





Association for Postal Commerce


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Postal News from March 2010:


March 31, 2010


 According to [The Consumerist](#), "if you mess up a zip code on an overnight UPS package, they will charge you an \$11 "address adjustment" fee to fix it."


 From [PRNewswire](#): "Valassis, one of the nation's leading media and marketing services companies, announced today greater insight into consumer savings habits with coupons - what they are buying, where they are shopping and how the economy is defining a new "normal" when it comes to shopping behavior."

 The [Jersey Evening Post](#) has reported that "Jersey Post could go from making millions in profit to a loss next year as a result of a decision by the Island's competition regulator. The utility business is set to lose the monopoly it enjoys on delivering packages and large letters for the fulfilment industry."

 As one writer for the [National Post](#) put it: "In the age of email, instant video messaging, texting and Facebooking-- not to mention ubiquitous cellphones, cheap long distance and voice-over-Internet telephone calls -- the "right" to a one-price-fits-all universal postal service is as obsolete as the mail car on a passenger train."

 According to [The Economist](#), "the Japanese cabinet is a contentious lot. When Shizuka Kamei, the minister of financial services and postal reform, unveiled plans in March to halt the planned privatisation of Japan Post, several ministers publicly balked. The finance minister was shouted down on TV by Mr Kamei. On March 30th the government adopted Mr Kamei's plans nonetheless. Japan Post, which is not only a post office but also the world's biggest bank, with assets of more than ¥300 trillion (\$3.2 trillion), will be allowed to double the amount of deposits it can take from a customer to ¥20m. Its life-insurance unit, which controls 40% of the market, will be permitted to raise its coverage limit to ¥25m from ¥13m. The government will retain a stake of more than one-third, giving it veto power."


 [EurAsiaNet](#) has reported that "Activists are criticizing draft legislation that would expand the Kyrgyz government's ability to monitor telephone calls and email. Parliament adopted amendments to the laws, "On Operative Investigation Activities" and "On the Electronic and Postal Services," on March 25. The changes now await President Kurmanbek Bakiyev's signature before they become law."


 The [Washington Post](#) has reported that "The U.S. Postal Service this week used e-mail as the means to inform regulators of its plans to cut Saturday mail delivery, a move that might seem to go against the grain for an agency tasked with delivering snail mail."





PostCom welcomes its newest members:


The Hartford, One Hartford Plaza Hartford CN 60155 Contact: **Lucie Rossitto Marketing Production Manager;**
Clark Group, Inc., 5008 Lenker Street Mechanicsburg, PA 17050 Contact: **Marc Waldman**


 **KCRG** has reported that "A U.S. Postal Service plan to cut out Saturday delivery will ultimately fail, predicted a spokesman for the National Association of Letter Carriers. "We don't see this thing — despite the hoopla that the postal service management has come up with — being approved by Congress," said Drew Von Bergen, chief spokesman for the union that represents about 200,000 city mail carriers, and 100,000 retirees."


 The **Postal Employees Network** has told its readers that "Time and time again postal employees continually read that postal employee pay and benefits are just too high – critics always like to point out that 80% of USPS costs is labor. Just today Newsweek states "Perhaps the biggest failure of the five-day delivery plan is that it ignores 80 percent of the Postal Service's costs: labor. Postmaster Potter has made headway in reducing work hours and the costs of benefits and pensions, but the average postal employee still makes \$83,000 in salary and benefits a year, placing postal workers among the highest-paid government employees." We, as postal employees, get sick and tired of hearing this same broken record over and over. We try to point out to these people that USPS is a service company – we ARE NOT a retail, manufacturing, or banking entity – we are a SERVICE COMPANY. As a service company, providing the most extensive service in this nation, our employee base MUST be large and subsequently compose the vast majority of costs for USPS. Please – tell us how else could this service exist without a work compliment in place to carry out the service?"


 **Business Week** has noted that "As the U.S. Postal Service proposes to trim its weekly mail service to five days, the deputy postmaster general addresses employee morale."


 **The Mainichi Daily News** has reported that "A conflict within the coalition Cabinet over postal reform has called Prime Minister Yukio Hatoyama's leadership ability into question." *[EdNote: Amazing. A dispute over postal reform can actually bring down the government of a sovereign state.]*


 **Dutch News** has reported that "New postal delivery companies such as Sandd, SelektMail (Deutsche Post) and Network VSP (part of TNT) have failed to make sure at least 14% of delivery workers have a proper contract as promised last year, Trouw reports on Wednesday. Although the necessary 3,500 workers have been offered a contract, just 0.5% of delivery staff have signed them, the paper says."

 The **New York Daily News** has reported "Post office named after hero Marine slain in Iraq faces being shut down." *[EdNote: You had to know this was coming when Congress began its post office naming spree. Okay, Congress. You named them. Now figure out where you're going to get the money to keep them open.]*


 **The Guardian** has written: "Don't take posties' bikes away Royal Mail wants us to stop delivering on bicycles and drive vans instead – a move at odds with sustainable transport policy." See also [Bike Radar](#).


 **Helsingin Sanomat** has reported that "Itella, the former Finland Post (the name changed in 2007), will begin an entirely new postal service experiment, which involves opening the customers' letters. The letters will then be scanned and emailed to the receiver. The experiment will begin next week in the southern city of Porvoo. It is an extension of the already existing NetPosti service, which will consequently now also include first and second class letters written on paper. Simultaneously, the number of traditional mail deliveries will be reduced to only twice a week. However, mail will be made available for the customers to pick up from a box at their local shop."


 From **PRNewswire**: "Under terms of a new five-year, multi-million-dollar agreement, Quad/Graphics will become Hearst Magazines' largest print supplier starting in January 2011."

 **NBC Miami** has reported that "Everyone knows the wait at the post office can take an eternity, so when a West Palm Beach father left his seven-month-old son in the car while he tended to his mailing needs, he probably should


have known better. Seven Emeka Ezumba (that's right, the number), was charged with child abuse Tuesday for leaving his kid behind in a hot car as he dealt with postal bureaucracy for a solid two hours, according to the Sun-Sentinel. The youngster was taken to a nearby hospital after he was found with a high temperature and in distress outside the post office in the 3200 block of Summit Blvd. The car's window had been lowered a scant three inches." [EdNote: Has the world gone mad?]


 [Reuters](#) has reported that "UniCredit (CRDI.MI), Italy's largest lender, is one of three firms shortlisted to join state bank VEB as a strategic partner in a planned federal postal bank in Russia, VEB head Vladimir Dmitriyev said on Wednesday."


 [The Edge Malaysia](#) has reported that "Buyers for POS MALAYSIA BHD have not been determined conclusively, although Khazanah Nasional has received some indications of interests."


 According to the [Washington Post](#), "Confronting the prospect of ever-increasing operating losses, the U.S. Postal Service this week officially proposed terminating Saturday home deliveries and pickups from street corner mail boxes. As postal executives see it, that's the fairest and least painful way to avoid another round of rate increases that would inevitably lead to further volume declines and even deeper service cuts. Recent polls find that a solid majority of Americans is willing to live without Saturday mail service, but the idea still faces stiff opposition in Congress, which has nixed it in the past. In the context of a \$15 trillion U.S. economy, this is a relatively small, \$5 billion item. But in many ways it is a preview of things to come. Because if we don't have the will to accept even this modest and relatively painless reduction in our collective standard of living, then we are never going to make the hundreds of billions of dollars in cuts to annual consumption, both public and private, required to bring our over-indebted economy back into balance."


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


 Swiss Post faced declining turnover and profits in the year of crisis 2009.


 Hasler, chairman of Swiss Post's administrative board, called on the government to concede sufficient entrepreneurial freedom to his company.


 TNT's shares rose as rumors about the possible group's split up emerged again. This was caused by a report of ING-Bank's analysts which suggested that TNT had changed its strategy and the sale of its letter division bit by bit wouldn't be unimaginable anymore.

 'They sow the wind and reap the whirlwind!' Georg Pölzl, Austrian Post's new CEO obviously doesn't know this saying. How else could be explained that he called some unionists charlatans, in an interview with daily newspaper »Presse« (25.03)? Furthermore he said, it would be impossible for postal offices, which operate at a loss since years, to get back into the black with the help of non-postal services. Anyone who suggests this, 'is lying to the employees concerned', he said.


 In the crisis-ridden fiscal year 2009 Poste Italiane achieved a rise in turnover and earnings. Last Thursday the company reported a revenue of 20.1bn euros, a 12.6% increase. With this result Poste Italiane is on its best way to replace French La Poste - turnover 2009 20.53bn euros - as Europe's second largest postal operator. Financial and insurance services becoming an increasingly significant part of this development.


 The Federal Network Agency estimates that turnover in Germany's letter market fell by 4.3% in 2009.


 China Post Group's speed of growth decreased in February.

 Revenues in the German CEP market fell considerably in 2009.

 TNT Express and American logistics group Con-Way agreed to expand their co-operation, which was arranged last spring."

 After more than 50 years Japan Airlines (JAL) will withdraw from dedicated cargo business at the end of October.

 Investors from Europe may acquire the majority of US airlines in the future. [EdNote: Maybe they can run them better.]

 Royal Mail has to charge VAT for some of its services in the future. The new rule will come into effect on February 1 next year. While standard services like 1st and 2nd Class Mail as well as registered mail will still be exempted from VAT, the post has to charge VAT on services like

Special Delivery 9.00am, Royal Mail Tracked, Royal Mail Sameday and international services.

🇺🇸 Siemens will provide sorting technology for Beijing Post's new hub.

🇩🇪 Deutsche Post DHL restructured and expanded its agency network.

🇪🇺🇩🇪 The EU Commission's lawsuit about alleged aid for Deutsche Post seems to finally fail.



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 [Hellmail](#):

- [Royal Mail Workers To Vote On Agreement Next Month](#)
- [Czech Post Modernisation Investment Doubled](#)
- [Proposed New Royal Mail Pre-Sorted Products](#)
- [Businesses Could Beat Postage Stamp Price Hike](#)


🇯🇵 The [Wall Street Journal](#) has reported that "Japan's Cabinet Tuesday approved a plan proposed by the bank minister to scale back postal privatization and allow the postal system to raise more funds, in a move that will likely be unpopular with the country's financial sector and Washington. However, in what appears to be a compromise between banking and postal reform minister Shizuka Kamei and some Cabinet officials who have complained that his plan could put private banks at a big disadvantage, the Cabinet ministers also decided to review and possibly lower the new postal saving deposit limit at a later date if needed." See also [Business Week](#) and the [Mainichi Daily News](#).

🇺🇸 [Deadtree Edition](#) has told its readers that "Magazine publishers have put lots of energy and resources into making our publications more suited to the Postal Service's sorting equipment. We've participated in co-mail to create more carrier-route bundles, moved mail from sacks to pallets, turned our addresses upside down in preparation for the Flats Sequencing System, and are converting our tabloids to other formats to comply with the "droop" test. But more than ever, according to O'Brien, **postal facilities are letting the machines sit idle while employees handle newspapers and magazines (and, presumably, catalogs) manually.** These employees are "automation refugees" – whom O'Brien describes as "mail processing employees who were assigned to manual operations when automation eliminated the work they had been doing." So much for using automation to decrease the Postal Service's costs." *[EdNote: At the same time, all we hear from postal officials and regulators these days is the moaning about flat mail being "under water." Of course they're under water. They're being held down for the three count by the Postal Service itself. Where in blazes is the IG in all of this?]*

🇺🇸 According to the [Washington Times](#), "The postman won't even ring once on weekends. In a desperate attempt to trim costs, the U.S. Postal Service is cutting off your Saturday service. This move is too little, too late for one of the federal government's most bloated and incompetent bureaucracies. It made sense to establish a government postal monopoly in 1782. Back then, no other reliable means of long-distance communication existed. Now, electronic bill-paying options, telephone, e-mail and fax machines have cut the need for envelopes and stamps by 20 percent in just the past few years. What better time could there be to repeal the statute making it a crime for companies like FedEx and UPS to deliver first-class mail. Taxpayers should insist on cutting off the lumbering postal union bureaucracy and see how well it can truly survive on its own. Opening up America's mailboxes to the free market would ensure better service while saving nearly a quarter-trillion dollars."

March 30, 2010

On April 13 and 14, marketers, technology mavens and internet entrepreneurs will converge at the annual [Ad Age Digital Conference](#) in New York to **connect the dots between innovation and business results and discuss their views on marketing and where it's headed.**


 **At the Postal Regulatory Commission: Docket No. 2010-1:** The [Postal Regulatory Commission](#) today established [Docket N2010-1](#) to thoroughly review whether the U.S. Postal Service plan to eliminate Saturday delivery should be implemented. The Postal Service is required to ask the Commission for an Advisory Opinion on any change in nationwide service it proposes. This is one of the most significant changes the Postal Service has ever presented to the Commission. See also the [PRNewswire](#) and the [Associated Press](#).


- [Direct Testimony of Samuel Pulcrano on Behalf of the United States Postal Service \(USPS-T-1\)](#)
- [Direct Testimony of Stephen M. Kearney on Behalf of the United States Postal Service \(USPS-T-11\)](#)
- [Direct Testimony of Dean J. Granholm on Behalf of the United States Postal Service \(USPS-T-3\)](#)
- [Notice of United States Postal Service of Filing of Library References](#)
- [Direct Testimony of Michael D. Bradley on Behalf of the United States Postal Service \(USPS-T-6\)](#)
- [Request of the United States Postal Service for An Advisory Opinion on Changes in the Nature of Postal Services](#)
- [Materials Relating to Calculation of Net Volume, Revenue and Contribution Changes of Five-Day Delivery-Whiteman \(USPS-T-9\) Elmore-Yalch \(USPS \(USPS-T-8\) \[Non-Public Version\]](#)
- [Materials Relating to Post Office Operations Portion of the Testimony of Witness Granholm \(USPS-T-3\)](#)
- [United States Postal Service: Ensuring a Viable Postal Service for America-How Five-Day Delivery is Part of the Solution \(March 2010\)](#)
- [Direct Testimony of Joseph Corbett on Behalf of the United States Postal Service \(USPS-T-2\)](#)
- [Direct Testimony of Jeff Colvin on Behalf of the United States Postal Service \(USPS-T-7\)](#)
- [Direct Testimony of Frank Neri on Behalf of the United States Postal Service \(USPS-T-4\)](#)
- [Direct Testimony of Luke T. Grossmann on Behalf of the United States Postal Service \(USPS-T-5\)](#)
- [Direct Testimony of Thomas G. Day on Behalf of the United States Postal Service \(USPS-T-10\)](#)
- [Direct Testimony of Rebecca Elmore-Yalch on Behalf of United States Postal Service \(USPS-T-8\)](#)
 - [Direct Testimony of Gregory M. Whiteman on Behalf of United States Postal Service \(USPS-T-9\)](#)




The following 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 a report, please contact Wally Olihovik at 703.248. 2201, or Agapi Doulaveris at 703.248.2286.


- [Powered Industrial Vehicle Management System at the Indianapolis Processing and Distribution Center \(Report Number NO-AR-10-004\).](#) The Indianapolis Processing and Distribution Center did not always use the Powered Industrial Vehicle Management System as intended and consequently had not realized all possible efficiency improvements from the system.


 From [Business Wire](#): "FedEx Express, a subsidiary of FedEx Corp. (FDX 92.82, +0.59, +0.64%) and the world's largest express transportation company, continues to expand its FedEx International Economy(R) Freight (IEF) and FedEx International Economy(R) (IE) services to more parts of the world. This latest expansion will provide US customers with more reach when shipping worldwide."


 **MSNBC** has reported that "Netflix is in many ways the epitome of the 21st century company: It's based in Silicon Valley, it sells its services exclusively online, and it employs a hip bit of Web-speak in its name. But even as it boasts many of the trappings of a New Economy juggernaut, Netflix is still almost entirely reliant on that most 19th century of institutions: the United States Postal Service. Indeed, Netflix is the Postal Service's biggest corporate customer. And sadly for Netflix, its big partner is also in the red — the Postal Service lost \$3.8 billion last year. In an effort to stop the bleeding, on Wednesday, the USPS took the first step toward eliminating Saturday mail


delivery — it asked the Postal Regulatory Commission for an opinion on the matter. (Congress still has to approve the change.) The USPS says it hopes to implement the change in fiscal year 2011. In addition to eliminating Saturday delivery, the Postal Service has also said that it wants to raise postage fees. If these changes are implemented, Netflix's finely tuned business model could suffer a serious blow."


 [NALC launches](#) "5-Day is the Wrong Way" website to keep public informed.

 **United States Court of Appeals For The District Of Columbia Circuit: Case No. 09-1032.** "The United States Postal Service seeks review of a Postal Regulatory Commission order concluding that certain activities carried on by the Service – the provision of philatelic services (relating to stamp collecting) and the leasing and licensing of Postal Service property – are, under the Postal Accountability and Enhancement Act, subject to the Commission's review for possible termination. We deny the Service's petition....we conclude that the Commission's construction of § 404(e)(3) this time to include property leasing and licensing as nonpostal services is quite reasonable and therefore permissible."

 [John Lenser](#) recently told his readers that "the catalog industry is not dead—not even close; catalogs will continue to be a significant driver of sales even as ecommerce grows. In fact, as catalog companies achieve more sophistication with ecommerce, they will benefit from the appropriate integration of both channels. Despite the fact that the catalog industry is thriving as it adapts to the new age, I've started to think of it as a displaced person."


 **Press Release:** "Com-Pak Services, Inc. has announced that it has acquired the critical assets and personnel of MarketPoint Direct to create a more powerful direct marketing solutions company. Clients of both Com-Pak Services and MarketPoint Direct can benefit from technologies that will enhance the results of their direct mail marketing efforts, as well as services designed to significantly reduce cost. This acquisition will enhance Com-Pak Services, Inc. position in the Direct Marketing arena in the Northeast. The expanded footprint of the organization will be better positioned to thrive in the ever changing, competitive Direct Marketing industry. Com-Pak's core competency of Direct Mail Lettershop, Fulfillment and Packaging along with In-house Commingling, IMB Full Service ~ all enhanced by cutting edge technologies of Selective Insertion, and Read-Write systems will cement Com-Pak as the dynamic leader in the Direct Marketing industry."


 [InformationWeek](#) has told its readers that "One of the world's top CIOs says the technology strategy at UPS is very simple: "It's the business strategy. There's no difference."


 From [Business Wire](#): "Sicap, confirmed mobile solutions provider across Africa, has announced the launch of cash-in, cash-out mobile money services on specially designed ATMs. The cash transactions are accounted for on the customer's mobile account, so no bank account or card is required. For operators, the mobile money ATM offer from Sicap constitutes a secure circuit for a variety of money transfer scenarios. Adapted to meet operator needs, the ATMs, can be deployed as a simple prepaid credit channel to the 95% of African mobile users who use prepaid subscriptions and top up on a daily basis. This use case has been identified as particularly interesting for mobile users in countries like Cote d'Ivoire, because there is no door to door national postal service. Until now, the unbanked have had to physically go and find out how much their bills are."


 According to [WALB](#), "U.S. Postal Service plans to raise the cost of passports."


  MSNBC has asked: [So long to Saturday mail delivery?](#)

 [Road.cc](#) has reported that "The Royal Mail has confirmed long-standing rumours that the traditional postal worker's bike is to be phased out, citing the dangers faced by cyclists on Britain's roads as a prime motivation behind the decision, and has rejected calls to use cargo tricycles instead of vans to deliver letters and parcels."

 [Business Times](#) has reported that "Khazanah Nasional Bhd said it will sell its 32.2 percent stake in Pos Malaysia Bhd, the national postal company, via a bidding process where qualifying bids must be majority-controlled by Malaysian parties."

 [All Headline News](#) has reported that "In view of the shrinking mail delivery business, the British Post Office is expanding its services by offering a wider range of financial services to the public. Among the new services the postal office will roll out are youth savings account, home mortgage for first-time buyers and weekly budgeting accounts. The expansion will provide new income streams to the Post Office, while it would make available affordable services to lower income Britons. For instance, in its planned home mortgage, only 10 percent downpayment would be required from the house buyer."

 "A majority of Americans support ending Saturday mail delivery to help the U.S. Postal Service solve its financial problems, but most oppose shuttering local branches, according to a new [Washington Post](#) poll. As for the future of U.S. mail delivery, nearly as many Americans said they trust e-mail to send messages reliably as they do the Postal Service. Overall, 43 percent said they think e-mail is more dependable; 47 percent said the Postal Service is. That's up considerably from a 1994 poll when the Internet was in its infancy and the Postal Service had a better than 2 to 1 advantage. A majority of people younger than 30 put more faith in e-mail, and seniors overwhelmingly support traditional mail."

 According to [Fast Company](#), "The U.S Postal Service has long flirted with electric vehicles for its fleet. Now it's FedEx's turn. The company debuted the first all-electric FedEx delivery trucks this week--all four of which will navigate the streets of Los Angeles beginning in June 2010."



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



[European quality of service exceeds EU objectives again](#)

[Royal Mail hit by VAT in 2010 budget](#)


[DHL wins Vendor of the Year award](#)

[Vanderlande Industries goes down under](#)


[News in Brief](#)



From the Federal Register: [Postal Regulatory Commission NOTICES Meetings; Sunshine Act , 15753 \[2010-7155\] \[TEXT\] \[PDF\]](#) [Post Office Closing , 15753-15754 \[2010-6974\] \[TEXT\] \[PDF\]](#)

 Postal news from [Hellmail](#):

- [Proposed New Royal Mail Pre-Sorted Products](#)
- [Royal Mail Sorting Office Goes On Market](#)
- [UK - 80 Percent Happy With Postal Service](#)
- [Peoples Bank Will Be Open To Post Office Users](#)
- [ARCEP Raises Concerns Over La Poste Mini-Max Product](#)
- [Belgian Regulator BIPT Notes Fifty Percent Volume Decline Since 2006](#)

 [Business Week](#) has reported that "Japan's government will follow the recommendations of Postal Reform Minister Shizuka Kamei in reorganizing the national postal bank, Chief Cabinet Secretary Hirofumi Hirano said. The Hatoyama administration has yet to determine whether to double the cap on deposits at Japan Post, Hirano told reporters today in Tokyo. Kamei has proposed increasing the limit to 20 million yen (\$217,000) from the current 10 million yen."

[Cato@Liberty](#) has told its readers that "The USPS has taken the first step toward reducing mail delivery to five days a week by sending a request to the Postal Regulatory Commission. However, it will be ultimately up to Congress whether or not Saturday delivery is eliminated. The USPS, which is in a death spiral, views the elimination of Saturday mail delivery service as a step toward regaining its financial footing. Not surprisingly, the decision is proving controversial among some members of Congress. Here's a better idea: give Americans the freedom to choose the mail services they want by repealing the USPS monopoly. That way consumers and businesses could choose to provide and use mail services zero days a week or seven days a week."

[Government Executive](#) has reported that "Eliminating Saturday mail delivery could save the U.S. Postal Service \$5.1 billion annually by 2020, most of which would come from lower personnel costs, agency officials said on Monday. In the face of declining mail volume and a 10-year, \$238 billion budget deficit, the Postal Service is proposing to reduce mail delivery days from six to five. The move would eliminate the equivalent of 40,000 full-time positions, including 26,000 city letter carriers, according to USPS Vice President Sam Pulcrano. Most of the cuts would come during the first year after Saturday delivery ends, he said."


[Bloomberg](#) has reported that "The U.S. is considering lodging a complaint with the World Trade Organization about Japan's proposal to raise the deposit cap at the nation's postal bank."

[According to the President of the National Association of Letter Carriers](#), "The national president of the 295,000-member National Association of Letter Carriers union (NALC) today criticized the U.S. Postal Service for arrogantly lobbying the general public with a misleading Internet web site to win approval of elimination of Saturday mail delivery despite the fact that Congress has shown little interest in such a move. NALC President Fredric V. Rolando said the recently announced postal web site offers misleading information and planning guides for businesses and households regarding its plan to cut Saturday collection and mail delivery services. "The arrogance of the Postal Service in this campaign to lobby the public to embrace five-day delivery as the answer to the Postal Service's problem is astounding," he said. "Given that Congress has shown very little interest in eliminating Saturday service and must approve any change, the Postal Service should focus its energies on real solutions, not risky and counterproductive service cuts." "The Postal Service should stand down on this reckless drive to end Saturday delivery," Rolando added. "It would do more harm than good and it distracts us from the real solution, eliminating the crushing burden of a deeply flawed health benefits pre-funding policy. The web site and the public relations campaign launched by the Postal Service appears designed to fool mailers and the American people that 5-day delivery is a done deal."


[From the PRC's report: "List of Market Dominant Products and Services with Respective Negative Contributions to Institutional Costs"](#)

First-Class Inbound International Single-Piece Mail
Standard Flats
Standard Not-Flat Machinables and Parcels
Periodicals, Within County
Periodicals, Outside County
Package Services, Single-Piece Parcel Post
Package Services, Inbound Surface Parcel Post (at UPU rates)

Package Services, Bound Printed Matter Parcels
Package Services, Media Mail/Library Mail
Special Services, Registered Mail
Special Services, Stamped Cards
Special Services, Address List Services
Special Services, Confirm
Special Services, Inbound International Ancillary Services

 [The Daily Mail](#) has reported that "More than a third of people are fed up with their service, a major poll by Britain's postal regulator revealed today. The poor service has a crippling impact on thousands of businesses and anybody working from home. When asked how they feel about the time that the post is delivered, a shocking 37 per cent of people said they are 'not satisfied'."


March 29, 2010

 The [Washington Post](#) has told its readers that "A majority of Americans support ending Saturday mail deliveries to help the U.S. Postal Service solve its financial problems, but most oppose shuttering local branches, according to a new Washington Post poll. The public support for moving to five-day deliveries may bolster a new proposal to end six-day deliveries to help the mail agency trim hundreds of billions of dollars in losses by 2020....Potter's proposal has the support of 71 percent of Americans, with most Democrats, Republicans and independents in favor of the idea, according to the poll. But the revisions would mean big changes for how customers send and receive mail."


 **Press Release:** "BCC Software, a BÖWE BELL + HOWELL company and a leading developer of high-performance mailing technology solutions, announces a new partnership with InfoPrint Solutions Company, a joint venture between IBM and Ricoh and a leading provider of output solutions for clients across many industries. Through this partnership, InfoPrint Solutions' customers will have enhanced access to BCC products and services including the cQuencer high-volume statement-processing solution; Mail Manager Full Service presorting and list-management software; and ZIPFOURce, a proprietary address quality resource that improves transactional data. BCC's Professional Services—offering training and software installation services—will also be available. For more details about BCC offerings, please call (800) 337-0442, e-mail info@bccsoftware.com or visit www.bccsoftware.com."

At the Postal Regulatory Commission:

The [Postal Regulatory Commission](#) today issued its Annual Compliance Determination (ACD) assessing the financial and service performance of the Postal Service in fiscal year (FY) 2009. The Commission reported that **14 separate Postal Service products or services failed to cover their direct costs**. Shortfalls in these products cost the Postal Service \$1.7 billion dollars in FY 2009. Despite surpluses in other products such as First-Class Mail, the Postal Service lost \$3.8 billion overall. The report also identifies **30 instances of workshare discounts** offered to large mailers **where the discounts exceeded the savings** to the Postal Service from the work performed by the mailers. **Only in 17 of those instances could the Postal Service show that special circumstances justified the discount....**The ACD also provides a detailed analysis of the Postal Service's deteriorating financial situation. It is questionable whether the Service has maintained the capacity to provide fundamental postal services to the Nation as required by law in the future. ([The full report is available on the Postal Regulatory Commission web site.](#))

 Here are two white papers from the folks at [WindowBook](#) you might find of interest:

- Mail.dat/Mail.XML: <http://www.windowbook.com/maildat>
- Presort/Post-presort: <http://www.WindowBook.com/postpresort>

 The folks at Husch Blackwell Sanders LLP will be presenting a brand new full-day seminar on postal contracting entitled: "Making Sense of Your Postal Service Contract: Do You Really Know What You Just Signed?" Attached is

the brochure for the seminar, which will be presented on May 14 at the Westin Hotel in Tysons Corner, VA. This seminar focuses on the contract clauses contained in most Postal Service contracts, explains what they mean, and describes how they impact suppliers. Individuals can register online at www.regonline.com/postalseminar or by calling Stephanie Dorssum at 314.345.6646.



Materials used by the Postal Service to brief members of the press on the filing it will make with the Postal Regulatory Commission on its five-day delivery proposal has been posted on this site:

- [Delivering the Future - Five Day Plan for PRC.pdf](#)
- [Delivering the Future - Delivery Frequency Fact Sheet.pdf](#)
- [Delivering the Future - Delivery Frequency - Plan.pdf](#)
- [Delivering the Future - Delivery Frequency - FAQs.pdf](#)
- [Delivering the Future - FINAL.ppt](#)



The [International Mailers Advisory Group](#) has told the U.S. Postal Service that it "appreciates the Postal Service's decision not to adjust postal rates this year in recognition of the negative and potentially permanent impact such a change would have on mail volumes. However, there is a second piece to the pricing puzzle and, as we look towards extending our relationship with the Postal Service and finalizing our global negotiated contracts this year, we hope USPS understands that any reduction in discounts offered in those contracts is actually a rate increase - and one that would not be welcomed by IMAG member companies or their customers."



At the Postal Regulatory Commission:

- Ruth Y. Goldway, Chairman, Postal Regulatory Commission Discussing The Historical Relationship Of The Post Office And Periodicals In The U.S. Federal Trade Commission Workshop "[How Will Journalism Survive The Internet Age.](#)"
- **Docket No. MT2010-1.** The United States Postal Service hereby gives notice that it intends to conduct a test of a proposal for an experimental competitive product to gain information concerning the operations, costs, and potential market for the product. The experimental product has been provisionally titled the "Samples Co-Op Box." The Samples Co-Op Box is a parcel box that will contain an assortment of product samples from multiple consumer packaged goods companies and will be mailed to the companies' target consumers, with the companies sharing the postage costs. The market research test, which will begin on or shortly after May 1, 2010, will consist of one mailing of co-op boxes to consumers in certain test markets. The test will also include research efforts designed to gain information about the product proposal.





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.

- [Rural Delivery Christmas Operations \(Report Number DR-AR-10-003\).](#) Although the U.S. Postal Service significantly reduced supplemental Christmas overtime hour utilization from fiscal years (FY) 2008 through 2009, these overtime hours were no longer necessary to ensure timely delivery of mail.
- [Windows Access Controls at the Information Technology and Accounting Service Centers – IS General Controls FY 2009 \(Report Number IS-AR-10-006\).](#)


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


- **Guest Blog: Automation Refugees.** Jim O'Brien, Vice President, Distribution & Postal Affairs for Time Incorporated, is our guest blogger this week. He provides a point of view on the manual processing of Periodicals mail and "automation refugees." He asks, "What can be done to address the automation refugee issue?"


 [Hellmail](#) has reported that "Postcomm, the UK postal regulator, said today that their latest research reveals the majority of people in the UK – ranging from the ordinary householder, to a small business and all the way to a large corporation – are happy with their postal services. The data was gathered during the Royal Mail postal workers' industrial action late last year and a time of falling mail volumes as a result of the economic recession and the growth of digital media."


 The [Washington Post](#) has noted that "Cutting Saturday mail deliveries would save the U.S. Postal Service \$3.3 billion in its first year and about \$5.1 billion annually by 2020 and would mean eliminating the equivalent of 49,000 full- and part-time jobs, officials said Monday as they prepared to file their plans with postal regulators. Emphasizing "five days of delivery, six days of service," Postmaster General John E. Potter said Saturday cuts are one of the greatest potential savings for the mail agency as it faces declining mail volumes and a \$238 billion cumulative deficit by 2020." See also [Business Week](#).

 The [Consumer Postal Council](#) has posted its review on the Kenyan postal system.


 [CNET News](#) has reported that "MediaPost reports that Apple's next next big thing, after iPads invade the world next weekend, will be iAd, a mobile advertising platform to be debuted April 7. Coffee dates and patent suits aside, this could be the true Apple-Google battleground. Of course, if you've been reading the tea leaves, Apple's move into mobile advertising is anything but surprising. In January, they bought mobile advertising company Quattro for a reported \$275 million, after Google snatched AdMob out from under them months before. More recently, we saw glimpses of Apple's mobile advertising future in an "App Store Tip" they published that discouraged developers from creating apps that "use location-based information primarily to enable mobile advertisers to deliver targeted ads based on a user's location." Because that's exactly what they want to do themselves, of course. MP's sources say that Steve Jobs has described iAd as "our next big thing" and "revolutionary," naturally."


 [PC World](#) believes that "As a device that bridges the gap between smartphone and laptop, Apple's new tablet may be the ideal personal computer for technophobic seniors (or the tech-wary of any age, perhaps). The iPad is very light, weighing just one and a half pounds, and its (paper) notebook-like dimensions make it easy to hold and carry around the house. Better yet, the iPad doesn't look anything like a computer. There's no telltale keyboard, clamshell design, or mouse pad. The visual clues that make the technophobe's blood run cold -- I can't use a computer -- aren't there." [EdNote: *It could make for an interesting platform for the postal service of the 21st century.*]


 According to [PC Magazine](#), "For most people, the digital experience is dominated by three screens. Until recently, the PC was at the center of this world. However, over the past three to four years, the smartphone has become integral in the ways we interact with our digital content. Meanwhile, the other primary screen—the television—has played a minimal role in the delivery of Internet-driven digital content. More and more, however, the PC is becoming the new holy grail for such content. Services like YouTube, Hulu, and Twirl TV are becoming important ways to deliver television content on demand. TV is swiftly becoming a battleground for the PC, consumer, cable, and telecom industries." [EdNote: *Who knows? Maybe the first thing you'll do when you get home from work or school is NOT to check the mailbox, but to turn on the TV to look at your "mail."*]


 The [Wall Street Journal](#) has told its readers that "It was perhaps inevitable that the opponents of Junichiro Koizumi's 2007 privatization of the Japanese postal savings system would some day regain power and scuttle his bold reform. Indeed, that was one of the first moves by the Democratic Party of Japan when it ended the postwar dominance of Mr. Koizumi's Liberal Democratic Party in the general election last summer. LDP defectors who had opposed privatization aided the DPJ victory. Postal service privatization, intended to proceed gradually over 10 years, was halted last November by the DPJ. Last week the government of Yukio Hatoyama announced that the state will not complete privatization but instead will retain a controlling interest in Japan Post Holding Co. Moreover, it

will try to expand the system by doubling the limit on the size of postal savings accounts and nearly doubling the ceiling on postal insurance policies. While cloaked in populist cant, these measures are coldly calculated."


 The [Financial Times](#) has reported that "Plans to turn the Post Office into a "people's bank", with £180m of new funding for the state-owned network supporting an expansion of its financial services, will be announced by the government today, as both main parties prepare a blizzard of preelection policy initiatives. Lord Mandelson, the business secretary, will commit £180m of extra funding for 2011-12, the financial year following the election, to help the Post Office maintain its 11,500 branches. A significant proposed increase in its banking services will include a new mortgage for first-time buyers, linked to a target of doubling the value of its mortgage book in 2010-11."


 The [Mainichi Daily News](#) has reported that "National policy minister Yoshito Sengoku on Sunday reiterated the need to think twice about a proposal by postal reform minister Shizuka Kamei to scale back the privatization of Japan Post."

 The [Azerbaijan Business Center](#) has reported that "State-governed company Azerpocht (a company of the Ministry of Communications & Information Technologies of Azerbaijan) has announced a tender procedure for construction of postal buildings and their provision with equipment. The tender commission informs that the tender consists of 4 lots: construction of administrative building of postal offices; construction of buildings of postal offices for settlements; construction of buildings of postal offices in villages of regions; and purchase of equipment."


 From [SourceWire](#): "ONEPOST, the UK's leading provider of independent postal advice and management, today announces it has become one of the first companies to attain the DataSeal standard. DataSeal is a new BSI-backed standard developed by the Direct Marketing Association (DMA) specifically for companies that use consumer data for marketing and is the only recognised standard for information security management systems other than ISO:27001. The standard provides an accessible, achievable and cost-effective route for companies to demonstrate that they have implemented appropriate information security measures for their business."

 [People's Daily](#) has reported that "Hong Kong Post announced Monday that postal remittance service to Canada will cease with effect from April 1. A spokesperson of the Hong Kong Post told Xinhua that the cessation, which is made in accordance with a request by the Canada Post, will last unless there is new arrangement by the Canadian side. Such service to other countries and regions remain unchanged."

 [World Radio Switzerland](#) has reported that "The new head of Swiss Post wants to reopen discussions on the postal bank, despite the reluctance of political bodies. Peter Hasler says he's not looking for a full banking license for PostFinance. Rather, he says, the organization wants to be able to make mortgage loans without partnerships and loans to small and medium enterprises."


 [MoreRFID](#) has reported that "Postal Innovation, a new global initiative, bringing to life the first international think-tank and observatory on innovative technologies and methods in the postal market, was officially launched last week by Wise Media, at the Poste Italiane headquarters in Rome to a distinguished group of prominent players in the postal, transportation and express shipping sectors. Among others, the CIO of Poste Italiane, Ing. Agostino Ragosa attended the launch, along with the Chairman of the Telematics Cooperative of the Universal Postal Union (UPU), a UN organization, Mr Giorgio Pomponi."


 [Hellmail](#) has reported that:


 [French postal regulator ARCEP](#), has asked La Poste to put forward proposals to improve access to its Mini-Max product after a study conducted by the INC and financed by ARCEP, revealed inadequate availability and information regarding its Mini-Max product which forms part of La Poste's obligations to the universal postal service. Mini-MaX allows consumers to send small goods of low value (within 2 cm thick and 1 kg total weight).

 A phone survey, initiated by [Belgian postal regulator](#) (The BIPT) revealed that the average number of addressed letters sent per month in Belgium last year was 3.34, with 9.67 received. The

average number of letters sent in 2006 was 6.52, revealing almost a 50% fall. The survey was conducted between October and November last year (2009) and forms part of a report looking at trends in post and parcel usage. The survey looked at the behaviour of users of postal services (number of items, frequency in post offices and postal points), the possible use by other postal users than La Poste, satisfaction about prices, sales outlets and La Poste in general. The report noted however, that mail volume received was four times higher and close to the European average.

 Petitions [[1](#) / [2](#)] have been filed in federal district court to hold in abeyance a ruling by the Postal Regulatory Commission regarding the licensing of USPS of its intellectual property until the court has had a chance to determine whether the PRC's action on the matter was proper.


 The [Economic Times](#) has reported that "The postal department will introduce pre-paid cards that will enable cashless transactions at retail outlets across the country, as it looks to leverage the cash-handling expertise of its 1.5 lakh post offices to generate revenues. The magnetic strip-based cards could be used at merchant establishments and automated teller machines (ATMs) where cards from VISA, Mastercard and American Express are accepted."

 According to the [MetroWest Daily News](#), "If you do business locally or want to enter a new market area quickly, you don't want to overlook the value of a saturation mailing within a radius of your business or across a specific zip code. Imagine having a salesperson who never calls in sick and consistently delivers your company's best sales pitch to everyone within a three-mile radius of your business. Marketing nirvana if you do business locally, right? Imagine that you can hire this salesperson for about 20 cents per sales call, with a guarantee that he or she will "knock on every door you specify" with the exact same offer presented in the same way to every prospect. What is old is indeed new again, especially for small businesses trying to expand in their local market. Long before CRM became the acronym for customer relationship management it had a different meaning: carrier route marketing, which also describes what is more commonly known as saturation mailing."


March 28, 2010


 The [Wall Street Journal](#) has reported that:


- [It was perhaps inevitable](#) that the opponents of Junichiro Koizumi's 2007 privatization of the Japanese postal savings system would some day regain power and scuttle his bold reform. Indeed, that was one of the first moves by the Democratic Party of Japan when it ended the postwar dominance of Mr. Koizumi's Liberal Democratic Party in the general election last summer. LDP defectors who had opposed privatization aided the DPJ victory. Postal service privatization, intended to proceed gradually over 10 years, was halted last November by the DPJ.
- [Japanese Prime Minister Yukio Hatoyama](#), contemplating his first six months in office Friday, told a press conference that "because we were inexperienced some problems did occur." That's an understatement: Look no further than the unfolding brawl within the government over postal reform. Japan Post doesn't merely deliver mail. It's the world's largest financial institution by assets, with \$3.3 trillion on its balance sheet.


 The [Daily Mail](#) has reported that "The Government will tomorrow signal whether it intends to rip up a contract that gives the Bank of Ireland the right to provide current accounts and other banking services through post offices. Business Minister Pat McFadden and Energy Secretary Ed Miliband will announce the Government's response to the Post Office banking consultation launched last December."


March 27, 2010


 From [PR-Inside](#): "Datamonitor's Express Logistics in Italy industry profile is an essential resource for top-level data and analysis covering the Express Logistics industry. It includes detailed data on market size and segmentation, plus textual and graphical analysis of the key trends and competitive landscape, leading companies and demographic information."


 From [PRNewswire](#): "PowerShopper is a new direct-to-door, co-op polybag media program branded and developed by PowerDirect, a national firm specializing in data-driven, front-door marketing and media solutions. It's designed to carry retailers' pre-printed weekend circulars and will reach the top 50% of all retail shoppers. PowerShopper will debut initially in Las Vegas on July 31, 2010 and be quickly rolled out to other major markets underserved by traditional media, including those with dwindling newspaper subscriptions."


 The [Victoria Times Colonist](#) has reported that "Canada Post is defending its proposal to truck letters from Victoria to Vancouver for sorting, arguing that the bulk of mail from Vancouver Island is destined for elsewhere anyway. Canada Post said yesterday that about 70 per cent of the mail from Vancouver Island is destined for off-Island locations. The company also said that the majority of letters being sent from one Island address to another will continue to be sorted in Victoria."

 [The Guardian](#) has reported that "The government is now drawing up plans to amend the Postal Services Act to allow tax inspectors to intercept and open people's mail before it is delivered. Given the state's ambitions to collect all communications data this is hardly surprising, but we must ask ourselves how many more rights are seized by government and its agencies before Britain becomes the GDR's most obvious European imitator."


 The [Courier, Express, and Postal Observer](#) has noted that "Post and Parcel posted an interview with the CFO of Swiss Post USA Debbie Deakin. In the interview she provides a fairly good picture of the services that Swiss Post USA offers. She notes the difference between offering services in the unregulated European market and the regulated US market and provides a picture of how Swiss Post will cope with the decline in letter volumes that the United States Postal Service could only dream of. From an American perspective, her approach to answering questions and the answers themselves illustrate a stark difference from what is often said by Postal Service executives whom are always cognizant of the political and regulatory restrictions and overseers watching every move they make."


 [Deadtree Edition](#) has reported that "In what may be a troubling precedent for the U.S. Postal Service, The Washington Post is about to launch a paid subscription magazine that will bypass the USPS delivery network. Capital Business will be delivered each week to paying (\$49 per year) subscribers along with their Monday copy of the Post, according to the Post's announcement. The move suggests that the country's newspaper industry may be ready to try a new twist on a strategy that failed in the 1990s -- competing with the Postal Service to provide home delivery of magazines."


 The [San Francisco Chronicle](#) has reported that "an estimated 19,000 people who live in residential hotels in San Francisco do not receive individual mail service, under U.S. Postal Service policy. Instead, carriers deliver a clump of mail to a residential hotel's front office, often leaving the residents to fish for their personal correspondence."

 Postal news from [Hellmail](#):

- [Smart-Drop D2D Seminar In May](#)
- [C-Track Helps Royal Mail Boost Fleet Performance](#)
- [Spiders, Squashed Rabbits And D2D](#)
- [EU Postal Liberalization - Examination Of Changes To The Rules](#)

 The [Japan Times](#) has reported that "Shizuka Kamei, minister in charge of postal services reform, said Friday he has no intention of modifying his proposal to revamp Japan Post despite days of turmoil among members of the government over the issue, which could deal a blow to the already frayed Cabinet ahead of the July Upper House election."


 The [Courier, Express, and Postal Observer](#) has reported that "Today Gallup published the results of a new poll asking Americans about what they think about the idea of reducing mail delivery by one-day a week. This survey should aid the Postal Service in convincing members of Congress that supporting its 5-day delivery proposal would not result in political suicide."

 **DMM Advisory: Intelligent Mail Update.** *PostalOne!*[®] and FAST[®] Outages: *PostalOne!* Release 24.0.1 and FAST Release 14.1 will be deployed to production environment on Sunday, March 28, 2010. The *PostalOne!* and FAST Production systems will not be available from 4:00 a.m. through 8:00 a.m. (CST), Sunday, March 28, 2010. *PostalOne!* Release 24.0.1 and FAST Release 14.1 will be deployed to the Test Environment for Mailers (TEM) environment on Monday, March 29, 2010. The *PostalOne!* and FAST Test Environment for Mailers systems will not be available from 4:00 a.m. through 8:00 a.m. (CST) Monday, March 29, 2010. A new Mail.dat[®] client application is being deployed in this release to relax some of the validations deployed in *PostalOne!* Release 24.0 on March 14, 2010, where leading zeros were required in a number of the Mail.dat numeric fields (job Id, seg Id, cpt Id, mpa Id, cqt db Id and container Id). This change will allow these fields to be populated with/without leading zeros. It is important that mailers use/not use the leading zeros consistently across the multiple files included in a Mail.dat job submission. A new version of the Mail.dat client will be available for download by mailers on March 28, 2010 at 8:00 a.m. (CST), but will not be required and will not automatically be downloaded. Mailers who would like to take advantage of the above validation changes or be able to submit Mail.dat file that include Periodicals Flat Machinable Prices will need to download the new client. Effective on April 11, 2010, the new client will be required for all mailers.





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


- 2010-2011 Postal Operations Outlook
- USPS' 10-Year Plan Creates Pricing Wildcards...
- New Move Update Requirements
- Mail piece design....Letters, Flats
- NDC Preparation Changes In the Works?
- USPS to Continue Providing EMD Scans Until May 2010
- New Products or Services on the Horizon?
- Intelligent Mail Barcode Changes
- Potential 2011 Pricing Changes
- 2010/2011 Operations Changes At A Glance
- Industry Conference Planner – Postal Operations Focus

 The [Washington Post](#) has reported that "With just six days left until 2010 Census forms are due back, the Senate approved a measure Friday that bans deceptive mailings that use the word "Census" without a disclaimer."

March 26, 2010

 [Who's making what at the USPS?](#)

 On March 25, 2010, through a "[Dear Colleague](#)" letter, Reps. Lynch, Chaffetz and Davis announced the reconvening of the [Congressional Postal Caucus](#) (CPC). Recently, the United States Postal Service unveiled a new business model to address unprecedented challenges largely due to the current economic environment and the rise in alternative means of communication. If nothing is done, the Postal Service expects to have an \$8 billion shortfall by September 30, 2010 and suffer a net loss of \$238 billion over the next 10 years. Bringing the CPC back on line is intended to inspire and stimulate new ideas on how to put the Postal Service back on sound financial footing, assess the benefits and drawbacks of the proposals in Postal Service's new business plan, and help Federal Policymakers tackle important postal matters such as 6-day delivery. The caucus will allow for a productive exchange of information and insight among members and will make sure that Congress is well-equipped to provide successful, permanent solutions to the Postal Service's current and future issues. Collectively, the Members of the Congressional Postal Caucus will evaluate all viable options for securing a robust and vibrant Postal Service for years come.

 According to the [Courier, Express, and Postal Observer](#), "Consumers are shifting to electronic payments even if they still receive paper bills due to either a requirement of the merchant or the convenience that electronic payment offers."

 The [Wall Street Journal](#) has reported"

- It turns out there really is growing inequality in America. It's the [45% premium in pay and benefits that government workers receive](#) over the poor saps who create wealth in the private economy. And the gap is growing. According to the U.S. Bureau of Labor Statistics (BLS), from 1998 to 2008 public employee compensation grew by 28.6%, compared with 19.3% for private workers. In the recession year of 2009, with almost no inflation and record budget deficits, more than half the states awarded pay raises to their employees.
- Watch what they do, not what they say. U.S. consumer sentiment took a turn for the worse in February and has been downbeat lately, sparking fears that the recovery may lose momentum. Yet [consumer spending](#) hasn't followed suit. The sentiment slump shouldn't be scoffed at. There is a strong historical correlation between the University of Michigan's sentiment index and the Conference Board's confidence index, and consumer spending—the biggest component of the U.S. economy.
- [Shoots of optimism](#) are emerging in the high-end restaurant world. Expense-account spending is trickling back and consumers are starting to shell out for luxuries again.



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

- USPS 7-point plan "Envisioning America's Future Postal Service", service performance, and its five-day delivery proposal were the major topics covered in the USPS Board of Governors open session this week. The Board of Governors approved management's request to move forward with its five-day delivery proposal and to file a request for an advisory opinion with the Postal Regulatory Commission on March 30.
- The Postal Service published its unaudited February results with the Postal Regulatory Commission. USPS lost more than \$611 million in February 2010. This is on top of a \$592 million loss for January 2010, and a \$297 million loss for the USPS' Quarter 1. The net loss-to-date is \$1.5 billion.
- The USPS Office of Inspector General (IG) released the results of its self-initiated audit of the management of special studies this week. The IG concluded that adequate controls exist over special studies that are updated with recurring data, but improvements are needed to control non-recurring financial and operational data.
- The Courier, Express, and Postal Observer has reported that "Senator Bob Casey (D-PA) plans to introduce legislation that would change some of the rules controlling multiemployer pension plans, or union-operated retirement pools to which United Parcel Service as well as companies in trucking, retail grocery and a number of other industries participate. Teamster multi-employer pensions are in trouble as competition from non-union firms and rail intermodal services as well as changing market conditions resulted in the bankruptcy and/or liquidation of most of the firms that contributed to the pensions over the past 30 years. Today, these pensions are paying benefits to more retirees from firms that are no longer in business than they pay to employees of firms that are still in business. The first two of these three provisions would relieve companies still contributing to these pension plans from the burden of paying for all of the benefits of employees of defunct firms."
- Jeff Jarvis, owner and editor of the Buzz Machine (and author of "What Would Google Do?" asked his readers to "imagine an America in which everyone has an internet connection, a device to use it, and a printer. Ruth Goldway, the chairman of the U.S. Postal Regulatory Commission, imagined such a world when the head of the U.K.'s Royal Mail International asked at an industry conference a year ago what Google would do with the Postal Service."
- According to Todd Butler, President of Butler Mailing Services, "The question for our industry is whether we are going to have an acceptance and delivery system that is consistent across the country? Will the system provide the same level of service (which constitutes more than the vaunted 1st Class delivery score) or is local management going to determine the level of service each of us will receive. Does the Postmaster General have a rational plan for his organization and the services it provides? Or has he relinquished


control of the USPS to the cost cutting deity he created and to whom local management bows in worship? Cutting costs is important; cutting core services only contributes to the death spiral the USPS has inflicted upon itself."


- Rag Content asks the questions, "So if Congress can be swayed to make the wrong decision and the Commission does not have the legal authority on individual facilities, then should it be left to the Postal Service?"
- Postal contract given on energy conservation. Collins' opening remarks at appropriations hearing. USPS readies five-day filing. USPS launches five-day plan website. USPS extends NFM's. USPS to allow more booklet designs.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- Postal previews.
- From the Mailbag.


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 According to Ursa Major's [John Callan](#), "Savvy marketers are using a well coordinated multi-channel mix of messages, all very targeted and personalized. Direct mail is one essential channel. And, if USPS can learn from Google, maybe Google can learn from USPS! Imagine if Google were to take what it knows about our personal interests from search and gmail, match our email addresses to our street addresses and add direct mail to their multi-channel marketing mix!!"


 The [Times Colonist](#) has reported that "A Canada Post proposal to truck mail from Victoria to Vancouver for sorting and then bring it back here for delivery will lead to job losses and service delays on Vancouver Island, the Canadian Union of Postal Workers warned yesterday."

 "In a recent article by [Hellmail](#) Editor, Steve Lawson, the EU Commission (EUC) defended its position that EU Postal Liberalization is not detrimental to national postal services providing Universal Service (USO). Logically, the EUC truly has no reason to change their position or stated direction on postal liberalization rules, that is, not until such time they see clear supporting evidence that the rules are detrimental or are open to logical arguments that call their position or conclusion into question. If the decision is to wait until it is obvious to everyone, the question then becomes, "Does one really have to wait and see or experience detrimental results (or disaster) first, or is there sufficient empirical evidence today to warrant consideration for changing the rules before disaster is obvious to everyone, and difficult and expensive to alter? An examination of EUC quotes, market conditions and historical events are sufficient to evaluate if pending disaster is probable."


 [Third Sector](#) has reported that "Charities that send out bulk mail could see a large rise in their postage costs after an announcement in the Budget that the standard rate of VAT must now be paid on many postal services. The costs will apply from 31 January 2011 and are intended to cover all mail services that are open to competition, including bulk mail."


 [Daily Finance](#) has reported that "**Netflix is making the transition from DVDs to streaming video** and currently allows you to do both. But don't worry: DVDs are not going away anytime soon. But the pressure is on. The company says that **over the next several years, it expects United States Postal Service charges for shipping DVDs to climb from \$600 million a year to \$700 million a year.** The company plans to increasingly focus on online streaming and says it will make more titles available for download."


 [Interactive Investor](#) has noted that "Germany's Bundesrat upper house of parliament agreed on Friday a change in legislation to end from July Deutsche Post's exclusive exemption from VAT tax so that other providers of mail services will also be allowed to claim this exemption. Deutsche Post was the only postal service provider in Germany that is exempt from paying VAT, which German media say gives the firm a cost advantage of up to 500 million euros over rivals. The justification for exemption has always been Deutsche Post's obligation to deliver mail to every single household in the country, be it on a tiny North Sea island reachable only by boat or in the alpine regions of Bavaria."


 The [Economy News](#) has reported that "Online shopping is a channel to market that retailers cannot afford to overlook. However, online fraud and data breaches are also on the increase, and so are the penalties if this should occur, as from 6th April the Information Commission will have new powers to impose financial penalties of up to £500,000 on any company that is found to have contravened 'the Commission's' data protection principles. If retailers are to capitalise on the growth opportunities that online shopping offers they need to understand the internal and external risks they face, and have robust cyber risk management processes in place. Retailers can also employ automated detection tools that can help to determine whether an incoming order presents a fraud risk. These automated systems can quickly evaluate orders and reject those that don't match pre-established criteria. In addition, other popular fraud detection tools are customer history and **postal address validation services**."


 [Transport Intelligence](#) has reported that:


 [TNT Express](#) has expanded its international "Economy Express" freight service in Russia with a new road connection to Yekaterinburg, the largest city in the Urals with 1.3 million inhabitants. The service extension is geared towards importers and exporters requiring a day-definite delivery service for shipments weighing up to 500 kg per piece (palletised).

 [DHL Supply Chain](#) has been awarded a £30 million, three-year contract with Birds Eye to handle exclusive distribution of all Birds Eye frozen foods to UK customers. The deal will see DHL handle around 550,000 pallets annually and manage activity to ensure seasonal peaks in product harvesting are supported. Under the new arrangement, DHL will transport all Birds Eye frozen foods by road and ferry from all European production points to Birds Eye's national distribution centre in Birmingham, as well as onward distribution to retail and wholesale distribution centres.


 The [Focus Taiwan News Channel](#) has reported that "Taiwan's first electric postal vehicle will hit the road in April, the Industrial Technology Research Institute (ITRI) said Friday. Jointly designed by the institute and the Taiwan Automotive Research Consortium, the vehicle will carry out everyday courier service for Chunghwa Post -- Taiwan's largest postal service providers -- across the country. The vehicle has passed initial tests and will be road-tested before it is officially launched, ITRI officials said, adding that the car showcases the institute's efforts to expand from electric sedans to electric commercial vehicles." See also [Radio Taiwan International](#).


 The [Plainview Old Bethpage Herald](#) has reported that "Congressman Steve Israel (D – Huntington) recently joined postal workers and leaders from the letter carriers, mail handlers and clerks to oppose ending Saturday mail delivery. Seniors, veterans and many others rely on the postal system for urgent deliveries, according to Israel. Recently, the United States Postmaster General proposed eliminating Saturday delivery to address issues with the Postal Service budget."


 [Postal2020](#) has told its readers about "something in the mail that you don't often see: An envelope suitable for planting. No kidding, this was an envelope sent by PowerOfEnvelopes.org and saturated with seeds. All you do is place the envelope in the ground, add water and Nature will take care of the rest. We sometimes forget the envelopes provide important values in the communication process. Mail is a tactile medium that you can touch and hold. It offers the benefits of utility, economy, authenticity, and universality. Words on paper are real, and so are signatures and sentiments. Envelopes, in particular, convey privacy and security. They are socially inviolate."

 [PC World](#) has reported that "United Parcel Service (UPS) will make about US\$1 billion in technology investments this year to improve the efficiency of its operations, with the goal of cutting billions more from its costs


over the long term. One of its main goals is to improve the speed and efficiency of its delivery operations. To achieve that, UPS is equipping its vans with sensors that allow it to collect data about things like fuel consumption, chosen routes and how much time its engines spend idling."


 The [Federal Times](#) has reported that "The U.S. Postal Service said Thursday it will not renew two sole-source contracts that were steered to business associates of an agency executive, and will hold open competitions to replace the contracts. A \$412,500 contract with consultant Richard Sorota will expire March 30. Another \$600,000 contract, with consultant Lynne Alvarez, will expire May 17. Federal Times reported in January that Robert Bernstock, the Postal Service's president of Mailing and Shipping Services, worked with Sorota and Alvarez when he was an executive at Scotts Miracle-Gro Co. and Vlasic Foods International Inc. The contracts showed he approved their no-bid deals, and the Postal Service said he directed the contracts their way because he was familiar with their expertise and had to bring people on quickly. Sorota and Alvarez were each hired to create marketing plans to increase Postal Service revenue."

 One reader of the [Washington Times](#) has written: "Your editorial in support of Fed Ex Express' contention that its package delivery drivers should continue to be classified as airline employees ("Express delivery in jeopardy," Comment & Analysis, March 10) contains numerous errors of fact and logic. In fact, these employees are truck drivers and like every other truck and package delivery driver in the United States, should be covered under the National Labor Relations Act. Right now, a loophole in the law gives FedEx a huge competitive advantage by placing the company under the Railway Labor Act, a law meant to cover pilots, mechanics and the like. FedEx uses this government "winner picking" to threaten or cajole customers into using it rather than competitors--on the grounds that strikes are almost impossible under the RLA. But the other 120,000 or so FedEx employees have been covered by the NLRA for years, and guess what? No strikes. History trumps hysteria."


 The [New York Times](#) has reported that "Advertisers initially approached new media as if they were going duck hunting, tiptoeing cautiously into the waters of mobile phones and the Internet. With the iPad, it's big-game season. Getting ready for the April 3 iPad introduction, FedEx has bought advertising space on the iPad applications from Reuters, The Wall Street Journal and Newsweek. Chase Sapphire, a credit card for the high-end market, has bought out The New York Times's iPad advertising units for 60 days after the introduction. Advertisers including Unilever, Toyota Motor, Korean Air and Fidelity have booked space on Time's iPad application. In a draft press release, The Journal said a subscription to its app would cost \$17.99 a month, and the first advertisers included Capital One, Buick, Oracle, iShares and FedEx."

March 25, 2010

 From [OfficialWire](#): "The Express Courier market is valued at INR 62 bn in 2008 and is expected to grow rapidly in the future. The increase in demand for reliable and efficient express delivery services from a wide spectrum of consumer segments is expected to drive the market. Domestic and foreign participation has been continuously increasing as they compete for a sizeable share in this market with high profit opportunities. The report begins with an introduction to the market stating the various segments in the market and the benefits accrued to users. This is followed by an overview of the industry indicating market size, growth and the share contributed by each segment to the market. An analysis of the drivers explains growth factors, for each segment, such as strong economic growth to drive demand, growth in BFSI segment, development of infrastructure, inclination towards services provided by private players and online shopping. The key challenges identified include postal amendment bill, increasing petroleum prices, increasing use of Internet as a mode of communication and lack of skilled employees. The report identifies the key trends including globalization and consolidation within the industry, players entering third party logistics (3PL) and growing usage of technology."

 The [Times of Malta](#) has reported that "DHL International, the global international express and logistics leader, has been granted a 10-year licence by the Malta Communications Authority to provide 'universal postal services' in Malta, including a basic counter service. In an announcement last month, the MCA said "the granting of this licence offers users of postal services in Malta more options in terms of quality and price". "The licence which has been granted to DHL International authorises it to provide services which are not reserved for MaltaPost plc, but which are within the Universal Postal Service Area. Until December 31, 2012, certain postal services are 'reserved' to Maltapost plc and are not open to competition. The reserved area is constituted of items which weigh less than 50

grams and the price of which is less than 2.5 times the 'local stamp' tariff of €0.19. This reserved area will be abolished by December 31, 2012, in accordance with Directive 2008/6/EC."

 The [Yomiuri Shimbun](#) has reported that "Many in the government expressed objections Thursday to the final draft of a bill on postal business reform compiled by Shizuka Kamei, state minister for postal reforms, and his team.....The [nation's financial sector](#) also is upset with the government's plan to turn Japan Post Group into an entity that could considerably expand its business activities under the government's support."



From the Postal Bulletin:


- [DMM Revision: New Optional Designs for Letter-Sized Booklets](#)
- [DMM Revision: Extension of Not Flat-Machinable Prices and Eligibility of Mailpieces Specifically Approved as Automation Flats](#)





From [PRNewswire](#): "When it comes to customer service, the U.S. Postal Service doesn't rest on its laurels, so it recently launched a new measurement system designed to better understand customers' total experience doing business with USPS at every level of the organization. The Customer Experience Measurement (CEM) assesses end-to-end service with the Postal Service by allowing customers to provide ratings on four separate Postal Service experiences: receiving mail, sending mail, visiting the Post Office and contacting the Postal Service for assistance."





The [presentation by Sam Pulcrano](#), USPS Vice President, Sustainability, on **Five-Day Delivery** at a recent Board of Governors briefing has been posted on this site.


 [AppleInsider](#) has reported that "More than a third of those eyeing Apple's forthcoming iPad will read books, newspapers and magazines on the touchscreen device, a new study has found." [*EdNote: And mail? What about mail?*]


 According to the [Courier, Express, and Postal Observer](#), "In February, the Postal Service continued to show financial results that were significantly better than plan and slightly better than last year. Its results reflect a more robust advertising environment that resulted in the first month of growth in Standard mail volume in revenue this year and a smaller decline in periodical revenue than volume that most likely indicated that periodicals in February had more advertising pages per issue than a year earlier. While it is clear that the Postal Service's financial results are better than plan they are not sufficient to ensure its self sufficiency."


 [Rag Content](#) has told its readers that "In taking the latest Office of Inspector General's Survey, "Who should bear the primary responsibility for determining which postal facilities should be closed as the Postal Service implements its new business model?" (<http://blog.uspsoid.gov/>) I voted for an independent commission/body. The Postal Service will argue that it is a business decision and oversight from Congress or regulatory interference from the Postal Regulatory Commission only hinders its ability to make business-like decisions and hampers its flexibility to respond to changing market conditions. The Postal Regulatory Commission made it clear in its advisory opinion in Docket No. N2009-1, Station and Branch Optimization and Consolidation Initiative, 2009, that it does not have authority over individual postal facilities. So if Congress can be swayed to make the wrong decision and the Commission does not have the legal authority on individual facilities, then should it be left to the Postal Service? No."


 The [Montreal Gazette](#) has reported that "Canada Post is replacing its aging fleet of mostly urban light delivery vehicles with Ford Transit Connects made in Turkey, not the Windsor-made Chrysler minivan. The decision was a final blow to an unsuccessful lobbying effort by the Canadian Auto Workers and the Canadian Union of Postal Workers urging the post office to adopt a "buy Canadian" policy and to select the Chrysler minivan. CAW Local 444 president Rick Laporte, who represents workers at the Windsor minivan plant, said he is outraged."


 [Federal News Radio](#) has reported that "The White House is leading a new effort to secure online transactions across the federal, state and local governments and eventually in the private sector. Federal chief information officer Vivek Kundra made public for the first time some of the details of the National Strategy for Secure Online Transactions in his written testimony Wednesday before the House Oversight and Government Reform Subcommittee on Government Management, Organization and Procurement. "The goal of this effort is to improve the trustworthiness and security of online transactions by facilitating the establishment of interoperable trust frameworks and implementation of improved authentication and authorization technology and processes for all online transaction participants across federal, civil and private sectors. GSA says the departments of Defense, State, Justice and Treasury as well as the **Postal Service**, the Government Printing Office, the Drug Enforcement Agency and the Patent Trademark Office have agreed to the standards set up by the federal bridge."


 According to [Kyodo News](#), "Prime Minister Yukio Hatoyama said Thursday that the government has not decided yet on the ceilings of postal savings deposits and life insurance coverage at the Japan Post group amid a feud within the Cabinet on a postal reform plan unveiled the previous day by minister concerned Shizuka Kamei." See also the [Financial Times](#) and [Reuters](#).

 [Dow Jones](#) has reported that "A senior Japanese finance ministry official said Thursday the government needs to deal carefully with postal service reforms, given worries about the impact an expanded postal role could have on the private sector." See also the [Mainichi Daily News](#) and the [Wall Street Journal](#).

 [Dutch News](#) has reported that "A number of major Anglo American shareholders in post and delivery company TNT are opposed to company plans to limit their influence, particularly on the naming and firing of supervisory and executive board members, the Financieele Dagblad reports on Thursday, quoting industry sources. TNT wants to continue its current two-tier board set up (structuurregime) - with both a managerial board and a supervisory board. Under the traditionally Dutch system, both boards are supposed to act in the interests of the company and board members effectively name each other. But a number of shareholders are set to vote against this at the April 8 AGM and the influential lobby group Riskmetrics is also recommending investors oppose the move, the paper says."

 [Post & Parcel](#) has reported that "Swiss Post has entered into an agreement with Siemens Mobility to promote a higher degree of digitalisation. Swiss Post was one of the first national postal operators to look into the possibility of offering new services in addition to the existing physical delivery of letters. Postal customers are already making use of today's new flexible service of having paper items converted into digital information and their letters delivered in digital form to an electronic mailbox or forwarded physically to a real address, if requested."

 [AllAfrica.com](#) has reported that "Tunisian Posts has recently signed a series of partnership agreements with posts from African countries, as well as launching a new product offering investment and the setting up of a new virtual office. Following the signing of agreements with 14 African countries including Mauritania, Algeria, Burkina Faso, Egypt and Senegal, Tunisian Posts also signed agreements with other countries such as Cote d'Ivoire, Congo, Mauritius, Uganda and Liberia."


 The [Frederick News-Post](#) has reported that "In a move that could save \$1.1 million annually, the U.S. Postal Service announced it will consolidate its mail-processing center in Frederick . The Tilco Drive processing center handles outgoing mail, and the new plan will have outgoing mail in the evening shipped to a center in Gaithersburg, said Bruce Wall, plant manager of the Frederick Processing and Distribution Facility. The Frederick Processing and Distribution Facility will continue to operate, he said. The change will affect employees working the evening shift, from 3 to 11:30 p.m."


 **From the Federal Register: Postal Regulatory Commission NOTICES** New Postal Product , 14475-14476 [2010-6643] [\[TEXT\]](#) [\[PDF\]](#)


 **Prescott Report** Your issue of *The Prescott Report* awaits you at www.PrescottReport.com. In this report:


- Pranab Shah of USPS International: Surprising Success and an Exciting Future... and frank words for some countries.
- Privacy Update: Rumanian privacy tort. Is an IP Address Personal data? Article 29 sets agenda
- EU Lingo Explained by FEDMA
- USPS and ETOE Policy, a response by Lea Emerson, the USPS expert.
- Border Bully and Border Buddy- both in the USA
- A Marketing Masterpiece from Holland - swimming in dangerous waters!
- Reader's Trivia: What do the NY commuter trains tell us about the state of the economy, and other brain twisters
- The Address Association is on its way!
- UPU Global Address Summit in less than one month.

March 24, 2010


 "With the April 15 deadline for IRA contributions quickly approaching, new data from [Intel Comperemedia](#), a service that provides direct marketing competitive intelligence, suggests that March will be a record month for IRA direct mail."


 [The Telegraph](#) has reported that "All letters, parcels and packets are exempt from VAT, but the small print in the Budget revealed that Royal Mail will have to start levying VAT on some items from next year."


 [Business Week](#) has reported that "Mail and document-management company Pitney Bowes Inc. spent \$200,000 in the fourth quarter to lobby for legislation that would mainly affect the U.S. Postal Service, according to a recent disclosure form. That's 33 percent less than the \$300,000 the company spent a year earlier. Pitney Bowes receives a large portion of its business from the U.S. Postal Service. It continued to lobby on the legislation aimed at funding for the Postal Service, along with funding for retiree health benefits. It also lobbied for legislation focusing on employee health issues."

 The [St. Cloud Times](#) has reported that "A St. Cloud man who was a former letter carrier pleaded guilty today to embezzling more than \$50,000 from the local letter carrier's union while he was its president."


 **At the Postal Regulatory Commission:** Posted on the Postal Regulatory Commission website are the [USPS financials for February 2010](#).


 [Aol News](#) has reported that "It seemed, then, the unlikeliest of times for the Senate to approve a major piece of legislation -- unanimously. But that's exactly what happened Monday, when 93 senators advanced a \$35 billion aviation bill--a long-delayed reauthorization measure for the Federal Aviation Administration. At a time when even minor bills and noncontroversial nominations have provoked partisan battles, the lack of any opposition to the aviation bill came as a surprise to some industry insiders. Industry officials said that one reason the legislation passed so smoothly out of the Senate was because lawmakers there stripped out a few of the more disputed provisions that were included in the House bill -- suggesting that a battle over the proposal has been deferred but not avoided. At the top of the list is a labor measure that would subject shipping giant FedEx to the National Labor Relations Act and make it easier for its employees to unionize. FedEx has launched a fierce lobbying campaign against the change, claiming it amounts to a "bailout" for its top rival, UPS, which is already subject to the labor law."


 [Japan Today](#) has reported that "Postal services minister Shizuka Kamei, a key figure in the ruling triumvirate, stirred more controversy Wednesday by unveiling a plan to effectively maintain the government's grip on the postal financial system and thus dilute the full privatization previous administrations put in place. But the plan drew fire from other Cabinet ministers as well as private-sector financial firms, prompting Prime Minister Yukio Hatoyama to suggest later in the day that Kamei's plan may be revised."


 And this from a recent postal news search: *[EdNote: I think the Postal Service has made its point.]*


- Postal Service moves toward five-day delivery (AP via Yahoo! News)
- Postal Service moves toward five-day delivery (AP via Yahoo! Finance)
- Postal Service Moves Toward Five-Day Delivery (ABC News)
- Postal Service moves toward five-day delivery (San Francisco Chronicle)
- Postal Service moves to cut Saturday mail delivery (Detroit Free Press)
- Postal Service moves toward five-day delivery (Houston Chronicle)
- Postal Service moves toward five-day delivery (Deseret News)
- Postal Service moves toward five-day delivery (San Jose Mercury News)
- Postal Service moves toward 5-day delivery (The Tampa Tribune)
- Postal Service Moves To Deliver Mail 5 Days A Week (WCBS-TV New York)


 [Logistics Management](#) has reported that "UPS yesterday rolled out a new "green" delivery pickup option for small- to medium-sized businesses, which, it said, makes it the first company to automate the process of having drivers stop at customer locations to pick up packages."

 [NextGov](#) has noted that "The U.S. Postal Service launched on Wednesday a Web site to explain their controversial proposal for five-day mail delivery. The agency, which is facing major financial trouble, outlined earlier this month a long-term plan to turn itself around and last week presented its plan to Congress. USPS announced on Wednesday its intention to file a proposal with the Postal Regulatory Commission on March 30. A key element of the 10-year strategy is reducing delivery days from six to five. To educate the public about its decision, USPS has put together overviews on how the move will affect businesses and individual households, an FAQ section and brief description of the reasons for the change. The site also will include PRC filing documents and the agency's study on five-day delivery on March 30."


 The [Postal Employee Network](#) has told its readers that "Five-day delivery is one of the fundamental changes that will help USPS compete more effectively in the marketplace and better respond to changing customer needs."











 According to the [Courier, Express, and Postal Observer](#), "The Japanese government announced yesterday that it will begin the process of privatizing Japan Post. The decision by the Japanese government leaves the United States Postal Service alone as having a business model with many characteristics of a government department. All other posts will fall somewhere between the center and the fully privatized side of the chart. In the instances of the Swedish, Danish, and Belgium posts, the current positions will likely shift toward privatization once they begin selling shares to the public. The shift toward privately owned national posts are happening in countries with governments that are considered both left and right of center."

 [Bnet.com](#) has told its readers that "Government-contracting rules are, to say the least, complex, particularly when it comes to "sole-source" awards. These are contracts that are not open to competitive bidding, but given to a company. In theory, this should only happen when the work is urgent, the cost is low and the number of companies able to meet the requirements is limited. In fact, sole-source decisions often lead to protests, investigations, bad publicity and sometimes criminal cases. Take, for example, the U.S. Postal Service's award of a Web site contract to Tatum LLC. This \$4.5 million contract was a sole-source award directed by the Post Office's Mailing and Shipping Services President, Robert Bernstock. He has worked in the past with an executive of Tatum who now manages the effort, raising concerns that Bernstock steered the contract to a buddy."

 The [Associated Press](#) has reported that "The Postal Service took the first formal step Wednesday toward cutting mail delivery to five days a week. The postal governing board agreed to ask the independent Postal Regulatory Commission for an opinion on dropping Saturday delivery. That request goes to the commission next week. Under the proposal, mail delivery to homes and businesses and mail collection from blue mailboxes would be limited to Monday through Friday. However, post offices that are now open on Saturdays would remain open, and Express


Mail delivery service would still be available seven days a week. Beyond getting the regulatory commission's opinion, the Postal Service needs Congress to approve the change." See also the [Washington Post](#).


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


-  In Denmark one may get an impression of the future importance of postal E-service portals. According to the media e-Boks, Post Danmark's webportal, had more registered users than Facebook in Denmark last year.
-  French La Poste has launched its e-mail service Digiposte.
-  UPS has obtained a licence for the delivery of postal items in Switzerland weighing more than 50 grammes.
-  DHL is aiming for growth in India through acquisitions.
-  French La Poste apparently wants to enter the mobile phone market.
-  The search for investors for the new postal bank in Russia was a success.
-  Salaries and wages in the German transport and logistics branch have to rise by four percent in the current year.
-  French La Poste announced that all of its 250,000 employees will get a gross bonus of 221 euros together with their April salary.
-  Billy Hayes, general secretary of the Communication Workers Union, is concerned that trade unions are becoming organisations for older workers.
-  Last week Australia Post and postal unions CEPU and CPSU have signed a memorandum of understanding. The MOU outlines the new framework for future negotiations. Both sides called the agreement a major breakthrough in the relationship between Australia Post and the unions.





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.)*

 [International Freighting Weekly](#) has reported that "DHL has partnered with the One Laptop Per Child foundation (OLPC) to deliver more than 2,000 laptop computers to Haiti for use by displaced students in schools that were hardest-hit by the January earthquake."


 The [Star-Press](#) has reported that "A Muncie man who stole mail while working as a contract driver for the U.S. Postal Service is now receiving his letters at the Delaware County jail."


 [KRDO](#) has reported that "A veteran postal worker is being accused of misappropriating money."


 The [Chronicle-Telegram](#) has reported that "The former postmaster of the Birmingham Post Office, which was destroyed in a March 2009 fire, is facing a federal embezzlement charge."


 [RIA Novosti](#) has reported that "Russia's Post Service has proposed changing the country's International Post customs to round-the-clock operations to expedite postal deliveries to Russia, following delay complaints by global postal operators."

 The [Times & Transcript](#) has reported that "Canada Post says no final decision has been made on moving mail sorting services from Moncton to Saint John."


 [Hellmail](#) has reported that "Swiss Post International retained the sales level of 2008 with a 2009 figure of EUR 681 million. Again, this puts Swiss Post International's group contribution at around 12 per cent of Swiss Post's group sales of EUR 5.8 billion. Swiss Post International increased its operating income by almost 12 million to over EUR 35 million. Operating exclusively in the international mail, parcel and express business, Swiss Post International recorded a positive result for 2009."


 **From the Federal Register: Postal Service RULES** Express Mail Open and Distribute and Priority Mail Open and Distribute Changes and Updates , 14076–14077 [2010–6102] [\[TEXT\]](#) [\[PDF\]](#)


 The [Washington Post](#) has reported that "Nearly 1,000 postmasters who manage post offices nationwide visited Washington this week to lobby lawmakers and top postal officials as the U.S. Postal Service finalizes proposals to cut mail deliveries and potentially close thousands of post offices because of budget shortfalls."


 [Dow Jones](#) has reported that "Japan's government said Wednesday it plans to keep a significant stake in the postal system while allowing it to offer universal financial services nationwide, setting back the efforts of previous administrations to privatize the huge organization. The blueprint of the postal reform bill released by the Democratic Party of Japan-led administration said the government will retain more than one third of its shares in Japan Post Holdings Co., which would allow it to have veto power on key decisions by the company." See also [Business Week](#) and [Reuters](#).


March 23, 2010


 The [Daily Herald](#) has reported that "Nearly 100 U.S. Postal Service employees and supporters demonstrated this morning outside the Palatine Processing and Distribution Center in an effort to keep jobs and operations at the facility."


 According to [Mobile Marketing Daily](#), "With the paid-content model coming back, Verizon Wireless has struck a deal with Danal Inc. to allow customers to buy digital goods online and charge them to their phone bills using only their mobile numbers. Starting later this spring, Verizon customers will be able to use Korean-based Danal's BilltoMobile service to spend up to \$25 a month on items at online stores including game sites, social networks and virtual worlds." [*EdNote: And you live where?*]

 [Folio magazine](#) has reported that "After receiving protests from groups like American Business Media over the timing of the proposed rate penalties for most flat-shaped mail that fails to meet so-called "deflection standards," the United States Postal Service pushed back implementation of the new standards from early this year until June 7. The intent, according to ABM, is to provide publishers and other mailers more time to understand what will pass under the new standards before the penalty program kicks in on October 3. The rate penalty for pieces failing the new test will be severe for mail that is presorted to carrier routes and smaller for less finely sorted mail."

 According to [Advertising Age](#), "it is becoming increasingly difficult for even seasoned professionals to segue from print to digital. The good news now for print professionals who want to make the switch is that their digital competition sometimes lacks certain skills that have become more important in the recession. Many digital natives who came up haven't experienced the ups and downs of business that have marked other, more mature media sectors."

 The [BuzzMachine](#) has told its readers that "Imagine an America in which everyone has an internet connection, a device to use it, and a printer. Ruth Goldway, the chairman of the U.S. Postal Regulatory Commission, imagined such a world when the head of the U.K.'s Royal Mail International asked at an industry conference a year ago what Google would do with the Postal Service. Goldway (who hadn't read my book) replied, "They'd give every household a computer and a printer." (And I'd add, of course, a broadband connection.) Goldway was just speculating. As someone who believes in the Postal Service's universal service obligation, it makes sense that she'd wonder about universal connectivity."

 [AllGov](#) has asked: "Who is Ruth Goldway?" [EdNote: All they had to do is ask us.]

 The [Courier, Express, and Postal Observer](#) has reported that "Senator Bob Casey (D-PA) plans to introduce legislation that would change some of the rules controlling multiemployer pension plans, or union-operated retirement pools to which United Parcel Service as well as companies in trucking, retail grocery and a number of other industries participate. Teamster multi-employer pensions are in trouble as competition from non-union firms and rail intermodal services as well as changing market conditions resulted in the bankruptcy and/or liquidation of most of the firms that contributed to the pensions over the past 30 years. Today, these pensions are paying benefits to more retirees from firms that are no longer in business than they pay to employees of firms that are still in business. The first two of these three provisions would relieve companies still contributing to these pension plans from the burden of paying for all of the benefits of employees of defunct firms."

March 22, 2010



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




[Prime Vision presents new postal video coding system](#)


[Intelligent Mail barcode system proves a success](#)


[Siemens signs Euro 5.6 million contract with Beijing Post](#)


[Lysanda announces agreement with TNT delivery services](#)

[News in brief](#)


 The [Wall Street Journal](#) has reported that "Credit-card companies are pulling the plug on some of the specialized, rewards-loaded plastic they pitched to consumers when credit was easy and wallets were wide open. Co-branded and affinity cards have become too expensive as credit-card companies try to reduce expenses amid the surge in late payments and delinquencies by card users. Issuers usually pay partner firms or groups an upfront fee and a percentage of profits throughout the term of the contract."


 [Bloomberg](#) has reported that "FedEx Corp. chief Fred Smith said United Parcel Service Inc. is being "disingenuous" in trying to remove FedEx workers from a strike-limiting labor law that the companies considered backing jointly almost a decade ago. FedEx and UPS, the two largest U.S. package shippers, privately discussed potential legislation that would have ensured ground workers at both firms were covered by the Railway Labor Act, Smith said yesterday in an interview. That law, which covers ground workers at FedEx Express -- and not those at UPS - - lets the federal government intervene to stop strikes. "It's certainly disingenuous" for UPS to now seek legislation that would remove the FedEx workers from the jurisdiction of the Railway Labor Act, Smith said. "I'm disappointed in not only what they've done, I'm disappointed in how they've done it."

 From [PRLog](#): "Express Courier Market in India 2010. The Express Courier market is valued at INR 62 bn in 2008 and is expected to grow rapidly in the future. The increase in demand for reliable and efficient express delivery services from a wide spectrum of consumer segments is expected to drive the market. Domestic and foreign participation has been continuously increasing as they compete for a sizeable share in this market with high profit opportunities."

 From [PRWeb](#): "As of Monday March 15, 2010, the United States Postal Service® (USPS®) stopped manually applying a round stamp receipt on hard-copy postage statements submitted at facilities equipped with PostalOne!® This means a lot of mailers will no longer get a physical marking of mail verification and acceptance on their Postage Statements. Other mailers facing the same issue are those that are required to transmit Postage Statements


electronically via the USPS PostalOne! system in order to participate in the Intelligent Mail® Full-Service option. Window Book's DAT-MAIL post-presort software has been enhanced to enable mailers to generate and print an Electronic Round Stamp (eRound Stamp™) on their Postage Statement receipts. Once PostalOne! finalizes the postage statement, DAT-MAIL can produce an eRound Stamp on the postage statement receipt with the corresponding Mailing Group ID# and PS# from PostalOne! This is just one of the many ways DAT-MAIL enhances mailing systems when mailers begin transmitting electronic documentation online using the PostalOne! system."

 [Tempo Interactive](#) has reported that "State-owned postal service company PT Pos Indonesia has allocated Rp 500 billion for capital expenses to develop its information technology system, improve the quality and infrastructure, and strengthen its human resources. This year's capital expense is bigger than last year's Rp 100 billion. "We are investing in all the services," said PT Pos Indonesia CEO I Ketut Mardjana in Bandung yesterday"


 Postal news from [Hellmail](#):


- [Greek Postal Regulator To Host Discussion Workshop](#)
- [Slovakia Declares Hybrid Mail Market Reopened](#)
- [Estonia Post Sells Property To Raise Investment Capital](#)
- [ACS:Law Threatens Online Forum With Legal Action](#)


 **From the Federal Register:** "Postal Service NOTICES Partial Transfer of Post Office Box Service Product to Competitive Product List , 13802 [2010-6399] [\[TEXT\]](#) [\[PDF\]](#)"

 The [Washington Post](#) has reported that "A strike Tuesday in France is expected to disrupt trains, transport, **postal services** and schools as unions aim a new blow at President Nicolas Sarkozy following his party's drubbing in regional elections."

March 21, 2010

 From [Business Wire](#): "Diversified industrial manufacturer Eaton Corporation today announced that it has secured an Indefinite Job Order Contract from the United States Postal Service (USPS) Eastern Facilities Service Office (EFSO) for energy conservation projects at postal facilities in North Carolina, Ohio, Pennsylvania and South Carolina. The scope of this initiative includes energy engineering, audits and implementation of energy conservation opportunities including lighting retrofits, lighting controls, minor heating, ventilating and air conditioning improvements, and compressed air systems improvements."

 **The Association for Postal Commerce has a new Chairman of its Board of Directors: Joseph Schick (Quad/Graphics).** (Schick was elected in a special election as required to fill the vacancy left by the resignation of Jody Berenblatt, which, under PostCom's bylaws, was automatic following her departure from the company from which she had been serving as its PostCom representative.)

 [TPMCafe](#) told its readers that "We expect dogs to occasionally attack letter carriers. It's part of their biological make-up. However, we expect better behavior from our representatives in Congress; after all, members of Congress get paid good salaries, not just table scraps. That is why it is distressing to see that Congress is apparently willing to go along with financially squeezing the Postal Service, causing tens of thousands of postal workers to lose their jobs and ending Saturday mail delivery."


 **PostCom welcomes its newest member: Harland Clarke** 10931 Laureate Drive San Antonio, TX 78249 represented by **Carol Kliever Director, Distribution & Logistics**



The latest blog has been posted on the U.S. Postal Service Office of Inspector General's Internet site "[Pushing the Envelope](#)." The public, mailers, postal


employees, and other stakeholders are invited to weigh in on the online discussions taking place. To view the site, visit <http://blog.uspsaig.gov/>.


- **Who Will Make the Hard Decisions about Retail Station and Branch Closings?** To cut costs, the Postal Service has been considering retail station and branch closures. Who should bear the primary responsibility for determining which postal facilities should be closed?


 **DMM Advisory: Intelligent Mail Update.** *PostalOne!*[®] and FAST[®] Outages: *PostalOne!* Release 24.0.1 and FAST Release 14.1 will be deployed to production environment on Sunday, March 28, 2010. The *PostalOne!* and FAST Production systems will not be available from 4:00 a.m. through 8:00 a.m. (CST) Sunday, March 28, 2010. *PostalOne!* Release 24.0.1 and FAST Release 14.1 will be deployed to the Test Environment for Mailers (TEM) environment on Monday, March 29, 2010. The *PostalOne!* and FAST Test Environment for Mailers systems will not be available from 4:00 a.m. through 8:00 a.m. (CST) Monday, March 29, 2010. Final Release Notes are posted on [RIBBS](#)[®] for *PostalOne!* Release 24.0, which includes information for Patch Releases 24.0.0.1 and 24.0.0.2.

***PostalOne!* Release 24.0 Issues:**


- Mail.dat[®] 08-2 files submitted using the legacy Mail.dat application cannot be updated with the USPS[®] Mail.dat client. In order to allow mailers to complete these jobs without resubmitting, we are making a one-time exception to temporarily activate the legacy Mail.dat application. Mailers should not submit any new jobs using the legacy Mail.dat application as this support will be permanently discontinued on April 16, 2010.
- A change in Release 24.0 to a Mail.dat validation enforcing the Component ID field in the CPT record of the Mail.dat file to be left filled with leading zeros. We are temporarily reverting this validation so that leading zeros are not required until an approach for implementing the validation change is identified and reviewed with the mailing industry.
- Mailers using the USPS Mail.dat client software in batch mode could not process files once they upgraded to release 24.0. Mailers will need to re-enter their user-name and password credentials before being able to run the Release 24.0 USPS Mail.dat client in batch mode. This is a one-time only configuration activity.


 The [Washington Times](#) has reported that "The U.S. Postal Service's president of shipping signed off on a no-bid, \$4 million consulting contract to a firm partly because it employed a former associate from his days as an executive at pickle producer Vlasic Foods and lawn care giant Scotts Miracle-Gro, records show. The decision to bar other companies from bidding on the contract was made months after postal officials warned that the nation's mail service risked running out of cash for the first time in history."


 [Indlaw News](#) has reported that "ICICI Prudential Life Insurance inked a partnership with India Post in Uttar Pradesh to sell its services to the customer. The memorandum of understanding (MoU) was signed here by ICICI Prudential Life Insurance senior vice-president and head sales Anu Rau and Chief Postmaster General (UP circle) Kamlesh Chandra. Talking to mediapersons, Mr Rau said with this new initiative with India Post, the company will provide customers with one-stop solution for all their long-term saving needs."


 The [Sunday Standard](#) has reported that "When the revamped Botswana Postal Act finally comes out of parliament, probably after the July sitting, BotswanaPost will be a totally different organisation. Apart from providing the conventional post office services, it will provide banking services for under-banked and unbanked


segments of the society. This week Pele Moleta, Director General of the parastatal, told Sunday Standard that the merger of Botswana Savings Bank (BSB) and BotswanaPost is expected to be concluded in 12 months."

 [The Mirror](#) has reported that "A Freedom of Information request by the Mirror revealed that in the seven years Adam Crozier has run royal Mail an average of £140,000 was paid to a firm called The Mind Gym. The Mind Gym gave 3,000 Post Office managers "mental workouts" last year on subjects such as "conflict handling".


 According to the [Las Vegas Sun](#), "The Postal Service has played a vital role in America, serving the entire country, from small towns to big cities. People depend on the Postal Service and have a high opinion of it — it's consistently among the best-rated government services. The Postal Service's plan is thorough and seems to be filled with common-sense proposals. It deserves serious consideration by Congress. Lawmakers should make sure the Postal Service gets the tools it needs to remain viable in the future."


 The [Manchester Evening News](#) has reported that "Courier business Parcel2Go is eyeing sales of up to £16m for this financial year and believes its rapid growth will attract the attention of big industry players."


 [Datamonitor](#) has reported that "Fujitsu has announced the development of a system supporting the new online mail service from Japan Post Service, which enables letters and documents to be sent via the internet to the post office, in the form of online letters, faxes, and express mail, and then manually delivered by the mail carrier to the recipient's postal address in Japan. The company said that it has developed the new system, from its design to software deployment for approximately 1,400 post offices and delivery centers in Japan, in four months. The system provides a user-friendly screen interface for 24/7 operations, and enhanced security features."


 Postal news from [Hellmail](#):

- [Estonian Post Goes Digital](#)
- [Licensed Uk Postal Operators Reaches Fifty](#)
- [Royal Mail - Standing Still Simply Not An Option](#)

 [Trading Markets](#) has reported that "An effort on the part of Congress and the United Parcel Service to allow certain Federal Express employees to unionize and organize strikes more easily could hurt Alaska's economy and enable unions to bring commerce to a screeching halt on a whim, FedEx officials said. House Bill 915, sponsored by U.S. Rep. James Oberstar, D-Minn., was originally intended to address aviation safety concerns, but an amendment later added would lift regulations barring FedEx truck drivers and other employees from unionizing and organizing strikes. The bill would not affect pilots. "It'll shut down our operations in Alaska," said Maury Lane, a FedEx spokesman."

 The [Washington Post](#) has reported that "The end of Saturday mail delivery gets closer to reality in the next 10 days, as Postmaster General John E. Potter plans to formally present his proposals to his board of directors and postal regulators. Potter is scheduled to present the plans to the Postal Board of Governors on Wednesday and the Postal Regulatory Commission on March 30. "


 In a letter to the editor of the [Federal Times](#), public administration scholar Murray Comarow wrote: "The Washington Post and The New York Times, in March 2 editorials, advise Congress how to avoid a collapse at the U.S. Postal Service. Both call for more management flexibility; but neither grasps that more fundamental change is needed. Calls for a new business model have come from members of Congress, most mailers, and the Postal Service itself. The model favored by the Postal Service is a self-supporting government entity, which it is today, but with more flexibility. More flexibility would be achieved by a dozen changes in the law. None of these, however, would change the business model. If the Postal Service is to comply with Congress' lip-service demand that it behave like a business, it requires substantial control over prices and wages."

 [Hellmail](#) has reported that "Following the establishment of an agreement between the Communication Workers Union and Royal Mail over pay and modernisation this month, CWU leaders are touring the country, explaining to

union branch representatives in detail, what the new deal will mean and why workers should vote in favour of the agreement."



The opening remarks made by [Senator Susan Collins](#) (R-ME) at the most recent hearing before the Senate appropriations subcommittee has been posted on her blog.⁷

The [NAM News Network](#) has reported that "A workshop on regional postal services in the Arab world organized by the Universal Postal Union (UPU) kicked off in the Syrian capital, Damascus, on Saturday. Head of the Syrian postal service Ahmad Saad said in a keynote speech that the decrease of the use of parcels and letters sent via the post is the result of the decline in the quality of services, pointing out to the need to solve this through a planned strategy. This planned strategy should be aimed at improving postal services by presenting products and services according to modern up-to-date technology to customers."


 [Auctionbytes](#) has a feature on: "United States Postal Service Answers Your Shipping Questions."

 [The Peninsula](#) has reported that "The General Postal Corporation and Arab Association of Direct Marketing has signed an agreement to jointly host Arab Postal and Direct Marketing (ADMA) Forum 2010 on May 4 in Qatar."



At the Postal Regulatory Commission: The [latest CPI calculation](#) as it's used for raising postal prices has been posted on the PRC web site.


March 20, 2010


The [Federal Times](#) has reported that "The U.S. Postal Service's top marketing executive last year directed a \$4.5 million sole-source contract to a former business associate. The agency's Mailing and Shipping Services President, Robert Bernstock, hired Tatum LLC of Philadelphia in February 2009 to help modernize the Postal Service's Web site. Postal Service Inspector General David Williams is investigating Bernstock's approval of the Tatum contract and other sole-source deals to determine if he violated procurement rules. Neal Couture, executive director of the National Contract Management Association, said the Tatum sole-source justification 'is weak.' The Postal Service says contracts of this kind are routine and do not violate the agency's procurement rules."



Postal news from [PostalInsight](#):

- [Geodis Acquires Ciblex Express Parcel Specialist](#)
- [European Postal Quality of Service Exceeds EU Objectives Again](#)
- [Mailers Show Success in Printing Intelligent Mail Barcode](#)
- [Australia Post And Unions Agree On Way Forward](#)
- [La Poste Launches Digital Mail Service As Alternative To Paper](#)

According to William F. Shughart II, a Senior Fellow at [The Independent Institute](#), "picking up and delivering the mail are not functions in which the public sector has—or should be expected to have—a comparative advantage over private enterprise. The experience of Deutsche Post proves that liberalizing the USPS is a proverbial win-win scenario."

Postal news from [Hellmail](#):

- [Report Recommends Better EU Regulation Principles](#)
- [Postal Workers Divine Rights](#)
- [CWU Leader Hayes - More Effort Needed To Recruit Younger Union Members](#)
- [Parcel Delivery Alerts - By Text](#)



From the Federal Register: [Docket No. MC2010-20](#). The Commission is noticing a recently-filed

Postal Service request to transfer selected Post Office Box Service locations from the Market Dominant Product List to the Competitive Product List. This notice addresses procedural steps associated with that filing. DATES: Comments are due: March 31, 2010.

According to the [Courier, Express, and Postal Observer](#), "In a number of previous posts, I indicated that the Annual Compliance Review had the potential to become a mini-rate case. In her remarks before the Financial Services and General Government Subcommittee of the Senate Appropriations Committee, Postal Regulatory Commission Chairman Ruth Goldway laid out a view of the Postal Regulatory Commission that more than reinforces that view. Chairman Goldway, in response to a question from Senator Durbin, noted that the PRC's opinion on the Postal Service's 5-day delivery proposal was advisory. The PRC could not stop the Postal Service could not stop the Postal Service from implementing a service change that it advised against. However she indicated that the Commission had the power to compel the Postal Service to reinstate service if it finds as part of the annual compliance review that the change results in the Postal Service no longer providing the universal service required by the law."



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

[Locally Issued Salary Advances \(Report Number FF-AR-10-122\)](#)

[NextGov](#) has reported that "The U.S. Postal Service, which expects to lose \$7 billion this year, could pick up more than a bit of spare change by helping the Federal Communications Commission and the National Telecommunications Administration conduct a national analysis of spectrum usage, according to the FCC's National Broadband Plan, which it recently sent Congress. FCC said the national inventory of spectrum usage would require sniffing the airwaves with spectrum analyzers mounted on postal vehicles, and it put the cost at \$15 million. That won't come close to erasing the Postal Service's deficit, estimated to hit \$238 billion by 2020, but, hey, every million bucks here and there counts when you are struggling to get by."

Prescott Report The [Prescott Report](#) has posted a new item, 'EU Parliament Resources: "Hearings" and "Exchanges of Views"' In the forthcoming issue of The Prescott Report we carry an article by FEDMA's Goetz Brandau, Legal Affairs Manager, explaining that unique Brussels term "exchange of views" and distinguishing it from a US Congressional hearing. You may view the latest post at <http://prescottreport.com/eu-parliament-resources-hearings-and-exchanges-of-views>

March 19, 2010



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

- The USPS PMG addresses the serious financial situation facing the United States Postal Service and provides details of its plan for reducing the number of mail delivery days, should a frequency change be approved by Congress. He also shares aspects of the new action plan for the next decade titled, "Ensuring a Viable Postal Service for America.."
- The PMG got a modicum of support for some of his proposals before Congress, and voiced skepticism on and from others.
- The Postal Service, late last week, filed with the Postal Regulatory Commission (PRC) a request to transfer selected Post Office (PO) box service locations to the competitive product list. This marks the first time, under the Postal Accountability and Enhancement Act that the Postal Service has requested an existing market dominant product to be moved to the competitive products.
- In a special contribution to the PostCom Bulletin long-time postal sage Murray Comarow wrote that "The Washington Post and the New York Times have paid scant attention to the Postal Service. It's just not interesting, journalists claim. Perhaps so, except when it may be headed for the rocks, in which case the Post and the Times, in lead editorials on March 2, 2010, advise Congress how to avoid a collapse. Both


editorials call for more management flexibility; neither grasps that more fundamental change is needed. Calls for a new business model have come from members of Congress, most mailers, and the Postal Service itself. The editorials rightly assert that labor costs, eighty percent of postal expenses, must be reduced, citing uncompetitive wages and benefits, work rules, and no-layoff clauses. Neither notes that if there is an impasse in collective bargaining, wages are set by an arbitrator, whose award is final and unappealable. In 2009, postal expenses were nearly seventy-two billion dollars. If union contracts had expired last year, an arbitrator could have decided disbursement of almost eighty percent of that amount. It is only a slight exaggeration to say that the price of a postage stamp is set by the arbitrator.”


- Deadtree Edition has asked: "Is the head of the Postal Regulatory Commission really falling for the Postal Service's nonsensical accounting methods for periodicals and catalogs?"
- Fredric Rolando, President of the National Association has submitted a letter to the New York Times Editor.
- In the upcoming months, Congress, stakeholders, and Obama administration officials will complete a comprehensive evaluation of the package of changes that the Postal Service proposed in its action plan. While many stakeholders will focus on what the changes mean for them, Congress and the Obama administration need to focus on what the plan means for the United States postal market and the impact of a financially failing Postal Service on the pace of the economic recovery. In that regard, Congress and the Obama administration will likely go beyond examination of what is in the plan. They will quickly identify gaps that need to be addressed.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews


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





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 The [Courier, Express, and Postal Observer](#) has reported that "The financial data unveiled along with the FedEx earnings report that was announced yesterday revealed how closely tied the fortunes of FedEx and UPS are tied to the Postal Service. FedEx is one of the Postal Service's largest suppliers. It provides the postal service with a significant portion of the \$2 billion spent on air domestic air transportation annually. FedEx uses the Postal Service to deliver a significant portion of its light weight ground parcels."


 [Reuters](#) has noted that "FedEx Corp raised its fiscal-year outlook on Thursday after quarterly profit more than doubled, with strong Asian export volumes more than compensating for flat U.S. demand. Although the package delivery giant said the economic recovery was broadening, its shares initially fell 3 percent before recovering to trade up 1 percent."


 The [Associated Press of Pakistan](#) has reported that "Postal system being one of the most widely used means of communication has played vital role in the socio economic development of the country. Federal Minister for Postal Service Israr Ullah Zehri while talking to APP, said that Pakistan Post with a network of 12,367 post offices is the only government entity offering services in the remotest areas having its reach to the entire country. PPS is committed to make secure and timely delivery of mail, money and material at the doorsteps of the customers at affordable cost. Pakistan Post has a broad and varied role to play beyond provision of communication link for individuals and businesses."

 [Russia Today](#) has reported that "Deliveries from abroad are suffering long customs delays with the service unable to cope with demand. It's also making some big international retailers think twice about setting up in the Russian market. Yahoo StumbleUpon Google Live Technorati del.icio.us Digg Reddit Mixx Propeller Tonnes of goods, satisfied customers and lots of money. That's the theory. But in practice packages are piling up at Russia's postal service going nowhere, while tens of thousands of online shoppers seethe with frustration as they wait for delivery. Parcels being carried by EMS Russian Post have been delayed for weeks. While DHL is faring slightly better, with its packages to Russia stalled from four to ten days. Postal operators blame the delays on parcels from abroad on customs red tape. The Customs Service does not deny the issue, but claims it is being overwhelmed by the dramatic development of on-line trade. "The number of postal deliveries to Russia has increased three-fold compared with last year and our facilities and staffing capacity has not been sufficient to deal with the volume," says Valery Seleznev, Deputy Head of the Customs Service. Russian postal services agree, but it's their reputation that's suffering as angry customers are kept waiting."


 [The Jamaica Gleaner](#) has reported that "Since March 8, customers of Jamaica Post have been paying twice the amount it normally costs to send mail. This has been the first increase since 2004."


 The [Postal Service has a page on its web site](#) that can provide updates on the status of Area Mail Processing facility closures.


 [Transport Intelligence](#) has reported that "DHL has increased its investment in the Clinical Trials Logistics sector, by doubling the number of its global depots from 8 to 16 to include India, China, Panama, Canada, USA, Chile, Argentina and Lebanon. DHL now offers its Clinical Trials Logistics (CTL) service across 64 countries. This expansion will enable DHL to service additional key research sites around the world and to integrate emerging markets into global supply chains."


 Postal news from [Hellmail](#):

- [CWU Leader Hayes - More Effort Needed To Recruit Younger Union Members](#)
- [Ukrainian Postal Service Hosts Euro Postal Meeting](#)
- [MaltaPost Issues Stamps For All Occasions](#)
- [DHL - Vendor Of The Year Award](#)
- [Mail Express Delivery Show Opens Next Month](#)
- [Fastway Couriers Named Franchise Of The Year](#)
- [Austrian Post Publishes 2009 Report](#)


 The [Detroit News](#) has reported that "The Canadian postal service, Canada Post, has selected Ford Motor Co.'s Transit Connect compact van to replace its aging light vehicle fleet. The Dearborn automaker said Thursday that Canada Post has placed an initial order of 1,175 of the Turkish-made commercial vans after concluding that they best met its modernization requirements." See also [Automotive Business Review](#).


 [USA Today](#) has reported that "The top Republican on the Senate panel that oversees the U.S. Postal Service said Thursday that a financial overhaul plan that includes cutting mail delivery from six days to five could set off a "death spiral" for the agency. The Postal Service "will have to present a compelling case that reduced delivery will not further decrease volume, setting off a death spiral," Sen. Susan Collins of Maine said." See also the [Washington Post](#).


 The [Wall Street Journal](#) has reported that "Census Bureau officials are counting on an advanced postal tracking system to speed up responses and save the government millions of dollars in follow-up letters and visits by census takers. But some privacy advocates and lawmakers are troubled by the tracking system, which they say oversteps privacy bounds."


 [Deadtree Edition](#) has asked: "Is the head of the Postal Regulatory Commission really falling for the Postal Service's nonsensical accounting methods for periodicals and catalogs? In her speech last week to a Federal Trade

Commission workshop on journalism in the Internet age, Ruth Goldway tried to explain why Standard flats (mostly catalogs) and Periodicals mail (magazines and newspapers) had become increasingly unprofitable for the Postal Service in the past decade despite rate hikes and increased mailer work sharing."


 [Fox Business](#) has reported that "The U.S. Postmaster General is asking Congress to loosen requirements on the Postal Service, allowing it to scrap Saturday mail delivery and make other changes to stem a projected 10-year \$238 billion deficit. Lawmakers had mixed reactions to the request. Sen. Richard Durbin (D., Ill.) said it might be worthwhile to test five-day delivery, at least temporarily. But Sen. Susan Collins (R., Maine) said the Postal Service will have to make a compelling case that reducing Saturday service won't further depress volume, "setting off a death spiral" for traditional mail. Collins warned that ending Saturday delivery could undermine relationships with businesses such as Netflix that rely on frequent mail delivery. She also questioned whether it would yield the savings projected by the Postal Service, citing a smaller projection of \$2 billion of annual savings by the Postal Regulatory Commission. The \$1 billion gap is due to differing assumptions about the impact on mail volume, workload and labor. On the request to end prepayment for retiree health costs, Collins expressed willingness to stretch out payments, but said, "we cannot just wish these liabilities away or pretend they don't exist."


 [Hellmail](#) has reported that "Austrian Post has published its annual results - for 2009. It said the economic crisis had placed considerable burdens on the company, the recession putting increasing pressure on letter mail and parcel revenues with customers trying to achieve cost savings for postal services. This had a negative effect on the volume and price development for Austrian Post. Accordingly, the crisis accelerated the trend towards the substitution of letters by electronic media. On balance, total revenue of Austrian Post fell by 3.5%, to EUR 2,356.9m."

 According to [News Chief](#), "The U.S. Postal Service wants a bailout. That's pretty good. It just can't seem to make ends meet like companies in the private sector. "

 [Business Week](#) has reported that "Sears Holding Corp., the largest U.S. department-store company, and coffee-shop operator Starbucks Corp. are models in cost-cutting Postmaster General John Potter said he wants to follow at the U.S. Postal Service. "Business processes that involve evaluating and relocating or consolidating retail outlets are reasonable and warranted practices used by many companies to streamline their operations and reduce costs," Potter said in testimony today for a Senate Appropriations Committee panel. "When a business is losing money, they resort to selling a portion of their assets, closing locations, or other options such as laying off employees."

March 18, 2010

 From [PRNewswire](#): "The head of the National Association of Letter Carriers (NALC) union urged Congress today to reject a Postal Service proposal to eliminate Saturday mail delivery to American citizens as a quick fix to the financial problems of the U.S. Postal Service, saying that lawmakers should instead implement recommendations of the USPS Office of Inspector General to save the Postal Service tens of billions of dollars in unnecessary retiree health pre-funding payments by returning the \$75 billion it has been overcharged for civil service pension costs."

 Postal appropriations subcommittee chairman Richard Durbin (D-IL) has suggested that Congress may be willing to consider given the Postal Service the authority to pilot test the idea of five-day mail delivery. USPS PMG Potter told Durbin that if the \$75 billion CSRS excess is better used, five-day delivery may not be required.




In his testimony to a Senate postal appropriations panel, [Postmaster General Jack Potter](#) said that within his plan "some of the solutions [being proposed] could be implemented relatively quickly within the shortterm, while others would require much more time to achieve. No one solution is the answer to reversing our financial condition. And doing nothing—the status quo—is not an option. We believe a balanced approach that provides the Postal Service with the flexibility to respond to market dynamics and the speed to bring products to the market quickly, and that incorporates initiatives focused on cost, service, price, new product, and changes in the law would be the best approach. It is also the one that is most likely to perpetuate a financially sound Postal Service, able to meet the needs of the American people. We are ready to proceed with our plan. But we need Congress to provide the legislative reform necessary for us to begin our recovery and move forward." Regarding the prefunding of the USPS' retiree

health obligation, he said that "A restructuring of the payment obligation is urgently needed to allow the Postal Service to continue to fulfill its mission now and in the future."



From today's hearing before the [Senate Committee on Appropriations \(webcast\)](#), Subcommittee on Financial Services and General Government:

- [Testimony of the Honorable John Potter, Postmaster General of the United States](#)
- [Testimony of the Honorable Ruth Y. Goldway Chairman Postal Regulatory Commission](#)
- [Testimony of the Honorable David C. Williams Inspector General United States Postal Service Office of Inspector General](#)
- [Testimony of Phillip Herr Director Physical Infrastructure Issues U.S. Government Accountability Office](#)
- [Testimony of Frederic Rolando, President, National Association of Letter Carriers](#)
- [Testimony of William Burrus, President, American Postal Workers Union](#)
- [Statement of Ted Keating of NAPS](#)
- [Statement of the National Postal Mail Handlers Union](#)

 [Brand Republic](#) has reported that "DMA chief Robert Keitch is stepping down in two weeks, leaving the DMA's directors and senior staff to cover his duties until a successor is appointed. Despite the quick departure, Keitch is not severing ties with the organisation. He will still serve as its media spokesman through to July, and will not be taking another job in the short term."



The Board of Governors of the U.S. Postal Service will meet in open session March 24 at Postal Service headquarters, 475 L'Enfant Plaza, SW. The public is welcome to observe the meeting beginning at 8:30 a.m., in the Ben Franklin Room on the 11th floor. The Board is expected to discuss the following items: Wednesday, March 24 at 8:30 a.m. 1. Minutes of previous meetings 2. Remarks of the Chairman of the Board 3. Remarks of the Postmaster General and CEO 4. Amendments to Board bylaws 5. Appointment of committee members and committee reports 6. Quarterly report on service performance 7. Five-day delivery presentation 8. Tentative agenda for the May 4-6, 2010, meeting in Washington, DC.



The [Chico Enterprise-Record](#) has reported that "The U.S. Postal Service has announced it will move its mail processing and distribution from Marysville to Sacramento. The transition is expected to start in June and be completed by October."




DMM Advisory: March Postage Statements Now Available. On March 14th all postage statements were updated to reflect the name change of bulk mail centers (BMCs) to Network Distribution Centers (NDCs) where applicable. Changes also include design enhancements to the "USPS Only" area. **NOTE:** Although customers are encouraged to use the March 14, 2010 version of all postage statements immediately, the mandatory compliance date is May 27, 2010. During this transition period, customers may continue to use their stock of January 2010 (only) postage statements until May 27th.





[FedEx Corp.](#) today reported earnings of \$0.76 per diluted share for the third quarter ended February 28, compared to \$0.31 per diluted share a year ago. "Outstanding execution of our business strategy and an improving global economy drove solid financial performance in the third quarter," said Frederick W. Smith, FedEx Corp. chairman, president and chief executive officer.





[The Star](#) has reported that "Pos Malaysia Bhd has set its 2010 key performance indicator (KPI) targets where it has projected revenue of RM930mil for the financial year ending Dec 31 (FY10), a 3% increase over FY09's achievement."


 [USA Today](#) has reported that "A majority of Americans are willing to accept cuts in mail delivery days to preserve the U.S. Postal Service, a USA TODAY/Gallup Poll found. Yet older people, who use the mail most often, are more willing than younger Americans to reduce mail service from six days to five."

 [Human Events](#) has told its readers that "For decades, news arrived on America's doorsteps with a thump. An ad-heavy mountain of newsprint alerted rich and poor to the important events in their world. Technology changed all that – first radio, then TV, then the Internet. The only thump many newspapers make now is in closing their doors forever. Reporters and editors fear for their jobs and even their profession. The left is trying to turn that fear into opportunity to inject government into journalism in a way never before seen in the United States. A look at Britain's BBC shows how biased and left-wing state media can become with enough funding. Here at home, the droning bias of PBS or NPR is our taste of government-funded journalism – and that's with only \$420 million in federal backing. Some on the left are calling for at least \$30 billion a year to bailout the news media."


 According to the [Abilene Reporter-News](#), "Older people, who use the mail more often than others, are more agreeable than younger Americans to accept the change. The Postal Service is in the process of seeking Postal Regulatory Commission approval and Congress to halt delivery on Saturdays. Federal law currently mandates the Postal Service deliver mail six days a week to each U.S. household."

 The [Pittsburgh Post-Gazette](#) has a story on "Postal employees buy woman food."


 [Reuters](#) has reported that "Japanese Banking Minister Shizuka Kamei has decided the government should retain more than one third of its shares in mammoth financial conglomerate Japan Post."


 [Logistics Management](#) has reported that "Congress yesterday voted to extend H.R. 4853, The Federal Aviation Administration Extension Act of 2010, for three months through June 30. This is the latest in a series of extensions for this bill, which expired in 2007. Within this legislation is a companion piece approved by the House last year, which has been at the center of a labor-related dispute between parcel industry bellwethers FedEx and UPS."


 ***From" the Federal Register: Postal Service RULES Eligibility for Commercial Flats Failing Deflection , 12981–12988 [2010–5738] [TEXT] [PDF]***


 As one [Fast Company](#) blogger put it: "Please - Enough of the negative pile-ons. Last week, the U.S. Postal Service announced that – gasp – it is deeply in the red this last quarter and could be facing more than a \$200 billion shortfall 10 years from now. And one of the options on the table is to eliminate Saturday home delivery. That's all the nattering nabobs of negativism (thank you Mr. Agnew) needed to hear to call for more blood. The Postal Service over the years - and especially recently - has become an organizational piñata, attracting every late night comedian and political cartoonist who want to be at the head of the line to take a mighty swing with the stick of ridicule and disdain. It's become the easiest of targets, more helpless and hapless than Octo-mom. Or even Washington politicians."


March 17, 2010


 In a special contribution to the *PostCom Bulletin*, long-time postal sage [Murray Comarow](#) wrote that "The Washington Post and the New York Times have paid scant attention to the Postal Service. It's just not interesting, journalists claim. Perhaps so, except when it may be headed for the rocks, in which case the Post and the Times, in lead editorials on March 2, 2010, advise Congress how to avoid a collapse. Both editorials call for more management flexibility; neither grasps that more fundamental change is needed. Calls for a new business model have come from members of Congress, most mailers, and the Postal Service itself. The editorials rightly assert that labor costs, eighty percent of postal expenses, must be reduced, citing uncompetitive wages and benefits, work rules, and no-layoff clauses. Neither notes that if there is an impasse in collective bargaining, wages are set by an arbitrator, whose award is final and unappealable. In 2009, postal expenses were nearly seventy-two billion dollars. If union contracts had expired last year, an arbitrator could have decided disbursement of almost eighty percent of that amount. It is only a slight exaggeration to say that the price of a postage stamp is set by the arbitrator."


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


 LaPoste reports on its most recent financial performance.


 An unfavourable development of volumes and prices caused lower turnover and profit for Austrian Post in 2009.


 Hungarian Magyar Posta's 2009 turnover only decreased by remarkable 1.9%.

 Establishing the projected postal bank in Russia could cost between 3.5bn to 7.3bn euros.

 Swiss Post's secret project 'Distrinova' has thrown the union into a dither. News magazine »10vor10« (12.03) reported that Swiss Post plans to introduce walk sequence mail sorting in the context of this project. The union Kommunikation fears that up to 3.400 jobs may be cut due to the new sorting systems and reacted with disgust.


 Eesti Post plans to quintuple its earnings this year.


 Around 1.7m households in Switzerland have 'No Junk Mail' labels on their post boxes. According to Swiss Post this is a quota of 41.5% of all households in Switzerland.


 DHL is threatened by several class action lawsuits of angered employees in the US.





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.)*

 [RIA Novosti](#) has reported that "International postal operators DHL and UPS, as well as Russia's state operator Pochta Rossii, have faced difficulties with deliveries to Russia blaming customs red tape. DHL has already said on its website the period of postal deliveries to Russia have been stalled from four to ten days as of late. Pochta Rossii has faced the same problems, with the world's largest Internet auction eBay and a number of on-line shops refusing to sell goods to Russians due to delays in deliveries, which have been extended from two weeks to two months."

 According to the [Manteca Bulletin](#), "The Postal Service today is on course to end up losing \$7.2 billion when 2010 ends. The agency is also close to maxing out the limit they can borrow. This doesn't look too good for an agency with over 700,000 workers that is only second to Wal-Mart when it comes to providing jobs. It's bad business practices sinking the Postal Service, right? Wrong unless you consider what Congress is doing to the Postal Service to be standard business practices. Congress has proven to be fourth class – if that – in terms of their expertise in how to set up an independent business. This shouldn't surprise anyone in the private sector considering how federal regulations often seem to have no rhyme or reason except create burdens, financial and otherwise."


 "Sources inform "[Globes](#)" that Israel Postal Company Ltd. is riding the Tel Aviv Stock Exchange (TASE) rally and wave of offerings, and plans to raise NIS 400 million in a bond offering. The company will begin its road show tomorrow and the offering will apparently be held next week."


 **From the Federal Register: [Docket No. CP2010-26; Order No. 42](#).** The Postal Regulatory Commission is noticing a recently-filed Postal Service request to include a new contract within the existing Global Expedited Package Services 2 (GEPS 2) product. The Postal Service characterizes the referenced contract as a successor to a current contract, which will terminate early due to fulfillment of a volume condition. This notice addresses procedural steps associated with this filing. DATES: Comments are due: March 19, 2010.


 In a letter to the editor of the [New York Times](#), National Association of Letter Carriers President Frederic Rolando wrote that "The worst thing Congress could do is allow it to drop Saturday delivery instead of fixing the


prefunding problem. That course would damage the long-term prospects for the Postal Service and destroy another 50,000 good jobs, just when officials are scrambling to create more."


 **At the Postal Regulatory Commission:** "[The PRC requires actuarial consultant services](#), using the OIG report as background, to review the method selected by OPM to allocate CSRS obligations associated with USPS employees' POD-era service between the Postal Service and the federal government."

 Folio has noted that "The business of magazine publishing isn't what it was five years ago. On the consumer side, publishers saw advertising pages slide 25.6 percent in 2009 and estimated revenue drop 18.1 percent, according to Publishers Information Bureau. On the trade side, pages dropped 28.6 percent last year while revenues fell 24 percent, per Business Information Network. What do the revenue losses mean? In part, it pushes several publishers to cook up creative ways to make and/or save money."

 The [Economic Times](#) has reported that "The Indian government has formally kick-started the process for setting up a specialised banking services subsidiary under the department of post, a move which will take commercial banking services to all parts of the country."

 From [PR Newswire](#): "Authentidate Holding Corp. (Nasdaq: ADAT), a worldwide provider of secure Health Information Exchange, workflow management services and telehealth solutions, today announced that the United States Court of Appeals for the Second Circuit has issued an order affirming in part and vacating and remanding in part the March 2009 decision of the U.S. District Court for the Southern District of New York, which had granted the company's motion to dismiss with prejudice shareholder class actions filed between June and August 2005 against the company and certain current and former directors and former officers."

 According to one of the [Fox News blogs](#), "As the U.S. Postal Service contemplates reduced service and we continue our march toward a paperless society, it's hard to imagine the Census depending as heavily on direct mail to collect its data. But adapting constantly changing technology to the counting of every person in a country that already exceeds 300 million is admittedly challenging. Census director Groves says, "It's easy to say, commit to the internet as one of the modes of the 2020 Census. The harder thing to imagine is what the internet of 2020 will look like, and none of us can imagine what that very well."

 The Sydney Morning Herald has reported that "Portugal, **under strong EU pressure to correct its public finances**, announced **sweeping privatisation** measures affecting its airline, rail transport, **postal**, energy and paper industries, on Tuesday to fight a rise in debt."




TENTATIVE AGENDA FOR GLOBAL ADDRESS SUMMIT
RELEASED

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

- **[Grievance Overpayments in the Baltimore District \(Report Number HR-AR-10-001\)](#)**
- **[Vending Operations Closure and Financial Risk \(Report Number FF-MA-10-001\)](#)**


For the latest information, follow us on Twitter at <http://twitter.com/OIGUSPS> and join us on Facebook at <http://www.facebook.com/oig.usps>.


March 16, 2010


 **DMM Advisory: PostalOne! Patch Release 24.0 Update Today.** *PostalOne!*[®] Release 24.0 was successfully deployed on March 14, 2010. Two issues impacting Mail.dat[®] file processing were reported by mailers and will be addressed in a patch Release 24.0.0.2 being deployed today between 8 p.m. and 10 p.m. (CST) to both the Production and Test Environment for Mailers (TEM) without an outage to *PostalOne!* Mailers may experience intermittent access during this timeframe. The patch Release will permanently repair the following two issues:


- Mail.dat 08-2 files submitted using the legacy Mail.dat application cannot be updated with the USPS[®] Mail.dat client. In order to allow mailers to complete these jobs without resubmitting, we are making a one-time exception to temporarily activate the legacy Mail.dat application for a period of 30 days.
- A change in Release 24.0 to a Mail.dat validation enforcing the Container ID field in the CPT record of the Mail.dat file to be left filled with leading zeros. We are temporarily reverting this validation so that leading zeros are not required until an approach for implementing the validation change is identified and reviewed with the mailing industry.


In a separate case, some mailers using the USPS Mail.dat client software in batch mode were not able to process files once they upgraded to release 24.0. These mailers will need to re-enter their user-name and password before being able to run the Release 24.0 USPS Mail.dat client in batch mode. This is a one-time only configuration activity.


 [AdAge](#) has reported that "The news of the U.S. Postal Service cutting back to a five-day week reminded me of an unexpected and amusing delivery I received a few days before Christmas. It arrived in the mail, but it was something I would have expected in my FreshDirect box rather than my mailbox: a Santa squash. I know. I had never seen one, either. It was a butternut squash with a beautifully painted picture of Santa Claus painted on the front, along with my address and a sticker worth \$5.23 of postage on the other side."

 [Multichannel Merchant](#) has told its readers that "There is an age-old procurement debate over the merits of sourcing with a single supplier vs. multiple suppliers. In the world of parcel carrier services, which is best?"


 According to [ABC News](#), "More marijuana is now being shipped through the U.S. Mail than in recent years, according to the U.S. Postal Inspection Service, whose seizures of marijuana parcels have increased by more than 400 percent since 2007. Traffickers use everyday objects to conceal the drugs. Here, marijuana is packaged inside "Teasdale" cans of corn. The amount of marijuana matched the weight on the label, and the traffickers used a can sealer."


 The [Dallas Morning News](#) has noted that "The U.S. Postal Service is searching for a business model that will stop a downward spiral in revenue as Americans move their mail and bill-paying to the Internet. Closing uneconomic post offices – without denying access to customers in remote areas – would save \$1 billion a year. Stopping Saturday deliveries would save \$3.3 billion a year, Potter said. Sen. Susan Collins, R-Maine, takes a dim view of both approaches. Collins wants the Postal Service to focus on reducing labor costs. Postal workers are unionized, and many contracts bar layoffs for economic reasons."


 From the [Wall Street Journal](#): *Flash!* "Federal regulators detailed a \$20 billion, 10-year plan to ensure all U.S. households access to high-speed Internet service, but the proposal faces resistance from industry groups and possible questions from lawmakers over how to pay for it." [EdNote: After pouring billions of dollars down financial sink-holes, now Congress balks at making a broadband infrastructure investment. Gee, just as it does with the postal infrastructure.]


 [International Freight Weekly](#) has reported that "In response to MSC CEO Gianluigi Aponte's assertion that shippers had taken advantage of industry overcapacity to get cheaper prices, Traill said: "It's an extraordinary thing


to say, to blame the customers for all your ills. "There are not many companies that would set about doing that in their PR campaign. "It's human nature – if you are offered low rates, you are going to take them." [EdNote: *Why not blame customers? The Postal Service does it all the time.*]


 As the [Wall Street Journal](#) has noted, "Planning to ship a package? You can compare rates at ShipGooder.com, a Web site that compiles prices from FedEx, DHL, the U.S. Postal Service and local messenger and delivery services."

 According to the [Asahi Shimbun](#), "It is distressing to see how the government is trying to change the plan for privatizing the nation's postal services. The debate on the fate of the Japan Post group is drifting in the direction of reversing the efforts to reform and modernize the group and its operations."

 [Trend News Agency](#) has reported that "The Universal Postal Union (UPU) awarded the Azerbaijani postal operator LLC Azerpocst the gold certification for its service of EMS (Express Mail Service) Azerexpresspost, the Azerbaijani Communications and IT ministry reported. The gold certificate is the fourth award conferred to Azerexpresspost."


 [FoxBusiness](#) has reported that "Austrian postal service provider Oesterreichische Post AG, or Austrian Post, said Tuesday its third-quarter net profit fell 33% as the macroeconomic slump reduced the handled volume of parcels and as a general migration from letters to electronic communication cut into sales."


 [MoreRFID](#) has reported that "Intelligrated, a leading American-owned automated material handling solutions provider, announces the addition of tilt-tray and cross-belt sortation solutions to its product portfolio. Under an agreement resulting from the acquisition of FKI Logistex in 2009, Intelligrated is now the exclusive provider of Crisplant technology in North and South America. This agreement broadens Intelligrated's offering as a single-source supplier and integrator of world-class material handling solutions. Crisplant loop sorters combine high-capacity unit sortation with smooth operation and scalable footprints to meet a wide range of warehouse, parcel, postal, distribution and fulfillment configurations. The equipment features the latest in material handling and sortation technology, including energy-efficient linear synchronous motors, variable speed drives and smart machine controls."


 [Trading Markets](#) has reported that "China Post Life Insurance Co., Ltd. has gained approval of piloting small-amount insurance business, becoming the sixth company making experiment in the business following China Pacific Life Insurance, Taikang Life Insurance, China Life Insurance, New China Life Insurance, and Ping An Annuity. According to the China Insurance Regulatory Commission, it agreed China Post Life Insurance to pilot the small-amount insurance business in principle."





[Postal Technology International](#) has reported that "The launch of a state-of-the-art sorter recently took place at the central hub of GeoPost Group's express parcel subsidiary DPD (Dynamic Parcel Distribution) in Krasnogorsk, in Russia's Moscow Region. The opening of the new sorter means a major expansion of DPD's operations capacity. The number of parcels processed at the central hub daily can now be increased by 50 percent. The sorter, which is run by one operator from a central programmable logic control unit, allows optimum running of the hub capacity. In 2010 the advanced sorting equipment will help DPD in Russia process over five million parcels at its central hub."


 **From the Federal Register:** "The [Postal Regulatory Commission](#) is adding International Business Reply Service Competitive Contract 2 to the Competitive Product List. This action is consistent with a postal reform law. Republication of the Market Dominant and Competitive Product Lists is also consistent with new statutory provisions. DATES: Effective March 16, 2010 and is applicable beginning February 26, 2010."


 [Techdirt](#) has told its readers that the Postal Service is "not a private business, the best solution for the USPS may be to simply accept its diminishing role in the daily lives of Americans, and focus on continuing to run as efficiently as possible for as long as it remains useful. That said, the other solution may be to remove the government-mandated monopoly and privatize the USPS, and then let that private entity decide whether or not to invest in the business."


 According to the [Courier, Express, and Postal Observer](#), "once a person buys an e-book, there's a 50% chance that they will buy most of their books in electronic form." [*EdNote: That's not good news for mail.*]


 **Press Release:** "During an international conference call on March 11, a steering committee was formed to launch an association that would "address the issue of the address" worldwide. Industry leaders from the US and countries throughout Europe agreed to combine forces and resources to improve the "address industry". In an interactive webinar, Charles Prescott, principal, Oak Knoll LLC and editor of The Prescott Report, made the case for an association that would highlight the importance of addressing and postcode data for business leaders, postal officials, regulators and policy-makers. The association would also represent postal data users and processors to establish more transparent and equitable data acquisition relationships with postal systems world-wide. The Steering Committee members are Sheila Donovan, Global DM Solutions (US); Emma Gooderham, Allies Computing (UK); Merry Law, WorldVu LLC (US); Graham Rhind, GRCDI (Netherlands); Joerg Schneider, Deutsche Post Dialog Marketing (Germany); John Callan, Ursa Major Associates (US); Alexander Singewald (Netherlands); Alastair Tempest, FEDMA (Europe). FEDMA hosted the webinar from its Brussels office. Prescott said, "With many posts promoting e-commerce and export initiatives, the need increases for improved addressing accuracy and quality for this higher value traffic. The value of this postal and express traffic will be increasing. In short, the address will be more valuable than ever. "

 **Attention PostalOne! Users:** If you have been using the PostalOne! Mail.dat client (MDR) software in batch mode, you'll find it does not process files once you upgrade to release 24.0 and the message "PostalOne! settings have become corrupted. Please rename or delete your mdrsettings.conf file" appears in your client log file. This is due to a change made in PostalOne Release 24.0 and the way that the MDR application encrypts and stores user name and password. This was changed in release 24.0 to provide more security. Mailers will need to re-enter their user-name/password credentials before being able to run the release 24.0 client in batch mode. This is a one-time only configuration activity; subsequent upgrades will not require them to do this. Additional information related to this issue will be available in a document titled "Release 24 Batch Client Communication (PDF)" that is being posted on RIBSS at the following link:
http://ribbs.usps.gov/intelligentmail_guides/documents/tech_guides/datspec/datspec.htm


 **PC World** has reported that "The average U.S. consumer loves to read news online, but only one in five is willing to pay for it. And if your favorite news site suddenly erects a pay wall that requires subscription or pay-per-article fees, more than four of five of you would simply get your news elsewhere. Those sobering statistics--bad news, certainly, for newspaper and magazine publishers intent on charging readers for online content--is from a new Pew Internet Project study that examines consumer attitudes toward online media. The report confirms what mainstream media outlets have feared for years, even if many won't admit it: Getting online readers to pay for mainstream news will be hard--really hard--and no one has a clue how to go about it." See also the [Associated Press](#).

 The [Press-Register](#) has reported that "An Orange Beach resident who moved into a new home last year and was cleaning the vacant building came across several garbage bags stuffed with mail -- thousands of pieces. The ensuing investigation led to the arrest of the previous residents, a husband and wife who worked as contract drivers for the U.S. Postal Service. Today, Senior U.S. District Judge Charles Butler Jr. sentenced Jeffrey M. Brown, 28, and Cassie L. Brown, 27, to probation for delay or destruction of the mail."

 **WSOC-TV** has reported that "Charlotte may be in the middle of a counterfeit check ring that stretches up the entire East Coast, according to U.S. postal inspectors. Eyewitness News has learned that counterfeiters are recruiting people from Charlotte's homeless community to cash the phony checks."

 **The Street** has said that investors should "expect big things from FedEx(FDX) when it reports quarterly results on Thursday -- no surprise in a recovering economy. But the expectation raises a couple of questions. First, if FedEx does well, what does that mean for UPS(UPS)? Additionally, FedEx's labor classification remains a wild card, with Congress expected to decide whether the two companies should be treated the same under labor law."

March 15, 2010


 The [Wall Street Journal](#) has reported that "Union members have given the green light for a new collective labor agreement at TNT NV's struggling postal unit that will result in the loss of 3,500 jobs and higher salaries for the remaining workers, a union official said Monday. TNT has been trying to reach an agreement with its unions for about three years as the Dutch postal market is confronted with volume declines and TNT is losing business due to market liberalization. TNT employs about 23,000 postal workers."






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

- **The Postal Strike of 1970.** March 18 marks the 40th anniversary for the 1970 postal strike. In light of declining mail volumes, should labor unions have the same influence as they did in the early 1970s?


You can visit Office of Inspector General's public website at: www.uspsoig.gov. For the latest information, follow us on Twitter at <http://twitter.com/OIGUSPS> and join us on Facebook at <http://www.facebook.com/oig.usps>. If you have additional questions, please contact Communication and Work Life Director Agapi Doulaveris at 703.248.2286.


 [Intelisent](#) has told its readers about "the 8125 / Bill of Lading situation that has been plaguing mail transportation companies for the past couple of weeks. With little notice and no preliminary industry discussion, the USPS has taken a stance that they will no longer sign Bills of Lading at NDC and SCF delivery locations. The reasoning that has been given is that the only form recognized by the USPS is the 8125 form, so that is the only form they will sign. That is all well and good, however, the trucking industry only recognizes a Bill of Lading, and requires a signed copy to use as a receipt."


 According to one writer on the [Washington Post blog](#), "The Post editorial board's casual discussion of privatizing the United States Postal Service may seem pennywise, but it is pound foolish. It would be a grave error to break up a service that instead should be remade."


 **DMM Advisory: March 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:


- **General Delivery Service Restrictions**
We revised 508.6.2 through 508.6.4 to permit the postmaster of a Post Office with multiple facilities to designate more than one facility as an office that can provide general delivery service in accordance with customer and operational needs.
- **New Options for Pallet Placards Bearing Intelligent Mail Container Barcodes**
We revised 705.8.6.2 and 708.6.0 to provide a new option for Periodicals mailers preparing pallets or other approved containers bearing Intelligent Mail container placards.
- **Nomenclature Change Relating to the Network Distribution Center (NDC) Transition**
Pursuant to the ongoing transition of USPS bulk mail centers (BMC) to network distribution centers (NDC) we are replacing all text references to "BMC" with "NDC" throughout the DMM.


 [DM News](#) has reported that "Direct marketers are beginning to see green shoots of economic recovery, but the media mix continues to shift and **experts predict direct mail will never regain its dominance**. Ron Jacobs, president of direct marketing agency Jacobs & Clevenger, said "The most efficient and effective ways to reach some of our clients' customers isn't through the mail; it's through other channels like e-mail."


 [NewEurope](#) has reported that "Lower Austrian People's Party (OVP) Governor Erwin Proll announced on 10 March that his province would have at least 500 postal service providers within two years, official said. Proll said national postal service Post AG and he had agreed on the number, which would include post offices and Post partners in areas without post offices." [EdNote: *If Congress doesn't act soon on the Postal Service's issues, in the U.S. we'll have 307,006,550 post offices, as each person becomes responsible for carrying and delivering his or her own mail.*]


 [Mad.co.uk](#) has reported that "TNT Post has introduced a next day delivery service called FirstSort, which it claims is the first physical alternative to the first class service offered by Royal Mail. Through FirstSort, customers will be able to use the next day service regionally. The service will see a phased implementation across the UK, starting with Scotland. A national expansion will follow later this year. Currently the service is being used by a number of clients including hospitals and accountancy firms. The move is the latest action from TNT Post as it bids to offer a competitive alternative to Royal Mail."


 The [Celina Record](#) has reported that "It's been coming for awhile. Email is replacing hand-written notes, invitations, thank-you's and person-to-person communication. Now, I may be an old fuddy-duddy, but I am horrified at the impersonal, electronic, sterile (and often pirated) contact we now have with our fellow human beings. The United States Postal Service has crossed the Rubicon. Mail delivery is dramatically down, and our all-knowing (but hemorrhaging) quasi-government agency is now squealing about how billions are being lost by having Saturday deliveries. What's next? Postal workers sitting out a Monday delivery? A cessation of the Tuesday barrage of grocery and other retail circulars? Private citizens having to anticipate a much-longer-than usual delivery of invitations, bill payments, and so on? How about those of us who have already experienced the nightmare of paying on-line, when we were assessed late fees because the financial institutions failed to post payments when we sent them by pressing "Send"?"


 [The Independent](#) has reported that "The French have a reputation for dressing impeccably, and many a soirée is followed by a pricey dry-cleaning bill, which is exactly what the French Post Office may be about to get. La Poste fears it could have to pick up a €115m (£103.5m) tab for le pressing after a Toulouse court ruled it should pay for 12 postal workers to keep their uniforms spotless. The 11 postwomen and one postman from Tarn in south-west France originally took La Poste to court in 2008, arguing that the cost for looking their best at work should not come out of their household budget. They lost the first case, but the appeal court has now decided to award them €5 a week to cover cleaning costs. Backdated over five years this adds up to €1,150 for each image-conscious worker. Now the unions are now pushing for it to become applicable across France."


 [CSP](#) has reported that "Last Thursday, the U.S. Senate unanimously approved legislation to crack down on black market tobacco selling. The Prevent All Cigarette Trafficking (PACT) Act closes loopholes in current tobacco trafficking laws, enhances penalties for violations and provides law enforcement with new tools to combat the methods being used by traffickers to distribute their products. The PACT Act would strengthen federal laws on cigarettes sold over the Internet. In addition to preventing the U.S. postal service from delivering cigarettes, it would allow states to recover lost excise tax revenue and allow legitimate retailers to recover lost business."


 From [PR Web](#): "Window Book Releases New White Paper "Presort and Post-Presort Software: You Need Both to Optimize Your Mailings"

 [The Baltic Course](#) has reported that "Estonian state postal company Post is to expand its business activities into Latvia and Lithuania and with a drive to meet customer expectations, it had steadily increased its focus on developing integral solutions."

 The [BBC](#) has reported that "Delays in postal deliveries between Northern Ireland and the Republic are creating a "second class" postal service, a consumer group has warned. A study by Consumer Focus Post found it took between two and three working days on average for post from the South to arrive in the North. The watchdog has called on Royal Mail and An Post and the postal regulators to improve their cross-border service."


 [Andy Rooney](#) on the Postal Service.


 [iMarketNews International](#) has reported that "Japan Post Bank bought U.S. Treasuries for the first time since its October 2007 privatization launch by acquiring about Y300 billion worth in the October-December quarter of 2009."


 According to [Roy Mayall](#), "Reading through the new agreement I'm struck by how far short of expectations it actually falls. On this basis I've decided to "deconstruct" the text to see if we can't find out what is actually going on within it. Remember, this document was written by a bunch of people with various agendas, sitting in various rooms in various parts of the country, arguing about individual words in the text in order to secure what they consider to be the best deals for their clients. It's a question of who you think the clients may be. In the case of the union, it should be the membership, but is probably more likely the organisation of the union itself. In the case of the Royal Mail, it should be its shareholder, the government - that is us, the taxpayer - but is more likely to be the vested interests of its top management and the immediate prejudices of those members of the government who are overseeing the process."

March 14, 2010

The [Kalamazoo Gazette](#) has reported that "A U.S. Postal Service spokesman said there's no timetable yet for a decision on whether a mail-processing plant in Oshemo Township will be consolidated into a facility in Grand Rapids."

 The [Wausau Daily Herald](#) is of the view that "The Postal Service has proposed eliminating Saturday service several times, usually as it was preparing to increase rates. Congress, never eager to take on institutional lethargy or controversy involved with changing something as hidebound as mail service, repeatedly has declined to discuss changes. Now, the time has come."

 According to the [Grand Rapids Press](#), "The quasi-government nature of the U.S. Postal Service makes lean operation difficult. The service is financially self-supporting, subject to congressional rules and enjoys a monopoly on first-class mail delivery. The Postal Service is forced to compete with private companies such as United Parcel Service and FedEx, but has to do so under straitjacket political constraints. President Barack Obama's 2011 budget, for instance, calls for the continuation of Saturday delivery. The Postal Service remains just that, a service. The bulk of its budget — 80 percent — is tied up in employee compensation. So there is no way to address the agency's looming financial mess without looking at labor costs, including wages, pension benefits and retiree health care burdens that are simply too high. In addition, the Postal Service should end no-layoff rules that protect employees against firing, and work rules that make the organization less nimble. The U.S. Governmental Accountability Office made all these points last year when it tagged the Postal Service as "high risk" and in need of "broad-based transformation." Unless it delivers on that evident need, and soon, the Postal Service may some day not be delivering anything at all."

 **Press Release:** "With more than 7 billion pieces of mail processed and \$2 billion in revenue generated for the U.S. Postal Service, the Intelligent Mail Full Service program has been a success story for business mailers, too, says Thomas Day, senior vice president, Intelligent Mail and Address Quality. According to Day, "Early adopters of Intelligent Mail Full Service have one thing in common: They worked closely with all stakeholders in their mail supply chains and developed Full Service project plans." To date, there are 300 business mailers participating in Intelligent Mail Full Service. According to Day, one reason is because Intelligent Mail Full Service provides mailers with "start-the-clock" information, electronic data that lets mailers know when their mailings enter the Postal Service network. Free address correction service (ACS) information is another reason. "The publishing industry is a big fan of free ACS," says Pritha Mehra, vice president, Business Mail Entry and Payment Technologies. "Many of

them are on target to save millions of dollars a year. Considering the savings from free ACS as well as the postage discount for participating in Full Service, the return on investment can be very high.”

March 13, 2010



Make the Most of the National Postal Forum

Join the Association for Postal Commerce for a **FREE Webinar** on March 25, 1:30 pm ET.

REGISTER NOW

Space is limited. Reserve your Webinar seat now at: <https://www1.gotomeeting.com/register/487294632>

Presented by **Rose Flanagan**, Manager Postal Strategies and Logistics, **Data-Mail**, Newington, CT. With over 130 workshops and special events scheduled for the National Postal Forum in Nashville, Tennessee April 11 - 14, 2010 attendees may feel overwhelmed and confused when attempting to plan their days. Ms. Flanagan will highlight areas of interest and "hot topic" sessions that should be part of your agenda. Spend an hour gaining a better understanding of sessions so you can plan your days to get the most from your NPF experience. This presentation for you is based on her years of experience in the industry and prior attendance at the forums. Title: Make the Most of the NPF Date: Thursday, March 25, 2010 Time: 1:30 PM - 2:30 PM EDT


🇺🇸 According to [Medill Reports](#), "The United States Postal Service's proposal to cut expenses by ending Saturday delivery is already causing a ruckus. Mail carriers object, some consumers will whine loudly, and Congress is sure to chime in. Competitors, at least some of them, hope to take advantage of the vacuum. "


🇺🇸 The [York Dispatch](#) has reported that "A Morgan Stanley analyst downgraded Netflix Inc. Friday, citing the DVD rental company's stock price, **the potential for postal rate hikes** and increasing competition."


🇨🇦 The [National Post](#) has reported that "This week, the Organization for Economic Co-operation and Development recommended an idea Canadians would have considered outlandish a few years ago, the privatization of Canada Post. While suggesting ways member countries can stimulate growth, the OECD focused on modernizing "network" sectors, including telecommunications and postal service. The OECD idea follows a 2007 C.D. Howe Institute report arguing that a government monopoly is anachronistic and incapable of responding to changes in the global postal sector. It cited privatization successes in the Netherlands, Germany and New Zealand. That's only one kind of privatization Canada should be discussing, and would be discussing if our politicians were not terrified by organized labour."


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


- [Royal Mail's four highest-paid bosses](#) were entitled to £310,000 worth of bonuses last year directly linked to quality of service. Those bonuses are now likely to be called into question after it emerged that the company's market research is being manipulated by staff. See also [ITN](#), the [Daily Mail](#), and the [BBC](#).
- How a [whistleblower](#) blew the lid on Royal Mail's managers fiddling the company's performance.


 The [Norwich Evening News](#) has reported that "Almost a dozen postal workers have been caught stealing mail in Norfolk in the past two years, while Royal Mail bosses have paid out almost £190,000 because of a catalogue of complaints from tens of thousands of unhappy customers, new figures have revealed."

 As far as the [Fort Worth Star-Telegram](#) is concerned, "Here are some ideas that make some sense: Reducing federally mandated six-day delivery would save an estimated \$3 billion, the Postal Service says. (Post offices still would offer Saturday counter service and pickup.) Cutting Saturday delivery is better than huge cost increases. But instead of across the board, why not consider eliminating the service only in the lowest-volume areas that cost most to serve? Locating post offices in commercial locations such as grocery stores and pharmacies could provide more convenient access and hours. This might mean branch closings but also could cut overhead. The GAO recommended streamlining facilities, some of which are deteriorating from years of deferred maintenance. Changing a requirement that the Postal Service set aside money for retiree health benefits, instead of paying them as needed, would save about \$5 billion annually. Congress cut the amount the agency had to prepay last year, but it was a temporary fix. A longer-term solution would help reduce the projected budget shortfall. The Postal Service delivered 213 billion pieces of mail in 2006 and 177 billion in 2009. The number is expected to fall to 150 billion in 2020. Americans want universal mail service, but they've also demonstrated by their communication habits that they want much more. Congress has to give the Postal Service the flexibility to evolve, and quickly, or there won't be much left to complain about."

 **From the Federal Register: Postal Service** Restrictions on Private Carriage of Letters , 12123 [2010–5622] [\[TEXT\]](#) [\[PDF\]](#)


 The [Jackson Citizen Patriot](#) has reported that "U.S. Postal Service workers in Jackson are asking residents to demand answers about the impact of moving the city's mail-processing operations to Lansing. Members of the local postal workers union picketed outside the downtown post office, 113 W. Michigan Ave., on Friday in an effort to inform Jackson customers about the move. The Postal Service recently told employees it would transfer sorting operations at its 1500 N. Elm Ave. facility to Lansing."


 **DMM Advisory: P.O. Boxes Seek Competitive Edge — 13 Million Strong and Growing.** "Today we filed a request with the Postal Regulatory Commission (PRC) to change the designation of approximately 32,000 Post Office™ boxes at 49 Post Office locations from monopoly to competitive designation – a move to allow greater flexibility to meet the needs of customers. Earlier this month, Postmaster General John E. Potter outlined an aggressive plan of action that included cost cutting, increased productivity, and an array of legislative and regulatory changes necessary to maintain a viable Postal Service™ for decades to come. Today's filing with the PRC is a part of that strategy. The filing allows the Postal Service to test consumer interest in enhancements to the current P.O. Box™ offering and will help shape future Postal Service P.O. Box service and access strategies. Each of the affected sites is within a half mile of a competing box service provider. Less than one half of 1 percent of all Post Office Box service would be affected. There are more than 13 million P.O. Boxes in more than 30,000 Post Offices across the country. There is no time limit for the PRC to review the filing. The PRC can approve or deny the request to change the classification or request that additional research be conducted by the Postal Service."

 According to the USPS' Steve Kearney, "Today, we mailed 3,000 letters to eligible customers announcing our plans for a [Standard Mail Summer Sale](#). To be eligible to participate, a company must have mailed a minimum of 350,000 pieces of Standard Mail letter or flat volume between July 1 and September 30, 2009. We have established thresholds by taking a company's Standard Mail volume mailed during this period in 2009 and adding five percent. A qualifying company exceeding their threshold volume between July 1 through September 30, 2010, will be eligible for a 30 percent rebate on postage spent on Standard Mail volume that exceeds the agreed upon threshold. To receive the full benefit of the program, volumes mailed cannot be shifted from June 2010 or October 2010 into the sale period. . The letters we mailed have additional instructions on how to apply. We expect the Postal Regulatory Commission's (PRC) review to be finished by mid-April. Applications must be completed by May 28, 2010."



At the Postal Regulatory Commission: Docket No. MC2010-20. In accordance with 39 U.S.C. § 3642 and 39 C.F.R. § 3020.30 et seq., the United States Postal Service hereby requests the addition of a new product, Post Office box service (Competitive), to the competitive product list. The Postal Service proposes to establish the new product by moving Post Office box service in a small number of locations where competitive alternatives exist from the Special Services class in the market dominant product list to the competitive product list. Based on its ongoing evaluation of the Post Office box service market, the Postal Service recognizes that Post Office box service faces direct competition by alternate providers of private mailbox services in many geographic markets. This modest initial proposal involves a few box sections where competitive conditions can be clearly demonstrated. This approach does not require detailed examination of costing and other issues. If a more substantial transfer is proposed, then costing and other issues could be addressed in more detail. All of the box sections proposed for transfer are located in areas where fee group 1 is applied. These are typically major metropolitan or suburban areas where substantial private mailbox services are available.

 According to [U.S. News](#), "Postmaster General John Potter, in the midst of a huge effort to keep his agency private, has a new warning for the feds and the public: Unless Congress breaks ties with the U.S. Postal Service or at least lets it implement major cost-savings plans, taxpayers will be stuck funding the mail."

 The nascent US recovery could falter because businesses are still reluctant to invest in new equipment and technology, the head of global delivery and logistics company FedEx has warned. "Business investment went up somewhat in the fourth quarter but is far below what it ought to be in a cyclical recovery like this," Fred Smith, chairman and chief executive of FedEx, told the [Financial Times](#).

March 12, 2010



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

- The Postal Regulatory Commission (PRC) issued its advisory opinion concerning the USPS' process for evaluating closing stations and branches in its Station and Branch Optimization and Consolidation Initiative (Docket No. N2009-1). The PRC said it finds the Postal Service ". . . adjust[ing] its retail footprint to recognize changing customer needs and usage" consistent with applicable public policy. The PRC also said that it ". . . finds a number of changes should be made to the current Postal Service process to assure that adequate and efficient service is maintained."
- According to Rag Content, "although Congress should revisit the retiree health prefunding payment, it should take a moment to really review the USPS' proposal of adjusting delivery days."
- The Courier, Express, and Postal Observer has noted that "in its report "Economic Policy Reforms: Going for Growth 2010," the Organization for Economic Co-operation and Development (OECD) suggested that Canada could enhance its economic prospects if Canada liberalized its "postal services by eliminating legislated monopoly protections and privatising Canada Post." Canada's minister for transportation Rob Merrifield in response restated the Harper government's policy that Canada Post will retain its monopoly."
- The Courier, Express, and Postal Observer has noted that "after nearly a year of study, the Postal Service has presented its proposal for modifying its business model and regulatory framework. The Postal Service's proposal reflects the gravity of the business challenges it faces now and will face in the remainder of the decade. The tone of the Postal Service's presentation also reflected the gravity of the challenge as it lacked both the sentimental imagery and boosterism that had the Postal Service and others previously used to justify minimizing changes from the status quo."
- According to Deadtree Edition, "despite the Postal Service's massive communication effort surrounding the introduction of its long-range action plan last week, the news media and general public have misunderstood some aspects of the plan. Even mailers and postal officials are confused on a few points."
- Congress is running out of time to save the USPS. APWU President calls Sen Collins to task. Postal rescue plan faces impossible odds. USPS rejects three-day delivery suggestion. USPS issues final rule on catalog droop test. Express delivery in jeopardy. USPS needs to find solutions beyond cost cutting and raising rates.
- Updates on postal matters published in the Federal Register.

- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of postal news from around the world.
- Postal previews.


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





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Welcome to PostCom Radio: A PostCom Postal Podcast
 Join PostCom President Gene Del Polito, PostCom Vice President Jessica Lowrance, Postal Consultant Kathy Siviter, and Mailing & Fulfillment Association Vice President Leo Raymond in a discussion of **"The Postal Service's Plan for the Future"**


 The [Courier, Express, and Postal Observer](#) has reported that "In the upcoming months, Congress, stakeholders, and Obama administration officials will complete a comprehensive evaluation of the package of changes that the Postal Service proposed in its action plan. While many stakeholders will focus on what the changes mean for them, Congress and the Obama administration need to focus on what the plan means for the United States postal market and the impact of a financially failing Postal Service on the pace of the economic recovery. In that regard, Congress and the Obama administration will likely go beyond examination of what is in the plan. They will quickly identify gaps that need to be addressed. This process will force the Postal Service to transform the documents designed to mold public opinion into a presentation that is at least as detailed as what creditors would require before re-capitalizing a money-losing firm. In these documents, the money-losing firm has to detail the changes that will be made in detail, the financial consequences of all changes, the financial result when changes are complete, and most importantly why supporting the transformation will increase the creditor's returns over liquidation of the money-losing firm today."


 From [MyNewsdesk](#): "With organisations relying on the efficient delivery of sales invoices for effective cash collection, any disruption to the postal service caused by bad weather can delay payments being received, impacting cash flow. Disruption to the receipt and circulation of purchase invoices can also result in delays with paying suppliers which, in turn, can lead to late payment penalties. As document management software enables the electronic delivery, circulation, storage and processing of business documents, it is not reliant on the postal service and so key financial documents can still be delivered, received and circulated during disruptive weather conditions."

 The [Baltic Course](#) has reported that "While in the year 2008, Estonian Post (Eesti Post) earned 0.4 million kroons in profits and in 2009 2.2 million kroons, in 2010 the postal enterprise expects to earn 10.6 million kroons. According to the company's CEO Ahti Kallaste, the Estonian Post's budget includes planned revenue to amount to 748.2 million kroons and spending of 737.6 million kroons. The 2010 budget of the enterprise foresees to spend 377.8 million kroons on the labour force whereas last year Estonian Post spent 439.7 million kroons. Estonian Post currently has a staff of 3,263 persons and Kallaste stated that the average pay in the enterprise has fallen by 10.5% in a year."


 From [PR-USA](#): "Neopost Limited today announced it has become the Number One supplier of mailing equipment in both the UK and Europe. Over the past five years, Neopost have gone from being a market challenger to the leading supplier of mailroom equipment in the UK. In 2009, more customers chose Neopost than any other brand when they purchased a new franking machine or folder inserter."

 The [Toronto Star](#) has noted that "Facing competition from the Internet and suffering a recession-induced drop in volumes, Canada Post is on the hunt for new revenue streams. The contrast between Canada Post Corp. and the U.S. Postal Service (USPS) came into sharp relief last week when U.S. Postmaster General John Potter testified to the U.S. Congress that his mail service, as old as the Republic itself, is projected to lose a staggering \$238 billion (U.S.) over the next decade. USPS is in such poor fiscal shape that consultant McKinsey & Co. recently recommended that it cut its service to a mere three days a week. It lost \$1.4 billion last year and is expected to spill another \$7 billion in red ink this year. By contrast, Canada Post will likely eke out yet another profit this year, despite a sharp recessionary downturn in mail volume. That will make for 14 consecutive years of profit."

 [TeleGeography](#) has reported that "France's national postal operator La Poste has confirmed it is in talks to launch a mobile virtual network operator service (MVNO) and that to that end, it will begin searching for a host network provider in the week commencing 15 March. Local newspaper Les Echos reports that La Poste intends to offer pre- and post-paid mobile services from launch under its own brand which will be marketed through its national chain of 17,000 post offices." See also [Trading Markets](#).

 **From the Federal Register:** Board of Governors Meeting. Tuesday, March 23, 2010, at 10 a.m.; Wednesday, March 24, at 8:30 a.m. and 11 a.m. Washington, DC at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., in the Benjamin Franklin Room.

- March 23 at 10 a.m.--Closed; Wednesday, March 24 at 8:30 a.m.--Open; and 11 a.m.--Closed. Matters To Be Considered Tuesday, March 23 at 10 a.m. (Closed) 1. Strategic Issues. 2. Pricing. 3. Financial Matters. 4. Personnel Matters and Compensation Issues. 5. Governors' Executive Session--Discussion of prior agenda items and Board Governance. Wednesday, March 24 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. Amendments to Board Bylaws. 5. Appointment of Committee Members and Committee Reports. 6. Financial Update. 7. Inspector General Report on USPS Share of CSRS Pension Responsibility. 8. Quarterly Report on Service Performance. 9. Five-Day Delivery Plan. 10. Tentative Agenda for the May 4-6, 2010, meeting in Washington, DC.
- Wednesday, March 24 at 11 a.m. (Closed--if Needed) 1. Continuation of Tuesday's closed session agenda. 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.


 The [Azerbaijan Business Center](#) has reported that "Azerbaijani President Ilham Aliyev has approved the amendments and additions to his decree on execution of the document of changes to the Law on Mail Service. Under the new amending order, charge of 1,000 manats was established for license (special permission) to Azerpocht (national postal operator) for rendering financial services. Permission is given by the Central Bank of Azerbaijan."



At the Postal Regulatory Commission: The Postal Regulatory Commission has been recording its monthly meetings and posting the recordings as .mp3s on its web site. Check it out.


- Monthly Commission Meeting - March 3 2010. <http://www.prc.gov/prc-docs/home/whatsnew/March 3 2010 Monthly Meeting.mp3>
- Monthly Commission Meeting - February 3 2010 <http://www.prc.gov/prc-docs/home/whatsnew/February 3 2010 Monthly Meeting Public.mp3>


[EdNote: Kudos, PRC. Now...what's holding up the postal Governors from making their monthly meetings more widely available to the American public?]


 [PostalMag.com](#) has a story on "APWU Local President: USPS HQ Staff Has Increased 38% Since 2000."


 The [Christian Science Monitor](#) has reported that:


- As [e-mail and electronic billpaying reduce the volume of mail](#) nationwide, the Postal Service can't maintain post offices just to prop up struggling downtown areas, says Postmaster General John Potter. At a Monitor-sponsored breakfast with reporters on Thursday, Mr. Potter acknowledged the Web's role. "The tipping point is that the Internet is really starting to erode our mail base and if we stay status quo ... we will have nothing but, you know, future losses."
- [Postmasters general](#) were once powerful figures who were members of the cabinet and often among a president's closest political and personal advisers. What happened?


 [The Hill](#) has reported that "The head of the U.S. Postal Service said Thursday that his organization's business model is as outdated as the newspaper industry's. John Potter, United States Postmaster General, cited changes in technology and channels of communication as justification for a revamp of the Postal Service's delivery schedule and pricing system. "Twenty years ago we would laugh at the notion that a newspaper would ever embrace the idea that maybe the channel of the future is electronic and that you may have to change your business model," Potter told a group of reporters at a breakfast sponsored by the Christian Science Monitor. He added, "Likewise, the postal service is in a situation where the behavior of America is changing and we have to fix and change our business model to adapt to it."


 According to [TopNews.ae](#), "As per the survey by MasterCard Worldwide, the highest average online shopping spend in the Asia, Middle East and Africa regions was in the UAE, with residents spending an average of \$1,048 in the last quarter of 2009. This is in spite of a recent Kippreport survey, which declared that UAE shopping websites charge an average of 50% over their US counterparts. The Middle East consumers are also hit by extra postal charges charged by international players, for example Amazon. com."


 The [St. Louis Globe-Democrat](#) has reported that "The 2010 Census is underway as the U.S. Census Bureau has began mailing questionnaires to about 120 million addresses nationwide. The questionnaires will arrive March 15-17 and comes with a pre-paid envelope to return them."

 The [Washington Business Journal](#) has reported that "The U.S. Postal Service has issued a request for qualifications from developers interested in buying its small office at 7400 Wisconsin Ave. in Bethesda and selling back the service's retail space. The office is 4,296 square feet and sits on a 13,211-square-foot site atop the Bethesda Metro, but the site could ultimately accommodate up to 40,000 square feet."


 The [Tennessean](#) has reported that "Sen. Bob Corker on Wednesday dropped his hold on legislation to reauthorize the Federal Aviation Administration. The Tennessee Republican had prevented Senate consideration of the bill because the House version of the legislation includes a provision that would change the legal status of workers at Memphis-based FedEx Corp., making it easier for employees to unionize. The Senate is expected to pass its bill sometime next week. A House-Senate conference committee will then have to work out the differences between the two bills."


 The [Moscow Times](#) has reported that "Vneshekonombank expects that the creation of a postal bank based on Svyaz-Bank and Russian Post will cost \$5 billion to \$10 billion. Creating full-fledged bank branches offering all of the main services in most post office locations, or even separately, would require investments closer to the higher end, he said. But if offices are not opened everywhere and they offer varying levels of service, the total investment would be lower. Russian Post has 41,000 branches, including about 1,000 where Svyaz-Bank has a presence."


 **DMM Advisory: PostalOne! Release 24.0 and Mail Quality Reports Webinars.** Three webinars are scheduled to provide mailers and mail preparers information on the changes effective with the deployment of *PostalOne!*[®] Release 24.0, and mail quality reports that are available. The webinars are scheduled daily from March 15 - 17. Instructions for attending the webinars, including website links, telephone call-in numbers and meeting ID information are posted on RIBBS[®] under [Intelligent Mail Latest News](#). **Release Notes:** As a reminder, release notes for *PostalOne!* Release 24.0, scheduled for deployment March 14, 2010, are posted on [RIBBS>Intelligent Mail Services>Latest News>Important Links>PostalOne! Release Notes](#).

 [Press Release](#): "The Direct Marketing Association (DMA) and the American Catalog Mailers Association (ACMA) have come to an understanding of their common goals in protecting the catalog segment from legislative and regulatory threats. We pledge to work together on postal issues at the US Postal Service, Postal Regulatory Commission, and Congress, and in fighting Do-Not-Mail proposals at the state and local level. Going forward, both groups will continue to represent our respective members' best interests, which may differ at times. ACMA will continue its aggressive work in postal and other catalog-specific matters. DMA will continue its work on postal issues, as well as the many other issues that affect catalogs and the broader direct marketing community, including tax, privacy, and offers." [EdNote: *The American Catalog Mailers Association is a member of the Association for Postal Commerce, and Hamilton Davison, ACMA's executive director, serves as a member of PostCom's Board of Directors.*] See also [BtoB](#).


March 11, 2010


 The [Courier, Express, and Postal Observer](#) has told its readers that "In its report "Economic Policy Reforms: Going for Growth 2010," the Organization for Economic Co-operation and Development (OECD) suggested that Canada could enhance its economic prospects if Canada liberalized its "postal services by eliminating legislated monopoly protections and privatising Canada Post." Canada's minister for transportation Rob Merrifield in response restated the Harper government's policy that Canada Post will retain its monopoly."


 As the [Northwest Herald](#) has noted, "The U.S. Postal Service is in trouble – big trouble, but not insurmountable trouble. Postmaster General John Potter has a plan to streamline postal operations and become more efficient. Like any other business, he wants to react to the environment in which the Postal Service operates. Fewer items are being mailed these days because of the recession and competition from e-mail, fax machines and package delivery services, but expenses rise as communities expand and there are more addresses requiring mail delivery. Were Potter allowed to act on his own, the Postal Service already would have implemented reality-based responses to its financial troubles, which included the loss of nearly \$300 million from October through December – normally its most profitable season because of holiday mailings. But the Postal Service is not like any other business. It has a 535-member board of directors – Congress. But as U.S. Sen. Tom Carper, a Delaware Democrat, observed, "It is not productive for Congress to act like a 535-member board of directors and constantly second-guess these necessary changes" to stay competitive and vital in the years ahead."

 According to [Realdeal.hu](#), "State-owned Hungarian postal company Magyar Posta plans to begin offering some of its services in other central and eastern European countries, specifically Romania and Ukraine, by the complete liberalization of Hungary's postal services on January 1, 2013, the business daily Vilaggazdasag reported on Thursday, citing Magyar Posta CEO Ildiko Szuts. Ms Szuts said that Magyar Posta intends to implement its planned expansion in cooperation with a western European postal service."

 **[From the Federal Register: Postal Regulatory Commission RULES](#)** New Postal Product , 11452–11461 [2010–5212] [\[TEXT\]](#) [\[PDF\]](#)

 The [Atlanta Journal-Constitution](#) has reported that "Every time you hit "submit" to pay a bill online, you're making a decision that makes Patrick Donahoe cringe. "I wish you wouldn't do that," said Donahoe, the deputy postmaster general of the United States Postal Service who visited Atlanta on Wednesday. "And buy Elvis stamps," he quipped. The sense of humor is a must in the face of a grim question: How can the post office succeed as more people pay bills online and advertisers cut back on direct mail due to the recession?"

 [KCRA](#) has reported that "The United States Postal Service is moving forward with plans to close a mail processing plant in Marysville."

 The [Federal Times](#) has reported that "The U.S. Postal Service should engage the public more as it decides which post offices to close, the agency's regulating body recommends. The Postal Service is studying 162 post offices for closure as part of a months-long process that began with a list of more than 3,000 post offices last summer. More closures are planned for the coming years: Postmaster General John Potter said last week that the Postal Service wants the authority to close post offices for economic reasons, something it doesn't currently have. The Postal

Regulatory Commission, in an advisory opinion released today, didn't contest that the Postal Service needs to close retail facilities — but it urged the agency to review how it chooses those it targets for closure. The PRC complained that now, postal customers get short notice of post office closures, and sometimes have only 10 days to comment on a proposed closure." See also the [Associated Press](#).

March 10, 2010



PostCom welcomes its newest member: [Southern CA Edison](#) 1551 W. San Bernardino Road Covina, CA 91722-3407 represented by **Nicole McDermott** Project Manager.

[Business Week](#) has reported that "Cutting U.S. Postal Service delivery to as few as three days a week would damage the brand and isn't worth considering, the agency's head said. "I think that would negatively impact our business," Postmaster General John Potter said today in an interview on Bloomberg Radio, rejecting a consultant's recommendation. "If we change delivery from six to three, the ubiquity of our product and the value would be diminished." McKinsey & Co., one of three firms the Postal Service commissioned to review its future, said in a report last week that the agency should consider cutting its delivery days by half. The agency has asked Congress for permission to reduce service by one day a week as more people correspond and pay bills on the Internet and as marketers including credit-card companies scale back on mailings during the recession."


[Roy Mayall](#) has told his readers that "The new agreement between the Royal Mail and the CWU is out as I'm sure you've heard. I'm looking at a copy now. It's called – in a phrase which is both ominous and bland at the same time – "Business Transformation 2010 and Beyond."


The [Wall Street Journal](#) has reported that "FedEx Corp. Chief Executive Fred Smith said Wednesday the company would be forced to pull back investments in its air-service unit if the U.S. Congress passes a bill making it easier to unionize FedEx. Smith, in Washington this week to lobby lawmakers, also renewed threats to cancel a multibillion-dollar plan to purchase 15 Boeing Co. cargo planes if the bill becomes law. The provision, pushed by FedEx rival United Parcel Service Inc., is attached to a House-passed bill to renew the authority of the Federal Aviation Administration. The Senate is expected to pass its version of the bill as early as this week, and FedEx is fighting the possibility that the final bill would contain the labor provision. Smith said the provision would introduce the prospect of union strikes at local FedEx facilities and ultimately disrupt FedEx's Express unit. The company would then be forced to stop growing the Express unit and invest elsewhere, he said."

The [National Association of Letter Carriers](#) has posted a fact sheet on "[Save the Postal Service: Demand Fairness in USPS Pension and Retiree Health Funding.](#)"

[U.S. Rep. Jo Ann Emerson](#) (MO-08) responded to an announcement that the U.S. Postal Service will seek to drop one day of home delivery in an effort to offset budget shortfalls. Emerson, who represents the mostly-rural Eighth Congressional District in Southern Missouri, says the reduction of delivery days would adversely affect residents of her part of the state.


The [Federal Times](#) has reported that "The U.S. Postal Service is officially in a panic. Two outside consultants delivered reports to the agency last month forecasting an alarming scenario: Over the next decade, mail volume will plummet between 15 percent and 34 percent — and the agency will hemorrhage almost a quarter-trillion dollars. In response, postal leaders last week pleaded with stakeholders — unions, Congress and customers — to support drastic reforms: a sharp rate hike next year; the end of Saturday delivery; widespread post office closures; changes to the Postal Service's formula for financing health care benefits for retirees; and deep staffing cuts. But few of those measures now appear likely to win approval — leaving the Postal Service with no clear fallback plan for closing its mammoth deficits. Mailers railed against the prospect of sharp mailing hikes; lawmakers dismissed the idea of shuttering post offices or shortening the delivery week; and unions balked at staffing cuts and even questioned the severity of the Postal Service's predicament. 'There is no Plan B'."

 **At the Postal Regulatory Commission:** The Postal Regulatory Commission today issued an [Advisory Opinion](#) to the U.S. Postal Service in its “Station and Branch Optimization and Consolidation Initiative” in [Docket N2009-1](#). The **key recommendations in the Advisory Opinion are:** 1) The Postal Service should articulate its Initiative’s objectives more clearly 2) Postal Headquarters should develop and disseminate guidance for local managers 3) The method used for evaluating proposals for consolidations and closures should include a separate category for community issues 4) Public notice should be improved: * By providing actual (as opposed to “constructive”) notice; and wherever possible, expanding methods of providing public notice * Through longer notice and comment periods * By soliciting public comments earlier in the process 5) Financial analysis of station and branch operations should be improved 6) The Postal Service should implement uniform procedures for closing or consolidating all types of retail facilities – post office, station or branch 7) Customers should be assured that the Postal Service will adhere to its published procedures 8) The Postal Service should coordinate this Initiative with any other initiatives affecting access (such as removing collection boxes or changing retail hours). See also the [Postal Regulatory Commission Chairman’s letter](#) to the President and Congress


 [Rag Content](#) wants to know: "When will the Postal Service start telling the whole story?"


 In response to an inquiry made by the [Postal Employees Network](#), a representative from the Postal Service's IG said that:


The OIG’s white paper on the overcharge does not deal with the Postal Service’s payments to the fund as much as these payouts to Postal Service employees. Many of these retirees had many years of service for the federal government under the Post Office Department. The white paper argues that the Postal Service’s share of the fund was overcharged for these payments to retirees. The federal government should have picked up a higher share of the payouts if they were split based on the employee’s years of service. In other words, the paper argues that if an employee worked half of his career with the Postal Service and half with the Post Office Department, the Postal Service’s part of the pension fund should pick up half of the cost of the pension payouts, and the federal government’s part of the pension fund should pick up the other half. Right now, the federal government’s fund pays much less than this. We estimate that if the federal government’s fund was charged the appropriate share of payments to retirees, there would be \$75 billion more in the Postal Service’s pension fund. if only the CSRS employee and agency contributions had been made, the Postal Service’s pension fund would still be significantly underfunded."



Welcome to PostCom Radio: A PostCom Postal Podcast
Join PostCom President Gene Del Polito and Valassis Senior VP for Governmental Affairs Vincent Giuliano in a discussion on
"It's Time To Stop Stealing Postal Customers' Money"




 [CANOE](#) has reported that "Canada must enhance competitiveness, especially in telecoms and postal services, as well as reform E.I. to make it a post-recession global economy, the Organisation for Economic Development and Co-operation said in a report released Wednesday."


 There's a new UK postal blog created for "Occasional thoughts from an overworked postie" called [RoyMayall](#). You might want to check it out.


 As the [Courier, Express, and Postal Observer](#) has noted:


- [There is no consensus](#) yet on how to proceed on the Postal Service's proposal. This creates a significant challenge if a solution is to be found for the Postal Service's current difficulties.
- [The footnote on page 2](#) of the McKinsey & Co. "Future Business Model" presentation dated March 2, 2010 is worth noting. It states that the January year-to-date results are better than the 7.8 billion loss projected


loss for 2010. They suggest that the Postal Service will have a bad year but not a disastrous year. Better results do not make a self sufficient Postal Service."


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


 Deutsche Post was back in the black in 2009. But declining volumes put a strain on Deutsche Post's business.


 According to Massimo Sarmi, CEO of Poste Italiane, the universal service obligation causes uncovered costs of 340m euros annually.


 China Post Group evidently remains on course for growth in the new year.

 The Spanish union confederations CCOO and CSI-F want to plead jointly for a strengthening of public postal services in the future.

 DPD Austria, the country's biggest private parcel service operator, recorded increased turnover despite declining volumes in 2009.


 "If there will be any privatization opportunities in our eastern neighbouring countries, we will have a close look at them". Walter Oblin, head of strategy at Austrian Post, also told »Wirtschaftsblatt« (03.03), he sees opportunities in connection with the upcoming market opening of postal markets in eastern Europe until the end of 2012 at the latest.


 Deutsche Post has acquired Europe's largest automobile club, German ADAC (17m members), as first key account for its soon to be introduced online letter.


 The Irish Postbank will be knocked off. An Post and BNP Paribas, which founded the postal bank as a joint venture in April 2007, want to cease the entity at the end of 2010.




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


 According to [The Reporter](#), "If nothing is done, the Postal Service faces losses of up to \$238 billion over the next 10 years, said Postmaster Potter, who has already begun actions to save the agency up to \$123 billion during that time frame. That still leaves a \$115 billion gap. The postmaster suggested a number of ways to close that gap. Two that have received the most attention are raising rates (\$15 billion in revenue) and cutting one day of mail delivery (a \$40 billion savings). Given the economic realities, it is likely that both eventually will be enacted and Americans will adapt. But raising rates while reducing deliveries could push more people to use electronic communication and private delivers, exacerbating the Postal Service's problems. Which is why it's time for this nation to address the root question: At what point does the U.S. Postal Service become obsolete?"


 [Total Telecom](#) has reported that "Poste Italiane could be interested in playing a role in the potential separation of the fixed-line network of Telecom Italia SpA, the head of the country's postal service says Wednesday. "The telecommunications operator has to manage the entire system, including the network," Chief Executive Massimo Sarmi says in an interview in Italian business daily Il Sole 24 Ore. "Having said this, should such an eventuality [separation] were to present itself, we could be interested in having a role, given how this would enable us to contribute to the development of the basic infrastructure," he added."


 According to the [Herald Review](#), "the postal service should be willing to get even more creative. Currently, the postal service has a monopoly on delivering first-class mail. The postal service also claims that mailboxes, which are purchased, cannot be used for anything other than U.S. mail. The real answer to the postal service's woes may be competition. There may be other, more efficient, ways to deliver mail than the system devised by the Postal Service. The way to save mail delivery may be to invite private companies to bid on the service, nationally or regionally. It


might be surprising how innovative companies would reform the first-class mail system. The Postal Service is stuck in a rut of cutting services and boosting prices to erase their deficit. It's time to see what system for mail the free market could devise."


 [Post & Parcel](#) has reported that "Royal Mail has joined forces with UK Mail in a bid to preserve its packet business. hide Google Search Results You arrived here after searching for the following phrases: royalmail Click a phrase to jump to the first occurrence, or return to the search results. The company has granted a license to UK Mail to deliver packets up to 5kg in weight from 6 April, according to The Times. As a knock-on from last year's national strikes, it has been reported the national operator has lost up to 40% of the market to companies such as Home Delivery Network. UK Mail could sort in excess of 1,000 packages a night for customers before Royal Mail postal workers make the "final mile" delivery."


 The [President of the American Postal Workers Union](#) has decided to call Senator Susan Collins to task. In a communication to his members he said: "In a continuing effort to rewrite history, the author of the Postal Accountability and Enhancement Act (PAEA) has attempted to refute the Postal Service's contention that the 2006 law is responsible for the Postal Service's current financial difficulties. The law requires the USPS to place in escrow more than \$5 billion per year for 10 years to pre-fund future retiree healthcare benefits. The attempt to dismiss this burden as the cause of the USPS' misfortune would be laughable, except that the words are those of a United States senator. Because of the power she wields, her assertions must be addressed. The PAEA was a mistake, a gross miscalculation, which provided no new revenue stream for the Postal Service, while imposing massive, artificial new costs. It is apparent that ostriches are not alone in their ability to bury their heads in the sand."


 According to the [New York Times](#), "Not every idea is sound, and Congress should retain oversight to ensure that all Americans still have reliable mail delivery. But Congress should grant the service most of the authority it requests. Some of the proposed changes are flawed. Mr. Potter is hoping to save another \$50 billion over the next decade by stopping contributions to a fund to pay for future retiree health benefits, covering them instead on a pay-as-you-go basis. As many workers have discovered, unfinanced promises of future benefits have a troubling tendency to become worthless in times of economic stress. Congress has a straightforward choice: It can give the Postal Service some more flexibility to run like a business. Or it can start subsidizing it to the tune of \$10 billion-plus a year. We vote for flexibility."


 According to the [Washington Post](#), "There is only so much that can be accomplished without tackling the item that accounts for 80 percent of the Postal Service's expenses: labor costs. To be sure, 50 percent of postal workers come up for retirement in the next decade, and that will help cut costs. But attrition has its limits. Management and labor must aggressively tackle uncompetitive wages, benefits and work rules -- including no-layoff clauses that cover most personnel. Here, too, Congress can help, by ordering labor arbitrators to take the Postal Service's financial health into account during the collective-bargaining process that begins later this year."


 [Deadtree Edition](#) has told its readers that "Despite the Postal Service's massive communication effort surrounding the introduction of its long-range action plan last week, the news media and general public have misunderstood some aspects of the plan. Even mailers and postal officials are confused on a few points. Here are seven misconceptions about the plan gleaned from news accounts, conversations, and the Postal Service's own presentation....Postal officials have said officially that they would seek an increase of less than 10%, and a 5% estimate has circulated in some quarters. But those are averages. Postal officials have also indicated a desire to hit Periodicals and non-profit mailers with higher-than-average increases, a process that could start with the exigent increase. It's possible that some mailers will pay 2011 rate increases that are much higher than the rate of inflation while others hardly pay any increase."


 The [Wall Street Journal](#) has reported that "Mail and logistics company Deutsche Post AG (DPW.XE) Tuesday said it expects 2010 earnings to increase as a recovery in the hard-hit sector ensues, even as it reported a surprise fourth quarter net loss that missed analysts' expectations. The company said it expects "a moderate recovery in global transport volumes" in 2010 which will result in adjusted earnings before interest and tax of between EUR1.6 billion and EUR1.9 billion and an improvement in reported EBIT and net profit on the year. It expects the "positive earnings trend to continue in 2011."


 From [Marketwire](#): "RPost®, the global pioneer in email proof services with its flagship Registered Email® technology, announced today that it has brought suit against Swiss Post for patent and trademark infringement. RPost has asked the US Federal Court to issue an injunction to prevent further damages. RPost's flagship Registered Email® service provides senders legally valid, court admissible evidence of email content and delivery. Swiss Post and Swiss Post Solutions offer a service called "Registered Email" that claims to prove delivery of email. RPost is suing Swiss Post for infringing several RPost patents and RPost's federally registered "REGISTERED E-MAIL" trademark. The suit is likely to attract the interest of legal experts around the world. Private law suits against foreign governments are rare enough. A suit against a foreign government agency for infringing an U.S. patent is a legal first."


 [Post & Parcel](#) has reported that "if all UK MPs were to adopt hybrid mail for their constituency postal correspondence, then savings of up to half a million pounds could be saved in the public purse each year. [hide Google Search Results](#) You arrived here after searching for the following phrase: postal Click a phrase to jump to the first occurrence, or return to the search results. According to a new study carried out by document management company CFH, over £250,000 could be saved each year in postage costs alone if hybrid mail was used. Add to that cost of headed paper, envelopes and administrative time, then the resulting savings become substantial."


 [Russia Today](#) has reported that "Many sellers at eBay and other online auctions now choose not to deal with Russian buyers. Mail delivery times have surged recently, and auction rules provide for sanctions for late deliveries. Yahoo StumbleUpon Google Live Technorati del.icio.us Digg Reddit Mixx Propeller The grave situation is reported by Kommersant business daily, which cites an open letter published last week on [www.ebay-forum.ru](#), a Russian-language message board dedicated to online auctions. The letter says that from January 1, the Russian Postal Service has increased the standard shipping time to Russia from other countries from two weeks to two months. The forum thread has a collection of comments, describing people receiving packages which had been due to arrive weeks ago. Meanwhile, much of what is sold through eBay must be delivered in 30 days, otherwise the seller risks suspension. Naturally, eBay clients do not want to be punished for something they cannot control, and prefer not sell to Russia."

 From [PR Newswire](#): "Endicia has announced nationwide availability of its Internet Postage solutions at office superstores and office supply catalogs, including OfficeMax and Staples.com with Office Depot coming soon. DYMO Printable Postage, powered by Endicia, has helped thousands of businesses improve office efficiency by eliminating unnecessary Post Office(TM) trips for purchasing stamps."


 [Multichannel Merchant](#) has noted that "The U.S. Postal Service in late February published a final rule regarding eligibility for commercial flats failing the deflection or "droop" test in the Federal Register. Several industry watches have problems with the new droop standards. Hamilton Davison, executive director of the American Catalog Mailers Association, believes the penalties, which range from 25% to 45% of postage paid, are too stiff. The ACMA wants to help the USPS with automation, Davison says, "but they could encourage us to do so with a much smaller penalty." ACMA officials have met with the USPS to suggest some ways to make the test more objective. For instance, "we asked for a precertification process," Davison says, but the Postal Service didn't want to consider that. Joe Schick, director of postal affairs for printer Quad/Graphics, says most catalogers should get a better feel for what passes, what fails, and what is questionable between June and October. "We'll also use the time to ensure that the postal clerks are verifying the mail in the proper manner and doing it consistently across all sites," Schick adds. "Come October, everyone will have to be ready to comply, because we won't see another delay."

 According to one writer for [NJ.com](#), "Turn the U.S. Postal Service into a private corporation and take away its monopoly on delivering a letter to your mailbox."

 [Government Executive](#) has reported that "An Office of Management and Budget staffer crossed the line when he threatened to "make life miserable" for the Office of Personnel Management's inspector general if he complained to Congress about his fiscal 2011 budget, a recent investigation has found."

 [The Times](#) has reported that "Royal Mail will fight back against companies eating into its business by joining forces with one of its rivals. The state-owned postal operator has granted a licence to UK Mail to handle packets up to 5kg in weight — the sort of goods mailed by the likes of Amazon or department stores such as John Lewis. It is


reckoned that Royal Mail has lost up to 40 per cent of this market to private mail order operators such as the Home Delivery Network, owned by the Barclay brothers, which deliver directly to homes. The new Royal Mail arrangement, which will begin on April 6, means that UK Mail will handle the bulk mailing of such items — typically in excess of more than 1,000 items a night — for customers, oversee the sorting and then hand them over to Royal Mail postmen for the “final mile” delivery. Even including its fees to Royal Mail, UK Mail is confident that it can undercut the opposition. "


 According to the [Washington Times](#), "The Senate could bring up a bill to reauthorize the Federal Aviation Administration. As passed by the House, the bill contains a small provision that could hobble FedEx Express, the airborne division of delivery specialist FedEx. FedEx Express does about 85 percent of its business via air, but the new provision would make it abide - for the first time ever - by labor laws meant for ground transportation. The result could be that a dozen workers in just one key city could, by striking, ground FedEx Express to a virtual halt nationwide. This wouldn't merely mean a delay in the delivery of birthday presents and the like. Approximately 80 percent of all U.S. mail - all those documents and packages entrusted to the regular postal service - that is carried by air is flown by FedEx Express. The company also is the delivery system of choice for emergency medical supplies. On an average day, this includes more than 8,000 kidney dialysis systems and more than 11,000 in vitro diagnostic substances."

DMM Advisory: Webinar Opportunity: Streamlining Hard Copy Postage Statement

Processing. Beginning March 15, 2010, we will no longer complete the “USPS® Use Only” section or round-stamp hard copy postage statements submitted to an acceptance unit equipped with *PostalOne!*®. This includes the block titled "Round Stamp (Required) Date Mail Released." Although we will no longer complete the USPS section of hard copy postage statements, we will continue to accept and process them. To help ease this transition, an exception process is in place for mailers to continue to receive round-stamped hardcopy postage statements until June 13, 2010. To request an exception, mail owners or mail agents must provide a written request to the Postmaster or, for mailings deposited at a district Business Mail Entry Unit, the manager of Business Mail Entry to request an exception. Mailers should ensure that the mail owner and mail agent (where applicable) sections are accurately completed on the hardcopy statements for accurate processing of exceptions. To learn more about how we're improving this business process, please join us for a webinar on March 11 or March 12. The instructions for attending are posted on [RIBBS>Intelligent Mail Services>Latest News](#). Details on this new process can be found at http://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/ReceiptHardcopyPostageStatement.pdf.

CENTER FOR RESEARCH IN REGULATED INDUSTRIES [Advanced Workshop in Regulation and Competition 29th Annual Eastern Conference](#) Skytop Lodge, Skytop, Pennsylvania, May 19-21, 2010. The Conference features some of the latest developments in the telecommunications and energy sectors, including: * **Policy and Regulatory Issues** * **Postal and Telecommunications** * **Market Structure & RTOs** * **Performance and Reliability** * **Demand Response**. *Who should attend:* * Industry Economists, Attorneys and Consultants * Marketing and Regulatory Managers * Regulatory Commission Staff. Dinner Speakers: **Gene Del Polito, President, Association for Postal Commerce**


 The [Milford Daily News](#) has reported that "The U.S. Postal Service is an anomaly. A free-standing federal agency, it competes with private corporations like FedEx and UPS for the delivery of packages. But while it acts like a business - its revenue must match its spending, for instance, with no subsidies from taxpayers - it is not a business. It is a service, expected to keep a promise the nation's founders made more than 200 years ago, when facilitating communication was considered critical to the success of a young country. It is a vital service, but a failing one. With annual losses of nearly \$300 million, it can no longer sustain itself. Changes in the way it operates are needed. The Postal Service needs to be more business-like. Cancellation of Saturday home delivery is one proposal that should be implemented. From a consumer point of view, five-day delivery will have little adverse impact."


 [Today's Trucking](#) has reported that according to David Binks, president of FedEx Canada "It's time for Canada to start pursuing new free trade deals around the world. Addressing the Strategic Supply Chain Management Forum in Toronto, Binks said the recent calamity in global markets has brought new economic opportunities, and Canada needs to take advantage of them. "Canada is the only major trading nation that has not negotiated a brand new free trade agreement -- not one -- in the past four to five years," he said. "For a country of such diversity, and for a


country that has a friendly, non-adversarial relationship with virtually all of the world, that's a crime. Or if that's not a crime, it is at least a real missed opportunity." "


 According to the [Washington Independent](#), Fedex CEO Fred Smith actually was George Bush's first choice for Secretary of Defense. When Rumsfeld was being replaced, Smith was approached again, but said he wasn't available.


March 9, 2010


 From [PR-Inside](#): "This Industry Market Research report from IBISWorld provides a detailed analysis of the Global Logistics - Couriers industry, including key growth trends, statistics, forecasts, the competitive environment including market shares and the key issues facing the industry."


 From [Marketwatch](#): "Stamps.com(R) , the leading provider of postage online and shipping software solutions, today announced that the readers of Law Technology News (LTN) have selected Stamps.com's PC Postage(R) Version 8.0 as a "New Product of the Year." The seventh annual LTN Awards, selected by LTN's 40,000 subscribers, recognize outstanding achievement in technology innovation serving the legal community. Law offices are currently one of the largest industry segments within Stamps.com's 400,000 customers."


 [Kyodo](#) has reported that "A federation of labor unions of Japanese life insurance companies called on the government Monday to make sure its review on the nation's postal privatization process does not allow the insurance business of state-owned Japan Post Holdings Co. to become too big. The National Federation of Life Insurance Worker's Unions issued a petition against the postal reform bill the government has been working on as the state is planning to raise the 13 million yen upper limit on postal insurance payments through legal changes."

 The [Wall Street Journal](#) has reported that "German mail and logistics company Deutsche Post AG said Tuesday it expects 2010 earnings to increase as a recovery in the hard-hit sector ensues, even as it reported a surprise fourth-quarter net loss that missed analysts' expectations. The company said it expects "a moderate recovery in global transport volumes" in 2010 to result adjusted earnings before interest and tax, or EBIT, of between €1.6 billion (\$2.18 billion) and €1.9 billion for 2010 and an improvement in net profit. Like rivals, including TNT NV, FedEx Corp. and United Parcel Service Inc., Deutsche Post was hit hard by the credit crunch and economic downturn that hit global trade. All four companies, which have focused on cutting costs during the downturn, have now predicted better volumes in 2010, and Deutsche Post and UPS are predicting this will boost earnings."


 [Marketing](#) has reported that "Royal Mail and the Communication Workers Union have thrashed out an agreement lifting the threat of further industrial action and allowing the state-owned operator to deliver more door-to-door material."


 [iStockAnalyst](#) has reported that "Although a recovery in the logistics and express markets appears to be underway, 2010 is still likely to represent a challenging year for the industry. This is particularly true for European postal operators which are coming under increasing pressure to diversify and establish a share in the parcels segment in order to cope with the liberalization of their core markets."


 [AllAfrica.com](#) has reported that "West African sub-regional poster service operators yesterday converged in Lagos to brainstorm on how to improve on quality of goods and services in the continents. The meeting which was with the theme: Quality of service regional approach to field support includes: Nigeria, Ghana, Liberia, Gambia and Sierra Leone."


 According to the [Newark Advocate](#), "the Postal Service is a slow-to-change behemoth, stuck with fixed costs and work rules out of another era. And, as if to make sure it can't streamline its operations and react quickly to the changes in society, Congress has slowed it further by attaching a ball and chain to it. And it's never going to get any better as long as members of Congress can tell it how many times it has to make deliveries every week. There never will be a better time for Congress to take a new look at its relationship with the Postal Service, with the goal of freeing the organization to deal realistically and effectively with its financial problems. Congress must allow the


managers to determine the best business model for a 21st century mail-delivery organization and then get out of the way."


 According to the [Daily Mail](#), "Royal Mail last night bowed to union demands by offering workers a 'gold-plated' pay package which will give them more money - for less work."


 According to the [Financial Times](#), "Royal Mail lifted one of the biggest clouds over its future last night with a deal in which postal workers could receive pay rises worth 6.9 per cent over three years and greater job security in return for delivering a "transformation" of the business. The deal, if accepted by members of the Communication Workers Union in a ballot, will avert the threat of further disruption and allow the state-owned operator to continue its £2bn modernisation programme." See also [The Independent](#) and [The Times](#).


 The [Press-Enterprise](#) has reported that "The cash-hemorrhaging U.S. Postal Service needs help from Congress to get back to break-even status. No, USPS doesn't need a bailout. But legislators should give the postal service the freedom it needs to align its business practices with the modern marketplace."


 The [Long Beach Press-Telegram](#) has written that "Nostalgia about letter carriers enduring any privation to complete their appointed rounds has, over generations, made the national monopoly seem a permanent fact of life. But even if the mail carrier couldn't be deterred by rain nor sleet, the Internet has cramped his style. In fact, the Postal Service faces such hard times, it needs to drastically change its business model. Growing deficits and a dramatic drop in use of the Postal Service has forced its management to ask Congress for the power to cut some services - including Saturday delivery. Besides cutting Saturday from the current six-day schedule, managers also want to shrink costs by closing some post offices and increase revenue by raising rates. The Postal Service needs congressional approval for the ability to better direct itself."


 The [Salem News](#) is of the opinion that "But for its origins as a federal agency, the U.S. Postal Service already would have made drastic cuts to its services, facilities and faced the economic music years ago. But, as a quasi-government agency, which still faces the wrath of Congress every time it announces a rate increase or a service reduction, the Postal Service has taken years to see the handwriting on the wall: The budget deficit it faces won't improve with time, wishing or political maneuvering."

 According to the [Tribune Review](#), "Delivery cutbacks and other ideas for improving the U.S. Postal Service's dismal finances would only keep the doomed agency on artificial life support longer -- and at exorbitant cost. What's needed aren't such half-measures but flat-out privatization."

 [GoErie](#) has told its readers that "When some Erie people learned that the U.S. Postal Service could cut Saturday mail delivery, they shrugged. Advertisement Ten people interviewed for our person-on-the-street feature understand that the Postal Service continues to lose money, and that service cuts are one option when a business needs to stem losses. We suspect the reaction might be different if Congress approves the service cuts, because like Sunday library hours, we're accustomed to Saturday mail delivery. The inconvenience will hit home in places like Erie, where older residents are more likely to use so-called "snail mail" to pay bills and to send personal letters, holiday greetings and birthday wishes. These are also the people who rely on mailed print publications for news, entertainment and shopping."

 [EurActiv](#) has reported that "CEOs of European multinational companies believe the economic crisis has compromised EU state aid policy and are urging Brussels to restore open markets, in a newly published review of competition law. Requests for state support have soared since the outbreak of the global economic crisis, putting governments under pressure to save national industries, but the business sector is worried about the creeping return of market distortions. Competition law is an area of European policy where Brussels exerts substantial clout. Business groups see the European Commission's role in competition policy as one of the success stories of the EU, although critics have accused Brussels of pursuing a "neoliberal" agenda. In recent years, Europe has undertaken reforms in the area of merger control and antitrust. The Commission has also used Article 86 of the EU treaty to liberalise a number of network industries, such as telecommunications, energy, transport, and **postal services**."

 [Hellmail](#) has reported that "the Lithuanian postal service introduced its first payment collection terminal. The new machine has now become five, and will enable users to pay bills for services provided by more than 1500 different enterprises and institutions. The terminals are leased from ERP, which has invested over a million litas in this project. According to the CEO of Lithuania Post, the company invited partners of Lithuanian capital to develop a common pilot project that would be acceptable and convenient for customers as well as boosting the development of IT services in Lithuania."


 According to [The Guardian](#), "According to the official communiques, both sides in the postal workers' dispute are delighted with the complex deal that has been ironed out over the past weeks. The CWU is calling it a 6.9% pay rise over three years; the management is hailing the agreement as opening the way to "transformation" of the business. But before they vote for it, Royal Mail staff should read the small print of the 80-page document. I had the opportunity to pore over a leaked draft version, and in my view, whatever is being said about it by senior officials, this deal does not deliver."




From the Federal Register:

Postal Regulatory Commission


- Post Office Closing , 10842–10843 [2010–4921] [\[TEXT\]](#) [\[PDF\]](#)
- Special Summer Postal Rate Program , 10843–10845 [2010–4915] [\[TEXT\]](#) [\[PDF\]](#)

 In September 2009, RPost began a campaign to enforce its patent rights. In the past six months, over half a dozen companies that claimed to offer proof of email delivery have either withdrawn their services or ceased operation as a result. Competitors Olympus.net, GProof, and RegisteredEmail.Com have shut down their special email services altogether (with the domain www.registeredemail.com transferred to RPost), and several US ISP's have stopped hosting web sites of RPost's offshore competitors. Last month a suit RPost had brought against Goodmail, which also named AOL and Yahoo, was settled with Goodmail agreeing to use RPost technology for all of its proof of delivery products. Florida based GlobalPex, facing the ramp-up of an RPost patent infringement suit, has opted to enter into confidential settlement discussions with RPost. Last week, RPost filed suit against Trustifi, a Canadian-based startup that claims to provide proof of email delivery time-stamped by the US Postal Service's Electronic Postmark, and RPost recently announced that it had brought suit against Swiss Post for patent and trademark infringement. The RPost v Swiss Post suit is likely to attract the interest of legal experts around the world as a suit against a foreign government agency for infringing an U.S. patent is a legal first. "This lawsuit is about Swiss Post's activities in America. Faced with a choice between 'build or buy', they chose 'steal'," remarks Zafar Khan, RPost's CEO. "We are sending a message to the world: you can't circumvent American patent law just by operating servers off shore, no matter how big you are." But RPost's quarrel with Swiss Post won't stop at the US border. "We have 25 patents issued worldwide including two Swiss patents that Swiss Post's operations are clearly infringing," Khan says. "We intend to defend all of our intellectual property, everywhere".

 According to [Internet Retailer](#), "**S. David Fineman**, a former chairman of the U.S. Postal Service board of governors, **has been appointed chairman of the Americas region for DHL Global Mail**, the small-package courier service unit of Germany-based Deutsche Post DHL. Fineman's experience with the Postal Service complements DHL Global Mail's extensive ongoing relationship with the U.S.P.S., says Lee Spratt, CEO of DHL Global Mail—Americas. DHL Global Mail aggregates and sorts mail pieces of up to five pounds from shippers and forwards those packages to local postal facilities.

 [The Guardian](#) has reported that "Royal Mail has been given the go-ahead to deliver unlimited quantities of junk mail to British homes after a peace deal with unions ended a long-standing agreement restricting deliveries. Each year, an estimated 4bn pizza flyers, leaflets from local councils and blank envelopes promising the recipient cash prizes are already thrust through letterboxes by its postal workers. But the deluge has been held in check by an agreement limiting Royal Mail workers to no more than three items of junk in each household weekly to make sure their bags do not get overloaded. Tonight, the postal group and the Communication Workers Union finally reached a wide-ranging deal to end their dispute after the wave of national strikes last autumn – and buried in the small print of the 79-page document is a pledge by Royal Mail to remove the restrictions."


March 8, 2010


 **DMM Advisory: PVDS WEBINAR — LEARN ABOUT BULK MAIL AND DROP-SHIP ACCEPTANCE FOR 2010.** The Postal Service™ continues to look at all areas of its business with an eye toward becoming more efficient and cost effective. At the same time, our commitment to customer service remains a top priority. With this commitment in mind, we invite customers to attend Plant Verified Drop Shipment (PVDS) webinars. These webinars, which have been offered over the past few weeks, touch on key steps in accepting drop-ship mailings. Last week, we experienced technical difficulties while attempting to present a PVDS webinar. As a result of those unforeseen difficulties, we are offering you the chance to take part in one this Wednesday, March 10, beginning at 2:00 p.m. (EST). Join Pritha Mehra, vice president, Business Mail Entry and Payment Technologies, for a discussion on drop-ship mailing processes followed by a question and answer session. Here's how to attend the 90-minute webinar:

Audio only: Dial 1-877-512-0764, meeting ID: 6747882

Web conference with audio:

- Go to <http://meetingplace5.usps.gov/join.asp?6747882>
- After the MeetingPlace window opens, click the phone icon (under the participant list or in the upper right-hand corner).
- Click connect me and validate your phone number (direct phone numbers only, extensions will not work), or update your direct phone number (extensions will not work) and click connect me again.
- When the MeetingPlace system calls you on your phone, press #1 to join the webinar.

 **Yahoo! News** has reported that "US companies will spend more this year on digital and online advertising and marketing than on print for the first time ever, according to a study released on Monday. Companies will spend 119.6 billion dollars on online and digital strategies and 111.5 billion dollars on newspaper and magazine advertisements and other print campaigns, according to the study by California-based Outsell. Outsell, which provides research and advisory services to the publishing and information industries, described the spending shift as "an industry milestone crossover event."


 **Reuters** has reported that "British postal workers agreed a 6.9 percent outline pay deal up to 2012 in their long-running dispute with state-owned Royal Mail, the Communication Workers Union said on Monday. The deal will also include a reduction in hours for workers at Royal Mail, which employs 121,000 staff. The deal must now be approved by union members."





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


- **Will Postal Service bosses go undercover in the future?** "Undercover Boss," a new CBS show, follows Chief Executive Officers (CEOs) as they go undercover to work primarily in lower-level positions in their own companies. Should top postal management go "undercover" on this new show?

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


 [MaltaMedia](#) has reported that "The National Statistics Office has reported that as at the end of December 2009, subscriptions to all forms of communication technology increased when compared to the corresponding period in 2008. In the fourth quarter of 2009, the absolute number of mobile telephone subscriptions totalled 422,083. Subscriptions to post-paid schemes were recorded at 78,389, while pre-paid scheme subscriptions stood at 343,694, which has put the mobile penetration rate at 101.3 subscriptions per 100 persons. This indicates that a person may have more than one mobile subscription, a phenomenon which is also registered in most EU countries."


 [Reuters](#) has reported that "A German parliament move to abolish tax break privileges for Deutsche Post is unlawful, the company's chief executive said in an interview."

 According to the [Courier, Express, and Postal Observer](#), "Having the core of the postal industry in a panic about how they are going to survive should unnerve every stakeholder regardless of whether they are a customer, supplier, or employee of the Postal Service. Customers with a panicky supplier have real incentive to seek alternatives. Uncertainty about the future makes effort to seek alternatives to Postal Service delivered mail more attractive. Even digital and mobile alternative appear less risky as a predictable future for the "known" delivery mode becomes less certain. Suppliers with a panicky customer may choose to cease being suppliers. Working with a panicked customer is expensive as purchasing decisions become less certain and predictable. Suppliers will shift their sales efforts to postal operators with a more clear vision of the future, a future that allows them to plan their sales and marketing efforts more easily than pan these efforts to sell to the Postal Service."


 [InsuranceNewsNet](#) has reported that "A federation of labor unions of Japanese life insurance companies called on the government Monday to make sure its review on the nation's postal privatization process does not allow the insurance business of state-owned Japan Post Holdings Co. to become too big. The National Federation of Life Insurance Worker's Unions issued a petition against the postal reform bill the government has been working on as the state is planning to raise the 13 million yen upper limit on postal insurance payments through legal changes."

 The way forward for the Postal Service, as far as [USA Today](#) is concerned is to "Save universal delivery through streamlining, not privatization."


 According to the [Gerson Lehrman Group](#), "Transformation is always permanent and keeps going. A re-look has to be given into the functioning and operations of US Postal Services. It cannot anymore function as a decorative feather on the cap unless it is pruned for growth. Any plan to cut the existing delivery frequency would make it less dependable."

 As the [Fort Worth Star-Telegram](#) has noted, "Americans' love-hate relationship with the U.S. Postal Service is about to be tested again. We love to gripe about the shortcomings of one of our most essential institutions. While we wish it would change, we hate for it to. But change it must -- or face a projected \$238 billion loss over the next decade "


 As the [Washington Examiner](#) has noted, "The Postal Service is sponsoring National Consumer Protection Week (NCPW), March 7-13."


 According to one letter carrier writing for the [Postal Employee Network](#), "The level of oversight and managerial justification is obscene. The implementation of technical items like FSS (OIG report suggested that FSS be scrapped that the money will never be recouped) implementing GPS in postal vehicles with monitoring. MSP points, DOIS and all their other abbreviations. The Postal Service has become nothing more than management justifying their own jobs by adding more jobs to watch craft employees. The management constantly violates the contract for self-imposed rules to meet bogus criteria. The amount of waste at the Headquarter level is mind boggling."


March 7, 2010


 The [Federal Times](#) has reported that "In response, postal leaders last week pleaded with stakeholders — unions, Congress and customers — to support drastic reforms: a sharp rate hike next year; the end of Saturday delivery; widespread post office closures; changes to the Postal Service's formula for financing health care benefits for

retirees; and deep staffing cuts. But few of those measures now appear likely to win approval — leaving the Postal Service with no clear fallback plan for closing its mammoth deficits. Mailers railed against the prospect of sharp mailing hikes; lawmakers dismissed the idea of shuttering post offices or shortening the delivery week; and unions balked at staffing cuts and even questioned the severity of the Postal Service's predicament. Few of these ideas are popular, but postal officials, including the Senate-confirmed Board of Governors, say the Postal Service doesn't have any alternative."

 The [Commercial Appeal](#) has reported that "The high-stakes endgame in a three-year battle to pass a multiyear Federal Aviation Administration Reauthorization bill is expected to move to the floor of the Senate this week, but all acknowledge a labor issue FedEx has made its highest legislative priority will be resolved behind closed doors. The language amending the Railway Labor Act to give certain FedEx Express employees the right to form local bargaining units isn't in the Senate bill, but it is in the House version. Even if the Senate passes its bill, there are a variety of ways the issue could be resolved — or stalemated. "

 According to [Standard Speaker](#), "The most frequently repeated lie is said to be that the check is in the mail. The second most frequently lie appears to be that the U.S. Postal Service will somehow become solvent through rate increases and automation. Postmaster General John Potter recognizes the truth."


 The [San Francisco Examiner](#) has reported that "Competition improves the breed, and no breed is more in need of improvement than the U.S. Postal Service. Postmaster General John Potter has proposed ending Saturday delivery because his operation, already a chronic money loser, faces a \$7 billion deficit this year and an estimated \$238 billion in losses for the current decade. Potter may have the toughest job in town because he faces three immovable objects in his quest to stop the red ink and save a government institution that has been with us since the nation's earliest days. The three immovable objects are President Barack Obama, Congress and the postal unions. Obama has already said he opposes privatization, the obvious solution to the Postal Service's ills."


 The [Kansas City Star](#) has reported that "In March 2008, federal auditors designated this year's census a "high-risk area" of federal spending. Among the reasons: weak management of Census Bureau purchases, including computers and software, and inaccurate cost estimates. Adding to that expense, The Kansas City Star found, are 28 million Census mailings that bureau officials and the U.S. Postal Service have agreed will simply be thrown away. "





[Business Week](#) has reported that "Senator Bob Corker, who represents FedEx Corp.'s home state of Tennessee, is blocking aviation- funding legislation over the prospect that language may be added later helping unions organize at the company. Corker's action extends a years-long fight in Washington between the mostly non-union FedEx and its unionized rival United Parcel Service Inc. over how workers at both companies should be treated under U.S. labor laws. The dispute is over a measure reauthorizing funds for the Federal Aviation Administration."


March 6, 2010


 As if postal news alone were not bad enough....There's this from the [Washington Post](#): "President Obama's proposed budget would add more than \$9.7 trillion to the national debt over the next decade, congressional budget analysts said Friday. Proposed tax cuts for the middle class account for nearly a third of that shortfall."


 According to the [Winston-Salem Journal](#), "Stopping Saturday delivery may be a good way for the U.S. Postal Service to save money, but it's a bad civic idea. The last thing we need in the 21st century is a new disconnect between Americans and the federal government."


 The [Herald-Review](#) has reported that "In light of a renewed U.S. Postal Service request this week to drop one day of delivery to save money, some Decatur printers who use the postal service as part of their business see the potential move making little impact."


 [TriCities.com](#) has reported that "U.S. Rep. Rick Boucher's office spent \$140,320 on franked mail last year – the seventh-highest total in the U.S. House of Representatives, according to House expenditure data from a 3,400-page report by the nonpartisan Sunlight Foundation and analyzed by the Bristol Herald Courier. A congressman in the middle of the pack of franking expenses would have spent \$82,770, and the average for the chamber – including expenses from lawmakers who did not serve all of 2009 – came out to \$41,681. Franking as a legislative privilege is designed to "assist and expedite the conduct of the official business, activities and duties" of the U.S. Congress, according to U.S. House regulations. Still, the franking privilege can blur the lines between a lawmaker briefing constituents on official business and burnishing his own accomplishments, House guidelines and analysts indicate. The regulations, for instance, caution against the "excessive use of personally phrased references. Politically, franking mail is a double-edged blade, Wood said: An incumbent can cast it as a valuable public service to educating constituents, while a challenger could point out that he's doing it on the taxpayer's dime."


 The [Houston Chronicle](#) has noted that "Surprisingly, there seems to be relatively little public outcry over the Postal Service's recommendation to eliminate Saturday mail delivery. Or maybe it's not so surprising. "


 The [Oneonta Daily Star](#) has told its readers that "We really don't see much real problem in ending Saturday deliveries, particularly since the modern world seems to be overtaking many of the tasks that were once left to the postal service. Many Social Security and other government checks are direct-deposited, and the Internet has provided faster, more-facile ways for people to write each other."


 The [Wakefield Local](#) sees things differently: "While we recognize that the agency is in trouble, largely due to customer migration to the Internet and the current recession, with perhaps a tad of mismanagement thrown in, we don't think eliminating another leg of customer service from the postal portfolio is the way to solve the problem."


 The [Times Herald](#) has noted that "the Postal Service is going to have to find a way to substantially reduce its costs even as prices rise. We believe the best way to achieve savings is for the Postal Service to discontinue Saturday mail delivery. Post offices would remain open, but delivery would be limited to five days a week. Today, it takes six mail carriers to cover five delivery routes. If Saturday delivery were eliminated, it would take only five carriers to serve five routes. That would amount to a 16.6 percent reduction in the necessary number of carriers and a huge savings for the Postal Service. Over the next 10 years, 300,000 employees will be eligible to retire from the Postal Service. Thus, attrition could be used to reduce the number of workers without major layoffs. The loss of Saturday delivery is not likely to be a significant hardship for anyone, but it would be a major savings to a financially troubled Postal Service. Five-day service has been discussed for many years. Now is the time to implement it."

 As the [Los Angeles Times](#) put it: "let's be honest now. Watching Democratic House Speaker Nancy Pelosi and Democratic Senate Majority Leader Harry Reid these past several months leading into a crucial.... .. midterm election year, does anyone seriously anticipate either one going against a postal union's opposition to killing Saturday mail delivery? Killing Saturdays would be the first day's reduction since 1913, when Sunday deliveries were halted."

 The [Watertown Daily Times](#) has reported that "Watertown Postmaster Jeffrey A. Sands has been named the U.S. Postal Service's manager of operations for the northern tier of the Albany District."

 The [Panama City Herald News](#) put it this way: "Like that unwanted advertising flyer that appears regularly in your mailbox, Postmaster General John Potter again delivered bad news Tuesday: The U.S. Postal Service lost \$3.8 billion in the last fiscal year, is expected to lose another \$7 billion this year and is projected to hemorrhage \$238 billion over the next 10 years if Congress doesn't allow it to substantially change its business operations. This is essentially the same pessimism Potter preached last year, only the situation has gotten worse. Everyone agrees the postal service is in dire financial straits, they just want somebody else to make the sacrifice. Ideally, the USPS would be privatized, its monopoly on First Class mail delivery eliminated and opened up to competition - the direction already taken by Germany, Japan and the European Union. The postal service would no longer be subject to political meddling that prevents it from doing what must be done."

 According to the [Chillicothe Gazette](#), "Assuming the idea gets past a postal committee, Congress should approach the cutting of mail delivery back to five days per week with trepidation."


 According to [EDLConsulting](#), "Citing unprecedented losses in 2009, the United States Postal Service has considered reducing its delivery to a five-day week, eliminating its Saturday service. The potential redaction of Saturday service would extend delivery periods by one full day, which is likely to prevent consumers from making certain purchases."


From the Federal Register:


- [Postal Regulatory Commission](#) Mail Classification Change , 10529 [2010–4861] [\[TEXT\]](#) [\[PDF\]](#)


 In a letter to the editor of the [Washington Post](#), Maine's **Senator Susan Collins** wrote:


In his Feb. 28 Outlook commentary, Postmaster General John E. Potter attempted to refute "five myths" about the U.S. Postal Service. The Postal Service is indeed in dire financial straits, but **I disagree with his assertion that the 2006 Postal Reform Act is in part to blame for its financial crisis.** As the author of this law, I want to set the record straight. **The Postal Service's request to Congress for relief from its obligation to prefund retiree health benefits is just the most recent in the history of the Postal Service's requests to Congress roughly every three years for financial assistance in exchange for the promise of becoming financially solvent.** In 2003, 2006 and 2009, Congress relieved the Postal Service of making billions of dollars in payments toward its liabilities. Now, after **the Postal Service has been slow to take advantage of the increased flexibilities** provided by the 2006 Postal Reform Act, the postmaster general once again has returned to Congress, seeking billions of dollars in relief from its liabilities and, again, making more promises of future profitability. Instead of blaming the Postal Service's financial condition on the 2006 Postal Reform Act, **the postmaster general should develop new revenue streams and continue to reduce costs. He should seek new customers and more volume rather than cutting service and wishing away liabilities.**

 Also in a letter to the [Washington Post](#), Oregon's Secretary of State wrote that "Oregon, which conducts elections by mail, enjoys a vital partnership with the Postal Service. Postal workers carried 2 million ballots in a recent statewide election, and the possibility of cutbacks is truly distressing."


 *Editor's Note: Hey, here's a thought. Let's take everybody off that nasty ole political hook and hold a national referendum on Saturday mail delivery....Yeah....right. In your dreams.*

 [Hellmail](#) has reported that "Norway's postal union, Postkom. has warned that implementing the final phase of the EU postal liberalisation directive which not only see increased competition in Norway, but a decline in services for rural areas."

 According to the [Financial Times](#), "The recent resignation of Adam Crozier from Royal Mail to become chief executive of broadcaster ITV has added yet more doubt to the future of the state-owned company beset by industrial relations problems, a £10bn pension deficit, and chronic under-investment. One might expect Guy Buswell, chief executive of rival UK Mail, to be quietly delighted at the latest twist in fortunes at the former monopoly that has seen its share of the postal market eroded since the sector was opened up to competition in 2006." But he is having none of it. For UK Mail to thrive, he argues, Mr Crozier's successor must continue with radical reforms to ensure that both it and its postal sorting rivals – which relies on Royal Mail for "last mile" delivery – can thrive in an era of paperless electronic communication."


 The [Dallas Morning News](#) has reported that "The U.S. Postal Service in Dallas recycles nearly 5,000 tons of paper a year, but until recent years, reams of direct mail and circulars trashed in post office lobbies lived up to their label – junk mail. Locked blue bins installed under the agency's "Read, Respond, Recycle" customer recycling

program have been popping up at several local post offices, and USPS officials say more will be installed soon, although they couldn't say when or where."

 The [Bangor Daily News](#) has told its readers that "It is becoming an annual event: The U.S. Postal Service threatens to stop Saturday mail delivery, Congress says don't do it, and the agency's deficit grows. There has to be a better way. To bring the Postal Service budget into balance, both it and Congress are going to have to consider uncomfortable options."

 The [Wall Street Journal](#) has reported that:

- [The earliest postal networks](#) were designed as instruments for extending political power over larger distances. The Bible's Book of Esther tells of an entire postal system with just one sender. Deliverymen mounted on fast steeds dispatched messages on behalf of the Persian King Ahasuerus, the only person authorized to send mail. Our current system serves very different functions, though there's a growing suspicion that it, too, has become **a relic of a bygone era.**
- If you're trying to figure out [how much trouble we're in](#), consider an odd little event now gestating in Congress. No, not the one a senator will deny despite the DNA match and the kid hanging on his neck saying "Dada," but **the debate over whether the U.S. Postal Service should continue to deliver mail on Saturday. There's going to be a big fight over this.** One concern is that many people still depend on using the mail system on Saturday, mainly the poor and elderly who don't have ready access to computers. They may receive important checks or pay their bills on Saturday. The change may also disrupt small businesses that operate six or seven days a week and need to send or receive transactions. Netflix movies mailed Friday would not arrive until Monday, for example — and not until Tuesday on the five or more weekends every year when a federal holiday falls on Monday.

 The [Green Bay Press Gazette](#) has told its readers that "Although it's inevitable that the U.S. Postal Service would ask to cut mail delivery back to five days a week, Congress should approach the request cautiously."



Make the Most of the NPF



***Join the Association for Postal Commerce for a **FREE Webinar** on
March 25, 1:30 pm ET.***

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Space is limited. Reserve your Webinar seat now at: <https://www1.gotomeeting.com/register/487294632>

Presented by **Rose Flanagan**, Manager Postal Strategies and Logistics, [Data-Mail](#), Newington, CT. With over 130 workshops and special events scheduled for the National Postal Forum in Nashville, Tennessee April 11 - 14, 2010 attendees may feel overwhelmed and confused when attempting to plan their days. Ms. Flanagan will highlight areas of interest and "hot topic" sessions that should be part of your agenda. Spend an hour gaining a better understanding of sessions so you can plan your days to get the most from your NPF experience. This presentation for you is based on her years of experience in the industry and prior attendance at the forums.
Title: Make the Most of the NPF Date: Thursday, March 25, 2010 Time: 1:30 PM - 2:30 PM EDT

“Drop Shipment Checklist for Customers” A helpful guide as you complete paperwork for business mail plant-verified drop shipments (PVDS). An updated version of the checklist is attached and also is now posted on RIBBS at:


Mailers' Technical Advisory Committee (MTAC)

http://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/DropChecklist.pdf. This version clarifies a question that a few of you


raised about what fields on the PS Form 8125 may be altered, and specifically when a FAST Scheduler ID needs to be included. As the checklist now explains, a FAST Scheduler ID is not required if the Drop Shipment Appointment Number is already filled in on the form. If you don't have a Drop Ship Appointment Number when the 8125 is first filled out, it can be added by you or your agent after the 8125 is verified at the origin postal facility; however the appointment number must be filled in before the 8125 is presented at the destination entry Post Office. The only alterations on the 8125 acceptable at destination are the Mailer Contact Information, Drop Ship Appointment Number and FAST Scheduler ID.

The Postal Journal is in the midst of a major redesign that will create a user friendly website for information about the Postal industry and a forum for sharing research and opinions that will advance the entire industry's understanding of the issues that will shape the industry. Stay tuned. For more information contact [the Journal's Executive Editor](#)



 [Multichannel Merchant](#) has reported that "As mail volume is predicted to keep plummeting, Postmaster General John E. Potter said in an address earlier this week that a modest exigent postal rate increase will be proposed for 2011. But some industry watchers questioned if an exigent price increase early next year would be legal, based on the interpretation of the circumstances needed to qualify for exigency. Postal Regulatory Commission Ruth Goldway says that the law provides that the U.S. Postal Service may seek a rate increase beyond the rate of inflation "due to either extraordinary or exceptional circumstances." It's no surprise that mailers concerned about higher rates might challenge whether "extraordinary or exception" circumstances exist, Goldway says. "Should that issue be raised, the commission will evaluate all parties' arguments and make a decision."

March 5, 2010

 The [Columbus Ledger-Enquirer](#) has noted that "Local postal workers upset with a proposal to move mail processing from Columbus to Macon participated in an informational picket Friday morning in front of the main post office on Milgen Road in Columbus. The dozen workers carried signs and handed out a leaflet informing customers where they could send comments about the proposal. This was the second such picket this week. They were at the downtown post office Wednesday morning."

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

PostalOne!® and FAST® Outage: *PostalOne!* Release 24.0 will be deployed on Saturday, March 13, 2010. The *PostalOne!* production system will not be available from 10:00 p.m. CT on Saturday, March 13 through Sunday, March 14, 2010, at 8:00 a.m. CT. FAST Release 14.0 will be deployed on Sunday, March 14, 2010. FAST production will not be available from 4:00 a.m. CT through 8:00 a.m. CT on Sunday, March 14, 2010. During this period FAST Web Services, FAST online application, and the FAST Customer Supplier Agreement (CSA) module will be unavailable. *PostalOne!* Release 24.0 and FAST Release 14.0 will be deployed to the *PostalOne!* and FAST Test Environments for Mailers (TEM) respectively on Monday, March 15, 2010. The *PostalOne!* and FAST TEM environments will not be available from 4:00 a.m. through 12:00 p.m. CT during this deployment.

- To learn about the changes in *PostalOne!* Release 24.0, refer to the release notes posted on [RIBBS®](#) under [Intelligent Mail® Services Latest News](#).

- To learn about the changes in [FAST Release 14.0](#), refer to the release notes posted on the [FAST Website](#) under Resources.

Guides Update: To support [PostalOne! Release 24.0](#) on March 14, the following guides are updated and available on RIBBS under [Intelligent Mail Guides & Technical Specifications](#):

- [A Guide to Intelligent Mail for Letters and Flats](#)
- [Test Environment for Mailers \(TEM\) Checklist and Troubleshooting](#)
- [Postal Service Mail.dat® Technical Specification](#)
- [Postal Service Mail.XML® Technical Specification](#)

Assistance: Please call the *PostalOne!* Help Desk at 1-800-522-9085 if you have any questions or problems accessing the [Business Customer Gateway](#), your accounts, or submitting electronic documentation. The *PostalOne!* Help Desk is accessible from Canada at no charge.



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

- On March 2, the U.S. Postal Service held a briefing, Envisioning America's Future Postal Services, outlining its 10-year plan to various industry stakeholders and the American public to address the serious problems of declining revenue and volume facing the Postal Service. The Postal Service laid out some of the major issues it is facing through 2020, the independent analysis done by three different consulting firms, and its own plan on how to close a cumulative loss of \$238 billion by 2020.
- The Postal Service published its unaudited December results with the Postal Regulatory Commission. USPS gained over \$179 million dollars in December 2009, which is the last month in its Fiscal Year 2010 quarter. This is the first monthly gain that the USPS has reported in over two years.
- The Postal Service published its unaudited January results with the Postal Regulatory Commission. USPS lost over \$592 million dollars in January 2010, which is the first month in its Fiscal Year 2010 Quarter Two.
- The U.S. Postal Service has submitted another Standard Mail Incentive Pricing Program (2010 Summer Sale) to the Postal Regulatory Commission (PRC). The 2010 Summer Sale has been authorized by the Governors for the USPS to adjust prices for Standard Mail letters and flats. This sale is similar to the 2009 Summer Sale. The 2010 sale will give eligible companies a 30 percent postage rebate on qualifying Standard Mail above a predetermined threshold. The 2010 sale will run from July 1 thru September 30, 2010.
- Last month, the Postal Regulatory Commission (PRC) has submitted its Fiscal Year 2011 Performance Budget Plan to Congress. The Commission's FY 2011 Performance Budget plan goals are aligned with its strategic goals, and is structured on its Strategic and Operational Plan for FY2008-FY2012.
- According to Valassis Senior Vice President for Governmental Affairs Vincent Giuliano, "the #1 issue facing our industry today is the Postal Service's onerous payments required by PAEA for its pension and health care obligations which undermine the efficacy of the USPS as a reliable and affordable medium."
- The Courier, Express, and Postal Observer has told its readers that "the issues that Coca Cola and PepsiCo faced when deciding that a century old "first-mile" only strategy no longer worked apply as well when thinking about the Postal Service and how worksharing has created a "last-mile" culture and postal observers, like Robert Cohen and others suggesting that the Postal Service pursue a "last mile" only strategy. These arguments focus on the savings that can be generated by having each part of the mail supply chain performed by the most efficient provider. What this argument ignores is the additional transaction costs and complexity that this strategy creates for the mailing industry that may weaken the ability of mailers to get the Postal Service or any combination of suppliers to actually provide the service they require at a price that makes mail a viable communications mode."
- The Courier, Express, and Postal Observer has told its readers that "Gerson Lehrman Group has published a well reasoned commentary entitled "Transformation is Essential to Save the Postal Service" Gerson Lehrman Group's interest in the USPS is due to the impact on thousands of privately held and publicly traded companies "from Wells Fargo, Time Inc., and Williams Sonoma to small businesses and the public,

competitors such as UPS and FedEx, and suppliers like Pitney Bowes. The following paragraphs may be foretelling comments relating to Postal Service's troubles that investment analysts will add to opinions of companies of competitors, customers or suppliers of the Postal Service.

- The Courier, Express, and Postal Observer has told its readers that "one of the arguments that postal labor unions will make to try to stop some of the changes that the Postal Service wants to introduce will be the impact on employment. The employment argument resonated while the economy was shedding jobs. In a weak job market, excess postal employees would have difficulty finding jobs. This appears to no longer be the case."
- According to Deadtree Edition, "The U.S. Postal Service plans to rely more on part-time employees as it adjusts its operations for declining mail volume."
- Deadtree Edition has told its readers that "The U.S. Postal Service is preparing to hit magazine and newspaper publishers with sizable rate increases starting next year. In addition to seeking an extra rate hike for all mail next year, the U.S.P.S. will ask Congress for legislation that would allow Periodicals rates to be increased much faster than the rate of inflation."
- EMD scans have become a very reliable source of information of the date and time a drop ship entry was made. It has proven to be a very reliable start-the-clock for service performance discussions amongst the mail owners, mail preparers, and the Postal Service; discussions that have led to many improvements in postal delivery performance. Last November during an MTAC work group meeting the USPS let be known that they were going to eliminate EMD and replace it with a viable alternative on March 14, 2010. This was a surprise because while we all knew that there would be a "start-the-clock" from IMb-Full Service, not all mailers would use this. And, frankly, that left little time for all parties to determine what this replacement was and how to integrate it into their respective systems.
- PRC initiates review of USPS pension liability. Two new MTAC workgroups. OIG audits USPS SOX prep testing. APWU President condemns USPS 5 day proposals. Direct marketers and catalog companies prepare. Congressional differences? Delivery success at the 2010 NPF. DHL Global Mail is pleased to announce the appointment of S. David Fineman as Chairman of its Board of Directors for the Americas region. As a former Chairman of the U.S. Postal Service Board of Governors, Fineman brings substantial experience in postal matters to DHL Global Mail -- Americas.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews


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Press Release: "Fairrington Transportation announced today the expansion of its Co-pal for Letter Mail services, with the June 2010 opening of its East Coast Co-pal operation in Cranbury, New Jersey. With the development of a second Full-Service enabled Co-pal system, Fairrington has increased its pool capacity more than 100 percent. In addition to the new East Coast operation, Fairrington made significant capital improvements to its Co-Pal equipment in its Midwest facility, increasing processing speeds over 35%. The inclusion of Co-pal in a mail plan affords mailers maximized postage savings while capitalizing on more efficient deliveries with the distribution of palletized mail deeper into the mail stream. Co-pal offers destination entry discounts for mail that prior to would not have received entry discounts or may have only received DBMC rates."





 The [Courier, Express, and Postal Observer](#) has reported that "One of the arguments that postal labor unions will make to try to stop some of the changes that the Postal Service wants to introduce will be the impact on employment. The employment argument resonated while the economy was shedding jobs. In a weak job market, excess postal employees would have difficulty finding jobs. This appears to no longer be the case....This...suggests that the Postal Service could shed jobs at a rate faster than attrition over the next 10 years and current employees who are asked to retire early or take severance should be able to find jobs in the private sector in the near term and public sector in one or two years when tax revenue begins to rise again."


 *Informed sources have reported that the City of Berkeley (CA) may now be considering establishing its own mail preference service, not just an opt out list. This is a major turn in what had been a successful effort to divert Berkeley from considering their DNM resolution.*


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

  [DHL Global Mail](#) is pleased to announce the appointment of S. David Fineman as Chairman of its Board of Directors for the Americas region. As a former Chairman of the U.S. Postal Service Board of Governors, Fineman brings substantial experience in postal matters to DHL Global Mail – Americas.


 [Intelisent](#) has told its readers that "Last week I posted here <http://foxyurl.com/PHn> regarding USPS communications issues via the DMM Advisory. I contacted the folks at the DMM Advisory, and they were able to post the training information listed that I had been looking for. The second problem was a major issue with misinformation regarding an error on the 8125 Checklist prominently posted at RIBBS, and widely distributed. Following up on a multitude of complaints, NASML President Norine Butte spearheaded an effort to get the information corrected. The checklist and instructions out to the field are erroneous, and the USPS has acknowledged the problem and has promised to get a corrected checklist posted, as well as get the information distributed out to the field. Well, it has been over a week now, and there is every indication that the misinformation is still causing major problems such as mail being held up, and clerks trying to enforce a rule that doesn't exist - because they haven't been notified of the correction. Unnecessary EMIR Reports, Electronic Mailing Information Reports that go to mailers when a problem is found in the field, are flooding in."

 [KYW1060](#) has reported that "The US Postal Service is planning to move the Olney post office, and some residents are unhappy about that."

 According to the [Chicago Tribune](#), "The postmaster general of the United States floated the idea of eliminating the delivery of mail on Saturdays to help boost our nation's sagging postal bottom line. In 1957. Tribune news archives show the idea came around again in 1962, 1975, 1977, 1981, 1987, 1992 (when Postmaster General "Carvin" Marvin Runyon suggested going to four-day-a-week home delivery), 2001 and 2009. And no doubt there were other years when, out of sheer weariness, we didn't bother to note the re-emergence in Washington of this perpetual nonstarter. But what was once a threat — in April of 1957 the outcry was so great when mail service was suspended for one Saturday that Congress restored it the following Monday — is now a promise."

 [Kyodo News](#) has reported that "The government has decided to raise the maximum amount of deposits that the state-owned Japan Post Holdings Co.'s banking unit can accept per person from the current 10 million yen to 30 million yen."

 Here's an interesting question from [GeekWithLaptop](#): "Will end of USPS Saturday delivery kill Netflix?"

 The [News Leader](#) says: "Say goodbye to Saturday mail. The good news? You will have one fewer day of bills filling your mailbox. The bad news? Delivery of greeting cards will be down to five days as well."

 The [Modesto Bee](#) believes that "Most people send urgent correspondence via e-mail or special-delivery services. That's one reason why it makes sense for the United States Postal Service to stop Saturday home delivery."

According to the [Courier Post](#), "The U.S. Postal Service has the right idea in considering dropping mail delivery on Saturdays. Simply put, the postal service doesn't serve the same purpose it did in the past. And rather than trying to maintain the illusion it does, postal officials are working to evolve the service into something that will continue to matter."

[Bernama](#) has reported that "Pos Malaysia is investing RM250 million to set up a national mail and parcel hub in Shah Alam in its effort to achieve an automation level of up to 70 per cent from 20 per cent currently."

The [Buffalo News](#) is of the opinion that "It's been clear for a long time that the Postal Service is facing severe financial challenges. Like many industries, its business model has been upended by the Internet and weakened by the global recession. A new report underscores how precarious its position is and makes clear that changes will have to come. Nothing, including eliminating Saturday mail deliveries, can be off the table."

According to the [Miami Herald](#), "Only Congress can ease postal service expenses." *[EdNote: Don't hold any hope of seeing the U.S. Cavalry coming to the rescue. You'll be disappointed.]*

According to [U.S. News](#), "Nobody likes radical change, but in corporate America, it's sometimes necessary to survive. Except at the U.S. Postal Service, which tries to act like a corporation but inevitably struggles to keep up with the times. If the Postal Service had real stockholders, they'd be selling shares like mad. The business of mail delivery is in natural decline, thanks largely to E-mail and the Internet. Companies that react to transformational force with marginal change don't last very long, and minor tweaks to the Postal Service's business model could leave it just as bankrupt as Tower Records or the Tribune Co. So here's a more radical idea: Cut mail delivery to three times per week, instead of six days now or the five-day schedule that Potter proposes."



The latest edition of [Postal Technology International](#) is now available online.

The [Wakefield Observer](#) has noted that "The Postal Service, like many organizations, has limited options available to it in terms of cutting costs. Rates will likely need to be increased in addition to the proposed reduction in services. Concessions also will be needed in terms of employee benefits. Without those changes, it is hard to image how the Postal Service can continue to function."

The [Deseret News](#) has reported that "Like many entities adapting to advances in technology, changing consumer habits and the difficult economy, the U.S. Postal Service must change the way it does business."

According to [The Pilot](#), "Postmaster General Jack Potter has asked Congress to approve a plan involving closing outdated branches and opening new ones in supermarkets, raising rates, ending Saturday delivery, reducing pension contributions and other cost-saving ideas. By Postal Service standards, these are revolutionary concepts, and ought to be no-brainers. They are merely the extension of downsizing practices already in existence. Mail volume in all categories has plummeted because of the use of e-mail, on-line catalogs, Internet banking and countless other conveniences. The Postal Regulatory Commission has yet to begin its required public hearings leading to a congressional decision, but it's not hard to anticipate the discussion. Unemployment is high. People are used to Saturday delivery. Every podunk crossroads wants a post office. There will be lots of gnashing of teeth."



NPF Peer-To-Peer Roundtable registration now open!

Building on the success from last Year's forum, the Peer-to-Peer Roundtables Session is back! This invaluable networking event on Tuesday, April 13th at 7:30 am lets you exchange ideas on a wide range of industry topics. Because of the demand for this highly successful event you MUST [pre-register for the Roundtable selection of your choice](#). A complete listing of the many roundtable options are listed on the [Peer-To-Peer registration page](#). Only attendees of the National Postal Forum may attend these thought provoking and insightful networking sessions. If you haven't registered for the National Postal Forum don't delay and [register](#)

[now!](#)



For the tenth consecutive year, [FedEx Corp.](#) has ranked among the top 20 world's most admired companies, according to a survey published in FORTUNE magazine. FORTUNE magazine today released its annual report on corporate reputation, listing FedEx as #13.




Nashville Postal Forum

April 11-14, 2010

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


[View The 2010 Nashville Session Matrix](#)
[Register Now for the 2010 National Postal Forum](#)

 [Zippycart](#) has told its readers that "Most people are probably aware that the United States Postal Service has been struggling for years to keep business afloat, as they have continually raised the price of stamps to counter the reduction in snail mail being sent out. Since people started to catch onto email, instant messenger, Twitter, and Facebook, there are fewer opportunities each year for most people to use the USPS. Now the USPS is proposing cutting things back a bit, so that they can run leaner, and better accommodate the higher volume days for mail. There plan is to cut out one day of service and move to a 5-day delivery model. The USPS sees the trend continuing for them as they forecast they will capture less revenue over the next 10 years due to the reduction in snail mail. It is unclear if other changes are coming, but for now it is likely that mail service will be cut one day of the week."


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


- There would be "[some surprising losers](#)" if there is not a successful transformation of the USPS. Losers if there is not a successful transformation of the Postal Service into a viable enterprise, The losers the article identifies include: * FedEx and UPS who transport mail by air and rely on the USPS for delivery of parcels under 5 pounds * Amazon, NetFlix and Ebay that rely on the Postal Service for handling deliveries The article just touches the surface of the economic impact of the failure of the Postal Service. Numerous business both large and small that focus on serving limited geographic areas (e.g. pizza delivery, dentists, furniture retailers, opticians, and home repair firms) use mail as their primary means of advertising. Replacing the USPS with alternative delivery would be difficult for either the losers.
- [Gerson Layman Group](#) has published a well reasoned commentary entitled "Transformation is Essential to Save the Postal Service" Gerson Layman Group's interest in the USPS is due to the impact on thousands of privately held and publicly traded companies "from Wells Fargo, Time Inc., and Williams Sonoma to small businesses and the public, competitors such as UPS and FedEx, and suppliers like Pitney Bowes." The following paragraphs may be foretelling comments relating to Postal Service's troubles that investment analysts will add to opinions of companies of competitors, customers or suppliers of the Postal Service. For more information, check out "[Transformation is Essential to Save the Postal Service.](#)"


March 4, 2010


 [Modern Logistics](#) has reported that "-The United States Postal Service (USPS), while delivering a boatload of bad news in forecasting as much as \$238 billion in losses over the next 10 years, says it is counting on small


package shippers to prevent even larger losses. Postmaster General and CEO John E. "Jack" Potter, in a briefing with reporters earlier this week, said that while total mail volumes were expected to drop from 177 billion pieces last year to 150 billion last year (1.5 percent compound annual growth decline), the USPS package business is projecting increases of 1 billion pieces over the next decade (3 percent compound annual growth). Package services amounted to \$1.7 billion of the USPS's \$68 billion revenue last year. It is believed to be operated profitably, though there is no verifiable proof of that because it is so ingrained with other USPS businesses."


 According to [Business Week](#), "The U.S. Postal Service, facing a \$238 billion budget deficit by 2020, should consider cutting delivery to as few as three days a week as the agency attempts to pare costs."


 Announcing! [A Global Addressing Summit!!](#) The best minds and the most serious companies in the private sector and postal world will discuss the subject of Addressing through four different lenses: Economic Perspectives; Interoperability; Customer Perspective; Standards. All subjects relate to one of the steps in the direct mail address value chain shown below. This is the first of three conferences being organized over the coming 3 years by the Universal Postal Union to promote An Address For Everyone. This is the only one that will focus on the needs of business and the latest technologies for address system development. The Global Address Summit is being held during the annual Postal Operations Council meeting of the UPU to which more than one thousand experts and leading officials from postal systems world-wide come to work to improve the international mail system. It will generate a record of the needs of the private sector for improvement in addressing systems and present the latest in private sector thinking about this subject. The networking opportunities will be unprecedented. All sessions translated into English, Spanish, and French. If you are interested in participating as a speaker, article contributor, sponsor or attendee, send an email to Address@prescottreport.com and we will have the UPU contact you. They will need you name, title, company, address, email and phone number. There will be no charge for attending, but pre-registration will be necessary. Sponsorship opportunities are available for early evening reception, and programs. Tabletop space can be made available outside the meeting room in the large ante-room where coffee is served."


 [Press Release](#): "With less than three weeks to go until European Postal Services, time is running out to confirm your place. Join us in Brussels on 22nd, 23rd & 24th March to meet and discuss issues with over 200 of your industry peers. **For more details and to register, please contact us:** Phone: +44 (0)20 7760 8699 .Email: conferences@marketforce.eu.com Online: www.marketforce.eu.com/eupost


 The U.S. Postal Service is expanding its date-certain, guaranteed Express Mail International (EMI) to France through Le Groupe La Poste and Singapore through Singapore Post, marking the availability of the service to all member postal administrations in the Kahala Posts Group (KPG). The guaranteed EMI service to France (excluding the island of Corsica and the Principality of Monaco) and Singapore will be available beginning March 14, providing mailers with date-certain delivery at the time of mailing, tracking and tracing capabilities and consistently high levels of delivery standards. Terms and condition of the guarantee are available at http://www.usps.com/international/expressinternational_terms.htm.


 [DM News](#) has noted that "The US Postal Service saw a net loss of \$592 million for January, and a total loss of \$890 million for the first four months of its 2010 fiscal year, according to preliminary financial data released by the Postal Regulatory Commission on March 3. The data was made public one day after the USPS revealed its 10-year financial recovery plan. In January, the USPS' mail volume was 13.9 million pieces. For the first four months of the 2010 fiscal year, the agency mailed 59.7 million pieces."


 [APWU President William Burrus](#) condemned USPS proposals to reduce mail delivery to five days per week, saying, "It would be the beginning of the demise of the Postal Service." The USPS outlined the five-day delivery plan and other proposals at a conference March 2. "The assertion that the Postal Service must initiate major changes in its business plan to survive a grave crisis is false," he said. "It masks the central cause of USPS financial difficulties: the congressionally-imposed requirement to pre-pay retiree healthcare obligations. "Absent this crippling financial burden, the Postal Service would have experienced a cumulative surplus of \$3.7 billion over the last three fiscal years, despite declining mail volume, an economy in chaos, and electronic diversion," the union president noted."


 The [Associated Press](#) has noted, "The Postal Service unveiled a 10-year plan Tuesday for coping with its financially strapped future. Some questions and answers...."


 As the [Boston Globe](#) has noted, "Sen. Susan Collins of Maine is expressing skepticism over the U.S. Postal Service's proposal to cut Saturday mail delivery to fend off huge budget shortfalls. Collins is the ranking member of the Senate Homeland Security and Governmental Affairs Committee, which has oversight over the postal service. She said the postal service should focus on serving its customers better, attracting new customers and increasing volume -- not on cutting services."


 [Advertising Age](#) has reported that "The United States Postal Service's plan to eliminate a day of mail delivery could affect more than \$1 trillion worth of business via direct marketing and catalog mailings. But for now those sectors of the industry are preparing to adjust to a new reality rather than preparing protests."

 The [Christian Science Monitor](#) has asked: "Should the US Postal Service stop Saturday delivery? Most Americans say they can accept this, according to a Gallup poll last year. If only Congress would do the same."


 [KFDM](#) has told its viewers that "But while championed by the post office, the move is opposed by both national and regional postal workers unions, who say the federal government has other avenues available to lessen cost without having to cut short schedules. Southeast Texans are mixed on the matter... both on-line at KFDM's Facebook page and viewer forum, as well as at one of Beaumont's busiest postal stops."


 According to the [Herald-Zeitung](#), "The United States Postal Service unveiled major changes this week to soften potentially staggering financial losses, as more and more mail continues to be delivered with a click of a mouse rather than by the neighborhood mailman. Chief among a number of cost-cutting measures announced Tuesday by U.S. Postmaster General John Potter was that the postal service could cease delivery across the country on Saturdays, including to mailboxes in New Braunfels and Comal County. Potter said a shortened five-day delivery schedule, together with increased fees, could help the post office avoid losing a projected \$238 billion over the next decade. But while championed by the post office, the move is opposed by both national and regional postal workers unions, who say the federal government has other avenues available to lessen cost without having to cut short schedules."

 The [Boston Globe](#) has told its readers that "Most people send urgent correspondence via email or special-delivery services. That's one reason why it makes sense for the United States Postal Service to stop Saturday home delivery."


 According to the [Norwich Bulletin](#), the Postal Service "is a vital service, but a failing one. With annual losses of nearly \$300 million, it can no longer sustain itself. Changes in the way it operates are needed. The Postal Service needs to be more business-like. Cancellation of Saturday home delivery is one proposal that should be implemented. From a consumer point of view, five-day delivery will have little adverse impact. The Postal Service, like many organizations, has limited options available to it in terms of cutting costs. Rates will likely need to be increased in addition to the proposed reduction in services. Concessions also will be needed in terms of employee benefits."





 The [Richmond Times-Dispatch](#) has reported that "Mike Heatley isn't sold on the United States Postal Service's idea to do away with Saturday delivery. And he has a vested interest. Heatley, vice president of ColorTree Inc., a Richmond-based envelope manufacturer, thinks the move would only add to the ailing agency's woes and create a new set for him and others. "There's a short-term benefit, but I'm not so sure this is the long-term solution," he said. "It's just a further degradation of the services offered to the mailer." Heatley pointed out that marketing mail -- known to most as junk mail -- is the Postal Service's bread and butter, subsidizing the entire system. "When you do things that create problems for that group, it just makes alternative forms of message delivery more attractive," he said."


 [Hellmail](#) has reported that "After more than two months of talks, Royal Mail and the Communication Workers have managed to find the basis of an agreement to improve industrial relations and see continued modernisation of


the distribution of letters. It is hoped the agreement will see approval by the union's postal executive committee before a final vote by union members."


 [Deadtree Edition](#) has reported that "The U.S. Postal Service is preparing to hit magazine and newspaper publishers with sizable rate increases starting next year. In addition to seeking an extra rate hike for all mail next year, the U.S.P.S. will ask Congress for legislation that would allow Periodicals rates to be increased much faster than the rate of inflation. The long-range action plan postal officials released yesterday calls for changing "the fact that certain mail, such as nonprofit mail, Media Mail, Library Mail and Periodicals, does not presently cover costs." Postal officials want to "ensure that these products get to a point where they cover costs while contributing reasonably to overhead costs. An alternative would be appropriations funding to cover the gap. Based on the latest data from the Postal Service's Alice-in-Wonderland accounting system, Periodicals rates would need to be increased more than 31% for the agency to break even on the delivery of magazines and newspapers."

 According to [The Dagger](#), "County Executive David R. Craig and Harford County Government are partnering with the U. S. Postal Service to support the Harvest for the Hungry campaign."

 The [Washington Post](#) has reported that "Whether it was delivering packages via locomotive or launching 3,000 letters inside a guided missile, the U.S. Postal Service has always pushed the envelope when it comes to transportation. But with its fleet of aging delivery trucks -- and limited funds -- the agency needs another innovation. Starting this summer, the Postal Service, which operates the world's largest civilian vehicle fleet, will begin a year-long pilot program of electric mail trucks in the Washington area, using vehicles converted by five manufacturers."

 The [Post-Star](#) has told its readers that "Since the Constitution gives Congress authority over post offices and postal routes, only Congress can approve the changes the Postal Service needs. The federal government should give the Postal Service carte blanche to make any changes it needs to survive, including any aspect of the operation that involves making the agency more efficient and less costly. It could start by allowing the Postal Service to eliminate Saturday delivery and perhaps eventually cut back delivery to Monday, Wednesday and Friday. The Postal Service should also be given permission to close post office buildings, relocate offices to more convenient locations and offer more services outside its current scope. If, after all that, these measures don't restore the Postal Service to solvency, Congress should rethink whether a national mail delivery system created in the 18th century is still necessary in the 21st."

 According to [Minyanville](#), "it seems inevitable that the authority and presence of the USPS, with all its regulations and deficits, will eventually succumb to the power of the private sector. As technology and modernization has slowly eliminated the need for newspapers, magazines, and other classical businesses, the US mail system may be the next victim of the smother."

 According to the [New American](#), "In a microcosm, the postal service's difficulty is reflective of the government's attempt to operate anywhere outside the constraints of the Constitution."





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


- **“The Path Forward” of the Postal Service.** On March 2, Postmaster General John E. Potter presented a 10-year “action plan” to meet the challenges faced by the Postal Service as it encounters declining mail volumes combined with increasing overhead costs. What do you think is the most important action for the Postal Service to take to remain viable in the future?


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


March 3, 2010


 [Mailing Systems Technology](#) has an article on "Delivering Success at the 2010 National Postal Forum" by Steve Kearney.

 According to the [Greenwood Commonwealth](#), "As Postmaster General John Potter was making the argument the other day for dropping Saturday delivery, he said the financially beleaguered Postal Service was running out of other cost-cutting options. "We can't freeze wages. We can't freeze fuel costs," said Potter. He's only half-right. The Postal Service's cost structure is out of whack largely because of its overly generous pay and benefits structure. Mail carriers make on average \$47,000 a year, postal clerks \$50,000 -- about the equivalent of a U.S. schoolteacher. Postal workers receive not only much better insurance, leave and retirement benefits than most private sector employees, but in some cases even better than their federal government counterparts. And this for an enterprise that has been in steady decline, losing volume to other package deliverers, fax machines and now the Internet."

 [FederalNewsRadio](#) has reported that "Postmaster General John Potter says if lawmakers don't take action, the U.S. Postal Service will face a shortfall of \$238-billion dollars in the next 10 years. Bob Otto, a former Chief Information Officer and Chief Technology Officer at USPS and now the head of the Advisory Services Division at Agilex, suggests the Postal Service look back a decade for ideas to improve the next one."

 [WBZTV](#) has reported that "Sen. Susan Collins of Maine is expressing skepticism over the U.S. Postal Service's proposal to cut Saturday mail delivery to fend off huge budget shortfalls. Collins is the ranking member of the Senate Homeland Security and Governmental Affairs Committee, which has oversight over the postal service. She said the postal service should focus on serving its customers better, attracting new customers and increasing volume — not on cutting services."

 [Press Release](#): "BÖWE BELL + HOWELL has filed two new patent applications supporting the BBH® MAILStream Inveloper™, an innovative finishing system that produces dramatic improvements in throughput and efficiency while delivering significant reductions in production costs, waste and environmental impact. The system enables dynamic creation of personalized mailpieces in all standard formats and delivers high-impact messaging. The two new patent applications are for material designs and mailing applications that provide BBH MAILStream Inveloper users with even more options for managing customer communications."


 [Congress Daily](#) has reported that "Sen. Tom Carper, D-Del., on Tuesday endorsed Postmaster General John Potter's plan to cut U.S. Postal Service deliveries from six to five days as the agency suffers severe and continued declines in revenue."

Mailers' Technical Advisory Committee (MTAC)

New MTAC workgroups:











- A new workgroup for the Mailers Technical Advisory Committee has been formed. MTAC Work Group # 133. "Enhancing ACS Data Distribution and Format." If you have an interest in participating in this WG, please contact Industry WG Leader Adam Collinson and/or USPS WG Leader Lisa West.
- A new workgroup for the Mailers Technical Advisory Committee has been formed. MTAC Work Group #134. "Implement Optional FSS Presort Parameters." If you have an interest in participating in this WG please contact Industry WG Leader Bob Schimek and/or USPS WG Leader Ed Wanta.

 **At the Postal Regulatory Commission:** "The Postal Service's [January 2010 financials](#) can be found at the Postal Regulatory Commission website."

 As Valassis Communications Senior Vice President [Vincent Giuliano](#) has noted, "thirty days ago trade association & rate payer colleagues participated in the PostCom-sponsored "Postal Leadership Summit". Collectively, we agreed the #1 issue facing our industry today is the Postal Service's onerous payments required by PAEA for its pension and health care obligations which undermine the efficacy of the USPS as a reliable and


affordable medium. Our fight to end the "Stamp Tax" has begun. It's time for "March Madness" to cement the imperative to build on the momentum and consensus by pursuing a permanent correction and elimination of annual USPS pension/health care payments."


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


-  New Zealand Post's downturn trend continues in the first half of the fiscal year 2009/2010.
-  Posten Norden, Swedish Posten AB's and Post Danmark's joint venture, first fiscal year's result was hit by recession and electronic substitution.
-  Post Danmark was not able to bolster last year's hefty volume decline in the fourth quarter 2009. Post Danmark was not able to bolster last year's hefty volume decline in the fourth quarter 2009.
-  Disruptions in Royal Mail's quality of service caused by strikes could have costly consequences.
-  In conjunction with mail order group Otto's expansion, parcel service Hermes plans to enter the Russian market.
-  E-commerce is booming in France.
-  Great Britain is still the second most important market for TNT just behind the Netherlands.
-  MaltaPost p.l.c. was able to increase its pre tax profit by 10% (3.2m euros) in 2009, while the turnover decreased (-1.4%, 20.2m euros).
-  Bring Parcels: Pan Nordic Logistics (turnover 2008: 165.9m euros) wants to conquer the Scandinavian market with a new brand name and a new logo.
-  Around 10% of Bulgaria Post's staff will be laid off in the next months.





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.)*


 [Congress Daily](#) has reported that "Sen. Tom Carper, D-Del., on Tuesday endorsed Postmaster General John Potter's plan to cut U.S. Postal Service deliveries from six to five days as the agency suffers severe and continued declines in revenue."


 [UNI](#) has reported that "Postkom will mobilize against the EU postal directive on a local level since rural areas will be most impacted by the postal directive if it is to be implemented. The postal employees' union Postkom will mobilize against the EU postal directive. "If the directive is implemented, postal services will be worse and more expensive, particularly in rural areas. We are therefore mobilizing the grassroots in Norway against the directive, said Odd Christian Øverland, union leader in Postkom. Postkom's local organizational work now targeted to the local communities will express a resounding "no" to the EU postal Directive. A directive that will affect communities outside the Oslo area in the form of poorer and more expensive postal services."


 The [Troy Record](#) has reported that "The U.S. Postal Service is pushing for dropping Saturday mail delivery service in an effort to save money and fend off major financial losses, a proposal that's previously received a negative reception from Congress."


 The [Reno Gazette-Journal](#) has reported that "Reno-area postal officials and customers say they are not surprised at renewed U.S. Postal Service efforts to drop Saturday delivery, raise rates and close offices to deal with a projected \$7 billion loss this year."


 The [Oneonta Daily Star](#) has reported that "No mail on Saturday? Not a concern, area residents say."


 As the [Post-Tribune](#) put it: "Saturday mail out, rate hike in."


 [Post & Parcel](#) has reported that "Singapore Post Limited (SingPost) announced that it has signed a joint declaration with Egyptian National Postal Organisation today, officially establishing the bilateral partnership in the field of postal services."


 The [Wausau Daily Herald](#) has reported that "A veteran Wausau car dealer thinks the newest U.S. Postal Service recommendation to scrap Saturday mail delivery makes good sense in the age of digital communication. He's not alone."

 [Hellmail](#) has reported that "Businesses can now send physical mail direct from their computer to addresses across the UK for less than the cost of a second class stamp following the launch of an economy service from imail. The new black and white option for double-sided letters is available for as little as 29p per item, making it the cheapest solution of its kind currently available in the UK and offering savings of up to 65 per cent. The charge for sending a double-sided A4 letter will start from just 29p, with each additional side costing 2p up to a maximum of 8 sides, making it the most cost-effective mail service for multi-paged invoice runs. The black and white service will enable companies to create, customise and send double-sided letters via an easy-to-use web browser or downloaded print driver. The solution complements the existing full-colour offering available for letters, flyers, mailshots and postcards, providing a low cost alternative to communicating with customers, prospects, partners and suppliers. It is suitable for companies of all sizes and offers considerable savings when taking into consideration printing, production and postage costs."


 [MarketingWeek](#) has reported that "The Royal Mail is partnering with eBay to launch a service that provides brands with analysis and insight into consumer trends. Postcodes: Anonymous data The Royal Mail Insight Tool will provide access to more than 140 million transactional records from the 240 million eBay registers on an annual basis."


 [Auctionbytes](#) has reported that "The USPS published a plan on Tuesday to cope with a declining volume of mail, and it could have a significant impact on ecommerce. The USPS projected a \$238 billion shortfall in 2020 due to "unprecedented" volume declines. A possible move to a 5-day delivery schedule and likely fee changes could mean that online sellers who currently use the U.S. Postal Service might have to change the way they do business to satisfy consumer expectations."


 [Liteblue](#) has reported that "PMG Jack Potter has named Linda Welch vice president, Area Operations, for the Southeast Area. She was named acting vice president in January. Welch joined USPS in 1973 as a postal assistant. During her career, she has held a variety of positions. Prior to her current appointment, Welch served as manager of the Dallas District, where she was responsible for an area that serves 5.8 million customers."


 From [Time magazine](#): "It looks like this recession is finally over," declared Scott Davis, CEO of UPS, earlier this month while announcing 2009 earnings that were better than expected for the world's largest package carrier. Speaking to analysts on Feb. 2, Davis added, "Believe it or not, that makes 21 that UPS has successfully managed through." No doubt UPS shareholders are relieved after two of the hardest years in the 102-year-old firm's history. Indeed, only four months ago, the \$45 billion company disclosed a 43% drop in third-quarter profit, and 2008 likewise saw staff reductions, shuttered facilities and deep cost controls. Now it appears that UPS's ability to continually adjust to the economy and its ongoing evolution as a logistics provider has paid off. You may know it as an outfit that delivers the goods, but for UPS it's becoming less important that the folks in the brown trucks make the final handoff. Delivering a package efficiently is what it gets paid for. And the company is getting paid more often. "It's very rare to hear such bold statements from UPS management," says Helene Becker, transportation analyst for Jesup & Lamont Securities. "So we can take this to mean they truly believe the worst is behind us and UPS is ready to move forward."


 [Deadtree Edition](#) has told its readers that "The U.S. Postal Service plans to rely more on part-time employees as it adjusts its operations for declining mail volume."


 The [Washington Post](#) has reported that "The U.S. Postal Service estimated Tuesday that it will lose \$238 billion in the next decade if lawmakers, postal regulators and unions don't give the mail agency more flexibility in setting delivery schedules, price increases and labor costs. Estimates also predict that letter carriers will deliver 150 billion pieces of mail in 2020, a drop of about 26 billion pieces from last year. Postmaster General John E. Potter plans to press lawmakers and the Postal Regulatory Commission in the coming weeks to eliminate Saturday mail deliveries and allow the mail agency to raise prices beyond the rate of inflation, if necessary." See also the [Wall Street Journal](#).


 [Multichannel Merchant](#) has reported that "When it comes to calculating shipping and handling fees, merchants make a number of mistakes that can cost money. A big one is neglecting to pay attention to the rules parcel carriers have instituted for shipping large, lightweight packages."


 The [Herald Times Reporter](#) has noted that "the U.S. Postal Service will formally request this month that mail be delivered five days a week instead of the current six days....Here's the rub. Six-day delivery is federal law, and any change would require congressional approval. Congress is currently controlled by Democrats, who often are loath to reduce the hours or benefits of rank-and-file workers like postal carriers."


 The [San Luis Obispo Tribune](#) has reported that "Many San Luis Obispo County residents and business owners would be affected by the U.S. Postal Service's proposals to eliminate Saturday deliveries and increase rates. Gary Simas, 68, of San Luis Obispo runs an antique toy business and ships products to his customers using the Postal Service. For him, rates are paramount. "I'd rather see the post office close on Saturdays or stop Saturday deliveries than see shipping rates increase," Simas said. But American Flag & Gift owner Bridgett Solley uses the Postal Service to ship flags all over the country. Solley's Grover Beach business would be impacted if deliveries were only made five days a week because Saturday deliveries are one of the services that American Flag offers."


 The [San Francisco Chronicle](#) has reported that "Neither rain nor sleet nor snow can stop the U.S. mail. But the Internet can. And a bum economy helps. Local mail carriers were concerned for their jobs Tuesday after U.S. Postmaster General John Potter recommended eliminating Saturday delivery service as soon as 2011 to help staunch \$7 billion in annual losses attributed to pervasive online communication and bill payment services, and a substantial decrease in advertising mail shipped during the slow economy."

 The [Indian Express](#) has reported that "The CBI that is probing graft charges against Chief Postmaster General Manjit Singh Bali is now inquiring if Bali's office was authorised to give a no-objection certificate for developing a plot of land that was reserved for a post office."

 [Sky News](#) has reported that "Royal Mail and the postal union have struck a provisional deal which could end a long-running row over jobs, pay and services."

 As the [Chicago Tribune](#) has noted, "Some businesses want Saturday delivery."

 From the [National Association of Letter Carriers](#): "On March 2, the Postal Service sponsored a conference in Washington, DC, called 'Envisioning America's Postal Future' to kick off a debate over alternative business models for the 21st Century. NALC President Fred Rolando is advocating a "Last Mile" approach to reinventing the Postal Service (as outlined in [January's Postal Record](#)). "Adding new services to take advantage of the unmatched postal network and leveraging America's trust in letter carriers and the Postal Service is the key to the future," he said. "Eliminating Saturday delivery would be penny wise and pound foolish," Rolando added, "it would simply drive more mailers away." In the short term, Congress must reform the unaffordable retiree health prefunding requirement placed on the USPS in 2007 just as the Great Recession began. Over the long run, the Postal Service and its stakeholders must be given the freedom to innovate and meet the evolving needs of the American people and the American economy. President Rolando issued a [press release](#) that expressed NALC's views on the Postal Service's proposals. To find out more about this important topic, see the March issue of [The Postal Record](#) for the first of a series of articles on the alternative business models."

 [Federal News Radio](#) has reported that "big changes are coming to the Postal Service. Postmaster General John Potter says if lawmakers don't take action, USPS faces a shortfall of \$238 billion in the next ten years. That's why on Tuesday he proposed a plan that would limit mail delivery to five days a week, among other things. Bob Bernstock is the president of the Mailing and Shipping Services division of the Postal Service and explained what exactly Potter's plan calls for".




The following reports have been posted recently 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.


- [Capital Metro Area: Reducing Pieces at Risk \(Report Number DA-AR-10-001\)](#)
- [Highway Contract Route Transportation – Greater Chicago \(Report Number NL-AR-10-003\)](#)
- [Postal Service Sarbanes-Oxley Information Technology Fiscal Year 2009 Preparatory Testing \(Report Number FT-AR-10-011\)](#)



At the Postal Regulatory Commission:

"The Postal Regulatory Commission yesterday issued a Notice establishing Docket SS2010-1 to conduct a review of the Civil Service Retirement System (CSRS) pension liability of the United States Postal Service. "This is an important study which will provide information regarding the financial health and viability of the Postal Service, and it will assist the Commission as it analyzes the mounting financial losses the Postal Service is projecting," said Chairman Ruth Y. Goldway. The Commission action is called for under section 802(c) of the Postal Accountability and Enhancement Act, which directs the Commission, upon request of the Postal Service, to promptly procure the services of an actuary qualified to evaluate pension obligations to conduct a review in accordance with generally accepted actuarial practices and principles and to provide a report to the Commission containing the results of the review. Upon the Commission's receipt and approval of the actuary's report, together with any comments the Commission may choose to make, the report shall be submitted to the Postal Service, the U.S. Office of Personnel Management (OPM), and Congress."


 According to the [New York Times](#), "Postmaster General John E. Potter is again pushing this week to eliminate Saturday delivery as a cost-cutting measure at the beleaguered United States Postal Service, which is projected to lose \$7 billion this year. But his effort faces a big roadblock in the form of the Postal Regulatory Commission (PRC) and Congress. As I noted in a November story on the state of the Postal Service, PRC chair Ruth Y. Goldway has signaled that she has little interest in dropping Saturday service. In Congressional testimony in November, she said cutting a day of service could undermine "the vitality of the mail system" and threaten the postal monopoly. "From a market perspective, the Postal Service could lose its greatest strategic advantage - ubiquity," she said. "Reducing service is detrimental to mail growth and to public perception of the value of the mail system." She echoed those concerns this week, telling USA Today in response to news of the push to cut Saturday service that "the Postal Service is an essential part of the country's infrastructure, so you don't want to change it willy-nilly."


 [CNNMoney](#) has reported that "The U.S. Postal Service said on Tuesday that it would reduce its workforce by another 30,000 positions and slash overtime this year in an effort to reduce costs. Together these staffing reductions will result in cost savings equivalent to eliminating 50,000 full-time positions, according to Chief Financial Officer Joseph Corbett."




From the USPS to "To our valued Confirm customers: This message pertains to the transition from Confirm-based Pre-shipment Notification, i.e., Electronic Mailing Data (EMD) files, to Intelligent Mail Full-Service "Start-the-Clock" or Facility Access and Shipment Tracking (FAST) system appointment closeout information for shipments. The Postal Service has extended the cut-off date to support EMD files to May 14, 2010. During this


additional 60-day timeframe, the Postal Service will conduct a series of webinars to inform customers as to how they can utilize FAST to create appointments and to obtain appointment closeout information for shipments."

 The [Associated Press](#) has posted some "Facts and figures about the post office."

 [FoxNews](#) has provided "some fast facts about the Postal Service's budget problems."

- The Postal Service posted \$3.8 billion in losses in fiscal 2009. Potter says that number could hit \$7 billion in 2010.
- Mail volume has dropped dramatically in the last few years. The agency handled 213 billion pieces of mail in 2006, but only 177 billion pieces in 2009. The 2009 figure represented a 13 percent decline from the year before. Potter projected the number would drop to 166 billion for fiscal 2010.
- Operating revenue fell 9.1 percent to \$68.1 billion in 2009.
- To close the gap, Potter proposes cutting Saturday delivery, using price increases in "moderation" as well as pursuing other options. He says exceptions will be made for those who need Saturday service and that the Postal Service will still operate on weekends. Cutting Saturday delivery alone is estimated to save \$3.5 billion annually.
- Potter is looking at reducing the number of post offices as well as seeking a change in the law so that the Postal Service does not have to make multi-billion dollar retirement benefit payments in advance.
- Consultants considered privatization of the Postal Service, but concluded that that is an "unlikely" option.

 [News Release](#): "Facing unprecedented volume declines and a projected, cumulative \$238 billion shortfall during the next decade, Postmaster General John E. Potter has outlined an aggressive plan of cost cutting, increased productivity, and an array of legislative and regulatory changes necessary to maintain a viable United States Postal Service. For more information, fact sheets, soundbites and graphics, please visit www.usps.com/strategicplanning/futurepostalservice.htm."

 The [Washington Post](#) has noted that "The U.S. Postal Service issued a worst-case scenario cry for help on Tuesday, anticipating \$238 billion in losses in the next 10 years if lawmakers, postal regulators and unions don't give the mail agency more flexibility in setting delivery schedules, price increases and labor costs. The estimates released Tuesday also predict that letter carriers will deliver just 150 billion pieces of mail in 2020 -- a 26 billion-piece drop from last year as Americans shift more of their correspondence and transactions to the Internet and as marketers shift from first-class mail to the cheaper standard-mail option."

 ***From the Federal Register:***

Postal Service

RULES

Nomenclature Change Relating to the Network Distribution Center Transition ,
9343-9345 [2010-4172]

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

Neither rain nor sleet nor snow can stop the U.S. mail.

But the Internet can. And a bum economy helps.

Local mail carriers were concerned for their jobs Tuesday after U.S. Postmaster General John Potter recommended eliminating Saturday delivery service as soon as 2011 to help staunch \$7 billion in annual losses attributed to pervasive online communication and bill payment services, and a substantial decrease in advertising mail shipped during the slow economy.

Read more: <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/03/02/MNI21C9N11.DTL#ixzz0h7LycbbN>

New Postal Product ,
9523-9527 [2010-4410]

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

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March 2, 2010



USPS to submit its 5-day delivery plan to the Postal Regulatory Commission later this month.



[Postal Service](#) outlines 10-year plan to address declining revenue and volume. It seeks flexibility on operations, delivery; possible 2011 price increase. For more information, fact sheets, soundbites and graphics, please visit www.usps.com/strategicplanning/futurepostalservice. Link will become active later today.



[USPS NewsLink](#) has noted that "In a message to employees, Potter says that despite the best efforts of employees to save money and improve efficiency, economic and technological forces beyond the Postal Service's control continue to impact revenues. He expects mail volume to continue dropping — by 20 billion mailpieces in the next 10 years."



The [Washington Post](#) has reported that the "U.S. Postal Service will release projections Tuesday that confirm for the first time the suspicion that mail volume will never return to pre-recession levels. In response, the agency is pushing anew for a dramatic reshaping of how Americans get and send their letters and packages. Customers are continuing to migrate to the Internet and to cheaper standard-mail options, and away from the Postal Service's signature product -- first-class mail, Postmaster General John E. Potter will report in announcing the projections." See also [The Wall Street Journal](#) and [USA Today](#).




The [Associated Press](#) has reported that "A regulatory filing shows the chairman and chief executive of UPS, Scott Davis, received total compensation valued at \$5.5 million last year, a 6.2 percent increase from 2008. Monday's filing shows Davis received a salary of \$1 million, a performance-based bonus of \$130,523 and other compensation of \$31,345."



At the Postal Regulatory Commission: [Docket No. SS2010-1](#). "On February 23, 2010, the United States Postal Service (Postal Service) filed a request with the Postal Regulatory Commission (Commission) pursuant to section 802(c) of the Postal Accountability and Enhancement Act (PAEA). Pub. L. No. 109-435, 120 Stat. 3250 (2006), not codified; see 5 U.S.C. 8348 note.1 The Postal Service requests that the Commission initiate a review of determinations made by the Office of Personnel Management (OPM) regarding the Postal Service's Civil

Service Retirement System (CSRS) liabilities and matters raised in a recent report of the Postal Service's Office of the Inspector General (OIG), The Postal Service's Share of CSRS Pension Responsibility, January 20, 2010."

March 1, 2010


 According to the [Courier, Express, and Postal Observer](#), "First PepsiCo and now Coca Cola have decided to buy out their bottlers. In doing so, both companies have decided that the long term health of the beverage industry requires integrating the syrup producing business (i.e. Coca Cola or Pepsi) with the bottling business (i.e. Coca Cola Enterprises, Pepsi Bottling Group and Pepsi America). These two companies have both decided that it does not make sense to separate the "last mile" in the soft drink business (bottling and store distribution) from the "first mile" (syrup production and marketing) of the business. The issues that Coca Cola and PepsiCo faced when deciding that a century old "first-mile" only strategy no longer worked apply as well when thinking about the Postal Service and how worksharing has created a "last-mile" culture and postal observers, like [Robert Cohen](#) and others suggesting that the Postal Service pursue a "last mile" only strategy."


DMM Advisory: PVDS WEBINAR — LEARN ABOUT BULK MAIL AND DROP-SHIP ACCEPTANCE FOR 2010


The Postal Service™ continues to look at all areas of its business with an eye to becoming more efficient and cost effective. At the same time, our commitment to customer service remains a top priority. With this commitment in mind, we invite customers to attend Plant Verified Drop Shipment (PVDS) webinars. These webinars, which have been offered over the past few weeks, touch on key steps in accepting drop-ship mailings. If you have not yet attended a PVDS webinar, we offer the chance to take part in one this Thursday, March 4, beginning at 2:00 p.m. (EST). Join Pritha Mehra, vice president, Business Mail Entry and Payment Technologies, and Vincent DeVito, vice president, Controller, for a discussion on drop-ship mailing processes followed by a question and answer session. Here's how to attend the 90-minute webinar: (1) Audio only: Dial 1-877-512-0764, meeting ID: 7989790; (2) Web conference with audio:


- Go to <http://meetingplace5.usps.gov/join.asp?7989790>
- After the MeetingPlace window opens, click the phone icon (under the participant list or in the upper right-hand corner).
- Click connect me and validate your phone number, or update your phone number and click connect me again.
- When the MeetingPlace system calls you on your phone, press #1 to join the webinar.

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

 [Trading Markets](#) has reported that "DHL, UPS, FedEx, and TNT, the largest express deliverers around the globe, will be able to enjoy a mechanism for regular communications with the Chinese government. Recently, the State Post Bureau of China held a meeting about foreign express delivery companies, and decided that the China Express Delivery Association would prepare for a foreign investment department as the mechanism. The four giants have paid much attention to the Chinese market. TNT Hoau, which is wholly owned by TNT, has vied for the 2010 third-party logistics distribution cooperation with Joyoung, a famous small household appliance maker based in Jinan, Shandong Province, north China. "

 [Post & Parcel](#) has reported that "La Poste changed its status on Monday, 1 March to become a limited company with 100% public ownership. "La Poste will be able to develop, true to its mission of public service," said Jean-Paul Bailly, Chairman of the Group."

 [Internet Retailer](#) has reported that "Peter Horan, who was named CEO of Goodmail Systems in May 2008, gave up the CEO title this month, but remains chairman of the e-mail authentication service provider. President and chief operating officer Daniel Dreymann will take over Horan's management responsibilities."


 [Presort.com](#) has published a piece by Mary Ann Bennett on "Concerns Regarding Postal Inspection for Move Update."




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


- **Could Longer Lines Be Coming to Your Local Post Office...Lottery Lines?** Would running a national lottery help the Postal Service close its multibillion-dollar budget gap, build foot traffic to post offices, and increase retail sales of postal products?


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


 [Graphic Arts Online](#) has reported that "Brown Printing Company, in conjunction with their partner ALG Worldwide Logistics, today announced the expansion of their co-mail capacity and capabilities with the acquisition of two new SIM co-mail lines."


 [Media Daily News](#) has reported that "Newsweek's plans to reshape the magazine into a lower-circulation weekly with a more Economist-like feel do not seem to be paying off. Tucked in the fourth-quarter earnings report from parent Washington Post Company were numbers suggesting the magazine lost \$28.1 million in 2009, the first year of the process."

 **At the Postal Regulatory Commission:** The Postal Regulatory Commission has posted on its web site the [Postal Service's December 2009 financials](#).

 [Advertising Age](#) has reported that "Publishers fighting hard to squeeze every last dollar out of their online-ad inventories have turned to a variety of players to help them make the most of that space. But in doing so, they've let a lot of hands into the cookie jar and may find that the increasing complexity -- and the crumbs they're left with -- aren't worth the effort."

 The [New York Times](#) has reported that "Condé Nast's plans for the iPad tablet computer from Apple are getting firmer. Skip to next paragraph Andrea Mohin/The New York Times Thomas Wallace, editorial director of Condé Nast, said a range of magazines would be tested. The company already has an iPhone version of GQ. The first magazines for which it will create iPad versions are Wired, GQ, Vanity Fair, The New Yorker and Glamour, the company plans to announce in an internal memorandum on Monday. GQ will have a tablet version of its April issue ready. Vanity Fair and Wired will follow with their June issues, and The New Yorker and Glamour will have issues in the summer."

 [AllAfrica.com](#) has reported that "Fresh concern over the government agencies and departments regulating their counterparts across different sectors of the economy was heightened over the weekend as Nigerian International Air Couriers Association (NIACA) and Association of Nigeria Courier Operators (ANCO) at a joint press conference appealed to Federal Government and relevance authorities to intervene by revoking the act mandating NIPOST to act as courier and postal industry regulator."

 NBC has reported that "On Monday, Representatives from the U.S. Postal Service will ask Congress to approve something they have wanted for a long time: five-day work weeks. This comes at a time when fewer people mail items the traditional way, and that is slashing into its profits. The Postal Service reported a \$297 million loss in just the first quarter of the fiscal year."