose mail or parcels were either lost, delivered to the wrong address or damaged during transit. Since 2005, the Royal Mail has paid £2,022,644 in response to 134,829 complaints from people in the region. The organisation said on average, there was one complaint for every 19,000 items posted throughout the area."


 [Seeking Alpha](#): "The world's two shipping companies are enjoying a massive rebound in volumes and revenue. United Parcel Service (UPS) reported earnings this week. The company reported that earnings surged 44% in the fourth quarter. UPS also stated that 2011 earnings per share should set an all-time high."


 [Bluefield Daily Telegraph](#): "The proposed closure and consolidation of Bluefield's Processing and Distribution Facility by the United States Postal Service is a flawed and poorly conceived idea."


 [Daily Mail](#): "Hundreds of campaigners recently marched through David Cameron's Oxfordshire constituency to protest against Government plans to sell off the Royal Mail. 'The planned privatisation is an unnecessary ideological move which will damage postal services for ever,' said Billy Hayes, leader of the Communication Workers Union. While Hayes believes the sell-off of Royal Mail - in State hands since its inception in 1516 - would mean an increase in prices, a decrease in services and mass Post Office closures, Business Secretary Vince Cable claims the move will 'secure the services that consumers and businesses rely on'."

 [Times of Malta](#): "Maltapost plc is in the throes of an evolution that will see its product offering and service delivery upgraded to meet the changing demands of customers increasingly turning to e-commerce and online shopping, chief executive officer Joseph Gafà told The Sunday Times. In its performance review for the year ended September 30, 2010, Maltapost said it would continue to streamline and update its strategy to ensure it remained innovative, efficient and competitive."


 [The Malta Independent](#): "Postal carrier MaltaPost has reported profits before tax for the year ended on 30 September of €3.2 million, level with last year's and Earnings per Share of €0.07."

 [In-Forum](#): "There is a value to small-town post offices that goes well beyond a profit-and-loss statement. The U.S. Postal Service, that quasi-private, misnamed, bureaucratic monster, doesn't get that. Since it became a curious private/government hybrid, the concept of "service" has been shunted aside by a drive to be a profit-making enterprise."


 [BruDirect](#): "In an effort to better facilitate communication between the post office and the public, the Post Office Department yesterday launched the first phase of a project that uses Short Messaging Service (SMS). The Acting Postmaster General, Hj Mohamad Hj Manan Lakim said that the new SMAPos project intends to further improve the quality of the postal service by providing more alternative means of communication between them and their clients."


 [Auctionbytes](#): "While postage rates continue to rise (the U.S. Postal Service plans another rate hike in April), the USPS has also introduced some new products that can help online sellers save money. One example is the new Padded Flat Rate Priority Mail envelope. Online booksellers and merchants selling small items that need to arrive quickly are evaluating the new envelopes. The service costs the same as the regular Flat Rate Priority Mail envelope, and depending on what you're shipping, may save you money on bubble wrap or special mailers. Another innovation is the Priority Mail Regional Rate box, and sellers in the U.S. may be able to save money if they are a commercial customer or online shipper (for example, Click-N-Ship, ShipRush, Endicia.com, Stamps.com, etc.). Priority Mail Regional Rate can be used to ship small, dense packages short distances that need to arrive in 2-3 days, and all extra services that are available for Priority Mail can be used with the Regional Rate boxes as well."


 [Nerdles](#): "FedEx Takes The Express Out Ground Shipments."


 [Gothamist](#): "UPS Still Blaming Snow For Failed Deliveries."

February 5, 2011


 [Courier, Express, and Postal Observer](#): "Currently most postal customers have their rates set as a discount from a base rate for the class of the product being mailed. The discount is based on an analysis of the savings generated from reductions in the amount of work that the Postal Service that the Postal Service does for the customers. The Postal Service currently can offer services in an unbundled way if it keeps a Chinese wall between the two services. Fixing this problem requires the Postal Rate Commission to agree that postal costs should be measured from the bottom up and not from the top down as they are now. It would require it to accept the use of imperfect automated data systems as a replacement for costly sampling systems that were not designed to develop precise product costs at the level of product and customer detail necessary for today's Postal Service."


 [RealtorMag](#): "Real estate professionals have long understood how personalization in mailings helps boost response. A well-crafted mail piece can help you develop new relationships and reinforce your connections with existing clients. Over the past two years, however, new rules, ideas, and technologies have emerged that are changing the dynamics. If you want your mailings to have a greater impact, you need to constantly evaluate how your offerings compare to the other letters, postcards, and self-mailers that your prospects receive in their mailboxes every day. Here are a few of the ways practitioners are taking personalization — and results — to the next level."


 [Stabroek News](#): "The Guyana Postal and Telecommunication Workers' Union (GPTWU) and GT&T are at loggerheads over the sharing of financial records and the company says it is flabbergasted over a 45% wage hike demand from the union."

 [Hellmail](#): "An independent parcel network which uses convenience stores and other outlets as despatch and collection points and cheaper than Royal Mail, is proving to be popular with customers."

February 4, 2011


 [NALC](#): "On Feb. 2, Sen. Susan Collins (R-ME), the ranking member of the Senate Homeland Security and Governmental Affairs Committee, introduced legislation to reform the federal government's workers' compensation program. The NALC cannot support the legislation as drafted. It makes no provision for the loss of regular retirement benefits under CSRS and FERS suffered by FECA recipients who are separated from the Postal Service—since such injured workers get no years-of-service credit over the period of their injuries once separated, and since their annuities are based on their high-3 average salaries at the time of their separation, not at the time of regular retirement."


 [Government Executive](#): "The U.S. Postal Service is proposing to eliminate salary protection for postmasters and nonbargaining employees who move to lower-grade jobs. In a Jan. 28 letter to union leaders, USPS acting Manager of Labor Relations Policy Administration Joe Cavallo wrote that employees who are downgraded during reduction-in-force procedures will have their pay reduced after two years if their current salary exceeds the maximum of the lower grade. Previously, workers received indefinite saved-salary protection. The proposed change affects postmasters and USPS employees under the Executive and Administrative Schedule who accept a lower grade nonbargaining position in a management-initiated action. According to Cavallo, that could include a RIF avoidance or notice period, placement in a nonduty, nonpay status for 30 days, or a RIF process."


 [Webtrends](#): "Webtrends aggregates a massive amount of data from Facebook ad campaigns that we've either run or white-labeled for other agencies. We decided to take a look at some of data that these campaigns have generated to see what trends would emerge. The result is our latest white paper, Facebook Advertising Performance, Benchmarks & Insights."


 [At the Postal Regulatory Commission](#):

- [Postal Regulatory Commission Chairman Ruth Y. Goldway announced](#) Wednesday the appointment of **Margaret Cigno** to succeed John Waller, who has retired, as Director of the Office of Accountability & Compliance (OAC). Ms. Cigno has served as OAC's Assistant Director of the Auditing and Costing Division since November 2007.
- **MT2011-3** Opposition of the the Newspaper Association of America
<http://www.prc.gov/docs/71/71823/naa-opposition-mt2011-3.pdf>
- **MT2011-3** Comments Re: Docket No. MT2011-3 Market Test ? Marketing Mail Made Easy
http://www.prc.gov/docs/71/71803/Unaddressed_Mail.doc
http://www.prc.gov/docs/71/71803/Unaddressed_Mail.pdf
- **MT2011-3** Comments from Pat Wiley, Compact Information Systems
http://www.prc.gov/docs/71/71826/USPS_PRC2.pdf
- **R2011-4** Order No. 663 - Notice and Order Concerning Rate Adjustment for Bilateral Agreement with HongKong Post and Functionally Equivalent Negotiated Service Agreement
http://www.prc.gov/docs/71/71827/Order_No_663.doc
http://www.prc.gov/docs/71/71827/Order_No_663.pdf
- **RM2011-7** Order No. 664 - Notice and Order Concerning Filing of Postal Service Request for Temporary Waivers From Periodic Reporting of Service Performance Measurement
http://www.prc.gov/docs/71/71828/Order_No_664.docx
http://www.prc.gov/docs/71/71828/Order_No_664.pdf
- **MT2009-1** Collaborative Logistics Market Test - Sixth Quarterly Report
[http://www.prc.gov/docs/71/71833/Sixth_Quarterly_Report_\(Q1.2011\).pdf](http://www.prc.gov/docs/71/71833/Sixth_Quarterly_Report_(Q1.2011).pdf)
- **MT2011-2** Comments of the Public Representative
http://www.prc.gov/docs/71/71817/Market_Test_Comments.pdf
- **MT2011-2** Comments of Pitney Bowes Inc.
[http://www.prc.gov/docs/71/71834/PB_Comments_\(MT2011-2\).pdf](http://www.prc.gov/docs/71/71834/PB_Comments_(MT2011-2).pdf)
- **MT2011-3** Comments Regarding Docket No. MT2011-3
http://www.prc.gov/docs/71/71831/020411_MMME_Comments.docx
http://www.prc.gov/docs/71/71831/020411_MMME_Comments.pdf
- **MT2011-3** Comments of National Newspaper Association
http://www.prc.gov/docs/71/71832/NNA_Comments_on_MMME.pdf
- **ACR2010** Notice of the United States Postal Service of Filing of USPS-FY10-NP31
<http://www.prc.gov/docs/71/71842/Notice.FY10.NP31.pdf>
- **MT2011-3** Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. Initial Comments Regarding Market Test of Experimental Product - Marketing Mail Made Easy
http://www.prc.gov/docs/71/71844/Valpak_MT2011-3_Initial_Comments.pdf

 **Washington Post:** "Ninety miles west of Washington, at the foot of the Shenandoah mountains, Star Tannery's main attractions are its church, which hosts an annual picnic on the second Saturday in August; a bar with \$2 drafts and karaoke every Wednesday; a fire hall, home to the annual farmers carnival in July; a lone market that serves sandwiches on white - and white only - and does not have a toaster; and the post office, all of 308 square feet, which has been in the same white clapboard building since 1923, when postmaster Hesler Himelright opened it in his general store. ad_ icon Take away their post office, Star Tannery's residents say, and they will have to make a 20-mile round trip to Strasburg for that basic service. As much as inconvenience, they fear losing that inky black "Star Tannery, Va." on their postmark, a celebration of their place on the map."

 **Times of India:** "Speculation about promoters of Gati Ltd, a leading domestic logistics and supply chain solutions firm, selling stake to a foreign strategic buyer returned this week, even as the name of Dutch express distribution giant TNT emerged as a potential frontrunner."

 **Yahoo! News:** "The survey by the Pew Research Center's Internet & American Life Project found that 85 percent of Americans 18 and older own a cellphone and 90 percent of all adults live in a household with at least one cellphone." [EdNote: That means 85% of all Americans have an electronic and a physical address. Unfortunately, the Postal Service still cannot connect the two. When it comes to things digital, the Postal Service, alas, is still a babe in the woods.]

 [National Association of Major Mail Users](#): "NAMMU continues to champion the achievement of 100 per cent deliverable mail in the best interests of cost efficiency and the effective commercial use of mail as an important business tool. Canada Post has introduced new Address Accuracy (Address Validation and Correction) software used for cleaning mailing lists. The new software uses Point of Call Address Data, that has more detail than the data used in previous versions of Address Accuracy software. The new software may identify addresses as "invalid" that were previously considered as "valid" when compared to the Postal Code range data used by the previous software, particularly in the case of apartment addresses. The invalid apartment addresses will not count against a mailer's Address Accuracy score for a six month period, from January 17 to August 1, 2011. This period is to give mailers time to update their mailing lists and manage the transition to the new software. Unless you ran your customer file(s) prior to January 17th, you must use this new file for Address Accuracy rating purposes. As with any new tool, a period of adjustment will be required as issues arise and are dealt with either by the mailer and/or by Canada Post with database corrections."



[Now hear this: "This Week In Postal".....the latest podcast posted now!](#)



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

- A new postal bill is about to be submitted to the Clerk of the House by Rep. Gerry Connolly (D-VA). Now a part of the minority of the committee with jurisdiction over the Postal Service, Connolly had served on the previous Congress' postal oversight majority, and appears to have taken some good notes from those who testified last year before the House and the Senate.
- The Association for Postal Commerce (PostCom) filed comments this week with the Postal Regulatory Commission (PRC) regarding the Postal Service's filing of its annual compliance report (Docket No. ACR2010). Comments also were filed on the Notice of Market-Dominant Price Adjustment (Docket No. R2010-2).
- The USPS on February 3, 2011, filed with the Postal Regulatory Commission (PRC) another request for temporary waiver from periodic reporting of service performance measurement, this time requesting a waiver for quarterly reporting of Standard Mail, Bound Printed Matter Flats data, and certain area- and district-level data for Presort First-Class Mail and End-to-End Periodicals. The USPS told the PRC that its new "certification" process for ensuring that pieces are certified as compliance and accurate for inclusion in service performance measurement initially has been difficult, and that as of the end of Quarter 1, FY 2011, no Standard Mail or Bound Printed Matter flats customers had met the criteria for certification and only 11 presort First-Class Mailers did.
- The Postal Service, in its January 27 Postal Bulletin revised its Mailing Standards of the US Postal Service, Domestic Mail Manual (DMM) 343.6.0, 343.7.0, 363.5.0, 363.6.0, 705.14.0, 707.13.0, 707.14.0, and Labeling List L0006 to provide new standards for mail preparation of flat-size Standard Mail, Periodicals, and Bound Printed Matter mailpieces prepared for delivery within the zip codes served by Flats Sequencing System (FSS) processing.
- The Congress Research Service (CRS) has issued a report titled The U.S. Postal Service and Six-Day Delivery: Issues for Congress. It examines the legislation history of Congress and the Postal Service, as well as various studies that have been conducted. CRS also examines the USPS finances.
- The USPS Office of Inspector General (OIG) in its latest report from the Risk Analysis Research Center asks eight fundamental questions for the future of the time-honored institution. The OIG white paper takes each question and provides in-depth discussion and analysis. The OIG asks eight questions and provides possible alternatives to each of them.
- Intelisent has pointed out that "for time-sensitive direct mailers, the weather can throw a real monkey wrench into delivery and in-home projections and planning. Sometimes, circumstances beyond control, like the weather, results in mail delays. These delays can sometimes affect only a portion or geographic region on a mailing. When will my mail piece get there? Did it get there? Without any visibility, it is impossible to predict and adjust accordingly."

- A message to all MTAC members from Susan LaChance, Postal MTAC Co-Chair, and Anita Pursley, Industry MTAC Co-Chair.
- The Courier, Express, and Postal Observer has told its readers that "in order for mail to remain a viable options for communications and advertising, every part of the mail supply chain has to eliminate every penny of unnecessary costs. No cost is more unnecessary than printing and delivering a mail piece to the wrong address. Every penny associated with delivery to the wrong address reduces the return generated by mail delivered to the intended recipient."
- Senator Collins introduces federal workers' comp reform. APWU urges PRC to make repeal of pre-funding mandate a priority. Unions: USPS drops subcontracting proposal. Rahall wants review of W VA postal closures. LSU switching to mail contractor. FedEx expands LTL offering. USPS makes play for regional parcel traffic. UPS 4Q profits up 48% amid surging revenue and margins. USPS BOG to meet Feb 9 in Washington DC. USPS' 'AMPs' up facility consolidations.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of 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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DMM Advisory: **Global Express Guaranteed Service to Egypt Temporarily**


Suspended . On February 3, 2011, the Postal Service™ suspended Global Express Guaranteed® (GXG®) service to Egypt due to FedEx® operational requirements for items sent into and out of Egypt. Until further notice, all Post Office™ locations will not accept GXG items destined to the country of Egypt. For already deposited GXG items addressed to Egypt, Postal Service employees will endorse them “Mail Service Temporarily Suspended — Return to Sender” and then place them in the mailstream for return. Upon request, the Postal Service will refund postage and fees on mail returned due to the suspension of service. We will use the DMM Advisory to keep you informed of any further developments affecting mail delivery to and from Egypt.


 **Post & Parcel:** "Canada Post was forced to fix an embarrassing glitch in its three-month-old Comparison Shopper website yesterday, and could now face a scolding from the Canadian government. After splashing through the Canadian press, questions were raised in Canada's Parliament yesterday about the discovery that a company selling adult products was featured on the online retail website, which was launched by the postal operator last October. The company apologised today, stating that there had been a problem with the website's filtering system." [EdNote: *Hmmmm. Naughty bits.*]


 **Bloomberg:** "AS Ekspress Grupp, the only publicly traded Baltic publishing company, will sell its 50 percent stake in publications delivery company AS Express Post to state-owned postal service AS Eesti Post to focus on electronic media."

 **Post & Parcel:** "Belgian operator bpost is to restructure its sorting and distribution operations over the next five years. The move forms a part of the company's '2011-2015' strategic plan, put into place as a result of falling mail volumes. Five current sorting centres (Antwerp, Brussels, Charleroi, Ghent and Liege) will be transformed into Industrial Mail Centres (IMCs). Operations at the IMCs will be expanded considerably. The five IMCs will ensure the regional sorting addresses are put in order of the rounds of the postal workers. Regular mail will thus be ready for delivery, as soon as the deliverer leaves the IMC."

 **Politico:** "The unemployment rate fell to 9 percent in January, down from 9.4 percent, while the economy added 36,000 jobs."

 **Dead Tree Edition:** "The U.S. Postal Service's stepped-up efforts to consolidate its mail-processing facilities is good news for printers that handle dropshipped mail, according to a printing executive."


 **Boston Herald:** "Hub start-up PackageFox.com wants to make it easy for unsatisfied customers to get their share of the \$2 billion in refunds that go uncollected each year when private shippers don't deliver the goods on time. PackageFox will track companies' FedEx and UPS shipments to make sure they arrive on the expected date and within the specified time frame. When a package is late, it will contact the shipper for a refund — provided the cause of tardiness doesn't fall under allowable exceptions, such as the weather."

 **Reuters:** "Poste Italiane is aiming for a profit from a new bank aimed at developing Italy's poor south, despite the project's political roots, the postal service's chief executive said on Thursday. Poste Italiane will act as front office for the centre-right government's Bank of the South, a group of cooperative banks aimed at lending to small and mid-sized companies in the impoverished region. Massimo Sarmi said the postal service's extensive network gave it the local knowledge needed to oversee loans. It could be especially valuable as a go-between for businesses looking for European Union loans or to fund groups of small companies, he said."

February 3, 2011



PostCom "USPS Pricing 101" [View our on-demand Webinar anytime!](#)

 **The Pioneer:** "The United States Postal Service (USPS) ended the 2010 fiscal year with an 8.5 billion dollar loss according to the USPS fiscal report. Any business with this type of loss would soon go out of business, or at least need restructuring. Yet, the postal service, despite its cry for change, cannot because it operates under Congress. Partially privatizing the postal system, or at least giving it more freedom to operate like a corporation, would allow profitability again. This would still accommodate some federal intervention, but allow it to operate relatively autonomously, such as Fannie Mae."




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 Wally Olihovik at 703-248-2201, or Agapi Doulaveris at 703-248-2286.

- [Management Advisory Report – Follow-Up on the Assessment of Overall Plant Efficiency 2010 \(NO-MA-11-001\)](#). We determined that from fiscal year (FY) 2009 to FY 2010, postal facilities that were least productive reduced more than 13.3 million workhours, achieving 82.78 percent of the recommended workhour savings and improving productivity more than 9.3 percent.
- [FY 2011 FTC BME Unit Oversight Reviews – Charlotte, NC \(FF-MA-11-018\)](#)
- [FY 2011 FTC BME Unit Oversight Reviews – Pittsburgh, PA \(FF-MA-11-012\)](#)
- [FY 2011 FTC BME Unit Oversight Reviews – Raleigh, NC \(FF-MA-11-017\)](#)
- [FY 2011 FTC BME Unit Oversight Reviews – Richmond, VA \(FF-MA-11-015\)](#)
- [FY 2011 FTC BME Unit Oversight Reviews – Santa Ana, CA \(FF-MA-11-014\)](#)
- [FY 2011 FTC Oversight Reviews – Austin BME Unit Austin, TX \(FF-MA-11-011\)](#)
- [FY 2011 FTC Oversight Reviews – Wellington Postal Retail Unit \(FF-MA-11-010\)](#)



At the Postal Regulatory Commission:

- **R2011-2** Comments of DHL Global Mail
<http://www.prc.gov/docs/71/71818/DHL%20Global%20Mail%20Comment.pdf>
<http://www.prc.gov/docs/71/71818/00396329.PDF>
- **ACR2010** Initial Comments of American Postal Workers Union, AFL-CIO
[http://www.prc.gov/docs/71/71783/APWU Initial Comments.pdf](http://www.prc.gov/docs/71/71783/APWU%20Initial%20Comments.pdf)
- **RM2011-7** United States Postal Service Request for Temporary Waivers from Periodic Reporting of Service Performance Measurement
[http://prc.gov/Docs/71/71793/RM2011-7 temporary waivers request.pdf](http://prc.gov/Docs/71/71793/RM2011-7%20temporary%20waivers%20request.pdf)
- **MC2011-15** Order No. 661 - Order Approving Addition of Priority Mail-Non-Published Rates 1 to the Competitive Product List
http://www.prc.gov/docs/71/71807/Order_No_661.docx
http://www.prc.gov/docs/71/71807/Order_No_661.pdf

 **Press Release:** "FedEx SupplyChain, a subsidiary of FedEx Corp. (NYSE: FDX), today announced significant enhancements to its FedEx Critical Inventory Logistics® service. FedEx Critical Inventory Logistics is a comprehensive, end-to-end solution designed to optimize the management of critical inventory and service parts distribution and returns process. It incorporates a hub based central stocking location (CSL) and a network of forwarding stocking locations (FSLs) integrated through extensive information capabilities."




Senator Susan Collins, Ranking Member of the Senate Homeland Security and Governmental Affairs Committee today introduced legislation to stop the costly and escalating abuses of the federal workers' compensation system. The bill would reduce workforce-related costs government wide by converting retirement eligible postal and federal employees on workers' compensation to retirement when they reach retirement age. [A copy of Sen. Collins bill has been posted on this site.](#)





Letter from the USPS to National League of Postmasters: Regarding changes in pay grades associated with Reductions In Force.





Congressional Research Service: "The U.S. Postal Service and Six-Day Delivery: Issues for Congress."


 **Times & Transcript:** "Forget election rhetoric - it was talk about sex toys, erotica and Liberal leader Michael Ignatieff's fondness for lingerie that was heating things up on Parliament Hill yesterday, thanks to ... Canada Post?"


 **North County Times:** "The new \$1.5 billion Flats Sequencing System being installed by the U.S. Postal Service at its Carmel Mountain distribution center is a modern marvel. The machine takes up 70,000 square feet, sorts 12,500 flats an hour and can read bar codes, printed words and even handwriting. Better yet, it reduces the cost of sorting magazines, advertisements, newspapers, manila envelopes and the like by as much as 60 percent. Unfortunately, those total cost savings won't be passed on to taxpayers any time soon. But if the USPS wants to survive, it had better get its labor costs under control. If it doesn't, there's a good chance it'll go the way of the Pony Express."

 **TreeHugger:** "Last month the US Postal Service changed their rules about bulk mailing. They're making it easier for marketers to reach mailboxes by easing restrictions, and allowing "simplified addressing" -- it allows letters, flyers and parcels to reach every address on a delivery route, with or without an exact name or address written on it. The Wall Street Journal reported that the new rules are supposed to reduce overall costs for smaller businesses, since many of them have started switching to e-mail and online campaigns instead. Want to avoid more junk mail than ever from hitting your mailbox? Here's how to opt-out, and ideas for dealing with what junk mail makes it through the slot."

 **Direct Marketing News:** "The US Postal Service introduced three business-facing international flat rate shipping options on February 2. The USPS said the Express Mail Legal Flat Rate Envelope and the Priority Mail Legal Flat Rate Envelope will enable attorneys, financial industry professionals and real estate agents, among others, to easily mail legal-sized documents. The Priority Mail Large Flat Rate Padded Envelope also offers cushioning for fragile shipments."

 [Napa Valley Register](#): "No bailout — that's the position of the U.S. Postal Service. They have never requested one, nor do they even want one. The postal service faces dire financial challenges, but not through any fault of its own. The fault lies with Congress who created their financial disaster."


 [Azerbaijan Business Center](#): "The national postal operator of Azerbaijan, Azerpocht, is going to transfer to international standards of pricing of universal postal services. The Ministry of Communications & Information Technologies of Azerbaijan informs that the last change in rates for the universal postal services was undertaken in order to meet the current requirements and recommendations of the Universal Postal Union (UPU) and eliminate non-conformity of prime cost and tariffs for postal services."


 [BusinessWeek](#): "TNT NV, the Dutch postal and express company, has warned that bad weather, integration costs, and strikes decreased its fourth quarter operating profit by about euro45 million (\$62 million). In November, TNT reported a third quarter operating profit of euro143 million."





Board of Governors Meeting


- DATES AND TIMES: Tuesday, February 8, 2011, at 10 a.m.; and Wednesday, February 9, at 8:30 a.m. and 10:30 a.m.
- PLACE: Washington, DC at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., in the Benjamin Franklin Room.
- STATUS: Tuesday, February 8 at 10 a.m.--Closed; Wednesday, February 9 at 8:30 a.m.--Open; and at 10:30 a.m.--Closed.
- Matters To Be Considered Tuesday, February 8 at 10 a.m. (Closed) 1. Strategic Issues. 2. Financial Matters. 3. Pricing. 4. Personnel Matters and Compensation Issues. 5. Governors' Executive Session-- Discussion of prior agenda items and Board Governance.
- Wednesday, February 9 at 8:30 a.m. (Open) 1. Approval of Minutes of Previous Meetings. 2. Remarks of the Chairman of the Board. 3. Remarks of the Postmaster General and CEO. 4. Appointment of Committee Members and Committee Reports. 5. Quarterly Report on Financial Performance. 6. Quarterly Report on Service Performance. 7. Tentative Agenda for the March 21-22, 2011, meeting in Washington, DC.
- CONTACT PERSON FOR MORE INFORMATION: Julie S. Moore, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, SW., Washington, DC 20260-1000. Telephone (202) 268-4800.


 [Yuma Sun](#): "Yuma postal customers may have noticed a few changes in their mail delivery. While carriers traditionally delivered mail by driving up to individual curbside mailboxes, carriers are now parking their trucks and delivering mail on foot. They can be seen walking up and down Yuma streets, carrying satchels full of letters and packages. The change became effective Jan. 3 and is part of an attempt to cut costs."

 [Los Angeles Times](#): "As the Postal Service continues its slow fade into history, something will be missing. Not written communication — indeed, it's only multiplying — but the small comforts that come from waiting for it, handling it and smiling whenever you pass the table you've placed it on. For that, nothing beats the U.S. mail."

 [Press Release](#): "BCC Software, a BÖWE BELL + HOWELL company and a leading developer of postal and data quality technology solutions that optimize client communications, announces the launch of eAppointment, a new feature to its powerful Mail Manager Full Service software solution."

 *From Around the Nation: It's winter. It snows in winter. It affects mail delivery. Get your shovel. Clear your walk and give the letter carrier access to your mailbox.*


 [Global Data Association](#): "The Universal Postal Union has announced it is seeking an intern for a six month assignment to compile current address assets of the UPU, contact partners of the "Addressing the world..." initiative and compile their resources, contribute in a research activity on the value of the address as an infrastructure, and prepare a paper that would serve as a baseline White Paper to be completed later this year."


 [Dead Tree Edition](#): "In the past seven days, the U.S. Postal Service has announced it is considering the closing or downsizing of seven distribution centers as it steps up efforts to shrink its mail-processing network. The latest announcements mean that more than 15% of the country's approximately 260 processing and distribution centers are the subject of Area Mail Processing studies, which can lead to work being shifted to facilities in other cities. While the media pay attention to the recent announcement that 2,000 small post offices might close, the less publicized AMPS process could be equally significant for the USPS's workforce, cost savings, and customers."


February 2, 2011





The slides from today's [PostCom webinar on postal costing and pricing](#) can be found on this site.

 [American Postal Workers Union](#): "**Repealing a provision of the Postal Accountability and Enhancement Act is "so critical to the welfare of the Postal Service" that it should be the exclusive focus of a report to the president and Congress on the effectiveness of the law**, the APWU wrote to the Postal Regulatory Commission on Feb. 1. The provision, which requires the Postal Service to pre-fund health benefits, costs the Postal Service more than \$5 billion annually and has driven the USPS to the brink of insolvency. These payments are "unsustainable, inconsistent with the provision of universal service at fair and reasonable rates, and inconsistent with the operation of the Postal Service in an efficient and businesslike manner," the union's counsel wrote [[PDF](#)] on behalf of the APWU."

 [Hellmail](#): "ONEPOST is to manage the postage portfolio of Post-Switch. Recently voted the 60th fastest growing company in the UK after 5 years of providing quality postal management services, Post-Switch founder Jonathan DeCarteret emphasised that it was not a takeover but a commercial decision that would benefit both companies."

 [Wall Street Journal](#): "The French government Wednesday confirmed it is investing EUR2.7 billion in the French postal services provider La Poste in partnership with its investment arm, Caisse des Depots et Consignations, or CDC, ahead of the liberalization of the postal market this year."

 [Post & Parcel](#): "**President Obama is set to present a special Valentine's Day gift to the US Postal Service** this year, in the form of assistance in his latest Budget. The struggling USPS needs to address financial problems that saw it posting an \$8.5 billion loss last year, with commentators predicting a \$6.5 billion loss this year – and possible insolvency. But this morning, the chairman of the Postal Regulatory Commission revealed that she had been told by White House officials that some assistance will come in the President's Budget for the 2012 fiscal year, which is due to be announced later this month. "I did have a meeting with representatives of the OMB in the White House," **Ruth Goldway said at the Commission's latest open meeting, "that there will be something in the President's Budget on February 14 that deals with major financial concerns in the Postal Service."**


 [Central Florida News](#): "A severe snowstorm impacting most of the rest of the country has made travel nearly impossible. Thousands of flights have been cancelled, but as the old saying goes, "the mail must go through." And it has been, with no significant delays reported at post offices nationwide. Officials at the U.S. Post Office in Orlando said they are used to getting the mail through, but having many distribution centers headquartered in the South helps. But other shipping companies have been impacted by the blizzard. UPS and FedEx both rely heavily on airplanes to move their packages. FedEx, said it has been able to reroute a good number of packages through other airports, but Indianapolis, a major hub, has caused the company lots of shipping problems in the last week. UPS also reported difficulties because of flight cancellations. Overall, however, officials said the slowdowns will only slow down deliveries by about a day or two."

 [CNNMoney](#): "FedEx CEO: Let's end our need for oil."




The Association for Postal Commerce has filed two documents today with the Postal Regulatory Commission:

- **Docket No. ACR2010.** [Comments on the Annual Compliance Report](#)
- **Docket No. R2011-2.** [Comments on the Market Dominant Price Changes](#)

 As the United Nations today officially launched the International Year of Forests, the [Universal Postal Union](#) will contribute to raising awareness of the importance of protecting forests through its 40th International Letter-Writing Competition for Young People. *[EdNote: I'll leave out all the comments on not being able to see the forest through the trees. Oh . . . I just said that, didn't I?]*

 *At the Postal Regulatory Commission:*

- **R2011-2** Comments of the Association for Postal Commerce
[http://www.prc.gov/docs/71/71753/PostCom Comments in R2011-2.pdf](http://www.prc.gov/docs/71/71753/PostCom%20Comments%20in%20R2011-2.pdf)
- **ACR2010** Comments of the Association for Postal Commerce in Response to Order No. 636
[http://www.prc.gov/docs/71/71751/PostCom ACR2010 Comments.pdf](http://www.prc.gov/docs/71/71751/PostCom_ACR2010_Comments.pdf)
- **MT2011-3** Comments from Michelle Hilston, Director of Postal Affairs Consolidated Graphics Group
[http://www.prc.gov/docs/71/71746/PRC comments MMME proposal.pdf](http://www.prc.gov/docs/71/71746/PRC_comments_MMME_proposal.pdf)
- **ACR2010** Initial Comments of Time Inc. on USPS FY 2010 Annual Compliance Report
<http://www.prc.gov/docs/71/71749/TWintCmtsACR2010.doc>
<http://www.prc.gov/docs/71/71749/TWintCmtsACR2010.pdf>
- **ACR2010** Comments of the American Catalog Mailers Association (ACMA)
<http://www.prc.gov/docs/71/71757/ACMA%20IC%20ACR2010.pdf>
- **ACR2010** Comments of Magazine Publishers of America, Inc., Alliance of Nonprofit Mailers and American Business Media
<http://www.prc.gov/docs/71/71767/11-02-02%20MPA-ANM-ABM%20App.%20B.xls>
<http://www.prc.gov/docs/71/71767/11-02-02%20MPA%20et%20al..pdf>
- **R2011-2** Comments of the American Catalog Mailers Association (ACMA)
<http://www.prc.gov/docs/71/71768/R2011-2%20Comments%20ACMA.pdf>
- **R2011-2** Comments of Magazine Publishers of America, Inc. and Alliance of Nonprofit Mailers (February 2, 2011)
<http://www.prc.gov/docs/71/71771/11-02-02%20MPA-ANM%20comments.pdf>
- **R2011-2** Public Representative Comments in Response to United States Postal Service Notice of Market-Dominant Price Adjustments
<http://www.prc.gov/docs/71/71761/R2011-2PRComments2-2-2011final.pdf>
<http://www.prc.gov/docs/71/71761/R2011-2PRComments2-2-2011final.docx>
- **R2011-2** Comments of the National Postal Policy Council
<http://www.prc.gov/docs/71/71765/nppc-comments-r2011-2.pdf>
- **ACR2010** Initial Comments of L.L.Bean, Inc.
[http://www.prc.gov/docs/71/71773/L.L.Bean ACR 2010.pdf](http://www.prc.gov/docs/71/71773/L.L.Bean_ACR_2010.pdf)
- **ACR2010** Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Initial Comments on the United States Postal Service Fy 2010 Annual Compliance Report
[http://www.prc.gov/docs/71/71786/Valpak ACR2010 Initial Comments.pdf](http://www.prc.gov/docs/71/71786/Valpak_ACR2010_Initial_Comments.pdf)
- **R2011-2** Valpak Direct Marketing Systems, Inc. and Valpak Dealers Association, Inc. Comments on the United States Postal Service Notice of Price Adjustment [http://www.prc.gov/docs/71/71785/VP R2011-2 Comments.pdf](http://www.prc.gov/docs/71/71785/VP_R2011-2_Comments.pdf)
- EMS Operational Agreement between the United States Postal Service and EMS Delivery Partners
[http://www.prc.gov/docs/71/71784/EMS OP 407 d 2 filing Fourth Set.pdf](http://www.prc.gov/docs/71/71784/EMS_OP_407_d_2_filing_Fourth_Set.pdf)
- **ACR2010** Comments On USPS ACR as Regards Periodical Mailing
http://www.prc.gov/docs/71/71788/DOMINOECOPY_EXCHANGE_02022011-135922.PDF

 **Hellmail:** "Russian Post this week launched a new all-Russian People's housing lottery with customers being given the chance to win a new apartment of their own - a joint initiative of the federal postal operator and the Gosлото, the Russian National Lottery. Proceeds will go towards implementing a national project to create affordable housing in Russia. Post offices began selling tickets yesterday."

[PRNewswire](#): "The U.S. Postal Service has introduced simplified pricing and three new products to its portfolio of flat-rate shipping solutions, providing additional options priced to move messages, materials and merchandise across the country or around the world for one simple, low rate. Leading the expanded lineup of flat-rate shipping options are the new Express Mail Legal Flat Rate Envelope and Priority Mail Legal Flat Rate Envelope, allowing attorneys, finance professionals, real estate agents and others to easily mail legal-sized documents, eliminating a fold in these important materials."



A new report has been posted this morning 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 Wally Olihovik at 703-248-2201, or Agapi Doulaveris at 703-248-2286.

- [**Fundamental Questions for the Future of the Postal Service \(Report Number RARC-WP-11-001\)**](#). In the midst of the Postal Service's challenges, examining the foundational issues at the center of postal policy may be useful. This white paper poses eight questions that are critical for determining the Postal Service's future.

[!\[\]\(9dfdaff1d86ba3c1f8353b4d1b61b8c5_img.jpg\) **Seacoast Online**](#): "The U.S. Postal Service is moving ahead with a study that could affect the future of more than 100 people employed the Mail Handling and Distribution Center on Heritage Avenue. The review of the facility's operations, known as an Area Mail Processing study, will try to determine the needed capacity at the facility to increase efficiency and improve productivity, according to the USPS. If the study determines it's more efficient and cost-effective to move employees in charge of processing to larger facilities in Manchester and Scarborough, Maine, that will be done."

[!\[\]\(83f22ed94ec5517769dd76d702c6bfd8_img.jpg\) **PR-USA**](#): "Stamps.com® (NASDAQ: STMP), the leading provider of USPS® postage online and shipping software to approximately 400,000 customers, today announced an invitation to join the Stamps.com Fourth Quarter 2010 Financial Results Conference Call. The call will take place Thursday, February 10, 2011 at 5:00 pm ET and will be webcast from our Investor Relations Web site at <http://investor.stamps.com>. The fourth quarter 2010 earnings press release will precede the earnings call at 4:30 pm ET on February 10, 2011."

[!\[\]\(8d0f0e0fe25b320c33272c52aec1fbca_img.jpg\) **The Local**](#): "The Swedish Security Service (Säpo) are following developments after a package exploded at a post terminal in Borlänge in central Sweden on Wednesday morning, leaving several people needing treatment."



[!\[\]\(642aa997563f9a325b310230bb5078b7_img.jpg\) **CBC News**](#): "Changes in the technology for sorting mail at Canada Post is delaying delivery to customers across Atlantic Canada."


[!\[\]\(2b376d1a92330ab09dad2665d2f89bf5_img.jpg\) **The Portland Press Herald**](#): "The United States Postal Service announced today it will conduct a study of its Portsmouth, N.H.-based mail processing facility to determine if its customers would be better served by consolidating some of its operations with facilities in Scarborough or Manchester, N.H."


[!\[\]\(3cb60d42b10e53f9522bb0b392c1c4cd_img.jpg\) **WBKO**](#): "The U.S. Postal Service held a meeting Tuesday night to discuss a possible move of operations from Bowling Green to Nashville and Evansville. Many people showed up to voice their opinions."


[!\[\]\(d0262bbe9d2356661a2e89321dfcc781_img.jpg\) **The Augusta Chronicle**](#): "The U.S. Postal Service said Tuesday that it will begin a study immediately into the possible consolidation of operations at Augusta's Processing and Distribution Center to the center in Columbia, according to a news release."


[!\[\]\(51514032c8ca341817228f39f1307b05_img.jpg\) **Yahoo! Finance**](#): "TNT NV, the Dutch postal and express company, has warned that bad weather, integration costs, and strikes decreased its fourth quarter operating profit by about €45 million (\$62 million)."


  **The Courier:** "A Consumer Focus Scotland spokesperson said, "We have been in regular contact with Royal Mail over the problems postal consumers in Dundee East have been experiencing. "We raised the issue at a meeting with Royal Mail representatives last week, when they outlined the action taken to address the problems and the lessons that have been learnt. "We will continue to monitor the situation in the coming weeks and urge any consumers still experiencing problems with their mail service to contact Royal Mail and make a formal complaint."

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


 Belgium's postal unions called for a strike on February 11. With the strike the unions protest against bpost's new logistics concept which was presented last week. The union stated that the one-day strike marks the start of a series of protests against the new strategy, which affects the letter and parcel sectors.


 Singapore Post (SingPost) probably remained the world's most profitable postal company in the third quarter despite a significantly slower growth.


 Spanish Correos wants to strengthen its commercial orientation until 2014, to remain a competitive company in a fully liberalised market.


 French La Poste's posties will increasingly have to work in the additional services area to compensate for the drop of mail volume. Nicolas Routier, Managing Director of the Mail division, last week told the company's executives it was necessary to intensify the marketing of services like 'Bonjour Facteur!'. This is a service for care-dependent persons; the postmen check if the client is keeping well on two to six days a week and call a contact person if needed.


 The Russian post increased its revenue to 2.58bn euros in the past year. The company reported further a 57% jump in net profit (11.8m euros). In its official statement the post writes that traditional services achieved the highest growth rates. The postal sector's profit increased by 35%, despite a 30% drop in mail volume.


 Customers of Finnish Itella can now choose between two standard letter services without restrictions. On Monday Itella announced that all restrictions on the so-called second class mail have been lifted (inter alia a minimum quantity of 20 pcs. and posting at a post office). These letters (franked with 0.60 euros) can now be dropped into the regular yellow letterboxes.


 The German government plans to promote Germany as an ideal location for the logistics industry under the name Logistics Alliance Germany.


 One of the biggest mergers of distribution center giants will take place in the USA. ProLogis and AMB Property, the country's two largest logistics warehouse operators, confirmed merger talks last week.


 Bauer Postal Network (BPN), a subsidiary of Hamburg based publishing group Bauer which specialises in advertising mail (CEP-News 24/09), developed well in its second business year too.

 Communications union DPV (DPVKOM) announced a 'new attempt to introduce minimum wages in the postal industry'.

 In the future Itella will rely on parcel terminals. Last week it was reported that the Finnish post will deploy 15 package delivery automats in the Greater Helsinki area this spring. Itella took over Estonian parcel terminal network SmartPost in mid 2010 by a so-called asset-deal (CEP-News 27/10). Now the terminals, which are equipped with an integrated payment function will be deployed in Finland. 'The experiences gathered in Estonia have convinced us that there will be demand for parcel automats even in Finland', said an Itella spokesman.

 As market observers expected, no new service providers ventured into Austria's postal market despite the full liberalisation on January 1.


 Ceska Posta closed a successful business year 2010.


 Swiss Post launched a personalised holiday newspaper in Germany for the first time.




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.)

 **Roll Call:** "Newly minted Oversight and Government Reform Chairman Darrell Issa and ranking member Elijah Cummings are having a hard time hiding their antagonism toward one another."


 **Azerbaijan Business Center:** "Despite the national postal operator, Azerpocht, was given the right to render limited banking services, it has not led to an increase in its commercial viability and prompted the need to raise tariffs universal postal service from 1 February 2011. Tariff Council's secretary Elshan Asadov has claimed that tariffs were revised the last time in October 2002, and currently the prime cost of universal postal services is 3.2-fold more than tariffs. "For this reason Azerpocht has a loss from provision of universal postal services for a sum of over 5 million manats year. The average salary in the enterprise is 133 manats that is 2.4-fold less than the average indicator around the country. Increase in tariffs for postal universal services will help eliminate these problems," Asadov noted."

 **Hellmail:** "SMEs are set to take a hit to their profits from the start of February if they use the Royal Mail to deliver their parcels and cannot reclaim VAT, as the organisation announces it is to charge VAT on some of its services. The move could see Royal Mail and Parcelforce customers facing a 20 per cent hike on their delivery costs ahead of planned price increases in April this year which will provide a double whammy for already hard pressed businesses."

February 1, 2011


 **At the Postal Regulatory Commission:**


- **CP2011-52** Order No. 659 - Order Approving Additional Global Direct Contracts 1 Negotiated Service Agreement
http://www.prc.gov/docs/71/71741/Order_No_659.doc
http://www.prc.gov/docs/71/71741/Order_No_659.pdf
- **MT2011-3** Comments from Harry Turner in Regards to Docket No. MT2011-3
http://www.prc.gov/docs/71/71740/UA_Mail-A_VERY_Bad_Idea!!.pdf
- **MT2011-3** Comments from Mark Keefe of PrimeNet Direct Marketing Solutions Regarding Docket No. MT2011-3
http://www.prc.gov/docs/71/71729/USPS_Postal_Regulatory_Commission.pdf

 **Hellmail:** "Spanish postal operator Correos is proposing investment and organisational measures that will strengthen the commercial orientation of the Group to compete in a fully liberalized market including increase revenues in four relevant markets: postal, packaging, direct marketing and new technologies."


 From the [Postal Bulletin](#):


- [IMM Revision: Mail Preparation to Canada for International Priority Airmail and International Surface Air Lift Mail Services](#)
- [IMM Revision: New Effective Date for Mail Preparation Changes to International Priority Airmail and International Surface Air Lift Mail Services](#)


 **Logistics Manager:** "DHL Freight has opened a logistics centre at Pratteln in Switzerland. The 516 667 sq ft facility serves as headquarters of DHL Freight Switzerland as well as being the gateway hub for DHL's European less-than-truckload Euroconnect service."


 **Media Daily News:** "Madison Avenue may be consumed by fast-moving digital media like Facebook and Google, but it is the friendly, old school name of Meredith that advertisers and agencies rank as the highest rated


media brand, according to the latest findings of a twice-annual study of the perceptions of advertising executives by Advertiser Perceptions Inc."

 [Courier, Express, and Postal Observer](#): "In order for mail to remain a viable options for communications and advertising, every part of the mail supply chain has to eliminate every penny of unnecessary costs. No cost is more unnecessary than printing and delivering a mail piece to the wrong address. Every penny associated with delivery to the wrong address reduces the return generated by mail delivered to the intended recipient."


 [Wall Street Journal](#): "United Parcel Services Inc. (UPS) on Tuesday delivered a 48% rise in fourth-quarter profit and forecast record full-year earnings in a sign that the momentum in corporate spending remains positive as shippers trade up to more expensive delivery options. The largest domestic package delivery company also boosted its buyback program after making a substantial year-end pension contribution and flagged further expansion in emerging markets to challenge rivals such as FedEx Corp. (FDX), which had raised its own 2011 guidance in December. UPS saw higher profit margins in domestic and international services despite the impact of poor weather, and boosted margins as it passed on higher fuel costs through surcharges. It plans to buy back around \$2 billion in stock this year."


 [Times of Malta](#): "Maltapost's shareholders yesterday approved a final net dividend of €0.04 per share for the financial year ended September 30, 2010. Shareholders will again be given the option of receiving their dividend either in shares or in cash."


 [Wall Street Journal](#): "The Internet is about to run out of new addresses, a milestone that is spurring Web giants like Facebook Inc. and Google Inc. to develop new versions of their sites and prompting carriers like AT&T Inc. and others to upgrade networks. This week, the organization that oversees Internet addresses is expected to dole out its last batch of existing Internet protocol addresses, a step akin to telephone companies running out of numbers to give customers. While there is a new Internet addressing system ready to go that greatly expands the number of addresses, it isn't compatible with the existing system. So in June, Google, Facebook, Yahoo Inc. and others will switch over to the new addresses for one day in the first wide-scale test of the new network, dubbed IP version six, or IPv6."


 [Post & Parcel](#): "RPost is to provide the first \$1m investment fund dedicated to Posts that deploy RPost technology for their e-post initiatives. RPost is the inventor of Registered Email® services - with 30 patents covering third-party authentication of online mail delivery and content. This fund will finance Posts in delivering a full set of modern e-post services and accelerate new revenues without impacting current budgets, the company said. New products will include email proof of delivery, encryption, and electronic signature services built on RPost's technology."

 [Hellmail](#):

 [Pitney Bowes](#) has launched a new series of free white papers on the theme of customer communications management (CCM) available from the Pitney Bowes press room. The four white papers focus on research conducted by Pitney Bowes amongst business-to-business (B2B) organisations in the UK, France, Germany and USA.


 [Billy Hayes](#) has been re-elected general secretary of the Communication Workers Union (CWU) for a third term of office.


 [Sun Sentinel](#): "One of the most wonderful government institutions whose services are available to all people — not only Americans living in our United States — is the U.S. Postal Service. We take this institution for granted, and only moan, groan and complain when a day's delivery is missed due to a national paid holiday or some unforeseen catastrophe. Yet, due to our modern electronic age, we are slowly but surely doing away with this wonderful system. We are allowing websites, e-mail, Facebook, Twitter and the like to replace something that most of us take for granted, all the while forgetting that not all people living within our 50 states have access to this technology. We as Americans cannot sit idly by and allow this institution to slowly die away. We must write to each and every one of our elected representatives in Congress and urge them to come up with a solution to this terrible problem."


 [Azerbaijan Business Center](#): "Today Azerbaijan has put into force the fresh tariffs for postal services. The Tariff (Price) Council reports that the tariffs of national postal operator Azerpocht on domestic universal postal services were established in the range of 0.2 to 2 manat and basic fares and tariffs in accordance with the weight parcels for services on delivery of international mail will depend on a country of destination."

Mailers' Technical Advisory Committee (MTAC)

The MTAC Executive Committee has named the management "foursomes" as sponsors and stewards for task team, work group and user group initiative focus areas. Check it out on [RIBBS](#).

 [The Street](#): "Investors searching for signals of the strength of the economic recovery can look to UPS(UPS_) and FedEx(FDX_), which fund managers and analysts say are the best barometers of business activity in the U.S."

 [BusinessWire](#): "FedEx Freight Corp., a subsidiary of FedEx Corp. and a less-than-truckload (LTL) market leader, significantly enhances its service offerings today, launching its new unified LTL network and offering customers the choice of two levels of service from a single company. Both services, FedEx Freight® Priority and FedEx Freight® Economy, are designed to meet the needs of today's LTL shippers."

 [MediaPost](#): "The vast majority of marketers--88%--plan to pursue mobile marketing this year, according to a new survey by the Association of National Advertisers in partnership with the MMA. Further, 75% will increase spending on mobile marketing efforts, by an average of 59% compared to a year ago."